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[www.cityofparkfalls.com](http://www.cityofparkfalls.com)

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To: Honorable Mayor and Alders

From: <sup>SK</sup> Scott J. Kluver, Administrator

Re: Selection of Audit Services 2025-27

Date: October 3, 2025

Recently, the Finance Committee reviewed six proposals received from our recent Audit RFP for services to be rendered for the fiscal years of 2025, 2026, and 2027. Amongst the criteria used for evaluating the proposals were qualifications and competency, prior experience, and cost. Weighing those factors, the Committee recommended that CliftonLarsonAllen LLP (CLA) be selected as the auditing firm assuming that outstanding questions from staff were answered satisfactorily. I can report that those questions have been answered satisfactorily.

Enclosed you will find a summary of the proposed fees for those services. If the Council accepts CLA as the proposed auditor, we will continue to initiate the process with preparation of a formal contract and scope of work. The response to the RFP from CLA has also been enclosed.

Do note that our current auditor, Baker Tilly did submit a proposal, and they are certainly qualified, their proposed fee was much higher than CLA. If the Council approves working with CLA, I will make contact with other firms to let them know they were not selected.



CliftonLarsonAllen LLP  
CLAconnect.com

September 30, 2025

City of Park Falls  
City Administrator  
410 Division St | PO Box 146  
Park Falls, WI 54552

Dear Scott:

Thank you for allowing us the opportunity to formally propose on your City's audit services for 2025-2027. We are excited about this opportunity to provide audit services to your organization. Below is a summary of the services and the proposed fees that were included in the full proposal dated September 4, 2025. If you have any questions about our offerings, please do not hesitate to contact me at 920-455-4312 or email at [Jon.Trautman@claconnect.com](mailto:Jon.Trautman@claconnect.com).

Based on our formal proposal dated September 4, 2025, we propose the following fees:

Professional Services	2025	2026	2027
Financial Statement Audit	\$27,000	\$28,050	\$28,900
Form C and PSC Report Preparation	\$4,000	\$4,150	\$4,275
Technology and client support fee (5%)	\$1,400	\$1,500	\$1,625
<b>Total</b>	<b>\$32,400</b>	<b>\$33,700</b>	<b>\$34,800</b>
Federal Single Audit (if required)	\$7,250	\$7,500	\$7,600

Upon acceptance of our proposal, we will provide the City annual Statement of Work document and a Master Services Agreement to review and sign.

Sincerely,

CliftonLarsonAllen LLP

Jon Trautman, CPA, Principal

## **Audit Services 2025-2027**

City of Park Falls, Wisconsin RESPONSE:

The above fees as detailed in the CLA proposal dated September 4, 2025 are accepted for auditing services for the years ending December 31, 2025, 2026 and 2027.

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Signature

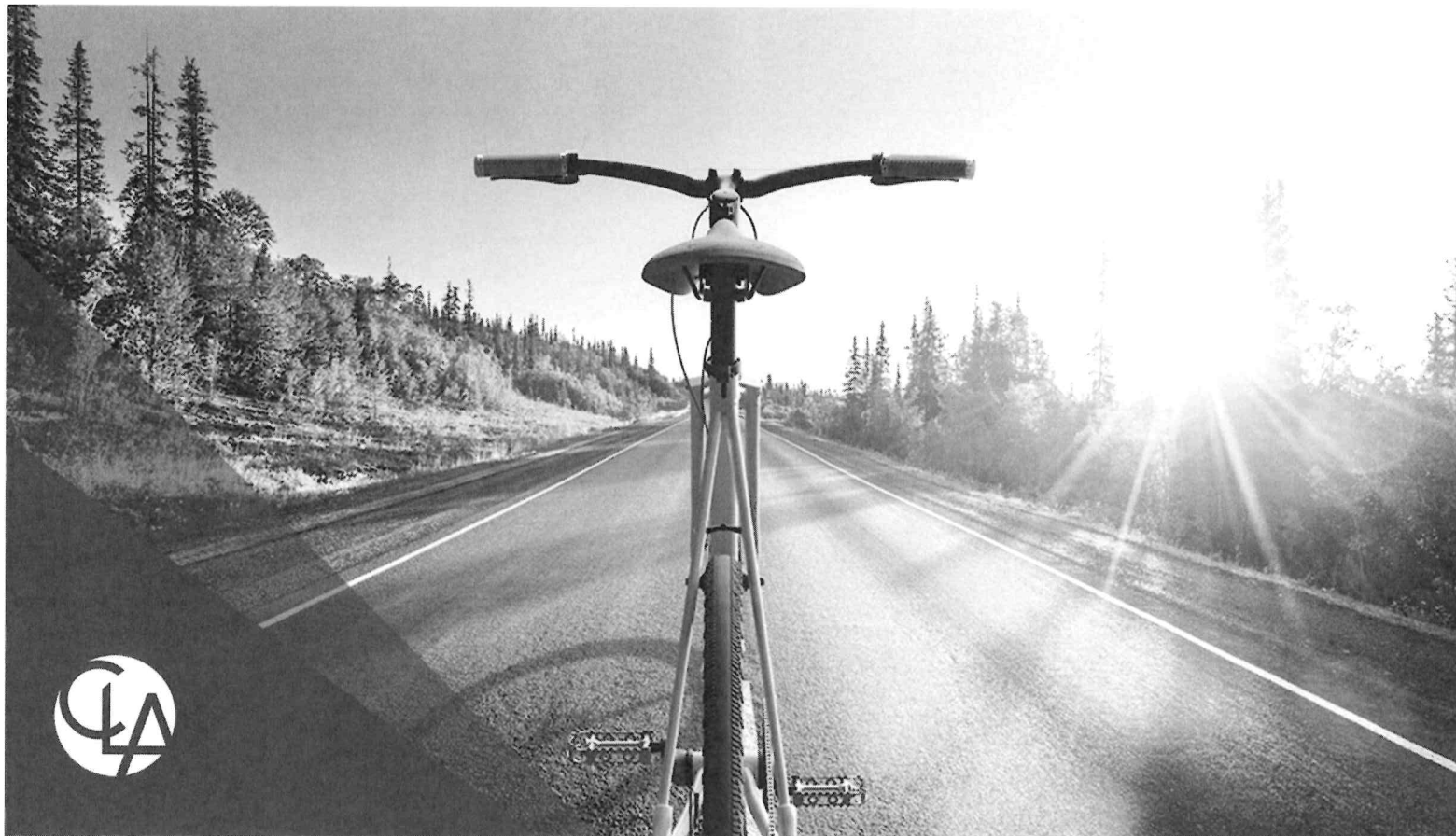
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Title

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Date





September 04, 2025

Proposal to provide professional  
Audit services to:

## City of Park Falls, Wisconsin

Prepared by:

**Jon Trautman, CPA, Principal**

[jon.trautman@claconnect.com](mailto:jon.trautman@claconnect.com)

Direct 920-455-4312 | Mobile 715-340-0302

**[CLAconnect.com](https://claconnect.com)**

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://claglobal.com/disclaimer).

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.







CliftonLarsonAllen LLP  
CLAconnect.com

September 04, 2025

Scott Kluver, City Administrator  
City of Park Falls, Wisconsin  
PO Box 146  
Park Falls, WI 54552

Dear Scott Kluver:

Thank you for inviting us to propose. We look forward to the opportunity to provide services to the City of Park Falls, Wisconsin.

We are confident that our extensive experience serving similar governmental entities, bolstered by our client-oriented philosophy and depth of resources, will make CLA a top qualified candidate to fulfill the scope of your engagement. The following differentiators are offered for the City of Park Falls, Wisconsin's consideration:

- **Industry-specialized insight and resources** – As one of the nation's leading professional services firms, and one of the largest firms who specialize in regulated industries, CLA has the experience and resources to assist the City of Park Falls with their audit needs. In addition to your experienced local engagement team, the City of Park Falls will have access to one of the country's largest and most knowledgeable pools of regulated industry resources.
- **OMB Uniform Guidance (UG) experience** – CLA performs single audits for hundreds of organizations annually, ranking top in the nation for the number of single audits performed by any CPA firm. The single audit requires a specific set of skills to properly perform the procedures. As such, we have developed a group of professionals who specialize in providing single audit services. The audit team will work with the City to determine when and if a single audit is required.
- **Strong methodology and responsive timeline** – In forming our overall audit approach, we have carefully reviewed the RFP and other information made available and considered our experience and work with similar clients. Our local government clients are included amongst the more than 4,200 governmental organizations we serve nationally. Our staff understands your complexities not just from a compliance standpoint, but also from an operational point of view. The work plan also reduces disruption of your staff and operations and provides a blueprint for timely delivery of your required reports.
- **Communication and proactive leadership** – City of Park Falls will benefit from a high level of hands-on service from our team's senior professionals. We can provide this level of service because, unlike other national firms, our principal-to-staff ratio is similar to smaller firms – allowing our senior level professionals to be involved and immediately available throughout the entire engagement process. Our approach helps members of the engagement team stay abreast of key issues at the City of Park Falls and take an active role in addressing them.

**A focus on providing consistent, dependable service** – We differ from other national firms in that our corporate practice focuses on the needs of non-SEC clients, thus allowing us to avoid the workload compression typically experienced by firms that must meet public companies' SEC filing deadlines. CLA is organized into industry teams, affording our clients with specialized industry-specific knowledge supplemented by valuable local service and insight. Therefore, the City of Park Falls will enjoy the service of

members of our state and local government services team who understand the issues and environment critical to governmental entities.

- **Fresh perspective** – By engaging CLA, the City of Park Falls, Wisconsin will benefit from a fresh look at its operations, information systems, and financial risk management policies and procedures. You will be served by an engagement team with enthusiasm and a desire to meet and exceed expectations. We are confident that our industry experience will bring to the City of Park Falls, Wisconsin new ideas, creative approaches, and fresh opportunities to meet the financial management and accountability challenges before the City of Park Falls, Wisconsin.

#### *Verification statements*

I, Jon Trautman, your engagement principal-in-charge, will serve as the City of Park Falls, Wisconsin's primary contact person for this engagement. Furthermore, as a principal of CLA, I am authorized to sign, bind, and commit the firm to the obligations contained in this proposal and the City of Park Falls, Wisconsin's RFP. My contact information is as follows:

Jon Trautman, CPA, Principal  
Office: 920-455-4312 / Mobile: 715-340-0302  
Email: jon.trautman@claconnect.com

We want to serve you and we have the qualifications to deliver quality, timely work. Throughout this proposal, we take you on a journey outlining how we'll work together and the value you can come to appreciate when we exceed expectations.

Please contact me if I can provide additional information on our firm or our proposal.

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in black ink, appearing to read "Jon Trautman". The signature is fluid and cursive, with the first name "Jon" and last name "Trautman" clearly distinguishable.

Jon Trautman, CPA  
Principal  
920-455-4312  
jon.trautman@claconnect.com

## Table of Contents

<b>Imagine Your New Reality With CLA .....</b>	<b>5</b>
Work with people whose values match your own .....	5
<b>Understanding Your Industry.....</b>	<b>6</b>
State and local government experience.....	6
Single audit experience .....	7
Deep industry connections.....	8
Insight to strengthen your organization.....	8
Thought leadership .....	9
Support at every turn.....	10
<b>Services Approach .....</b>	<b>11</b>
Easing the transition .....	11
The CLA seamless assurance advantage (SAA) .....	11
Financial statement audit approach.....	12
Single audit approach (if required).....	15
Communication process.....	17
<b>Engagement Timeline .....</b>	<b>18</b>
Proposed work plan .....	18
Easing the transition .....	18
<b>Your Service Team .....</b>	<b>19</b>
<b>References.....</b>	<b>21</b>
<b>Your Investment.....</b>	<b>22</b>
No surprises .....	23
<b>Firm Overview .....</b>	<b>24</b>
<b>Independence.....</b>	<b>26</b>
<b>Appendix .....</b>	<b>27</b>
A. Your service team biographies.....	27
B. Quality control procedures and peer review report.....	31

# Imagine Your New Reality With CLA

Pave the way for a stronger future. Working with CLA's knowledgeable and passionate team brings valuable insight and advice you can use to propel your organization toward sustainable growth.

Visualize an experience where you:

- Achieve long-term financial stability goals with insights from deeply involved principals, directors, and managers who understand City government and are attuned to your needs
- Make sound decisions based on good information from timely, high-quality services
- Drive innovation with knowledgeable guidance on industry-specific challenges and opportunities
- Build better collaboration and efficiencies with clear, concise, and constant communication
- Implement sustainable improvements with consistent team members who have built a deep understanding of your operations, systems, risks, and needs over time
- Elevate your organization with support from seamless, scalable services that grow with you
- Improve efficiency and your overall success by automating processes so you can focus on value-added tasks
- Protect systems and data with robust cybersecurity measures and IT auditors who can help you identify potential safeguards and improvements
- Experience efficiency and tailored advice when you build a meaningful relationship with your service team from year to year

## Work with people whose values match your own

Our values drive our behavior and lead to service delivery that exceeds expectations and provides you with the [CLA client experience](#).

### What does that mean?

It means you'll work with a team with the resources to support the whole of your organization. You can count on industry-specialized professionals who bring relevant and actionable ideas and strategies. Quite simply, you'll encounter value beyond the expected.



***Your time is valuable:*** We know how to deliver quality, timely work, and we take care of the details so you can focus on what really matters: the important decisions that drive your success.

# Understanding Your Industry

## State and local government experience

You can benefit from a close personal connection with a team of professionals devoted to governments. Our goal is to become familiar with all aspects of your operations — not just the information needed for the year-end audit so — that we can offer proactive approaches in the areas that matter most to you:

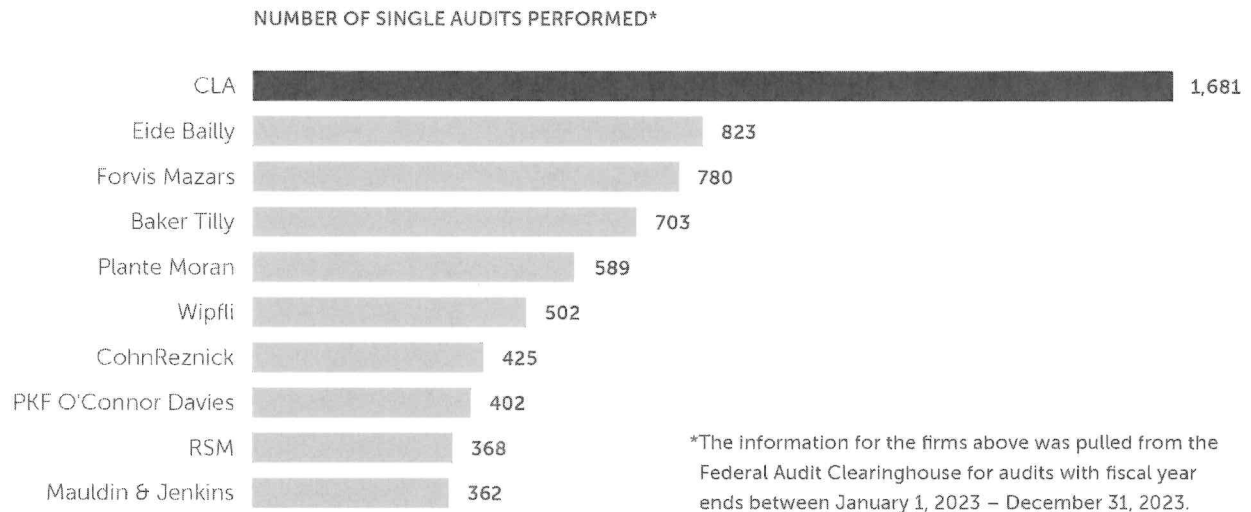
- **Local presence** – CLA is proud to be the largest professional services firm that does not offshore talent. As a privately held, independent member of the CLA Global network, we are committed to delivering services through professionals located entirely in the United States. By engaging CLA, the City of Park Falls will benefit from a local, dedicated Wisconsin Government engagement team from Wausau, Stevens Point and Eau Claire, Wisconsin with insight and resources available from across CLA
- Finding new ways to operate more effectively and efficiently
- Responding to regulatory pressures and complexities
- Maintaining quality services in the face of changing budgetary priorities
- Providing transparent, accurate, and meaningful financial information to stakeholders, decision-makers, and your constituents



## Single audit experience

### CLA performs the largest number of single audits in the United States

**We audited nearly \$229 billion dollars in federal funds expended in 2023.** The chart below illustrates CLA's experience in serving organizations that receive federal funds and demonstrates our firm's dedication to serving the government and nonprofit industry.



It is more important than ever to find qualified auditors who have significant experience with federal grants specific to the City of Park Falls, Wisconsin and can enhance the quality of the City of Park Falls, Wisconsin's single audit. Therefore, the single audit will be performed by a team of individuals who are managed by personnel who specialize in single audits in accordance with OMB's *Uniform Guidance* and *State Single Audit Guidance* and who can offer both knowledge and quality for the City of Park Falls, Wisconsin. As part of our quality control process, the single audit will be reviewed by a firm Designated Single Audit Reviewer.

*You'll need an audit firm experienced in performing single audits and a familiarity with the specific programs in which you are involved and will benefit from CLA's experience in this area.*

### Single Audit Resource Center (SARC) award

CLA received the [Single Audit Resource Center \(SARC\) Award](#) for Excellence in Knowledge, Value, and Overall Client Satisfaction. SARC's award recognizes audit firms that provide an outstanding service to their clients based on feedback received from an independent survey.

The survey queried more than 10,000 nonprofit and government entities about the knowledge of their auditors, the value of their service, and overall satisfaction with their 2024 fiscal year-end audit. The SARC award demonstrates CLA's dedication to serving the government and nonprofit industry and maintaining the most stringent regulatory requirements in those sectors.



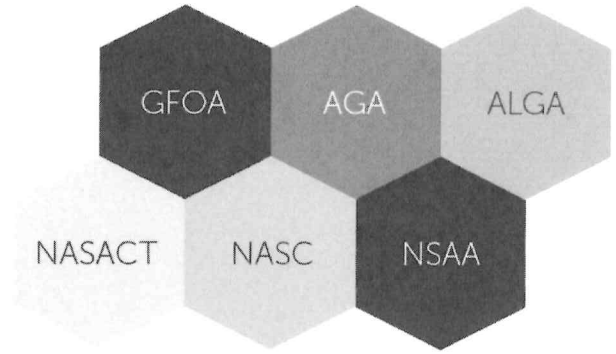


## Deep industry connections

CLA actively supports industry education as a thought leader and industry speaker. We focus on supporting the educational needs of the industry through nationally sponsored trade events. Our team of professionals is sought after, both as educators and as experienced speakers who are invited to speak and teach at major professional events by leading trade associations, including those shown here.

We are also actively involved in and/or are members of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- AICPA's State and Local Government Expert Panel
- AICPA's Government Audit Quality Center (GAQC)
- Government Finance Officers Association (GFOA)
- Special Review Committee for the GFOA's Certificate of Achievement for Excellence in Financial Reporting (Certificate) Program
- Association of Government Accountants



Our involvement in these professional organizations, combined with various technical services we subscribe to, allows us to be at the forefront of change in the constantly changing government environment. We take our responsibility for staying current with new accounting pronouncements, auditing standards, other professional standards and laws and regulations seriously.

## Insight to strengthen your organization

When you're ready to go beyond the numbers to find value-added strategies, we offer resources to help you respond to challenges and opportunities including:

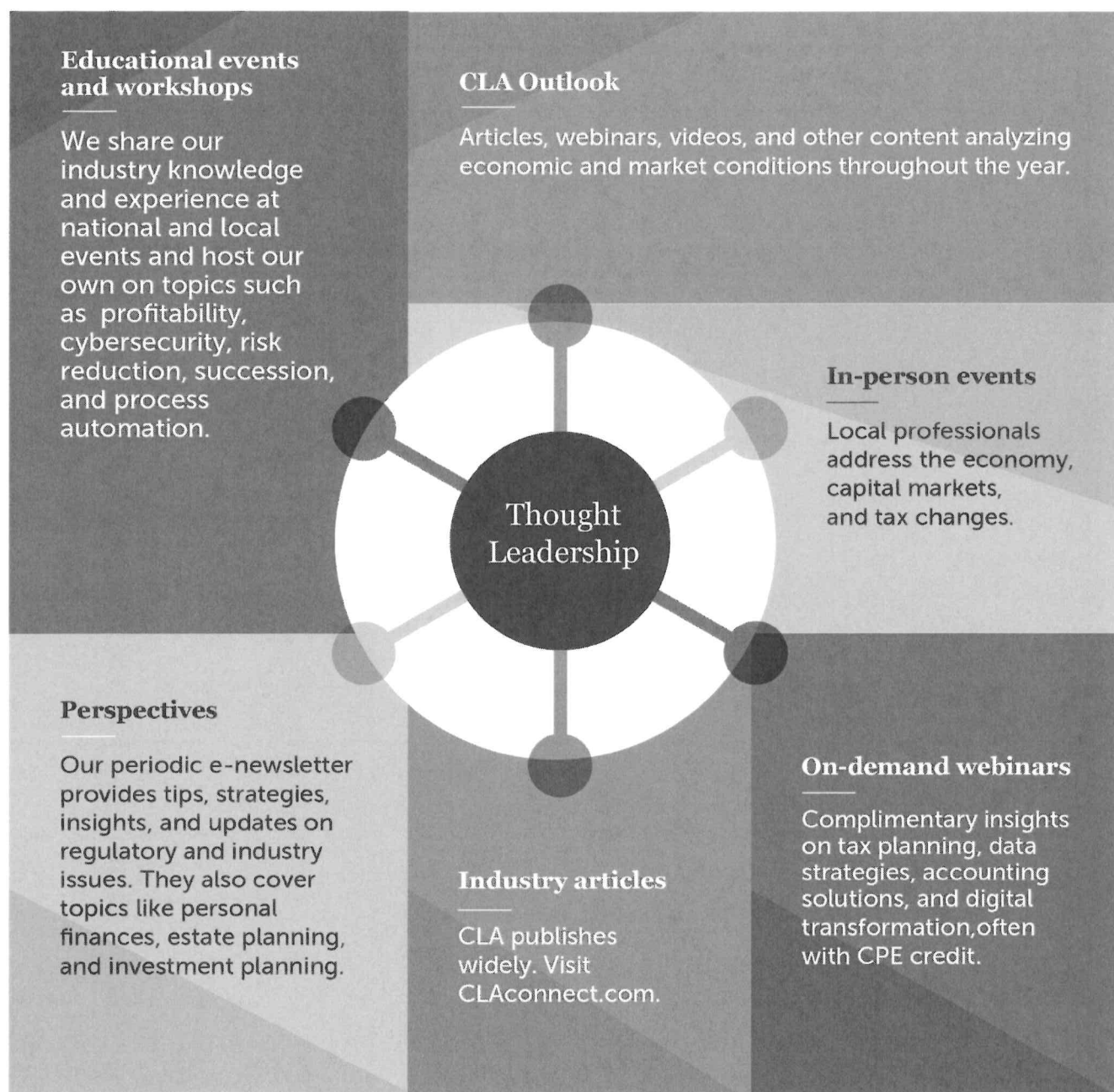
- [National webinars](#) — Access complimentary professional development opportunities for your team.
- [Articles and white papers](#) — Stay current on industry information as issues arise.

***Curious:*** *We care, we listen, we get to know you.*



## Thought leadership

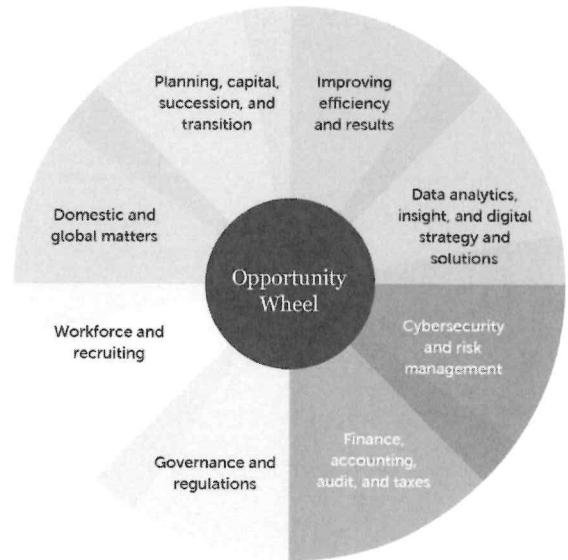
Throughout the year, we send email publications and host webinars and events to keep you informed of relevant industry updates. You can find an extensive resource library on our [website](#) and subscribe for event invitations and industry insights at [CLAconnect.com/subscribe](https://CLAconnect.com/subscribe).



## Support at every turn

With dedicated services specific to state and local governments, you have access to guidance on all aspects of your operations.

- Audit, review, and compilation of financial statements
- Compliance audits (HUD, OMB Single Audits)
- Cybersecurity
- Enterprise risk management
- Forensic accounting, auditing, and fraud investigation
  - Fraud risk management
- Grant compliance
  - Implementation assistance for complex Governmental Accounting Standards Board (GASB) statements
- Internal audit
- Outsourced business operations
- Performance auditing
- Purchase card (p-card) monitoring and analytics
- Risk assessments
  - Strategic, financial, and operational consulting
- Telecom management services
- Business opportunity assessments
- System optimization and selection



# Services Approach

## Easing the transition

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms.

## The CLA seamless assurance advantage (SAA)

SAA is an innovative approach to auditing that utilizes leading technologies, analytics, and audit methods to help solve client problems and create a seamless experience.



### A different approach

SAA is unlike any conventional audit process. SAA does not depend on physical location. It reduces the time our professionals spend on site, creates fewer disruptions, enables more efficient use of resources (yours and ours), and allows for more impactful interactions with your people.



### Insights through analytics

CLA uses strategic data analysis to evaluate whole data sets to gain a deeper understanding of your organization. Insights that were once impossible can now come into focus to help you measure performance, enhance strategic decision making, and understand your competitive opportunities.

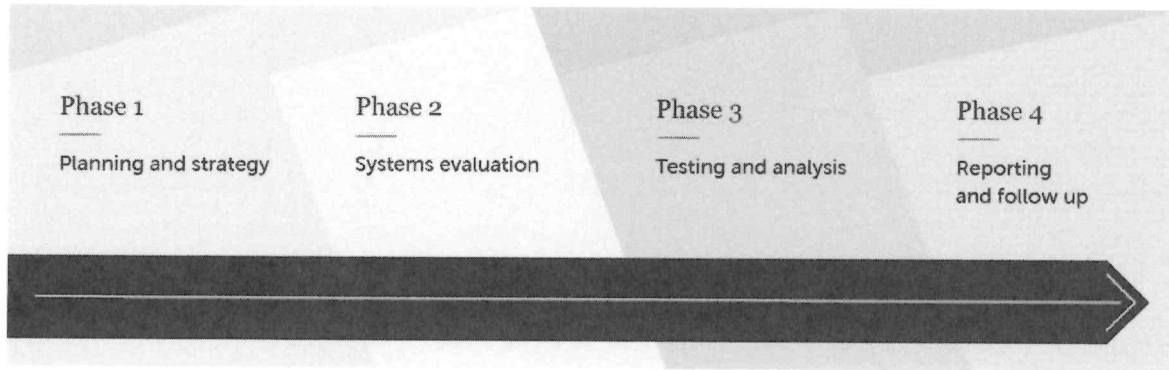


### Effective technology

CLA embraces technologies that help solve client problems and create a seamless experience. Assurance Information Exchange (AIE) is a web-based application developed by CLA to digitally request and obtain audit documents through a secure and efficient online portal.



## Financial statement audit approach



### *Phase 1: Planning and strategy*

The main objective of the planning phase is to identify significant areas and design efficient audit procedures.

- Conduct an entrance meeting – Jon Trautman, Stuart Randall and staff will meet with the City of Park Falls, Wisconsin personnel to agree on an outline of responsibilities and time frames
  - Establish audit approach and timing schedule
  - Determine assistance to be provided by the City of Park Falls, Wisconsin personnel
  - Discuss application of generally accepted accounting principles
  - Address initial audit concerns
  - Establish report parameters and timetables
  - Progress reporting process
  - Establish principal contacts
- Gain an understanding of your operations, including any changes in organization, management style, and internal and external factors influencing the operating environment
- Identify significant accounts and accounting applications, critical audit areas, significant provisions of laws and regulations, and relevant controls over operations
- Determine the likelihood of effective Information Systems (IS) - related controls
- Perform a preliminary overall risk assessment
- Confirm protocol for meeting with and requesting information from relevant staff
- Establish a timetable for the fieldwork phase of the audit
- Determine a protocol for using TeamMate Analytics and Expert Analyzer (TeamMate), our data extraction and analysis software, to facilitate timely receipt and analysis of reports from management
- Compile an initial comprehensive list of items to be prepared by the City of Park Falls, Wisconsin, and establish deadlines

We will document our planning through:

- **Entity profile** — This profile will help us understand the City of Park Falls, Wisconsin's activities, organizational structure, services, management, key employees, and regulatory requirements.
- **Preliminary analytical procedures** — These procedures will assist in planning the nature, timing, and extent of auditing procedures that will be used to obtain evidential matter. They will focus on enhancing our understanding of the financial results and will be used to identify any significant transactions and events that have occurred since the last audit date, as well as to identify any areas that may represent specific risks relevant to the audit.
- **General risk analysis** — This will contain our overall audit plan, including materiality calculations, fraud risk assessments, overall audit risk assessments, effects of our IS assessment, timing, staffing, client

assistance, a listing of significant provisions of laws and regulations, and other key planning considerations.

- **Account risk analysis** — This document will contain the audit plan for the financial statements, including risk assessment and the extent and nature of testing by assertion.
- **Prepared by client listing** — This document will contain a listing of schedules and reports to be prepared by the City of Park Falls, Wisconsin personnel with due dates for each item.
- **Assurance Information Exchange (AIE)** — CLA uses a secure web-based application to request and obtain documents. This application allows clients to view detailed information, including due dates for all items CLA is requesting. Clients can attach electronic files and add commentary directly on the application.

The audit engagement will be planned under the direction of the engagement leader and in-charge. We will clearly communicate any issues in a timely manner and will be in constant contact as to what we are finding and where we expect it will lead.

Using the information we have gathered and the risks identified, we will produce an audit program specifically tailored to the City of Park Falls, Wisconsin that will detail the nature and types of tests to be performed. We view our programs as living documents, subject to change as conditions warrant.

### *Phase 2: Systems evaluation*

We will gain an understanding of the internal control structure of the City of Park Falls, Wisconsin for financial accounting and relevant operations. Next, we will identify control objectives for each type of control material to the financial statements, and then identify and gain an understanding of the relevant control policies and procedures that effectively achieve the control objectives. Finally, we will determine the nature, timing, and extent of our control testing and perform tests of controls. This phase of the audit will include testing of certain key internal controls:

- Electronic data, including general and application controls reviews and various user controls
- Financial reporting and compliance with laws and regulations

We will test controls over certain key cycles, not only to gather evidence about the existence and effectiveness of internal control for purposes of assessing control risk, but also to gather evidence about the reasonableness of an account balance. Our use of multi-purpose tests allows us to provide a more efficient audit without sacrificing quality.

Our assessment of internal controls will determine whether City of Park Falls, Wisconsin has established and maintained internal controls to provide reasonable assurance that the following objectives are met:

- Transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements and to maintain accountability over assets
- Assets are safeguarded against loss from unauthorized acquisition, use, or disposition
- Transactions are executed in accordance with laws and regulations that could have a direct and material effect on the financial statements

We will finalize our audit programs during this phase. We will also provide an updated prepared by client listing based on our test results and anticipated substantive testing.





During the internal control phase, we will also perform a review of general and application IS controls for applications significant to financial statements to conclude whether IS general controls are properly designed and operating effectively.

Based on our preliminary review, we will perform an initial risk assessment of each critical element in each general control category, as well as an overall assessment of each control category. We will then assess the significant computer-related controls.

For IS-related controls we deem to be ineffectively designed or not operating as intended, we will gather sufficient evidence to support findings and will provide recommendations for improvement. For IS controls we deem to be effectively designed, we will perform testing to determine if they are operating as intended through a combination of procedures, including observation, inquiry, inspection, and re-performance.

### *Phase 3: Testing and analysis*

The extent of our substantive testing will be based on results of our internal control tests. Audit sampling will be used only in those situations where it is the most effective method of testing.

After identifying individually significant or unusual items, we will decide the audit approach for the remaining balance of items by considering tolerable error and audit risk. This may include (1) testing a sample of the remaining balance; (2) lowering the previously determined threshold for individually significant items to increase the percent of coverage of the account balance; or (3) applying analytical procedures to the remaining balance. When we elect to sample balances, we will use TeamMate to efficiently control and select our samples.

Our workpapers during this phase will clearly document our work as outlined in our audit programs. We will provide City of Park Falls, Wisconsin with status reports and be in constant communication with City of Park Falls, Wisconsin to determine that all identified issues are resolved in a timely manner. We will hold a final exit conference with City of Park Falls, Wisconsin to summarize the results of our fieldwork and review significant findings.

### *Phase 4: Reporting and follow up*

Reports to management will include oral and/or written reports regarding:

- Independent Auditors' Report
- Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Management Letter
- Written Communication to Those Charged with Governance, which includes the following areas:
  - Our responsibility under auditing standards generally accepted in the United States of America
  - Changes in significant accounting policies or their application
  - Unusual transactions
  - Management judgments and accounting estimates
  - Significant audit adjustments
  - Other information in documents containing the audited financial statements
  - Disagreements with the City of Park Falls, Wisconsin
  - City of Park Falls, Wisconsin's consultations with other accountants
  - Major issues discussed with management prior to retention
  - Difficulties encountered in performing the audit
  - Fraud or illegal acts

Once the final reviews of working papers and financial statements are completed, our opinion, the financial statements, and management letter will be issued.

City of Park Falls will be given a draft of any comments we propose to include in the management letter. Items not considered major may be discussed verbally with management instead of in the management letter. Our management letter will include items noted during our analysis of your operations.

We will make a formal presentation of the audit results to those charged with governance, if requested.

### Elevating with artificial intelligence (AI)

CLA is committed to harnessing cutting-edge technology to enhance client service. We may use AI to enhance your audit engagements. This can include:

- **Research and document drafting:** CLA professionals may use Microsoft Copilot to ask questions and make requests of generative AI with secure access to CLA-specific resources.
- **Document summarization:** We may use CLA Family Assistant to help extract and summarize information relevant to our audits, including minutes review, leases, debt agreements, and other document types.
- **Invoice extraction:** CLA may use AI tools to extract relevant fields from invoices and other documents.

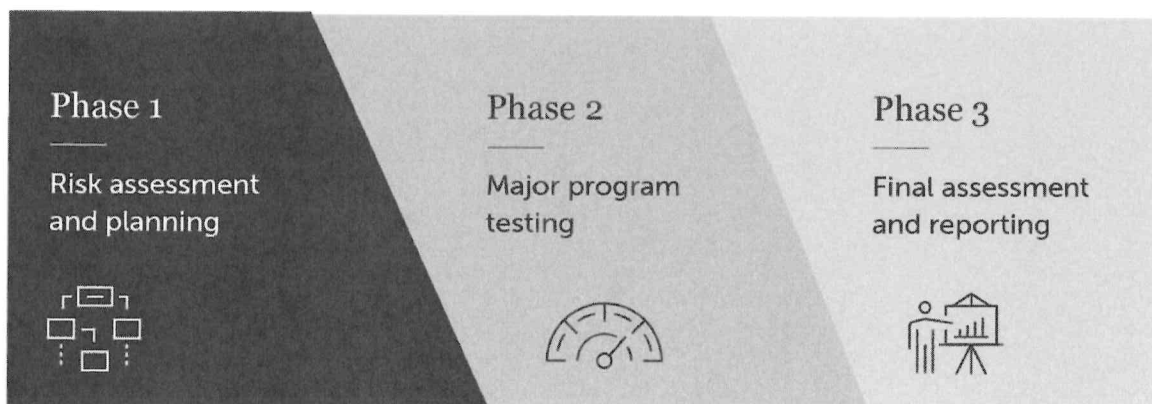
When AI is used, the work is supervised by CLA professionals who verify results before making final decisions. Client information remains confidential when working with these tools.

### Single audit approach (if required)

OMB's *Uniform Guidance* (2 CFR Part 200) and *State Single Audit Guidance* affects how federal grants are managed and audited and impacts every organization that receives federal assistance. Grant compliance can be a confusing topic and many of our clients rely on their federal funding as a major revenue source, so it is important that they understand what these changes mean to their organization. As a leader in the industry, CLA professionals are available to provide guidance and tools tailored to City of Park Falls, Wisconsin's needs, and to assist in compliance with these rules.

The AICPA clarified auditing standard, AU-C 935 "Compliance Audits", requires risk-based concepts to be used in all compliance audits including those performed in accordance with 2 CFR Part 200. Our risk-based approach incorporates this guidance.

We conduct our single audit in three primary phases, as shown, below:



### *Phase 1: Risk assessment and planning*

The risk assessment and planning phase encompasses the overall planning stage of the single audit engagement. During this phase, we work closely with the City of Park Falls, Wisconsin's management to determine that programs and all clusters of programs are properly identified and risk-rated for determination of the major programs for testing. We also review the forms and programs utilized in the prior year to determine the extent of any changes which are required.

We accomplish this by following the methodology below:

- Determine the threshold to distinguish between Type A and B programs, including the effect of any loans and loan programs
- Utilizing the preliminary Schedule of Expenditure of Federal Awards, we can identify the Type A and significant Type B programs (25% of Type A threshold) in accordance with the Uniform Guidance
- Identify the programs tested and the findings reported for the past two fiscal years. Determine and document the program risk based on the past two single audits
- Prepare and distribute Type B program questionnaires to determine risk associated with Type B programs
- Determine the major programs to be tested for the current fiscal year based on the previous steps
- Based on our determination of the major programs, we obtain the current year compliance supplement to aid in the determination of Direct and Material Compliance requirements, and customize the audit program accordingly
- Determine the preferred methods of communication during the audit

### *Phase 2: Major program testing*

We determine the programs to be audited based on the risk assessment performed in the planning phase. We perform the audit of the programs in accordance with UG.

To accomplish this, we perform the following:

- Schedule an introductory meeting and notify the City of Park Falls, Wisconsin's management of the major programs for the current fiscal year
- Plan and execute the testing of the expenditures reported on the Schedule of Expenditures of Federal and State Awards
- Perform tests of compliance and internal controls over compliance for each major program identified
- Schedule periodic progress meetings to determine that schedules are adhered to and identify issues as they arise
- Conduct entrance and exit conference meetings with each grant manager

### *Phase 3: Final assessment and reporting*

We re-perform the steps noted in the preliminary assessment and planning stage once the final Schedule of Expenditures of Federal and State Awards is received to determine if additional major programs were identified.

Based on the final determination of the programs we perform the following:

- Identify Type A and significant Type B programs which were not previously identified
- Re-assess the risk and determine if we are required to audit additional programs
- Perform compliance testing at the entity wide level related to procurement and cash management requirements



- Perform testing to validate the status of prior year findings for those programs not selected for audit.
- Prepare the Schedule of Findings and Questioned Costs
- Conduct exit conference with the City of Park Falls, Wisconsin's management to review drafts of required reports:
  - Independent Auditors' Report on Internal Control over financial reporting and on compliance and other matters based on an audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
  - Independent Auditors' Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal and State Awards Required by the *Uniform Guidance and State Single Audit Guidance*

Throughout the single audit, we maintain communication through periodic progress meetings with those designated by City of Park Falls, Wisconsin. These meetings will be on a set schedule, but as frequently as the City of Park Falls, Wisconsin determines. During these meetings, we discuss progress impediments and findings as they arise.

## Communication process

Effective communication is critical to a successful engagement. This includes weekly status meetings where observations, potential exceptions, and leading practices are discussed. To avoid surprises at the end of the engagement, we discuss and document our observations, clarify fact patterns, and confirm management's understanding and agreement with our findings.

CLA adheres to all auditing standards related to reporting observations, recommendations, and findings. All significant deficiencies and material weaknesses will be reported to the audit committee/governance in writing. Best practices, observations, and other matters will be reported to management in a management letter that can be used as a tool to track the implementation of our recommendations.

**Report to those charged with governance** — In addition to observations and recommendations, we will inform the audit committee of:

- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments and passed adjustments, if any
- Disagreements with management, if any
- Management consultation with other accountants, if any
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

We are sensitive and understanding of the fact that we report to those charged with governance, and our audit professionals maintain objectivity and independence in issuing audit opinions. If we identify significant fraud, illegal acts, or significant delays during the audit process, we will alert the audit committee timely.

Information related to overall fiscal health or other concerns of your organization observed during audit testing will be presented in the exit presentation and as part of the management letter. We will also help you create opportunities for improvement through recommendations and suggestions for strengthening your policies, accounting procedures, and processes.



# Engagement Timeline

Count on clear communication and regular updates.

## Proposed work plan

We have designed a plan that meets your needs and key deadlines. In our planning meeting, we will discuss this timeline with you in greater detail and adjust as appropriate.

	Pre-interim work
December/January	Review prior year workpapers Request initial planning documents from City of Park Falls, Wisconsin
January	Initial planning meeting
January	Interim audit work begins
February/March	Audit fieldwork begins
April/May	Draft reports
TBD	Presentation to City of Park Falls, Wisconsin
Ongoing	Planning and update meetings

## Easing the transition

We recognize that a move to a new firm presents an opportunity as well as a challenge. Over our 60-year history, we have transitioned many clients and have a collegial and professional relationship with many firms.

***Reliable:*** Look for us to respond in hours, not days. We strive to deliver service that exceeds your expectations.



# Your Service Team

The true value in working with our team is developing a personal and professional relationship with leaders who understand your industry, challenges, and opportunities — with the full support of an entire CLA family behind them.

Meet your service team below.

Engagement Team Member	Role	Years' Experience
Jon Trautman, CPA	<b>Engagement principal</b> – Jon Trautman will have overall engagement responsibility including planning the engagement, developing the audit approach, supervising staff, and maintaining client contact throughout the engagement and throughout the year. Jon Trautman is responsible for total client satisfaction through the deployment of all required resources and continuous communication with management and the engagement team.	29+
Stuart Randall, CPA	<b>Engagement manager</b> – Stuart Randall will act as the lead manager on the engagement. Stuart will assist the engagement principal with planning the engagement and performing complex audit areas. They will perform a technical review of all work performed and is responsible for the review of comprehensive annual financial report and all related reports.	13+
Amber Danielski, CMA, CPA	<b>Technical resource principal</b> – Amber Danielski will be the technical resource for the audit team as well as City of Park Falls, Wisconsin personnel. Amber's many years of serving governmental entities will be an invaluable resource.	20+





***Additional staff*** – We will assign additional seniors and staff to your engagement based on your needs and their experience providing services to state and local governments.

Detailed biographies can be found in the *Appendix*.

***Collaborative:*** *Support from a responsive local team complemented by national resources. We consider the whole of your organization, bringing innovative teams to the table.*



# References

Our clients say it best. And their independent, authentic perspective is invaluable in learning about the experience you'll have when working with us. We work with hundreds of municipalities across Wisconsin, and we encourage you to connect with a few of our clients to hear it firsthand.

## City of Hayward, Wisconsin

Client Contact	Lisa Poppe, Clerk/Treasurer
Phone Number   Email	715-634-2311   dpty969@centurytel.net
Services Provided	Audit Services, Form C and PSC Preparation, consulting as needed

## City of Medford, Wisconsin

Client Contact	Kathy Tom, Treasurer
Phone Number   Email	715-748-1182   ktom@medfordwi.gov
Services Provided	Audit Services, Form C and PSC Preparation, single audit when applicable, TIF audits when applicable, consulting as needed

## City of Tomahawk, Wisconsin

Client Contact	Amanda Bartz, Clerk/Treasurer
Phone Number   Email	715-453-4040   abartz@tomahawkwi.gov
Services Provided	Audit Services, Form C and PSC Preparation, single audit when applicable, TIF audits when applicable, consulting as needed

***Transparent:*** We place honesty and integrity at the center of all communication. We welcome you to start an open and candid conversation with those who know us best.



# Your Investment

Having upfront conversations builds relationships.

The value we can provide your organization goes beyond meeting your compliance needs. We can help you discover opportunities to enhance your performance and achieve your strategic goals. Our insights and strategies are tailored to your specific situation and represent a return on your investment.

Based on our understanding of your requirements, we propose the following fees:

Professional Services	2025	2026	2027
Financial Statement Audit	\$27,000	\$28,050	\$28,900
Form C and PSC Report Preparation	\$4,000	\$4,150	\$4,275
Technology and client support fee (5%)	\$1,400	\$1,500	\$1,625
<b>Total</b>	<b>\$32,400</b>	<b>\$33,700</b>	<b>\$34,800</b>
Federal Single Audit (if required)	\$7,250	\$7,500	\$7,600

Our fee quote is designed with an understanding that:

- City of Park Falls, Wisconsin personnel will provide documents and information requested in a timely fashion.
- The operations of your organization do not change significantly and do not include any future acquisitions or significant changes in your business operations.
- There are no significant changes to the scope, including no significant changes in auditing, accounting, or reporting requirements.

The 5% technology and client support fee supports our continuous investment in technology and innovation to enhance your experience and protect your data.



### Total hours and hourly rates by staff classification

The tables below shows our standard hourly billing rates by classification and estimated hours:



City 2025 Services				
	Hours	Standard hourly rates	Quoted hourly rates	Total
Principal	10	\$300-500	\$325	\$3,250
Manager/Director	30	\$180-320	\$215	\$6,450
Senior	90	\$160-230	\$180	\$16,200
Associates	120	\$140-190	\$150	\$18,000
Admin support staff	10	\$125-150	\$95	\$475
Total	275			\$44,375
Less Discount				(\$11,975)
Total all-inclusive maximum price				\$32,400

### Fee increase

Our fees are based on professional standards and regulations currently in effect and barring any changes in the nature or requirements of the engagement, our annual fees will increase in accordance with the increases in our payroll and overhead costs. In addition, costs could increase due to substantial changes in your operational structure. If fee increases are expected outside of the ranges provided above, we would discuss with management prior to the completion of the work.

### No surprises

Our clients don't like fee surprises. Neither do we. If changes or complexities occur — or any "out-of-scope" work is required — we'll discuss a revised proposal with you first.

It's not our policy or practice to bill our clients every time we receive a phone call or email. We're invested in our relationships and strongly encourage intentional and frequent communication. Contact us year-round as changes or questions arise.

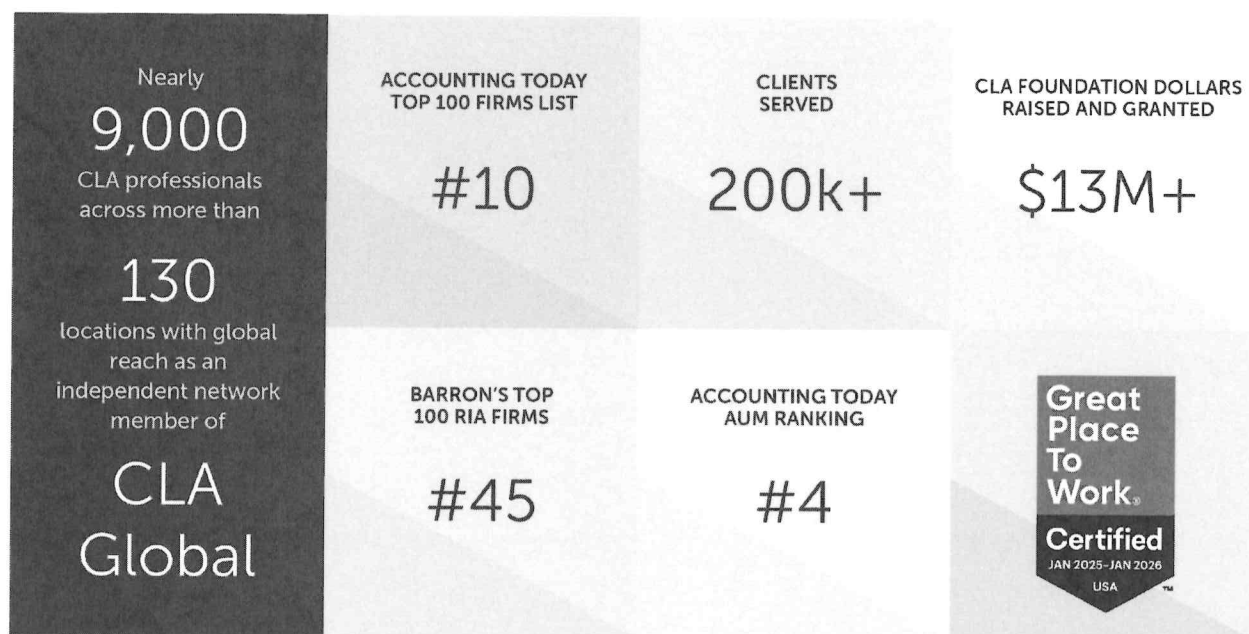
**Our last word on fees: we're committed to serving you and creating a long-standing relationship. If fees are a deciding factor in your selection of a professional services firm, give us a call and let's discuss.**

***Transparent:*** Clear, authentic communication and market-based fees.



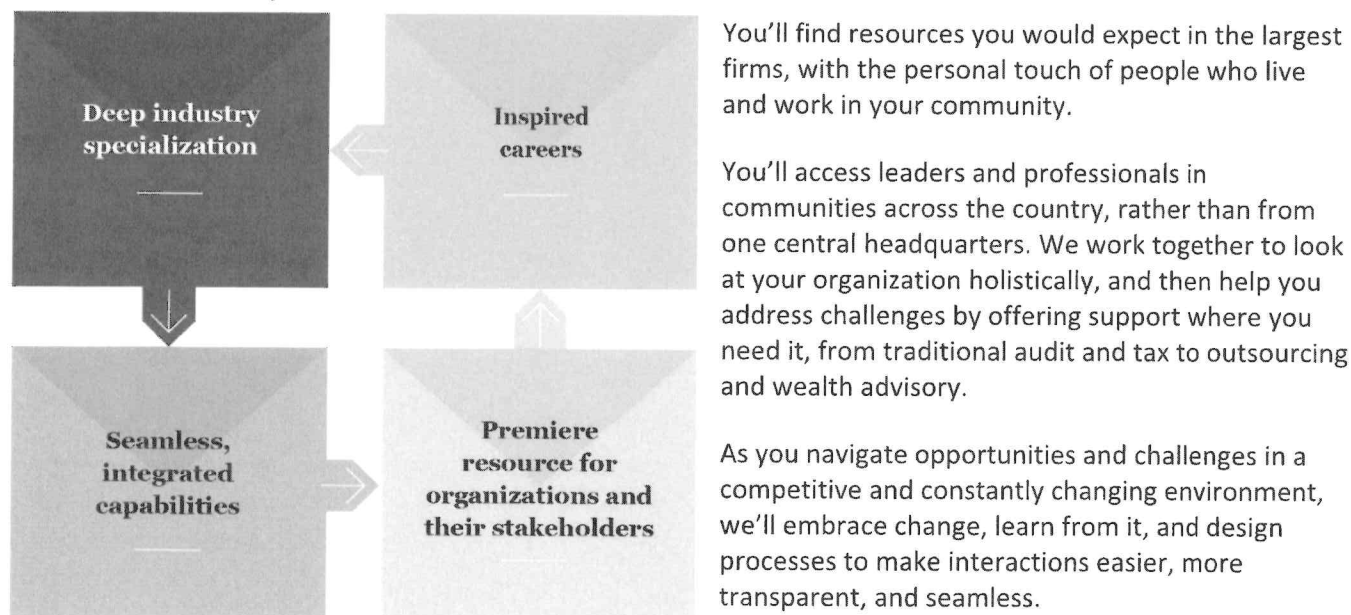
# Firm Overview

It takes balance.™ With CLA by your side, you will find everything you need in one firm. Professionally or personally, big or small, we can help you discover opportunities and bring balance to get you where you want to go.



As a professional services firm, we exist to create opportunities ... for you, our people, and our communities through industry-focused wealth advisory, digital, audit, tax, consulting, and outsourcing services. We do this when we live the CLA Promise — a promise to know you and help you.

## Opportunities for you



## Opportunities for our people

At CLA, people find meaningful work in a fun, compelling, and energizing culture. Our people design their own customized careers through our inspired careers strategic advantage. In 2024 our total headcount was relatively the same as in 2023, and we continue to witness a remarkable retention rate of 89%. Inspired by their careers, our family members develop client relationships that bring deeper knowledge and help you shine. We're one family, working together to create opportunities.

What's more, CLA is building a culture of [connection and belonging](#) that welcomes different beliefs and perspectives. We want to represent the communities we serve and foster an environment of inclusion and belonging, resulting in enhanced value for our clients, our communities, and each other.

***Inclusive:*** *We embrace all voices and create opportunities by removing barriers and helping our people build inspired careers.*

## Opportunities for our community

CLA's community impact team unifies the work of connection, belonging and the CLA Foundation with a laser focus on advancing education, employment, and entrepreneurship within CLA and throughout our society.

Since 2015, our [CLA Foundation](#) has granted more than \$13 million from nominations made by and funds raised from CLA family members. Each grant recipient's work aligns with the foundation's mission to create career opportunities through education, employment, and entrepreneurship by connecting networks inclusive of all genders and races, veterans, and the disability community.

Read more in CLA's annual [Promise Report](#).





# Independence

## Firm independence

CLA is independent of the City under the American Institute of Certified Public Accountant's Code of Professional Conduct and its interpretations and the U.S. Government Accountability Office (GAO)'s *Government Auditing Standards*, as required. Our firm-wide quality control policies and procedures foster strict compliance with these professional standards. In addition, the individuals assigned to your engagement are independent of the City.

## Professional relationships

CLA affirms we have no known previous relationships involving the City of Park Falls, Wisconsin.

## License to Practice in Wisconsin

CLA affirms the firm and all assigned key professional staff are properly licensed to practice in Wisconsin. All assigned key professional staff are licensed certified public accountants. All assigned professional staff have complied with governmental qualification standards, including governmental continuing education requirements.

<p><b>State of Wisconsin</b></p> <p>DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES</p> <p>COMMITTED TO EQUAL OPPORTUNITY IN EMPLOYMENT AND LICENSING</p> <p><b>ACCOUNTING FIRM</b></p> <p>NO. 724 - 3 Expires: 12/14/2025</p> <p>CLIFTONLARSONALLEN LLP 220 S SIXTH ST STE 300, MINNEAPOLIS, MINNESOTA 55402 UNITED STATES</p>	<p>The person whose name appears on this document has complied with the provisions of the Wisconsin Statutes and holds the credential specified on the front of this card. To verify the current status of this credential, use "Lookup a License" at <a href="https://dps.wi.gov">dps.wi.gov</a>.</p> <p>The named person has complied with Wisconsin Statutes and holds the credential specified. Signature: CliftonLarsonAllen LLP</p> <p>Ch 440.11, Wis Statutes, requires you to notify the Department of a name or address change within 30 days. Please submit corrected information via the web at <a href="https://dps.wi.gov">dps.wi.gov</a> or by mail to DOPS at PO Box 8935, Madison WI 53708-8935.</p>
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# Appendix

## A. Your service team biographies





# Jonathan Trautman, CPA

CLA (CliftonLarsonAllen LLP)

Principal  
Wausau, Wisconsin

920-455-4312  
jon.trautman@CLAconnect.com



## Profile

Jon has more than 29 years of experience providing auditing and consulting services to governments, counties, school districts, and nonprofits in Wisconsin. He prepares the financial statements, municipal financial report forms, and public service commission annual reports for local governments and utilities.

Jon specializes in the review of financial policies and procedures and provides recommendations to increase efficiency and effectiveness of internal controls. He reviews utility rate studies and identifies opportunities for improvement in rate structure. Jon also assists with the implementation of financial accounting systems and provides recommendations for chart of accounts structure, including assisting clients with integrating computer systems.

## Technical experience

- State and local government

## Education and professional involvement

- Bachelor of science in managerial accounting from University of Wisconsin, Stevens Point, Wisconsin
- American Institute of Certified Public Accountants
- Certified Public Accountant in the state of Wisconsin
- Wisconsin Institute of Certified Public Accountants
- Wisconsin Government Finance Officers Association (WGFOA)

[CLAconnect.com](https://www.claconnect.com)

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.claglobal.com/disclaimer).  
Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





## Stuart Randall, CPA

CLA (CliftonLarsonAllen LLP)

Manager  
Wausau, Wisconsin

920-455-4257  
stuart.randall@CLAconnect.com



### Profile

Stuart is a manager at CLA and has served government clients since 2012. His experience includes providing financial and compliance audits to governmental clients of varying sizes, advisory services to governments, consulting on financial statement preparation in accordance with accounting standards, and preparing financial statements in accordance with accounting standards and ACFR award criteria.

### Technical experience

- Audits of local governments, including cities, counties, villages, towns, utilities, and school districts
- Audits of tax increment districts
- Compliance audits of government organizations including:
  - Audits in accordance with *Uniform Guidance* requirements
  - Audits in accordance Wisconsin State Single Audit Guide and DPI requirements

### Education and professional involvement

- Master of professional accountancy from University of Wisconsin, Whitewater, Wisconsin
- Bachelor of business administration in accounting from University of Wisconsin, Whitewater, Wisconsin
- Certified Public Accountant in the state of Wisconsin
- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants

[CLAconnect.com](https://www.claconnect.com)

CPAS | CONSULTANTS | WEALTH ADVISORS

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.claglobal.com/disclaimer).  
Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.





# Amber Danielski, CPA, CMA

CLA (CliftonLarsonAllen LLP)

Signing Director  
Stevens Point, Wisconsin

920-455-4304  
amber.danielski@CLAconnect.com



## Profile

Amber performs audit field work for Wisconsin municipalities and school districts. She prepares the financial statements, public service commission reports, state financial report forms, and the Schedule of Federal and State Awards for municipalities and school districts. Amber also provides technical accounting support and review of audited financial statements of the firm's governmental clients.

## Technical experience

- Government accounting and auditing
- Quality control

## Education and professional involvement

- Bachelor of arts in managerial accounting, business administration from the University of Wisconsin, Stevens Point, Wisconsin
- Certified Public Accountant in the state of Wisconsin
- Certified Management Accountant in the state of Wisconsin
- Wisconsin Institute of Certified Public Accountants
- Wisconsin Government Finance Officers Association (WGFOA)
- American Institute of Certified Public Accountants

[CLAconnect.com](https://www.claconnect.com)

CPAS | CONSULTANTS | WEALTH ADVISORS

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## B. Quality control procedures and peer review report

In the most recent peer review report, dated November 2022, we received a rating of pass, which is the most positive report a firm can receive. We are proud of this accomplishment and its strong evidence of our commitment to technical excellence and quality service. The full report is provided on the following page. ***This quality review included a review of specific government engagements.***

The Public Company Accounting Oversight Board (PCAOB) conducts inspections of CLA's quality control procedures relating to audits of public companies, while the remainder of our assurance practice is peer reviewed under American Institute of Certified Public Accountants (AICPA) standards. PCAOB inspection reports are available on the PCAOB website.

In addition to an external peer review, we have implemented an intensive internal quality control system to provide reasonable assurance that the firm and our personnel comply with professional standards and applicable legal and regulatory requirements. Our quality control system includes the following:

- A quality control document that dictates the quality control policies of our firm. In many cases, these policies exceed the requirements of standard setters and regulatory bodies. Firm leadership promotes and demonstrates a culture of quality that is pervasive throughout the firm's operations. To monitor our adherence to our policies and procedures, and to foster quality and accuracy in our services, internal inspections are performed annually.
- Quality control standards as prescribed by the AICPA. The engagement principal is involved in the planning, fieldwork, and post-fieldwork review. In addition, an appropriately experienced professional performs a risk-based second review of the engagement prior to issuance of the reports.
- Hiring decisions and professional development programs designed so personnel possess the competence, capabilities, and commitment to ethical principles, including independence, integrity, and objectivity, to perform our services with due professional care.
- An annual internal inspection program to monitor compliance with CLA's quality control policies. Workpapers from a representative sample of engagements are reviewed and improvements to our practices and processes are made, if necessary, based on the results of the internal inspection.
- Strict adherence to the AICPA's rules of professional conduct, which specifically require maintaining the confidentiality of client records and information. Privacy and trust are implicit in the accounting profession, and CLA strives to act in a way that will honor the public trust.
- A requirement that all single audit engagements be reviewed by a designated single audit reviewer, thereby confirming we are in compliance with the standards set forth in the *Uniform Guidance*.



## Report on the Firm's System of Quality Control

To the Principals of CliftonLarsonAllen LLP  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP (the "Firm") applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards, may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the Firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. CliftonLarsonAllen LLP has received a peer review rating of *pass*.

*Cherry Bekaert LLP*

Cherry Bekaert LLP  
Charlotte, North Carolina  
November 18, 2022