

August 4, 2021

Mayor and Town Council
Town of Irvington
235 Steamboat Road
Irvington, Virginia 22480

Dear Mayor and Town Council Members,

On behalf of my colleagues at Davenport & Company LLC (“Davenport”), we are pleased to provide this Letter Agreement to the Town of Irvington (the “Town”) to provide general financial advisory services including but not limited to financial reviews, capital planning and debt issuance for potential projects and initiatives as directed by the Mayor, Town Council and Town staff. The following outlines Davenport’s proposed Scope of Services for the potential engagement and the basis for compensation.

Scope of Services:

Phase 1: Financial Review and Assessment Report (the “Report”)

Davenport will complete a Financial Review and Assessment Report for the Town’s ongoing General Fund activities. In connection with the Report, Davenport will perform the following services, among others:

- 1) A Historic and Pro-Forma Review of Town Operational and Debt Related Activities:
 - Assess the Town's historical financial performance with respect to operations, debt-related and capital funding activities and fund balances over the past 5 years in order to determine cash-flow trends and historical fiscal strengths and vulnerabilities.
- 2) A Debt Profile - A comprehensive debt profile of the Town identifying the Town's obligations, if any, broken down by credit type, source of payment, timing and other factors.
- 3) A Debt Capacity Analysis of the Town to determine/provide the Mayor and Town Council with a range and upper limits of the level of debt which the Town could prudently undertake over the next 5 – 10 years under various debt/capital budgeting scenarios including the potential implementation of a Meals Tax.

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- 4) A Debt Affordability Analysis of the Town i.e. cash flow implications of the undertaking of new debt based upon the above Debt Capacity findings, among other factors.
- 5) A Comprehensive Peer Comparison - Written delivery of a comprehensive comparison of the Town and other similarly sized and situated localities covering their economic, financial and debt profiles.
- 6) A Capital Improvement Plan Assessment and Funding Approach - Assist the Town in the development of a multi-year capital improvement funding strategy for tax supported projects. Assess the Town's existing Capital Improvement Plan and Comprehensive Plan and provide a series of financial analyses that illustrate a number of funding scenarios for the identified projects, initiatives and strategies. Measure the fiscal impact of individual projects and all projects collectively.
- 7) Review existing Financial Policy Guidelines and provide recommendations for amending and enhancing, where applicable, the Town's current policies in order to best position the Town for continued positive financial performance and enhancement of its creditworthiness.

Phase 2: Transaction Related Services and Ongoing Financial Advisory Support:

As a natural extension and compliment to the Capital Planning work described above, Davenport could provide transaction and other Advisory services necessary to effect the successful raising of funds as outlined in the chosen Plan of Finance. The scope of work associated with this phase of the engagement will be developed and mutually agreed upon by Davenport and the Town based upon the preferred funding approach and the tasks associated with that approach.

Compensation:

Phase 1: Financial Review and Assessment Report:

For these services, Davenport will be compensated based on an hourly schedule of rates (shown below) subject to a not-to-exceed fee of \$10,000. Final billing will be based upon actual time spent on the project deliverable. Additionally, customary direct out-of-pocket expenses will be charged at cost and indirect expenses (e.g. conference calls, shipments and printing/binding materials) will be charged at an amount equal to 4% of the fee. These fees and the reimbursement for expenses will be paid upon the successful completion of the services as determined by the Town, or at such other time as mutually agreed upon.

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<u>Professional</u>	<u>Hourly Rate</u>
Senior Vice President	\$300
First Vice President	\$275
Vice President	\$250
Analyst	\$225

Phase 2: Transaction Related Services and Ongoing Financial Advisory Support:

For these services, compensation will be determined and agreed-upon by Davenport and the Town in advance of any financing based upon the adopted plan of finance and the advisory tasks / services associated with that funding approach.

Termination:

Either party may terminate this agreement with 30-day written notice. Davenport will be reimbursed for its out-of-pocket expenses and services provided prior to termination.

Please do not hesitate to reach out to us if you have any questions. We appreciate the opportunity to submit this proposal and we look forward to the opportunity to assist the Town.

Accepted by:

Town of Irvington, Virginia

Davenport & Company LLC

By

By

Title

Title

Date

Date

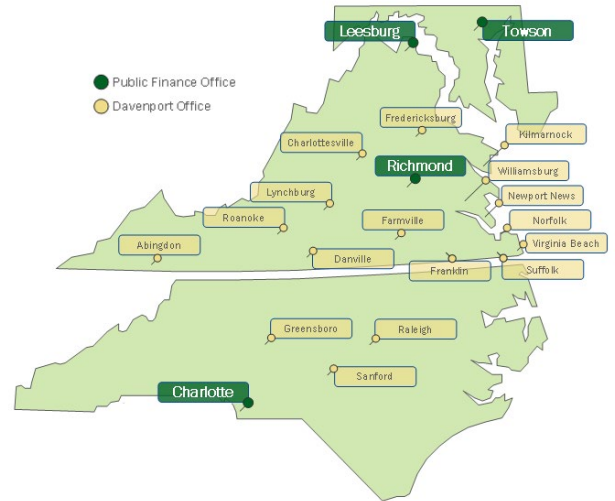
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Davenport Public Finance Overview

Public Finance Professionals

Davenport provides our clients with one of the largest groups of public finance professionals in the Mid-Atlantic/Southeast. We have 29 professionals serving clients from our public finance offices throughout the region. This group provides the benefits of:

- **Depth** - 28 professionals and 1 research assistant provide in-depth account coverage, diverse expertise, and analytic support.
- **Expertise** - Staff includes professionals with prior experience as Senior Credit Rating Analysts, Auditor, Bond Counsel, and Chief Financial Officer of a major municipal authority.
- **Proven Experience** - Median professional finance tenure of 12 years per professional; nearly 200 years combined experience; 20+ years Wall St. Experience.



Davenport Public Finance Professionals

- | | | |
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| <ul style="list-style-type: none"> ▪ David Rose
Senior Vice President
Co-Manager of Public Finance | <ul style="list-style-type: none"> ▪ Ted Cole
Senior Vice President
Co-Manager of Public Finance | <ul style="list-style-type: none"> ▪ Jimmy Sanderson
Senior Vice President |
| <ul style="list-style-type: none"> ▪ Jamie Traudt
Senior Vice President | <ul style="list-style-type: none"> ▪ Mitch Brigulio
Senior Vice President | <ul style="list-style-type: none"> ▪ Roland Kooch
Senior Vice President |
| <ul style="list-style-type: none"> ▪ Courtney Rogers
Senior Vice President | <ul style="list-style-type: none"> ▪ Kyle Laux
Senior Vice President | <ul style="list-style-type: none"> ▪ Joe Mason
Senior Vice President |
| <ul style="list-style-type: none"> ▪ Ty Wellford
Senior Vice President | <ul style="list-style-type: none"> ▪ Jennifer Dierksen
First Vice President | <ul style="list-style-type: none"> ▪ Ricardo Cornejo
First Vice President |
| <ul style="list-style-type: none"> ▪ R.T. Taylor
Vice President | <ul style="list-style-type: none"> ▪ Doug Gebhardt
Vice President | <ul style="list-style-type: none"> ▪ Griffin Moore
Vice President |
| <ul style="list-style-type: none"> ▪ Susan Ostazeski
Vice President | <ul style="list-style-type: none"> ▪ Alex Hock
Associate Vice President | <ul style="list-style-type: none"> ▪ Ben Wilson
Associate Vice President |
| <ul style="list-style-type: none"> ▪ Linda Moran
Associate Vice President | <ul style="list-style-type: none"> ▪ Zach Lucanie
Associate Vice President | <ul style="list-style-type: none"> ▪ Christopher Holt
Associate Vice President |
| <ul style="list-style-type: none"> ▪ Jack Casey
Analyst | <ul style="list-style-type: none"> ▪ Cole Claiborne
Analyst | <ul style="list-style-type: none"> ▪ Stephen Geisz
Analyst |
| <ul style="list-style-type: none"> ▪ Thompson Oney
Analyst | <ul style="list-style-type: none"> ▪ Austin Sacks
Analyst | <ul style="list-style-type: none"> ▪ Tyler Smith
Analyst |
| <ul style="list-style-type: none"> ▪ Carson Wiley
Analyst | | |

Support and Other Related Personnel

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> ▪ Lucy Hooper
Executive Vice President | <ul style="list-style-type: none"> ▪ Joseph W. "Joe" Paucke
Senior Vice President | <ul style="list-style-type: none"> ▪ Caitlyn Melby
Research Assistant |
|---|---|---|

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Experience

Davenport provides financial advisory services to a diverse group of more than 400 public sector clients including cities, counties, utility systems, state governments, public authorities, economic/industrial development authorities, transportation facilities, universities, museums, and other agencies responsible for public or not-for-profit activities. **Since 1998, the Public Finance department has provided financial advisory services on over 3,101 municipal transactions aggregating over \$74.4 billion in total volume.**

We assist our clients with strategic financial planning, debt management analysis, economic development strategies, project development for both revenue and tax supported ventures, credit ratings, peer group comparisons, credit enhancement, evaluation of new financing techniques, and arranging public offerings and direct bank loans. We provide clients with portfolio surveillance, derivative evaluation, cash flow forecasting, investment advice, assisting with investment strategy development, and other financial products. In addition, we assist clients with management of operating funds, reserve funds and the proceeds of bond issues.

Team Philosophy

Davenport believes in a team approach in order to assure proper coverage of all client engagements. By assuring that more than one individual is familiar with each aspect of the Town’s work, we are able to allocate project responsibility and support each other as circumstances dictate. This redundancy also enables us to meet even the most stringent demands of the Town in periods of increased activity. As such, our Financial Advisory Team approach will assure you that the Town’s needs will be met.

Top Financial Advisor in the Region

Davenport has consistently ranked as the top financial advisor in the region, based on the number of publicly issued transactions, according to the leading national database for the financial services industry maintained by Thomson Financial. The following table identifies the top ten Financial Advisors in Maryland, Virginia, North Carolina, South Carolina and Georgia since 2013.

Financial Advisor Transactions Maryland, Virginia, North Carolina, South Carolina, Georgia							
Rank	Company	2016	2017	2018	2019	2020	Total
1	Davenport & Company LLC	73	71	64	75	111	394
2	PFM Financial Advisors LLC	62	60	28	57	65	272
3	First Tryon Securities LLC	37	31	31	39	40	178
4	Compass Municipal Advisors LLC	43	26	20	27	19	135
5	Public Resources Advisory Group	32	32	16	21	28	129
6	Hilltop Securities	16	16	8	16	11	67
7	DEC Associates Inc	14	13	9	11	12	59
8	Ponder & Co	9	8	11	10	1	39
9	People First Financial Advisor	7	11	6	11	2	37
10	Caine Mitter & Associates Inc	4	8	5	17	1	35

Source: Refinitiv

Note: Data shown is for public bond offerings and does not include bank loans or privately placed transactions.

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Top Financial Advisor in Virginia

Since 2013, Davenport has consistently ranked as the top Financial Advisor in Virginia, based on the number of publically issued transactions, according to the leading national database for the financial services industry maintained by Thomson Financial.

Financial Advisor Transactions Virginia							
Rank	Company	2016	2017	2018	2019	2020	Total
1	Davenport & Company LLC	35	29	27	31	52	174
2	PFM Financial Advisors LLC	22	23	13	21	35	114
3	Public Resources Advisory Group	10	9	8	7	7	41
4	Ponder & Co	4	2	7	1	5	19
5	Raymond James	1	2	5	2	1	11
6	People First Financial Advisor	2	4	2			8
7	Hilltop Securities				3	3	6
8	S P Yount Financial LLC		2	1		2	5
9	TKG & Associates LLP				3	2	5
10	Perseverance Capital Advisors			1		4	5

Source: Thomson Reuters

Note: Data shown is for tax-exempt public bond offerings and does not include bank loans or privately placed transactions.

Select Client Engagements

Over the past two decades, Davenport has represented more Virginia local governments than any other firm.

Counties: Accomack, Albemarle, Amelia, Amherst, Appomattox, Bath, Botetourt, Brunswick, Buchanan, Buckingham, Campbell, Caroline, Charles City, Charlotte, Chesterfield, Culpeper, Cumberland, Dickenson, Dinwiddie, Essex, Floyd, Franklin, Frederick, Giles, Gloucester, Greene, Greensville, Halifax, Henry, Isle of Wight, James City, King George, King William, Lancaster, Lee, Loudoun, Lunenburg, Mathews, Mecklenburg, Middlesex, Montgomery, New Kent, Northampton, Northumberland, Orange, Page, Patrick, Pittsylvania, Powhatan, Prince Edward, Prince George, Pulaski, Richmond, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Smyth, Southampton, Sussex, Tazewell, Warren, Washington, Westmoreland, Wise

Cities: Alexandria, Bristol, Buena Vista, Danville, Emporia, Fairfax, Falls Church, Franklin, Galax, Hampton, Harrisonburg, Hopewell, Lexington, Lynchburg, Manassas, Manassas Park, Martinsville, Norfolk, Norton, Petersburg, Poquoson, Portsmouth, Radford, Richmond, Roanoke, Salem, Staunton, Suffolk, Waynesboro, Williamsburg

Towns: Abingdon, Amherst, Ashland, Bedford, Big Stone Gap, Blacksburg, Blackstone, Bowling Green, Broadway, Cape Charles, Chase City, Chilhowie, Clintwood, Colonial Beach, Culpeper, Dublin, Farmville, Front Royal, Gate City, Herndon, Independence, Kenbridge, Kilmacock, Lebanon, Leesburg, Marion, Middleburg, Narrows, Pearisburg, Pembroke, Pulaski, Purcellville, Richlands, Round Hill, Rural Retreat, Tazewell, Vienna, Vinton, Warrenton, West Point, Wise, Woodstock

Selected Others: Capital Region Airport Commission, Region 2000 Local Government Council, Region Ten, Richmond Metropolitan Transportation Authority, Southside Regional Jail Authority, Southside Regional PSA, Virginia Public School Authority, Virginia Resources Authority, Western Tidewater Regional Jail Authority

