

DRAFT

RESOLUTION NO. R26-52

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, ACCEPTING THE PROPOSAL FROM BERGANKDV FOR AUDIT SERVICES FOR THE CITY OF COLUMBUS FOR FISCAL YEARS ENDING SEPTEMBER 30, 2026, 2027, AND 2028, A COPY OF WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE; TO AUTHORIZE THE MAYOR TO EXECUTE THE SAME ON BEHALF OF THE CITY OF COLUMBUS; AND TO REPEAL ALL RESOLUTIONS IN CONFLICT HEREWITH.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, that the proposal from BerganKDV for audit services for the City of Columbus, a copy of which is attached hereto and incorporated herein by this reference, is hereby accepted and the mayor is authorized, directed, and empowered to execute the same on behalf of the City of Columbus.

This resolution shall repeal all resolutions or portions thereof in conflict herewith.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2026.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY



Accountability – Honesty
Dedication – Integrity – Respect

City Hall | Administrative Office
2500 14th St., Suite 3
Columbus, NE 68601
402-562-4232
columbusne.us

Memorandum

Date: 3/17/2026

To: Tara Vasicek, City Administrator

From: Betsy Eckhardt, Director of General Services

RE: Proposal for Audit Services

Recommendation:

Approve the continuation of annual audit services with the current auditor for fiscal years ending September 30, 2026, through September 30, 2028.

Discussion:

In February, the City issued a request for proposals for a three-year audit services contract. Two proposals were received, including one from the City's current audit firm.

Following a comprehensive review of both submissions and reference checks, staff evaluated each firm's experience, responsiveness, audit approach, and ability to meet required timelines. Based on this assessment, staff identified that the current auditor has consistently demonstrated timely filings, effective communication, and a collaborative audit process.

Given the importance of maintaining compliance with state audit requirements and ensuring continuity in service, staff recommends continuing with the current auditor.

Fiscal Impact:

- FY 2026: \$74,000, with additional \$5,500 for single audit, if applicable
- FY 2027: \$77,500, with additional \$5,700 for single audit, if applicable
- FY 2028: \$81,000, with additional \$5,900 for single audit, if applicable

Concurrence:

By: Christopher A. Norguest

Signature:

By: Betsy Eckhardt

Approved By: [Signature]

City of Columbus, Nebraska Purchase Request Form

This form must be fully completed before any purchase, contract, or expenditure of City funds.

****When sending to Finance: Subject line on email should read- "Purchase Request Form"**

	AMOUNT: 74,000-86,900 yr				
PROCESS:	\$999 or less	\$1,000 - \$4,999	\$5,000 - \$24,999	\$25,000 - \$74,999	\$75,000
Purchase Request Form		X	X	X	X
2 Quotes		X			
Dept Head Approval		X	X	X	X
3 Quotes			X	X	
City Administrator Approval			X	X	X
Verification of Funds, Finance Director			X	X	X
Form Bidding Required					X
City Council Approval				X	X

1. Requesters Information

Department / Division: Finance

Requesting Employee: Betsy Eckhardt

Supervisor: _____

Department Head: _____

Date: 3/17/2026

2. Type of Purchase

Goods / Supplies / Equipment

Contractual Services

Professional Services (QBS)

Construction / Capital Improvement

Emergency Purchase

3. Purchase Description:

Fully describe the goods or services and their purpose.

This is a contract for Audit Services for fiscal years 2026, 2027 and 2028.

4. Selected Vendor Information:

Vendor Name: Bergan KDV Contact Name: Tim Lens, CPA
Phone: 402-829-5416 Email: timothy.lens@creativeplanning.com
Cooperative Purchasing (State Contract, Sourcwell, etc.): Yes No

5. Cost & Budget:

Total Cost: 74,000-86,900
Account Number(s): 100-100-53200
Funds Available: Yes No

6. Number of Quotes obtained: 2

If this is a sole source quote please explain:

We send to 4 agencies that do municipal audits of cities our size and only received 2 proposals back.

7. Approvals

Supervisor / Designee: _____ Date: _____
Department Head: Betsy Eckhardt Date: 3/17/2026
City Administrator (if \$5,000+): [Signature] Date: 4/2/26
City Council Approval (if \$25,000+): _____
Verification of Funds:
Finance Director (if \$5,000+): Christopher A. Norguest Date: _____

AS NEEDED: Description of Emergency Purchases

An "emergency" shall be defined as any event that interrupts the normal administration of municipal services, thereby jeopardizing the life, health of citizens.

Describe emergency circumstances and justification.



PROPOSAL FOR AUDIT SERVICES

City of Columbus, NE

February 6, 2026

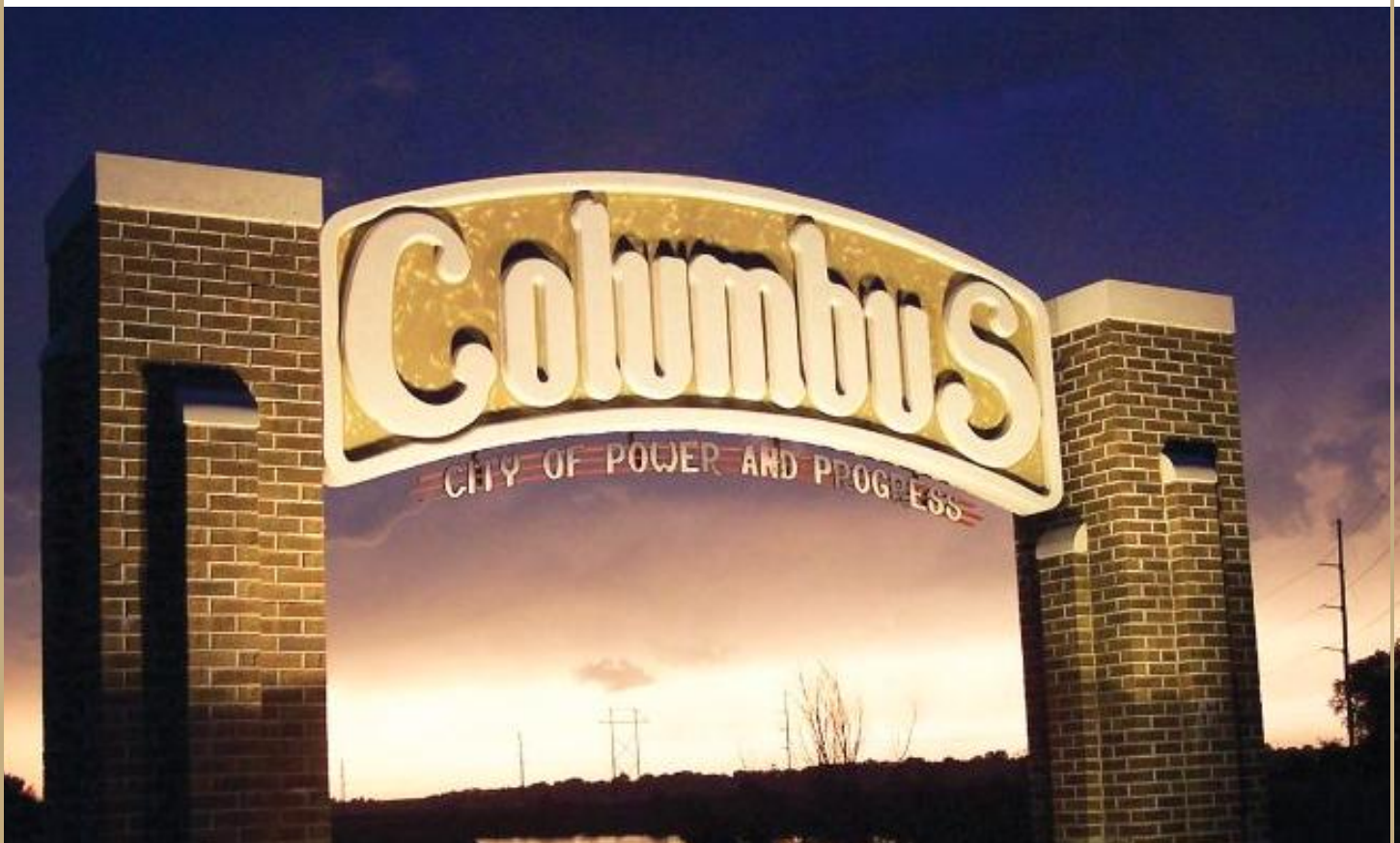


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Transmittal Letter

Betsy Eckhardt, Director of General Services
City of Columbus
2500 14th Street
Columbus, NE 68602

Dear Ms. Eckhardt,

On behalf of BerganKDV, I am pleased to submit this proposal for audit services for the City of Columbus, Nebraska. We appreciate the opportunity to bid these services and for your consideration to continue to partner with our firm.

The attached proposal addresses the information you requested, including the unique qualifications of BerganKDV, the depth and breadth of the services we will provide your City and our commitment to providing the highest-quality work through a process that is both efficient and effective.

Our services would include, but not be limited to, the following for years ending September 30, 2026-2028.

1. Performing an audit of the City's basic financial statements in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Federal Single Audit, and other federal, state, and local requirements, as applicable.
2. Providing an opinion on the City's basic financial statements and an "in-relation to" report on the Supplementary Information.
3. Reviewing the City's financial statements and related note disclosures, and supplemental schedules.
4. Reviewing, documenting, and providing recommendations on improving the City's internal control and financial operations.
5. Providing verbal and written guidance on new and ongoing Governmental Accounting Standards Board (GASB) Statements.
6. Meeting with City finance personnel and administration to review the financial statements and a draft of our letter of recommendations for improving the internal control and financial operations of the City.
7. Presenting the financial statements and communications letter to the City Council.
8. Providing bound copies of the report to the City and Nebraska Auditor of Public Accounts, including a searchable pdf of the report, and the communications letter.

9. Being available during the year to provide a wide range of consulting services and answer your questions as they arise.

Our Government Market team is located throughout BerganKDV offices. These individuals work only on our governmental entity clients. We have outlined your upper management team in the “Qualifications” section. In addition to these individuals, we will utilize senior and associate level individuals from our Omaha, Nebraska office.

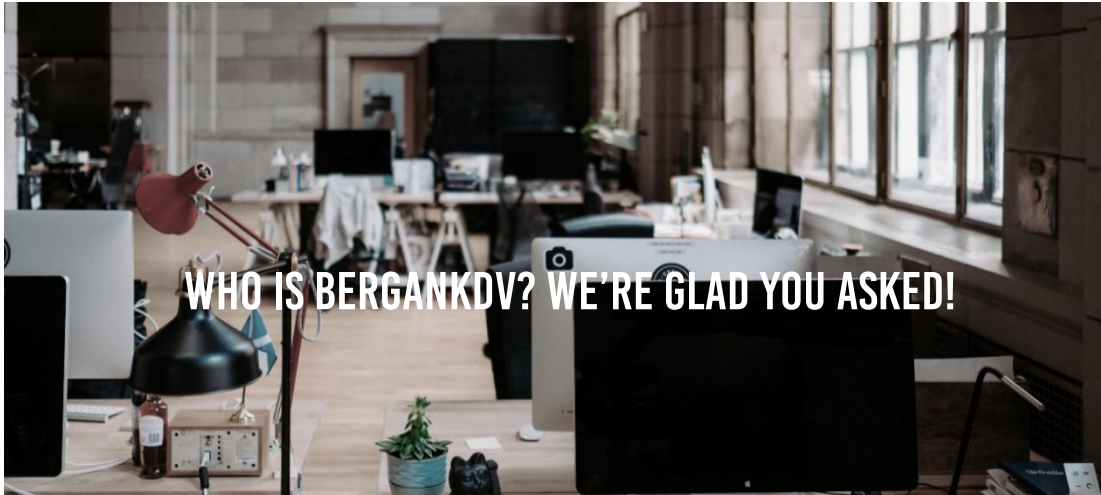
We will work with your representatives to schedule specific fieldwork dates to ensure we are meeting your deadlines. The undersigned is a partner and is authorized to make representations for the firm. This proposal is a firm and irrevocable offer for 60 days.

Sincerely,

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

Tim Lens, CPA
Omaha, NE // 402.829.5416 // timothy.lens@creativeplanning.com

Firm Profile



We have an extensive background in working with clients through a strategic approach in all aspects; we don't just keep pace with the trends; we stay ahead of the curve. We explore new ways to reduce costs and operate more efficiently.

THE BACKSTORY

The history of our firm began in 1945, and since the beginning, BerganKDV has been firmly rooted in community. Today we are a Top 100 Firm, we operate in multiple states in nine different offices, employ over 450 experts, and service clients across the country. As we continue to grow, we acknowledge that we are not in the business to provide one-size-fits-all solutions. Every client is different - from business problems to personal preferences. We invest the time to understand your needs and customize our services and solutions to meet them. Our playbook consists of business advisory, tax, assurance and accounting, workforce management, technology, wealth management and turnaround management services. Sure, we offer a robust and competitive service portfolio and notable processes but what really makes us different?

As of July 1, 2023, BerganKDV has joined forces with Creative Planning, LLC, one of the largest and most highly respected independent wealth management firms in the country. BerganKDV will continue to provide audit and other attest services to clients, while Creative Planning Business Services entities will provide tax advisory and consulting services to clients. We remain committed to serving governments with our renowned industry expertise, all while having greater resources and expanded connections to further achieve our client's unique goals. From tax and audit to payroll and strategic planning, we offer an array of business services to transform organizations with a long, tenured understanding of governments.

OUR PEOPLE

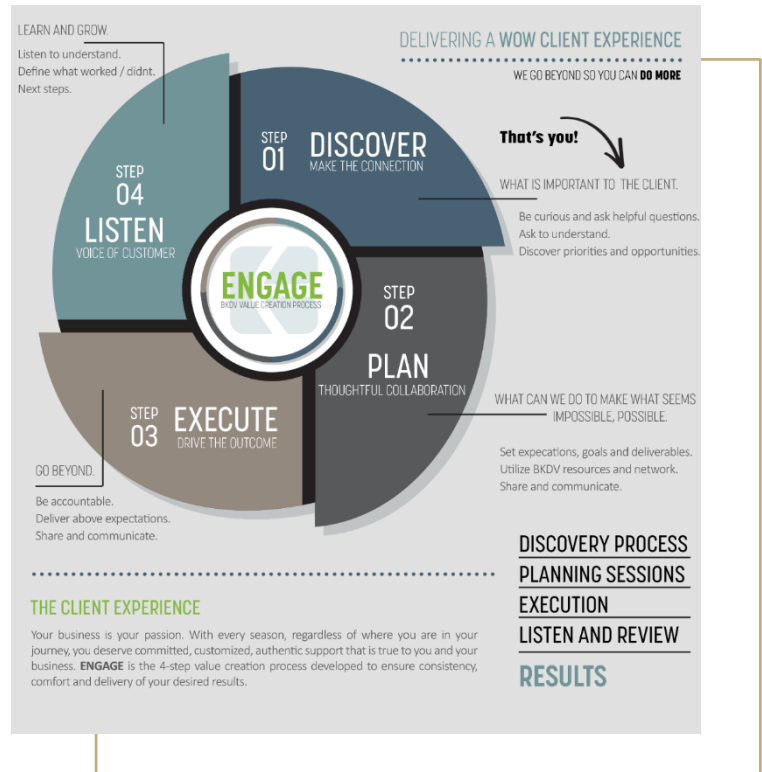
Relationships are at the core of everything we do, and our products and services are designed to meet the specific needs of our clients. When working with BerganKDV, clients find that we focus on earning their trust by being actively involved and focused on helping them be successful in all they do.

PERSONALIZED SERVICE

Our philosophy is to provide timely, quality services that exceed the expectations of our clients. Outstanding client service requires a successful team effort within our firm and with our clients. Providing outstanding service involves enthusiastic, dependable and knowledgeable personnel who are responsible for knowing, understanding and caring about our clients. Our firm believes that outstanding service is a continual process that is refined and enhanced with each client contact.

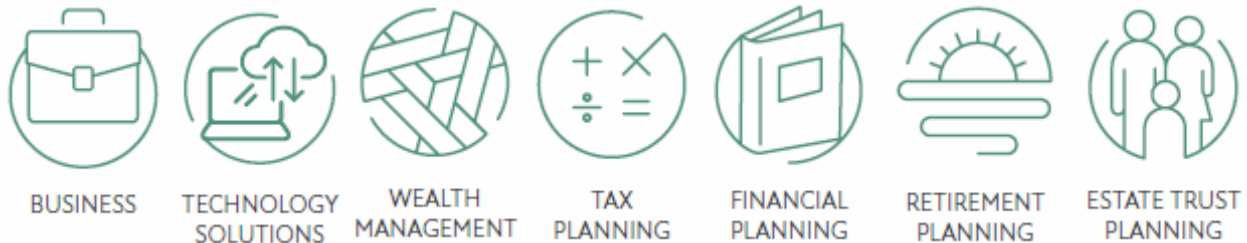
ENGAGE® | Our Proven Value Creation Process

We have aligned our team around our core values and are driven in our commitment to help clients and team members achieve their potential. We help clients reach their goals by utilizing our value creation process. Results of this process have led to more robust client relationships - deeper trust, enhanced communication and minimization of time for all. This process is a key component of our strategy in supporting and helping our clients further their organizations.



Our Business Lines

BerganKDV has a strong bench of resources and expertise available based on needs of the client. This ensures the most effective and efficient results are delivered!



Community Support

At BerganKDV, we believe in giving back. We support the organizations our people and clients are actively involved with. On average, we support multiple events a week in our communities. This year we supported over 35 civic, 15 health and wellness, 10 youth and four arts organizations. BerganKDV's culture promotes community involvement by providing employees with paid volunteer time off.

Vision And Values

We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions. Our firm consists of highly talented individuals that put relationships before business deals and clients before profits. Our values drive our decisions.



Our Focus and Our Promise

Empowering people and creating a wow experience for our clients.

We go beyond so you can **DO MORE**.

We continue to align BerganKDV team member core values and sense of purpose with our firm core values and mission. We hire towards our core values and manage performance through real time feedback corresponding to our core values. We've found that this work results in more open conversations at BerganKDV which impacts employee engagement and client care.

Value Added Services

Our goal is to be your first call when you experience organizational challenges. We believe this can occur only when a relationship is developed and nurtured through strong communication and a thorough understanding of your mission, programs, and operations. We are unwavering in our commitment to our clients and make it our mission to ask the right questions, listen actively, understand your expectations, and deliver results. You can expect a partnership with professionals who value trust, integrity, and relationships.

Extensive Governmental Auditing and Consulting Experience

With over **50 years of experience** serving the government community, we have a great appreciation for the unique issues and complexities that you face. We currently work with over 150 governmental entities, including cities, charter schools, school districts, colleges and universities, and other governmental entities, providing a wide array of services including accounting, auditing, and consulting services.

We are dedicated to **keeping informed** of significant developments in the government community and the impact of those developments on our clients. We accomplish this through formal training, including annual seminars, workshops and professional sponsored classes on governmental accounting, auditing, and reporting requirements. We are a member of the Governmental Audit Quality Center of the American Institute of Certified Public Accountants. The Center maintains standards for quality control in governmental audits for CPA firms nationwide.

In addition, many employees of our firm are members and have participated as instructors and speakers at seminars. These presentations have included GASB implementations, auditing standards updates, levy process and related accounting, property taxes and general fund budget, accounting and finance policies and procedures and fraud.

Peer Review

Our firm is a member of the Private Companies Section of the AICPA Division for CPA Firms. This Division was founded in 1977 by the AICPA to promote CPA excellence and to provide a voluntary, objective means of monitoring adherence to professional standards. Each member firm is required to periodically subject its audit and accounting practice to a comprehensive quality review by specially trained outside CPAs. Our last such review was just performed recently, and we received a clean report on our practices and methods. A copy of our last peer review report is included on page 21.

Assistance with Certificate of Achievement

Our firm is very familiar with the requirements necessary to obtain the Certificate of Achievement. We currently assist several of our clients with preparation of their annual comprehensive financial report to meet the criteria for GFOA's Certificate of Achievement for Excellence in Financial Reporting. We assisted several of these clients with their initial application, and all were successful on their initial and all subsequent submissions.

Certifications and Independence

We recognize when we audit a governmental entity, we are required to be familiar with certain rules, regulations, and requirements and, as a firm we are required to meet certain requirements. In that regard, we make the following affirmations:

- ◆ Our firm meets the independence requirements relating to the City defined by auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States.
- ◆ Our firm and all assigned key professional staff are properly licensed to practice in the State of Nebraska.
- ◆ Our firm is a member of the American Institute of Certified Public Accountants and the Nebraska Society of Certified Public Accountants.
- ◆ Our firm has never had a report rejected or classified as substandard by any state or federal agency, or by the Government Finance Officers Association.
- ◆ Our firm has never had and currently does not have any pending disciplinary actions or investigations for alleged improper, fraudulent, disreputable, or unfair activities against our firm with state regulatory bodies or professional organizations.
- ◆ We accept the professional obligation concerning the American Institute of Certified Public Accountants Interpretation 501-3 “Failure to Follow Standards and/or Procedures or Other Requirements in Governmental Audits.”
- ◆ Our professional personnel have received adequate continuing education to follow Government Auditing Standards and have received adequate continuing professional education over the past two years.
- ◆ Our firm is an equal opportunity employer and does not discriminate in employment of persons upon the basis of race, color, creed, national origin, sex, age, or physical handicap, and have an affirmative action plan in place.
- ◆ We do not expect any potential audit problems and are not aware of any conflicts of interest about any work performed by the firm for the City.
- ◆ We acknowledge and have adequate personnel to comply with the audit schedule provided in the request for proposals.
- ◆ Our firm shall maintain during the life of this contract, Professional Liability Insurance, naming and protecting the City against claims for damages resulting from the firm’s errors, omissions, or negligent acts. Such policy will contain a limit of liability not less than three million dollars. The insurance will be written by a company duly authorized and licensed to do business in the State of Nebraska and will be maintained until all auditing work has been completed and accepted by the City. A certificate of insurance evidencing policies will be furnished to the City and such certificate will specifically indicate that insurance policies shall give the City at least thirty (30) days written notice in the event of cancellation or material change in any of the policies.

Proposal for Audit Services

Dedicated Service Team



Tim Lens, CPA, Partner

Omaha, Nebraska office

Education: Bachelor of Science in Business Administration from Midland University

Experience, Professional and Civic Activities:

- ◆ Twenty+ years of experience in auditing governmental and nonprofit entities
- ◆ American Institute of Certified Public Accountants
- ◆ Nebraska Society of Certified Public Accountants, Chair of the State & Local Governmental Accounting & Auditing Committee
- ◆ Omaha Running Club, Board of Directors Treasurer and Race Director
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as "yellow book" continuing professional education
- ◆ Attends workshops on governmental and single audit accounting, auditing and reporting on an annual basis
- ◆ Certified Public Accountant, licensed to practice in the State of Nebraska

Tim specializes in:

- ◆ Planning, performing, and supervising governmental financial statement audits
- ◆ Preparing and reviewing governmental financial statements
- ◆ Analyzing internal controls, policies and consulting on accounting policies and procedures manuals

Dedicated Service Team



Nancy Schulzetenberg, CPA, Concurring Partner

Education: Bachelor of Science in Accounting from Mankato State University, graduated Summa Cum Laude

Experience, Professional and Civic Activities:

- ◆ Thirty+ years of experience in auditing governmental and nonprofit entities
- ◆ Member of the Quality Control Committee for our firm
- ◆ Appointed by the Commissioner of Education to serve as a member of the Minnesota Department of Education’s Advisory Committee on Financial Management, Accounting and Reporting
- ◆ Attends continuing education, workshops and conferences on city and school district accounting and reporting requirements on an annual basis that qualifies as “yellow book” continuing professional education
- ◆ Member of the Special Review Committee of the Government Finance Officers Association whose purpose is to review Annual Comprehensive Financial Reports to determine eligibility for the Certificate of Achievement for Excellence in Financial Reporting
- ◆ Presenter at the Minnesota Association of School Business Officials Annual Conference, the Central Minnesota Educational Research & Development Council’s Annual Conference, the MN Government Finance Officer’s Association’s Annual Conference, and BerganKDV sponsored seminars
- ◆ Instructor at the Minnesota Association of School Business Officials Institute and the Minnesota Association of School Business Officials Certification Program
- ◆ Member of Minnesota Society of Certified Public Accountants, American Institute of Certified Public Accountants, Minnesota Association of School Business Officials, and Government Finance Officers Association
- ◆ Certified Public Accountant, licensed to practice in the State of Minnesota

Dedicated Service Team



Jason Moses, CPA, Audit Manager

Bachelor of Science in Accounting - Missouri State University. Jason has supported a range of audits and assurance engagements for governmental and nonprofit clients, including work with HUD authorities and public housing clients. He is known for his thorough approach to audit execution and his ability to communicate complex financial issues clearly to client leadership.

Experience

- ◆ Over ten years of professional experience providing GAAP and ACFR financial reporting, evaluating internal controls, and performing financial statement and Single Audits in compliance with OMB Circulars and Uniform Guidance
- ◆ Leads the planning, fieldwork, and reporting phases for a wide range of governmental audits, including cities, school districts, and counties.
- ◆ 8 years of experience in assurance services for HUD entities and multi-family housing authorities
- ◆ Experience leading engagements across the Midwest including Missouri, Iowa, Nebraska, Kansas, and Minnesota.
- ◆ Attends continuing education events on governmental and single audit compliance to meet all regulatory requirements

Professional and Civic Activities:

- ◆ Certified Public Accountant, licensed to practice in the State of Missouri and Kansas.
- ◆ Missouri Society of Certified Public Accountants.
- ◆ American Institute of Certified Public Accountants.
- ◆ Serves on the Young Professionals Board (YPB) with Special Olympics Missouri

Dedicated Service Team

Office Performing Audit

As mentioned earlier in the Letter of Transmittal, our governmental team is located throughout BerganKDV's offices. This team consists of 7 audit partners, 7 audit managers/directors, 1 director of consulting, 9 supervisors/seniors and 16 associates, all that primarily focus on governmental entities. In addition, we have another partner, a manager, and 5 associates that all have experience working on governmental audits. This team will allow us to meet your reporting deadline. In addition to individual resumes listed on pages 9-11, we will utilize and 3 associate level members on your audit engagement. All partners, directors and managers are CPA's.

Commitment to Staff Continuity and Training

To keep continuity and efficiencies high, we believe that consistent team members are advantageous for both our firm and your organization. We pride ourselves on maintaining the right balance of continuity on each of our engagements to ensure a "fresh" look at the annual audit process. Rotation of senior level staff only occurs after the merits of such rotation have been discussed and approved by your organization.

Independence

Our firm has no conflict of interest regarding any other work performed by our firm for your organization. Our firm meets the independence requirements relating to your organization as defined by auditing standards generally accepted in the United States of America. We annually review independence related to all our client relationships as part of our internal control compliance process.



Audit Approach and Timeline

Our goal for you is to create value and to minimize surprises. We do this through a specific, well planned audit. What makes BerganKDV unique from other firms is that we continually improve our audit process beyond what is expected by our profession. A few of the BerganKDV advantages:

- ◆ **Collaborative Audit Process.** We see the audit process as a joint effort with you and BerganKDV. We want to work together to make it as painless as possible.
- ◆ **A comprehensive view of the City's financial health.** Through our extensive government experiences, we understand a City's health is not only about the finances. The vision, mission and programming provide the blueprint for the City's direction. We review this information in relation to the financial statements and provide our observations based on a comprehensive view of the City's health.
- ◆ **Technology resource on internal controls.** Technology experts from the BerganKDV Technology Group can assist in evaluating your technology controls. Their expert advice has proven to be a valuable resource as they answer technical questions and offer specific recommendations.
- ◆ **Supervisors, managers and partners on-site.** The involvement of our supervisors, managers and partners in the field is essential to being a trusted partner and delivering an exceptional client experience. We believe it is important to be on-site and available to answer questions. This also allows our managers and partners to review documentation throughout the process.
- ◆ **Meeting communications.** Our presentations are designed to capture information that is useful and meaningful. Our presentations are focused on audit results, trends, and other information relevant to your City and related entities, not details of the financial statement amounts.

Beyond Expectations

BerganKDV takes a four-phased audit approach that gets results by:

- ◆ Leveraging what is working well.
- ◆ Focusing on pre audit planning, collaboration, and communication.
- ◆ Staying accountable to a schedule.
- ◆ Meeting with you and your team to ensure every detail has been finalized and the audit is complete.
- ◆ Exchanging information regarding our performance, opportunities to enhance experiences and future strategic opportunities.

Our audits are designed to focus our energy and our audit tests on the areas of your operations that contain the most risk. This equates to a better product for the City.

Phase One - Initial Planning and Program Development (September)

Our main objective is to get to know the City as a resident or employee would. We want to understand not only your finances, but also your operational goals and objectives. What makes your City unique? How can that knowledge help us perform the best audit possible? When those questions are answered, we know we achieved our goal for Phase One.

During this phase, we gather the information we need to create an effective audit program and make preliminary judgments of materiality. Highlights include:

- ◆ Reviewing your internal control documents and interviewing your key employees and representatives to gain operational information.
- ◆ Discussing your goals, objectives, and the current challenges facing your operations; those are then shared across your BergankDV team and incorporated into our audit plan.
- ◆ Obtaining population sizes ranging from 25-60 for certain transactions-based finance systems and selecting which transactions we will test for internal control and compliance testing. Selections will be based on our data analysis results, analyzing transactions on a risk-based level.
- ◆ Obtaining your current financial reports and budgets and perform overall analytical review procedures.
- ◆ Obtaining applicable City organizational charts, policies, bond documents, leases, and other legal contracts.
- ◆ Reviewing with your staff our audit documentation requests. **We audit and request information that is used internally by your staff to manage operations, we do not require specific templates to be used.**

We will work with the management team to determine the preferred means of communication, whether phone or email. In addition, we utilize Suralink, a workflow management software that improves efficiency by streamlining our audit request process. The simple interface includes team assignments and deadlines, so there are no misunderstandings on expectations.

Our audit process incorporates automated audit tools (Knowledge Coach) and work papers to provide our clients with timely information and effective and efficient audits. In addition, we use CCH's TeamMate Analytics, an Excel add-on used to extract and analyze data quickly and efficiently. We also subscribe to various benchmarking and data analysis providers.

Your Expected Role: Provide BergankDV with policies, internal control documents and a preliminary trial balance; provide contact information for all board members and staff so we may set up appointments/interviews with selected representatives; begin to gather documentation for fieldwork.

Phase Two - Audit Program Execution (Preliminary Fieldwork - December) (Final Fieldwork - February)

Project execution is performing the procedures outlined in your audit plan as developed in Phase One. Our audit procedures will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We will discuss potential ideas and best practices with your personnel relating to our recommendations for improving internal control, procedures and compliance with laws and regulations. Any issues identified, proposed audit adjustments, or other recommendations will be discussed with management throughout the execution of our audit procedures. We perform test work with as little disruption as possible to City staff's regular duties.

Highlights of this phase include:

- ◆ Auditing year-end account balances, testing internal control, assessing compliance to determine if your systems and controls are functioning as designed.
- ◆ Using sampling techniques to test areas including transactions, internal controls and legal compliance using the scope mandated by the Office of the State Auditor. Sample sizes range from 25-60 based on our risk assessment.
- ◆ Using IDEAS data mining software, we look for trends and anomalies in your payroll, vendor payment, and cash receipts process.

***Your Expected Role:** Be available to answer questions during scheduled audit fieldwork, provide audit workpapers or reconciliations with documentation that is reasonable and reviewed during Phase One.*

Phase Three - Post-Audit Critique and Exit Conference (February - March)

This phase of the audit includes reviewing all the components of the financial statements and preparing the communications letter and relevant financial trend data for the Council presentation. Finally, opinions on the financial statements, Government Auditing Standards and Single Audit, if required, will be prepared. We will then present this information to management allowing you time to review the financial statement reporting package including the draft financial statements and any internal control findings or recommendations that arise during the audit. This phase allows you time to assess, discuss and develop a corrective action plan, if needed.

***Your Expected Role:** Review preliminary financial statements and reports to provide BerganKDV with input and feedback.*

Phase Four - Presentation of Audit Report

The final phase of the process is the presentation of the reports to the City Council. The presentation provides the governing body with information about the year's financial activity compared to past trends and expected results. We also provide other relevant and interesting observations relating to your financial statistics that will help provide the governing board with a deeper understanding of your operations. We understand all organizations have individual needs and we look forward to getting your feedback on graphs and statistics.

Professional standards require that we provide you with information regarding the auditor's responsibility under generally accepted auditing standards, significant accounting policies, accounting estimates and management judgments, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, consultation with other auditors, major issues discussed with management prior to retention as auditors and difficulties encountered in performing the audit. We will provide this information in written form via the communications letter and will discuss with administration during the review of the preliminary audit report.

***Your Expected Role:** Provide BerganKDV with information and feedback for presentation preferences.*

Fees

Our fees for the services are based on the amount of time and the level of experience of the individuals who perform the services. In addition, we assume that the City's accounting personnel will provide the appropriate workpapers, documents, schedules, and clerical assistance, we will not encounter any significant or unusual circumstances which will affect the scope of our engagement, and no significant changes to the City's operations will occur. However, if situations arise which affect the scope of the engagement, we will discuss them with you prior to incurring the additional cost. **At no time will we bill the City for extra time or charges unless we have verbal communication regarding the issues, your options, and an agreement for additional fees.**

The following is a description of the services we will provide under this agreement for the years ending September 30, 2026 through 2028:

- Performing an audit of the City, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards; and Uniform Guidance, when applicable;
- Providing an opinion on the basic financial statements and an “in-relation to” report on the supplementary information;
- Providing separate reports required under Government Auditing Standards, Federal Awards as required under Uniform Guidance, as applicable;
- Drafting the financial statements;
- Presenting the financial statements and communication letter to the City Council; and

The fee for the mentioned services will be:

September 30, 2026 \$ 74,000, with additional \$5,500 for single audit, if applicable

September 30, 2027 \$ 77,500, with additional \$5,700 for single audit, if applicable

September 30, 2028 \$ 81,000, with additional \$5,900 for single audit, if applicable

The above single audit fees are for testing one federal program. If more than one federal program is required to be tested, additional fees will be negotiated.

Billing and Collection Expectations

Our fees are due as services progress and are generally billed at the completion of each phase of the audit. These invoices are payable on presentation. Invoices are delinquent if not paid within 60 days.

Off-season Communication

We encourage questions throughout the year and ask our clients to submit to us their monthly financial statements and board of director minutes, so we can stay abreast of their operations, and identify/resolve any issues prior to year-end. We will not invoice additional amounts unless substantial research or work is required, in which case, we will discuss the scope of any additional work and proceed only after we have reached a mutually agreeable fee arrangement.

Out of Scope Professional Services

We do not surprise bill. If during our engagement you request additional services which require more than a minimum amount of time, we will provide an engagement letter with the fees and services specified, only after we have verbal communication and agreement. Additional special projects and consulting requested during the year will be billed at an hourly rate commensurate with the level of experience required.

Client References

A few of our municipality clients serviced are listed below and we encourage you to contact them.

City of Gretna, Nebraska
Paula Dennison, City Administrator
402.332.3336

City of La Vista, Nebraska
Meg Harris, Finance Director
402.331.4343

City of Grand Island, Nebraska
Patrick Brown, City Administrator
308.385.5444



Over the past year, BerganKDV has served as independent auditor or consultant for many Cities as listed below. Audit clients awarded the GFOA Certificate of Excellence in Financial Reporting are identified with an asterisk.

Minnesota Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Clear Lake	Clearwater	Baxter*	Albert Lea*
Dundas	Cold Spring	Big Lake*	Brooklyn Park*
Eden Valley	Elko-New Market	Cloquet*	Crystal*
Hilltop	Hanover	Detroit Lakes*	Eden Prairie*
Richmond	Independence	Fairmont*	Edina*
Silver Bay	Le Seuer	Falcon Heights*	Elk River*
Watkins	Mora	Fergus Falls*	Faribault*
	Nowthen	Mendota Heights	Forest Lake*
	Osseo	Oak Grove	Ham Lake*
	Rockville	Otsego*	Hastings*
	Two Harbors	Sauk Rapids	Maplewood*
		St. Joseph	Minnnetonka*
		Wyoming	New Brighton*
			Richfield*
			St. Cloud*
			Sartell

Iowa Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
North English	Cascade	Fort Madison	Coralville
	Center Point	Independence	Marion
	Dyersville	Knoxville	North Liberty
	Epworth	Le Mars	Ottumwa*
	Evansdale	Pella	Sioux City*
	Peosta	Red Oak	Waterloo*
		Tiffin	

Nebraska Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
Boys Town	Ashland	Gering	Columbus
	Bennington	Gretna	Grand Island
		Scottsbluff	Kearney
			La Vista*

Missouri Cities

Population (0-2,000)	Population (2,001-5,000)	Population (5,001-15,000)	Population (15,001+)
	Riverside*		Washington*

PLAINSIGHT

POWERED BY CREATIVE PLANNING

EMPOWER AND PROTECT



With Creative Planning's PlainSight, you can empower your employees to speak up when they witness fraudulent activity through an easily accessible and completely anonymous hotline system. Based on the tip criteria, our certified team of fraud professionals is available to investigate and report back with next steps if fraudulent evidence is discovered.

A Tip Could Be All It Takes

You can rest assured as a business leader that your employees are equipped with a powerful and safe service that protects your company against those who wish to harm it.

Our Promise to You

We'll work directly with you to establish an implementation and use strategy that fits your needs and coordinate with you when tips become viable signs of potential fraudulent activity. Safety and anonymity are our main priorities for your business. Our goal is to highly encourage hotline usage and promote the idea that no tip is too small to make a difference.

It's estimated that organizations lose 5% of revenue each year due to fraud with average losses being around \$1.5 million. **Don't foot the bill to fraudsters.**

More Than a Phone Line

What other services are included when you utilize PlainSight for your fraud detecting needs?

- ◆ Easy to use web submission site
- ◆ Communication packages to educate and inform your employees
- ◆ On-demand employee training for how to use the service and signs of fraud
- ◆ Admin-level access to review items and communicate with our Forensic Team

Let our team of specialists grant you peace of mind and educate your employees to make the call today that may save you tomorrow.

FIND YOUR PEACE OF MIND

CREATIVEPLANNING.COM | PLAINSIGHT@CREATIVEPLANNING.COM

Peer Review



Report on the Firm's System of Quality Control

To the Partners of
BerganKDV, Ltd.
and the Minnesota Society of CPAs Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. (the Firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of BerganKDV, Ltd. in effect for the year ended March 31, 2023, 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*. BerganKDV, Ltd. has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Landmark PLC".

Little Rock, Arkansas
September 19, 2023

Landmark PLC, Certified Public Accountants

200 W Capitol Ave, Ste 1700 | Little Rock, AR 72201 | Telephone (501) 375-2025 | Fax (501) 375-8704 | www.landmarkcpas.com



THANK YOU.

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