



May 20, 2024

Village of Oak Park

Proposal to develop a long-range financial forecast



May 20, 2024

Mr. Kevin Jackson, Village Manager
Ms. Donna Gayden, Interim Chief Financial Officer
Village of Oak Park
123 Madison Street
Oak Park, IL 60302

Baker Tilly US, LLP
205 N. Michigan Ave.
Suite 2800
Chicago, IL 60602
+1 (312) 729 8000
bakertilly.com

Delivered electronically

Dear Mr. Jackson and Ms. Gayden:

Thank you for the opportunity to provide this revised proposal to assist you with developing a long-range financial forecast as the first step in a strategic financial management planning program for the Village of Oak Park ("Village"). Our proposal dated April 5, 2024 in response to your Request for Proposals (RFP) dated March 15, 2024 has been revised based on conversations between Ms. Gayden and Steve Toler, Director with Baker Tilly. We have prepared a revised scope of work that reflects our understanding of the Village's needs.

We have a significant amount of experience developing long-range financial forecast (fiscal models), fiscal sustainability plans, and conducting organizational assessments (management audits) for local municipalities in the Midwest and throughout the U.S. We have also provided a range of services for the Village, including a current assignment to assist with economic development practices and policies, and we understand its priorities and needs. We would be pleased to serve the Village in this capacity.

Our approach will meet the needs expressed in three steps that were included in the Village's RFP. By developing a **long-range fiscal model**, this task will provide an assessment of the Village's financial condition (Step 1 in the RFP) and a financial trend analysis (Step 2). This task not only helps tell the story of the Village's existing financial condition, but also creates a long-range forecast with an interactive dashboard to help decision-makers see the impacts of various trends and assumptions and inform their decisions on funding Village services over a 10-year period. The fiscal model will focus on the General Fund, Capital Improvement Fund and Enterprise Funds. This task will also include an assessment of underfunded or unfunded long-term obligations in the areas of capital improvement needs (Step 4) and post-employment obligations to ensure that a comprehensive story is told regarding the Village's current financial condition.

Benefits of working with Baker Tilly include:

The right firm

The Village will benefit from our significant understanding of the complexity of local government and public-sector entities and our specialized public-sector practice, which includes approximately 350 staff members and more than 40 principals.

The right experience

Baker Tilly is a leader in strategic financial sustainability planning. We have conducted many studies that are similar in scope to your project and educated clients on how to successfully implement results. You will benefit from our public sector expertise.

The right team

Our proposed team includes members with experience working in local government who understand the requirements, challenges, and opportunities unique to the public sector. You will receive a tailored approach designed to meet your needs and exceed your expectations.

The right value

In addition to unique requirements, the public sector must serve as careful stewards of the funding they receive. Our significant level of partner and manager involvement and targeted use of technology solutions translate high-quality service for a fair and reasonable fee.

The Village of Oak Park
May 20, 2024

The Village of Oak Park will continue to be a valued client of Baker Tilly, and Steve Toler will be personally involved in all aspects of our relationship, from planning through completion. Thank you for the opportunity to make tangible contributions to your success. Our team is excited to maintain your trust, and we look forward to discussing your questions and feedback.

Sincerely,

A handwritten signature in blue ink that reads "Carol Jacobs". The signature is fluid and cursive, with the first name "Carol" and last name "Jacobs" clearly distinguishable.

Carol Jacobs, Managing Director
Baker Tilly US, LLP
+1 (949) 809-5588 | carol.jacobs@bakertilly.com

Contents

MEETING YOUR NEEDS WITH OUR RESOURCES	1
OUR PROJECT TEAM	3
APPROACH AND METHODOLOGY	9
VALUE FOR FEES	14
EXCEPTIONS	15



Baker Tilly is responsive, interactive and produces the results they say they will. We are very pleased with the services they provide and consider Baker Tilly a leader among accounting and advisory firms.

Controller



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Meeting your needs with our resources

Our firm has the reputation, resources and reach to address the challenges you face as a local government seeking fiscal sustainability to better serve the community — both now and in the future.

Offering our resources: Baker Tilly consulting at a glance

Making decisions today to shape tomorrow is especially challenging in these extraordinary times. The Village of Oak Park **requires a firm with consulting specialists who combine functional experience, knowledge of local government and technical expertise to respond to your immediate needs and support you as the Village evolves. Baker Tilly is that firm.** Below are some key facts about our consulting practice, including the depth of resources that stand ready to support your core project team.



6,700
team members



2,400+
consulting
team members



170+
consulting
partners



40%
of Baker Tilly's \$1.58B in
firm revenue



20+
years of consulting
experience



50+
U.S. office
locations



250+
workplace and culture
awards

COMPREHENSIVE EXPERIENCE TO SERVE YOU

The Village of Oak Park will receive support and guidance from a respected firm that continues to grow.

Celebrating more than 90 years serving our valued clients

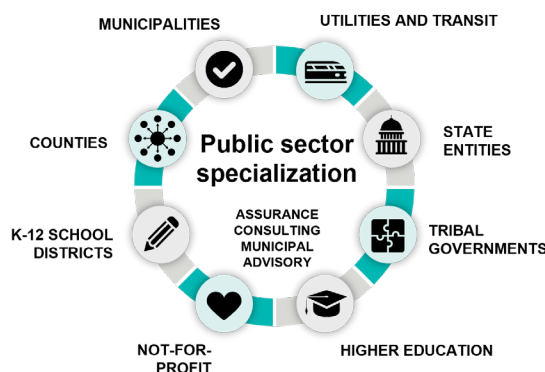
As a future-looking firm, we celebrate more than 90 years in the marketplace by honoring our roots and continuing to shape our future. We embrace the fact that business can't stand still — and we won't stand still. As we help our clients identify new needs and opportunities, we innovate and change to work better.



Our roots took hold in 1931 in Waterloo, Wisconsin. **Since that time, we have grown to become an advisory-focused firm with more than 40 different business combinations.** Baker Tilly continues to expand our presence coast to coast and globally, and our scope across industries, services and areas of expertise. One thing has not changed over time: our shared passion for enhancing the services our clients deliver to their communities.

Delivering specialized expertise to our public sector clients

State and local government is a complex, unique environment shaped by fiscal, regulatory and operational considerations not found in other industries. Recognizing this complexity and eager to serve as a true valued advisor to the public sector, Baker Tilly formalized its dedicated public sector specialization more than 50 years ago. **Today, more than 350 Baker Tilly professionals — including nearly 30 partners — focus directly on serving governments and provide hundreds of thousands of client service hours annually to cities and counties.**



MEETING YOUR NEEDS WITH OUR RESOURCES

Nationwide, our public sector practice serves nearly 4,000 state and local governmental entities, including municipalities, counties, school districts, utilities, transit organizations, airports and special authorities. Several of these client groups are now served by dedicated specialists in distinct sub-practices.



COMMITMENT TO THE PUBLIC SECTOR

Baker Tilly has been in business for more than 90 years, and public sector entities were some of our first clients.

Our project team

The Village of Oak Park will work with a consistent team who understand your organization and can add value from day one. The combination of your engagement team's local government experience and service knowledge translates into tangible results for the Village.

Aligning key engagement team members with your goals

Your handpicked team of professionals offers a collaborative focus supported by the breadth and depth of our firm's national resources. We believe in strong personal relationships, and this means a personal interest in the Village of Oak Park from some of our most experienced team members. Engagement team members are introduced below. Complete resumes are available upon request.

INTENTIONALLY SELECTED ENGAGEMENT TEAM FOR THE VILLAGE OF OAK PARK

Engagement leadership



Steve Toler — Director

Project role: Project director

Steve has vast experience in budgeting and revenue forecasting, financial management and reporting, accounting, purchasing, information technology management, water and wastewater rate modeling, regional shared services planning, organizational development and training, labor relations and negotiations, business continuity planning, risk management, economic development and redevelopment, tax ballot measures, and public engagement.

He spent nearly 20 years in local government public service working for the cities of Cupertino, Foster City and Millbrae, California.

As a consultant, he has led over a dozen fiscal planning efforts for cities and special districts. These have all involved the construction of interactive fiscal models. The models include a dashboard that quickly displays key fiscal indicators such as fund balance, annual deficit or surplus and where all key assumptions are displayed and can be varied.

As budget director of Foster City, he implemented collaborative approaches with departments to prepare their operating budgets and five-year financial plans and capital improvement plans. He performed the personnel, services and supplies, and capital outlay analyses required to ensure a more realistic need for budgeted resources to help departments achieve the City Council's goals.

Steve serves clients across the United States, including recent fiscal model and fiscal sustainability engagements for the cities of Santa Cruz, Scotts Valley, Belmont, East Palo Alto, El Cerrito, Pleasanton, San Leandro, St. Helena, Tracy, Union City and the Town of Windsor in California, as well as the cities of Beaverton and Tigard in Oregon and the cities of Newcastle, Kenmore and Sammamish in King County, Washington.



Noemi Barter — Manager

Project role: Project manager; accounting and financial management subject matter specialist

Noemi is a member of Baker Tilly's assurance and audit practice. She specializes in audit, review, compilation, accounting and bookkeeping services for the government industry. She has more than 13 years of experience in government audits throughout several different industries. Noemi is a member of the American Institute of Certified Public Accountants (AICPA) and the Arizona Society of Certified Public Accountants (ASCPA). She earned a bachelor's degree from Ohio State University and a master's in accountancy from Golden Gate University.



Matt Stark — Manager

Project role: Subject matter specialist

Matt's primary responsibilities are the design and implementation of financial forecast models, research studies and online survey tools. He assists several Baker Tilly practice groups with his analytical expertise, helping to find solutions to new challenges within the fields of operational finance, economic development and compensation studies. Specifically, Matt is the primary architect of various interactive financial forecasts for clients ranging from cities and counties to special districts.

In addition to his financial forecasting work, Matt develops surveys to help elected officials and professional staff to understand the perceptions, opinions and motivations of their communities, providing feedback from residents who would not otherwise make their voices heard. These surveys help inform decisions about spending priorities and long-term planning.



Vicki Sun — Senior Consultant

Project role: Project delivery support and analysis

Vicki's local government background includes project management, performance measurement, and policy development. She served as a program performance auditor with the City of San Jose, assessing the performance of various departments, services, and programs; analysis led to the saving of millions of dollars from improving organizational efficiency for the Parks, Recreation & Neighborhood Services Department. Vicki worked on performance audits related to the allocation and monitoring of emergency COVID-related housing grants, citywide grants management, and the management of real estate properties. She served previously as community engagement manager and a policy advisor in the City of San Jose's Mayor's Office, working on technology-related policies, including laying the groundwork for the City's privacy policy.



Tyler Schenck — Special Advisor

Project role: Administrative services/IT subject matter specialist

Tyler's local government experience includes a diverse range of roles for the City of Winchester, Virginia over an 11-year period, serving most recently as the City's chief information officer. In that role he led a diverse portfolio of projects and initiatives, provided direct executive oversight of the administration's performance measurement, data analytics and technological resources, and incorporated an agile framework to support the increasing needs and complexities of a rapidly growing organization. Other roles in Winchester included director of innovation and information services; program manager in

	the city manager's office; interim director of both economic redevelopment and human resources; and grants coordinator.
	Paul Woodard — Special Advisor
	Role: Public works subject-matter specialist
	Paul has over 40 years of experience in the public sector, specifically in local government. His career has included leadership roles as an Assistant Village Engineer, City Engineer and Director of Public Works. In these roles Paul has coordinated and supervised activities including solid waste and recycling, engineering, streets, fleet, landfill, buildings, sewer and water utility district, parks, planning, building inspection and stormwater utilities. His responsibilities have included planning and implementing capital improvement programs and supervising the engineering the preparation of plans and specifications, cost estimates, bidding and construction inspection for capital improvement projects. He has worked extensively with City Administrators and Managers, Councils, Boards and Commissions and led efforts in capital planning, contract negotiations, and department mergers.
	Craig Bronzan — Manager
	Project role: Parks and recreation subject matter specialist
	Craig has more than 36 years of full-time experience in parks, recreation, and community services. He started his career in the City of Escalon where he served as the first recreation director. He was then hired by the City of Turlock and spent over 14 years being responsible for traditional park and recreation services and programs, including the Parks and Recreation and Arts Commissions. When the parks and recreation function was merged into the Police Services Department, Craig became responsible for prevention services, neighborhood associations, animal control, grants, code enforcement, the Police Activities League, and the records division as Custodian of Records. Craig then became parks and recreation director for the City of Brentwood, with an annual budget of over \$17 million and 26 full-time staff and over 200 part-time/seasonal employees. During that time, he was responsible for the construction of 58 parks, a full aquatic complex, a 38-acre sport facility, two community centers, a dog park, a skate/BMX park, five joint use gymnasiums with the two local school districts, and a joint use Olympic size aquatic facility at Heritage High School. Since joining Management Partners, Craig has helped complete organization assessments, conduct executive coaching, provide management services, advise on contracting for park and recreation services, and develop strategic plans related to recreation, parks and community services. Among jurisdictions he has assisted are the County of Monterey; Hayward Area Recreation and Park District (HARD); Mid-Peninsula Open Space District; the California cities of San Luis Obispo, Stockton, Tracy, Riverside, Benicia, San Jose, Mission Viejo, Scotts Valley and Chula Vista; and Oakland Park, Florida.

In addition, we have a deep bench of subject-matter specialists in all aspects of local government, as detailed in the chart that follows.

OUR PROJECT TEAM

SUBJECT-MATTER SPECIALISTS	CITY CLERK	CITY MANAGER	COMMUNITY DEVELOPMENT	FINANCE	FIRE	HUMAN RESOURCES	INFORMATION TECHNOLOGY	LIBRARY	PARKS AND RECREATION	POLICE	PUBLIC WORKS	UTILITIES
John Alita								X	X			
Andy Belknap				X							X	
Chris Bigham				X								
Craig Bronzan									X			
John Burks										X		
Shauna Clark	X											
Pete Gonda				X								
Liz Humrickhouse								X				
Carol Jacobs		X										
Bob Leland				X								
Steve Montano				X								
Jacquelyn McCray, PhD			X									
Steve Mermell		X										
Donna Peter						X						
Ned Pettus, PhD					X					X		
Peg Rowe						X						
Tyler Schenck						X	X					
Glenn Theriault										X		
Steve Toler				X								
Jay Trevino			X							X		
Larry Waterhouse					X							
Paul Woodard											X	X
Al Zelinka		X	X									

THE VILLAGE OF OAK PARK WILL RECEIVE TANGIBLE RESULTS WITH BAKER TILLY

All engagement team members are committed to Oak Park's success. Their industry experience and service expertise translate into tangible results.

Offering Illinois clients our local and firmwide resources

The Chicago region has one of the most diversified economies in the world and is a center for education, culture and innovation. It is also home to Baker Tilly's national headquarters and one of our largest offices in the U.S. Our Illinois presence includes more than 950 professionals in two locations committed to helping clients in a wide range of industries. You will receive exceptional service from a qualified team that can draw on our firm's broad national resources as your goals or needs evolve.

Illinois local presence

2,900+

Illinois clients

Two offices

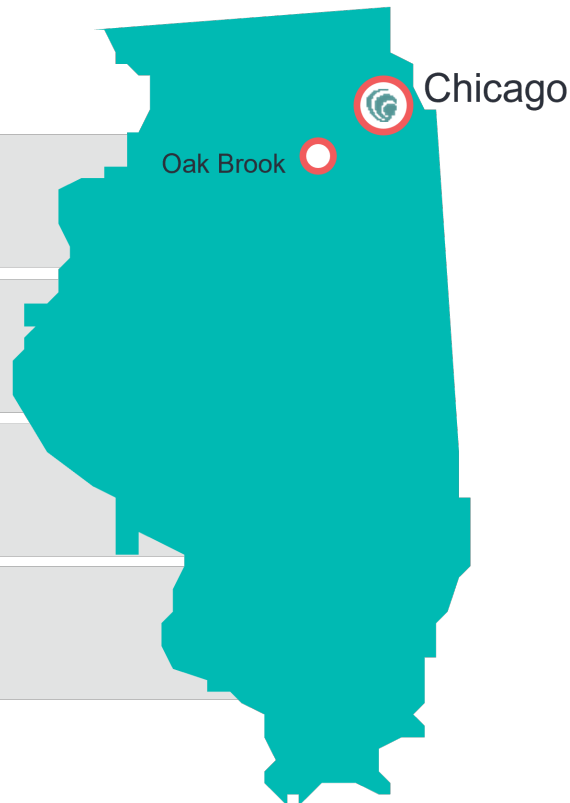
in the state of Illinois

40+ years

of experience serving area clients

950+

professionals in the state of Illinois



Baker Tilly office locations



Baker Tilly headquarters

LOCAL PRESENCE AND EXPERTISE TO SUPPORT OAK PARK

The Village can count on Baker Tilly's Illinois presence to offer you an in-depth understanding of economic conditions, knowledge of regional and state regulations, and on-the-ground assistance whenever needed.

Bringing an award-winning culture to your engagement

We're honored to be consistently recognized for the collective efforts of our team members to create an inclusive, collaborative and value-driven culture. The workplace honors Baker Tilly has received are evidence of our commitment to staff continuity and a dedicated team to serve Oak Park. In addition to national awards, Baker Tilly has been recognized as one of Crain's Chicago Business Best Places to Work and Fortune Best Workplaces in Chicago™.



Serving Illinois communities through stewardship

Baker Tilly believes in the power of community and is committed to making a difference through collective acts of service. More than 2,600 Baker Tilly team members in 94 communities participated in volunteer activities last year during the firm's annual Stewardship Week.

Our Illinois team members support dozens of local not-for-profit organizations to make our communities a better place to live and work, including the following:

- American Heart Association
- Anti-Cruelty Society
- Beyond Hunger, **recipient of a 2020 Baker Tilly Wishes Grant**
- Big Shoulders Fund
- Cara Chicago, **recipient of a 2021 Baker Tilly Wishes Grant**
- Chicago Canine Center
- Chicago Park District
- Chicago Public Schools
- Chicago Summer Business Institute
- Girl Scouts of Illinois
- Greater Chicago Food Depository
- Housing Forward, **recipient of a 2023 Baker Tilly Wishes Grant**
- Jewish Center for Youth Services
- Lincoln Park Conservatory
- Lurie Children's Hospital
- National Kidney Foundation
- Rainbows for All Children
- Step Up Women's Network

Approach and methodology

Our relationship-driven approach is led by practitioners who understand strategic financial planning solutions that enable local governments to deliver services efficiently and effectively, with the ultimate goal of preserving and improving Oak Park's high quality of life.

Understanding of the engagement

The Village is a home rule municipal corporation in Cook County, Illinois that operates under a council-manager form of government, governed by a Village board president and six trustees who appoint the Village Manager to oversee daily operations. It serves a population of nearly 55,000 people and is one of the most diverse communities in the region. The Village provides a full spectrum of municipal services including public safety (police and fire), public works, public health, development services, adjudication, community relations, and various administrative, legal and legislative support functions. The Village's Enterprise funds focus on environmental services (solid waste/refuse), parking and water/sewer enterprises.

The agency relies on property taxes, state income tax, retailers' occupation taxes and real property transfer taxes as four of its top revenue sources, which it uses to invest in the employees, services and supplies to serve the community.

The Village currently has no long-range financial forecast to help its Board inform long-term policy decisions on service delivery. There is some concern that the costs of providing services may outpace revenue growth in future years, thereby eroding General Fund reserves or the potential to require expenditure reductions including service level reductions if not addressed.

The Village is seeking professional services to help the organization achieve fiscal sustainability in its fiscal operations to provide the services the community relies upon. The first phase is to develop a long-range financial forecast and modeling tool to help tell the story on the Village's financial health today and in the future and the financial resources necessary to pay for community services and fund capital investments.

Proposed plan of work

We have developed a scope of work to develop the Village's long-range financial forecast, which is described below. This framework is amenable to refinement based on your input.

Developing a long-range financial forecast

This project will accomplish three of the objectives requested in the RFP:

1. Assessing the Village's current financial condition (Step 1)
2. Analyzing future trends to understand the Village's future financial position (Step 2),
3. An assessment of underfunded or unfunded long-term obligations in the areas of capital improvement needs (Step 4) and post-employment obligations to ensure that a comprehensive story is told regarding the Village's current financial condition

The long-range forecast we develop will focus on three fund types:

- | | |
|------------------------------|---------------------|
| A. General Fund | C. Enterprise Funds |
| B. Capital Improvement Funds | |

Activity 1 – Start project

Baker Tilly will begin this project with a launch meeting with you and others designated as the Village's project leadership team. During this meeting, we will refine the schedule, discuss project objectives, and review the tasks to be completed. After this initial launch meeting, we will submit a document and data request to the Village's project team. The launch meeting will be conducted remotely using videoconference technology.

Activity 2 – Gather information and data

Next, we will initiate a careful learning phase to understand the Village's current fiscal status. Key tasks include:

- Gathering data to be used throughout the analytical phase of the project. This will include budgets, budgetary recommendations, long-range capital improvement plans, enterprise fund rate studies, budget vs. actual revenue and expenditure data, financial reports, reserve policies, analytical work, interagency agreements, labor agreements, and other pertinent information.
- Reviewing multi-year budget information, including revenue sources and amounts, expenditure allocations, reserves and other funds, budgetary reductions and cost shifts that have been made to date.
- Deepen our learning about the local community served, the Village's labor environment, and other relevant factors that have changed over the past five years.
- Reviewing your previous budgets and any short- to long-range financial planning that has been performed in recent years to understand the key drivers of financial decisions made by Village staff.
- Reviewing budgeting approaches and testing budget assumptions against actual experience, and reviewing and factoring in the Village's inventory of unmet or deferred infrastructure and maintenance needs to the extent the information is available.
- Speaking with Village leaders and budget/finance staff to learn about key economic/demographic drivers and assumptions in the development of the fiscal model.

All meetings will be conducted remotely using videoconference technology.

Activity 3 – Conduct fiscal gap analysis of unfunded/underfunded needs

In developing the agency's long-range forecast, we believe it important for decision makers to understand the impact of unmet needs that pose a future financial risk and should be considered in addressing the Village's financial sustainability. These include facility infrastructure, fleet replacement, information technology reinvestment, and similar needs within the Village's core service areas. For some agencies, such unfunded needs may also include pension or other post-employment benefits (OPEB) obligations for which funds are not being set aside.

While the Village called for this as part of its request for a management audit (Step 4), we believe that this needs to be conducted as part of the development of the fiscal model. This exercise will help officials document future needs and identify gaps that could prevent the Village from meeting those needs. We will review various documents such as fees and rates schedules, capital improvement plans, facilities master plans, facility maintenance project plans, equipment inventories and replacement funding methodologies, and actuarial analyses on pension and OPEB obligations. We will conduct interviews with relevant Village finance, engineering and facilities staff (where relevant) to inform our analysis as well as analyses prepared by other consultants relative to pension and OPEB obligations.

With this information, we will then perform a fiscal gap analysis. We will develop an estimate of the funding requirements for capital improvement projects and post-retirement obligations. We will then compare these funding requirements with available and projected funding resources. These needs will be incorporated into the Village's financial forecast. Including these unfunded or underfunded needs, even as broad estimates, will give officials a more accurate picture of the Village's future costs and financial

outlook and will help decision-makers gain a thorough understanding of policy issues related to maintenance standards, service delivery expectations, and funding opportunities to address the fiscal gaps.

Activity 4 – Develop baseline fiscal trend model

Next, we will analyze the data we have gathered through the previous activities and prepare a long-range fiscal model. While the fiscal model is one tool, it will include separate forecasts for the General, Capital Improvement and Enterprise funds within the scope of the project. Key tasks include:

- Identifying historical trends and updating the forecast to provide a comprehensive perspective of the factors affecting the financial capacity of the Village. This analysis will provide a sound basis for understanding the financial ability to fund services during the next 10 years.
- Developing the multi-year fiscal model based on this information. The model will tie back to accounting and payroll records and represent a fiscal model that will allow Village staff to update it in the future.
- Developing a set of assumptions and future trends based on local, regional and statewide socio economic trends.
- Developing a draft forecast and then reviewing it via videoconference with project team members to refine and validate our new assumptions. We are careful to tie back all model data to the Village's source documents and to fully explain the assumptions underlying the model.
- Making refinements and revising the final model suitable for presentation.
- Developing a user manual and conducting up to four hours of staff training on the model's capabilities and how to update it in future years, with the expectation that staff will "own" and begin using and updating the model regularly as a tool.

We will conduct remote periodic check-ins with staff as the fiscal model is developed.

Activity 5 – Present model and provide support

During this activity, we will develop a draft slide deck presentation and finalize it based on your feedback. We will provide an in-person presentation of the fiscal model to the Village's leadership team and the Village Board as soon as the model is finalized. We can also provide a presentation to labor groups that represent Village employees if so desired. The slide deck will help decision-makers understand the current fiscal condition of the agency and what the long-range forecast indicates in terms of the ability to fund existing services over the next five to ten years. Our presentations of financial data are created so that those that are not municipal finance experts can easily grasp the concepts and that tells the story regarding the ability to service the community based on existing and projected financial resources.

We are committed to ensuring Village staff have a tool to use in preparing forecasts in future years. We will continue to provide on-call assistance during the next year to address any questions staff might have as they use the model. This support does not include updating the fiscal model for future years but provides support and guidance to the Village as it implements the tool in subsequent forecasts.

Optional activity A – Develop labor costing model

The baseline fiscal model we create will use high-level personnel cost summaries to inform trends and projections in various compensation and benefit categories such as salaries (full- and part-time), retirement, health benefits, other salary-based benefits (e.g., Medicare, workers' compensation, unemployment insurance, other payroll taxes), and competency- or position-based benefits (e.g., uniform allowance, certification pays). These amounts are aggregated into summary totals for each benefit subject to how those costs are tracked in the Village's general ledger. These aggregated totals can be categorized by bargaining group if such information is available and provided by staff.

If desired as an optional activity, we can develop a labor costing model that will feed financial projections into the baseline model or can be used separately to inform labor negotiators during the meet and confer process. This type of tool offer great value to help understand impacts from restructuring activities as part of an organizational assessment that could have implications on organization structures as well as

employee compensation and benefits needs. A labor costing model may be of value as the Village pursues significant changes to its organization structure and compensation philosophies.

If the Village chooses to incorporate this component in its fiscal model, we would conduct this optional activity by performing the following activities:

- Extracting salary and benefit information for every employee and any authorized but unfilled positions by bargaining group.
- Assessing projected known benefits based on executed memoranda of understanding and/or compensation and benefits plans for each bargaining group and/or position.
- Developing pro-forma salary and benefit projections at the employee/position level, adaptable to changes in organization structure and compensation and benefits plans.
- Creating a separate labor costing dashboard per bargaining group to model proposed contract changes subject to meet and confer, as well as an easy-to-understand computation of “1% of compensation” for each bargaining group used as a benchmark for labor negotiators in informing proposals during the negotiations process.
- Incorporating the results of the labor costing modeling into the baseline forecast with the ability to turn on and off the labor costing model in the baseline forecast.
- Reviewing the labor costing model with the project team and representatives from Human Resources and/or the Village’s chosen labor negotiators.
- Reviewing the outcomes of the labor costing model with employee labor representatives at the discretion of Village management.

Other phases previously proposed

Our original proposal dated April 5, 2024 proposed a three-phased approach to meeting the full scope of needs desired by the Village in its original RFP. We understand the Village only wishes to pursue the financial forecast at this time. The proposed activities in our original proposal included the following two phases and associated activities.

Phase II: Conducting a Village-wide organizational assessment	Phase III: Preparing a fiscal sustainability plan
<ul style="list-style-type: none"> • Gather departmental data and conducting interviews • Develop benchmarks and conducting a peer benchmarking survey • Conduct analysis (e.g., organizational structure, staffing, best practices, opportunities to provide services more cost effectively) • Report organizational assessment results 	<ul style="list-style-type: none"> • Analyze data and prepare initial matrix of strategies • Prepare draft budget strategies and analysis report (including feasibility assessment and scenario packages for Village Board consideration) • Participate in and facilitate Fiscal Sustainability Taskforce meetings • Present the fiscal sustainability plan project report • Prepare draft implementation action plan

Should the Village decide it wishes to pursue those additional phases during or upon completion of the long-range financial forecast on or before January 1, 2025, Baker Tilly will honor the scope of work and pricing presented in our original proposal.

Co-developing a timeline to meet or beat the Village of Oak Park's deadlines

Your time is valuable, and one significant way we will support your organization is by delivering your services on time or ahead of schedule.

Below is an overview of our customized approach to successfully provide these services to the Village of Oak Park. During the client service plan development phase, we will collaborate with you to co-develop an agreed-upon service timeline that meets your needs and timing requirements.

ACTIVITY	Jun	Jul	Aug	Sep	Oct
Activity 1: Start project					
Activity 2: Gather information and data					
Activity 3: Conduct fiscal gap analysis					
Activity 4: Develop baseline fiscal trend model					
Activity 5: Present model and provide support					
Optional activity A: Develop labor costing model					

COMMITMENT TO SUCCESSFULLY DELIVER STRATEGIC FINANCIAL PLANNING SERVICES TO MEET OAK PARK 'S REQUIREMENTS

Your time is valuable. We will co-develop a timeline to provide the Village services on time or ahead of schedule.

Value for fees

Value means more than simply checking boxes and meeting your requirements. Value means services that lead to meaningful insights, help improve efficiencies and direct more dollars and resources to achieving Village of Oak Park 's objectives.

Delivering a professional fee estimate for Village of Oak Park

We are excited about the opportunity to work with the Village of Oak Park and have prepared the below fee estimate to meet the Village’s needs and objectives. Our fees, which includes all fees and expenses, allow for thorough and insightful advice from experienced professionals without unnecessary add-on charges. Our fees have been adjusted and reduced to reflect the revised scope of work included in this proposal.

ACTIVITIES	FEES*
Develop a long-range financial forecast	\$57,000
TOTAL WITHOUT OPTIONAL ACTIVITY	\$57,000
Optional activity: Develop labor costing model	\$18,000
TOTAL FOR ALL SERVICES	\$75,000

VALUE FOR FEES PAID

The Village of Oak Park can expect exceptional service paired with a fair, competitive fee arrangement that allows us to deliver continuous value throughout our relationship.

Exceptions

Per the Q&A, we hereby take exception to the provisions detailed in the exceptions table below. If selected, we will require the ability to propose additional terms and negotiate mutually acceptable revisions to these sections, in line with the current Agreement between Baker Tilly and the Village, prior to executing a final contract.

Exceptions to Village of Oak Park, IL RFP

Page No.	Section/ Paragraph No.	Proposed Revision
Exceptions to Section X- Professional Services Agreement:		
19	3.4	We propose to delete this section entirely.
19	3.5	We propose to delete this section entirely.
20	5.1	<p>We propose to revise this section as follows:</p> <p>The Contractor shall, without regard to the availability or unavailability of any insurance, either of the Village or the Contractor, indemnify, save harmless, and defend the Village and its officers, officials, employees, agents, and volunteers <u>(each a "Covered Person")</u> against any and all <u>third party</u> lawsuits, claims, demands, damages, liabilities, losses, and expenses, including reasonable attorneys' fees and administrative expenses, <u>to the extent such third party claim is finally determined to that may arise, or be alleged to have arisen,</u> out of or in connection with the <u>willful misconduct or fraudulent behavior in the</u> Contractor's performance of, or failure to perform, the Services or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of the Contractor, but only to the extent caused by the negligence of the Contractor or its subcontractors or their respective employees.</p> <p><u>Notwithstanding the foregoing, Village hereby releases Contractor, its subsidiaries and their present or former partners, principals, employees, officers and agents from, and acknowledges that such parties shall not be required to indemnify Village or any Covered Person against, any costs, fees, expenses, damages and liabilities (including attorneys' fees and all defense costs) relating to or arising as a result of the acts or omissions of Village or any Covered Person. Furthermore, because of the importance of the information that Village provides to Contractor with respect to Contractor's ability to perform the services, Village hereby releases Contractor and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services that arise from or relate to any information, including representations by management, provided by Village, its personnel or agents, that is not complete, accurate or current.</u></p> <p><u>To the extent allowed under applicable law, the aggregate liability (including attorney's fees and all other costs) of either party and its present or former partners, principals, agents or employees to the other party related to the</u></p>

		<u>Services performed under this Agreement shall not exceed the fees paid to Contractor for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the gross negligence, willful misconduct or fraudulent behavior of the at-fault party.</u>
20	6.1	<p>We propose to revise this section as follows:</p> <p>The Contractor shall at the Contractor's expense secure and maintain in effect throughout the duration of this Agreement, insurance of the following kinds and limits set forth in this Section 6. The Contractor shall furnish Certificates of Insurance to the Village before starting work or within ten (10) days after the notice of award of the Agreement, whichever date is reached first. All insurance policies, except professional liability insurance, shall be written with insurance companies licensed to do business in the State of Illinois and having a rating of at least A according to the latest edition of the Best's Key Rating Guide; and shall include a provision preventing cancellation of the insurance policy unless fifteen (15) days prior written notice is given to the <u>Village Contractor. This provision shall also be stated on each Certificate of Insurance: "Should any of the above described policies be canceled before the expiration date, the issuing company shall mail fifteen (15) days' written notice to the certificate holder named to the left." The Contractor shall provide notice of such cancellation as soon as reasonably practicable upon receipt of such notice from its insurance company.</u> The Contractor shall require any of its subcontractors to secure and maintain insurance as set forth in this Section 6 and indemnify, hold harmless and defend the Village and its officers, officials, employees, agents, and volunteers as set forth in this Agreement.</p>
22	7.1	<p>We propose to revise this section as follows:</p> <p>The Village and the Contractor each bind themselves and their partners, successors, executors, administrators and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement. Except as above, neither the Village nor the Contractor shall assign, sublet or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body that may not be a party hereto, nor shall it be construed as giving any right or benefits hereunder to anyone other than the Village and the Contractor. <u>In connection with an anticipated restructuring of Contractor's organization, the parties agree this Agreement and any associated Statement of Work may and shall be assigned by Baker Tilly US, LLP to Baker Tilly Advisory Group, LP upon and subject to the closing of such restructuring, which is anticipated to occur on or around June 1, 2024 and no additional notice to the Village shall be required to make such assignment effective.</u></p>
23	10.2	<p>We propose to revise this section as follows:</p> <p>The Contractor shall promptly make revisions or corrections regarding its Services resulting from its errors, omissions, or negligent acts without additional compensation. The Village's acceptance of any of the Contractor's Services shall not relieve Contractor of its responsibility to subsequently correct any such errors or omissions, provided the Village shall notify the Contractor <u>of any nonconformance in the Services thereof within one (1) year thirty (30) days</u> of completion of Contractor's Services. <u>In order to perform its</u></p>

		<u>duties and obligations set forth in this Agreement, Contractor may rely upon any written instructions or information provided to the Contractor by the Village or its designated representatives that Contractor reasonably believes to be genuine and authorized by the Village, and Contractor shall have no obligation to independently verify the accuracy, completeness, or authenticity of any such written instructions or information provided to the Contractor by the Village.</u>
23	10.6	We propose to delete this section entirely.
24	11.1	<p>We propose to revise this section as follows:</p> <p><u>Subject to Contractor's rights in "Contractor's Knowledge" (as defined below), Reports, examinations, information, observations, calculations, notes and any other reports, documents, data or information, in any form, prepared, collected, or received all completed tangible materials created</u> by the Contractor <u>specifically for the Village</u> in connection with any or all of the Services to be provided pursuant to this Agreement ("Documents") shall be and remain the property of the Village upon completion of the Services and payment to the Contractor all amounts then due under this Agreement. At the Village's request, or upon termination of this Agreement, the Documents shall be delivered promptly to the Village. Contractor shall have the right to retain copies of the Documents for its files. Contractor shall maintain files of all Documents unless the Village shall consent in writing to the destruction of the Documents, as required herein. <u>Notwithstanding the foregoing, Contractor will maintain all ownership right, title and interest to all of Contractor's Knowledge. For purposes of this Agreement "Contractor's Knowledge" means Contractor's proprietary programs, modules, products, inventions, designs, data, or other information, including all copyright, patent, trademark and other intellectual property rights related thereto, that are (1) owned or developed by Contractor prior to the Effective Date of this Contract ("Contractor's Preexisting Knowledge") (2) developed or obtained by Contractor after the Effective Date, including during the course of providing services under this Contract, but: (i) which are developed or obtained without using the Village's Confidential Information, or (ii) which the Village has not paid for such development; and (3) extensions, enhancements, or modifications of Contractor's Preexisting Knowledge which do not include or incorporate the Village's Confidential Information. To the extent that any Contractor Knowledge is incorporated into the Documents, Contractor grants to the Village a non-exclusive, paid up, perpetual royalty-free worldwide license to use such Contractor Knowledge in connection with the Documents, and for no other purpose without the prior written consent of Contractor.</u></p>
24	11.2	<p>We propose to revise this section as follows:</p> <p>The Contractor's Documents and records pursuant to <u>the payment and invoicing under</u> this Agreement shall be maintained and made available during performance of the Services under this Agreement and for three (3) years after completion of any Services. The Contractor shall give notice to the Village of any Documents to be disposed of or destroyed and the intended date after said period, which shall be at least ninety (90) days after the effective date of such notice of disposal or destruction. The Village shall have ninety (90) days after receipt of any such notice to give notice to Contractor not to dispose of or destroy said Documents and to require the Contractor to deliver same to the Village, at the Village's expense. The Contractor and any</p>

		<p>subcontractors shall maintain for a minimum of three (3) years after the completion of this Agreement, or for three (3) years after the termination of this Agreement, whichever comes later, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the Agreement. All books, records and supporting documents related to <u>payment and invoicing under</u> this Agreement shall be available for review and audit by the Village and the federal funding entity, if applicable, and the Contractor agrees to cooperate fully with any audit conducted by the Village and to provide full access to all materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the Village for recovery of any funds paid by the Village under this Agreement for which adequate books, records and supporting documentation are not available to support their purported disbursement. The Contractor shall make the Documents available for the Village's review, inspection and audit during the entire term of this Agreement and three (3) years after completion of the Services as set forth herein and shall fully cooperate in responding to any information request pursuant to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq. by providing any and all responsive documents to the Village.</p>
24	11.4	<p>We propose to revise this section as follows:</p> <p>The Contractor shall <u>reasonably cooperate with the Village should the Village receive</u> furnish all records related to this Agreement and any documentation related to the Village required under an Illinois Freedom of Information Act (5 ILCS 140/1 et. seq.) ("FOIA") request within five (5) business days after the Village issues notice of such request to the Contractor. The Contractor shall not apply any costs or charge any fees to the Village regarding the procurement of records required pursuant to a FOIA request. The Contractor agrees to defend, indemnify, and hold harmless the Village, and its officers, officials, employees, agents, and volunteers, and agrees to pay all reasonable costs connected therewith (including, but not limited to reasonable attorney's and witness fees, filing fees, and any other expenses) for the Village to defend any and all causes, actions, causes of action, disputes, prosecutions, or conflicts arising from the Contractor's actual or alleged violation of the FOIA, or the Contractor's failure to furnish all documentation related to a request within five (5) days after the Village issues notice of a request. Furthermore, should the Contractor request that the Village utilize a lawful exemption under FOIA in relation to any FOIA request thereby denying that request, the Contractor shall pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees, and any other expenses) to defend the denial of the request. The defense shall include, but not be limited to, challenged or appealed denials of FOIA requests to either the Illinois Attorney General or a court of competent jurisdiction. The Contractor shall defend, indemnify, and hold harmless the Village, and its officers, officials, employees, agents, and volunteers, and shall pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees and any other expenses) to defend any denial of a FOIA request by the Contractor's request to utilize a lawful exemption to the Village.</p>
25	12.1	<p>We propose to revise this section as follows:</p> <p>The Contractor shall not disclose any and all proprietary and/or confidential information provided by the Village that is so marked or identified by the Village or as otherwise provided law that is received by the Contractor in the</p>

		course of providing services to the Village without the prior written consent of an authorized representative of the Village or as required by law. <u>This section shall not apply to information which is (A) publicly known, (B) already known to the Contractor; (C) disclosed to a third party without restriction; (D) independently developed; or (E) disclosed pursuant to legal requirement or order, or as is required by regulations or professional standards governing the Services performed. Subject to the foregoing, Contractor may disclose Village's Confidential Information to its subcontractors and subsidiaries.</u>
25	12.3	<p>We propose to revise this section as follows:</p> <p>Upon termination of this Agreement, the Contractor shall return to the Village all written, taped, or other descriptive matter, including, but not limited to drawings and diagrams, descriptions, and other papers and documents <u>Documents</u> provided to the Contractor by the Village in connection with the services rendered under this Agreement which may contain proprietary and/or confidential information. <u>Notwithstanding the foregoing, the Contractor (a) will be permitted to retain a copy of such data, as may be necessary to document its consideration of the potential transaction, for the purpose of establishing compliance with applicable law or regulations (including professional standards) and for defending or maintaining any litigation (including any administrative proceeding) relating to this Agreement or the data, provided that all such data and information shall continue to be kept confidential pursuant to the terms of this Agreement; and (b) shall not be required to delete data from back-up, archival electronic storage maintained in accordance with the Contractor's data retention policies.</u> The obligations set forth in this Section 12 shall survive the termination or expiration of this Agreement.</p>
26	15.1.4	We propose to delete this section entirely.
27	15.2	We propose to delete this section entirely.