

We sent out the following email to three companies that were recommended by U.S. Bank:

Good morning,

We have an \$8,000,000 bond that was issued June 2020 to help pay for constructing our current facility. We received our funding on 6/24/2020, and all bond funds were expended by 2/28/2021. We have received a request from U. S. Bank asking for an Arbitrage Certificate. We don't believe we have an arbitrage problem, but we have decided to ascertain our arbitrage position for absolute peace of mind. We are contacting a few companies to obtain estimates on how much this service could cost us. Are you interested in giving us an estimate? Once we hire someone to perform this service, our contact with U.S. Bank has agreed to provide any pertinent information that will facilitate the analysis.

Thank you for your assistance! Emails sent 6/19/2025:

kcombs@thearbitragegroup....	9:52 AM
Arbitrage Assistance	
Good morning, Kelly We have an	
<hr/>	
arbitrage@rebatebyacs.com	9:47 AM
Arbitrage Assistance	
Good morning, We have an	
<hr/>	
info@lrbfinance.com	9:45 AM
Arbitrage Assistance	
Good morning, We have an	

On 20 June 2025, two companies responded quickly and submitted engagement bids:

- 1- Robert Goubert, Arbitrage Compliance Specialists
Robert requested Form 8038 and Tax Certificate associated with the Series 2020 issuance.
303.867.7536
Corporate & Accounts Receivable Address:
6065 S. Quebec Street, Suite 201 Centennial, CO 80111
robert@rebatebyacs.com
- 2- Gregory A. Ichel, CPA, The Arbitrage Group, Inc. (Gregg)
The Arbitrage Group, Inc.
PO Box 82 | Hudson, WI 54016
O: 715-386-8044 | M: 612-860-1461
gichel@thearbitragegroup.com
- 3- Mahala Velasquez mahala@lrbfinance.com responded and said she passed our request along to their team. Jason Burningham was then assigned to respond. We did not hear from him.

June 20, 2025



Ms. Aleta Fairbanks, MPrA, CPA, Chief Financial Officer
Salt Lake City Mosquito Abatement District, UT ("Issuer")
2215 North 2200 West
Salt Lake City, UT 84116

ENGAGEMENT LETTER FOR ARBITRAGE COMPLIANCE SERVICES

CONTROL #3.00


\$7,995,000.00 LEASE REVENUE REFUNDING BONDS, SERIES 2020

Arbitrage Compliance Specialists, Inc. ("ACS") is pleased to present our fees to provide arbitrage compliance services for the Issuer. Our firm has distinctive legal and accounting experience with arbitrage compliance services dating back to the inception of the arbitrage rebate regulations of 1986. ACS is one of the most prominent and well-respected providers of arbitrage compliance services in the nation. ACS' staff members are accounting professionals who have extensive knowledge of governmental accounting, accounting allocation methods and legal interpretation skills to compute the lowest permissible liability allowed. We pride ourselves on our unprecedented commitment to each and every client we represent.

ACS has provided a fee schedule, listed on page 2, to encompass the various elements that we may encounter during the calculations. ACS' fees are derived by the complexity of the issuance and the number of years included in the computation period. Each calculation includes a CPA opinion to provide assurance that the calculations were completed according to Section 148(f) of the Internal Revenue Code of 1986 that governs the arbitrage rebate requirements (the "Tax Code").

We appreciate the opportunity to assist the Issuer comply with the IRS arbitrage compliance requirements. If we may be of further assistance or if there are any questions, please do not hesitate to call us at (800) 672-9993 ext.7536.

Sincerely,
Arbitrage Compliance Specialists, Inc.



Robert Goubert, Director

Please acknowledge acceptance of this engagement by signing, scanning and e-mailing this letter in its entirety to Arbitrage Compliance Specialists, Inc at Robert@rebatebyacs.com.

Accepted by – Signature

Print Name, Title

Date

Bond Compliance Program Services:	Fees
05th Year Arbitrage Rebate Review (“Calculation Period”): 06/24/2020 to 06/24/2025	\$1,850.00
TOTAL	\$1,850.00

Arbitrage Rebate Calculation Services	
Comprehensive Arbitrage Compliance Analysis (Set-Up and Regulatory Updates)	Included
Spending Exception Calculations (Per 6-Month Report Period)	Included
Commingled Funds and / or Transferred Proceeds	Included
Support Services	
IRS Audit Assistance (For Bond Issues Completed By ACS)	Included
Post-Calculation Services	
Debt Compliance Monitoring Service	Included
Record Retention Service	Included

Calculation Services

1. Complete an in-depth analysis of the applicable bond documents and debt structure by our professional staff to determine bond elections and identify applicable exceptions
2. Monitor IRS filing deadlines, election requirements and restricted periods in our database tracking system to ensure timely reporting.
3. Review the applicable rebate, yield restriction/yield reduction or spending exceptions in compliance with Internal Revenue Code of 1986.
4. Provide calculations with a CPA certified professional opinion that can be relied upon by the Issuer regarding the arbitrage rebate liability. The report will provide supporting documentation to include the calculation method employed, assumptions and conclusions.

Information Provided by the Issuer:

1. The Issuer agrees to provide all necessary information for the debt issue as listed in this engagement letter (“Debt Issuance”) within 15 days after the end of Calculation Period to provide ACS adequate time to meet the installment payment deadline as defined in the Tax Code.
 - a. Issuer agrees to provide all necessary Debt Issuance documents to include, but not limited to: Official Statement, Tax Certificate, IRS Form 8038-G, Escrow Verification Report and if applicable, letter of credit/liquidity facility and/or swap/hedge agreements.
 - b. Issuer agrees to provide all expenditures, investment earnings, and monthly cash investment balances for all gross proceeds. This includes (but is not limited to) the following funds accounts: Capital Project, Debt Service Reserve, Debt Service, Cost of Issuance, Escrow funds and if applicable all liquidity facility fees paid and/or swap/hedge payments. To accurately complete the calculations, as required by the Tax Code, data is to include:
 - i. Running balance or at the least a monthly balance.
 - ii. Expenditures by date
 - iii. Earnings by date.
 - iv. Fair Market Value, if available, on the last day of the computation period.
 - v. Exclusion of non-cash transactions such as amortization, accounts payable, and accounts receivable, etc.
 - vi. Fixed Investment records are to include:
 1. Settlement Date
 2. Purchase Amount
 3. Accrued interest paid on settlement date
 4. Coupon Rate

5. Maturity Date
6. Maturity Amount
2. The Issuer agrees to notify ACS within 15 days after the Debt Issuance has been refunded or defeased.
3. The Issuer agrees to notify ACS of all debt issuances that are supported by common funds to include, but not limited to debt service and reserve funds.

Support Services:

1. Discuss the report and findings to ensure a complete understanding of the procedures and recommendations in such report.
2. Prepare a debt compliance monitoring schedule that identifies all-important relevant information by issue including prior calculations, liability amounts, future calculation due dates and important status notes
3. Advise on how future changes in the Tax Code may affect the debt issue.
4. Provide technical assistance and consultation in matters related to the arbitrage compliance regulations.

Other Terms & Conditions:

1. ACS reserves the right to withdraw or re-negotiate the terms of this engagement if our involvement is greater than originally anticipated. Examples include an increase in ACS' time, commitment resources utilized to research and/or locate missing documents or activity requested by ACS, or if information requested by ACS was not provided in the format listed in "Information Provided by Issuer," Sections 1(a), and Sections 1(b).



The Arbitrage Group, Inc.

PO Box 82
Hudson, Wisconsin 54016

Telephone 715 386 8044

www.thearbitragegroup.com

June 20, 2025

Aleta Fairbanks, MPrA, CPA
Chief Financial Officer
Salt Lake City Mosquito Abatement District
2215 North 2200 West
Salt Lake City, UT 84116

Dear Ms. Fairbanks:

We are pleased to submit this engagement letter, which describes the assistance we will provide to the Salt Lake City Mosquito Abatement District as engaging party on behalf of the Local Building Authority of the Salt Lake City Mosquito Abatement District (collectively, the "Borrower") regarding the calculation of arbitrage earnings for the \$7,995,000 Local Building Authority of the Salt Lake City Mosquito Abatement District, Utah, Lease Revenue Refunding Bonds, Series 2020 ("Bonds"). This letter provides our understanding of the needs of the Borrower, lists the information that is to be provided to The Arbitrage Group, Inc. ("The Group") to compute the arbitrage earnings amount, and describes the procedures to be performed. The Borrower needs to determine the arbitrage earnings amount for the Bonds for the period from June 24, 2020 to the required cumulative five-year Installment Computation Date ending on June 24, 2025 ("Computation Period"). The arbitrage earnings amount is the difference between:

- a. The actual earnings on nonpurpose investments purchased with gross proceeds of the Bonds during the Computation Period, and
- b. The earnings which would have been earned during the Computation Period on nonpurpose investments if such investments had been invested at a rate equal to the yield on the Bonds.

The Borrower will be responsible for either providing or authorizing The Group with the applicable documentation required to calculate the arbitrage earnings amount. This documentation generally includes:

- i. IRS Form 8038, Tax Agreement; and Offering Document (received); and
- ii. Bank statements for each fund with gross proceeds of the Bonds ("Investment Activity").

Utilizing the information provided above, the following procedures will be applied by The Group:

- (1) Review the documents associated with the issuance of the Bonds to identify key characteristics of the Bonds and the related arbitrage requirements, including that: (i) the Bonds are one overall issue for tax purposes; (ii) there are no transferred proceeds of the Bonds; (iii) the yield is fixed rate without the presence of expected qualified guarantee or qualified hedge amounts; (iv) there is no invested reserve or similar pledged fund(s) that constitute includable replacement proceeds; and (v) sale proceeds for refunding and issuance costs are anticipated to have been allocated for such purposes (along with investment earnings, if any) no later than six-months after the issuance date of the Bonds;
- (2) Review the Investment Activity and determine that all such information has been provided and Borrower-provided or authorized information and representations;
- (3) Calculate the bond yield (if required) from the Offering Document for use in updating these calculations;



Salt Lake City Mosquito Abatement District
Aleta Fairbanks, Chief Financial Officer
June 20, 2025
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- (4) Assemble schedules of investment activity for each fund/account subject to the arbitrage rebate requirements and calculate the arbitrage earnings amount for the Computation Period (with respect to the Bond Fund(s) assume such fund(s) operated as an excludable bona fide debt service fund);
- (5) Prepare a report of our findings, which includes a summary of the information and computational assumptions affecting the calculations; and
- (6) Complete quality reviews of the report and the supporting documentation and issue our report to the Borrower along with IRS Form 8038-T if applicable and tailored instructions.

The successful completion of this engagement will require close coordination between the personnel resources of the Borrower and The Group. We will assign a Project Director for this engagement to coordinate engagement activities and we would like the Borrower to do the same. We anticipate successful completion of this engagement within two (2) weeks or less of receipt of all required information previously detailed. We will have no obligation to update our report or to check any revised calculations because of events and transactions occurring subsequent to the date of our report. Our arbitrage engagement is specifically not designed to detect theft, fraud, or internal control weaknesses.

Our report is to be issued solely for your information and assistance and is not to be quoted or referred to in other documents without our prior written consent. It is assumed that all of the appropriate documentation is available in a concise, organized, and complete manner, and that we will have access to the individuals responsible for providing the investment/expenditure information. Failure to timely provide the needed bank statement activity in this regard may result in The Group's decision to withdraw from this engagement prior to completion of our proposed services. Based on these assumptions, we estimate the fees for the defined Computation Period to not exceed \$1,750. These fees would include any out-of-pocket expense incurred by us.

We look forward to working with you on this project. If you have any questions regarding this engagement, please do not hesitate to call me at (715) 386-8044 or gichel@thearbitragegroup.com. To signify your acceptance, please return a signed copy of this letter.

Very truly yours,
The Arbitrage Group, Inc.

Gregory A. Ichel, Principal

Accepted by: Salt Lake City Mosquito Abatement District

By: _____

Title: _____

Date: _____