

July 2, 2025

Honorable Terry Lynne, Mayor
Members of City Council
Mr. Ben Williamson, City Manager
Ms. Jawaria Tareen, Deputy City Manager
City of Farmers Branch, Texas
13000 William Dodson Parkway
Farmers Branch, Texas 75234

As you requested, following is our proposed fee commitment for the year ended September 30, 2025.

Forvis Mazars knows our clients do not like fee surprises. Neither do we. Our goal is to be candid and timely, and we want to answer your questions about fees upfront. We determine our fees by evaluating a number of variables: the complexity of the work, the project's scope, the time we will spend, and the level of professional staff needed. We believe our proposed fees demonstrate a thoughtful review of these variables and the value you receive for your investment, but we are happy to discuss our fees as needed.

PROPOSED FEES

For the Year Ending September 30,	2025
Financial Statement Audit in Accordance with <i>Government Auditing Standards</i> and Single Audit under Uniform Guidance	\$ 99,100
The Reporting Solution (TRS) License	5,000
Annual financial assurances to Texas Commission on Environmental Quality (TCEQ)	1,400
Proposed Total Base Fees	\$ 105,500
Preparation of the draft of the City's annual comprehensive financial report (ACFR) and preparing entries to convert modified accrual statements to full accrual basis statements, <i>if requested</i>	\$ 13,150
Assistance with year-end entries related to Governmental Accounting Standards Board (GASB) Statements No. 68, 75, 87, 94, 96 and 101, <i>if requested</i>	5,500

In addition, Forvis Mazars will assist the City with the year-end reconciliation of capital assets for FY25. These fees will be based on our estimated time, skill, and resources required for assistance with the capital asset reconciliation mentioned above with fees ranging from \$5,000 to \$7,500.

The above fees include an administrative fee of 5 percent to cover items such as copies, postage and other delivery charges, supplies, technology-related costs such as computer processing, software licensing, research and library databases and similar expense items. The above fees do not include time required to implement new rules, regulations, and accounting or auditing standards. If there are significant changes in your operations or changes in accounting or auditing standards, we will discuss with you how these changes will affect your annual audit fees. The fee estimate above is based on testing one major federal program under the Uniform Guidance. If required, additional programs will be billed at a cost of \$8,750 per additional major program.

OUR COMMITMENT TO AN UNMATCHED CLIENT EXPERIENCE

Forvis Mazars knows you want actionable insight, responsive advisors and proactive guidance tailored for your specific needs. The City needs the resources, guidance and expertise of a dependable, national firm and accessible advisors who can continue to help you have confidence in your financial statements and demonstrate your effectiveness at providing public services. You need professionals who understand how success is defined in the public sector and can help you meet your goals and maintain compliance. That's where Forvis Mazars comes in. We're ready to show the City how you can continue to benefit from the public sector accounting expertise, responsiveness and prompt communication of a trusted firm. Providing personal attention and frequent communication to our clients is what drives us—and delivering value beyond the basic service approach is among our top priorities.

The terms of our engagement will be documented and approved in a separate engagement letter to be signed by City management and Forvis Mazars. We value our current relationship with the City and look forward to continuing to serve you.

Sincerely,

A handwritten signature in dark ink that reads "Dan Barron". The signature is written in a cursive, slightly stylized font.

Dan Barron
Partner