SCOPE APPENDIX to
Engagement Letter dated: November 11, 2021
Between the City of Joplin MO and
Baker Tilly Municipal Advisors, LLC

RE: Economic Development Assistance – Prospect Village
DATE: June 7, 2024

This Scope Appendix is attached by reference to the above-named engagement letter (the "Engagement Letter") between the City of Joplin ("Client") and Baker Tilly Municipal Advisors, LLC ("BTMA") and relates to services to be provided by Baker Tilly Municipal Advisors, LLC.

SCOPE OF WORK

Baker Tilly Municipal Advisors will perform the following tasks in association with the proposed Prospect Village project ("Project"). At the Client's discretion, services may be omitted if the Client determines the service is not needed.

Task 1. Developer Review
BTMA will independently analyze whether the applicant possesses the financial and managerial capacity to deliver the Project as proposed to include a review of the applicant's financials, references and responses to disclosure questions. If there are gaps in information provided by the applicant, BTMA will identify those gaps and explain why and if they preclude a complete understanding of the applicant's capacity.
BTMA will evaluate the strengths, challenges and risks of the financing plans put forth by the respondents.

Task 2. Public Cash Flow Analysis
BTMA will prepare an analysis of the applicant's public revenue projections.

a. Evaluation of the applicant's base assumptions.

b. Substitution of alternative assumptions, if warranted.

c. Calculation of projected revenues utilizing applicant's and recommended alternative assumptions.

d. If applicable, estimation of the net bond proceeds supported in the current marketplace by the dedicated revenue streams.

Task 3. Internal Rate of Return (But-For) Analysis
BTMA will provide an Internal Rate of Return Analysis based upon the applicant's Project proforma.

a. Review the applicant's proforma and related information to confirm accuracy of the calculations and reasonableness of assumptions.

b. Identify alternative assumptions, if warranted.

c. Calculate the unleveraged internal rate of return utilizing the applicant's assumptions and BTMA's suggested alternative assumptions.

e. Compare the calculated internal rate of return to the rate of return required by investors in similar projects.

f. Complete and convey a draft Analysis to the applicant for identification of confidential information and factual errors. Revise Analysis, as needed.

g. Convey the draft Analysis to Client for review and comment.

h. Hold a meeting (virtual or in-person) with Client to discuss the Analysis findings.

i. Finalize and convey to Client the final Analysis.

j. Present the Analysis results at TIF Commission and City governing body meeting(s).

Task 4. Fiscal Impact Analysis
BTMA will forecast the net fiscal impact to the Client and, if desired, other impacted taxing entities based upon the requested level of incentive.

a. Working with the Client and applicant, identify baseline assumptions for the analysis.

b. Estimate anticipated primary and – if desired – secondary benefits and costs for each taxing entity during the incentive period. Calculate the net benefit/loss for each taxing entity.

c. Prepare a draft report that will contain our findings and conclusions. Hold a remote meeting with the Client to review and discuss the draft report. Modify report as needed based on discussion with the Client.

Task 5. General Economic Development Consulting
BTMA will assist the Client in review of the applicant's proposals, negotiation with applicant, preparation of all entitlement documents and other matters related to the Project. BTMA will assist in the preparation of a term sheet documenting the results of negotiations for incorporation into the development agreement and other entitlement documents. As needed and requested, BTMA will meet with the Client's Project team and governing body members to inform them of the status of the project and further negotiations. During negotiations, BTMA will consider alternative Project funding sources (grants, tax credits, etc.).

DELIVERABLES (based upon Client's initial requested Scope of Services)

a. A written Developer Review, Internal Rate of Return Analysis,Public Cash Flow Analysis and Fiscal Impact Analysis. Reports shall be presented in electronic format suitable for reproduction by the Client.

b. Remote meetings with the Client to discuss each report.

c. Presentation of the Internal Rate of Return Analysis (and other reports, if desired by the Client) at TIF Commission and City governing body meetings.

SCHEDULE

Delivery dates will be mutually determined by the Client and BTMA. BTMA's ability to complete the work will be highly impacted by the applicant's responsiveness to requests for information.

PROJECT TEAM



Tom Kaleko — Principal

Role: Principal in charge

Tom has provided financial advice to Missouri and Kansas cities, counties and school districts since 2005. Previously, he served for 20 years in various city management roles. Tom has extensive experience helping high-growth communities address their capital needs. He specializes in the areas of economic development and development finance – aiding in the evaluation and financing of mutually beneficial public-private partnerships. Tom is uniquely adept at communicating complex information. He received a Master of Public Administration from the University of Kansas and a Bachelor of Business Administration from the University of Tennessee. Tom is MSRB Municipal Advisor Series 50 and Series 54 Qualified.



Kolbe Krzyzanowski, Manager

Role: economic development specialist

Kolbe joined the firm in 2021, bringing experience in local government and economic development. Before joining Baker Tilly Municipal Advisors, LLC, Kolbe worked as an independent research consultant and economist for a large city in Missouri. He played a crucial role in the preparation of a $1.7 billion annual budget, provided analytical support for strategic initiatives, created complex financial models, and conducted policy, program, fiscal, and economic analyses, including developing cost-benefit and feasibility studies for economic development projects.



Joshua Davis — Consultant

Role: Quantitative analysis

Joshua joined the firm in 2023 after graduating from The University of Chicago with a master's degree in public policy where he specialized in municipal finance, energy and environmental policy, and data analytics. Joshua provides analytic and quantitative support on general obligation and revenue-backed financing for state and local entities, debt structuring, and issuer credit rating analysis. Joshua's professional background includes previous work in governmental affairs and was a recipient of the Energy Policy Institute's Bartlett Fellowship at The University of Chicago.

COMPENSATION AND INVOICING

Fees for services set forth in this Scope Appendix will be billed monthly at the Standard Hourly Rates in the table below.

Standard Hourly Rates	
Staff Level	Hourly Rates
Partner / Principal /Director	$295-$525
Manager	$235-$340
Consultant / Analyst	$160-$235
Support / Paraprofessional	$115-$175

Billing rates are subject to change periodically due to changing requirements and economic conditions. Baker Tilly will notify Client thirty (30) days in advance of any change to fees. If Client does not dispute such change in fees within that thirty (30) day period, Client will be deemed to have accepted such change. The fees billed will be the fees in place at the time services are provided. Actual fees will be based upon experience of the staff assigned and the complexity of the engagement.

BTMA will invoice the Client for out-of-pocket expenses such as travel, copies, faxes, conference calls, credit reports, the cost of research information, or other expenses necessary to complete this Scope of Services. Additional work requested and authorized by the Client outside this Scope of Services will be invoiced at the Standard Hourly Rates.

BILLING PROCEDURES

Normally, you will receive a monthly statement showing fees and costs incurred in the prior month. Occasionally, we may bill on a less frequent basis if the time involved in the prior month was minimal or if arrangements are made for the payment of fees from bond proceeds. The account balance is due and payable on receipt of the statement.

NONATTEST SERVICES

As part of this engagement, we will perform certain nonattest services. For purposes of the Engagement Letter and this Scope Appendix, nonattest services include services that the *Government Auditing Standards* refers to as nonaudit services.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- Evaluate the adequacy and results of the nonattest services we perform.
- Accept responsibility for the results of our nonattest services.
- Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

CONFLICTS OF INTEREST

Attachment A to the Engagement Letter contains important disclosure information that is applicable to this Scope Appendix.

We are unaware of any additional conflicts of interest related to this Scope Appendix that exist at this time.

TERMINATION

Notwithstanding termination provisions contained in the Engagement Letter, it is agreed that relative to this Scope Appendix that both the Client and Baker Tilly have the right to terminate the work being done under the Scope Appendix. This Scope Appendix will otherwise terminate 60 days after completion of the services described herein. On termination, all fees and charges incurred prior to termination shall be paid promptly.

If this Scope Appendix is acceptable, please sign below and return one copy to us for our files. We look forward to working with you on this important project.

Sincerely,

Tom Kaleko

Signature Section:

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client by:

Name: Leslie Haase
Title: FINANCE DIRECTOR
Date: JUNE 12, 2024