



Outsourcing Preparation Statement of Work

Date: June 20, 2023

This agreement constitutes a Statement of Work ("SOW") to the Master Service Agreement ("MSA") made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Eagle Urban Renewal Agency ("you" and "your") dated October 5, 2022 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

This SOW supersedes the SOW between Eagle Urban Renewal Agency and CliftonLarsonAllen LLP (CLA) for outsourcing preparation services signed October 5, 2022.

Scope of professional services

Scott Klitsch is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Prepare quarterly financial statements – additional information is provided below
- Prepare a financial forecast – additional information is provided below
- Process accounts payable, including the preparation and issuance of checks or electronic payments to vendors
- Prepare billings, record billings, and enter cash receipts, and revenues
- Reconcile accounts monthly and prepare journal entries
- Prepare depreciation schedules
- For each fund of the district, prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger

- Accounts receivable journals and ledgers
- Deposits with banks and financial institutions
- Schedule of disbursements
- Bank account reconciliations
- Detailed development fee records

- Prepare a schedule of cash position to manage the district's cash deposits, funding for checks, and investment programs in accordance with policies established by the district's board of directors
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget
- If an external audit is required, we will assist in preparation of the related audit schedules for use by the district's external auditors

CLA shall be authorized to the following cash access services:

- Prepare checks and/or electronic funds transfers (EFT, ACH, wire, etc.) to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our SOW identified above.
- Take deposits to the bank that include cash.

Preparation services - financial statements

You have requested that we prepare the quarterly financial statements of Eagle Urban Renewal Agency, which comprise the financial statements identified below in accordance with GAAP (financial reporting framework).

Financial statements:

Balance Sheet - Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

The financial statements will not include the statement of cash flows and the related notes to the financial statements.

Management has requested the financial statements be prepared without substantially all disclosures, which is a departure from the financial reporting framework. The financial statements will identify these

departures.

The supplementary information accompanying the financial statements, if requested, will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial statements.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast of Eagle Urban Renewal Agency which comprises the forecasted financial statements identified below.

Financial statements:

Balance Sheet - Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions. The financial forecast will identify this departure.

Management has requested the financial forecast be prepared without substantially all disclosures, which is a departure from the AICPA presentation guidelines. The financial forecast will identify these departures.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objective of our engagement is to prepare financial statements in accordance with the financial reporting framework based on information provided by you and information generated through our outsourced accounting services.

The objective of our engagement is also to prepare a financial forecast in accordance with the guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) based on information provided by you.

We will conduct our preparation engagement in accordance with Statements on Standards for Accounting

and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement limitations

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's financial statements that we may not identify as a result of misrepresentations made to us by you.

No assurance statement

The financial statements will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Management agrees that the introduction to the summary of the significant assumptions will include a caveat to that effect.

Our firm cannot be associated with any financial statements you file with the U.S. Securities and Exchange Commission (SEC) and accordingly, the name of our firm cannot be included in any of Eagle Urban Renewal Agency's public filings.

Management responsibilities

The engagement to be performed is conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that our role is to prepare financial statements in accordance with the financial reporting framework.

We are required by professional standards to identify management's responsibilities in this agreement. Those standards require that you acknowledge and understand that management, and those charged with governance, as appropriate, have the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements and the use of the AICPA presentation guidelines in the preparation of the

forecast.

- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and the development of assumptions that reflect your plans and expectations regarding events and circumstances for the forecast period.
- c) The prevention and detection of fraud.
- d) To ensure that the entity complies with the laws and regulations applicable to its activities.
- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- f) To provide us with the following:
 - i. Access to all information relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - ii. Additional information that may be requested for the purpose of the engagement.
 - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements (items a and b).

The AICPA presentation guidelines require a summary of significant assumptions. We will assist management in the development of the assumptions for the financial forecast; however, management acknowledges that it is responsible for the assumptions (including review and approval of the assumptions) and for the preparation and fair presentation of a financial forecast that presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the financial forecast period, based on management's assumptions and reflecting conditions management expects to exist and the course of action management expects to take during the forecast period assuming the hypothetical assumptions.

For all accounting services we may provide to you, including the preparation of your financial statements, management agrees to assume all management responsibilities; oversee the services evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Management responsibilities relevant to CLA's access to your cash

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system.
- Approve all electronic funds transfers (EFT, ACH, wire, etc.) to external parties.
- Approve (or delegate to the CLA consulting controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
- Review and approve (or delegate to the CLA consulting controller if applicable) all bank statements and affiliated monthly reconciliations.
- All requests or approvals received via email, text or IM will be confirmed via phone.

Fees and terms

Billing rates guaranteed through June 30, 2024:

Services performed by	Rate per hour
Senior	\$100 - \$120
Assistant Controller	\$123 - \$150
Consulting CFO	\$150 - \$195
Principal / Quality Assurance	\$300 - \$400

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Use of financial statements

The financial statements we prepare are for management's use. If you intend to reproduce and publish the financial statements, they must be reproduced in their entirety.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and

agreement with, this SOW.

CliftonLarsonAllen LLP

Scott Klitsch

Principal

208-387-6440

scott.klitsch@claconnect.com

Response

This SOW correctly sets forth the understanding of Eagle Urban Renewal Agency and is accepted by:

CLA
CLA

Scott Klitsch

Scott Klitsch, Principal

SIGNED 7/17/2023, 6:16:58 PM MDT

Client
Eagle Urban Renewal Agency

SIGN: 

Craig Kvamme, Chairman

DATE: 7/18/2023