

August 16, 2022

Ms. Christy Wurster
City Manager Pro Tem
City of Sweet Home Oregon
3225 Main Street
Sweet Home, OR 97386

We are pleased to confirm our understanding of the services we are to provide for City of Sweet Home (the City). This letter will serve as the formal arrangement letter for the services you have requested our firm to perform and the terms for the engagement. We encourage you to read this letter carefully as it includes important information regarding the services to be performed. If there are any questions on the content of the letter, or the services we will be providing, we welcome the opportunity to meet with you to discuss this information.

Services to Be Performed

At your request and under your direction, we will perform the following services:

- + Perform reconciliations of the City's main operating account for the fiscal year ended June 30, 22.,

City's Responsibilities for This Engagement

As a client of MCO, the City assumes the following responsibilities in connection with our provision of the services identified above:

1. Designation of an individual who possesses suitable skills, knowledge, and/or experience to oversee the services. That individual is identified as Matt Brown
(name and title). Interim Finance Director
2. Evaluate the adequacy and results of the services provided.
3. Acceptance and responsibility for the results of services.
4. Acceptance of responsibility for designing, implementing, and maintaining internal controls related to the services performed.

MCO's Responsibilities for This Engagement

We will perform the identified services in accordance with the applicable professional standards. This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to perform any procedure or take any action that could be construed as making management decisions or assuming management

responsibilities. We may advise you on certain matters related to the services provided, but you must make all management decisions regarding those matters.

Fees/Withdrawal

Due to the nature of this project, our firm will progress bill based on work completed at the end of each month. As discussed, we will perform a reconciliation of the July 2021 bank statement on a "time and materials" basis at our current rates as stated below. Based on our experience with the July reconciliation, we will provide the City with a not-to-exceed estimate for the remaining reconciliations through the June 2022 statement.

All services as outlined will be billed at our standard hourly rates as follows:

Partner	\$300/\$150.00 for travel
Managing Consultant	\$225/\$112.50 for travel
Senior Consultant	\$175/\$87.50 for travel
Consultant	\$125/\$62.50 for travel

All out of pocket expenses incurred will be billed at actual cost and supported with receipts. You agree that if you fail to pay for services rendered or expenses incurred for this engagement, we either may discontinue performing services for you until all outstanding balances are paid and/or may withdraw from the engagement ten (10) days after the mailing of written notice to you at the same address to which invoices are sent. You recognize that any discontinuance of work or withdrawal by us could seriously harm your interests, but nevertheless specifically give your consent to do so and to any court of law, arbitrator, or other form to allow us to withdraw if we choose to withdraw from this engagement for any reason at our sole discretion.

Mediation/Arbitration

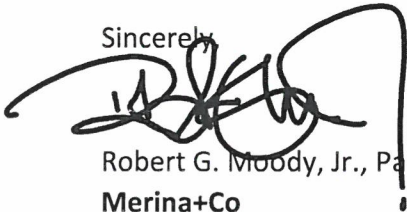
If any dispute arises amongst the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. Cost of any mediation proceeding shall be shared equally by all parties.

The City and MCO both agree that any dispute over fees charged by MCO to the City will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees charged by MCO, each of us is giving up the right to have the dispute decide in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

Conclusion

This letter sets forth the entire agreement relating to our consulting services. This letter supersedes any prior agreements, discussions, or undertakings. No amendment or modification of this agreement shall be valid unless in writing, signed by both parties to this agreement.

Sincerely,



Robert G. Moody, Jr., Partner
Merina+Co

The above letter confirms our understanding of the services to be performed and limitations of those services.

City of Sweet Home, Oregon

Printed Name: Christy Wurster
Title: City Manager Pro Tem
Signature: Christy Wurster