Reedy Financial Group P.C.
Real Experience. Real Solutions.

www.ReedyFinancialGroup.com

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April 28, 2025
Town of Danville, Indiana Municipal Utilities
49 North Wayne Street
Danville, Indiana 46122

Attention: Town Council Members

We are excited for the opportunity to work with the Town of Danville Municipal Utilities to provide expert governmental accounting and financial advising services that have made Reedy Financial Group a valuable asset to all of our clients.

The purpose of this letter is to formulate a mutually acceptable agreement between the Town of Danville Municipal Utilities ("the Utilities") and Reedy Financial Group, PC ("RFG") pursuant to which RFG will perform certain professional services as directed by the authorized representatives of the Utilities. The effective date of this agreement and the attached RFG Engagement Terms (Attachment A & Attachment B) are as of the date of signing by the Utilities and may be terminated by either party in writing to the address listed above. In the event of termination by the Utilities, RFG shall be entitled to payment for all services provided prior to termination by the Utilities. This agreement will be used as a basis for assigning projects or financial advisory work to RFG. However, the agreement does not guarantee that any assignments will be given to RFG, and the work performed can be discontinued at any time.

The RFG team is proud to formally submit the attached proposal. Innovation and uncompromised attention to detail are at the core of everything we do. We are first and foremost an expert accounting firm, more than capable of delivering the terms of this engagement. In addition to meeting the requirements of this engagement, our goal is to build a lasting relationship with the Utilities and provide an unprecedented level of service.

We appreciate the opportunity to work with the Town of Danville Municipal Utilities!

Our Mission *through the years*

RFG takes a comprehensive approach to governmental financial advisory services. Our mission is to empower our clients through education, evaluation, and guidance on the financial landscape entrusted to them.

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1.0 FIRM INFORMATION AND BACKGROUND

1.1 CONTACT PERSON/PROJECT LEAD

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The following are the locations of RFG:

Seymour, Indiana
Indianapolis, Indiana – Keystone Crossing

1.2 COMPANY BACKGROUND

RFG's legal name is Reedy Financial Group, P.C. and has its principal location at 103 Community Drive, Seymour, IN 47274 with a secondary location at 9000 Keystone Crossing Suite 660, Indianapolis, IN 46204. RFG is a registered Domestic Professional Corporation in the State of Indiana that has been in business since January 1st, 2009. RFG has no subsidiaries and currently employs a staff of over 20 highly trained and professional employees.

1.3 COMPANY INFORMATION

We provide each client with customized services that will help them accomplish their financial objectives. Examples of the services we provide include, but are not limited to, the following: daily bookkeeping, bank reconciliation, budget preparation, monthly/quarterly/annual reporting, periodic management reporting, bond financing, Tax Increment Financing (TIF), annexations and re-organizations, long-term operating and capital improvement planning and utility rate studies. RFG has three main focuses that have developed into three internal departments: financial planning and budgeting, municipal finance, and utilities and bookkeeping.

2.0 SCOPE OF SERVICE

Services provided by RFG under this agreement would include the following for Danville Municipal Storm Water, Wastewater and Water:

1. Long-Term Operational & Capital Improvement Plan and Annual Budget. The Plan consistently tracks the adequacy of current rates in comparison to the operational and project-based needs of the utility and efficiently converts into a Rate Study when the unit is prepared to implement new rates. The Plan is typically updated semi-annually: (1) Q1 reviewing the prior calendar year and (2) Q3 reviewing the first six months of the current calendar year and preparing the ensuing calendar year budget. Best practices indicate a municipally owned utility should prepare and manage an annual budget, even though DLGF/Gateway does not require the process. Ideally, it is completed in tandem with the Town's budget, as there is potential administrative funding and PILOT through the Utilities.
    a. The Plan will provide the following, but not limited to:
        i. Operation and Maintenance Expenses
        ii. Allocable Town Administrative Costs
        iii. Extensions and Replacements (funding of the Replacement Fund) based on Capital Improvement Plan and necessary projects
        iv. Debt Service Requirements
        v. Debt Service Reserve Requirements
        vi. Revenue Bond Coverage Requirements
        vii. Payment in Lieu of Taxes
        viii. Cash Reserves
        ix. Ten-Year Cash Flow Progression
        x. Creating and Maintaining a Capital Improvement Plan
    b. Service will include semi-annual meetings.
    c. The fee for service **shall be fixed annually at $24,000 for 2025 and $19,500 for the following years, unless otherwise determined.**
2. General Ledger/Accounting.
    a. Assist with ledger maintenance ensuring compliance with bond ordinances, rate ordinances and other statutory requirements.
    b. Management report comparing the most recent rate report results, current budget and YTD spending, updated as specified by the Utilities.
    c. Accrual accounting assistance, if applicable.
    d. The fee for service **shall be billed at RFG's hourly rates as set forth below.**
3. Rate Studies. RFG is available to prepare the utility rate studies. This service is typically needed every 3-5 years or as necessary for projects.
    a. This report seamlessly converts from the Long-Term Operational and Capital Improvement Plan, ensuring the Utilities are properly funding (1)(a)(i – x) listed above.
    b. Depending on the type of rate study elected, as well as if the Utilities are utilizing the Long-Term Operational and Capital Improvement Plan, the fee for service could range from $5,000 - $12,500.
4. Indebtedness. RFG is available to serve as Municipal Advisors for the Town's utility revenue bonds.

a. This service is paid from the bond proceeds, and not directly from the Town.

5. Special Projects. From time to time, RFG is asked to prepare certain reports or perform work which may not be clearly identifiable in the aforementioned service categories above. For this reason, we have a Special Projects billing code which can and may be used for these types of financial or accounting related activities.

Unforeseen/Unanticipated Events

RFG has attempted to account for each aspect of the project as it relates to the Financial Advisor's role in any service provided. However, there could be unforeseen and/or unanticipated events, such as the condition of the Utilities financial records and the availability of records, which cause a project to be extended. RFG will inform the project manager prior to beginning any work not specifically covered. RFG will also confer with the proper persons when unanticipated issues arise. Additional work that arises outside the scope of service is to be billed at the normal rates utilized by RFG.

We shall invoice monthly based on hours billed. Our hourly rate ranges (depending on the complexity of services) are outlined as follows:

Position:	**Hourly Rate Range:**
Owner/Director – Administrative	$285.00 - $50.00
Out of Pocket Expense	At Cost

NOTE: We do not charge a retainer or provide transaction based compensation; rather we submit bills based on hours worked.

We will not be auditing, reviewing, or compiling the Town of Danville Municipal Utilities financial statements as defined by the American Institute of Certified Public Accountants (AICPA).

In response to Municipal Securities Rulemaking Board (the "MSRB") Notice 2011-37 dated August 3, 2011 (the "2011-37 Notice") and in compliance with MSRB Rule G-17 ("G-17"), Reedy Financial Group, P.C. ("RFG") deems it necessary to disclose certain evidences regarding its role as financial advisor or municipal advisor.

The MSRB has adopted G-17. G-17 requires municipal advisors to "deal fairly with all persons and shall not engage in any deceptive, dishonest or unfair practices."

The 2011-37 Notice brings to the attention of financial advisors information pertaining to engagement in certain activities that could require them to register with the SEC as a broker and become subject to MSRB rules that apply to brokers, dealers, and municipal securities dealers. The 2011-37 Notice states that "under principles described by the SEC in no-action letters, if financial advisors engage in certain activities with respect to placements of municipal securities by issuers, they may be considered to be acting as a "broker" and, depending on the nature of such activities, could be viewed as placement agents. Activities of particular concern are introductions of potential investors to an issuer or negotiation with potential investors, in either case coupled with the receipt of transaction-based compensation."

Accordingly, and in compliance with G-17 and the 2011-37 Notice, RFG hereby expressly states that: (a) it is acting solely as financial advisor or municipal advisor and not as a underwriter or placement agent in connection with all services proposed and/or provided; (b) any services provided by RFG as they relate to its role as Financial Advisor or Municipal Advisor should not be construed by anyone to be those provided by an underwriter or placement agent; and (c) RFG does not engage in any of the activities outlined in the 2011-37 Notice that would cause it to be viewed as a "broker" or placement agent. Particularly, RFG does not engage in transaction-based compensation.

Pursuant to Indiana Code § 22-5-1.7-11, RFG has to enroll in and will verify the work eligibility status of all newly hired employees through E-Verify.

Please sign and date below to acknowledge your agreement with the above stated terms.

Carrie E Hofton DATE: 5/21/25

Authorized Representative

AFFIDAVIT

I, Eric Reedy, do hereby state as follows:

1. I am the owner (Officer or other Capacity) of Reedy Financial Group, PC (Contractor), and I have personal knowledge of all matters set forth in this Affidavit.
2. Contractor has enrolled and is participating in the E-Verify program.
3. Contractor does not knowingly employ an unauthorized alien.
4. Contractor does not receive transaction based compensation

I SWEAR OR AFFIRM UNDER THEPENALTIES FOR PERJURY THAT THE FOREGOING STATEMENTS ARE TRUE.

Eric Reedy

Eric Reedy
(Printed)

3.0 ATTACHMENT A

RFG Engagement Terms

Reedy Financial Group, PC ("RFG") wants you to understand the basis under which we offer our services to you and determine our fees, as well as to clarify the relationship and responsibilities between your organization and ours. These terms are part of our engagement letter and apply to all future services, unless a specific engagement letter is entered into for those services. We specifically note that no advice we may provide should be construed to be investment advice.

YOUR ASSISTANCE - For us to provide our services effectively and efficiently, you agree to provide us timely with the information we request and to make your employees available for our questions. The availability of your personnel and the timetable for their assistance are key elements in the successful completion of our services and in the determination of our fees. Completion of our work depends on appropriate and timely cooperation from your personnel; complete, accurate, and timely responses to our inquiries; and timely communication by you of all significant accounting and financial reporting matters of which you are aware. If for any reason this does not occur, a revised fee to reflect the additional time or resources required by us will be mutually agreed upon, and you agree to hold us harmless against all matters that arise in whole or in part from any resulting delay. If circumstances arise that, in our professional judgment, prevent us from completing this engagement, we retain the right to take any course of action permitted by professional standards, including but not limited to withdrawing from the engagement.

THIRD PARTY PROVIDER - We may use a third-party service provider in providing professional services to you which may require our sharing your confidential information with the provider. If we use a third-party service provider, we will enter into a confidentiality agreement with the provider to require them to maintain the confidentiality of your confidential information. The terms of our engagement letter and these engagement terms shall apply to any third party provider.

CONFIDENTIALITY - We will maintain the confidentiality of your confidential information in accordance with professional standards. You agree not to disclose any confidential material you obtain from us without our prior written consent. Your use of our work product shall be limited to its stated purpose only. We retain the right to use the ideas, concepts, techniques, industry data, and know-how we use or develop in the course of the engagement.

CONSUMER PRIVACY - In order to provide the services called for in this engagement, you may be disclosing to us certain nonpublic personal information regarding your accounts, customers, and consumers. We will not disclose any such nonpublic personal information except to you and our employees and agents to the extent permitted by law. We have implemented and will maintain physical, electronic and procedural safeguards reasonably designed to protect the security, confidentiality and integrity of, to prevent unauthorized access to or use of, and to ensure the proper disposal, of nonpublic personal information regarding your customers or consumers.

CHANGES - We may periodically communicate changes in laws, rules, or regulations to you. However, you have not engaged us to and we do not undertake an obligation to advise you of changes

in laws, rules, regulations, industry or market conditions, your own business practices, or other circumstances, except to the extent required by professional standards.

PUBLICATION - You agree to obtain our specific permission before using our report or our firm's name in a published document, and you agree to submit to us copies of such documents to obtain our permission before they are filed or published.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES - Any liability of RFG to you shall not include any special, indirect, consequential, incidental, punitive, or exemplary damages or loss nor any lost profits, savings, or business opportunity.

LIMIT OF LIABILITY - The provisions of this section establishing a limit of liability will not apply if, as determined in a judicial proceeding, we performed our services with gross negligence or willful misconduct. Our engagement with you is not intended to shift risks normally borne by you to us. With respect to any services or work product or this engagement in general, the liability of RFG and its personnel shall not exceed the fees we receive for the portion of the work giving rise to liability. A claim for a return of fees paid shall be the exclusive remedy for any damages. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted. This limitation of liability shall also apply after termination of this agreement.

INDEMNIFICATION FOR THIRD-PARTY CLAIMS - The provisions of this section for indemnification will not apply if, as determined in a judicial proceeding, we performed our services with gross negligence or with willful misconduct. Our engagement with you is not intended to shift risks normally borne by you to us. In the event of a legal proceeding or other claim brought against us by a third party, you agree to indemnify and hold harmless RFG and its personnel against all costs, fees, expenses, damages, and liabilities, including defense costs and legal fees, associated with such third-party claim arising from or relating to any services or work product that you use or disclose to others or this engagement generally. This indemnification is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted. This indemnification shall also apply after termination of this agreement.

NO TRANSFER OR ASSIGNMENT OF CLAIMS - No claim against RFG, or any recovery from or against RFG, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS - In no event shall any action against you or RFG, arising from or relating to this engagement letter or the services provided by RFG relating to this engagement, be brought after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS - If we are requested by subpoena, other legal process, or other proceedings to produce documents pertaining to you and we are not a named party to the proceeding, you will reimburse us for our professional time, plus out-of-pocket expenses, as well as reasonable attorney fees we incur in responding to such request.

MEDIATION - If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between you or any of your representatives, and RFG, and if the dispute cannot be settled through negotiation, you and RFG agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. The results of mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation shall be shared equally by both parties.

JURY TRIAL - In the unlikely event that differences concerning our services or fees arise between us that are not resolved by mutual agreement or mediation, you and we agree to waive a trial by jury to facilitate judicial resolution and save the time and expense of both parties.

LEGAL AND REGULATORY CHANGE - The scope of services and the fees for the services covered by the accompanying letter are based on current laws and regulations. If changes in laws or regulations change your requirements or the scope of our work, you and we agree that our fees will be modified to a mutually agreed-upon amount to reflect the changed level of our effort.

NON-SOLICITATION - You and we acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will solicit any personnel of the other party for employment without the prior written consent of the other party. If an individual becomes an employee of the other party, the other party agrees to pay a fee equal to the individual's compensation for the prior full twelve-month period to the original employer.

Reedy Financial Group, P.C.
103 Community Drive
P.O. Box 943
Seymour, Indiana 47274

Disclosure Brochure and Privacy Policy as of June 2015

Disclosure

This Disclosure Brochure provides customers with information about the qualifications and business practices of Reedy Financial Group, P.C. Reedy Financial Group, P.C. is a Registered Municipal Advisor with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Reedy Financial Group, P.C. endeavors at all times to operate in compliance with federal and state laws and to conduct its business in the highest ethical manner.

Reedy Financial Group, P.C. was founded in 2009 and became registered with the SEC and MSRB in the fall of 2014. The Firm provides Advisory services on behalf of Government Agencies, Educational, Healthcare and other Non-Profits. The Firm does not manage customer portfolios and has no discretionary accounts. Any special compensation arrangement between an associated person and the Firm that could present a conflict of interest with the customer such as bonuses or referral fees will be disclosed to the customer. Any economic benefit received from a non-customer in connection with providing and advisory services will be disclosed to the customer.

The Firm nor any Associated Person of Reedy Financial Group, P.C. has any past or current disciplinary disclosures. If you have any questions with respect to any of these disclosures please feel free to contact our Designated Chief Compliance Officer (CCO) Matthew Frische at mfrische@reedyfinancialgroup.com .

Privacy Policy

Reedy Financial Group, P.C. collects data in the normal course of business while we service your needs. We consider your data to be private and confidential, and we hold ourselves to the highest standards of trust in their safekeeping and use. We collect nonpublic information from clients in the following matter:

- **Information we receive from you in forms;**
- **Information that you give us verbally;**
- **Information about your transactions with us, or others, and**
- **If you visit our web site, information we collect via a web server, often referred to as a "cookie." Cookies indicate where a site visitor has been online and what has been viewed.**

We do not disclose any nonpublic information about our customers or former customers to anyone, except as permitted by law. We only use information about you to help better serve your investment needs or to suggest services that may be of interest to you.