



Village of Weston, Wisconsin
MEETING NOTICE

- Meeting of:** FINANCE COMMITTEE (FC)
- Members:** Berger {c}, Ermeling, Bender, Sukup, Yaeger
- Date/Time:** Wednesday, February 24th @ 6:00 P.M.
- Location:** Weston Municipal Center (5500 Schofield Ave) – Board Room
- Agenda:** The agenda packet will be emailed out 3 days prior to the meeting, and also posted on the Village website at www.westonwi.gov.
- Attendance:** Committee members and Department Directors, please indicate if you will, or will not, be attending so we may determine in advance if there will be a quorum.
- Questions:** Jenna Trittin, Recording Secretary
715-359-6114
jtrittin@westonwi.gov

This notice was posted at the Municipal Center, and on the Village's website at www.westonwi.gov, and was emailed to local media outlets (Print, TV, and Radio) on 2/17/2016 @ 2:30 p.m.

A quorum of members from other Village governmental bodies (boards, commissions, and committees) may attend the above noticed meeting in order to gather information. No actions to be taken by any other board, commission, or committee of the Village, aside from the Finance Committee. Should a quorum of other government bodies be present, this would constitute a meeting pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis.2d 553,494 N.W.2d 408 (1993).

Wisconsin State Statutes require all agendas for Committee, Commission, or Board meetings be posted in final form, 24 hours prior to the meeting. Any posted agenda is subject to change up until 24 hours prior to the date and time of the meeting.

Any person who has a qualifying disability as defined by the Americans with Disabilities Act requires that meeting or material to be in accessible location or format must contact the Weston Municipal Center, by 12 noon the Friday prior to the meeting so any necessary arrangements can be made to accommodate each request.



Village of Weston, Wisconsin
OFFICIAL MEETING AGENDA OF THE FINANCE COMMITTEE

The Regular meeting of the Village of Weston Finance Committee, composed of five (5) members, will convene at the Weston Municipal Center, Board Room, 5500 Schofield Ave., Weston, on **Wednesday, February 24, 2016, at 6:00 p.m.** to consider the following matters:

- A. Opening of Session.
 - 1. Meeting called to order by Trustee Berger at 6:00 p.m.
 - 2. Clerk will take attendance and roll call
 - 3. Request for silencing of cellphones and other electronic devices.
 - 4. Acknowledgment of visitors, if any.
- B. Comments from the public on matters pertaining to committee business and oversight.
- C. Presentations.
- D. Consent Items for Discussion/Action.
 - 5. [Approval of previous meeting minutes from January 27, 2016.](#)
- E. Business Items for consideration, discussion, and action.
 - 6. [Discussion and recommendation of 2015-2019 Financial Audit Services Request for Proposals for the Village of Weston.](#)
 - 7. [Discussion and recommendation of January 2016 Budget Status Reports from Village Staff.](#)
- F. Reports.
 - 8. Deputy Finance Director / Treasurer
 - 9. Finance Director / Treasurer
 - a) [State Assembly Bill \(AB 515\) – Restoring \\$3 million to the Recycling Grant Program in 2016](#)
 - b) [State Assembly Bill \(AB 843\) – Chargeback of Property Tax Refunds to All Other Taxing Jurisdictions, not just which the Local Municipality is Required to Pay by Itself](#)
 - 10. Administrator
- G. Remarks from Committee; discuss items to be included for the next Finance Committee agenda.
- H. Set next meeting date for **Wednesday, March 30th, 2016.**
- I. Announcements.
 - Save the date: 20th Anniversary Celebration – Friday, March 11th, 2016 @ Dale’s Weston Lanes.
- J. Adjourn.

WITNESS: My signature this 19th day of February, 2016.

John Jacobs
Weston Finance Director/Treasurer

This notice was posted at the Municipal Center, and on the Village’s website at www.westonwi.gov, and was emailed to local media outlets (Print, TV, and Radio) on 2/19/2016 @ 4:30 p.m. A quorum of members from other Village governmental bodies (boards, commissions, and committees) may attend the above noticed meeting in order to gather information. No actions to be taken by any other board, commission, or committee of the Village, aside from the Board of Trustees. Should a quorum be other government bodies be present, this would constitute a meeting pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis.2d 553,494 N.W.2d 408 (1993). Wisconsin State Statutes require all agendas for Committee, Commission, or Board meetings be posted in final form, 24 hours prior to the meeting. Any posted agenda is subject to change up until 24 hours prior to the date and time of the meeting. Any person who has a qualifying disability as defined by the Americans with Disabilities Act requires that meeting or material to be in accessible location or format must contact the Weston Municipal Center at 715-359-6114, by 2pm the Friday prior to the meeting so any necessary arrangements can be made to accommodate each request.

Village of Weston, Wisconsin
REGULAR MEETING OF THE FINANCE COMMITTEE

February 24th, 2016

MEETING PACKET COVER SHEET
AGENDA ITEM – D.5.



Village of Weston, Wisconsin
OFFICIAL PROCEEDINGS OF THE FINANCE COMMITTEE
held on Wednesday, January 27, 2016 at 6:00 pm in the Board Room at the Municipal Center
Chairman Berger presiding.

A. Opening of Session at 6 P.M.

1. Finance Committee meeting called to order by FC Chairman Berger.
2. Clerk (or recording secretary/deputy clerk) will take attendance and/or roll call.
Roll call indicated 5 members present.

<u>Member</u>	<u>Present</u>
Bender, Robert	YES
Berger, Scott	YES
Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

Village Staff in attendance: Guild, Jacobs, and Trittin. Trustee White was also in the audience.

3. Requests for silencing of cellphones and other electronic devices.
4. Acknowledgement of visitors, if any.

B. General Comments from the public.

C. Presentations.

D. Consent Agenda Items for Consideration.

5. Approval of Previous Minutes from November 16, 2015.
Motion by Ermeling, second by Bender to approve previous minutes.

Yes Votes: 5 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Berger, Scott	YES
Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

E. Business Items for consideration, discussion, and action.

6. 2014 Comprehensive Annual Financial Report Award (CAFR) from GFOA.

Information on how the CAFR review and the award process works can be found in the meeting packet. This is the 12th year the Village has received the Certificate of Achievement for Excellence in Financial Reporting Award from GFOA. The Village received a proficient grade in all categories, except the Fiduciary Fund Financial Statements category, because it was not applicable. Yaeger asked Jacobs about the 2014 audit extension. Jacobs said that several events caused the delay of the completion of the 2014 financial statements audit, but that the Village should not have to file for an extension this year, as there is a firm deadline on the audit RFP. Bender congratulated Jacobs and his staff on the award.

Motion to acknowledge award by Ermeling, second by Yaeger.

Yes Votes: 5 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Berger, Scott	YES

Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

7. Approve recommendation from Finance Director for 2016 Weights & Measures Fees Schedule.

Village Board approved the creation of the new Weights & Measures Ordinance at the second Board Meeting in November 2015, with the stipulation that the schedule of fees would then be presented back to Finance Committee, and a recommendation given to the Village Board. Page 37 of the meeting agenda packet has the invoice from the State for the 2014-2015 period of time. Jacobs said we should receive a similar invoice for the period of June 1, 2015-June 30, 2016 in early spring. The permit licensing period will begin July 1, 2016 and go through June 30, 2017. Permits would be sent out in spring and be for the next 12 months going forward; however, the Village will not actually get the bill from the State until almost the full year has been completed. This item is being presented as a proposal of how to distribute and allocate the state inspection costs between the different monitored devices at each business location. The goal is to not overbill businesses which have these devices. Page 42 of the agenda packet has the listing of the devices that the state monitored for the 12-month period of time that ended June 30, 2015. Jacobs stated that the listing of businesses with equipment that the State monitors will change every year. Jacobs asked for comments and/or suggestions. Yaeger asked Jacobs what the billing date would be. Jacobs stated that everything would need to go to the Village Board by the first or second meeting in June, so all paperwork would need to be into the Clerk's Office by the relevant date to have the permits issued. Bender said that fees seem adequate and that fees should be paid prior to the period that they are for. Ermeling asked how the Village would keep up with the coming and going of businesses. Jacobs said that he would need to work with the State to get a system figured out.

Motion by Bender to present fee schedule to the Board of Trustees, second by Sukup.

Yes Votes: 5 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Berger, Scott	YES
Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

8. Consideration of 2015-2019 Financial Auditing Services Request for Proposals document for the Village of Weston.

Jacobs stated that we have received an audit engagement letter for both the SAFER and EMPD 2015 financial audits. Jacobs stated that he thought this was a good time for an RFP for the Village's audit. Jacobs suggested a 5-year contract. Bender stated that he would be fine with it. Jacobs stated that he has requested that proposals be returned to the Village by Wednesday, February 17, 2016, in order to give time for Jacobs, Guild, and the Finance Department staff a chance to look at them. Jacobs stated that the Village has had the same accounting firm for almost 20 years and openly indicated this in the RFP. The RFP also states that the contract does not include the SAFER or EMPD audits. Additionally, the RFP indicates that the contract is for a full CAFR document, as the Village would like to submit their CAFR for the Comprehensive Annual Financial Report Award from GFOA. Jacobs continued to walk through some details of the RFP document. Some Village statistics in the packet still need to be updated, and will be updated prior to the RFP being sent out. Yaeger indicated that Village may want to request a copy of the audit firm's most recent peer review, which occurs every three years. Yaeger also said Village may want to see the firm's proof of malpractice insurance. Jacobs mentioned that a few years ago, the Village had the top 3 firms come in and do a presentation. The requirement of a presentation was not included in this RFP, but Jacobs inquired on whether the committee wanted to include that stipulation. Sukup said she would like to wait and see what prices come in at before deciding whether a formal presentation and interview process was deemed necessary.

Motion by Sukup to send out RFP with changes suggested by Yaeger, second by Bender.

Changes: Firm must submit most recent peer review and firm must provide proof of malpractice insurance.

Yes Votes: 5 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Berger, Scott	YES

Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

9. Consideration of 2016 Weston Centennial Homecoming Organization Scholarship at DC Everest Senior High School.

Jacobs stated that there is not enough money to present a scholarship at this time as interest rates have not climbed quickly enough to accumulate enough funds, since the Spring 2015 scholarship award.

Motion by Bender to not present a scholarship for the 2016 graduation year, second by Yaeger.

Yes Votes: 5 No Votes: 0 Abstain: 0 Not Voting: 0 Result: PASS

<u>Member</u>	<u>Voting</u>
Bender, Robert	YES
Berger, Scott	YES
Ermeling, Barbara	YES
Sukup, Carrie	YES
Yaeger, Richard	YES

F. Reports.

10. Deputy Finance Director / Treasurer

Deputy Finance Director has not started yet, so there is no report at this time.

11. Finance Director / Treasurer

Jacobs reported that Guild has required that department heads give a monthly report to each committee and to Village Board members. The first monthly Finance Department report will go out in February 2016. The Finance Committee will get a report next month. Tax season will be done February 5, 2016, as the state requires a 5-day grace period for tax payments (after the January 31st payment deadline). The Village is working on restructuring roughly \$22 million dollars in Community Development Authority (CDA) debt in 2016. The Finance Committee will hear more about this in the second and third quarters. The Finance Department is also working with the Department of Public Works on a water rate study. Ehlers has been hired to help the Village with the analysis and submission for the PSC request for increasing the Village’s rates for the water utility. Jacobs also reviewed the 2016 Finance Committee meeting date calendar, which had been distributed.

12. Administrator

- a) Guild acknowledged the hiring of Donna Stroik as Deputy Finance Director, with appointments as a Deputy Treasurer and Deputy Clerk of the Village of Weston. Guild said that Stroik would be joining the Village on February 10, 2016.
- b) Guild acknowledged the hiring of Jenna Trittin as Administrative Specialist – Finance Department. Guild told the committee that Sara Budnick left Village employment. After discussion with Department Directors, the monies for the vacant Budnick position have been fully allocated to the Finance Department.
- c) No other recruitment updates were given.

G. Remarks from Committee; discuss items to be included for next Finance Committee Agenda.

H. Set next meeting date for Wednesday, February 24, 2016.

I. Announcements.

- Guild announced the Village’s 20th Anniversary Celebration, which will be held on Friday, March 11th, 2016 at Dale’s Weston Lanes. Guild invited all committee members to attend and informed them that they also could bring a guest to the event.
 - Announcement is highlighted in blue on the calendar included in the agenda packet.

J. Adjourn.

Berger adjourned the Finance Committee meeting at 6:58 P.M.

Scott Berger, Chairman
 John Jacobs, Finance Director/Treasurer
 Jenna Trittin, Recording Secretary

Village of Weston, Wisconsin
REGULAR MEETING OF THE FINANCE COMMITTEE

February 24th, 2016

MEETING PACKET COVER SHEET
AGENDA ITEM – E.6.



**VILLAGE OF WESTON
REQUEST FOR CONSIDERATION**

AGENDA ITEM DSCRPTN: 2015-2019 FINANCIAL AUDIT SERVICES RFP'S

FOR CONSIDERATION AT: FINANCE COMMITTEE MEETING, WEDNESDAY, FEBRUARY 24, 2016

LEGISLATION TYPE: ACKNOWLEDGE | **MOTION** | ORDINANCE | POLICY | RESOLUTION

RECOMMENDATION TO: RECOMMEND TO THE BOARD OF TRUSTEES THE 2015-2019 FINANCIAL AUDIT SERVICES CONTRACT

REPORT PREPARED BY: JOHN JACOBS; FINANCE DIRECTOR, DONNA STROIK, DEPUTY FINANCE DIRECTOR

BACKGROUND: The Village has used the same auditing firm (Clifton Larson Allen LLP) since 1998, and would like to go out for bids again now at this time for a 5-year contract period. The present contract and extensions have lapsed. Therefore, we felt it was a good time to do a new RFP.

FISCAL IMPACTS:

Budget Line Item: _____

Budget Line Item: 10-01-51521-213-000 and various other funds

Budgeted Expenditure: _____

Budgeted Revenue: _____

STATUTORY REFERENCES:

Wisconsin Statue: _____

Administrative Code: _____

Municipal Code: _____

Judicial Ruling: _____

FURTHER REVIEW: REVIEW BY VILLAGE BOARD ON 3/07/2016

VILLAGE OF WESTON



REQUEST FOR PROPOSALS 2015-2019 AUDITING SERVICES

January 25, 2016

John Jacobs, CGFO, CPFO
Finance Director/Treasurer

Proposals Due: 5:00 PM, Thursday, February 18, 2016

SECTION I - GENERAL INFORMATION

The Village of Weston, Wisconsin, is requesting proposals for the services of a Certified Public Accounting Firm to conduct the annual audit of the Village of Weston's operations for the fiscal year ending December 31st, 2015 with the option of auditing its financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the provisions described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, Audits of States, Local Governments and Non-Profit Organizations*, and the compliance requirements described in the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, statutory requirements, as well as Village of Weston policy.

1. INFORMATION ON THE VILLAGE AND ITS RECORDS

The Village of Weston is a municipal entity with a (1) Village President/(6) Village Trustees form of government. By Village Ordinance, the financial and accounting functions are under the direction of the Village Finance Director/Treasurer.

The Village's operations have been audited by Clifton Larson Allen LLP Certified Public Accountants since 1998. The Village received unqualified opinions for each year during the last contract period of 12/31/2004 to 12/31/2014. The Village records have required 0-3 adjustments annually by the auditors in past years. A copy of the 2014 audited financial statements and related reports can be found on the Village of Weston website at <http://www.westonwi.gov/DocumentCenter/Home/View/2587>.

The audit will include all funds of the Village of Weston. The accounting records are centralized for all funds. The total Village budget is \$33.7 million dollars, including Water, Sewer, Stormwater Utility activities.

The Village of Weston has two joint ventures, which are not included in this RFP document. The Everest Metro Public Safety (EMPS) entity, including the Everest Metro Police Department (EMPD) and the Everest Metro Municipal Court (EMMC), has its own accounting records which are kept at the Village of Weston and are audited separately, but should not be reflected within this RFP. In addition, the South Area Fire & Emergency Response (SAFER) District has its own accounting records which are kept at the Village of Weston and are audited separately as well, but also should not be reflected within this RFP. The Village's portion of these two joint ventures is recorded within the General Fund.

The Village has received the Certificate of Achievement for Excellence in Financial Reporting for the years ending December 31, 2003 to 2014. It is the Village's intention to continue to participate in this program. The Village prepares, in final typed form, its own financial statements, notes, transmittal letter, management's discussion and analysis, supplemental information, and statistical section. The auditors, upon completion of the EMPS and SAFER District audits, are responsible for providing the financial information for inclusion in the annual financial report. The Village also provides the copying and collating of the annual financial report.

Since 2008, the Village has utilized Caselle Classic/Clarity (Civic Systems) for its accounting software. The Village utilizes the General Ledger, Accounts Payable, Accounts Receivable, Utility Billing, Special Assessments/Improvement Districts Billing, Budgeting, and Cash

Receipting modules. Land Records System, written by the City County Information Technology personnel of Marathon County/City of Wausau, is used to process real estate and personal property taxes. The Village has outsourced the payroll function to ADP, which Village staff utilizes on a regular basis.

The Village maintains the following funds:

General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Proprietary Funds
10 General Fund	18 Refuse/Recycling	30 Debt Service Fund (Existing Issuances)	40 TIF District # 1	60 Water Utility (Enterprise)
			46 TIF District #2	
			42 Capital Improvements Fund	
			<ul style="list-style-type: none"> • Capital Equipment • Infrastructure • Facilities • Public Safety Building 	
	21 TIF District # 1	31 Debt Service Fund (New Issuances – Debt Service Issuance Costs)		61 Sewer Utility (Enterprise)
	22 Weston Aquatic Center			
	26 TIF District # 2			63 Stormwater Utility (Enterprise)
	27 CDA – TIF District #1			
	28 CDA – TIF District # 2			70 Insurance Fund (Internal Service)
	29 Room Taxes			
	81 Civic and Social			
	82 Park and Recreation			

The Village has a total payroll of \$2,100,000 covering 31 full-time employees, 2 part-time employees, and various temporary/seasonal employees. The payroll is processed bi-weekly.

The Village has two tax incremental financing (TIF) districts. Any and all compliance testing or procedures necessary to fulfill statutory compliance audits required for the Tax Incremental Districts are to be performed in conjunction with the annual audit and should be included within this RFP. The Village does not expect a separate audit report or additional billing.

The Finance Department provides the centralized cash collection function for the Village. In addition, the Village utilizes the services of various financial institutions within the community for tax collection during the year. These institutions collect the taxes and deposit funds directly into the Village’s account. Village staff enters the corresponding activity within the accounts receivable systems. The Village utilizes Official Payments Corporation for credit card payments of property taxes and utilities. The Village offers ACH payment of utility bills. The Village also plans to utilize the State of Wisconsin TRIP system for delinquent accounts beginning in 2016.

Village staff will prepare, in advance, or during fieldwork, work papers requested by the audit firm. Staff will be available for questions and other assistance during fieldwork.

The Village also prepares a schedule of federal and state assistance for the auditors, the Wisconsin Department of Revenue Annual Financial Report, and the annual PSC Report for the Water Utility.

The approximate number of annual transactions processed are:

- Journal Entries 450
- Receipts 7,000
- Accounts Payable Checks 2,300
- Payroll Checks 100
- Payroll Direct Deposit Transactions 1,350
- Invoices 500
- Purchase Orders 250

2.

SCOPE OF SERVICES

The firm shall provide an annual financial and compliance audit of all funds of the Village of Weston. The opinion should cover the governmental activities, the business type activities, any discretely presented component units (if applicable), each major fund, and the aggregate remaining fund information.

The auditor shall also be responsible for compliance with all applicable audit standards prescribed by the United States or State of Wisconsin grantors. It is the auditor's responsibility to issue all required compliance reports prescribed by the United States or State of Wisconsin Grantors.

The auditor will provide advice and counsel throughout the year concerning any changes that would affect the annual report.

Work papers will remain the property of the auditor, but will be made available to any United States or State agencies requesting information, the Village of Weston, and any predecessor audit firms.

The Village issues debt on a periodic basis. We have included our financial statements along with the audit opinion within our official statement and expect to continue this practice in the future.

If any circumstances are encountered that require additional procedures, outside the normal scope of the project, the firm must advise the Village, and provide a written cost proposal prior to beginning the procedures.

The firm shall submit one client representation letter, which shall be signed by the Village Administrator, the Finance Director/Treasurer, and the Deputy Finance Director/Treasurer and will cover all activity surrounding the Village of Weston.

Fieldwork and Audit Completion shall be scheduled as follows:

Work Product	Completion Date
Preliminary Fieldwork	February/March (or December, upon audit firm's availability)
Year-end Fieldwork	One Week in April (negotiable)
Final Review of CAFR	End of May
Issue Compliance Reports, SAS 61, Management Letter, Tax Rule 16, and Opinion of CAFR.	3 rd Monday of June (to be presented at Village Board meeting).

SECTION II - INSTRUCTIONS AND CONDITIONS FOR PROPOSAL SUBMISSION

1. RFP ADMINISTRATOR

The individual responsible for administering this RFP, to whom all inquiries and correspondence should be addressed, is:

John Jacobs, CGFO, CPFO
Finance Director/Treasurer
Village of Weston
5500 Schofield Avenue
Weston, WI 54476
(715) 241-2605

2. RFP MODIFICATIONS

The Village of Weston reserves the right to amend, alter, or revoke this RFP in any manner at any time. Any modifications, clarifications, or additions to the RFP will be distributed as written addenda to all vendors.

3. PROPOSED PREPARATION COSTS

All costs incurred in the preparation and presentation of this proposal shall be wholly absorbed by the vendor.

INSTRUCTIONS ON SUBMITTING PROPOSALS

Proposal Due Date: February 18, 2016 5:00 PM
Place: Finance Department
Village of Weston
5500 Schofield Avenue
Weston, WI 54476

Accepted Forms: One hard copy -OR-
 One copy by fax (715) 359-6117 -OR-
 One copy by e-mail to: jjacobs@westonwi.gov

PROPOSALS SHOULD INCLUDE THE FOLLOWING INFORMATION. WE APPRECIATE PROPOSALS THAT ARE CONCISE AND DO NOT REPEAT INFORMATION.

Name and address of the Certified Public Accounting Firm.

Provide a concise summary of the work to be completed and your work plan or audit approach.

Provide resumes of the audit team. Indicate name, title, number of years of governmental experience. Include resumes of all partners within the office performing the audit engagement.

Indicate whether the audit team will be staffed from one or several office locations.

Provide information regarding the firm's experience and commitment to providing services to the governmental sector.

Provide references for not less than three government clients, preferably cities and villages, for whom services have been provided within the last year. Include a contact name and telephone number.

Provide a listing of other services provided by your firm to governmental clients.

Give specific experience the firm has auditing municipalities governed by single audits, and knowledge and experience with the Certificate of Achievement in Excellence in Financial Reporting awarded by the GFOA.

Provide detailed information about the size of your firm. Provide detailed information about the government section.

Provide a copy of the firm's most recent peer review report.

Provide a copy of the firm's certificate of insurance coverage.

Describe any situations where you have failed to complete work awarded to you or defaulted on a contract. Provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the last three years with federal or state regulatory bodies or professional organizations.

Provide your understanding of the fieldwork schedule, list of reports to be completed and final submission dates.

Provide the name, title, address and telephone number of the individual to whom all inquiries about the proposal should be addressed.

Indicate the total cost of the audit engagement. The fee quoted should be the ANNUAL total all-inclusive maximum price, including out-of-pocket expenses, for each year 2015-2019 to provide the services requested in the RFP. Affirmation that the fees will include necessary TID District compliance procedures as dictated by Wisconsin Statutes.

The Finance Director and Village Administrator will review the proposals, contact references and consider the necessity of interviews. It is expected that a recommendation would be presented to the Finance Committee on February 24th and to the Village Board on March 7th.

5. REPORT SUBMISSIONS

All reports issued shall be addressed to the Village Board or to the Village Finance Committee, where appropriate.

The completion dates for the various reports is the 3rd Monday of June for the Village financial statements. The Village intends on submitting the CAFR onto the GFOA's Certificate of Achievement in Excellence in Financial Reporting Program by June 30th.

6. THE VILLAGE'S OPTION

The Village of Weston reserves the right to reject any or all proposals, to waive any informality in the proposals received, and to accept the proposal deemed in the best interest of the Village.

CLIFTON GUNDERSON
Audit Services Comparison: 2001-2014 Audits (paid in 2002-2015)

		<u>2001 Audit</u>	<u>2002 Audit</u>	<u>2003 Audit</u>	<u>2004 Audit</u>	<u>2005 Audit</u>	<u>2006 Audit</u>	<u>2007 Audit</u>	<u>2008 Audit</u>	<u>2009 Audit</u>	<u>2010 Audit</u>	<u>2011 Audit</u>	<u>2012 Audit</u>	<u>2013 Audit</u>	<u>2014 Audit</u>
Fund Name	Fund #														
Village	10	\$ 4,400.00	\$ 4,500.00	\$ 6,000.00	\$ 5,000.00	\$ 5,250.00	\$ 5,525.00	\$ 6,550.00	\$ 7,175.00	\$ 7,700.00	\$ 7,400.00	7,400.00	7,400.00	7,550.00	7,700.00
Village-CAFR review	10	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Village-Single audit	10	\$ 385.79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,800.00	-	-	-
Village-GASB 34 F/S review	10	\$ -	\$ -	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	775.00	-	-
TIF District #1/SR	21	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 650.00	\$ 725.00	\$ 800.00	\$ 775.00	775.00	775.00	775.00	800.00
Env. TIF District/SR	23	\$ -	\$ -	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 325.00	\$ 350.00	\$ 400.00	\$ -	-	-	-	-
TIF District #2/SR	26	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ 650.00	\$ 725.00	\$ 800.00	\$ 775.00	775.00	775.00	775.00	800.00
TIF District #1/CDA	27	\$ -	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,250.00	\$ 1,450.00	\$ 1,650.00	\$ 1,600.00	1,600.00	1,600.00	1,600.00	1,650.00
TIF District #2/CDA	28	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 725.00	725.00	725.00	725.00	825.00
TIF District #1/CP	40	\$ 1,114.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
Water	60	\$ 2,500.00	\$ 2,600.00	\$ 3,500.00	\$ 3,350.00	\$ 3,475.00	\$ 3,575.00	\$ 4,550.00	\$ 5,000.00	\$ 5,500.00	\$ 5,300.00	5,300.00	5,300.00	5,300.00	5,450.00
Sewer	61	\$ 2,350.00	\$ 2,400.00	\$ 3,250.00	\$ 3,050.00	\$ 3,150.00	\$ 3,250.00	\$ 4,125.00	\$ 4,550.00	\$ 5,000.00	\$ 4,825.00	4,825.00	4,825.00	4,825.00	4,975.00
Stormwater	63	\$ -	\$ -	\$ -	\$ 850.00	\$ 875.00	\$ 900.00	\$ 1,150.00	\$ 1,275.00	\$ 1,400.00	\$ 1,350.00	1,350.00	1,350.00	1,350.00	1,400.00
		<u>\$ 11,750.00</u>	<u>\$ 11,000.00</u>	<u>\$ 15,000.00</u>	<u>\$ 16,500.00</u>	<u>\$ 16,000.00</u>	<u>\$ 16,500.00</u>	<u>\$ 21,000.00</u>	<u>\$ 23,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 23,750.00</u>	<u>\$ 26,550.00</u>	<u>\$ 23,750.00</u>	<u>\$ 23,900.00</u>	<u>\$ 24,600.00</u>

Financial Audit	\$ 9,750.00	\$ 10,000.00	\$ 13,500.00	\$ 13,500.00	\$ 14,000.00	\$ 14,500.00	\$ 18,000.00	\$ 19,800.00	\$ 21,600.00	\$ 20,425.00	\$ 20,425.00	\$ 20,425.00	\$ 20,425.00	\$ 20,575.00	\$ 21,125.00
CAFR Review	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
CDA estimated portion of audit	\$ -	\$ 500.00	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,200.00	\$ 2,400.00	\$ 2,325.00	\$ 2,325.00	\$ 2,325.00	\$ 2,325.00	\$ 2,325.00	\$ 2,475.00
GASB 34 Fin. Stmt. review	\$ -	\$ -	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Single Audit - CDBG Bus. Loan	\$ 385.79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Single Audit - TEA Grant	\$ 1,114.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Single Audit - Ped. Bridge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,800.00	\$ -	\$ -	\$ -
	<u>\$ 11,750.00</u>	<u>\$ 11,000.00</u>	<u>\$ 15,000.00</u>	<u>\$ 16,500.00</u>	<u>\$ 16,000.00</u>	<u>\$ 16,500.00</u>	<u>\$ 21,000.00</u>	<u>\$ 23,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 23,750.00</u>	<u>\$ 26,550.00</u>	<u>\$ 23,750.00</u>	<u>\$ 23,900.00</u>	<u>\$ 24,600.00</u>	

2011 Budget 2012 Budget 2013 Budget 2014 Budget 2015 Budget

Balance distribution on FINAL 2002 audit bill:

10-00-21100-000-000	\$ 500.00	2002 Audit - Final Bill/CAFR review
10-01-51521-213-000	\$ (1,000.00)	2002 Audit - Final Bill/Wtr,Swr,CDA
60-03-53771-213-000	\$ 1,100.00	2002 Audit - Final Bill
61-03-53612-213-000	\$ 900.00	2002 Audit - Final Bill
27-06-56727-213-000	\$ 500.00	2002 Audit - Final Bill/CDA review
	<u>\$ 2,000.00</u>	

Balance distribution on FINAL 2003 audit bill:

10-01-51521-213-000	\$ 500.00	2003 Audit - Final Bill/CAFR review
10-01-51521-213-000	\$ (2,000.00)	2003 Audit - Final Bill/Wtr,Swr,CDA
60-03-53771-213-000	\$ 1,500.00	2003 Audit - Final Bill
61-03-53612-213-000	\$ 1,250.00	2003 Audit - Final Bill
21-06-56721-213-000	\$ 500.00	2003 Audit - Final Bill
23-06-56723-213-000	\$ 250.00	2003 Audit - Final Bill
27-06-56727-213-000	\$ 1,000.00	2003 Audit - Final Bill/CDA review
	<u>\$ 3,000.00</u>	

Financial Audit Services RFP Summary

	Wipfli LLP	Clifton Larson Allen	Schenck SC	Hawkins Ash CPAs	KerberRose SC
Audit serviced out of:	Rhineland	Stevens Point	Wausau	Manitowac	Shawano
Firm Headquarters	Milwaukee	Minneapolis	Green Bay	LaCrosse	Shawano
Year Firm Originated	1930	1960	circa 1936		
Firm wide -					
Offices	32	40	8	8	9
Employees	1500	1800	500	130	80
Participated in Peer Quality Review	Yes	Yes	Yes	Yes	Yes
Firmwide Gov't Audit Client Examples Past/Present:	400+ annually	1700+	150+ annually	No total listed in RFP	No total listed in RFP
Counties - Number of	2	9	13	No total listed in RFP	6
County Names	Wood, Douglas	Barron, Burnett, Chippewa, Columbia, Dunn, LaCrosse	Adams, Clark, Brown, Green Lake, Manitowac, Monroe, Oneida, Ozaukee, Portage, Taylor, Vilas, Washington, Winnebago		Brown, Door, Monroe, Vilas, Washington, Ozaukee
Cities - Number of:	7	25	11	No total listed in RFP	9
City Names	Eagle River, Augusta, Menominee, Mellen, Hurley, Superior, New Auburn	Amery, Barron, Bloomer, Hudson, Kenosha, Marion, Middleton, Milwaukee, Wauwatosa, Weyauwega, + more	Green Bay, Fond du Lac, Manitowoc, Marshfield, Nekoosa, Oconomowoc, Thorp, Tomahawk, Wausau, West Allis, WI Rapids	Marshfield, Berlin, Lake Mills, Shawano	DePere, Manitowoc, Ripon, Two Rivers, Wausau, Sister Bay, Oconto Falls, Oconto, Wautoma
Villages - Number of:	11	27	5	No total listed in RFP	9
Village Names	Butternut, Lake Hallie, Ellsworth, Baldwin, Fairchild, Knapp, Star Prairie, Boyd, Gilman, Winter, Wilson	Balsom Lake, Brown Deer, Caledonia, Frederic, Oakdale, Siren, Somerset, Tigerton, Warrens, Whiting, + more	Amherst, Ashwaubenon, New Glarus, Wild Rose	Rib Lake	Howard, Richfield, Ashwaubenon, Bellevue, Sister Bay, Lena, Athens, Wittenberg, Little Chute
Other	School districts, Colleges, Towns, Utilities	School and Sewerage districts	Towns, School Districts and Housing Authorities		School and Sanitary districts
Present # of Government Clients	67 - WI, 27 - Municipalities	67-WI, 62 - Municipalities			30-40
Single Audit Experience	Yes	Yes	Yes	Yes	Yes
CAFR Experience	Yes	Yes	Yes	Yes	Yes
Engagement Partner Gov't Experience	30	35	20	34	25
Engagement Manager Gov't Experience	15	15	20	29	20
Professional Liability Insurance	\$ 2,000,000	Certificate upon request	Certificate upon request	Not stated	\$ 4,000,000.00
Noteworthy:	7th largest CPA firm in USA	In the top 10 nationwide, TIF experience, #1 in # of single audits performed	Has assisted the State of WI in reviewing audits and single audits. More single audits in WI than any other firm.	Many state agency audits - DOR, DOT, etc.	Experience with Caselle Accounting software
Total hours estimated	210		175	210	210

Financial Audit Services RFP Summary

	Wipfli LLP	Clifton Larson Allen	Schenck SC	Hawkins Ash CPAs	KerberRose SC
Fees					
Regular Audit					
2015	\$ 21,500	28,300	Did not bid due to conflict	\$ 23,000	\$ 25,500
2016	\$ 22,000	29,150	\$ 19,500	\$ 23,690	\$ 26,000
2017	\$ 22,500	30,000	\$ 19,900	\$ 24,400	\$ 26,500
2018	\$ 23,000	30,900	\$ 20,300	\$ 25,130	\$ 27,000
2019	\$ 23,500	31,850	\$ 20,600	\$ 25,880	\$ 27,500
Total fees Regular Audit (5 years)	\$ 112,500	\$ 150,200	\$ 80,300	\$ 122,100	\$ 132,500
			* Above price is all inclusive		
Single Audit					
2015	\$ 1,500	\$ 3,500		N/A	
2016	\$ 1,500	\$ 3,600		\$ 3,000	\$ 2,000
2017	\$ 1,500	\$ 3,700		\$ 3,090	\$ 2,000
2018	\$ 1,500	\$ 3,800		\$ 3,180	\$ 2,100
2019	\$ 1,500	\$ 3,800		\$ 3,280	\$ 2,100
Total fees Single Audit (5 years)	\$ 7,500	\$ 3,900		\$ 3,900	\$ 2,200
Total fees (5 years)	\$ 120,000	\$ 154,100	\$ 80,300	\$ 126,000	\$ 134,700



Proposal to Provide Audit Services for

Village of Weston

February 18, 2016

WIPFLi^{LLP}
CPAs and Consultants

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February 18, 2016

Mr. John Jacobs
Finance Director
Village of Weston
5500 Schofield Avenue
Weston, WI 54476

Dear Mr. Jacobs:

Wipfli LLP ("Wipfli") is pleased to present this proposal to provide audit services to Village of Weston ("Village") for the years ending December 31, 2015 through 2019 with the option of auditing the financial statements for each of the four subsequent fiscal years.

The following are distinct benefits to the Village in working with Wipfli as your independent certified public accountants and business advisors:

- We have significant experience serving cities, villages, towns, counties, schools and other governmental organizations. Wipfli understands the issues that are important to the Village. The team assigned to your engagement will be specifically chosen based on its experience with similar village audit engagements.
- When you engage Wipfli, you are working with one of the Midwest's largest accounting and consulting firms. We are large enough to dedicate the resources and personnel to resolve the most sophisticated issue, yet small enough to give you the **personalized, responsive and proactive service** that you deserve.
- Our reputation for delivering responsive, high quality service is due, in large part to our commitment to senior level participation in all phases of client service. With this experienced senior management involvement, we maintain close one-on-one client relationships, ensuring continuity and efficiency. We are committed to perform the work within the agreed upon time table as discussed in our proposal.
- Wipfli's commitment to the government nonprofit services industry runs deep. We offer training in the form of webinars, onsite training and conferences.

We believe that Wipfli can be of significant assistance to the Village and look forward to serving you.

This proposal is a firm and irrevocable offer for 150 days. We commit to performing the work within the agreed upon time table.

John Jacobs
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February 18, 2016

As a partner with Wipfli LLP and the Engagement Partner, please direct technical, price and contract questions to me. My contact information follows below:

Randy Beard
Wipfli LLP
43A W. Davenport Street
Rhineland, WI 54501
Telephone: 715.369.1040
Email: rbeard@wipfli.com

We appreciate the opportunity to propose on your audit services.

Sincerely,

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

General Requirements

Nature of Services Required

We understand Village of Weston, Wisconsin desires a proposal for audit services from Certified Public Accountants licensed in the State of Illinois for the fiscal year ending April 30, 2016 with the option of auditing its financial statements for each of the four subsequent fiscal years. The audit will be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards (2004)*, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, if applicable. Any special compliance and reporting requirements of the State of Wisconsin for Tax Increment Financing Districts shall be followed.

Scope of Work to be Performed

- We will express an opinion on the fair presentation of the Village's general-purpose financial statements in accordance with generally accepted accounting principles.
- Express an opinion on the fair presentation of its combining and individual fund and account group financial statements and schedules in accordance with generally accepted accounting principles.
- Issue an "in relation to" opinion on the Village's combining and individual fund statements and schedules.
- Perform certain limited procedures involving required supplementary information required by GASB as mandated by GAAS.
- Express an opinion on management's assertion that the Village complied with the statutory requirements of Wisconsin Tax Incremental Financing Districts.
- Assist in submitting the Village's comprehensive annual financial report (CAFR) to the Certificate of Achievement for Excellence in Financial Reporting Program, including responses to prior year comments from the Government Finance Officers Association.
- Perform an audit in accordance with OMB Circular A-133 (Single Audit Act), if applicable.
- Prepare a Management Letter.

Reporting

- We understand that you will copy and collate all required copies of the CAFR.
- Our reporting requirements will include:
 - The Single Audit Report, if applicable
 - The Management Letter
 - Tax Increment District compliance report, if required.

Special Considerations

Wipfli will assure that the Village's CAFR conforms to the provisions of the program and will prepare annually the Village's response to comments and suggestions made by the award program.

Workpapers

Upon request, Wipfli will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem. The workpapers will be retained for at least three years from the end of the audit period. The workpapers will be available for examination by authorized representatives of the cognizant federal or state audit agency, the GAO, and the Village.

Wipfli will utilize the four step approach below:



The audit process at Wipfli begins before we conduct the audit of the financial statements. Soon after we are engaged, the Service Team will call you to plan for the upcoming audit. The planning session will:

- Develop an audit strategy to establish proper timing of your audit.
- Enable us to fully determine the internal needs for financial information to ensure the financial reports are useful to the Village Board.
- Build a sense of teamwork between Wipfli personnel and the Village to achieve a smooth and cost-effective audit.

Our audit approach is designed to formally examine your financial statements and alert you to any key issues that may arise.

Assistance provided by the Village:

- Finance Department staff and management will be available to provide information, documentation and explanations during the audit.
- Prepare confirmation letters.
- In an effort to contain audit costs, the Village will prepare as many audit worksheets and schedules as is practical to reduce the clerical work to be performed by the independent auditor.

Fee Proposal

The Professional Audit Services Pricing Form is included in Appendix A.. We affirm that the fees presented include the necessary compliance procedures for the TID District in accordance with Wisconsin statutes.

Wipfli's audit methodology is discussed in the Audit Approach to Engagement within the Proposed Scope of Implementation section of this proposal which includes an explanation of engagement segmentation.

Independence

Wipfli is independent of the Village as defined by auditing standards generally accepted in the United States and the U.S. General Accounting Office's Government Auditing Standards. Our firm annually obtains certifications from the professional staff regarding independence concerns with any clients. Wipfli does not have any professional relationships involving the Village or any of its agencies or component units. If an independence issue would surface during the contract period, it will be promptly discussed with you.

License to Practice in Wisconsin

Wipfli is a certified public accounting firm licensed to practice in the State of Wisconsin. Wipfli and key professional staff are properly licensed to practice in Wisconsin and have active licenses in good standing. Evidence of licensure is available upon request.

It is the policy of our firm that all professional personnel be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the AICPA, the Wisconsin Board of Accountancy, state statutes, and other regulatory agencies as applicable.

Firm Qualifications and Experience

Firm experience: A national leader

For more than 85 years, nonprofit and government organizations throughout the United States have relied on the experienced professionals at Wipfli for advice. Wipfli is a multidiscipline, regional professional services firm.

Firm Facts		
 <p>Recognized leader in serving the nonprofit industry.</p>	<p>Over 1,500 Wipfli associates serving eight industries.</p>	 <p>Ranked seventh nationwide in total assets under management in a 2015 survey of CPA firms. <i>Top Firms by AUM</i></p>
<p>Member of Allinial Global, a strategic affiliation that connects Wipfli with accounting firms around the world.</p>	 <p>Meet the independence requirements as set forth in the AICPA Code of Ethics and Government Auditing Standards. <i>Yellow Book</i></p>	<p>Registered with the Public Company Accounting Oversight Board.</p>

For more information on Wipfli, please visit us at www.wipfli.com/ngp.

At Wipfli, the Village will have access to the resources of a large regional firm and will receive the personal attention of a local firm.

Our focus and dedication to industry segments provides our client's access to business experts in their industry. We offer training, webinars, products, services, and other proactive information that will help our clients shape their organizations, assist their communities, and stay in compliance.

Firm Structure

Wipfli LLP is a limited liability partnership, formed in 1930, with capital provided by the firm's 182 partners. The firm operates 32 offices in

Wisconsin, Minnesota, Idaho, Illinois, Pennsylvania, Montana, and Washington. Its headquarters are located in Milwaukee, Wisconsin.

Results of Peer Review

The results of our peer review can be found in Appendix B.

Minority-Owned Business

Wipfli does not qualify as a small business firm as defined by the Small Business Administration (13 CFR 121.201) because of having annual receipts for the last three fiscal years of more than \$6,000,000. Although 42 of Wipfli's 182 partners are women, we do not meet the definition of a minority or women business enterprise (51% ownership). We are above the AICPA's average for female/male partner ratios compared with other firms.

Membership in Allinial Global

Wipfli is a member of Allinial Global. Allinial Global is an association of independent accounting firms.

Our membership in Allinial Global provides direct and indirect benefits to our clients in many ways.

- Client representation can be provided throughout the country and the world.
- Shared technical experience among member firms assures high quality work for our clients.
- Sharing of knowledge and skills among member firms permits us to provide additional expertise in the handling of any business problem. In fact, Allinial Global-affiliated Firms have a collective staff of more than 5,000 professionals in North America and more than 14,700 worldwide.
- Comprehensive, continuing professional education programs are available to the partners and staff of all Allinial Global member firms.

Membership in Allinial Global represents our continuing effort to provide the highest quality services available. It supports our philosophy of taking our clients responsibilities seriously and recognizing the need to consistently provide services which are efficient and cost effective.

In order to maintain this level of quality and fulfill the trust our clients place in us, Wipfli provides ongoing training to all associates. This training is also provided to all new hires as they begin their service with the firm. Wipfli also conducts an independent, in-house inspection of a sample of assurance engagements for each partner to make sure that the firm's quality control standards are being met. In addition, we update our quality control document whenever new auditing requirements are enacted.

Wipfli utilizes three distinct levels of review on every engagement to ensure that different perspectives are considered and addressed. Resolution of any potential disputes regarding accounting, auditing, and financial reporting issues are ultimately resolved under the direction of the firm's partner of assurance services, who has the final approval on disposition of these issues. Engagement partners are not able to issue reports without the requisite levels of quality control review.

Litigation

Wipfli is not involved in any pending litigation and has not been named in any litigation over the past five years which dealt with the quality of audit work or of pricing of auditing services rendered. We do not have any contracts defaulted.

Quality Control and Assurance

Our professionals must meet rigorous standards. Only graduates with high academic achievement who exhibit qualities of leadership and exceptional communication skills are considered for employment at Wipfli. Wipfli is committed to training our professionals. To accomplish this, we maintain a continuing education program for our entire staff. We provide at least 120 hours of continuing professional education every three years to all our professional staff. Professionals who perform audits in accordance with *Government Auditing Standards* (Yellow Book) meet the annual education requirements in governmental continuing education. In addition, the firm complies with the Yellow Book independence standards as well. Our professionals regularly attend in-house education programs as well as programs conducted by the American Institute of Certified Public Accountants and a variety of professional organizations.

Because Wipfli operates in a highly competitive environment, it is important to set and achieve the highest standards of quality. We believe this is good business. It helps ensure we have satisfied clients, and it gives us a positive basis for differentiating Wipfli from other firms. The effectiveness of our internal quality control program and procedures are independently evaluated every three years through our participation in the peer review program. Our firm has consistently received an unqualified opinion which means our system of quality control in the year of review met the objectives of quality control standards published by the AICPA and was being complied with. Our last quality control review was performed for the year ended June 30, 2013. A copy of our latest peer review report is included in the Appendix.

Our in-house inspection program covers all of our firm locations. Our program encompasses all of the elements of quality control. In addition to our inspection program, our quality control review procedures provide for partner concurring reviews of selected engagements before issuance of the financial statements, post-issuance of selected financial statements and obtaining independence statements from all of our personnel twice a year.

Mr. Dan Szidon is currently the quality control partner for our firm. It is his responsibility to administer our inspection program. Mr. Szidon has participated in the quality control peer review of another firm. Other partners in our firm have also participated in the peer review process of several other firms.

No disciplinary action has been taken against Wipfli LLP, or any member of our firm by the State Board of the AICPA or any other regulatory agency.

Conflict of Interest

We are not aware of any potential conflicts of interest.

Why Work With Wipfli?

At Wipfli LLP ("Wipfli") our primary objective is to help our clients achieve their organizational goals. This is achieved by providing customized solutions and working hands-on to understand our clients' needs, develop a plan for action or corrective action, and implement the solution.

Wipfli understands that audits of any kind can be stressful for you, your organization, and your employees. Our team is dedicated to the government, nonprofit and federally funded industries full-time. Rest assured; we understand your industry, your organization, and your day-to-day practices. We pride ourselves on efficient and effective work during on-site visits, and it is our promise to treat you as any Wipfli team member. After all, our clients are our partners.

Our Areas of Service

Our services focus on improving the key components of every successful organization:

- Financial management
- Process and performance management
- Human resources
- Operations and organization structure
- Systems and information technology

Wipfli places a particular focus on specific industries, including construction/real estate, financial institutions, health care, government, nonprofit, and manufacturing/distribution. Members of many of Wipfli's industry-focused teams meet regularly to discuss best practices and industry issues and updates. These meetings ensure our associates continue to provide clients with exceptional expertise and service.

Industry-Specific Firm Facts



Perform more than **700** nonprofit audits annually, over half of which are for federally funded nonprofit organizations.

Perform more than **400** governmental audits annually.

Train more than **2,000** nonprofit and governmental leaders annually.



Audit experience in over **25** states.

Consulting and training experience in ALL **50** states.

Over the past **15** years, we have trained over **50,000** nonprofit and federally funded program staff and leaders in more than **3,500** agencies.

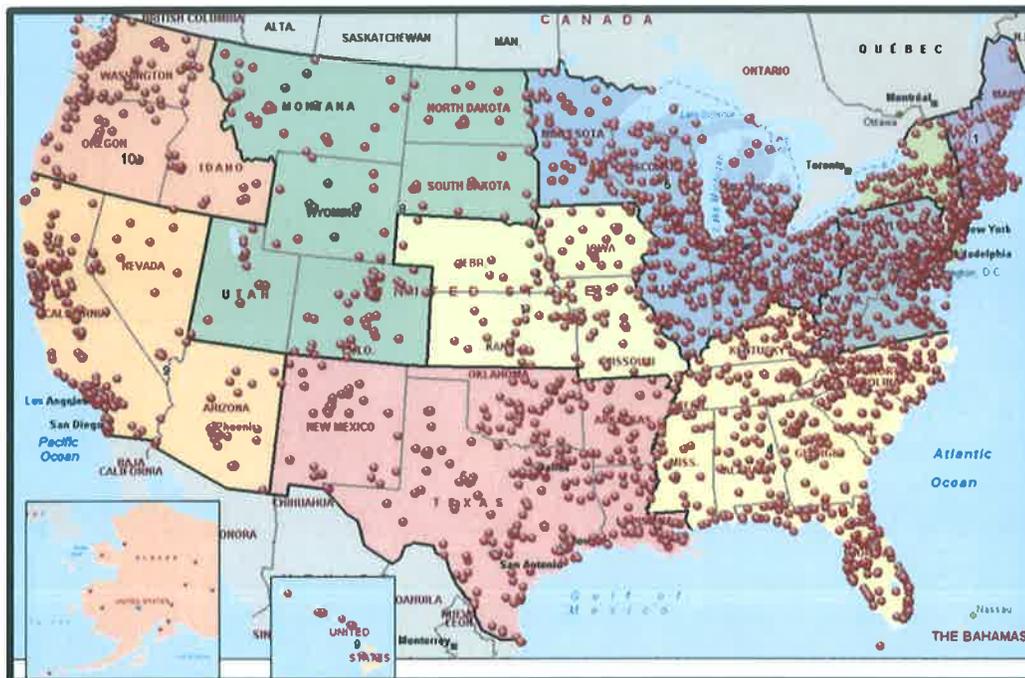


85 years of experience working with nonprofit and federally funded organizations.

15+ partners and over **75** professional staff dedicated to servicing nonprofit and government-funded clients.

For more information on Wipfli, please visit us at www.wipfli.com/ngp.

Wipfli-Serviced Organizations



This map represents all the nonprofit and governmental entities that have benefited from Wipfli's services over the past three years.

Commitment to Sustainability

Wipfli LLP supports sustainability efforts, which consider present needs without compromising the ability of future generations to meet their needs. We use the four directions of the compass as our lens for sustainability: N - Nature, E - Economy, S - Society, W - Well-being. This ensures a balanced and holistic approach to sustainability planning and decision making for Wipfli's clients and associates.

Our Team Approach

You can rely on a consistent, cohesive, and dedicated team of service professionals and industry-specific experts who draw from a wide range of collective knowledge and experience. Clients tell us our associates are a pleasure to work with, and they appreciate the time our associates take to understand their individual circumstances. Our partners also commit significant efforts to engagements, further ensuring client satisfaction. Team members arrive at Wipfli with considerable experience and knowledge, and they continue to develop their skills through continuing professional education. Recognizing the critical importance of engaged and satisfied associates, we regularly monitor and work to improve the engagement level of all associates.

The Best of Both Worlds

Since 1930, Wipfli has been creating value and securing the future of our clients, their businesses, and the community at large. As we look to the future, we continue to strive to be the firm of choice, fueling the success of clients across multiple industries. With Wipfli, you gain the significant resources of a large accounting and consulting firm while enjoying the personal service of a small firm.

Wipfli's Competitive Advantage

Wipfli's CPAs and consultants are dedicated to improving your business, helping it grow, and keeping it on the path to success. Through innovative solutions and sound advice tailored to your needs, we maintain a sharp focus on increasing your performance and profitability.

Partner Involvement in Engagements

When the Village engages with Wipfli, you'll get more than just the considerable industry-specific knowledge of our expert staff. You'll get direct input from Wipfli partners and their wealth of experience as well. Partner involvement helps ensure that the Village enjoys continuity in its relationship and the advice and service you receive.

Seasoned Expertise

Unique to Wipfli is our in-depth governmental/nonprofit experience. Our veteran staff includes experienced professionals who have real-world, operational experience. Having worked in the trenches, they understand the realities you face and provide pertinent help, relevant advice, and germane guidance.

Integrated Service Team

Wipfli has the ability to support our audit team with professionals who have practical experience and deep expertise in government accounting, human resource, information technology resource, and other related services to handle the diverse needs of the Village.

Proven Approach

Wipfli has a proven audit approach for planning and executing the engagement that can be effectively tailored to an organization your size. Our approach ensures you a high-quality audit at reasonable fees and with minimal disruption to your staff.

Why Wipfli?



STAFF

- Passionate and mission driven
- **70** dedicated nonprofit and government partners and professional staff
- **94%** staff retention
- Over **43,000** community volunteer hours in the last three years

DELIVERABLES

- Unmatched quality and compliance
- Commitment to over-deliver
- Audit, tax, and consulting services for **1,300+** nonprofit and government clients
- Priority on relationships



SERVICES

- Business advisory focus
- Ongoing best practice training and consulting
- Continuous commitment to create compliance services
- Value-added products and services for each engagement

We Value Our Client Relationships

Wipfli will value the Village as a significant client in our governmental/nonprofit practice. Many of our clients have been working with Wipfli for over 30 years. As such, you can be assured that your requests will be treated with the highest priority by our governmental/nonprofit team.

Commitment to the Community

On our annual Community Day each September, we close all our offices allowing hundreds of associates and partners to volunteer in local communities. In 2015, our eleventh annual Community Day, this resulted in approximately 4,600 hours of service to 80 organizations across the Wipfli communities, thanks to Wipfli's commitment and support. We challenge other firms to follow our lead in the quest to make our communities a better place to live and work.

WIPFLI VOLUNTEER



"I am proud that Wipfli feels a sense of responsibility to the community that sustains our business," said Kate Atkins, Wipfli associate. "I enjoy the days we volunteer together, like Community Day, because we can accomplish so much working together for various nonprofit organizations."

Below is a collage of images of recent Community Day activities.



In 2015 we assisted the following Marathon County organizations:

- Boy's and Girl's Club (an organization that provides a safe, fun and educational environment that unites youth from all backgrounds and encourages their development as caring, responsible community members and leaders) - Our associates painted, and worked on construction, lawn maintenance and organizational projects for the organization.
- Forest Park Village (a nonprofit senior and assisted living facility, part of Homme Inc. of Wisconsin) - Our associates painted, handled lawn maintenance and gardening project, and played games with the facility's residents.
- Friends of Rib Mountain State Park (an organization that organizes maintenance and enhancement projects for the betterment of Rib Mountain State Park).
- Friends of Robert W. Monk Gardens (an organization that plans enhancement projects to develop the first public botanical garden for the use and enjoyment of residents of central Wisconsin) Our associates planted trees and shrubs and cut wood for the organization.
- Humane Society of Marathon County (an organization that relieves the suffering and abuse of animals and to foster an awareness of their importance in the community) - Our associates washed windows, handled cleaning and organizing projects, conducted lawn maintenance, and took cans to the recycling center.
- Marathon County Child Development Agency (Head Start) – Our associates painted an “Under the Sea” mural at the facility.
- Marathon County Historical Society (an organization that collects, preserves, advances and disseminates the knowledge of the history of Marathon County and the state of Wisconsin) - Our associates packed and moved items at the facility.
- The Neighbor's Place (an organization that provides help to people in need through the food pantry, emergency relief, youth services, cultural and language programs and other services) - Our associates reorganized and stocked shelves in the organization's food pantry, and handled painting, cleaning and gardening projects. United Way of Marathon County - Back to Basics Program (a community project that collects and distributes toiletry items to organizations such as The Salvation Army, The Women's Community, North Central Health Care, and other agencies with clients in need) - Our associates sorted and organized donated toiletries into bags.
- YWCA (a nonprofit membership organization that offers programs that promote lifelong learning, embrace diversity, and enrich the lives of women, girls and their families) - Our associates helped pack and move boxes in the NTC location that is closing.

Quotes from the community . . .

A quote from Evan Cass of Neighbor's Place...“Wipfli helped us get to projects that we just don't have time to get to like organizing hygiene items, household items and clothing that we distribute to our clients. By also deep cleaning high traffic areas such as our waiting room, community room and computer center you helped us keep the Neighbors' Place clean and presentable. This simple act helps us treat our clients with the dignity they deserve when seeking help from us. We also have a big food drive coming up and your help clearing space in our warehouse by repackaging the large donation of popcorn seeds was so helpful and something we haven't had time to get to for a few months. We so appreciate your willingness and eagerness to jump in and tackle multiple projects for us.”

A quote from a rep from Humane Society of Marathon County...“The associates were great extra hands to help with jobs that our staff does not have time to do. Your generous decision to partner with us truly makes a difference for the animals we shelter. We are always excited when Wipfli volunteers. You are a powerhouse of workers that keep the shelter looking great for guests and visitors! We can't thank you enough for the time you put into giving us a helping hand!”

Partner, Supervisory, and Staff Qualifications and Experience

We understand the strength of our client service team is an important criterion in making your selection. The Village will be served by the Northern Wisconsin region with staff from our Rhinelander office. The partners, manager, and staff in this region have developed substantial governmental audit experience as a result of providing audit services to many area governments and organizations. With today's technology and our office locations, we have a wealth of resources available to us at any point in time. The Village's engagement team will consist of a partner, a manager, a senior accountant, and a staff accountant.

Principal supervisory and management personnel which will encompass the Village engagement team are listed below.



Randy Beard, CPA, Partner

Randy is a Certified Public Accountant and currently is a member of our firm's Quality Control Committee. He will serve as Partner-in-Charge for the Village. He will spend at least one day of fieldwork at the Village supervising the audit team. Randy has over 30 years of experience serving governmental clients including counties, cities, villages, townships, and school districts. Randy serves as a governmental financial statement reviewer for the Association of School Business Officials as well as having served on various WICPA governmental-related committees. Randy graduated from the University of Wisconsin - Eau Claire, earning a bachelor of business administration degree in accounting.



Becky Denzine, Manager

Becky is a manager with over 15 years' experience in public accounting. She has governmental and nonprofit experience, including federal and state single audit experience. She has been in charge of various governmental audits of towns, sanitary districts, and schools. Becky will be the manager-in-charge of the audit and fieldwork of the Village. She will supervise fieldwork and assist the audit staff involved in the engagement. She will be on-site for the majority of fieldwork.

Additional Engagement Members

Your service team may be supplemented with other appropriate auditors and accountants who work within our Nonprofit and Government Practice Group. You can be assured that any staff member assigned to work with you will be experienced with governmental organizations. Before assigning anyone other than those listed in this proposal to your audit engagement, we will submit a profile to the Village for specific approval.

Similar Engagements with Other Government Entities

Wipfli is organized along specialized industry and business unit practices. Our practice group includes CPAs, dedicated information technology specialists, human resource specialists, tax experts, and other specialists. Our philosophy is to provide clients with quality, overall service tailored to meet their special needs. Our firm does not consider an audit engagement to consist of simply analyzing the records and submitting the report. We believe that identification and follow-up on problem areas, as well as maintaining a positive relationship with our clients, can be more important than the audit report itself. We believe that our continuing long-term relationships with organizations listed throughout this proposal are evidence of our service commitment.

Governmental Specialty

As a firm, Wipfli has been providing governmental services in excess of 50 years. That wealth of experience gives us the opportunity to provide a multitude of services to a variety of different governmental entities.

Wipfli's experience with villages encompasses a variety of types of engagements such as financial and compliance audits, internal control studies, organizational studies, financial management training, and program eligibility audits. These services have presented us with the opportunity to encounter and learn a variety of village accounting systems, which span the spectrum from manual accounting systems to the largest computerized systems.

We understand the appropriate General Accounting Office and other pronouncements regarding the audits of governmental and nonprofit organizations and related publications. In order to maintain our position as a leader in governmental programs, Wipfli is continuously committed to ongoing education for our staff so they can serve as both technical advisers and providers of quality services.

Our dedicated governmental staff must meet the continuing education requirements of the *Government Auditing Standards*. In addition, they are encouraged to gain a broad range of experience in various government entities. We believe this provides them with a better understanding of how governments work and how they are interrelated.

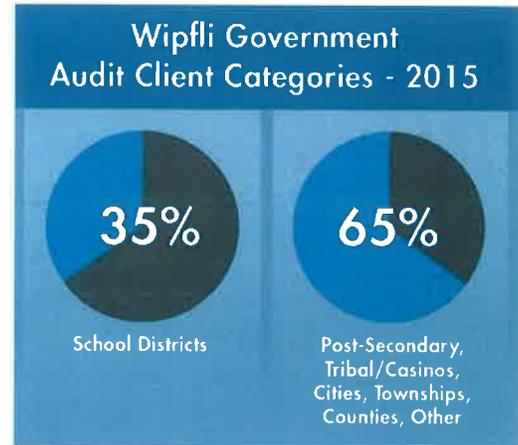
Wipfli has joined the American Institute of Certified Public Accountants' (AICPA) Governmental Audit Quality Center (the "Center") for CPA firms. The Center is a national community of CPA firms that demonstrates a commitment to governmental audit quality and raises awareness of the importance of governmental audits. The Center provides members with best practices, guidelines, and tools CPAs need to perform quality governmental audits and better serve their clients.

Members of the Center demonstrate their commitment by voluntarily agreeing to adhere to the Center's membership requirements, including designating a partner responsible for its governmental audit practice, establishing quality control programs, performing annual internal inspection procedures, and making the firm's peer review report findings publicly available.

We also have had people involved with various state CPA societies' government-related committees. Service on those committees has included leading the committee, developing model financial statements, and being discussion leaders at state-sponsored seminars.

Prior Experience Auditing Government Entities

Our audit and consulting experience related to governmental agencies ranges from school districts to municipalities. Our firm presently audits or recently has audited villages, counties, cities, school districts, technical colleges, Indian tribes, cooperative education service areas, and other government entities. We have also provided training sessions to the state agencies in Minnesota, Wisconsin, Illinois, Indiana, and Kansas on specific compliance issues such as the Davis-Bacon requirements.



Some of our current government clients include:

Cities/Village (Wisconsin only)	
City of Eagle River	City of Mellen
Village of Butternut	City of Hurley
City of Augusta	Village of Star Prairie
City of Menominee	City of Superior
Village of Lake Hallie	Village of Boyd
Village of Ellsworth	City of New Auburn
Village of Baldwin	Village of Gilman
Village of Fairchild	Village of Winter
Village of Knapp	Village of Wilson

CAFR Experience

Our firm has experience preparing and submitting CAFRs for the following organizations: North Central Technical College, Wisconsin, Wood County, Wisconsin, Douglas County, Wisconsin, Illinois Valley Community College, Illinois, Black Hawk College, Illinois; Carl Sandburg College, Illinois; City of Helena, Montana.

Prior Experience Providing Single Audits

Our partners and staff are highly experienced in the audit of governmental, nonprofit and for-profit organizations that operate federally funded programs. Our experience includes financial and compliance auditing, computer systems development and selection, program evaluation, and training. Having strong internal controls and understanding the rules governing how you can and cannot spend federal dollars are keys to fiscal management and overall compliance in your organization. In addition, the federal regulations have changed, mandating that federally funded programs comply with 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). One such change is that Uniform Guidance supersedes OMB Circular A-133, thus there is no more A-133. Single Audits are still required for organizations that expend \$750,000 or more of federal awards. From 2012 - 2014, Wipfli provided over 600 Single Audits, and continues to provide Single Audits for grant funded nonprofits around the country.

References

The following are client references:

City of Eagle River

Eagle River, WI

Ms. Debbie Brown

Clerk/Treasurer

715.479.8682 ext 222

City of Mellen

Mellen, WI

Mr. Joe Barabe

Mayor

715.274.8311

Village of Butternut

Butternut, WI

Ms. Cindy Pritzl

Clerk/Treasurer

715.769.3113

Northcentral Technical College

Wausau, WI

Ms. Jane Kittel

Finance Manager

715.675.3331

Specific Audit Approach

Specific Audit Approach Details

We estimate the following hours by level of staff:

Level of Staff	Hours	
Partner	20	Planning/Fieldwork/Reporting/Review
Manager	50	Planning/Fieldwork/Reporting/Review
Senior Accountant	70	Planning/Fieldwork/Reporting
Staff Accountant	<u>70</u>	Planning/Fieldwork
Total Hours	<u>210</u>	

The Village is unique; therefore, no cookie-cutter audit would be appropriate for the results you expect. That's why Wipfli has developed state-of-the-art audit tools and methodologies that identify your risk areas and focus your audit accordingly. We further encourage our staff to exercise professional judgment so as to conduct an audit that's specific to your organization rather than simply completing an audit "checklist." Our staff is trained to develop practical suggestions for improvements or recommend alternatives where opportunities exist. This value-added advice is communicated formally in the management report.



Communication is an important factor when planning our audit engagement. Working closely together, we allocate sufficient meeting time with your management team to determine roles and discuss audit expectations. These meetings further help establish timelines, determine risk areas, and allow us to obtain a deeper understanding of your operations so that we may ensure an effective, efficient audit. Throughout the process, we work closely with your staff, keeping them apprised of what actions are planned and why and discussing the timing of our work, as well as the roles your staff members play.

Maximizing efficiencies is another Wipfli audit objective. As such, we respect your valuable time and take measures to reduce the amount of time your organization spends producing information for audit procedures. We provide a detailed listing of the assistance we expect to prevent surprise requests and unnecessary demands of your staff. We use existing account reconciliations and analyses wherever possible, rather than duplicating work already performed at year-end closing. Likewise, we use electronic file downloads from your system and electronic workpapers when possible.

To further ensure efficiencies, it is important that your key financial management be available to answer questions and provide support during the engagement. This accessibility is critical to providing our services in the most cost-effective manner. At the conclusion of our audit, we will meet with your management team in an exit conference.

Going Beyond the Ordinary

Wipfli understands that it can be challenging to start a new relationship with a CPA firm. Procedural, organizational, and personality differences are just a few of the new dynamics that will need to be explored. However, we recognize that customer service is the key to our ongoing success and growth. Associates at every level of the firm are dedicated to delivering timely and high-quality service to help ensure that satisfaction.

Effective communication and personal attention are critical. We constantly ensure that clients are, and remain, satisfied with the quality of service they receive. More specifically, our staff will meet with you to discuss specific expectations and any special considerations to ensure both parties are satisfied with the timing, communication, and deliverables. Wipfli's engagement partner, Randy Beard, will spend time with your management staff, confirming your needs are being met and providing advisement on areas where you may require additional assistance.

Wipfli devotes considerable time to monitoring developments in a variety of industries. We identify key issues for our clients and ensure they are aware of those issues and their impact. Our professionals are recognized for their expertise, speaking at regional and national conferences and publishing informative articles in a variety of publications.

Key differentiators include:

- Integrating a holistic approach to service delivery.
- Creating a relationship with the client that is based on collaboration and trust.
- Committing to our clients, ensuring the day-to-day working relationship we maintain with our clients is as important as the result.
- Understanding how to drive ongoing performance by linking strategies to actions.

If any areas of dissatisfaction are found, we will do everything we can to work with you and find a solution to the issue. With Randy Beard as partner, we will have the ability to fully discuss key issues that persist with on-site visits, in-person communication, and/or timely telephone conversations. Seldom do we have the problem of finding a mutually agreeable solution for our clients. The key is that Wipfli is made aware of any issue by the Village so that we can take the appropriate action.

Continuity of Your Service Team

Our goal is to provide continuity of staff on your service team. Our clients appreciate the experience and dedication of our people who work hard to build long-term relationships with them. Wipfli's professional staff retention rate for our 2014 fiscal year was 91%, which is above the industry average for a CPA firm. Specifically, our governmental/nonprofit group had a staff retention rate of 94% for 2014, well ahead of industry averages.

We owe our continuing high retention rate to a process of associate development and mentoring, unlike most of our peer firms.

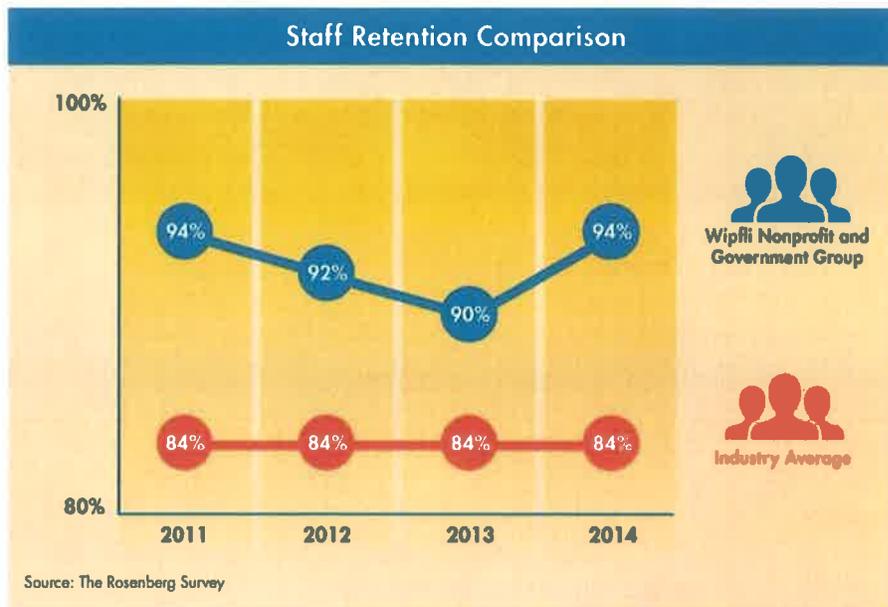
We strive to limit the rotation of personnel. As an important client of Wipfli, the Village will receive priority on the staffing of your engagement.

Time Requirements

Engagement Steps	MONTH	MONTH	MONTH	MONTH
Detailed Audit Plan	December			
Preliminary/ Interim Field Work		February		
Year-End Fieldwork			April	
Reporting and Wrap-Up				May

An entrance conference will take place in early December. The specific audit schedule will be agreed upon by and with the Village.

The sample sizes that will be used during the engagement will typically be in the range of 25 to 60 items. The actual sample size used will be determined by taking a number of variables into consideration. These variables typically include the size of the population, results of internal control testing, and the attribute(s) being tested. We typically use non-statistical sampling rather than statistical sampling.



Use of Technology

We make significant use of technology as part of our audit process. We prefer workpapers in an electronic format whenever possible.

We use IDEA software to analyze, manipulate, sample, and extract data files from almost any source, including reports printed to a file. We intend to use IDEA software to pull statistical samples to test account transactions. We also use CaseWare as our audit file management system.

Our audit engagement will utilize a number of different computer software packages. The specific software that will be utilized during the performance of your engagement is as follows:

- CaseWare Working Papers - Paperless audit document management system.
- CaseView for Windows - Software that allows us to tailor audit programs based on the specific client situation.
- Microsoft Excel and Word - Used to generate spreadsheets and memos, etc., for electronic storage.
- Adobe Acrobat - Used to scan client documentation into CaseWare for electronic storage.

We will utilize analytical procedures in the planning phase, as substantive tests in certain areas of audit fieldwork as well as the wrap-up phases of the audit. These procedures will be used to identify balances or relationships that fall outside of our expectations that we will develop based on the specific circumstances at the Village during the year being audited.

Review of Internal Controls and Further Audit Approach

As an integral part of our services to the Village, Wipfli will perform a review of your internal controls to assist us in planning the appropriate audit procedures. We develop our plan to address these areas and reduce time spent in non-critical areas. We would be available to assist in formulating or refining projections and meaningful budgetary controls that can be used as operational tools.

After our walkthroughs and documentation of internal and computer controls, we will further customize our audit programs and determine the audit procedures to be applied to your Village's individual environment.

Compliance

We will determine all laws and regulations that apply to each Village and test any compliance with those laws as applicable.

Audit Adjustments

If we determine that any material adjustments are needed as a result of our audit procedures, we will discuss them with you and obtain your approval before making them.

Value-Added Services Beyond the Audit

Having a CPA who can be an advisor about your diverse needs is critical. Did you know Wipfli offers more than just financial services? Our audit clients have access to additional resources to help them achieve their organizational goals. These tools are invaluable assets, allowing for better workflow, regulation management, policies and procedures, and more. Below are listings of services that Wipfli provides to nonprofit and governmental clients all across the country.

Information Technology Consulting Services

Wipfli approaches information technology from a different angle. First, we analyze your needs. Then, we use technology as a tool to address those needs for the long term. Our Information Technology Consulting Group specializes in planning, assessing, responding to and implementing services such as:

- Planning
 - Information security program development
 - Business continuity planning/disaster recovery
 - IT risk assessment
 - Information security policy development
- Assessing
 - Software and hardware inventory assessment
 - Vulnerability assessment
 - Policy and procedures assessment
 - Penetration testing
 - Application system review
 - Social engineering
 - Network security controls assessment
 - Security configuration review (e.g., server, firewall, router)
 - Internet-based transaction security
 - Physical and environmental security controls
 - IT general control review
 - Access control review
 - Host system control assessment (e.g., iSeries, Unix, Microsoft®)
- Responding
 - Support services
 - Incident response
 - Computer forensics
 - Remediation assistance
- Implementing
 - Management systems for finance, client intake, board governance, fund-raising, and more
 - My Wipfli Membership Service:
 - Best-practice technology and risk management policy and procedures manual (TechPro)
 - Cloud solutions for storage, security, and communication
 - New or updated infrastructure

Operations Consulting: Process Improvement and Workflow Analysis

The interactions and connections between separate components of your operations impact the effectiveness of the whole organization. Wipfli can help close the gaps between where you are and where you want to be.

To help grow your organization and reduce costs, our operations consulting services are designed to:

- Help to understand how work gets completed currently
- Utilize industry best practices to advise on improvements
- Improve efficient use of people and money
- Redesign processes and workflows to support new technology
- Support mergers, acquisitions, and other growth strategies
- Collect data for decision making
- My Wipfli Membership Service:
 - Best-practice financial policy and procedures manual

Human Resources

We help clients align their workforces with their goals, using our results-driven consulting process, tools, and programs with services such as:

- Strategic planning and visioning
- Organizational development
- Growth and change implementation
- Succession planning
- Professional coaching
- Employee handbooks
- Compensation design and benchmarking
- My Wipfli Membership Service:
 - Best-practice human resources policy and procedures manual

Sustainability Services

Sustainability is the balancing and continuous improvement of three elements: people, plant, and profit. Wipfli provides:

- Education on the value of sustainability
- Sustainability strategy
- Maximization of sustainable best practices

Value-Added Services FOR YOU!

As a service to your organization, Wipfli would like to offer the additional tools and services below at no additional charge. We encourage clients to utilize these tools and services to the highest degree. Please consult with your Wipfli Engagement Partner for further details.

Added Value Product/Service for Nonprofit and Government Clients	Retail Value	Client Cost
Tools:		
My Wipfli Nonprofit and Government Membership Service	\$995	\$0
Training:		
Two (2) registrations for regional Uniform Guidance training	\$1,650	\$0

Details on the Products/Services Your Organization Will Receive:

My Wipfli Nonprofit and Government Membership Service:

It's like having a consultant on your staff at all times! The My Wipfli Nonprofit and Government Membership Service is a hub for all your nonprofit and governmental needs. Wipfli has designed the site to provide constant guidance to organizations receiving federal and state funding.

Ask Your Questions: Log into the service and ask our experts a question; we will follow up with you via e-mail or telephone no later than the end of the following business day. We can assist with questions on topic areas including financial, HR, IT, risk, and more.

Do Research: Save time by having the information you need at your fingertips and access a library of 240 linked and searchable documents, laws, regulations and guidelines. Find every related piece of information on your desired topic - in one search.

Get Updates: Worried about missing something? Don't be. As a member, you will receive e-mail updates, newsletters, training discounts, and more! As an audit client, you will receive full access to this service.

Policies and Procedures: If you maintain policy and procedure manuals for finance, HR, and even IT, you know the challenges of keeping them up-to-date. Wipfli has been visiting nonprofit and government organizations for decades and we have seen organizations that understand how to operate efficiently while also staying compliant. That is why we have developed sample policy and procedure templates that combine industry best-practices and compliance-based methodology. These templates are updated frequently to provide the most current and efficient methods possible.

Training for Governmental Clients:

Wipfli is a leader in providing training in the nonprofit and government industry. We believe in the method of making our clients self-sustaining, and the best way to do that is to provide the knowledge necessary to not only keep them in business, but allow them to thrive.

Our trainings cover topics in regulations, accounting, audit, HR, IT, management, leadership, process and much more. As an audit client, you will receive:

1. **Webinar Training:** Solve the training needs of your entire staff in the most efficient way possible. Watch the live event and earn CPE credits, or download the recording at a more convenient time. Wipfli has dozens of webinar topics available to meet your training needs.
2. **OMB Circular Training:** Stay in compliance with OMB Circulars and program-specific issues with our two or three day on-site training sessions. The Super Circular, the uniform changes to the OMB Circulars, was released in December of 2013 for public inspection and organization have little time to prepare and change their policies, procedures and operations accordingly. Wipfli will offer numerous trainings throughout the country explaining the changes made to the Super Circular.
3. **Wipfli National Training Conference:** This conference is a Wipfli landmark that we have hosted for 15 years. With annual crowds of around 1,000 government/nonprofit leaders and staff, your staff will receive comprehensive training during this five-day National Training Conference. Network with hundreds of colleagues who share similar roles and interests, and who face the same challenges as you. Executive directors, program directors, human resources directors, fiscal staff, administrative staff, program staff, board members, policy council members, funding source staff, and your independent CPA will all find a week of relevant and essential training opportunities.

Legal Disclaimer

The information contained in this proposal document is for discussion purposes only and does not constitute a binding contract between you or your organization and Wipfli LLP. If the above services and information are acceptable and you wish to proceed, we will prepare a formal engagement letter for you to sign, which will address the specific scope, responsibilities, and criteria relative to our engagement. The engagement letter will constitute the entirety of the terms and conditions of our arrangement with you.

Identification of Anticipated Potential Audit Problems

Based on the information that we have been provided, we do not anticipate any audit problems. Any problems that may arise during the course of the audit would be fully disclosed with the Village Board, any elected officials, and members of management for quick and timely resolution.

Appendixes

Fee Schedule

Peer Review

Partner and Manager Resumes

Certificate of Insurance

Similar Governmental Engagements

Appendix A

Fee Schedule

Fee Schedule

Compensation (All-inclusive fee per year)

	<u>Regular Audit</u>	<u>Single Audit (if required)</u>
2015	\$21,500	\$1,500
2016	\$22,000	\$1,500
2017	\$22,500	\$1,500
2018	\$23,000	\$1,500
2019	\$23,500	\$1,500

Appendix B

Peer Review



System Review Report

To the Partners of Wipfli LLP
and the National Peer Review Committee of the AICPA

We have reviewed the system of quality control for the accounting and auditing practice of Wipfli LLP (the firm) applicable to non SEC issuers in effect for the year ended June 30, 2013. 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. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based upon our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Wipfli LLP applicable to non SEC issuers in effect for the year ended June 30, 2013, 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*. Wipfli LLP has received a peer review rating of *pass*.

Weaver and Tidwell, LLP
WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
September 20, 2013

Appendix C

Partner and Manager Resumes



Randall H. Beard
Partner

Current Position and Responsibilities

Randy Beard is the partner in charge of our Rhinelander office. He is currently in charge of audit and accounting technical issues related to Wipfli LLP's nonprofit and governmental practice area. In that role, Randy serves as a concurring reviewer of nonprofit and governmental financial statements throughout the firm. He has assisted several clients in obtaining the Certificate of Achievement in Financial Reporting. Randy enhanced his experience by being a financial statement reviewer for the Association of School Business Officials for over ten years. He has provided significant insight into obtaining the certificate for clients.

Certifications:

Certified Public Accountant

Working in a small office and being a reference source for other offices have provided Randy with a broad foundation from which to serve and advise clients. Over his career, there are very few areas of the tax and auditing fields that he has not been involved in.

Specializations

- Audits of nonprofit organizations
- Audits of various governmental entities including towns, cities, counties, utilities, school districts, and public colleges
- Audits of tribal organizations, including tribal gaming enterprises
- Compliance audits, including OMB Circular A-133
- Tax-exempt reporting and compliance
- Corporate and individual taxation

Past Experience

- Has been with Wipfli his entire career

Awards

- AICPA Governmental Accounting and Auditing Certificate of Educational Achievement when it was first offered

Professional Memberships and Activities

- American Institute of Certified Public Accountants (AICPA) - Member
- Wisconsin Institute of Certified Public Accountants (WICPA) - Member
- Association of School Business Officials - Member
- Hodag Little League - Treasurer
- Rhinelander Area Scholarship Foundation - Treasurer
- Past member of various WICPA committees related to governmental accounting and auditing

Education

University of Wisconsin-Eau Claire

- Bachelor of business administration degree in accounting

Contact Information:

Please contact Randy in our Rhinelander office.
Office: 715.369.1040
E-mail: rbeard@wipfli.com



Becky A. Denzine
Manager

Current Position and Responsibilities

Becky Denzine has been providing high-quality auditing and consulting services to local governments and nonprofit organizations for 15 years. She has vast audit experience in a wide range of industries and specialized knowledge relating to governmental operations and nonprofit organizations.

Combining exceptional client service with personalized attention, Becky assists clients with their specific needs and issues. She understands the importance of taking time to learn her clients' businesses. Listening to her clients' needs in order to provide them with the service they are expecting is a top priority.

Specializations

- A-133 audits (single audits)
- Native American governments and enterprises
- Public and private institutions of higher education
- School districts
- Wisconsin municipalities
- Publicly owned municipalities
- Exempt organization tax compliance and IRS Form 990 preparation
- Preparation of regulatory reports

Education

University of Wisconsin-River Falls

- Bachelor of science degree in accounting

Contact Information:

Please contact Becky in our
Rhineland office.
Office: 715.369.1040
E-mail: rdenzine@wipfli.com

Appendix D
Certificate of Insurance



VERIFICATION OF INSURANCE

We, the undersigned Insurance Brokers, hereby verify that Lloyd's London and various insurers have issued the following described Professional Liability Insurance, which is in force as of the date thereof-

PROFESSIONAL LIABILITY INSURANCE

NAME OF INSURED: Wipfli LLP and others as more fully described in the Policy.
POLICY NUMBER: IM1501717
PERIOD OF INSURANCE: June 1, 2015 to June 1, 2016 12:01 a.m. both days
SUM INSURED: \$2,000,000 Each claim and in the aggregate including costs, charges and expenses

SUBJECT TO ALL TERMS, CONDITIONS AND LIMITATIONS OF THE POLICY

This document is furnished to you as a matter of information only and is not insurance coverage. Only the formal policy and applicable endorsements offer a comprehensive review of the coverage in place. The issuance of this document does not make the person or organization to whom it is issued an additional insured, nor does it modify in any manner the contract of insurance between the Insured and the Insurer. Any amendment, change or extension of such contract can only be effected by specific endorsement attached thereto. Should the above described Policy be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

Issued at Chicago, Illinois

Date: June 25, 2015

Lemme Insurance Group, Inc.

Per: 

President

Appendix E
Similar Governmental
Engagements

Similar Governmental Engagements

Our firm presently audits or has audited within the last year counties, cities, school districts, technical colleges, Indian tribes, cooperative education service areas, and other governmental entities. All of these entities had federal and state programs which were subject to the Single Audit Act.

Schools Districts Audited Wisconsin

Other Education

Alma Center
Altoona
Arbor Vitae-Woodruff
Augusta
Bloomer
Chippewa Falls
Colfax
Ellsworth
Eleva-Strum

Fall Creek
Flambeau
Gilmanston
Hurley
La Crosse
Lac du Flambeau
Minocqua
Menomonie
Mondovi
Necedah

Nekoosa
North Lakeland
Osseo-Fairchild
Plum City
Prentice
Prescott
Rhineland
Tomahawk

Cooperative Education
Service Agency No. 10
Blackhawk Technical
College
Cooperative Education
Service Agency No. 9
Nicolet Technical
College
Northcentral Technical
College
Northeast Wisconsin
Technical College
Indianhead Technical
College
Chippewa Valley
Technical College

Illinois

Pecatonica
Forrestville Valley
Freeport
Oregon
Winnebago

Aitkin Independent
Carlton Independent
Cloquet Independent
Esko Independent
Cook County Independent
Watertown Independent
Grand Rapids Independent
Lake County Independent
Ely Independent
Hermantown Independent

Minnesota

Proctor Independent
Duluth Independent
Mt. Iron/Buhl Independent
Aurora Independent
Northland Learning Center
Northeast Service Coop
Harbor City International
North Shore Community
Minisinaakwaang Leadership
Academy

Cities and Villages

Towns

Utilities (Separate From Above)

Indian Tribes and Counties

City of Eagle River
City of Mellen
City of Superior
City of Augusta
City of Menomonie
City of Cornell
City of Independence
Village of Ellsworth
Village of Strum
Village of Butternut

Town of Nokomis
Town of Phelps
Town of Caswell
Town of Lynne
Town of Morse
Town of Goodman
Town of Boulder Junction
Town of Laona
Town of Wilson
Town of Sampson
Town of Springfield
Town of Millston
Town of Bridge Creek
Town of Manitowish Waters

Land O' Lakes Sanitary
Fifield Sanitary
Florence Utility
Three Lakes Sanitary
Goodman Sanitary
Butternut Sanitary
Eagle River Light
Laona Sanitary
Phelps Sanitary
Westboro Sanitary

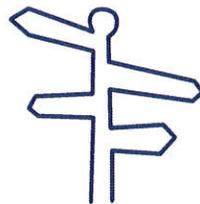
Lac du Flambeau Band
of Lake Superior
Lac du Flambeau
Chippewa Housing
Authority
Stockbridge-Munsee
Community
Dunn County
Price County
Wood County

Illinois

City of Freeport
City of Sterling
City of Fulton
City of Oregon
City of South Beloit

Illinois

Bureau County
Knox County
LaSalle County
Warren County



February 18, 2016

**Proposal to provide financial audit services
to:**

Village of Weston, Wisconsin

Prepared by:

Jacob S. Lenell, CPA, Principal

jacob.lenell@CLAconnect.com

CliftonLarsonAllen LLP

10700 West Research Drive, Suite 200

Milwaukee, WI 53226

main 414-476-1880 | fax 414-476-7286

direct 414-721-7572



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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

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EXECUTIVE SUMMARY



CliftonLarsonAllen

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Milwaukee, WI 53226
414-476-1880 | fax 414-476-7286
CLAconnect.com

February 18, 2016

Mr. John Jacobs, CGFO, CPFO
Finance Director/Treasurer
Village of Weston
5500 Schofield Avenue
Weston, WI 54476

Dear Mr. Jacobs:

Thank you for inviting us to propose our services to you. We gladly welcome the opportunity to share our approach to helping the Village of Weston (Village) meet its need for financial audit services in accordance with generally accepted government auditing standards.

This information proposal responds to your request for proposal for the year ending December 31, 2015, with the option of auditing its financial statements for the subsequent four (4) years through 2019. We have read the request for proposal and understand and commit to perform the services specified. A brief summary of the services to be provided is as follows:

- Audit of the financial statements of the Village, in accordance with auditing standards generally accepted in the United States of America, including TIF compliance testing as part of the annual audit.
- Available to contract for a single audit in accordance with OMB Circular A-133 if needed.

We are confident our proposal not only addresses your need for financial audit services, but also demonstrates our strong capabilities in serving local government clients, developed during our more than 50-year history of working with local governments.

CLA is focused on delivering an exceptional level of knowledge, insight, and industry experience. As our clients' most trusted advisor, we:

- Take a genuine interest in your opportunities and challenges.
- Proactively work with you to develop solutions based on a deep understanding of your operations and industry.
- Address the Village's financial challenges through our national and global resources.
- Continually strive to better your operations, the local government industry, the communities in which we work and live, the accounting profession, and ourselves.

Let's be honest: many public accounting firms often look the same on paper, and for many organizations, the audit has turned into a "commodity." All qualified firms adhere to a common set of professional standards and regulations to support their opinions on your financial statements. The only real differentiator between firms may appear to be the quality of the service clients receive. You will receive responses to your RFP and most will



appear, on the surface, to be equally qualified firms with each firm providing textbook audit services, presumably with competitive fee quotes. We hope that after reading this proposal, you understand:

- What makes CliftonLarsonAllen truly different;
- How CliftonLarsonAllen can impact the Village of Weston; and
- Why the team we selected to work on this engagement can provide value.

Our Vision: “Be thought leaders impacting the future of government”

We have a simple vision, with big expectations. We believe we can impact the future of government by building deep lasting relationships, acting as thought leaders, and delivering value through the services we provide.

Our vision guides everything we do. It is our belief and vision that shapes our culture and values, which allows us to attract the right kind of people. The combination of attracting the right kind of people to a place where there is a common vision and shared values drives emotional ownership.

Emotional ownership is what drives our people to focus on the industry, work together in an integrated fashion in delivering services, focus on continuous improvement, and ensure enterprise excellence in all we do. We believe it is this combination that creates a noticeably different client experience for the clients we serve - whether that service is an audit or something else.

We believe that ***our vision***, combined with dedicated ***government-focused professionals*** with ***emotional ownership*** who are ***driven to impact the future of government***, is what makes CliftonLarsonAllen ***the best firm for the Village of Weston***.

We welcome the chance to present our proposal to the selection committee or entire management team. If you have any questions about our offerings, please do not hesitate to contact me via phone at 414-721-7572 or email at jacob.lenell@CLAconnect.com.

Sincerely,

CliftonLarsonAllen LLP



Jacob Lenell, CPA
Principal



LICENSE TO PRACTICE IN WISCONSIN

CLA is licensed/registered with the Wisconsin Department of Safety and Professional Services (WDSP). CLA is in good standing with the WDSP, does not have a record of substandard work with WDSP, and is not subject to any pending investigations.

CliftonLarsonAllen LLP and all key personnel assigned to the engagement are properly licensed to practice in Wisconsin.

INDEPENDENCE

CliftonLarsonAllen LLP and all members of the engagement team are independent of the Village of Weston as defined by generally accepted auditing standards and *Government Auditing Standards*. We are committed to maintaining an independent attitude and appearance throughout the full term of the engagement.

INSURANCE INFORMATION

CliftonLarsonAllen LLP carries commercially reasonable amounts of malpractice insurance. If requested, the firm will provide a certificate of coverage for an amount specified by the Village of Weston upon being engaged.



FIRM OVERVIEW

CLA is a professional services firm delivering integrated wealth advisory, outsourcing, and public accounting capabilities to help enhance our clients' enterprise value and assist them in growing and managing their related personal assets — all the way from startup to succession and beyond.



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

The CLA Promise

Our interactions with you are designed to support your goals and dreams and impact your success.



Our professionals are immersed in the industries they serve and have specialized knowledge of their operating and regulatory environments. With nearly 4,000 people, 90+ U.S. locations, and a global affiliation, we bring a wide array of solutions to help clients in all markets, foreign and domestic.



Our mission:
Impactful
interactions
for success



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Understanding your needs

We respond to your stated needs in a thorough and easy-to-follow manner. We understand your most important and relevant needs are:

- **A proposed team of professionals carefully-selected for compatibility with the Village of Weston's needs and circumstances** — Your service team understands the strategic, operational, and regulatory issues impacting your organization. These professionals dedicate a substantial percentage of their time assisting governments with financial, regulatory, and information security matters.
- **Efficiency** — Our goal is to provide exceptional client service at the lowest possible cost. A well-planned and well-executed engagement by an experienced service team will minimize disruption to your staff and enable timely completion of all deliverables.
- **Experience and continuity** — Each engagement team member has in-depth experience in public sector accounting, auditing, or tax matters. We will commit the necessary resources to provide quality client service and timely report delivery. We have an extensive local and national public sector practice from which to draw resources.
- **We know you!** — We know and understand the Village of Weston. By providing services to you in the past, we have established an understanding of your municipality. The work we've performed helps us hit the ground running when we begin the engagement, so you will not have to bring us up to speed on your core operations, saving you time, money, and stress on your employees!

UNDERSTANDING YOUR INDUSTRY

Local government experience

As one of the nation's top-10 accounting firms, CLA is well positioned to bring you an elite level of knowledge, insight, and industry-specific consultation. We are one of the very few firms of our size and scope to focus on public sector entities. The firm is organized as a partnership and employs more than 4,000 people in 90+ offices across the country, including over 750 assurance professionals. The Village of Weston will be served primarily by our Stevens Point office location, which includes 2 principals, 6 directors, 3 managers, 13 staff and 6 administrative support staff. Staff from other Wisconsin and Minnesota offices will provide additional engagement assistance as needed.

We have more than 50 years of experience in auditing governmental entities. We joined the **Government Audit Quality Center of the AICPA in 2004** when it was originally formed, and we continue to be active members to this day. Our commitment is to deliver the knowledge and capabilities of a top-10 accounting firm at a competitive value.

In addition to financial and compliance audit services, our team of experts has assisted governments with many other projects including:

- Feasibility studies
- Utility rate design
- TIF audits
- Operations review and internal control analysis
- IT security and risk assessment
- Forensics audits
- Performance audits



- Budgeting
- Capital planning
- Consent and comfort letters

Governmental auditing experience

Our state and local government professionals serve more than 1,700 local, county, and state government agencies. The public sector has been a primary focus for us for more than 50 years. We understand the legislative changes, funding challenges, compliance responsibilities, and risk management duties that impact our state and local government clients.

Our government audit clients include state departments, counties, cities, villages, towns, boards of education, public libraries, colleges, school districts, and specialized taxing districts and authorities throughout the nation. With one of the largest public sector audit practices in the country, the members of our government services team have an unmatched depth of experience auditing entities similar to the Village of Weston.

The following provides a partial list of governmental clients served by CLA for audit services:

Wisconsin Municipal Clients	
Barron County	Northwest Regional Planning Commission
Burnett County	Pierce County
Chippewa County	Racine Wastewater Utility
City of Amery	St. Croix County
City of Barron	Town of Elcho
City of Bloomer	Village of Balsam Lake
City of Chetek	Village of Birchwood
City of Chippewa Falls	Village of Boyceville
City of Cuba City	Village of Bristol
City of Cumberland	Village of Brown Deer
City of Durand	Village of Bruce
City of Franklin	Village of Caledonia
City of Glenwood City	Village of Clear Lake
City of Hudson	Village of Frederic
City of Kenosha	Village of Hammond
City of Ladysmith	Village of Luck
City of Manawa	Village of Merton
City of Marion	Village of Milltown
City of Middleton	Village of New Auburn
City of Milwaukee	Village of Oakdale
City of Neillsville	Village of Roberts
City of Owen	Village of Siren
City of Rice Lake	Village of Somerset
City of Shell Lake	Village of Spring Valley
City of Spooner	Village of Tigerton
City of St. Croix Falls	Village of Warrens
City of Wauwatosa	Village of Webster
City of Weyauwega	Village of Weston
Columbia County	Village of Wheeler
Dunn County	Village of Whitefish Bay
Eau Claire Area School District	Village of Whiting
Green Bay Metropolitan Sewerage District	Village of Woodville
LaCrosse County	Washburn County
Madison Metropolitan Sewerage District	Western Wisconsin Cares



Large public sector entities typically share certain similar qualities, such as comprehensive IT and accounting systems, multi-layered reporting lines and chains of command, frequent and varied debt issuances, significant intergovernmental agreements, and autonomous component units that have unique relationships with the primary government. Similarly, the audit approach for large public sector entities is complex and requires strong leadership within the engagement team. This is critical in coordinating the efforts of numerous team members, focusing on the most relevant information, processes and relationships, and ultimately being able to deliver timely guidance and adhere to agreed upon deadlines and milestones. CLA and your proposed engagement team have the capacity and experience necessary to successfully monitor and deliver the Village audit.

References

CLA offers its clients the best of two worlds — a firm with national public sector experience, complemented by a local team dedicated to accessibility and responsiveness. We are pleased to provide you with the following references, who can describe their experience in greater detail.

City of Wauwatosa	Village of Whitefish Bay	City of Marion
Wauwatosa, Wisconsin Mr. John Ruggini, Finance Director 414-479-8962 jruggini@wauwatosa.net	Whitefish Bay, Wisconsin Ms. Jennifer Amerell, Finance Director 414-962-6690 j.amerell@wfbvillage.org	Marion, Wisconsin Ms. Mary Rogers, Clerk-Treasurer 715-754-2124 mrogers@cityofmarionwi.gov

GFOA and CAFR experience

The Government Finance Officers Association (GFOA) established the Certificate of Excellence in Financial Reporting Program to encourage state and local governments to go beyond the minimum requirements of generally accepted accounting principles. Accordingly, comprehensive annual financial reports (CAFR) are a means for a government to present information in the transmittal letters and statistical information to promote transparency and full disclosure to its citizenry.

CLA supports the GFOA in this effort. Participation in this process is just one of the many ways in which we hone our skills and provide assistance to the industry at the same time. Currently, eight of our team members are volunteer reviewers in the program. These individuals review several CAFRs each year. Jacob Lenell, the engagement principal assigned to your engagement, is a volunteer reviewer under the program and works with several clients who submit their financial statements to the program, including the City of Wauwatosa, City of Franklin, City of Kenosha and you, the Village of Weston. In addition, he has assisted multiple communities as they entered the CAFR program and received the award for the first time.

Our support is further demonstrated through encouraging our clients to participate in the program. Currently, more than 90 of our clients submit their financial statements to the program.

In addition to participating with the GFOA at a national level, we also support the local Wisconsin chapter, the WGFOA. Jacob Lenell has served as the WGFOA Associate Board member, which is the only position that is not a government-held position on the WGFOA board. CLA is a frequent presenter at the WGFOA. Most recently, Jacob Lenell presented the Governmental Accounting Standards Board Update for financial reporting at the 2014 Winter WGFOA training event. We also sponsor the Salute to Local Government put on by the Public Policy Forum every year to honor leaders in municipal government in Wisconsin. CLA also regularly attends and presents at other industry events including other public policy forum events, the Municipal Treasurers



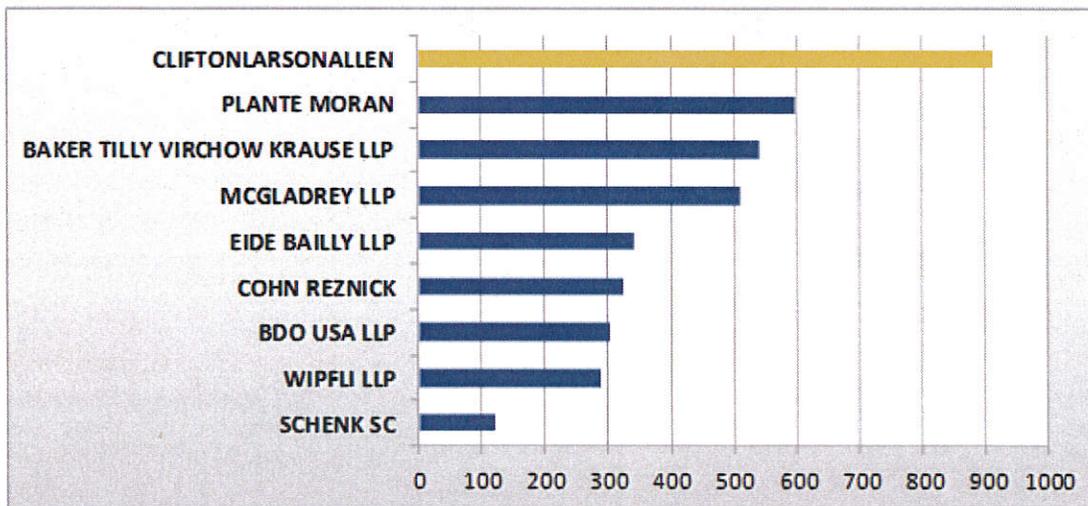
Association of Wisconsin, Wisconsin Municipal Clerks Association, and the Association of Government Accountants.

Wisconsin TIF experience

Many of our Wisconsin government clients have TIF districts, and as a result, we have significant experience completing TIF audits in accordance with State Statute 66.1105. These audits are required at the 30%, 100%, and closeout intervals. Many of our clients choose to have the TIF audit procedures performed annually so that when the required audit intervals occur, the impact is minimal. We can work under the methodology preferred by the client, and have assisted clients with transitioning from interval audits to annual audits in a way that minimizes the impact on the client from a cost and preparation perspective.

Leaders in performing single audits

CLA has become the national leader in providing audit, tax and many other services to the public sector, including those receiving federal funding. Our client portfolio of nonprofit, government, and health care institutions represents nearly half of the firm's total revenues. 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.** Many of the local nonprofit and governmental entities served by CLA receive federal funds and require a Single Audit in accordance with Office of Management and Budget regulations. The table below illustrates CLA's experience in serving organizations that receive federal funds:



**The information for the firms above was pulled from the Federal Audit Clearinghouse for audits submitted in 2013. CLA's numbers represent single audits with total federal expenditures of more than \$16.9 billion.*

Uniform Grant Guidance experience

Previously referred to as the Super Circular or Omni Circular, 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (the Uniform Grant Guidance), entails more than 100 pages of updates to the process of applying for, managing, and auditing federal grants and cooperative agreements. It applies to new awards, and additional funding (or funding increments) to existing awards made after December 26, 2014. CLA professionals have burrowed deep into the Uniform Grant Guidance to find the issues that concern you most, and have developed methods for implementing change. No matter how you are impacted, we can help you find effective solutions for your needs.



Along with hosting trainings and webinars regarding the Uniform Grant Guidance that are available for download, we have a number of articles and whitepapers on the topic that include how it will affect grants management, personnel costs, and international activities, among others. In addition to these resources, we have developed a proprietary implementation checklist that will assist you in implementing the Office of Management and Budget's (OMB) Uniform Guidance (UG). The checklist serves as a point-by-point guide through the sweeping changes that will affect your organization and will assist making implementation more organized and systematic. The implementation checklist allows users to set deadlines and track progress toward full implementation of the guidelines. CLA professionals are also available to provide guidance and tools tailored to your organization's needs, and to assist in timely compliance with the new rules.

In addition to the changes to the administrative requirements and cost principles that organizations must adopt, the Uniform Grant Guidance also includes revisions to the requirements for single audits and will be effective for your single audit of your first fiscal year beginning after December 26, 2014. The goal of the new guidance is to streamline the single audit process. Among the noted changes are the following:

- Increase of the threshold for requiring single audits from \$500,000 to \$750,000
- Change in the coverage threshold for both low-risk and other than low-risk auditees
- Changes in the major program determination process
- Change in the level of detail and threshold for reporting questioned costs in auditor findings

All of these changes, along with the transition periods, will initially result in a higher complexity in completing the single audits. We are here to work with you during the transition.

Quality control procedures and audit review process

A description of CLA's quality control procedures and audit review process are included in the appendix of this proposal.

Industry participation

CliftonLarsonAllen actively supports industry education as a thought leader and industry speaker. Our firm focuses on supporting the educational needs of the industry through nationally sponsored trade events. Our team of local government 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. As an example, we have been speakers for the following organizations:

- AICPA – governmental and nonprofit national conferences
- State CPA societies
- Government Finance Officers Association
- Local chapters of the Government Finance Officers Association, including the WGFOA
- Association of Local Government Auditors
- Association of Government Accountants

Thought leadership and industry information

CLA goes beyond the numbers and offers value-added solutions. You will hear from us throughout the year. We send periodic email publications and host webcasts to keep clients and friends of the firm informed of relevant industry updates. Below are just a few of the resources we offer.

- **State and Local Government Perspectives** – a quarterly e-newsletter which provides updates on regulatory and industry issues.



- **National Industry Webcasts** – web-based seminars designed to provide information on upcoming industry trends, accounting, compliance, risk and other issues in either the accounting or the local government industry. These webcasts are free to clients and many provide CPE credit to attendees.
- **Speaking engagements and Workshops** – We share our industry knowledge and experience by presenting at national, regional, and local events as well as hosting our own industry events in various markets. We provide quality insight and education in the areas of improving efficiency, reducing risk, and planning for succession.
- **Recent industry articles** – In addition to our direct participation with national organizations, CLA has had numerous articles published by our local government industry professionals. For the most current listing of the published articles, please go to the link below.
- **In-person events** – Annual economic, capital markets, and tax outlook seminars presented by local tax professionals and CliftonLarsonAllen Wealth Advisors, LLC investment committee members.
- **Market and Economic Outlook** – a quarterly publication written by CliftonLarsonAllen Wealth Advisors, LLC.

Investment Advisory Services offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

You can register for our webcasts and find our extensive resource library on our website, CLAconnect.com.

Reviews

The appendix of this proposal contains information about the Firm's quality control process as well as copies of our peer review reports.

The review process for audit engagements incorporates the following practices:

- Detailed review of fieldwork as it progresses by the manager or engagement director
- Review by the principal within 2 weeks of conclusion of fieldwork
- Draft reports delivered within 30 days of conclusion of fieldwork

CLA has been subject to several federal and state desk reviews by state oversight agencies during the past three years, and we have resolved all findings. In addition, our government audits are subject to review by each agency's Office of Inspector General, as well as the U.S. Government Accountability Office, and we have also resolved all findings identified in those reviews.



SERVICES APPROACH

Audit approach

Many organizations view an audit as a requirement that doesn't contribute to their overall operations or value. At CLA, we believe an audit should be an annual checkup that allows the Village to share its internal controls, processes, and concerns, and for CLA to use that information to develop insight into your organization and to share in-depth advice on how to improve your operations.

Our industry experience makes it easier — CLA auditors are experienced in your industry, which allows us to make the process faster and smoother. We approach our client engagements with a commitment to operational efficiency and to leverage our industry-focused experience to bring positive impact and meaningful insights to our clients. What does this mean for your organization? It means we bring a team of professionals and an approach focusing on you, our client, listening to and working with you for a successful outcome.

Your time has value — Our approach recognizes that your time is valuable and best spent with key decision makers asking clarifying questions, discussing organizational strategies, and dealing with sensitive reporting issues. We believe this approach is effective and cost-efficient, produces a quality audit, provides you with substantive discussions with our team leaders, and recognizes there is more value to time spent discussing significant issues with management than reviewing detailed workpapers.

On-site — We understand that it is important to the Village for the individuals performing the work to be on-site or at the appropriate Village of Weston offices. We find that this is often the most efficient and effective way to communicate with your staff, and commit to adhering to this approach.

No surprises — Our experience enables us to focus on the areas of your organization that possess the greatest risk. Our emphasis on planning and communication allows for an efficient and effective audit process in which everyone involved knows their roles and expectations. Issues, as they arise, are dealt with immediately, not accumulated until the end of the audit. We provide a *"no surprises"* approach to our services, based on frequent and timely communication. As potential issues arise during the course of the audit, we will engage the right people in timely and frank discussions as a means of gaining resolution immediately.

Significant involvement of principals and managers — An important distinction between CLA and other firms is the amount of principal and manager involvement in the engagement. Because our principals and managers are directly involved in the engagement during fieldwork, we can proactively identify significant issues immediately and resolve them with management so that the engagement is essentially complete when fieldwork ends.

We tailor the audit just for you — We begin the audit with a thorough planning and preparation phase and culminate with the timely delivery of our reports. We will work with you immediately to coordinate and schedule the engagement to minimize any potential disruptions to your business. We would envision that we immediately begin our planning process upon receipt of a signed engagement letter. We will then work with you to finalize dates that accommodate your schedules. While our audit programs provide typical approaches for given audit areas, CLA tailors and designs a client-specific, risk-based audit approach. We don't follow a "cookie cutter" approach. We use custom, industry-tailored programs, procedures, and other tools that are designed specifically to focus on the issues that are applicable to local government.

We explain exactly what we're doing and what we've found in plain, everyday language. We translate our findings into ideas on how you can address them. We believe our services are a contributing factor to better business and administrative practices. We gain a better understanding of your organization by working closely with your staff. This involvement enables us to offer you recommendations or suggestions for improvement in



your systems and procedures that are more comprehensive, better understood, and more frequently implemented.

The CLA audit methodology utilizes a five phase approach.



When performing an audit, we are sensitive and understanding of the fact that we report to those charged with governance. We maintain objectivity and independence in order to be able to issue our audit opinions. We will act within our philosophy of total client service, maintain the professional relationship refined with management, and fulfill our responsibilities with the utmost professionalism.

Communications with management will occur at different times during the audit and throughout the year, as follows:

- ✓ **Entrance Conference**
Prior to commencement of audit activities, the engagement team will meet with management, and accounting personnel, to discuss timing of the audit, expectations, and audit, accounting, or other issues. We will also meet with representatives of the governing body to identify expectations and conduct fraud inquiries.
- ✓ **Fraud-Risk Discussions**
The engagement principal and manager will hold discussions with members of management to obtain an understanding of potential risks of fraud within the organization. These discussions are required by audit standards issued by the American Institute of Certified Public Accountants, and will be held during the planning phase of our audit.
- ✓ **Audit Exit Conferences**
We will conduct a formal audit exit conference with management, along with other personnel as needed, at the close of preliminary and final audit fieldwork to review any comments relating to internal control and procedures and audit findings and recommendations. We will also present our observations about your organization's operations. Upon review of all deliverables, we will conduct a meeting with management personnel to review draft documents prior to finalization.
- ✓ **Communication of Internal Control Related Matters**
The audit standard, *Communicating Internal Control Related Matters Identified in an Audit*, applies in all audits and requires the auditor to communicate significant deficiencies or material weaknesses in internal control in writing. We will discuss, immediately upon discovery, any instances of material accounting or internal control weakness or suspected fraud, defalcations, collusion, or manipulation, and request instruction as to how to proceed with the audits.



✓ **Management Letter**

At the conclusion of our audit, we will also communicate other recommendations and suggestions for strengthening your policies, accounting procedures, and/or processes which represent other opportunities for improvement but do not meet the definition of internal control matters defined above, by way of a management letter.

✓ **Irregularities and Illegal Acts**

It is our firm's policy to immediately report alleged irregularities or illegal acts to the level of management having immediate oversight of the department or employee(s) suspected of committing the act. Professional standards also require us to report such matters directly to the governing body, depending upon the materiality of an identified illegal act.

✓ **Report to Those Charged with Governance**

We will make certain the Finance or Audit Committee and management are informed of each of the following:

- 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
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit, if any

✓ **Presentation of the Audit**

We will present the auditor's reports, financial statements, executive audit summary including management letter points, and required communication letter to the governing body.

✓ **Updates on New Standards**

During the planning meeting prior to the engagements, part of our formal discussion will be to communicate changes to audit and accounting standards which will affect the current engagement. We will also make management aware of upcoming changes as we are made aware of them throughout the year via e-mail, webcasts, meetings, or phone communications.

✓ **Meetings during Nonaudit Periods**

We also offer to meet with management during the nonaudit period to provide optimal client service and audit product quality. We find that these meetings with representatives of management allow the client representatives opportunities to ask questions of current and possible future transactions and activities that might affect the audited financial statements.

Planning and risk assessment

Our firm follows a risk-based framework to build our audit plan. CLA, management, and governance together identify and assess risks concerning the organization, material accounts, and transactions impacting the year-end financial statements, federal, and state regulations.

During the planning stages and throughout the audit, we identify the external and internal pressures and risks influencing the organization's financial statements, operations, and future goals. Inputs to our risk identification process include, but are not limited to the following:

- Analysis of preliminary financial statements prior to commencing audit fieldwork



- Planning meetings with management
- Planning meeting with the body governing the audit process
- Reading of governance meeting minutes
- Analysis of control activities
- Review of budgets
- Review of grant documents
- Review policy and procedure documents

We utilize a paperless audit process, encouraging the use of electronic resources to increase the efficiency of our engagement. In our experience working with other similar organizations, we believe that virtually all the workpapers we require can be provided electronically and are generally readily available. **Most of the analyses, schedules, and other supporting documentation we request are generally prepared by our clients as part of their process to close the books for the year.** We also have many templates available to assist you in the process of gathering the necessary audit support, if needed.

We will work with you to identify the information already available as a result of closing the books for each year and to develop a comprehensive list of other information we will need to conduct the audit during the initial planning stage of the audits.

Preliminary Fieldwork

Our risk-based audit approach provides significant benefits, including:

- More emphasis on using knowledge of the organizations – which includes understanding your control environment – to assess risk and make testing decisions.
- Assessment of the control environment, identifying operating and control recommendations.
- A focus on assessment of the effectiveness of a combination of controls, instead of compliance testing individual control procedures, as the basis for judgment about control risk.
- A stronger linkage between risk assessments and testing decisions through an increased focus on control categories.

Information Technology is an integral part of any financial statement audit, and our team of IT professionals possesses a multitude of industry certifications and extensive experience, working hand in hand with audit staff on engagements. We will be diligent and meticulous in obtaining and understanding the Village's internal controls as we plan the IT controls portion of the audit and determine the nature, timing, and extent of IT tests to be performed. We will use an IT manager who will consider the design of internal controls by using the same methods your organization uses to process accounting information. Our review will also consider the complexity of the processing of accounting information and the extent to which information systems are used in significant accounting applications.

We will utilize a risk-based, top-down approach to evaluate the materiality and significance in determining effective and efficient IT audit procedures. It will consist of the following:

- An evaluation of organization-wide IT general controls and their effect on audit risk, and on the extent of audit testing. Effective organization-wide IT general controls can reduce audit risk, while ineffective agency-wide controls can result in increased audit risk and generally contribute to weaknesses at the system and individual application level.



- An evaluation of general controls and their pervasive impact on application controls. Effective general controls support the effectiveness of application controls, while ineffective general controls generally render application controls ineffective.
- An evaluation of security management at all levels of control (agency-wide, system, and application levels).
- A control hierarchy (control categories, critical elements, and control activities) to assist in evaluating the significance of identified IT control weaknesses. If a critical element is not achieved, the respective control category is not likely to be achieved.
- Groupings of control categories consistent with the nature of the risk.

We pride ourselves on developing and implementing an IT audit approach and methodology that is flexible, risk sensitive, and makes maximum use of our experience and professional judgment. Our IT approach and methodology allows us to perform an audit from management’s perspective, allowing us to make observations and recommendations that are responsive to the concerns of the organization’s management.

We will also perform analytical procedures to gain an understanding and develop expectations around the organization’s operations. This review will include comparison of interim results to budget and prior year operations. We will also use this time to read minutes of the governing body, plan confirmation procedures, and other general audit documentation.

Final fieldwork

An important distinction between CLA and other firms is the amount of principal and manager involvement in the engagement. Because our principals and managers are directly involved in the engagement during fieldwork, we can proactively identify significant issues immediately and resolve them with management so that the engagement is essentially complete when fieldwork ends.

✓ Development of materiality

The concept of materiality focuses our attention on areas that are significant to the financial statements. In this manner we utilize a “top-down” risk assessment that provides us with the basis for determining the most effective audit-testing plan. In our assessment, we consider quantitative materiality factors such as:

- Materiality of individual operations
- Degree of risk of loss or error – e.g., complex transactions

We also consider qualitative materiality factors such as:

- Inherent complexities of operations
- Inherent risks related to control risks associated with account balances and transactions
- Status of changes in financial systems
- Nature and degree of centralization of key functions
- Industry, economic, political, and regulatory environment
- Public scrutiny and effect on operations – sometimes called “media” or “headline” risk
- Needs and concerns of management
- Needs and concerns of citizen groups



Summary of Benefits

The Village will realize the following benefits from CLA's services —

- An objective look at your operations to help you make sound decisions.
- Credibility only an outside professional can provide your lenders and citizens.
- Confidence that accounting principles have been evaluated for application accuracy.
- An opportunity to improve internal controls and accounting procedures, which increases reliability of accounting records and financial statements.
- Improved efficiency and effectiveness of the financial and compliance audit service, thus adding value to the process while reducing disruption to your operations.

Ability to audit computerized systems

CLA professionals are experienced with the following specialized audit software and are fully able to audit computerized systems. —

- **Improved Data for Efficient/Effective Auditing (IDEA)** — Our firm utilizes IDEA data extraction software in conjunction with your data files as an essential part of our audit processes. This software allows us to quickly analyze your data. Our auditors use the IDEA analysis to identify areas that require more audit scrutiny.
- **FX Engagement** — FX Engagement is our “paperless” audit product. This product allows us to file and save all of our audit workpapers in an electronic storage capacity; allowing our firm to save time and resources associated with maintaining and storing paper files. FX Engagement also boasts a trial balance software program, which is utilized to produce financial statements, lead schedules and allows us to perform trend analysis utilizing our clients’ trial balances.
- **Audit Program Generator (APG)** — In order to provide a uniform approach to all engagements, the firm requires the use of APG, a software program custom-written for CLA. This software package allows the tailoring of audit programs, based on the requirements of your engagement. We have developed a customized CLA audit program, which effectively makes our audit processes paperless and will enhance our present electronic practices. This software produces an industry-specific base program that is intended to encourage more thoughtful and specific tailoring. For an engagement to be effective in dealing with the risk of errors and efficient in avoiding riskless work, the engagement team will create a plan — the program — that contains the steps necessary to accomplish the goals of your engagement. Using APG is viewed as a thinking process, not just a documentation process.
- **Client Portal** — In addition to secure file transfer, clients can take advantage of a secure document portal to easily share documents and store files. This tool provides anytime, anywhere access to uploaded tax returns, financial statements and more from anywhere you have an Internet connection. Clients and CLA professionals can share and store confidential files in a secure environment. The portal has capacity for both long-term and transient file storage and provides access to all your documents in one place.

Use of statistical sampling

We will use sampling throughout the audit process as appropriate, including drawing sample sizes for purposes of testing transactions, account balances, and compliance. Generally, sample sizes will range from 25 to 60 items, depending on the nature of the controls and the population being tested. We closely follow guidance issued by the American Institute of Certified Public Accountants when planning our sample sizes.



Analytical review

Analytical review is a key component of our audit process. Analytical comparisons to prior year, budget and other statistical information will be incorporated. We also incorporate robust analytical procedures such as predictive tests using statistical data to evaluate account balances in greater detail.

Use of data analytics

In addition to standard auditing methodology, a distinguishing aspect of CLA's audit services incorporates the power of data analytics to multiply the value of the analyses and the results we produce for our clients. The firm has developed proprietary data analysis methodology that uses the most cutting edge technology, including IDEA, that help detect trends and anomalies as well as analyze potential error or fraud. IDEA is a file interrogation, or data analysis, tool that facilitates an efficient audit of large volumes of transactions. IDEA is able to read electronic downloads of transactions in many different formats, including text files, spreadsheet files, printed reports, PDF and database files.

In addition, we use other applications for the selection of random samples for testing and to extract information directly from your data files for testing and analytical analysis. With this technology, we are able to process and analyze substantial amounts of financial and non-financial data quickly and effectively. Our technology tools have been used successfully in both proactive and reactive audit engagements, across a broad range of industries. Our analyses can be tailored and customized to each client to help analyze an array of information, including client specific and proprietary data.

Key benefits of this technology include:

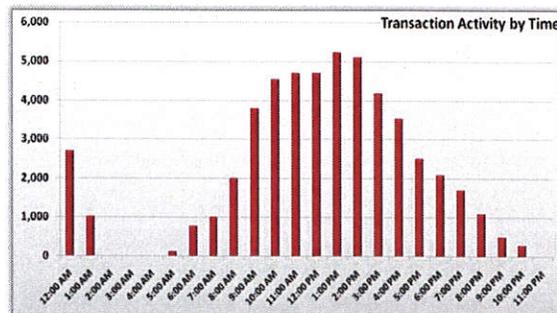
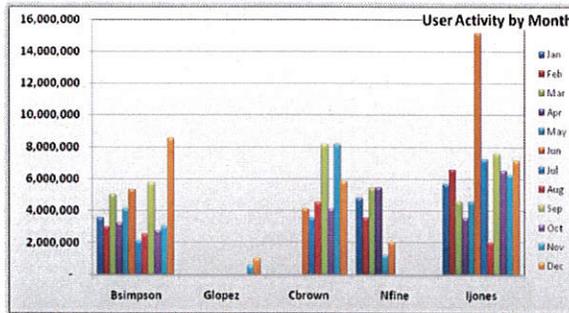
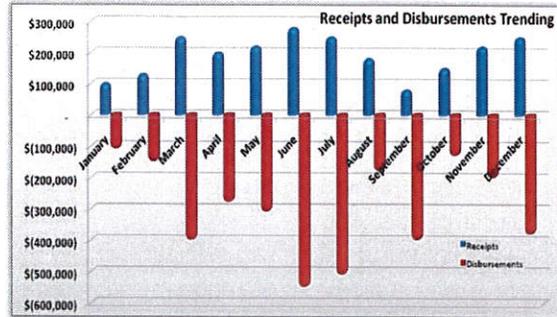
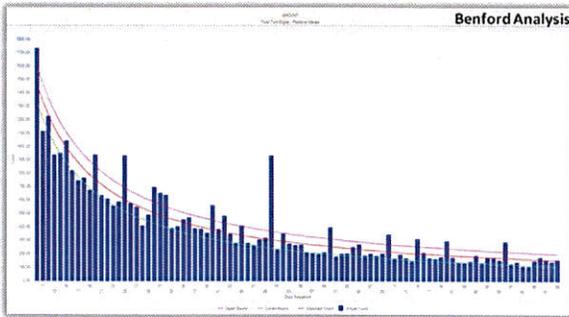
- Built-in audit functionality including powerful, audit specific commands and a self-documenting audit trail
- 100 percent data coverage, which means that certain audit procedures can be performed on entire populations, and not just samples
- Unparalleled data access allows us to access and analyze data from virtually any computing environment
- Eliminates the need to extrapolate information from errors (a common effort when manually auditing data) and allows for more precise conclusions

We are able to use data analytics to investigate and analyze issues and concerns in the following areas:

- Accounts receivable (fraud or payment misappropriation)
- Accounts payable (fraud or payment error)
- Purchase cards
- Related party transactions
- Travel and related expenses
- Manual journal entry manipulation
- Payroll
- Human Service Beneficiary Payments



The charts below illustrate typical data analytics scenarios.



Data Analytics. At the end of a series of pre-determined analytics (often retrieved from multiple proprietary accounting systems) that are customized to the project at hand, we identify anomalies and potential errors in transactions. In every case, we review what appears to be inappropriate activity, including supporting documentation evidencing the transactions.

Assistance expected from the Village

We utilize information already prepared as part of the Village's regular financial reporting process. The assistance we would expect from the Village staff will be minimal and will include pulling documents that we request and answering questions resulting from our procedures. We believe your staff should be an integral part of the Village's future success and should only focus on your most critical business, industry and control risks. Leveraging off of our experience, we will provide the Village with cost effective solutions without aggravation.

Most importantly, CLA will provide a team of professionals that will focus on the right controls, utilize a focused approach and avoid any surprises at the end of the engagement. We understand the unique challenges the Village faces in meeting internal requirements dictated by your governing body. With this in mind, we offer a customized, flexible approach.



Engagement timetable

Our project management methodology results in a client service plan that provides for regular formal communication with the entire management team and allows us to be responsive to your needs. The schedule allows for input from your personnel to make certain that the services are completed based on your requirements. The plan may also be amended during the year based on input from management and governance.

The Village has requested a timeline from the start of fieldwork to the issuance of the financial statements, and if the Village is fully prepared at the start of fieldwork, we can commit to the timetable below. Any delays in the preparedness of the Village at the start of fieldwork will need to be considered in the overall deliverable timeline.

Significant Milestones	Target dates
Preliminary fieldwork	February/March (or December, upon availability)
Final fieldwork	At a mutually agreed upon date in April
Final review of CAFR	End of May
Issuance of reports and presentation to Village Board	June (third Monday)



ENGAGEMENT TEAM EXPERIENCE

Roles and responsibilities

An experienced engagement team has been aligned to provide the most value to your organization. The team members have performed numerous engagements of this nature and will commit the resources necessary to provide top quality service throughout the engagement. Following are our proposed management team members:

The most important resource any business has is people — the right people.

Engagement Team	Title	Role	Years Experience
Jacob Lenell	Principal	Client relationship and audit engagement principal	14
Joy Palmer	Engagement Director	Responsible for review and overall engagement management	15
Staff	Associates/Seniors	Staff responsible for completion of assigned audit areas	1 - 3
Mike Lensmire	Principal	Audit engagement advisory support	35

Detailed time commitments of the engagement team are included in the audit approach section. Detailed resumes of key personnel are included in the appendix of this proposal.

Continuity of service

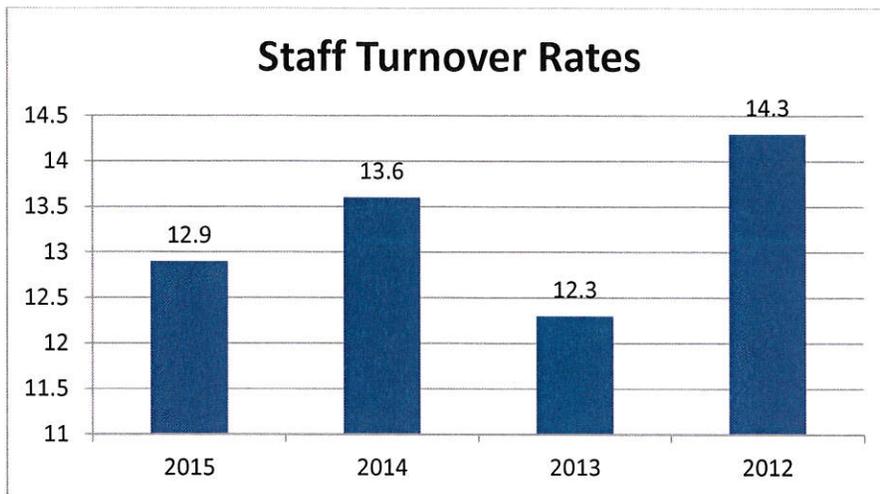
We are committed to providing continuity throughout this engagement. It is our policy to maintain the same staff throughout an engagement, providing maximum efficiency and keeping the learning curve low. We are also flexible in exploring alternative solutions to non-mandatory rotation policies.

In any business, however, turnover is inevitable. When it happens, we will provide summaries of suggested replacements and will discuss re-assignments prior to finalizing. We have an adequate number of qualified staff members to provide the Village with top service over the term of the engagement.

CLA is committed to maintaining high staff retention rates, which we believe are a strong indicator of service quality. Continuity results in increased efficiency and quality because staff assigned to the engagement will not have to go through a “learning curve” with annual engagements or each new project. Client staff spends less time orienting the engagement team, and more time working toward goals. With a solid, steady engagement team, each year brings the additional benefits of trust and familiarity. High retention rates also indicate that our staff members have the resources they need to perform their tasks and a positive work/life balance.



CliftonLarsonAllen's voluntary turnover rate for 2015 was 12.9%; 2014 was 13.6 percent; 2013 was 12.3 percent; and in 2012 was 14.3 percent.



PROFESSIONAL FEES

Our fees are based on the timely delivery of services provided, the experience of personnel assigned to the engagement, and our commitment to meeting your deadlines.

Professional Services	2015	2016	2017	2018	2019
Village General Audit ⁽¹⁾	\$ 28,300	\$ 29,150	\$ 30,000	\$ 30,900	\$ 31,850
Village Single Audit (if required) ⁽²⁾	\$ 3,500	\$ 3,600	\$ 3,700	\$ 3,800	\$ 3,900

⁽¹⁾ Includes fee of \$1,000 for each TIF for compliance procedures as part of the annual audit, assuming a separate report is not issued.

⁽²⁾ Assumes 1 federal and 1 state single audit program in the year of audit

We have found over the years that our clients don't like fee surprises. Neither do we. We commit to you, as we do all of our clients, that:

- We will be available for brief routine questions at no additional charge, a welcome investment in an ongoing relationship.
- Any additional charges not discussed in this proposal will be mutually agreed upon up front.
- We will always be candid and fair in our fee discussions, and we will avoid surprises.
- We do not bill you for an adjustment found during our normal audit effort. If audit areas require additional effort to reconcile, we will discuss these matters up front prior to conducting the work.

It is also our policy not to bill you for routine telephone calls. Our quoted fee includes routine general consultation throughout the year. However, if you seek a written opinion or if the issue requires us to perform research we will bill you at our quoted hourly rates for these services. We will discuss these fees with you before we conduct our work.

Fee considerations

The fee proposal is based on the following:

- Village personnel will provide assistance periodically throughout the year and during the assurance fieldwork with regard to account analysis and provision of year-end account reconciliation work papers and schedules.
- The reports will be delivered in accordance with the Village's deadlines.
- Professional standards and regulations currently in effect. We reserve the right to modify your proposed fee if professional standards or regulations change for any engagement period.
- No significant changes in the operations of the Village subsequent to the date of this proposal.



APPENDIX

Engagement team biographies



Jacob S. Lenell, CPA
CliftonLarsonAllen LLP

Principal
Milwaukee, Wisconsin

414-721-7572
jacob.lenell@CLAconnect.com



Profile

Jake is an audit principal serving public sector clients since 2002. His experience includes consulting on government accounting standards, presenting financial information to governing boards, and preparing financial statements in conformity with accounting standards and CAFR award criteria. He has performed internal inspections and peer review or other firms.

Technical Expertise

- Audits of local governments, including counties, cities, towns, villages and special districts
- Audits of tax increment districts
- Audits of school districts, technical college districts, and nonprofit organizations
- Consulting services, including utility rate design, budgeting, capital planning, administrative organization review, internal control design
- GFOA Special Review Committee reviewer in the CAFR program

Education/Professional Involvement

- Bachelor of Arts, Accounting, Cardinal Stritch University
- Master of Business Administration, Accounting, Lakeland College

Professional Organizations

- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- Government Finance Officers Association
- Wisconsin Government Finance Officers Association

Professional Certifications

- Certified Public Accountant, Wisconsin
- Certified Public Accountant, Illinois

Continuing Professional Education

- American Institute of Certified Public Accountants – Government Conference
- Government Finance Officers Association Conference and GAAP update
- Wisconsin Government Finance Officers quarterly conferences (attendee and presenter)
- Association of Local Government Auditors Conference
- Programs sponsored by CliftonLarsonAllen (attendee and presenter)
- Adheres to all applicable AICPA, WICPA, and GAS requirements.

Community Involvement

- Wisconsin Governmental Finance Officers Association, Board member
- March of Dimes Wisconsin Chapter, Board Treasurer and Finance Committee Chair



Joy C. Palmer, CPA
CliftonLarsonAllen LLP

Engagement Director
Stevens Point, Wisconsin

715-295-5411
joy.palmer@CLAconnect.com



Profile

Joy is an engagement director in the Stevens Point, Wisconsin office of CliftonLarsonAllen LLP. She is responsible for coordinating audit and planning services to a variety of governmental and nonprofit clients. Joy will supervise the audit fieldwork and staff in preparing the final reports. She will be available to provide any technical and professional support needed and will work on-site for any questions that may arise during the audit process. Joy graduated from Virginia Tech in Blacksburg, VA with a Bachelor of Science in Accounting. She has more than 15 years experience in public accounting.

Technical expertise

- Supervise financial audit engagements and compliance audits
- Provide technical assistance to personnel during engagements
- Audits of state and local governments, sanitary districts, and nonprofits, including compliance audits

Education/professional involvement

- Bachelor of Science, Accounting, Virginia Tech
- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- Wisconsin Government Finance Officers Association
- Virginia Society of Certified Public Accountants

Continuing professional education

- In excess of 40 hours annually
- Receives in excess of 24 hours annually and 80 hours in total every two years qualified under generally accepted government auditing standards
- Programs sponsored by CliftonLarsonAllen



Michael S. Lensmire, CPA

CliftonLarsonAllen LLP

Principal
Stevens Point, Wisconsin

715-295-5404

mike.lensmire@CLAconnect.com



Profile

Mike Lensmire is an audit principal with CliftonLarsonAllen specializing in services to clients in the public sector, manufacturing, and agribusiness industries. He has more than 35 years experience in public accounting.

Technical expertise

- Coordinates audit, tax, accounting, and business advisory services to varied clients
- Member of CLA internal inspection team that assures quality control for audits of companies in several industries
- Serves as the unassociated or concurring partner for many clients, responsible for final review of the financial statements prior to final issuance
- Responsible for review of critical audit areas as well as management letters and other deliverables related to audits

Education/professional involvement

- Bachelor's of arts in accounting from the University of Wisconsin Madison
- 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
- Certified Fraud Examiners Association
- National Society of Accountants for Cooperatives
- National Council of Farmer Cooperatives



Quality control procedures and peer review report



The most recent peer review report we received expressed 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.

The Public Company Accounting Oversight Board (PCAOB) conducts inspections of CliftonLarsonAllen'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 CliftonLarsonAllen'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 CliftonLarsonAllen 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 OMB Circular A-133.



System Review Report

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 non-SEC issuers in effect for the year ended July 31, 2013. 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. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 and 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of CliftonLarsonAllen LLP applicable to non-SEC issuers in effect for the year ended July 31, 2013, 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
November 12, 2013

Financial Statement Audit Services for
Village of Weston



February 18, 2016

Schenck SC

**For more information,
please contact:**

Jon Trautman, CPA
Shareholder
920-455-4312
jon.trautman@schencksc.com

Amber Danielski, CPA
Manager
920-455-4304
amber.danielski@schencksc.com

311 Financial Way, Suite 100
Wausau, WI 54401
715-675-2351





February 18, 2016

John Jacobs, Finance Director/Treasurer
Village of Weston
5500 Schofield Avenue
Weston, WI 54476

Dear John:

Thank you for inviting Schenck to submit this proposal to provide audit services for Village of Weston. We are committed to providing you with high quality, timely and personalized service. In addition, our significant experience serving government organizations throughout Wisconsin allows us to perform our services efficiently and add value.

Our proposal represents a firm and irrevocable offer to perform the audit of Village of Weston for the fiscal year ending December 31, 2016 with the option of the years ending December 31, 2017, 2018, and 2019. Our proposal represents a firm and irrevocable offer for sixty (60) days. We will meet your timing requirements for your audit as described in your RFP.

Our professionals will invest the time to fully understand your village and your goals in order to improve your financial strength and efficiency. Benefits to working with Schenck include:

- Deep experience in the government sector: with more than 300 governmental clients including 52 Wisconsin villages, we understand your government's accounting and financial needs
- Experienced auditors who focus solely on serving government entities, and who can help you maintain GASB compliant data
- A constructive management letter providing insightful suggestions for improvements and efficiencies in your procedures
- An annual review of your village's procedures and controls, as part of our audit

We appreciate this opportunity, and look forward to developing a long-term relationship with Village of Weston. Please contact either of us if we can provide further information on our firm or our proposal.

Sincerely,

Jon Trautman, CPA
Shareholder

Amber Danielski, CPA
Manager

311 Financial Way, Suite 100
Wausau, WI 54401
715-675-2351



What's inside

- The Schenck Way 1
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- Work plan & timeline..... 17
- About Schenck 18
- Proposed fees 20
- Account team biographies..... Appendix A
- Peer review report.....Appendix B

Service that exceeds your expectations

The Schenck Way

More than 80 years in business have taught us that clients want three key things from their CPA firm: regular communication, proactive ideas and solutions, and clear and accurate billing. To make sure we're meeting your expectations in each of these areas, we developed a set of client service standards that are followed by every employee in each of our offices. We call this philosophy of client service "The Schenck Way."

As our valued client, what does that mean for you?

- **Accessibility.** You'll always know how you can reach your account team—if we're not readily available for some reason, our voicemail greetings and email responses will let you know who can help in the meantime.
- **Timely service.** Expect financial statements and other reports and filings prepared in a timely manner to comfortably meet your deadlines. No last minute fire drills.
- **Face time.** Technology makes communication easier and faster than ever before. But we believe it's important to also meet with you in person on a regular basis, to discuss your goals and your direction, to provide our input as your advisor, and to get your feedback on how we're doing and how we can help.
- **Proactive advice.** We translate the insight we gain through serving you into ideas and opportunities to strengthen your organization. Because you'll work closely with the senior leaders of your service team, you can expect practical and constructive ideas throughout the year to help you achieve your goals.



- **Timely alerts and updates.** Like all government organizations, Village of Weston is affected by new accounting, reporting, and other business developments on a regular basis. We help you stay one step ahead through our Audit Central alerts, other email communications and regular educational events.
- **Clear and accurate invoices.** Our "no surprise" billing policy means just that—no charges for unexpected "out of scope" work.

As a key advisor to your government, we take these responsibilities seriously and work hard to exceed your expectations.

RFP responses

Provide a copy of the firm's certificate of insurance coverage.

Schenck SC confirms that it maintains insurance coverage in excess of the minimum requirement. If requested, the firm will furnish the Village with an appropriate Certificate of Insurance.

Indicate whether the audit team will be staffed from one or several office locations.

Provide detailed information about the size of your firm. Provide detailed information about the government section.

Provide information regarding the firm's experience and commitment to providing services to the governmental sector.

At Schenck, we focus on providing high quality service to our clients, who rely on us as their advisor of choice for accounting, audit, tax and consulting solutions. Our understanding of the demands our clients face, combined with a sincere concern for their success and continued growth, has driven our success over the past 80-plus years. Today, more than 500 Schenck employees serve clients throughout the Midwest from eight Wisconsin office locations.

Schenck's Government industry team audits hundreds of public organizations, including counties, municipalities, school districts, utilities and other governmental units. This team of six shareholders and more than 40 employees focuses almost exclusively on providing services to governmental and not-for-profit clients.

At Schenck, our goal is to be not just your audit firm, but your financial advisor of choice to help you take advantage of new opportunities and address your challenges.

As government specialists, we not only perform the required audit procedures, but we are always on alert for situations where your operations could be more efficient or internal controls could be strengthened. Some of our clients have experienced revenue increases or cost savings in excess of their annual audit fee by implementing the recommendations in our management letter.

We bring the right resources to serve you:

- Professionals who specialize in serving government organizations, who can help you enhance your efficiency and effectiveness
- New ideas and trusted business advice from the leaders of your engagement team
- Additional specialists to help you save money and enhance profitability
- Knowledgeable staff who are current on laws, regulations and reporting requirements

Your engagement team leaders, Jon Trautman and Amber Danielski, understand the environment government entities are facing today, and are committed to your success. All members of your engagement team will be based from our Wausau office.

CPAs and so much more

Our Government industry team members stay current on the trends and changes affecting our clients by sharing expertise and attending industry-specific events and training. You can expect proactive solutions and advice that helps you save money and strengthen your organization financially.

Our expertise serving government clients also includes:

- Internal control reviews
- Information technology consulting and system implementations
- Industry benchmarking
- Human resources consulting
- Payroll preparation and filing of quarterly payroll tax returns
- Documentation of accounting policies and procedures

Plus, we provide clients with frequent training and educational opportunities, including our webinar series on topics such as the GAO's revisions to Government Auditing Standards and preventing workplace fraud.



Governmental
Audit Quality Center

Schenck is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center, which helps us achieve the highest standards in performing quality governmental audits.

Provide resumes of the audit team. Indicate name, title, number of years of governmental experience. Include resumes of all partners within the office performing the audit engagement.

We've assembled a team of experienced professionals to meet the needs of Village of Weston. The following individuals, all of whom are licensed to practice as CPAs in Wisconsin, will supervise all services provided to your organization. Detailed biographies of each have been provided in Appendix A.

Team member	Title	Role	Contact information
Jon Trautman	Shareholder	Lead all audit services to Village of Weston	920-455-4312 jon.trautman@schencksc.com
Amber Danielski	Manager	Day-to-day management of audit	920-455-4304 amber.danielski@schencksc.com
Sue Pable	Senior Manager	Technical review and GASB statement coordinator	920-455-4305 sue.pable@schencksc.com

Continuing professional education

A few of the training seminars attended by members of our government team include:

- National Government Finance Officers Association Annual Conference
- National Governmental Accounting & Auditing Update
- WICPA/WGFOA Quarterly Conferences
- WICPA Local Government Accounting Conference
- Single Audit Requirements
- Yellow Book Government Auditing
- Various in-house seminars and meetings

Schenck or our professionals are members of the following professional organizations:

- Wisconsin Government Finance Officers Association
- National Government Finance Officers Association
- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- WICPA Local Government Accounting Committee
- Ad Hoc Committee to State of Wisconsin - Single Audit Guidelines
- WICPA Department of Public Instruction Committee

A consistent engagement team

Our Schenck team will remain consistent from year to year, providing you several benefits:

- Efficient service, reducing your time investment and keeping your costs down
- A team at Schenck to reach out to with questions throughout the year
- Proactive and practical advice to strengthen your government from professionals who understand your organization

Provide references for not less than three government clients, preferably cities and villages, for whom services have been provided within the last year. Include a contact name and telephone number.

One of the best ways to learn about the quality of service we provide is to talk to some of our other clients. Listed below are a few client references. We encourage you to check with these clients to learn firsthand about the services and solutions we provide.

Name, title & contact information	Organization	Engagement partner	Scope of work	Served from
Keith Strey, Finance Director 715-384-9310 keiths@ci.marshfield.wi.us	City of Marshfield	Jon Trautman	Financial Statement Audit	2013 - present
Tim DeSorcy, Finance Director 715-421-8242 tdesorcy@wirapids.org	City of Wisconsin Rapids	Jon Trautman	Financial Statement Audit	1996 - present
Maryanne Groat, Finance Director 715-261-6640 mgroat@ci.wausau.wi.us	City of Wausau	Jon Trautman	Financial Statement Audit	2013 - present
Richard Downey, Administrator 715-693-4200 rdowney@kronenwetter.org	Village of Kronenwetter	Jon Trautman	Financial Statement Audit	2006 - present

Provide a copy of the firm’s most recent peer review report.

A copy of our most recent Peer Review Report has been included in Appendix B.

Provide a listing of other services provided by your firm to governmental clients.

Schenck is able to provide other requested services to our municipal clients from our various consulting teams, including our human resources, process improvement and risk management specialists. Our risk management consultants provide in-depth analyses of automation and computer controls. Many of our clients have made changes to their organizations because of recommendations included in special studies and consulting engagements. In their opinion, the implementation of the recommendations has resulted in more effective and efficient delivery of services.

Give specific experience the firm has auditing municipalities governed by single audits, and knowledge and experience with the Certificate of Achievement in Excellence in Financial Reporting awarded by the GFOA.

Schenck completes more than 150 audits of federal and state financial assistance each year, including more than 100 single audits in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*. These audits have ranged from audits with less than \$100,000 of federal and state assistance to more than \$40 million. In fact, **Schenck performs more single audits in Wisconsin** than any other CPA firm. All single audits Schenck performs are for Wisconsin programs.

We have worked with a number of clients who submitted their comprehensive annual financial reports to the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting Program. Those entities, primary shareholders and the years that the awards have been earned are as follows:

- Brown County (since 1992) – David Maccoux
- Ozaukee County (since 2005) – Bryan Grunewald
- Manitowoc County (since 1991) – Bryan Grunewald
- Washington County (since 2002) – David Maccoux and Bryan Grunewald
- City of Green Bay (since 1982) – David Maccoux
- City of Manitowoc (since 1997) – Tom Karman and Greg Pitel
- City of Marshfield (since 2013) – Jon Trautman
- City of Fond du Lac (since 2004) – Tom Karman and Bryan Grunewald
- City of Oconomowoc (since 1995) – Tom Karman
- City of Wausau (since 2010) – Jon Trautman
- City of West Allis (since 1999) – Tom Karman
- Village of Ashwaubenon (since 1988) – David Maccoux and Greg Pitel

David Maccoux also serves as a technical reviewer for the program.

Describe any situations where you have failed to complete work awarded to you or defaulted on a contract. Provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the last three years with federal or state regulatory bodies or professional organizations.

Federal and state agencies have routinely performed desk reviews or field reviews of our audits, and have noted no problems. Schenck has assisted the State of Wisconsin in reviewing draft copies of audit programs for the State, and presented at conferences on single audit issues. Our firm has never been subject to disciplinary action by any federal or state agency.

Provide a concise summary of the work to be completed and your work plan or audit approach.

Scope of engagement

The purpose of our engagement will be as follows:

1. We will express an opinion on the fair presentation of the Village of Weston, Wisconsin's basic financial statements in conformity with accounting principles generally accepted in the United States of America for years ending December 31, 2016, 2017, 2018, and 2019. As part of our audit, we will perform audit procedures on the Village's non-major governmental funds and issue an "in-relation-to" opinion on the Village's combining and individual fund financial statements. In addition, we will perform limited procedures on the Village's required supplementary information (Management Discussion and Analysis (MD&A), budgetary comparisons of the Village's general fund, and schedules relating to pension benefits). We will not audit the introductory and statistical sections of the Village's Comprehensive Annual Financial Report (CAFR).

Our audit quote includes helping the Village to implement any new accounting standards which may arise during the term of our contract. As indicated in our qualifications section, Sue Pable, senior manager within the government & not-for-profit group, is available for consultation throughout the year and available to all our clients to assist them in implementing new GASB standards. Because of the size of our practice, we are able to dedicate a manager to quality control and client assistance.

2. We will also issue a management letter to the Village which will include an independent auditors' report on internal control and compliance as required by government auditing standards generally accepted in the United States of America. This report will disclose any significant deficiencies or material weaknesses in the Village's overall internal control structure that we observe during our audit. Since our staff work exclusively with government entities, we have developed internal control checklists which will be reviewed with Village personnel throughout the audit. We will also include financial analysis of various Village funds and any other suggestions for improvements to Village policies or procedures, including our responsibilities as auditors, in your management letter.

As part of our engagement, we will also be testing your compliance with the laws of the State of Wisconsin and applicable federal regulations. Because we have extensive experience auditing Wisconsin municipalities, we have developed a listing of applicable laws and regulations that we annually test the Village's compliance.

3. If the Village expends at least \$750,000 in federal awards in any year under contract, we will complete the Village's single audit report. The purpose of a single audit is to express an opinion on the Village's compliance with requirements applicable to each of the Village's major federal and state programs and internal control over compliance in accordance with U.S. *Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

Our audit engagements will be performed in accordance with auditing standards generally accepted in the United States of America as promulgated by the American Institute of Certified Public Accountants (AICPA) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

An engagement made in accordance with the above standards, is subject to certain limitations and the inherent risk that errors or irregularities, if they exist, will not be detected. However, if, during the course of our engagement, we become aware of such errors or irregularities, we will bring them to your attention. Should you then wish us to expand our normal auditing procedures, we will be pleased to work with you on developing a separate engagement for that purpose. No extended services will be performed unless they are authorized in an amendment to the original audit contract.

Audit philosophy

While each Wisconsin governmental entity has many similar characteristics, we believe extensive communication with our clients during the audit and throughout the year is essential to fully understand the unique characteristics and the specific circumstances of your engagement. We use this understanding to effectively plan your engagement by tailoring our audit programs to effectively and efficiently complete your audit.

Our policies toward staffing engagements require a "hands on" approach, which requires a higher percentage of shareholder and manager hours on audit fieldwork compared to most other CPA firms. Both Jon Trautman and Amber Danielski will be involved and oversee all aspects of the audit engagement, including field work. We believe this practice provides for higher quality auditing services.

Both Jon Trautman and Amber Danielski are available throughout the year to meet with Village personnel to address any issues or concerns. Jon Trautman and Amber Danielski will also update you on the status of the engagement, areas of concern that have arisen and any other issues that have come to our attention throughout the audit. Communication with members of the engagement team and representatives of the Village of Weston is an integral part of performing an audit at the level of services you desire.

Segmentation of audit engagement

Because many issues facing the Village affect both governmental and proprietary fund operations, we will staff the Village's audit utilizing a one-team audit approach. In our opinion, this increases audit efficiency by allowing us to combine certain audit procedures over all Village funds, reducing interruptions of your staff.

Since staff assigned to the Village's engagement team work primarily on governmental audits, all supervisory staff have extensive experience with issues affecting both governmental and proprietary fund operations. By utilizing a one-team audit approach, Village personnel can contact either Jon Trautman or Amber Danielski with any issue throughout the year.

Level of staff and number of anticipated hours

Our audit will be conducted in three phases. Hours by staffing level for each phase is summarized in the following table:

	Hours			
	Preliminary	Interim	Final	Total
On-site audit fieldwork team:				
Jon Trautman	2	2	14	18
Amber Danielski	3	10	28	41
Senior Accountant	6	18	40	64
Staff Accountant	-	14	32	46
Quality control manager:				
Susan Pable	-	-	3	3
Administrative	-	-	3	3
Total	11	44	120	175

Sample size and sampling techniques

Sample sizes vary by type of test and expected variations and generally range from 25 - 60 items per test, based on nationally recognized sampling guidance. We will utilize both statistical and non-statistical sampling techniques throughout the audit based on our expectation of results and the purpose of the procedure.

In many instances, we like to use judgmental sampling procedures, which allow us to use our experience in auditing governments to choose a specific type of sample that we feel best tests the specific transactions we are reviewing. We believe the audit procedures we perform give us better results in our testing of various general and departmental transactions.

Extent of use of information technology in the engagement

Schenck SC utilizes technology to improve audit efficiency, as summarized below:

- All audit files are totally paperless. Information provided by Village personnel in either a Word, Excel, or PDF format is easily downloaded directly into our audit file. This makes it very efficient to e-mail requested documents to us to avoid postage and reprinting. It also allows us to easily communicate information between audit team personnel located in different offices. Finally, we are able to easily retrieve data from your audit file and answer any questions you may have even when we are not physically located in our offices.
- An integrated trial balance database, with grouping lists based on financial statement categories and funds, is used to generate financial statements and lead schedules for preparation or review purposes.
- We also use IDEA® - Data Analysis Software to enhance our auditing and analytical capabilities, detect fraud and meet documentation standards. IDEA® - Data Analysis Software allows you to quickly import, join, analyze, sample and extract data from almost any source, including reports printed to a file.
- Audit standards also require us to customize audit programs based on control and environmental risks. We utilize PPC Smart Practice Aids® to generate audit programs and have developed customized audit procedures specific to Wisconsin municipalities to incorporate into PPC Smart Practice Aids®. After completing preliminary and interim audit procedures to understand the unique characteristics of your engagement and internal controls, we will generate customized audit programs to efficiently and effectively complete your audit, concentrating audit procedures on riskier or more difficult to audit areas.

Analytical procedures

Analytical procedures are an integral part of our audit process. As required by auditing standards, we use analytical procedures in both audit planning and final financial statement review. In addition, we use analytical procedures throughout the audit as substantive tests, where appropriate, based on our risk assessment and designed audit programs. The following are typical areas where we use analytical procedures:

- Comparison of current year actual results with prior year actual and current year budget balances to identify unusual or unexpected fluctuations based on our audit expectations. Preliminary analytical procedures have an integral part of the planning and audit program generation process.
- Obtain non-financial data and compare the relationship of non-financial data with actual results. For example, we will utilize water consumption data and pumping statistics, including quantities of purchased water, to evaluate water and sewer sales. We may analyze number of building permits issued to evaluate permit revenue.

Procedures to gain understanding of the Village's internal control structure

While financial system processing controls are extremely important in a computerized accounting environment, they represent only a portion of the total system of accounting controls. Our review of the Village's internal accounting controls is not only designed to help plan our audit procedures, but also to identify ways for the Village to improve its accounting systems.

Our approach to gaining an understanding of your internal control structure will consist of the following:

Documentation of the Village's internal control structure. During our preliminary audit phase, we will obtain available documentation (policies and procedures, organizational chart, 2015 and 2016 minutes, 2016 approved budget, financial management policies, etc.) to identify systems where we will need to understand the Village's internal control policies and procedures to properly plan the audit. This phase of the audit would consist of a day spent at the Village by Amber Danielski in early January or at an agreed upon alternate date.

Because of our extensive experience in performing governmental audits, we have developed internal control questionnaires that our staff will review with applicable staff of the Village. We would communicate to you prior to our interim phase the individuals and records needed to complete our documentation of internal controls, including estimated time frames. We try to be always cognizant that your staff's daily responsibilities continue throughout our audit and therefore minimize disruptions.

We plan to select a sample of payroll and cash disbursement transactions to determine that expenditures are properly authorized, supported and classified. As part of our disbursement testing process we also incorporate testing of credit card and electronic banking transactions. We would also select a sample of accounts receivable, utility billing and cash receipt transactions to verify Village procedures. Finally, we will review budget amendments and ensure approved amendments are appropriately posted to the Village's general ledger. These transactions will also be used to test the Village's computer system.

Finally, as noted in the detailed audit plan section of this proposal, we would include certain procedures at Village department levels. While the Village may have centralized certain receipt functions, we find supporting documentation for many transactions of the Village originate in departments. We therefore believe it is essential to periodically test procedures in Village departments for the following reasons:

- 1) Based upon our experience with Village governments, we may be able to suggest improvements in the financial operations of your departments.
- 2) An annual review by outside auditors tends to decrease the potential for cash mismanagement or misappropriation in departments.

We have developed audit programs for Village departments that allow us to concentrate our audit testing on issues specific to each department. This allows us to test departmental operations effectively and efficiently.

The overall objective of testing department operations will be to obtain and document an understanding of the internal control structure of the department by testing of an appropriate number of transactions through the accounting system. Any weaknesses or suggestions for improvement noted during this review will be communicated to appropriate Village personnel with our recommendations for improving present procedures.

Our review of your internal control systems and procedures will allow us to evaluate the control strengths and weaknesses in each of the Village's functional areas and to concentrate our tests where the controls are the weakest, thereby preventing unnecessary and excessive detail testing.

Compliance with applicable laws and regulations

Because of our experience with Wisconsin municipalities, we have identified over twenty specific Wisconsin statute and administrative code references that we test for compliance during our audit. The statutes include items such as payroll, sales tax, Wisconsin retirement, budgeting, property tax levy and collection, public contracts, related party transactions, fees and fines, and others and are tested annually.

Single Audit samples

The sample sizes we choose for testing specific audit testing and grant compliance in accordance with the requirements of the federal and state single audit are based upon our firm's "in-house" individualized sampling plan. Sample sizes are consistent with guidance provided in a nationally recognized provider of audit programs to CPA firms. The firm's sample sizes have been included in the Single Audits of our governmental clients that have been reviewed by the federal and state agencies and have been deemed to be appropriate.

Each member of the audit team uses a laptop computer with audit programs, OMB A-133 compliance supplement, the *State Single Audit Guidelines* and other information readily available to efficiently complete the engagement.

Detailed audit plan

Preliminary phase

Because of our experience and knowledge auditing Wisconsin municipalities, the transition to new auditors should not be a difficult or time consuming process. We will accomplish the transition during the pre-audit meeting and preliminary fieldwork. Our pre-audit meeting will be a get-acquainted meeting to set the audit schedule, discuss problem areas you want special attention given during the audit and answer any questions on procedures, etc. Prior to our preliminary phase, we would request copies of relevant documents, manuals, debt agreements, leases, contracts, etc. that we will need in our permanent files and also secure the necessary audit workpapers from the previous auditor.

The preliminary phase of the audit involves understanding your unique characteristics and the specific circumstances of your engagement sufficiently to plan your engagement and tailor our audit programs to effectively and efficiently complete the audit. Procedures during the preliminary phase consist of the following:

1. Interview management employees for their input as to problem areas during the year and for any areas that may pose difficulties in auditing the Village. Statement of Auditing Standard No. 99 also requires us to communicate with other employees within the Village throughout the audit.
2. Obtain an understanding of the Village's internal and administrative control systems sufficient to plan the engagement.
3. Review the Council and Finance minutes to obtain an understanding of current issues affecting the Village. We also look for indications that additional revenues will be received by the Village, such as land or equipment sales or new grant programs, or areas where increased or additional fees are authorized. We then use this information as part of our audit testing in an effort to determine that the Village is receiving the revenue it is entitled to.
4. Determine such items as risk factors and materiality limits. After gaining an understanding of the system and testing the same, we are in a position to determine and document the various risk factors and materiality limits, which will guide the remainder of the work.

5. Perform a risk assessment, if required, based on guidance contained in OMB Circular A-133 and the *State Single Audit Guidelines* to determine the Village's major federal and state financial assistance programs. Because of our extensive knowledge and experience with many of the programs administered by the Village, we are able to efficiently assess risk for each federal and state financial assistance program. Inquiries will be made with Village personnel regarding any potential concerns they may have with any federal or state program as part of this assessment. The results of our assessment will be communicated to the respective Village personnel.

6. Perform a preliminary analytical review of revenue and expenditure accounts using the Village's approved budget and comparing significant balances to the interim financial statements for unusual differences. We would also compare current year actual totals with prior years and investigate unusual changes.

Our objective during the preliminary phase is an overview of the Village's internal control policies and procedures and is generally completed in our audit to plan preliminary fieldwork. As indicated previously, we would anticipate spending a day on site during the initial year audit to review the Village's organizational chart, budget documents and financial operations manuals and procedures.

We then will tailor our audit procedures to your specific needs and develop detailed time budgets and tentative staffing schedules. We will review these plans with you and agree upon specific dates when our interim and final phases of the engagement will be performed paying careful attention to your reporting deadlines.

A detailed audit plan will be developed based on the results of our preliminary audit fieldwork. This audit plan, including a list of all client prepared work papers, will be discussed with appropriate Village personnel. This document has been found to assist clients in planning their schedules as we realize they must still attend to their day-to-day responsibilities during our audit. Our audit plan will be communicated prior to December 1 each year.

Interim phase

A portion of our audit will be completed at an interim period. The interim phase would normally include the performance of detailed tests and analytical procedures, as well as, devoting substantial attention on problem areas identified during our review and evaluation of internal controls and assessment of audit risks.

Most of our interim work will be performed at a time when your staff is least burdened. This allows us to balance our workload while disrupting the routine of your personnel as little as possible.

Our interim work will concentrate on performing procedures to further understand and document the Village's internal control structure, including testing certain transactions at the Village's departments and proprietary fund operations. Examples of audit procedures performed at Village departments follows:

Village Clerk's Office

We will analytically review recorded revenues based on statistical data like number of licenses and permits issued, etc. We will also take a sample of license approvals in minutes to actual receipt, or verify the Village's system for tracking payments. Finally, as custodian of the Village's official records, certain documents will be requested from the department to aid in our understanding of the Village's operations.

Community Development Authority

Audit procedures to be performed consist of the following:

- Grant management and economic development: Review the department's role in managing the Village's community development block grants. Obtain repayment schedules and documentation supporting monitoring efforts of Housing/Business Loans program.

Fire & Rescue Department

Review the Village's procedures over monitoring contracts with the joint venture fire department and ambulance.

Building Services/Inspection

As part of our audit, we would recalculate fees assessed based on the department's fee schedule and analytically review recorded revenues based on statistical data like number of permits issued, etc.

Parks, Forestry, & Recreation Department

The following are audit procedures generally performed during the review of the Village's parks, forestry, and recreation department:

- Review receipting and disbursement procedures and records for proper internal controls over departmental collections of the Weston Aquatic Center, recreation fees, park shelter rental fees and other revenues.

Analytically review recorded revenues based on approved budget and prior year amounts.

Police Department

Review the Village's procedures over monitoring contracts with the joint venture police department.

Water and Wastewater Utilities

As part of our audit, we would select customer billings for agreement to utility approved rates. In addition, we would analyze revenues and expenses based on budget and prior year activity to determine areas where additional audit attention may be warranted. We will review the system for accumulating costs of utility construction work orders and recording completed assets.

Stormwater Utility

As part of our audit, we would select billings for agreement to approved rates. In addition, we would analyze revenues and expenses based on budget and prior year activity to determine areas where additional audit attention may be warranted.

Internal Service Fund Testing

We will obtain and document an understanding of the internal control structure for the Village's internal service fund operations by testing the flow of an appropriate number of transactions through the accounting system. The results of this testing will determine the amount of testing required in other areas of the audit.

Procedures in specific areas are as follows:

Insurance

- Review methodology for allocation of insurance charges to departments.

Other procedures generally performed at Interim

In addition to internal control testing, we also like to accomplish certain tasks which can be easily updated at final as follows:

- a) The tax roll and municipal treasurer's settlement for the current year will be reconciled to amounts recorded in the general ledger to determine that all amounts have been properly recorded.
- b) Balance sheet accounts will also be analytically reviewed to determine that recorded amounts are reasonable.
- c) Debt Service Fund Testing - All payments made on Village debt will be compared to the appropriate debt repayment schedules. Amount recorded for other long-term obligations will be reviewed for reasonableness. The debt margin representing the amount of additional debt the Village could incur under Wisconsin Statutes will also be calculated for inclusion in the basic financial statements.

d) Capital Projects Testing - Significant transactions in the capital projects funds will be reviewed to determine that all recorded amounts are reasonable, properly classified, and properly capitalized if considered a capital asset. As part of this testing, we will review bidding procedures on public works projects.

Final Phase

Generally, our audits are designed to verify all material balance sheet accounts, as identified during our planning procedures. A brief description of our audit procedures for each significant audit area based on our review of your prior year financial statements follows.

A. Cash and Investments

- Confirm year end account balances and collateral held by the Village's agent in the Village's name.
- Obtain bank reconciliations and substantiate reconciling items.
- Test reasonableness of the Village's investment earnings and proper valuation of investments based on accordance with GASB Statement No. 31.
- Analyze accrued interest receivable to supporting documentation.
- Review Village investments for conformity with the Village policy and Wisconsin Statutes.
- Verify cash restrictions to bond resolutions or other supporting documents.
- Review Village petty cash procedures.

B. Property Taxes Receivable

- Review property tax settlements to the Village's tax system and bank deposits verifying the adequate settlement payments to other municipalities and the final reimbursement received from the County.
- Review allocation of property tax levy by fund to the approved budget.
- Obtain detail of delinquent personnel property taxes and agree with the general ledger.

C. Federal and State Grant Receivables/Revenues

- Obtain year end claim forms and agree recorded revenues/expenditures or deferred revenue to the Village's general ledger. Cash payments made by the State of Wisconsin will be verified to state payments registers obtained directly from the State.
- Review subsequent year receipts.

D. Other Accounts Receivable/Revenues of Governmental and Enterprise Funds

- During our testing of Village policies and procedures, we will review Village billings for contract services and other services provided. Based on our risk assessment, we will either rely on confirmations and/or subsequent receipts.
- Review reasonableness of the recorded allowance for uncollectible accounts.
- Revenues will be analytically compared to prior year actual and current year budget. Significant account variations will be reviewed.
- Revenues of business-type activities will be analytically reviewed to the related cost of providing the services.
- Analytical review of recorded revenues will be performed to available statistical information.
- Review the reasonableness of any deferred revenues.
- Review the Village's procedures for preparing special assessment billings and monitor subsequent collections.
- Obtain detail of loan receivable transactions and test for reasonableness of recorded balances. New loans financed with intergovernmental grants will be tested in accordance with the grant requirements.

E. Interfund Balances

- Review interfund receivables and payables for agreement. Determine the reason for each receivable/payable for footnote disclosure.
- Analyze any long-term advances between Village funds. Determine if repayment schedules exist and evaluate disclosure of fund balance reserves for non-current portions.

F. Inventories

- Observe physical inventories, if considered necessary based on our audit planning.
- Review pricing quantities and extensions of final inventories.

G. Prepaid Items

- Obtain year end detail and compare reasonableness to the prior year.
- Review December disbursements for unrecorded prepaid expenditures.
- Review the Village's insurance coverage.

H. Capital Assets

- Obtain schedules of capital assets including additions, retirements and accumulated depreciation.
- Test additions and deletions based on testing of capital projects funds, statistical information from utilities, etc. Review project files, including developer contributions, for proper accounting and classification for the financial statements and PSC report.
- Review bidding procedures for compliance to the Wisconsin statutes.
- Analyze work order processing for capital assets.

I. Accounts Payable and Other Liabilities/Expenditures or Expenses of Governmental and Proprietary Funds

- Review accounts payable as of December 31 and determine proper cutoffs and review for unrecorded liabilities.
- Determine the appropriateness of other liability accounts including accrued payroll and related withholdings.
- Verify vested compensated absences and other postretirement benefits.
- Expenditures/expenses will be compared to prior year actual and current year budget. Significant account variations will be reviewed.

J. General Obligation Debt, Revenue Bonds and Other Long-term Liabilities

- Verify balances owed, information on new issues including verification of bond proceeds to bank deposits, and agree scheduled repayments to the general ledger.
- Test the Village's compliance with debt limitations per the Wisconsin Statutes.
- Recalculate accrued interest, bond discounts, and other debt related accounts.
- Review arbitrage calculations, if applicable.
- Review the Village's compliance with revenue debt covenants.
- Review the Village's methodology for determined other long-term liabilities.

K. Fund Equity/Net Position

- Verify the appropriateness of nonspendable, restricted, committed, assigned and unassigned components of fund equity.
- Analyze classification of net assets for government-wide financial statements.

L. Budget

- Review the Village's procedures for adopting and amending their budget.
- Review budget amendments for proper approval.

M. GASB 34 Statements

- GASB 34 entries to convert the Village's current financial statements to the statement of net assets and statement of activities will be determined throughout the audit. We will accumulate the adjustments and post to an excel database.

N. Representations

- Obtain a letter from the Village's legal counsel regarding any pending or potential legal issues the Village may be involved in.
- Discuss with management whether, to the best of their knowledge, the Village has complied with all applicable laws and regulations and there were no fraudulent activities that occurred during the year. Also, discuss whether there were any unusual transactions after the balance sheet date which should be disclosed in the basic financial statements.

Please understand that the above procedures are only a summary of our audit approach. Additional audit procedures may be considered necessary after our review of your internal control policies and procedures. Because of our experience with audits of municipalities, our audit approach should be considered as sufficient as that of any other accounting firm proposing on this audit. If you need further information, we would be happy to discuss our procedures in more detail with the Village's personnel.

Providing added value

Our approach to the Village of Weston audit

We understand you want more from your audit investment than simply a report on your financial results. You want your CPA to identify new ideas and opportunities.

At Schenck, we provide you that added value. What sets our audit services apart?

- **Shareholders and managers actively involved in your engagement.** Jon Trautman and Amber Danielski, who will lead our audit services to Village of Weston, will participate in audit planning and will be readily available to you throughout the audit. Jon Trautman and Amber Danielski will be on-site during portions of your fieldwork. This limits return visits and follow-up questions after year-end fieldwork is completed.
- **Experienced auditors.** Our team exclusively serves local governments.
- **Regular communication.** We set expectations for the timing and deliverables of each phase of your audit up front and provide regular status updates throughout. You will always know where we are in the process, and what we need from you and when.
- **A quality audit designed around your unique risks.** Schenck serves more than 300 government clients, including 52 Wisconsin villages. Based on this experience and our planning conversations with you, we will develop a customized audit approach for Village of Weston that addresses your unique business and control risks.



- **A consistent engagement team.** With turnover rates below industry averages, we strive to maintain the same audit team on your account each year. This facilitates planning and fieldwork for a smoother audit process.
- **An efficient audit process.** Whenever possible, we collect data electronically for greater accuracy and to minimize your staff's time. Our workpapers are paperless and stored in a digital format, and we've developed proprietary templates to flow data efficiently from fieldwork through financial statement and tax return preparation. We seek out and incorporate the latest technology to enhance the efficiency, security and accuracy of our audits.

Ensuring a smooth transition and timely service

Work plan & timeline

Your account team is experienced at managing the transition process for new clients, and will work efficiently to ensure that the change in accounting firms goes as smoothly as possible for your management and your finance team. Our goal is to minimize the amount of time necessary from your staff while we gather the information we need to perform our services.

Based on our conversations with you, following is an outline of the timing of our work. In our initial planning meeting with you, we will discuss this timeline in greater detail and make adjustments as appropriate to meet your schedule.

November/December 2016
Review prior auditor's workpapers Initial planning meeting with Village of Weston to finalize schedule
December 1, 2016
Provide detailed list of items to be prepared for interim by Village of Weston
February/March 2017 or any agreed upon date
Preliminary audit work <ul style="list-style-type: none">• information gathering• evaluation of internal controls• risk assessment• meeting with management to discuss results
February 1, 2017
Provide detailed list of items to be prepared by Village of Weston – final fieldwork
April 2017
Audit fieldwork <ul style="list-style-type: none">• conduct audit procedures• closing meeting to discuss findings
End of May 2017
Review of CAFR and recommendations for Village of Weston
3rd Monday in June
Issue all final reports, opinion and management letter & present to Village Board

About Schenck



At Schenck, we focus on providing high quality service to our clients, who rely on us as their advisor of choice for accounting, tax and consulting solutions. Our understanding of the demands our clients face, combined with a sincere concern for their success and continued growth, has driven our success over the **past 80-plus years**.

Today, we meet the business and financial needs of our clients in:

- Accounting and auditing
- Business optimization
 - Operations
 - Technology
 - Human resources
- Cost segregation services
- Employee benefit plan audits
- Estate and trust planning
- Human resources consulting
- International business
- Investment management
- Medical billing
- Mergers and acquisitions
- Ownership transition planning
- Payroll services
- Retirement plan administration
- Risk services: accounts payable testing, fraud prevention, internal controls reviews
- Tax planning and compliance
- Technology solutions: software selection, business process flow, installation, implementation, training and ongoing support
- Valuations and litigation support

Resources across the world

Because of today's global approach to business, Schenck is an independent firm associated with AGN International, Ltd., one of the largest accounting and business services associations in the world. AGN affiliates are located in 92 countries and more than 100 U.S. cities. Together with these trusted firms, we're able to provide you professional services worldwide.

Providing added value and keeping you informed

The world of business is constantly changing. To keep you updated on important business issues that may impact you, Schenck regularly publishes newsletters and other email alerts to help you find savings, stay in compliance,

or take advantage of new opportunities.

You're also invited to join us for our business improvement workshops and webinars, held regularly on topics that impact you—like health care reform, payroll updates and changes to government auditing standards.



Our commitment to our culture and our employees

At Schenck, we take pride in our work and strive to create a healthy culture throughout our firm. Our employees have the opportunity to be challenged, to develop their strengths, and to make an impact both at work and in our communities.

As a result, Vault, a publisher of career guides and employer rankings, has named Schenck **one of the top 25 CPA firms in the nation to work for**. Rankings are based on confidential surveys of employees and focus on firm culture, work/life balance, compensation, business outlook, firm prestige and overall job satisfaction.

In addition, Schenck is proud to have been ranked by our employees as a Top Milwaukee Workplace in the Milwaukee Business Journal's annual survey.

Proposed fees

Name of firm

Schenck SC

Total all-inclusive maximum price for the engagement

As detailed on the following pages, our all-inclusive maximum price for your engagement for the years ending December 31 will be as follows:

Services	2016	2017	2018	2019
Audit of financial statements for the Village of Weston, Utilities, and TIF Districts	\$19,500	\$19,900	\$20,300	\$20,600

Timely and quality service

During our first year working with you, we will invest significant setup time to plan our work, become familiar with your accounting systems, understand your policies, procedures, and internal controls, and get to know key leaders of your organization. We consider this an investment in our relationship with you and will not bill you for this time.

Our proposed fees include routine correspondence and discussions between the Village of Weston and Schenck. We strongly encourage effective communication between us and therefore will not bill you for routine conversations concerning financial and related matters.

Our fees are dependent on the following:

- Your office personnel will assist us by providing appropriate organizational documents and records necessary to complete our services.
- Your government's operations do not change significantly.
- There are no significant changes in auditing, accounting or reporting requirements.

If changes occur to any of the above, we would discuss a revised fee proposal with you prior to commencing any work.

Upon your acceptance of our proposal, we will prepare a formal engagement letter as required by professional standards.

Authorized signature

Jon Trautman, CPA, is entitled to submit this proposal on behalf of Schenck, and sign a contract with Village of Weston. Our firm, if selected, agrees to perform the services as identified in your Request for Proposal, and to sign a contract stating the same.



Shareholder

February 18, 2016

Date

Appendix A

Account team biographies



Jon Trautman, CPA

SHAREHOLDER

jon.trautman@schencksc.com | 920-455-4312

AREAS OF SPECIALIZATION

Government accounting | Government auditing | Government consulting

EXPERIENCE

Jon leads the audits of government and not-for-profit organizations. His clients include counties, municipalities, and school districts throughout Wisconsin. He has prepared the financial statements, Municipal Financial Report forms, and Public Service Commission annual reports for local governments and utilities. Jon has nearly 20 years of governmental audit experience, which includes the following clients:

COUNTIES:

- ▶ Adams County
- ▶ Clark County
- ▶ Green Lake County
- ▶ Monroe County
- ▶ Oneida County
- ▶ Portage County
- ▶ Taylor County
- ▶ Vilas County
- ▶ Winnebago County

CITIES, VILLAGES AND TOWNS:

- ▶ City of Nekoosa
- ▶ City of Thorp
- ▶ City of Tomahawk
- ▶ City of Wisconsin Rapids
- ▶ Village of Amherst
- ▶ Village of Granton
- ▶ Village of New Glarus
- ▶ Village of Wild Rose
- ▶ Wisconsin Rapids Water & Light
- ▶ Town of Grant
- ▶ Town of Plum Lake

SCHOOL DISTRICTS:

- ▶ Edgar School District
- ▶ Owen-Withee School District
- ▶ Pittsville School District
- ▶ School District of Greenwood
- ▶ Stevens Point Area Public School District
- ▶ Tri-County Area School District
- ▶ Wittenberg-Birnamwood School District

OTHER:

- ▶ Portage County Housing Authority
- ▶ Taylor County Housing Authority

EDUCATION

University of Wisconsin–Stevens Point,
BS, Managerial Accounting

PROFESSIONAL MEMBERSHIPS

- ▶ Government Finance Officers Association
- ▶ Wisconsin Institute of Certified Public Accountants Department of Public Instruction School District Auditor Task Force
- ▶ American Institute of Certified Public Accountants



Susan Pable, CPA

SENIOR MANAGER

susan.pable@schencksc.com | 920-455-4305

AREAS OF SPECIALIZATION

Government accounting | Quality control

EXPERIENCE

Sue is responsible for the technical review of audited financial statements of the firm's governmental clients and the implementation of new accounting pronouncements. She has assisted clients with the implementation of new capital asset reporting systems, internal control evaluations, and new financial reporting requirements.

Sue has over twenty years experience in governmental accounting and auditing, and has held the positions of Internal Auditor, Assistant Finance Director and Acting Finance Director with various Wisconsin governmental organizations.

EDUCATION

University of Wisconsin–Oshkosh,
BBA, Accounting

PROFESSIONAL MEMBERSHIPS

- ▶ Wisconsin Institute of Certified Public Accountants

COMMUNITY INVOLVEMENT

- ▶ Girl Scouts of America, Council Delegate, School Coordinator and former troop leader
- ▶ Ours Through Adoption of Northeast Wisconsin, member and past Treasurer
- ▶ Friends of the Brown County Library, Treasurer



Amber Danielski, CPA, CMA

MANAGER

amber.danielski@schencksc.com | 920-455-4304

AREAS OF SPECIALIZATION

Government accounting | Government auditing

EXPERIENCE

Amber joined Schenck in 2005 and is responsible for performing the field work of audits for Wisconsin municipalities and school districts. She has experience in preparing the financial statements, Public Service Commission Reports, State Financial Report Forms, and the Schedule of Federal and State Awards for municipalities and school districts. Clients she has worked with include:

COUNTIES:

- ▶ Adams County
- ▶ Clark County
- ▶ Green Lake County
- ▶ Monroe County
- ▶ Oneida County
- ▶ Portage County
- ▶ Taylor County
- ▶ Vilas County

CITIES, VILLAGES AND TOWNS:

- ▶ City of Marshfield
- ▶ City of Thorp
- ▶ City of Tomahawk
- ▶ City of Wisconsin Rapids
- ▶ Village of Amherst
- ▶ Village of Kronenwetter
- ▶ Village of New Glarus
- ▶ Village of Plover
- ▶ Town of Farmington
- ▶ Town of Rib Mountain
- ▶ Town of Rome

SCHOOL DISTRICTS:

- ▶ Owen-Withee School District
- ▶ Pittsville School District
- ▶ Port Edwards School District
- ▶ Stevens Point Area Public School District
- ▶ Wittenberg-Birnamwood School District

OTHER:

- ▶ Marshfield Utilities
- ▶ North Central Wisconsin Regional Planning Commission
- ▶ Town of Rome Water Utility
- ▶ Wisconsin Rapids Water Works & Lighting Commission

EDUCATION

University of Wisconsin–Stevens Point, BA, Managerial Accounting, Business Administration, and Spanish

Appendix B

Peer review report



Rehmann Robson
570 Seminole Rd., Suite 200
Muskegon, MI 49444
Ph: 231.739.9441
Fx: 231.733.0031
www.rehmann.com

SYSTEM REVIEW REPORT

September 6, 2013

Shareholders
Schenck SC
and the
National Peer Review Committee of the American Institute of CPAs Peer Review Board

We have reviewed the system of quality control for the accounting and auditing practice of **Schenck SC** (the "Firm") applicable to non-SEC issuers in effect for the year ended April 30, 2013. Our peer review was conducted in accordance with the *Standards for Performing and Reporting on Peer Reviews* ("Standards") established by the Peer Review Board of the American Institute of Certified Public Accounts. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The Firm is responsible for designing a system of quality control and complying with it to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the Standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans, and examinations of service organizations (Service Organizations Control (SOC) 1 engagements).

In our opinion, the system of quality control for the accounting and auditing practice of **Schenck SC** applicable to non-SEC issuers in effect for the year ended April 30, 2013, 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*. **Schenck SC** has received a peer review rating of *pass*.

Rehmann Robson LLC

February 15, 2016

Dear Mr. Jacobs,

Thank you for the opportunity to present this proposal to you for auditing services.

Our firm has long recognized the public sector's need for competent auditing, accounting, and consulting services, and has dedicated time and money for the ongoing development of this highly specialized skill. Hawkins Ash CPAs serves cities, villages, townships, public school districts, utilities, sanitary districts, public housing authorities, redevelopment authorities and several programs funded by federal and state resources. We have been providing services to municipalities since 1956. Our firm and professional staff are licensed to practice in Wisconsin and Minnesota. Our firm is comprised of eight closely knit offices. In Wisconsin, we have offices in Green Bay, Manitowoc, Marshfield, Medford, and La Crosse. Our Minnesota offices are located in Rochester, St. Charles, and Winona.

Throughout our engagement you will notice we work with you and your staff and develop a working relationship founded on open communication. We use on-site dialogue and state-of-the-art technology to make this possible. Our government audit staff is comprised of 33 professional staff members. Based on your location and needs, you will best be served by our Manitowoc office.

Hawkins Ash CPAs is a full service certified public accounting and business advisory firm. Client satisfaction has been the core of everything we do. By providing timely, quality service, becoming a true partner, and looking out for their best interest, we strive to exceed our clients' expectations.

It is my commitment and the goals of our firm to provide the Village of Weston quality service at a reasonable fee. Please contact me with any questions or comments regarding this proposal.

Sincerely,
Hawkins Ash CPAs, LLP

Randall L. Miller, CPA

Randall L. Miller, Partner

“Thank you and your staff. I know we hire you to do a job, but I know you are truly here in our best interest and to help us. I do enjoy working with all of you, and I appreciate all that you do.”



Jodie Olson, City Administrator/Clerk-Treasurer
City of Berlin, WI

Audit Proposal

Village of Weston

February 15, 2016

HAWKINS | ASH

Part of your business. Part of your life. **CPAs**

Introduction

Thank you for the opportunity to share our capabilities and expertise with your organization. Since 1956, Hawkins Ash CPAs has served governmental entities throughout Wisconsin. Our highly trained and experienced staff ensures your financial books and statements are in order, identifies what areas of your accounting practices can be improved, tests the effectiveness of existing policies and procedures, and reveals the performance of your management. All our work helps you show taxpayers you are a good steward of their dollars.

This proposal includes:

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Summary of Fees	4
Audit Process.....	5
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Scope of Work

The objective of our service is to perform an audit of the financial statements of the Village of Weston and to express our opinion as independent certified public accountants on the statements. We will follow the fieldwork schedule noted in the request for proposal.

Our audit will be conducted in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* and *Audit of States, Local Governments and Nonprofit Organizations*.

We will issue the following reports upon completion of the audit:

- Independent Auditors' Report on the comprehensive annual financial 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*
- Independent Auditors' Report on Communication With Those Charged With Governance
- Independent Auditors' Report on Management Advisory Comments
- Irregularities and illegal acts, if required
- Village Board presentation

Summary of Fees

Our audit fees will not exceed the following amounts for the years ended December 31:

Engagement Year	All-Inclusive Audit Fee	Single Audit
2015	\$23,000	N/A
2016	\$23,690	\$3,000
2017	\$24,400	\$3,090
2018	\$25,130	\$3,180
2019	\$25,880	\$3,280

The above fees include annual TID compliance procedures (TID close out audits are not included), routine consultations of a brief nature, accounting and payroll inquiries that can be answered without research, and out-of-pocket expenses. Progress billing will be prepared on the basis of hours of work completed during the course of the engagement.

The above fees do not include the implementation of new Governmental Accounting Standards Board statements or revisions to generally accepted governmental auditing standards.

Additional Services Fees

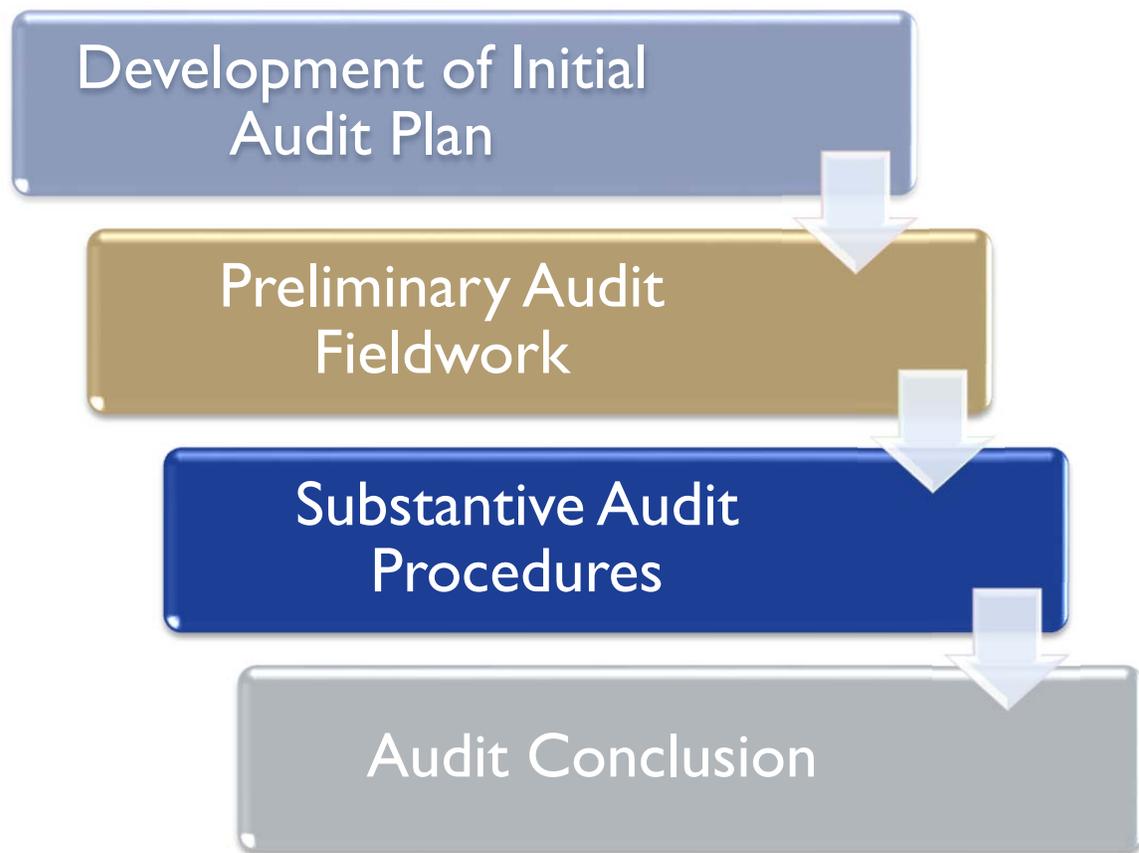
If additional services are required, they will be billed out at our standard rates listed below.

Auditor Level	Hourly Rate
Associate/ Senior Associate	\$60 - \$150
Manager/ Senior Manager	\$150 - \$200
Partner	\$285 - \$300

Audit Process

Our audit process was developed to ensure hidden opportunities and trouble areas are discovered and explored in a collaborative manner. To make our engagement as efficient as possible, we will make the best use of existing resources and technology.

Our audit team recognizes adherence to generally accepted auditing standards must not result in a “cook book” or “by-the-numbers” approach. Our auditors’ common sense, knowledgeable insight, alert skepticism, and thorough experience are integral parts of our audit procedures.



1. Develop Initial Audit Plan

The initial audit plan is designed for the engagement and is based on proposal requirements, preliminary interviews, and related procedures, such as reviewing documentation and manuals.

2. Preliminary Audit Fieldwork

The next several phases of the audit involve our review and evaluation of the internal accounting controls and administrative compliance requirements. We will:

- Survey internal control policies and procedures and document these control systems in a combination of narrative, flow-chart, or questionnaire forms.
- Identify and document compliance requirements that are material to your financial statements.
- Perform compliance tests to determine if the controls are in use and operating as planned.
- Perform analytical review of account balances.

Based on these tests, we will evaluate the internal controls to determine the extent they can be relied upon, and to what extent our subsequent substantive testing should be modified. At this point, we will modify the audit programs accordingly.

3. Substantive Audit Procedures

The next major phase is to substantiate account balances through substantive testing on-site. Both this phase and the preceding compliance testing will involve the use of appropriate statistical and non-statistical sampling as a technique to improve the quality of the tests.

4. Audit Conclusion

The concluding phase of the audit involves the preparation and your review and approval of our reports. The reports present our opinion regarding your financial statements and communicate our findings. In any instance where we cannot express an unqualified opinion on the financial statements, we will discuss our reasons with you before issuing the report.

In an effort to add value to the audit process, we will make suggestions to improve your controls, operations, and efficiencies in a management advisory letter.

The services for the Village of Weston will be performed by our Manitowoc office. We anticipate the supervisory team to include some of the following:

Name	Title
Randall L. Miller, CPA	Partner
Charles N. Krueger, CPA	Senior Manager
Kevin Behnke, CPA	Senior Manager
Michelle Budysz	Senior Associate

Resumes of these professionals are presented on the following pages. An audit in-charge will be on-site 100 percent of the time, ensuring you receive the highest quality service. Your audit partner will review the file for adherence to our firm’s quality control procedures and compliance with the AICPA’s auditing standards.

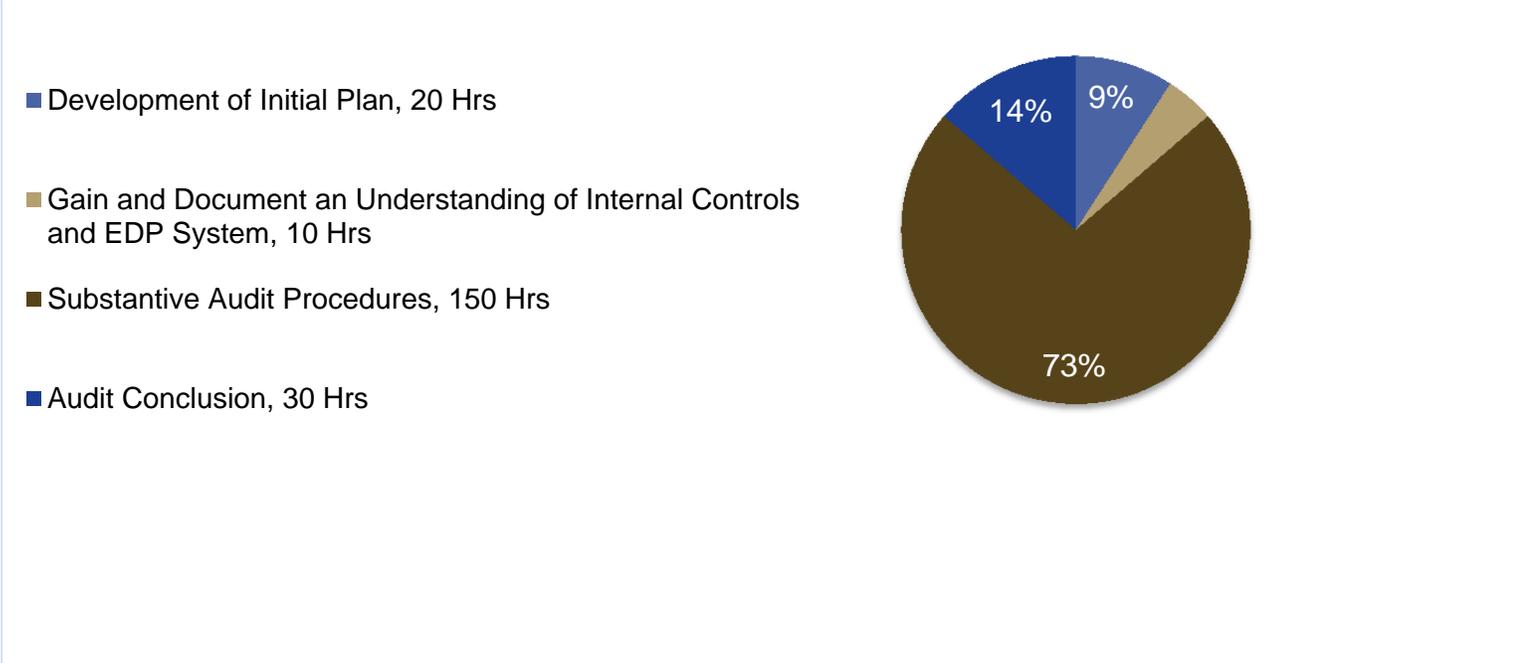
Staff Rotation

The engagement partner and supervisory personnel are to be assigned to your organization for the full term of the engagement. We believe that continuity of personnel enhances the effectiveness of the team and minimizes disruptions to your organization’s normal work flow.

Continuing Professional Education

All of our audit staff participates in 50-70 hours of continuing professional education each year. In addition, all supervisory personnel receive at least 24 hours of governmental education every two years, as required by *Government Auditing Standards*. This ensures all of our audit staff remains up-to-date on the many changes taking place in the public sector.

Engagement Time Budget by Hour



Randall L. Miller, CPA

Partner

Summary

Randall Miller has provided accounting and auditing services from the firm's Manitowoc, WI office since 1982. He is the director of the firm's Accounting and Auditing Committee, a member of the firm's Employee Benefit Plan Service Group and is the chairperson of the firm's Executive Committee.

Randy has extensive experience providing auditing services to commercial entities, governmental entities, nonprofit organizations and employee benefit plans. He is the firm's designated partner for membership in the AICPA Employee Benefit Plan Audit Quality Center and the AICPA Governmental Audit Quality Center.

Professional Affiliations

American Institute of Certified Public Accountants
Wisconsin Institute of Certified Public Accountants
Peer Review Committee of the Wisconsin Institute of Certified Public Accountants
Chairperson
Government Finance Officers Association

Community Organizations

St. Francis of Assisi Parish
Trustee and President of Finance Council
St. Francis of Assisi School Foundation, Inc.
Treasurer and Secretary
Calvary Cemetery of Manitowoc, Inc.
Treasurer and Secretary
Manitowoc Elks Lodge No. 687
Member
Manitowoc-Two Rivers YMCA
Member



Contact Me

920.684.2541
miller@hawkinsashcpas.com

Focuses

Commercial Accounting and Auditing
Municipality Audits
School District Audits
Nonprofit Audits
Employee Benefit Plan Audits

Education

Bachelor of Science
Accounting
University of Wisconsin-Whitewater
Certified Public Accountant

Charles N. Krueger, CPA

Summary

Chuck Krueger joined Hawkins Ash CPAs accounting and auditing staff in 1987. As a senior manager in the firm's Manitowoc, WI office, he provides audit services to school districts, municipalities and nonprofit entities. He is a member of the firm's Governmental Service Group and Nonprofit Service Group.

Professional Affiliations

American Institute of Certified Public Accountants
Wisconsin Institute of Certified Public Accountants
Wisconsin Department of Public Instruction-School District Task Force

Community Organizations

Kiwanis Club of Greater Manitowoc
President
Aquatic Center Board of Directors
Treasurer



Contact Me

920.684.2547
ckrueger@hawkinsashcpas.com

Focuses

Commercial Accounting and Auditing
Municipality Audits
School District Audits
Nonprofit Audits

Education

Bachelor of Science
Business Administration
Accounting
University of Wisconsin-Milwaukee
Certified Public Accountant

Kevin Behnke, CPA

Government Services Chairperson

Summary

Kevin Behnke joined Hawkins Ash CPAs in 1997. He is a senior audit manager in the Manitowoc, WI office. Kevin specializes in audit services for school districts, municipalities, commercial entities and nonprofit entities. He is the chairperson of the firm's Governmental Services Group and a member the firm's Accounting and Auditing Committee.

Part of Kevin's continuing education includes courses and seminars on the Department of Public Instruction School District Auditor Update, Advanced Governmental Accounting and the Governmental Accounting and Auditing Update.

Professional Affiliations

- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- Government Finance Officers Association
- Wisconsin Municipal Clerks Association
- Wisconsin Association of School Business Officials
- Municipal Treasurers Association of Wisconsin

Community Organizations

- Rockea Hunting Club, Inc.
Board of Directors
- Collins Paradise Sno-Riders
Board of Directors



Contact Me

920.684.2542
kbehnke@hawkinsashcpas.com

Focuses

- Municipality Audits
- School District Audits
- Commercial Audits
- Nonprofit Audits

Education

- Bachelor of Business Administration
Accounting
University of Wisconsin-Oshkosh
- Certified Public Accountant

Michelle L. Budysz

Summary

Michelle Budysz joined Hawkins Ash CPAs in 2003. As a senior audit associate in the firm's Manitowoc, WI office, she handles audits for nonprofit entities, school districts, municipalities and commercial enterprises. Michelle also serves as the office network administrator.

Professional Affiliations

American Institute of Certified Public Accountants
Wisconsin Institute of Certified Public Accountants

Community Organizations

Manitowoc Sunrise Rotary Club
Treasurer



Contact Me

920.684.2543
mbudysz@hawkinsashcpas.com

Focuses

- Municipality Audits
- School District Audits
- Nonprofit Audits

Education

Bachelor of Science
Business Administration in Accounting
University of Wisconsin-Green Bay

References

City of Marshfield



Contact

Mr. Keith Strey
Finance Director
715.387.3033

Engagement Duration

1980 - 2012



Contact

Ms. Jodie Olson
City Administrator
920.361.5400

Engagement Duration

2004 - Present

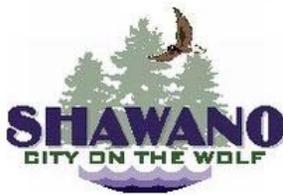


Contact

Ms. Elizabeth Milbrath
City Clerk
920.648.2344

Engagement Duration

1994 - Present



Contact

Ms. Nikol Van Grinsven
Accounting Supervisor
715.526.6138

Engagement Duration

2011 - Present

Village of Rib Lake, Wisconsin

Contact

Ms. Dawn Swenson
Clerk-Treasurer
715.427.5404

Engagement Duration

1980 - Present

Our Firm

Our firm has long recognized the needs of the public sector for competent auditing, accounting and consulting services, and has dedicated time and money for the development of this highly specialized expertise. We have been providing services to governmental entities since 1956. Our firm and professional staff are licensed to practice in Wisconsin and Minnesota. Our firm is comprised of eight closely knit offices. In Wisconsin, we have offices in Green Bay, Manitowoc, Marshfield, Medford, and La Crosse. Our Minnesota offices are located in Rochester, St. Charles, and Winona.

Hawkins Ash CPAs serves cities, villages, townships, utilities, sanitary districts, public school districts, public housing authorities, redevelopment authorities and several programs funded by federal and state resources. Some of the state agencies we have worked with include:

- Department of Revenue
- Department of Public Instruction
- Department of Transportation
- Department of Children and Families
- Department of Health Services
- Department of Natural Resources
- Department of Commerce
- Department of Financial Institutions
- Department of Justice
- Department of Administration
- Public Service Commission
- Wisconsin Housing and Economic Development Authority

We have performed state-wide audits of the Summer Food Service Program for the Department of Public Instruction, and interstate trucking companies and county highway departments for the Department of Transportation.

Independence

Hawkins Ash CPAs is independent of the Village of Weston as defined by generally accepted auditing standards and the U.S. General Accounting Office's *Government Auditing Standards*. We have had no relationships with you that would impair our independence.

	<u>Total Firm</u>	<u>Governmental Audit Staff***</u>	<u>Manitowoc Office</u>	<u>Proposed Audit Staff</u>
Partners	17	4	2	1
Managers	23	10	3	1
Seniors/Associates/Other	<u>90</u>	<u>19</u>	<u>10</u>	<u>3</u>
	<u>130</u>	<u>33</u>	<u>15</u>	<u>5</u>

*** All governmental audit staff exceed the annual continuing education requirements of the U.S. General Accounting Office's *Government Auditing Standards*.

Our Quality Control System

Hawkins Ash CPAs is deeply concerned with performing quality work within the framework of auditing and reporting standards and the consistent application of generally accepted accounting principles. We have established policies and procedures for the conduct and supervision of our work to provide reasonable assurance our services meet our standards of quality.

Our quality control system meets the standards of the American Institute of Certified Public Accountants for quality control policies and procedures. In 2013, we completed our latest peer review and were issued an unqualified report, the best report available. This quality control review included several governmental engagements. The review was performed by Boyer & Ritter, Camp Hill, PA. The report is attached.

Since 1973, our firm has participated in volunteer quality review programs sponsored by the American Institute of Certified Public Accountants (AICPA) and the Wisconsin Institute of Certified Public Accountants (WICPA). We annually submit copies of audit reports to the WICPA for review and comment.

We have had no adverse results or findings from any desk reviews or field reviews, and no disciplinary action has been taken or is pending against our firm by state regulatory bodies or professional organizations.

Peer Review Report



211 House Ave., Camp Hill, PA 17011
P.O. Box 8300, Camp Hill, PA 17001-8300
Tel: 717.761.7210 | Fax: 717.761.7134
www.cpabr.com

System Review Report

To the Owners of
Hawkins Ash CPAs, LLP

Peer Review Committee of
Wisconsin Institute of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Hawkins Ash CPAs, LLP (the firm) in effect for the year ended July 31, 2013. 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. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Hawkins Ash CPAs, LLP in effect for the year ended July 31, 2013, 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*. Hawkins Ash CPAs, LLP has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads 'Boyer & Ritter'.

Camp Hill, Pennsylvania
November 13, 2013

Camp Hill, PA • Carlisle, PA • Chambersburg, PA • State College, PA
An Independent Member of the BDO Seidman Alliance

Next Steps

Thank you again for the opportunity to present our qualifications and plan for serving the Village of Weston. We urge you to thoroughly review this proposal and contact the references we have provided. We look forward to further communications with your business and partnering with your organization. This proposal constitutes a firm offer which may be accepted at any time within 60 days from and after date of proposal opening.

In the coming weeks, we will follow up this proposal with a phone call. Meanwhile, if you have any questions, or would like to accept this proposal, please contact:

Randall L. Miller, Partner

rmiller@hawkinsashcpas.com

920.684.2541

**PROPOSAL FOR AUDITING SERVICES
FOR THE YEARS ENDED
DECEMBER 31, 2015, 2016, 2017, 2018 and 2019
FOR THE
VILLAGE OF WESTON, WISCONSIN**

Submitted By:

**KerberRose SC
February 18, 2016**

**Contact Person:
Karen Kerber, CPA, CITP, CGMA
115 E Fifth Street
Shawano, WI 54166
715-526-9400
Karen.Kerber@kerberrose.com**

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KerberRose

Certified Public Accountants

Finance Department
Village of Weston
5500 Schofield Avenue
Weston, WI 54476

Dear Mr. Jacobs:

Thank you for the opportunity to submit a proposal for auditing services. Selecting an audit firm that provides quality, timely services and understands the governmental sector as it relates to the Village of Weston is important to the continued success of your Village. Our proposal is based on KerberRose SC's substantial experience with governmental entities and review of your prior year financial statements. Based on this experience, we will meet or exceed all requirements detailed in your request for proposal with in the time period specified.

We believe our proposal will demonstrate that as a full service firm providing audit, management consulting, information technology, and other services, we are especially well-qualified to serve the Village of Weston.

We understand the following services are being requested:

- Annual financial and compliance audit of all funds of the Village.
- Provide an opinion on the governmental activities, the business type activities, any discretely presented component units (if applicable), each major fund, and the aggregate remaining fund information.
- Provide advice and counsel throughout the year concerning any changes that would affect the annual report.
- Issue an "in-relation-to" report on the schedule of federal and state financial assistance, if required.
- Issue report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
- Issue report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and the State Single Audit Guidelines, if required.
- We will conduct the audit as required by the Wisconsin Department of Revenue for purposes of complying with regulations pertaining to tax incremental financing districts.
- Provide a management letter incorporating required communications to the Village Board and recommendations for improvement to the system of internal control, accounting procedures, and efficiency. Such letter shall be based upon observations made during the course of the audit.
- Review CAFR.
- Appear before the Village Board at the conclusion of the audit to explain the financial reports and to discuss the findings resulting from the audit.
- Provide consent to use basic financial statements in financing documents as needed for future debt issues.

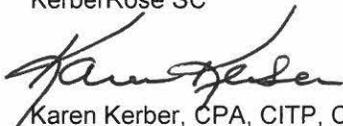
What should be considered when selecting a CPA and consulting firm to provide audit and other professional services for the Village? We believe the following are important factors:

- **The people who will serve the organizations.** This is important because auditing is a process built on relationships. Karen Kerber will be the audit partner on the audits of the Village of Weston. She is based in our Shawano office and will oversee the performance of the audit as well as respond to your needs during the year in a timely manner. Jay McMahon will be the audit manager who will be on site each day of the audit and will have direct communication with Village personnel.
- **Related experience of the engagement team.** Karen Kerber has been providing audit and consulting services to governmental and non-profit entities for over 25 years. Joe Galarowicz, a partner in our Appleton office who will be the concurring partner for the audits has over 30 years of experience with governmental entities including specific experience with municipalities. Jay McMahon has over 20 years of governmental auditing and accounting experience including Villages and is a recent addition to the firm.
- **Fees.** As governmental and non-profit organizations, we understand your need to control costs without sacrificing quality and timeliness. Our lower overhead, compared to many of our competitors, is reflected in our hourly rates and fee structure.
- **Communication.** Communication is an important process that needs to occur throughout the year rather than just during the audit. Consequently, we will inform the Village's management throughout the year of significant events affecting governmental accounting or the accounting profession in general as it relates to your organization. One means of communication is through our periodic "Governmental Perspectives" newsletters.

We sincerely appreciate the opportunity to submit this proposal. If you require any additional information, please contact me as I am the authorized representative for the firm. I can be reached at 115 E Fifth Street, Shawano, Wisconsin, Phone: 715-526-9400, Fax: 715-524-2599, email: Karen.Kerber@kerberrose.com.

Sincerely,

KerberRose SC



Karen Kerber, CPA, CITP, CGMA, CFF
Partner

AUDIT TEAM

Assigned Partners and Managers

Karen Kerber, CPA will serve as the partner responsible for the services to be provided to the City. She has over twenty five years of auditing experience. Her industry focus is on governmental and non-profit organizations.

As the engagement partner, Ms. Kerber will have the following responsibilities:

- Overall direction of the audit engagement
- Selection and direction of the resources of the firm necessary for the success of the engagement
- Assurance of technical quality of the final reports
- Review all work performed by members of the engagement team
- Presentation of the audit reports to Management and Council

Besides serving as the audit partner for numerous governmental and non-profit entities, Ms. Kerber is a member of KerberRose SC's quality assurance committee, a technical reviewer for the GFOA Certification Program, and former chairperson of the AICPA's Technical Issues Committee which provides input to the various organizations setting standards for the accounting and auditing profession. Karen continues to be a committee member of the technical issues committee that meets with GASB annually.

Karen is also a Certified Information Technology Professional. This is an additional credential she earned through the AICPA. As discussed more fully in the "additional expertise and experience" section, it demonstrates her ability to bridge technology and auditing.

She has obtained the Certification in Financial Forensics credential through the AICPA. This credential is granted exclusively to CPAs who demonstrate considerable expertise in forensic accounting through their knowledge, skills, and experience. The CFF encompasses fundamental and specialized forensic accounting skills that CPA practitioners apply in a variety of service areas, including: electronic data analysis; fraud prevention, detection, and response; and financial statement misrepresentation.

In addition, Karen had authored various publications for the AICPA related to auditing which including auditor's reports and risk assessment (foundation of the current auditing standards). She routinely presents on governmental accounting and auditing topics for the AICPA, WICPA and other state societies. Karen was also served on the committee which developed our current compliance auditing standard. This standard is the foundation for the performance of single audits.

Karen along with Joe Galarowicz performs peer reviews of other audit firms that perform governmental audits. This experience enhances her ability to perform governmental audits as she has obtained best practices and new procedures from other firms across the United States.

In May of 2014, Ms. Kerber was presented with the Achievement Award from the WICPA for her outstanding accomplishments with the WICPA and AICPA.

AUDIT TEAM

Assigned Partners and Managers (Continued)

Jay McMahon, CPA will serve as the on-site audit manager responsible for managing the Village audit engagement and directing the audit team. He has over 20 years of experience in governmental accounting and auditing. Jay was the manager in charge of auditing numerous city and village municipalities (see resume for partial list) during the past fourteen years and brings that experience to the KerberRose government audit team. He also spent three years working for the City of Janesville as the City Accountant and Utility Accountant.

Jay participates in yearly continuing education related to governmental auditing and accounting. Among the recent courses completed are:

- Single Audit Requirements for Not-for-Profit and Governmental Organizations
- AICPA National Governmental and Not-for-Profit Conference – Annual Accounting and Auditing Updates
- AICPA National Governmental and Not-For-Profit Training Program
- Various other in-house seminars relating to governmental, not-for-profit and general accounting issues

As the manager, Mr. McMahon will have the following responsibilities:

- Overall direction of the audit engagement
- Direct participation in the execution of audit objectives
- Review all work performed by members of the engagement team

Heather Schowalter, CPA will serve as the senior accountant for the Village's audit. Heather has six years of experience in accounting and auditing of governmental entities including Village audits. She is a graduate of UW Green Bay. As a senior accountant, Heather will be responsible for the execution of the audit objectives and completion of the reports.

Heather obtains continuing professional education in governmental accounting each year. Among the courses are the following:

- Single Audit
- The New Yellow Book
- GASB Updates

She will be on-site throughout the performance of the fieldwork.

AUDIT TEAM

Assigned Partners and Managers (Continued)

Joe Galarowicz, CPA will serve as the concurring partner for the Village audit. He has over twenty-five years of experience in auditing governmental and non-profit organizations. Joe is a member of KerberRose SC's quality assurance committee, a reviewer for the WICPA and AICPA peer review programs and a former member of the AICPA's Technical Issues Committee. As the concurring partner, Mr. Galarowicz will have the following responsibilities:

- Act as a resource for any consultation required on the engagements
- Assurance of technical quality of the final report

Their resumes are included in Appendix A of this proposal.

Continuity of Assigned Audit Staff

We have selected a service team to provide the talents required by this engagement. The staff assigned to your engagement will remain consistent from year to year. This is essential in order to facilitate the development of a relationship between our staff and Village personnel. We believe staff consistency is important to providing efficient, quality service to our clients. Consistent staffing also results in a high level of client satisfaction. It is our intent to keep the key engagement personnel in this proposal on the audit team for the duration of our contract. Should a key person leave KerberRose SC during this period, we would immediately contact the appropriate Village personnel. We understand the Village retains the right to approve or reject any replacement supervisory personnel.

Staff Location and Size

The Government Audit Team is headquartered in Shawano. Our staff of professionals dedicated to performing audit and other services for our governmental clients will be responsible for the Village of Weston audit. The staff is supplemented with the addition of the concurring partner from Appleton. The staff dedicated to providing services to our governmental clients consists of a total of fourteen individuals and is comprised of two partners, two managers, four seniors and six staff accountants.

AUDIT TEAM

The continuing education philosophy of KerberRose SC is to provide a balanced mix of national training conferences with state training related to specific issues for Wisconsin governments as well as in-house training for new standards and changes. This approach ensures that each auditor involved in not-for-profit and governmental audits will have the skills and knowledge to apply the most recent changes in accounting and auditing standards. KerberRose SC also subscribes to numerous publications pertaining to the area of government accounting, auditing and single audits that are instrumental in keeping us informed of new developments and changes in governmental accounting. The following is a partial list of training attending by our government and not-for-profit auditors the past three years:

- AICPA National Governmental Accounting and Auditing Update Conference
- AICPA National Governmental and Not-for-Profit Training Program
- National Government Finance Officers Association Annual Conference
- Wisconsin Government Finance Officers Association Conferences
- Governmental GAAP Update on Accounting Issues
- Single Audit Requirements for Not-for-Profit and Governmental Organizations

FIRM EXPERIENCE

KerberRose SC is a Wisconsin based service corporation. We are a full service regional firm of certified public accountants and management consultants providing audit, tax, information technology, payroll, consulting, human resource, accounting and investment advisory services. Our roots began in the City of Shawano in the late seventies and we have been auditing government entities since 1984. By providing quality, timely services to our clients, our firm has grown to include approximately eighty employees located in nine offices in Shawano, Appleton, Clintonville, Green Bay, Oshkosh, Rhinelander, Sturgeon Bay, Sister Bay and Wausau.

We are different from most, if not all, of our competitors. What makes us different is our size. We are a niche firm. As such, we are able to attract highly talented people and offer more services than smaller firms, but at the same time, our smaller, less complex organizational structure allows us to be more cost effective than the larger firms. Our partners believe in a high level of involvement in addressing our client's needs. On audits, partners or managers are on-site during a significant portion of the fieldwork which results in an accurate and timely audit process. Our clients are attracted to this personal contact that allows relationships to develop.

Financial statement audits of governmental entities represent a critical portion of the many audits performed by CPAs each year. The American Institute of Certified Public Accountants (AICPA) is committed to helping its members achieve the highest standards in performing quality audits. To help CPAs meet the challenges of performing quality audits in this unique and complex area, the AICPA launched the Governmental Quality Audit Center, which is a firm-based voluntary membership center for firms that perform these types of audits. KerberRose SC is one of the original members of the Quality Center.

The Center's primary purpose is to promote the quality of audits. To meet this overall goal, the Center:

- Creates a community of firms that demonstrate a commitment to audit quality.
- Serves as a comprehensive resource provider for member firms.
- Provides information about the Center's activities to other stakeholders.
- Raises awareness about the importance of audits.
- Provide Center members with an online forum tool for sharing best practices as well as discussions on audit, accounting, and regulatory issues

FIRM EXPERIENCE

Comprehensive Annual Financial Report

We have worked with several clients that have submitted their Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting. We currently perform the audit for the following municipalities that receive the award:

- Village of Howard – Karen Kerber is the partner in charge
- Town of Menasha – Karen Kerber is the partner in charge
- Village of Little Chute – Joe Galarowicz is the partner in charge

Jay McMahon also has experience auditing municipalities that prepare a CAFR and received the Certificate of Achievement for Excellence in Financial Reporting during his previous experience with another audit firm. The following is a list of his prior experience prior to joining KerberRose SC:

- City of Oconomowoc
- City of Waukesha
- City of Manitowoc
- Village of Ashwaubenon
- Brown County
- Washington County
- Ozaukee County

Karen Kerber and Jay McMahon are members of the Certificate of Achievement Program's Special Review Committee (SRC). As a member of the committee, Karen and Jay review CAFR's from municipalities outside of Wisconsin and rate them for adhering to the CAFR guidelines and recommend whether they should receive the award.

FIRM EXPERIENCE

Single Audits Performed

We annually perform between 30 and 40 single audits for municipalities, school districts and non-for-profit entities. Our staff participates in annual training specifically focused on both federal and state single audits. We also utilized practice aids for planning and performing the required audit procedures for all major grant programs.

A sample of recent municipal single audits and the major programs are listed below:

- City of Oconto Falls – Capitalization Grants for Clean Water State Revolving Funds 66.458 (\$8.1 million Sewer Project)
- City of Oconto Falls – Capitalization Grants for Drinking Water State Revolving Funds 66.468 (\$1.3 million Water Project)
- City of Wautoma – Community Development Block Grant 14.228, Community Facilities Loans and Grants 10.766 and Water and Waste Disposal Systems for Rural Communities 10.760 (These grants were part of a \$5 million Water, Sewer and Streets project)

Wisconsin Public Service Commission (PSC)

All of our government audit staff have experience working with and preparing the Annual Public Service Commission Report. Jay McMahon and Karen Kerber also have communications with the PSC in relation to errors or questions with the annual report. They also have experience and communications with the PSC in regards to rate studies and rate increase applications. KerberRose SC currently prepares and submits approximately twenty annual reports.

Experience with Government Accounting Software

Our diversified client list has given us experience in numerous governmental and not-for-profit accounting software packages. We have experience with Workhorse, QuickBooks, Great Plains, Caselle, Civic Systems, JD Edwards, and PeopleSoft to name a few. This experience allows us to begin working on your audit immediately instead of taking time to learn your accounting software. Our auditors are skilled in Microsoft Excel and Word and are able to receive documents prepared in this format or answer software related questions. We also have IT professionals on staff that can assist with software reviews and recommendations for improving internal controls and security.

In addition, as discussed later in this proposal Kerber Kerber is a Certified Information Technology Professional which is a designation earned through the AICPA. It reflects her ability to combine her auditing expertise along with information technology expertise in order to effectively audit the Village's accounting system.

FIRM EXPERIENCE

Other Services Provided to Governmental Clients

We provide a variety of services to our clients. In the past, these services have included items such as:

- Internal control studies and recommendations
- Budget assistance
- Debt analysis and consulting
- Incorporation consultation
- Governmental Accounting Standard Implementation
- Utility rate studies
- Technology consulting
- Payroll services
- Temporary staffing
- Confidential hot line for reporting financial and nonfinancial issues
- Preformed TIF audit for 30% completion, end of the construction period and TIF close out. We also perform tests of existing TIF's with the annual audit to make the required TIF audits more efficient
- Capital asset maintenance and calculation of depreciation expense
- Assisted with the implementation of software including chart of accounts design
- Assisted with interviews of key financial staff

REFERENCES

Municipal References

The governmental client base of KerberRose SC has grown significantly over the last ten years. Feel free to contact any of our clients for further information about the services we provide. As requested, a listing of three clients for your reference is list below:

Village of Howard

Mr. Chris Haltom, Executive Director

Howard, Wisconsin

920-434-4640 chaltom@villageofhoward.com

Partner: Karen Kerber

Type of Services: Financial audit – Includes sewer utility, regulated water utility, storm water utility, and TIF districts.

Town of Menasha

Ms. Myra Piergrossi, CPA

Town of Menasha, Wisconsin

920-720-7147, mpiergrossi@town-menasha.com

Partner: Karen Kerber

Type of Services: Financial audit – Includes sewer, regulated water, and storm water utilities, and TIF districts.

City of Oconto Falls

Ms. Eve Wallace, Deputy Treasurer

Oconto Falls, Wisconsin

920-846-4505, dtreasurer@ci.ocontofalls.wi.us

Partner: Karen Kerber

Type of Services: Financial audit and OMB A-133 compliance audit – Includes sewer utility, regulated water, electric and cable utilities, and TIF districts.

City of Oconto

Ms. Sara Perrizo, City Administrator

Oconto, Wisconsin

920-834-7711 admin@cityofocoonto.com

Partner: Karen Kerber

Type of Services: Financial audit – Includes sewer utility, regulated water utility and TIF districts.

City of Wautoma

Mr. Tommy Bohler, City Administrator/Clerk/Treasurer

Wautoma, Wisconsin

920-787-4044 cwautoma@centurytel.net

Partner: Karen Kerber

Type of Services: Financial audit and OMB A-133 compliance audit – Includes sewer utility, regulated water utility and TIF districts.

Village of Richfield

Mr. Jim Healy, Village Administrator

Richfield, Wisconsin

262-628-2260 Ext. 115 administrator@richfieldwi.gov

Partner: Karen Kerber

Type of Services: Financial audits.

QUALITY CONTROL AND PEER REVIEW

Quality Control

KerberRose SC is proud of its reputation of providing clients with high quality services. We monitor our system of quality control continuously throughout the year and subject our audit and accounting policies and procedures to an independent outside review (referred to as a peer review) every three years as required by our membership in the American Institute of Certified Public Accountants. KerberRose SC's system of quality control is based on the AICPA's quality control standards. As such, each element of quality control as defined by the AICPA – leadership responsibilities for quality within the firm, relevant ethical requirements (e.g. independence, integrity, objectivity, concern for the public interest), acceptance and continuance of client relationships and specific engagements, human resources, engagement performance, and monitoring – is addressed in our quality control manual. In this manual, there are policies and procedures to assure that the firm and its personnel maintain independence with respect to audit and accounting clients, that qualified individuals are hired and trained, and that engagements are performed in accordance with the myriad of professional standards and appropriately reviewed. Our most recent peer review report is included in this proposal for your review. Our most recent peer review was successfully completed in October 2012. As on our prior peer reviews, we received a “clean” opinion – the highest level of assurance we can obtain regarding our audit and accounting practice. In addition to the peer review, we perform internal office inspections annually. This ensures that we maintain the quality of our audit and accounting practice on a continuous basis.

Our firm's quality control manual includes a formal process for planning, supervision and review throughout the audit process and an independent quality review of the final audited financial statements by a partner with over twenty-five years of governmental accounting experience. Our firm also utilizes practice aids for audits of local governments. The practice aids include audit programs, checklists and correspondence to assist in ensuring that we perform the required procedures throughout the audit in accordance with generally accepted auditing standards. The practice aids are updated annually to include the most current changes to the governmental auditing standards.

A copy of our most recent peer review report is included in Appendix B.

REPRESENTATIONS

Licensed to Practice as a Certified Public Accountant

All assigned key professional staff are properly licensed in the State of Wisconsin. In addition, the firm of KerberRose is licensed in the states of Wisconsin and Michigan.

Independence

Our firm and the staff to be assigned to the Village of Weston audit are independent in accordance with generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards. We commit to maintaining an independent attitude and appearance through the full term of the engagement.

Legal and Regulatory Action

Our firm has not been involved in any disciplinary action with any regulatory bodies or involved in any lawsuits since our period of inception.

Engagement Performance

We have not failed to complete work that has been awarded to us nor have we defaulted on a contract.

Workpaper Retention

We will retain our workpapers for at least seven years from the final year of the audit engagement. They will be made available for examination by authorized representatives of the cognizant federal or state audit agencies, General Accounting Office, the Village, successor auditor, and/or other parties authorized by the Village of Weston.

Subcontracting

We affirm that there will be no subcontracting of any portion of the services set forth in this proposal.

Nondiscrimination

Our firm does not discriminate against any employee or applicant for employment because of age, race, religion, color, marital status, sexual orientation, sex, disability, national origin or ancestry.

FIRM'S APPROACH TO THE AUDIT

PERFORMANCE SPECIFICATIONS

KerberRose SC agrees to meet or exceed the requirements of the Request for Proposal – Financial Auditing Services.

Tentative Schedule

<u>Phase</u>	<u>Tentative Timing</u>
Planning	November or December *
Preliminary Fieldwork	December
Final Fieldwork	April
Provide Draft Reports	May
Issue Final Reports	June
Audit Presentation	Third Monday in June

* Anticipated schedule in future years

The final reports that will be issued include an opinion on the CAFR, compliance reports (when applicable), communication with those charged with governance (SAS 61), management letter and tax rule 16.

FIRM'S APPROACH TO THE AUDIT

Audit Process

KerberRose SC will staff your engagements with a team of audit professionals who specialize in governmental auditing led by the individuals mentioned in the previous section. The team assigned to your engagement will remain consistent from the planning stage, internal control and compliance testing to final field work and financial statement preparation.

Personnel from your audit team will meet with members of your management team periodically to coordinate the audit and provide updates on the current progress of the audit and any issues that may come to our attention. The engagement team will include active participation from the Partner and Manager levels with the Manager being on site throughout the audit. We feel this provides a better quality audit to you because the Partner and Manager experience can be utilized to train and provide answers to the lower level staff without interrupting the staff of the Village. We acknowledge that your staff's time is valuable and we will make every effort to minimize the interruptions during the audit.

During the first year of the audit, we anticipate spending additional time understanding your operations, internal controls, policies and procedures, and financial reporting as they relate to your financial transactions and federal and state grants.

As a result, we segregate our audits into four identifiable phases – planning, interim audit work, year-end work and reporting. Each of these areas is described below.

Planning Phase

During this phase, we will establish a proper basis for the audit to maximize audit effectiveness and minimize audit costs. This phase includes discussions with appropriate client personnel to cover such matters as:

- Initial audit concerns;
- Our preliminary plan for conducting the audit to meet the organizations' timing requirements;
- Reporting issues; and
- Coordination of workpapers to be provided by the Village.

Analytical review procedures to be performed during planning include examination of trends, budget comparisons and other available data. Planning will also include review, evaluation and documentation of the organization's internal controls; identification of areas where potential material fraud could exist, and review of Council minutes of meetings held during the year. The final step of the planning phase will be finalizing an audit program based on the data accumulated during planning. This program is approved by the engagement partner prior to commencement of the next phase. For the 2015 audit, we will need to obtain copies of certain work papers from the 2014 audit from the predecessor auditor.

FIRM'S APPROACH TO THE AUDIT

Interim Audit Phase

The evaluation of internal controls completed during planning may have identified specific policies and procedures that may be relied upon to detect or prevent material misstatements of financial data. It may then be practical to perform tests of controls to evaluate the effectiveness of such policies and procedures. This phase will also include testing of internal controls relating to the federal and state awards received by the Village, tests of compliance with related laws and regulations, test of village departments with decentralized receipting functions and other matters we deem appropriate to test at this time. At the conclusion of interim field work we will conduct an exit conference to communicate the results of the audit to date and to affirm the date for final field work.

Year-End Audit Phase

This phase will commence when the Village accounting personnel have prepared a trial balance of the organizations' year-end general ledger accounts and completed the workpapers agreed upon during planning. This phase will primarily involve performance of substantive procedures. The purpose of substantive tests will be to provide reasonable assurance of the validity of account balances as produced by the accounting system. These tests involve obtaining or examining evidence to verify the propriety of such balances. All work performed is reviewed by the partner. At the conclusion of final field work we will conduct an exit conference to communicate the results of the audit to date and set a schedule for completing the reports.

FIRM'S APPROACH TO THE AUDIT

Reporting Phase

The final phase involves preparation of financial statements, reports and the management letter. Preliminary drafts of the audit report and financial statements will be provided to management for review prior to finalizing the reports. We anticipate this occurring within four weeks of the end of fieldwork. We will provide final copies of the report and financial statements within five business days of receiving approval from you regarding the draft copies.

OTHER MATTERS

Statistical Sampling

Certain areas of the audit, due to the volume of transactions involved, are best audited via sampling procedures whereby attributes of the transactions are examined and results projected to the population of activity in the account balances being audited. In governmental audits, we utilize sampling techniques in testing certain aspects of an organization's internal controls and in the areas of cash receipts, cash disbursements, and payroll. The sample sizes are determined based on the AICPA's Audit Sampling Guide which provides authoritative guidance in this area.

FIRM'S APPROACH TO THE AUDIT

EDP Auditing

Substantially, all of our clients utilize accounting software of various levels of sophistication. Karen Kerber has received the designation of certified information technology professional and as such is uniquely qualified to audit within a computerized environment. She will develop audit plans in conjunction with the other partners and managers that include IT audit objectives such as:

- Assessing the entity-level IT functions and controls.
- Assessing the role of third parties including inherent risks and adequacy of mitigating controls.
- Documenting the role of IT applications used to support one or more financial statement accounts, financial statement preparation, and the reporting process. This may include the preparation of documentation to depict the flow of financial information from transaction initiation, through various stages of processing and reporting
- Assessing activity-level inherent risks and the adequacy of mitigating controls for one or more IT applications used to support one or more financial statement accounts, financial statement preparation, and the reporting process.
- Identifying relevant IT processes that support the relevant applications and inherent general control risks, and the adequacy of controls to mitigate these risks.
- Identifying opportunities to leverage computer assisted audit tools and techniques (CAATTs) in the execution of tests for fraud and substantive procedures.

As part of our audit process, we will gain an understanding of the effect of IT on internal control. Information gathered and consider for risk assessment purposes, will include, but not be limited to, the following:

- The role of IT in the initiation, authorization, recording, processing, and reporting of transactions.
- How the entity manages information technology.
- Evaluating the design of internal controls and determining whether they have been deployed to mitigate the risk associated with the use of information technology.
- Application Controls

FIRM'S APPROACH TO THE AUDIT

Gathering this information allows us to have comfort that the data has integrity and that there are controls over that data. CAATTs then allows us to use your data files to assess transactional and supporting data and allows us to take vast amounts of normalized data and integrate and analyze that data, creating stratification of data:

- Identification of data that is potentially an outlier or anomaly
- Assists in sample selection

The following are examples of substantive procedures the auditor may perform using CAATTs:

- Recalculation including the use of CAATTs to recalculate report balance
- Reperformance
- Analytical procedures including using CAATTs to test journal entry files for unusual entries

CAATTs enable us to expand the extent of our use of substantive procedures. For instance, when testing an entity's transactions, of which there may be thousands or more, CAATTs allows us to test across the entire population as opposed to being limited to a smaller sample.

FIRM'S APPROACH TO THE AUDIT

Audit Plan and Approach

The following audit plan and approach will be applied to all funds of the Village as appropriate.

I. Engagement Planning and Administration

- Obtain signed engagement letter.
- Complete independence procedures.
- Review previous audit reports and management letter.
- Update permanent file records.
- Hold planning and progress conferences with client, establish key dates.
- Read minutes of meetings for issues affecting the Village and other indications of potential changes (new or increased fees, debt issues or property purchases/ sales).
- Review, evaluate, and document understanding of internal controls.
- Perform preliminary analytical review comparing current balances to the budget and prior year balances to identify areas to test during field work.
- Develop and approve audit programs.
- Determine single audit major programs and develop plan for compliance testing (If required).
- Document the Village's procedures for adopting and amending the annual budget.
- Review budget amendments for proper approval and inclusion in the financial statements.
- Accumulate all points to be included in management letter, draft letter and meet with management to review.
- Review workpapers for completeness.
- Undergo partner level work paper reviews and concurring reviews.
- Hold exit conference with key personnel.

II. Cash and Investments

- Review ledger account entries, compare cash account balances.
- Confirm year-end account balances with depositories.
- Obtain bank reconciliations and substantiate reconciling items.
- Substantiate interbank transfers.
- Test investment transactions, test interest earned and trace to receipts and ledger accounts.
- Confirm investment balances.

FIRM'S APPROACH TO THE AUDIT

III. Inter-fund Balances

- Verify that inter-fund receivables and payable agree.
- Review inter-fund receivables and payable for long-term advances. Review repayment schedule for any long-term advances and obtain information for proper disclosure.
- Verify that inter-fund transfers agree and obtain the reason for each transfer.

IV. Revenue and Receivables

- Compare revenues to prior year actual and current budget.
- Select a sample or receipt for internal control testing and compare procedures to the Village's policies and procedures manual. Identify potential improvements and communicate the results to management.
- Test existence of accounts receivable and taxes receivable.
- Review property tax settlements to Village records and bank deposits.
- Agree settlement amounts for each jurisdiction to final settlement statement from the County.
- Verify tax levy allocation for each fund to the final budget.
- Review list of delinquent personal property taxes for significant balances.
- Confirmation and reconciliation of state aids.
- Verify and reconcile state and federal aids related to major programs.
- Reconcile other revenues to claims and invoices filed.
- Review functional classifications of revenues for government-wide financial statements.
- Perform tests of billing rates when changes to those rates are implemented.

V. Expenditure and Liabilities

- Compare expenditures to prior years and budgeted amounts.
- Account analysis of significant variations.
- Select a sample of payroll and accounts payable transaction for internal control testing and compare procedures to the Village's policies and procedures manual. Identify potential improvements and communicate the results to management.
- Select sample and perform state and federal single audit compliance testing during interim and year-end phases.
- Review vouchers payable listings, determine proper cutoffs and review for unrecorded liabilities.
- Verify vested vacation and sick pay liabilities.
- Determine appropriateness of other liability accounts including accrued payrolls and related withholdings.

FIRM'S APPROACH TO THE AUDIT

VI. Inventories and Prepaid Items

- Review and compare balance to prior year.
- Obtain or observe physical inventory and test a sample of items.
- Obtain list of December disbursements and test material items for possible prepaid items.

VII. Property

- Obtain capitalization policy for capital assets.
- Obtain summary schedules of capital assets including additions, retirements, and accumulated depreciation.
- Test capital asset additions and deletions.
- Test capital asset depreciation calculations.
- Obtain schedules of infrastructure assets including beginning balances, additions, retirements, and ending balances.
- Test infrastructure additions and deletions.
- Test infrastructure depreciation calculations.
- Record utility plant additions.

VIII. Financing

- Verify bond and note balances; obtain information on new issues, if any; trace transactions to general ledger, recomputed interest paid.
- Determine nature and appropriateness of other equity balances.
- Check compliance with bond covenants, if any.

IX. Financial Reporting

- Ascertain that all items of audit significance contained in the minutes have been considered and cross-referenced to the working papers.
- Obtain a working trial balance.
- Post all adjusting entries and obtain adjusted trial balance.
- Prepare the financial statements.
- Review management discussion and analysis (MD&A).
- Perform subsequent events review to date of completion of fieldwork.
- Obtain management and attorney representation letters.
- Review the GASB 34 conversion entries in preparation for converting the Village's fund financial statements to the government-wide Statement of Net Position and Statement of Activities.
- Draft all required reports.

FIRM'S APPROACH TO THE AUDIT

X. Department Testing

- Identify Village departments with cash receipting and disbursement responsibilities.
- Perform entrance conference with department head and financial staff.
- Perform test of transaction to document the department's internal controls to identify any weaknesses and to verify Village policies and procedure are being followed. We will use audit programs that we have developed over the years auditing other municipalities.
- Trace department transactions from the department all the way through the Village's financial system to verify that the internal control system is in place and working at each step.
- Meet with the department head to discuss results of testing and possible recommendations for improvement.

ADDITIONAL EXPERTISE AND EXPERIENCE

Karen Kerber is a Certified Information Technology Professional (CITP). This is an additional credential earned by Certified Public Accountants which demonstrates their unique ability to bridge between technology and auditing. There are five key dimensions to this certification which include:

Section 1 – Risk Assessment

Initial evaluation of risks that may impact the possibility of a material misstatement or the vulnerability of an organization's assets with initial assumptions, research, and uncertainties

Section 2 – Fraud Considerations

Consideration of the risks of material misstatement due to fraud and determine specific IT techniques to detect fraud.

Section 3 – Internal Control and IT General Controls

Internal Controls

Provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes/use.

Information Technology General Controls

Control objectives relate to the confidentiality, integrity, and availability of data and the overall management of the IT function of the business enterprise.

Information Security

Understand, identify, design, implement, and monitor processes/systems used to enable security of information.

Section 4 – Evaluate, Test, and Report

Types of Audit and Attest Services

Provide assurance to the public on financial statements, a client service, or a specific segment or piece of an entity's operations.

Auditing Techniques & Procedures

Techniques and options to design and execute testing procedures.

Assessment of Controls

Evaluation process of controls and the entity's environment after examination and testing.

Information Assurance

Provide assurance on the presentation, timeliness, and auditability of information.

Section 5 – Information Management & Business Intelligence

Information Management

Ensure that information is managed such that it provides value in a number of aspects.

Business Process Improvement

Identify opportunities and understand the value of using information technology to create work flows and processes that enable more effective use of resources.

Data Analysis & Reporting Techniques

Process of gathering, modeling, and transforming data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making.

Performance Management

Apply data analysis and reporting concepts to analyze enterprise performance and help the organization achieve its accountability goals and objectives, using financial and non-financial information.

ADDITIONAL EXPERTISE AND EXPERIENCE

Tip Line

Our firm also provides a service for employees to report fraud. Employee tips are the number one way fraud is detected. This service is also a great reflection of the "tone at the top" which is the number one way fraud is prevented. This service includes:

- A nationwide toll-free number staffed by live operators 24/7/365.
- A web reporting portal available 24/7/365.
- The ability to report in both English and Spanish.
- Posters to be hung at key locations within your entity.
- Quarterly emails to all employees to encourage familiarity with the hotline.
- Quarterly newsletter to management regarding financial ethics and risks.
- 1-hour live fraud awareness seminar for your employees.
- Pre-recorded fraud awareness webinar for your future use.
- Detailed reports.

AUDIT FEE SCHEDULE

Our fees are based on the amount of time required to complete an assignment and the level of personnel assigned. We render interim billings as work progresses and a final billing at the conclusion of each engagement.

Our fees are based on the assumption that the accounting records will be readily available and that we will receive assistance from your personnel in the preparation of detailed analyses, workpapers, etc., including trial balances or schedules prepared in the normal course of business. A listing of such schedules will be provided to your personnel during the planning phase of each audit.

If requested we will provide additional services to the Village and provide the Village with a cost estimate prior to undertaking the tasks. These services will be billed at the standard hourly rate as indicated below.

Also, please be assured that although the following are our maximum estimated fees for each year based on the information we received, our fees may be less if we incur less time and costs while performing the services for the Village. We say this because our firm is founded on working with municipalities to provide additional training and explanations for any adjustments, so the Village personnel may perform certain tasks in the future.

The all-inclusive fees for each year are as follows:

	2015	2016	2017	2018	2019
Services as Outlined in RFP	\$ 25,500	\$ 26,000	\$ 26,500	\$ 27,000	\$ 27,500
Single Audit (if Required)	2,000	2,000	2,100	2,100	2,200

The hours and rates are as follows:

2015	Hours	Rates	Amount
Partner	20	\$ 200	\$ 4,000
Manager	65	160	10,400
Senior	65	100	6,500
Staff	55	80	4,400
Clerical	5	40	200
Total Hours	210		\$ 25,500

The time requirement of Village staff will be higher in the initial year of the contract as we review your policies and internal controls by interviewing staff and observing the procedures to process various transaction of the Village. We always strive to minimize the Village's staff time by utilizing reports the Village already prepares for year end balances. We will ask that the Village provide schedules or reconciliations of material balance sheet accounts as well as transaction detail of individual accounts we identify for review. To minimize interruptions for account transactions, we will request an electronic file (Table List Report) that contains all the transaction of each account for the year being audited. It has been our experience that the time requirements of Village personnel is minimal provided that the Village accounting records are complete and all requested schedules have been prepared prior to the audit.

APPENDIX A



Karen Kerber, CPA

Shareholder, Shawano

Email: Karen.Kerber@kerberrose.com

Phone: (715) 526-9400 Ext. 204

Relevant Experience

Karen has over 25 years of accounting and auditing experience with KerberRose SC. She provides financial auditing and accounting services for not-for-profit organizations, municipalities, utilities, school districts, and commercial entities. Specific experience includes:

- Partner-in-charge of financial auditing and consulting services to municipal, not-for-profit, and commercial clients
- Provides A-133 compliance audits of federally funded programs to municipal, educational and not-for-profit clients
- Provides forensic and fraud investigation services to municipal, not-for-profit and commercial clients
- Provides peer review services to various accounting firm through-out the United States
- Assists clients with implementation of new accounting standards
- Serves on KerberRose's Quality Assurance, Strategic Planning, Human Resources, and Technology Committees
- Certified Information Technology Professional

Education

- University of Wisconsin – Green Bay, BS Accounting

Industry Involvement

- AICPA – American Institute of Certified Public Accountants
- WICPA – Wisconsin Institute of Certified Public Accountants
- AICPA – Technical Issues Committee Chairperson (2011-2013)
- AICPA – Technical Issues Committee Member (2008-Present)
- AICPA – Private Company Practice Section Executive Committee
- WICPA – Peer Review Committee
- WICPA School District Committee
- Reviewer for GFOA Excellence in Reporting Program

Continuing Professional Education

- AICPA National Governmental and Not-For-Profit Training Program
- Single Audit Requirements for Non-Profit and Governmental Organizations
- Not-for-Profit Organizations – Special Accounting and Tax Considerations
- Governmental GAAP Update on Accounting Issues
- Governmental Reporting and Technical Excellence Seminars
- Peer Review Conference
- Various other in-house seminars relating to governmental, nonprofit and general accounting issues



Jay McMahon, CPA, MBA

Manager, Shawano

Email: Jay.McMahon@kerberrose.com

Phone: (715) 526-9400 Ext. 206

Relevant Experience

Jay has over 20 years of government accounting and auditing experience. He has been with KerberRose SC for 2 years and prior to KerberRose SC was with another firm for 11 years. He provides financial accounting, auditing and consulting services to counties, municipalities, utilities, school districts, colleges and tribes. He has managed audits of Wisconsin municipalities and not-for-profit organizations, prepared financial statements, Single Audits, Public Service Commission Reports and State Financial Report Forms for governmental entities. He also provides guidance and assists with implementing new Governmental Accounting and Auditing Standards. A summary of his work experience follows:

- Seven years working for the State of Wisconsin in the Department of Health Services. Jay was a Financial Supervisor for Disability Services.
- Three years as the City of Janesville's city and utility accountant where he worked with payroll, utility billing, monthly financial analysis and reports, annual budget and the annual audit and financial reports.
- Jay spent the last twelve years as a government auditor. He managed numerous audits annually leading audit teams of 1 to 6 members from planning through completion of the audit. Jay worked on large counties, cities, colleges and school districts to small towns and villages. His experience allowed him to identify best practices and make recommendations to improve efficiency. Below is a partial list of his audit experience:

Brown County	City of De Pere	Village of Bellevue
Door County	City of Manitowoc	Village of Sister Bay
Monroe County	City of Ripon	Green Bay School District
Vilas County	City of Two Rivers	Wrightstown School District
Washington County	City of Wausau	Wisconsin Rapids Water Works & Lighting
Fox Valley Technical College	Village of Ashwaubenon	Manitowoc Public Utilities

Education

- University of Wisconsin – Whitewater, MBA, Finance
- University of Wisconsin – Oshkosh, BBA, Accounting

Professional Involvement

- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- Government Finance Officers Association
- Wisconsin Government Finance Officers Association
- Comprehensive Annual Financial Report (CAFR) Reviewer for GFOA

Continuing Professional Education

- AICPA National Governmental and Not-For-Profit Training Program
- AICPA National Governmental Accounting and Auditing Update
- AICPA - The 2011 Yellow Book: Government Auditing Standards
- Government Finance Officers Association National Conference
- Governmental GAAP Update on Accounting and Auditing Issues
- In-house seminars relating to governmental accounting and auditing issues
- Obtain between 60 and 80 hours of continuing education annually



Heather Schowalter, CPA

Senior Accountant, Shawano

Email: heather.schowalter@kerberrose.com

Phone: (715) 526-9400 Ext. 227

Relevant Experience

Heather has 6 years of government accounting and auditing experience and has been with KerberRose SC for that length of time. She provides financial accounting and auditing services to municipalities, utilities, and school districts. She has prepared financial statements, Single Audits, Public Service Commission Reports and State Financial Report Forms for governmental entities.

- Below is a partial list of her audit experience:

City of Oconto Falls
City of Oconto
City of Wautoma
Village of Lena
Village of Athens
Village of Wittenberg

Town of Richmond
Town of Washington
Shawano Lake Sanitary District
Rib Mountain Sanitary District
Butte Des Morts Sanitary District
Elcho Sanitary District

Lena Public School District
School District of Coleman
School District of Crivitz
Gillett School District
Menominee Area Public Schools
Menominee Intermediate School District

Education

- University of Wisconsin – Green Bay, BBA, Accounting, Magna Cum Laude

Professional Involvement

- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants

Continuing Professional Education

- School District Audit Conference
- In-house seminars relating to governmental accounting and auditing issues
- Obtain 40 hours of continuing education annually



Joseph R. Galarowicz, CPA

Shareholder, Fox Cities

Email: Joseph.Galarowicz@kerberrose.com

Phone: (920) 993-0105 Ext. 213

Relevant Experience

Joe has over 25 years of accounting and auditing experience. He provides financial auditing and accounting services for not-for-profit organizations, municipalities, utilities, colleges, school districts, housing projects, and employee benefit plans. Specific experience includes:

- Partner-in-charge of financial auditing and consulting services to municipal, not-for-profit, educational, low income housing, and employee benefit plan clients
- Provides A-133 compliance audits of federally funded programs for municipal, not-for-profit, college, and educational clients
- Helps clients implement new accounting standards
- Team Leader on Kerber Rose's Quality Assurance Committee that establishes and monitors policies and procedures for the firm's accounting and auditing practice
- Performs peer reviews for other CPA firms throughout the country
- Evaluates accounting systems and related internal controls

Education

- University of Wisconsin – Madison

Industry Involvement

- American Institute of Certified Public Accountants
- Wisconsin Institute of Certified Public Accountants
- WICPA Peer Review Committee (Past Chair)
- AICPA Technical Issues Committee (Past Member)

Continuing Professional Education

- National Governmental and Not-For-Profit Training Program
- National Accounting and Auditing Advanced Technical Symposium
- Benefits of Testing Internal Controls
- GFOA National Conference
- GASB 34 Implementation
- Accounting and Auditing Updates

APPENDIX B

System Review Report

To the Shareholders of

Kerber, Rose, & Associates, S.C.

and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Kerber, Rose, & Associates, S.C. (the firm) in effect for the year ended May 31, 2012. 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. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Kerber, Rose, & Associates, S.C., in effect for the year ended May 31, 2012, 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*. Kerber, Rose, & Associates, S.C. has received a rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana

October 11, 2012

APPENDIX C

DECLARATIONS
ACCOUNTANTS PROFESSIONAL LIABILITY POLICY

PRODUCER	BRANCH	PREFIX	POLICY NUMBER
003613	970	APL	275462492

INSURANCE IS PROVIDED BY
CONTINENTAL CASUALTY COMPANY
CNA PLAZA, CHICAGO, IL 60685
A STOCK INSURANCE COMPANY
REFERRED TO IN THIS POLICY AS WE, US, OR OUR.

1. Named Insured and Mailing Address

KerberRose S.C.
115 E 5th Street
Shawano, WI 54166-2439

* * * NOTICE * * * * *

THIS IS A CLAIMS-MADE AND REPORTED POLICY AND
COVERS ONLY CLAIMS FIRST MADE AGAINST AN INSURED
AND REPORTED IN WRITING TO THE COMPANY DURING
THE POLICY PERIOD. PLEASE READ THIS POLICY
CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR
INSURANCE AGENT.

2. POLICY PERIOD: FROM: 8/01/15 TO: 8/01/16 at 12:01 A.M. Standard time at your address shown above.

3. PRIOR ACTS DATE: NO PRIOR ACTS DATE LIMITATION APPLIES at 12:01 A.M.

4. DEDUCTIBLE: Per Claim Deductible \$50,000 or Aggregate Deductible _____

5. LIMITS OF LIABILITY: (INCLUDES CLAIM EXPENSES UNLESS AMENDED BY ENDORSEMENT)

<u>\$4,000,000</u>	PER CLAIM
<u>\$4,000,000</u>	AGGREGATE

6. FOR NON-RENEWAL : 60 days notice will be given you in accordance with policy conditions.

7. PRINTED ENDORSEMENTS ATTACHED AT POLICY ISSUANCE INCLUDE:

G-127136-A(7/12) Policy	G-127142-A Definition - Professional Services
G-127137-A(7/12) Declarations Page	G-127145-A Definition of You and Your
G-127157-A(6/97) Nuclear Energy & Pollution Excl.	G-127145-A Definition of You and Your
G-127164-A48(6/97) Amend. Termination Provisions - WI	
G-127165-A48(6/97) Amend. Endorsement - WI	
G-141584-A(6/03) Policyholder Notice	
G-127152-AC(5/06) Claim Expenses Outside Limits	
CNA74066XX (07/13) Employee Theft Coverage	
G-127139-A Excl Named Individuals or Entities	

3. \$28,362.00 ANNUAL PREMIUM

3. WHO TO CONTACT TO REPORT A CLAIM OR POTENTIAL CLAIM:

Director of Claims
Accountants Professional Liability
CNA Insurance Companies
333 South Wabash Street
Chicago, IL 60604
APLNewLoss@CNA.com

THIS POLICY IS NOT VALID UNTIL SIGNED BY OUR AUTHORIZED REPRESENTATIVE.

Nicholas C. Kehm

Authorized Representative

Village of Weston, Wisconsin
REGULAR MEETING OF THE FINANCE COMMITTEE

February 24th, 2016

MEETING PACKET COVER SHEET
AGENDA ITEM – E.7.



VILLAGE OF WESTON
OPERATING BUDGET STATUS REPORT - General Fund only
January 31, 2016

*** 92% of Year Remaining ***

(Excludes Wages & Fringes for Jan. 2016 - which will be imported from ADP before 2/24/2016 meeting)

<u>APPROPRIATION AREA</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>REMAINING BALANCE</u>	<u>PERCENT LEFT</u>	<u>January 31, 2015</u>		
					<u>BUDGET</u>	<u>ACTUAL</u>	<u>PERCENT LEFT</u>
GENERAL FUND:							
General Government	\$1,056,976	\$43,623	\$1,013,353	95.9%	\$948,853	\$62,255	93.4%
Public Safety	3,104,440	1,533	3,102,907	100.0%	3,057,680	5,626	99.8%
Public Works	1,819,360	29,875	1,789,485	98.4%	1,780,230	132,689	92.5%
Human Services	14,520	0	14,520	100.0%	14,520	0	100.0%
Culture & Recreation	335,330	767	334,563	99.8%	321,161	8,326	97.4%
Community Development	375,044	3,773	371,271	99.0%	359,234	21,711	94.0%
Misc. Programs	29,510	0	29,510	0.0%	0	0	0.0%
Transfer to Other Funds	0	0	0	0.0%	152,750	125,930	0.0%
Contingency Reserve	100,000	0	100,000	100.0%	19,982	0	0.0%
TOTAL APPROPRIATION	\$6,835,180	\$79,571	\$6,755,609	98.8%	\$6,654,410	\$356,536	94.6%
				↑			
REVENUES							
Property Taxes	\$3,406,514	\$3,406,514	\$0	0.0%	\$3,199,723	\$3,199,722	0.0%
Other Taxes	637,770	48,870	588,900	92.3%	613,930	47,791	92.2%
State Shared Revenues	1,030,977	0	1,030,977	100.0%	1,028,480	0	100.0%
Other Grants & Aids	911,929	184,266	727,663	79.8%	975,245	204,740	79.0%
Interest Income	55,000	281	54,719	99.5%	50,000	27,213	45.6%
Munic. Services-Town/All Other	83,950	2,917	81,033	96.5%	85,950	12,922	85.0%
Applied Fund Balance/Reserve	0	188,725	(188,725)	#DIV/0!	137,916	137,916	0.0%
All Other Revenue	709,140	11,967	697,173	98.3%	563,256	17,722	96.9%
TOTAL RESOURCES	\$6,835,280	\$3,843,540	\$2,991,740	43.8%	\$6,654,500	\$3,648,026	45.2%
				↑			

VILLAGE OF WESTON
STATEMENT OF REVENUES
01-31-16
(8% Y-T-D completed)

<u>ACCOUNT DESCRIPTION</u>	<u>Y-T-D ACTUAL</u>	<u>Y-T-D % REV.</u>	<u>ADJUSTED BUDGET</u>	<u>REMAINING BALANCE (SURPLUS)</u>	<u>BUDGET % LEFT</u>
GENERAL FUND					
Property Taxes	3,406,514	100%	3,406,514	0	0%
Pmt. In Lieu of Taxes-Water Utility	40,506	8%	486,070	445,564	92%
Pmt. In Lieu of Taxes-Rothschild	0	0%	113,660	113,660	100%
Mobile Home Fees	0	0%	36,000	36,000	100%
Other Taxes	8,364	410%	2,040	(6,324)	-310%
Special Assessments	0	0%	5,000	5,000	100%
State Shared Revenues	0	0%	1,030,977	1,030,977	100%
Transportation Aids	184,266	25%	737,065	552,799	75%
Other State & Federal Aids	0	0%	174,864	174,864	100%
License Revenue	1,412	1%	244,440	243,028	99%
Permits Revenue	10,222	8%	122,570	112,348	92%
Fines/Forfeitures/Penalties	0	0%	106,550	106,550	100%
Street & Highway Revenue	0	0%	5,850	5,850	100%
Misc. Other Fees	63	2%	3,330	3,267	98%
Econ Dev Pub fees	0		6,100		
Park Rental Fees/Park Maint. Fees	270	3%	10,600	10,330	97%
Munic. Services-General Gov't	0	0%	5,350	5,350	100%
Munic. Services-Public Safety	2,917	8%	35,000	32,083	92%
Munic. Services-Public Works	0	0%	40,300	40,300	100%
Munic. Services-Inspections	0	0%	3,300	3,300	100%
Interest Income	281	1%	55,000	54,719	99%
Sales of Village Property	0	0%	2,000	2,000	100%
Insurance Recoveries	0	0%	6,000	6,000	100%
Contributions - All Other	0	0%	775	775	100%
Miscellaneous Revenue	0	0%	7,100	7,100	100%
Fund Balance - Applied Budget Surplus	138,725	100%	138,725	0	0%
Fund Balance - General Fund Balance	50,000	0%	50,000	0	100%
TOTAL	<u>3,843,540</u>	<u>56%</u>	<u>6,835,180</u>	<u>2,985,540</u>	<u>44%</u>

**VILLAGE OF WESTON
STATEMENT OF EXPENDITURES**

01-31-16

(8% Y-T-D completed)

(Excludes Wages & Fringes for Jan 2016 - which will be imported from ADP before 2/24/2016 meeting)

ACCOUNT DESCRIPTION	Y-T-D ACTUAL	Y-T-D % EXP.	ADJUSTED BUDGET	REMAINING BALANCE	BUDGET % LEFT
GENERAL FUND					
Village Board President	-	0%	7,550	7,550	100%
Village Board Trustees	70	0%	33,290	33,220	100%
Village Board Retreat	-	0%	500	500	100%
Village Municipality Dues	2,479	43%	5,700	3,221	57%
Personnel Committee	-	0%	3,216	3,216	100%
Board of Review	-	0%	400	400	100%
Municipal Court	-	0%	56,346	56,346	100%
Village Attorney	-	0%	40,320	40,320	100%
Administrator	701	1%	90,180	89,479	99%
Clerk/Elections/Personnel	135	0%	251,990	251,855	100%
Data Processing/Central Services	16,636	10%	162,960	146,324	90%
Information Technology	50	0%	60,680	60,630	100%
Finance/Audit & Budgeting/Tax Collection	18,221	11%	160,880	142,659	89%
Village Assessor	595	2%	30,980	30,385	98%
Finance Committee	-	0%	3,254	3,254	100%
Risk Management/Insurance	770	1%	78,180	77,410	99%
Municipal Building/Misc. Gen'l Gov't.	3,966	6%	70,550	66,584	94%
Everest Metro Police Dept.	-	0%	2,370,630	2,370,630	100%
SAFER District - Village Administration	987	7%	14,080	13,093	93%
SAFER District - Operations	-	0%	554,930	554,930	100%
Public Safety Committee	-	0%	2,160	2,160	100%
Other Public Safety	64	2%	2,600	2,536	98%
Building Inspections	482	0%	160,040	159,558	100%
Public Works Administration	334	0%	67,065	66,731	100%
Public Infrastructure Committee	-	0%	1,230	1,230	100%
Street Operations - Village	6,452	1%	1,044,660	1,038,208	99%
Street Operations - Town	-	0%	11,921	11,921	100%
Traffic Control	2,369	6%	38,000	35,631	94%
Hard Materials Handling	697	2%	31,716	31,019	98%
Winter Street Maintenance - Village	2,213	1%	359,538	357,325	99%
Winter Street Maintenance - Town	-	0%	7,802	7,802	100%
Street Irrigation Maintenance	161	0%	36,028	35,867	100%
Street Sweeping	-	0%	18,900	18,900	100%
Street Lighting	17,649	9%	202,500	184,851	91%
Pet Licensing/Animal Control	-	0%	14,520	14,520	100%
Parks-Administration	315	0%	225,806	225,491	100%
Parks-Grounds Maintenance	156	0%	75,735	75,579	100%
Parks-Mowing	-	0%	24,416	24,416	100%
Parks-Ice Rinks	296	4%	7,446	7,150	96%
Park & Recreation Committee	-	0%	1,927	1,927	100%
Community Development	147	0%	156,054	155,907	100%
Planning Commission	30	0%	8,250	8,220	100%
Board of Appeals	-	0%	2,800	2,800	100%
Farmers Market	-	0%	4,050	4,050	100%
Extra Limits/Comprehensive Plan	3,454	9%	36,970	33,516	91%
Taxpayer Relations	142	0%	128,720	128,578	100%
Village Newsletter	-	0%	38,200	38,200	100%
Interfund Transfers - Refuse/Recycling	-	0%	28,850	28,850	100%
Contingency Reserve/Misc	-	0%	100,660	100,660	100%
TOTAL - General Fund	79,571	1%	6,835,180	6,755,609	99%

VILLAGE OF WESTON
2016 Contingency Reserve - General Fund
01/31/16

	<u>Salaries/ Wages</u>	<u>Fringe Benefits</u>	<u>Misc. Exps.</u>	<u>Equip. Outlay</u>	<u>TOTAL</u>
Original Budget	40,200	10,460	50,000	-	100,660
Budget Adjustment					
FINAL Adjusted Budget	<u>40,200</u>	<u>10,460</u>	<u>50,000</u>	<u>-</u>	<u>100,660</u>

Budget Adjustment #1 - none approved through 01/31/16

Village of Weston, Wisconsin
REGULAR MEETING OF THE FINANCE COMMITTEE

February 24th, 2016

MEETING PACKET COVER SHEET
AGENDA ITEM – F.9.



From: League of Wisconsin Municipalities <witynski@lwm-info.ccsend.com> on behalf of League of Wisconsin Municipalities <witynski@lwm-info.org>
Sent: Friday, February 19, 2016 12:49 PM
To: John Jacobs
Subject: Capitol Buzz -- Assembly Passes Recycling and Charge-Back Bills

Having trouble viewing or printing this email? [Click here](#)

League of Wisconsin Municipalities
Capitol Buzz

February 19, 2016

Witynski@lwm-info.org

www.lwm-info.org

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[Follow us on !\[\]\(8585d1dffaecefb4f8bce98b88de6c0b_img.jpg\) twitter](#)

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Assembly Passes Recycling and Charge-Back Bills Before Adjourning

Yesterday, the Assembly met for the last time this session and passed two bills sought by the League: [AB 515](#), restoring \$3 million to the recycling grant program in 2016; and [AB 843](#), ensuring that the county, the school district, and other taxing jurisdictions always contribute to any property tax refunds municipalities are required to pay.

The vote on the recycling bill was [87-8](#). The charge-back bill passed by voice vote.

While the Assembly has adjourned for the session, the Senate plans to meet once more this session on March 15 to consider bills that have made it through the Assembly. It appears that there is a good chance the recycling and charge-back bills will be among those the Senate takes up on March 15.

The League thanks Sen. Cowles (R-Green Bay) and Rep. Tittl (R-Manitowoc) for introducing the recycling bill. Phone calls and emails by League members to their state legislators urging support for the recycling bill was vitally important and helped cause the bill to advance through each step in the process.

We also thank Sen. Gudex (R-Fond du Lac) and Rep. Novak (R-Dodgeville) for introducing the charge-back bill at the League's request only two and one-half weeks ago. The League also thanks Stan Riffle, special counsel for the Village of Fox Point, in working with DOR to get an initial version of the charge-back bill drafted.

Property Rights and Navigable Water Bills Sent to the Governor

Yesterday, the Assembly voted along party lines to concur in amended versions of AB 582, the property rights bill, and SB 459, the navigable waters, wetlands, and stormwater bills that the Senate had passed earlier this week. These bills will now be sent to the Governor for his signature.

The amended version of AB 582 does not include the developers' discount provision in the original bill, which provided a 50% discount on the assessed value of vacant platted lots formerly classified as agricultural land. Other items in the bill problematic to municipalities were removed by the Assembly authors in January.

SB 459, the companion to AB 600, includes key items relating to stormwater treatment that the League supports. The following items in the bill were inserted through the efforts of Paul Kent working on behalf of the League's Local Government Stormwater Group.

--Provides that DNR may not prohibit the construction of storm water management ponds in navigable or nonnavigable artificial waterways as a method for achieving compliance with DNR's prescribed performance standards for sources of nonpoint water pollution.

--Provides that DNR must give credit for any pollutant reduction achieved by ponds in artificial waterways in determining compliance with performance standards specified in a storm water discharge permit.s:

--Exempts from wetland permitting requirements any discharge that is the result of maintaining a sedimentation or stormwater detention basin and associated conveyance features.

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