

Town of Johnstown, Colorado Request for Proposals

Professional Audit Services

For the Years Ending December 31, 2024 - 2028



James D. Hinkle, CPA
Hinkle & Company, PC
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Englewood, CO 80110
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September 16, 2024
5:00 pm



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**HINKLE &
COMPANY**
Strategic PC
Business Advisors

September 16, 2024

Mitzi McCoy, Deputy Town Manager
Town of Johnstown
450 South Parish
PO Box 609
Johnstown, Colorado 80534

mmccoy@johnstownco.gov

Re: RFP – Town of Johnstown, Professional Audit Services

Thank you for the opportunity to submit a proposal to provide professional audit services for the Town of Johnstown, Colorado (the Town). Our entire team is delighted about the prospect of working with your organization. We are confident our firm is the right fit for your ongoing needs because:

1. Our customer service focus is foremost.

Hinkle & Company, PC has provided exceptional service to the Arkansas, Colorado and Oklahoma regions for more than 25 years. We believe our success lies directly in our people and our firm culture. In a world where client service is often an after-thought, the professionals at Hinkle & Company, PC consider it their top priority. We commit to you that we will:

- ✓ Involve partners and managers in all aspects of your engagement to ensure the highest quality of service.
- ✓ We are great listeners and problem solvers. We will communicate with you throughout the engagement along the way.
- ✓ Efficiently manage all resources to perform work on time as outlined in the RFP.
- ✓ Deliver timely responses and products at every turn.
- ✓ We help clients better protect assets, prevent loss, *ensure compliance with regulatory bodies*, maintain internal controls and prevent fraud.
- ✓ Thoroughly review the Town's internal controls to help ensure that the Town is operating efficiently, effectively, transparently and within the framework of the policies as required.

2. Our people are top notch, and they will become familiar faces to you.

We are committed to providing our clients with the best team available. We take great pride in developing strong relationships with clients and investing the time necessary to understand their issues and concerns. You will find our staff members to be highly qualified, trained professionals. Their personal skills and enthusiastic demeanors will be reflected in their everyday interactions with your team. We hire and retain the best because we've got a clear focus on what's important for our clients - having a reliable team they are comfortable with year-after-year. We have a significantly lower staff turnover than normal for our industry. This means we work hard to keep our team members so that both the Town as well as Hinkle & Company, PC can enjoy smoother service, consistency in contact, deeper knowledge of your organization, and clear communication.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

3. We view our relationship as a proactive dialogue.

Hinkle & Company, PC's unique service philosophy makes us stand out in the marketplace. We build a working partnership with our clients. We are committed to engaging in communication with the Town's Mayor, Town Council Members and key management team members, consistently offering valuable feedback practical and proactive best practice recommendations to help improve the Town's financial and compliance operations.

Hinkle & Company, PC strives to provide services to our clients to meet their goals and exceed their expectations. Ultimately, the key to our success is our people and their willing commitment to partner with our clients to help them succeed. You will find this presentation has a simple purpose - to share the values and qualifications of our Firm and to reinforce the values and benefits our firm can provide to the Town's staff and leadership team.

The representative for Hinkle & Company, PC is Jim Hinkle. He is authorized to submit this proposal as well as sign a contract with the Town of Johnstown. He can be reached by telephone at (303) 796-1000 and by email at Jim@HinkleCPAs.com.

Hinkle & Company, PC affirms:

- The acceptance of conditions and requirements contained in the RFP.
- The proposal and fees represent a firm and irrevocable offer for 90 days from the date of submission of the proposal to Town of Johnstown, Colorado.
- Understands the scope of work to be performed.
- We are able to comply with the timelines as outlined in the RFP.

We look forward to the opportunity to showcase how our approach to client service can make a difference for the Town of Johnstown, Colorado. Relationships are highly valued at Hinkle & Company, PC and we welcome the opportunity to get to know you and put our knowledge and experience to work on your behalf.

Yours truly,
Hinkle & Company, PC



James D. Hinkle, CPA



Why Hinkle & Company, PC

Hinkle & Company, PC is a local/regional CPA Firm that specifically designs its public sector audit practice to meet the on-going fiscal challenges that face municipalities, towns, counties, universities and colleges and quasi-governmental agencies. Yet, we provide a personalized audit service that promotes successful audit engagements, fluid communication at every stage and best practice recommendations that are forward-thinking to help meet your fiduciary responsibilities. Approximately 85% of our Firm's audit practice is generated from governmental entities.

Experience with Colorado Cities, Towns and Counties

Hinkle & Company, PC has over 25 years of experience working with cities and towns. Firm-wide, we currently audit approximately 30 various cities and towns plus 5 counties. See Exhibit 1 for the similar engagement list of references and contact information.

Experience with GFOA Certificate - ACFR Program

Simply put, we've helped our clients achieve the confidence necessary for healthy fiscal management because we possess the knowledge and skill set to prepare or assist our clients with preparing its ACFR and to successfully retain their GFOA Certificate.

Experience with Government Auditing Standards

Hinkle & Company, PC is a quality provider of *Government Auditing Standards* engagements. We currently provide accounting or auditing services to Towns, Cities, Counties, Authorities, Trusts, Colleges and Universities, Economic Development Districts, Library Districts and other Non-Profit Organizations and Foundations. Some of the types of services provided include auditing, ACFR preparation, internal audit, compliance, tax, indirect cost rates, closing and preparing the books for the audit and providing estimate of needs. In addition, the Firm is a member of the AICPA's Government Audit Quality Center.

Experience with Single Audits in Accordance with Uniform Guidance

Due to the sheer volume of governmental and non-profit audits we perform that include Single Audits, many of our Firm members have significant Single Audit industry experience in accordance with Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and therefore, we are able to provide a well-qualified team. Our Firm believes that government entities represent a complex specialized industry, and the engagement should be staffed with an experienced team. Overall, we provide thoughtful, forward-thinking, best practice recommendations to help our clients successfully administer their major programs in accordance with compliance regulations.



Understanding of the Work to be Performed

The audit will be performed in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and, if applicable, the standards for financial audits set forth in the U.S. Government Accountability Office's *Government Auditing Standards*, the provisions of the Single Audit Act of 1984 and the provisions of U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.

Hinkle & Company, PC will audit the basic financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining funds for the Town of Johnstown, Colorado as of and for the year ending December 31, 2024.

The combining and individual financial statements and schedules for non-major funds and other non-required supplementary information schedules will be presented for purposes of additional analysis. We will provide an in-relation-to report on these statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements.

The management's discussion and analysis, budgetary comparison schedules and pension funding progress schedules will be presented as required supplementary information will be subjected to certain limited procedures but will not be audited nor will we express an opinion on it.

Our audit procedures will comply with the requirements established in the Colorado statutes. The audit will include tests of the accounting records and other auditing procedures we consider necessary to express an opinion on the financial statements. As a normal part of the auditing process, we will document and test internal controls and review compliance with applicable laws and regulations.

Our audit procedures will also include reviewing the minutes of the Town for the year being audited.

Following the completion of the audit, Hinkle & Company, PC shall issue the following reports for the Town of Johnstown, Colorado:

- Independent Auditor's report on the financial statements of the Town of Johnstown, Colorado as of and for the year ended December 31, 2024.
- Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* for the year ended December 31, 2024.

If a Single Audit is required, Hinkle & Company, PC shall also issue the following report for the Town of Johnstown, Colorado:

- Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with Part 200—*Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.



Understanding of the Work to be Performed (Continued)

We will issue a separate management letter setting forth findings and recommendations relative to other internal control findings, fiscal affairs, and other significant observations during the course of the audit and present them to the Mayor and Town Council. We do not contemplate a detailed audit of all transactions, nor do we expect that we will necessarily discover fraud, should any exist. We will, however, inform you of anything unusual that comes to our attention during the audit process.

We will communicate with management throughout the audit process. We do not contemplate any potential audit difficulties, but if we encounter any issues during the audit, they will be immediately discussed with management during our interim or final audit fieldwork.

Firm Background

Firm Size, Composition & Location

Hinkle & Company, PC is a local/regional full-service CPA Firm with offices in Colorado Springs, Englewood, and Frisco, Colorado and Tulsa, Oklahoma. We provide assurance, tax, consulting, valuation and litigation services. Our Firm includes a total of 27 professional staff with 18 members in Colorado and 9 members in Oklahoma. We have detailed our audit staffing plan later in this proposal. We are local, convenient, and very accessible. We will conduct the engagement from our primary offices in Englewood, Colorado. At this location, we currently have five (5) partners of which two (2) are also audit directors, two (2) managers, two (2) supervisors and nine (9) professional staff.

Hinkle & Company, PC has earned a sound reputation and modeled performance stability for decades. We specifically design our public sector audit practice to meet the on-going fiscal and compliance challenges that face municipalities, towns, counties, universities, colleges, and quasi-governmental agencies. Yet, we provide a personalized audit service that promotes the spirit of teamwork that produces an environment of a partnership feel that will foster successful engagements, provide fluid communication at every stage and best practice recommendations that are forward-thinking that help meet our client's fiduciary and compliance responsibilities. Approximately 85% of our Firm's audit practice is generated from governmental entities.

Innovation, Communication and Best Practices

We provide a substantial amount of engagement time from Partner involvement, so you receive high-quality service. Because our partners and managers are in the field, we can provide thoughtful, insightful, and timely recommendations and address issues immediately, if needed.

Communicating the results of our audit procedures and recommending best practices to help your accounting processes are vital to successful engagements. In addition, you will find we are available throughout the year. On-going communication means you can receive added value throughout the year and timely updates on new accounting pronouncements. We will walk you through implementation and how they may impact the Town's financial statements and accounting operations.



Firm Background (Continued)

Innovation, Communication and Best Practices (Continued)

The benefit for your organization is that both routine and non-routine issues are addressed by more senior and experienced professionals. We value our relationships built with each client. These bonds are built on integrity and trust more than anything else. As such, we value our client's needs, goals, and values as our own and realize they are the key to long-term personal and professional success. Our Firm is a member the American Institute of Certified Public Accountants (AICPA), Governmental Audit Quality Center. Members of our have served on and are involved in various industry committees and conduct training seminars for various industries.

Peer Review

The Firm's most recent issued peer review conducted for the year ended September 30, 2022 resulted in the highest Peer Review rating of PASS. This underscores the Firm's continuing commitment to overall quality. Hinkle & Company, PC has passed all peer reviews they have subjected to in the past two decades. We have included a copy of the current peer review report in the Exhibits to the proposal.

License to Practice in Colorado

Hinkle & Company, PC is licensed to practice in the State of Colorado. We have included a copy of our licenses in the Exhibits to the proposal.

Auditor Certification Statements & Other Relevant Information

Hinkle & Company, PC does not intend to use a joint venture, consortium, or other CPA firm in conducting our audit.

The Firm certifies that its proposal is made without previous understanding, agreement, or connection with any person, firm or corporation making a proposal; without prior knowledge of competitive prices, and it is in all respect fair; and without outside control, collusion, fraud, or otherwise illegal action.

The Firm certifies that no member of the Town of Johnstown, Colorado, or members of his or her immediate family, or other officer or employee of the Town has received or has been promised directly or indirectly any financial benefit related to the RFP.

The Firm certifies that we have had no desk reviews, field reviews or disciplinary action or pending litigation matters against the firm during the past three (3) years.

Hinkle & Company, PC has neither Current nor Prior Contracts with the Town of Johnstown.

Hinkle & Company, PC certifies it does not and will not during the performance of the contract, employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986 and/or the immigration compliance requirements of State of Colorado C.R.S. § 8-17.5-101, et. seq. (House Bill 06-1343).



Firm Background (Continued)

Independence from Town and Component Units

Hinkle & Company, PC, its current staff, and management are independent with the Town of Johnstown, Colorado and its component units as defined by the American Institute of Certified Public Accountants, Generally Accepted Auditing Standards and U.S. Government Accounting Office's Government Auditing Standards. In addition, we do not except any independence issues to arise during any time we are engaged to perform attestation engagements with the Town of Johnstown, Colorado. If any unforeseen independence issues arise in the future, we will notify Town's management immediately.

Audit Presentation

We will attend the Mayor and Town Council meeting of your choice and present the audit opinions to the Mayor and Town Council. We will meet with you prior to the meeting to outline our presentation and include any findings or items which you believe are important and relevant. You will know exactly what we will present to the Mayor and Town Council prior to the actual presentation.

Electronic Audit Environment

Hinkle & Company, PC uses the most advanced audit technology available. This includes a fully electronic audit environment. We use CCH ProSystemfx Engagement software for our trial balance/financial statement reporting as well as our file structure functions. We use the Knowledge Coach software for our audit programs and documenting our audit plan. Both software programs are supported by Wolters Kluwer and CCH. We will set up file sharing portals. Designated Town accounting staff will be able to *click and drag* client prepared schedules and other supporting documentation into the portals. We will then pull these documents directly into our electronic workpapers files. This process should provide for a smooth transition of information.



Firm Background (Continued)

Collective Comparable Municipalities

As per RFP a listing of municipal clients for which the Firm has provided annual audits in the recent five (5) years. Over 80% of our audit services are in the governmental entity sector. These entities range from large to small. We will consider ourselves an additional resource to the Town. A brief list of these entities are as follows:

Cities / Towns:

Breckenridge	Prepares an ACFR
Englewood	Prepares an ACFR
Fountain	Prepares an ACFR
Golden	Prepares an ACFR
Silverthorne	Prepares an ACFR
Windsor	Prepares an ACFR
Berthoud	
Buena Vista	
Dillon	
Larkspur	
Manitou Springs	
Montrose	
Monument	
Morrison	
Palisade	
Paonia	
Rifle	
Silverton	
Trinidad	
Wellington	
Woodland Park	

Counties:

Weld County	Prepares an ACFR
Clear Creek County	Prepares an ACFR
Grand County	Prepares an ACFR
Archuleta County	
Gilpin County	
Huerfano County	



Firm Background (Continued)

Fee Information

Because of our extensive knowledge and experience with cities and local governments throughout our service areas, we are pricing our audit services at what we believe are attractive levels to you. We believe our fees are fair and reasonable. This in no way will reflect the level of service you will receive, but rather reflect on the commitment we have made to expand our services to local governments of all sizes in the State of Colorado.

Our fees, as shown in Exhibit 5 are based upon receiving a high level of assistance from the Town of Johnstown's accounting staff as stated in the proposal. This includes, but not limited to, closing of the general ledger, including the posting of all closing entries, working trial balance, preparation of various schedules detailing activity in fund and account groups, and supporting documentation. Auditor will prepare the initial draft of the financial statements, notes and all required supplementary schedules.

Upon retention of the 2024 year-end audit, there will be no upfront fees for building files or learning internal controls for the year-end audit as we view this engagement as an on-going investment for building a future relationship with the Town of Johnstown.

If any changes in audit requirements occur during the term of our engagement that require additional time and procedures, we will notify you prior to the beginning of that audit year. We will provide you with an estimate of the effect of those changes on the agreed upon fee.

Firm Personnel – Engagement Team

The Firm believes that government entities represent a complex specialized industry, and the audit should not be staffed primarily with inexperienced auditors. Supervisory personnel have several years' experience performing governmental audits.

All Firm members have assisted governmental clients to receive the Government Finance Officers Association award for financial reporting. Because of the considerable experience of the Firm's personnel, we can be a valuable resource in the preparation of the financial statements or Annual Comprehensive Financial Report (ACFR). Many of the Firm's governmental clients have Single Audits. Consequently, our staff has had extensive experience with the Single Audit. All Firm members are familiar with the new federal uniform guidance.

Firm members are active in many governmental accounting organizations. In addition, the Firm is a member of the AICPA's Government Audit Quality Center.



Firm Personnel – Engagement Team (Continued)

The Firm is committed to continuing education. All professional staff have met or exceeded the continuing professional education requirements established by *Government Auditing Standards*. This translates to 120 hours of continuing professional education (CPE) every 3 years which includes hours required to comply with Yellow Book guidance. All members of the Firm have participated in numerous hours of training through the Government Finance Officers Association, Oklahoma Society of CPA's, Colorado Society of CPAs, American Institute of CPAs, and the AICPA's Government Audit Quality Center. Because the majority of the Firm's clients are government entities, most of our continuing education relates to the governmental industry.

The quality of the audit team will be assured because of the direct involvement of the partner and managers of the Firm and the experience level of all Firm personnel. We will notify the Town of Johnstown, Colorado of any personnel changes to the audit team prior to our audit fieldwork. We expect to maintain consistency in supervisory staff and provide periodic staff changes to maintain independence and ongoing objectivity throughout the term of our audit engagements.

We are able to notify the Town of Johnstown, Colorado of new developments in the industry and assist with technical issues throughout the year. These communications are performed at no additional cost to the Town of Johnstown, Colorado. Please see Engagement Team resumes after the Audit Approach Section.

Audit Approach

Overall Engagement Approach

We will perform the audit fieldwork in two primary sections, interim fieldwork which would primarily be performed before year end, and final audit fieldwork in March/April. The Single Audit procedures may span additional time periods as Town personnel are available. Management will be consulted when scheduling these fieldwork dates. We estimate that our on-site work would be one week for each section of the audit. The time requirements outlined in the Request for Proposals are reasonable and achievable. We will conduct no less than entrance, progress and exit conferences during this engagement.

The firm can provide listings of information required to complete the audit procedures in advance of conducting the audit fieldwork. This information will primarily include schedules and reconciliations supporting amounts presented in the financial statements and general information that is readily available at the Town. Audit information prepared by the Town can be provided electronically to our portal or as hard copies if more convenient.

Pre-Engagement Planning

We plan to start our audit by conducting an entrance conference with the Town of Johnstown, Colorado personnel to discuss any concerns management may have for which we would tailor our audit procedures. At this meeting, we will finalize the calendar with respect to interim and final fieldwork, that best fits your staff and schedules.



Audit Approach (Continued)

Pre-Engagement Planning (Continued)

We will discuss applicable implementation of new accounting pronouncements that are effective during the year under audit and how the Town of Johnstown, Colorado is progressing through the actual implementation. We will discuss any changes in personnel, operations, regulatory or policy matters that might affect the financial reporting or the audit process. Items that might arise in this meeting might include new bond issues during the year, construction in progress, changes in software, changes to Federal award programs, changes in key staff, etc.

During this meeting, we will outline the schedules that the Town of Johnstown's staff prepare in their normal duties and what schedules and detail supporting schedules that could easily be prepared to assist in our audit process. At the conclusion of this process, we expect to have a detailed list of all schedules and other items the Town of Johnstown's staff will prepare for our use in the audit, commonly referred to as PBCs.

We will also use this meeting to discuss the Town of Johnstown's Federal Awards for the current year and whether any significant changes have occurred from the prior year. We will discuss with management the determination of Major Federal awards that will be subject to testing during the audit and will invite your input as to whether management has any concerns regarding specific Federal awards. We will adjust our testing to include your input in our determination of which type A and type B awards will be tested as Major Programs. We anticipate a random sample size of 40 items generated from the major program disbursements universe during the audit period for our compliance testing.

If there are any anticipated potential audit problems such as issues from previous audits or implementation of new standards, we will discuss these issues at the Pre-Engagement meeting. This will allow ample time for you to respond and assist in resolving these issues before the actual audit begins.

This Pre-Engagement Planning will be conducted by Jim Hinkle. At the conclusion of the meeting, we expect to set specific dates of our interim and final fieldwork, a date we will conduct an exit conference for both our interim and final fieldwork, the date we expect to produce a draft report and the audit schedules your staff will be expected to produce. We anticipate completing the audit on schedule as outlined in the RFP or at a mutually agreed upon audit schedule.



Audit Approach (Continued)

Interim Fieldwork

We anticipate conducting our interim fieldwork no later than mid-March or at an agreed upon time with management to meet the Town's required deadlines. Interim fieldwork will begin by gaining and documenting our understanding of the Town of Johnstown's internal control throughout the various systems of accounting cycles such as revenue recognition, payroll, and disbursements. We anticipate we will place Control Risk at low for each major accounting and reporting cycle. Therefore, during interim fieldwork, we will conduct a walk-through of the Town's accounting cycle, review policies and will perform test of controls for each of these major accounting and financial reporting cycles. We generally select sample sizes between 40 and 60 items on a random basis and a second sample of large disbursements over a certain level. We plan to increase the sample sizes in areas that have increased risk due to changes in personnel, policies, or other such matters as determined in our Pre-engagement meeting.

During our interim fieldwork, we will also perform our analysis of internal controls and if required, involving Federal Awards. Our determination of Major Programs will include the input by Management during our Pre-Engagement Planning meeting. We will also perform our tests of compliance with respect to the Uniform Guidance on each Federal award designated as a Major Program for each.

Our analysis of internal controls for both accounting and financial reporting and for Federal award compliance will be accomplished through interviews with specific personnel in the various areas being analyzed, walk-throughs of selected transactions and finally through our test of controls.

We expect the interim fieldwork to consist of two members of our Firm to be involved in the Interim. We will perform our work remotely or in the Town of Johnstown's office at times convenient for the Town of Johnstown's staff. During the interim work, we expect a Senior Team Member to be on site during the entire interim period.

We will adjust our audit approach based upon the results of the interim audit procedures. We will communicate with you any significant changes to our audit approach that might affect the Town of Johnstown's process in closing its books and preparing schedules for the audit.

At the conclusion of the interim fieldwork, you will expect to know any significant deficiencies, material weaknesses, or issues of non-compliance with Federal awards we have identified through internal control analysis, test of controls and test of compliance. This will give you ample time to investigate these issues, agree or disagree with our assessments and provide Management's response. We believe that providing you with this information at this time increases the level and effectiveness of our communication.



Audit Approach (Continued)

Engagement Planning

Our engagement planning segment of the audit will obtain from the Town of Johnstown, Colorado the year end trial balances and the PBCs as determined in our Pre-Engagement meeting. We would like to receive as much of this information electronically as possible. We will build our audit file with the trial balance and audit schedules obtained from you during this time. We will reconcile audit schedules to the trial balances, prepare our budget to actual analysis and even prepare initial financial statements from this information.

We will then make our audit selections for vouching in as many audit areas as possible and accumulate audit questions we will ask regarding the schedules provided to us. We will communicate these selections and questions electronically before our final fieldwork begins so that you can adequately plan for our final fieldwork.

This engagement planning will be conducted in our offices, and we expect this process to occur shortly after receiving the trial balances and audit schedules are available to us.

At the conclusion of this segment, you will expect to know the audit selections for the various audit areas we intend to examine, the questions we have as a result of our fluctuation analysis and other areas we will want to test on the year ending balances.

At the conclusion of this segment, you will expect to know the testing samples on the year end balances we intend to examine so that you have the ability to pull the appropriate documentation. You will know the major questions we have regarding audit schedules and fluctuation analysis so that you have the ability to research the answers. We will conduct a progress conference and will also communicate to you any additional information we will need that we have not already received.

Final Fieldwork

We expect we will conduct our final fieldwork following the receipt of the trial balances and audit schedules. We anticipate on-site final fieldwork to begin during the beginning of the month of April. During the final fieldwork we will examine the supporting documentation on the testing items we selected in the previous segment and obtain answers to our questions we provided. We will address any further audit items that may arise during this segment, so that when the final fieldwork is over, our audit procedures are complete, and our audit file will be finished.

The audit review by our management will be conducted in your offices during final fieldwork, so that any issues that arise can be easily communicated and quickly resolved. Our goal is to be very proactive in our communications, which should help to eliminate any surprises by completing our primary workpaper review during final fieldwork.



Audit Approach (Continued)

Engagement Conclusion

At this conclusion, we will have an exit conference with the Town of Johnstown's management that will include a discussion of our audit process, the results of our audit work, summarize any management comments (including significant deficiencies, material weaknesses, or issues of non-compliance of Federal awards). We say we will summarize these items because we will be communicating any issues we find throughout the audit process, in both interim and final fieldwork. We expect you will have no surprises.

Final fieldwork will be conducted by an In-Charge staff auditor and Timothy Ahopelto will be conducting the Quality Review of the final audit. We expect final fieldwork to consist of aforementioned auditors for a period of 1 week. At the conclusion of this segment, you should already know if there were any audit findings and have had the opportunity to respond to those audit findings. If we do not encounter any audit irregularities or delays, we anticipate submitting the report to the Town of Johnstown, Colorado on time.

Federal Audit Clearinghouse: Single Audit Submission

We will also submit the audit report and federal award information to the Federal Audit Clearinghouse pursuant to the filing requirement timeframes, as applicable.

Summary

We believe a well-executed audit is a result of a high level of communication through all phases of the audit process. That is why we have highlighted extensive communication processes throughout the audit steps noted above. We pledge to you we will maintain a high level of communication throughout the audit and throughout the year.

Summary Schedule for Audit Engagement

- Auditor provides PBC schedules to Town by December 31, 2024.
- First year interim field work commences February 2025.
- Final fieldwork commences March – April 2025.
- Finance Director provides MD&A, for the financial statements, early May 2025.
- Draft audit report and management rep letter to Finance Director by May 30, 2025.
- Finance Director review of draft and provide comments to auditor by June 5, 2025.
- Auditor provides final report by June 17, 2025.
- Partner of audit firm presents audit report to the Town Mayor and Town Council.



Engagement Team

We have selected an audit team that we believe will be effective and efficient for the audit. The supervisory personnel are as follows:

Jim Hinkle – Managing Partner

Jim is our Managing Partner and will oversee the engagement to ensure you receive the highest level of service in both quality of audit and personalized service. We expect you to become one of our significant references!

Timothy Ahopelto – Partner & Audit Director

Timothy will be the Audit Manager for your engagement. Timothy brings more than 20 years of experience providing audit and consulting services to various industries during his career in public accounting including local governments. Timothy will bring the detailed knowledge of new GASB pronouncements, how they may impact the Town and assist with the implementation of new standards applicable to the Town. Timothy will ensure the Town has access to a knowledge base on all accounting and reporting issues pertinent to the Town during the audit and throughout the year.

Ariel Fuqua – Senior In-charge Auditor

Ariel will serve as your Senior Auditor & In-charge as the Town's point of contact and communicator throughout the auditing process. She is currently responsible for audits of counties, cities, school districts and charter schools of varying sizes in Colorado. She brings over 13 years of client-based services with an extensive background in managing teams and leading correspondences. Ariel holds a Bachelor of Science in Accounting from Western Governors University as well as a Bachelor of Arts in Music Performance from Metropolitan State University of Denver.

Kinsey Fields – Staff Auditor

Kinsey will be the Staff Auditor of performing audit procedures. Kinsey brings 2 years of working in governmental accounting and 6 months of experience providing audit and non-attest services for Hinkle & Company, PC. She is very good at working with a team as she played and coached college tennis. Kinsey is expected to graduate with her master's degree in accounting in May 2024 from Metropolitan State University of Denver and an undergraduate degree in Accounting from Washburn University in Topeka.



Engagement Team (Continued)

James D. Hinkle, CPA/ABV, CVA, CMAP, MAFF, CFF Partner

(T) (303) 796-1000

(F) (303) 796-1001

Jim@HinkleCPAs.com



Engagement Responsibility: Jim will be the Engagement Partner and have responsibility for communication with management and primary reviewer of all audit work.

Education: B.S. Accounting and Business Administration, Kansas University, Lawrence, Kansas.

Current Responsibilities: Audit Partner in the public accounting firm of Hinkle & Company, PC.

Other Related Training/Education: Certified Public Accountant in the State of Colorado, Oklahoma, California, Arkansas, Kansas, and Missouri. Member of the American Institute of CPAs and the Colorado Society of CPAs and the Oklahoma Society of CPAs.

Professional Experience: Jim has over 35 years of experience with national public accounting firms and Hinkle & Company, PC.

Jim spent 13 years with Baird, Kurtz & Dobson (BKD) in Kansas City and Tulsa. During this time, he was one of two members who taught Single Audits in internal CPE classes. For two years, Jim left public accounting and managed a \$20 million sales organization who was a previous BKD client.

In 1997, Jim began Hinkle & Company, PC and built a full-service CPA Firm that provides audit, income tax and bookkeeping services to clients throughout the Midwest. Today, the Firm employs over 27 professional and support staff, performs over 200 audits and services over 800 tax clients. The Firm is licensed to practice in seven states throughout the Midwest.



Engagement Team (Continued)

Timothy Ahopelto, CPA Audit Manager – Accounting & Auditing Director



(T) (303) 796-1000
(F) (303) 796-1001

Timothy@HinkleCPAs.com

Engagement Responsibility: Timothy will be the Manager and the primary audit contact on all interim and final fieldwork procedures.

Education: B.S. Business Administration cum laude, University of Arizona, Tucson, Arizona.

Current Responsibilities: Audit Manager in the public accounting firm of Hinkle & Company, PC.

Other Related Training/Education: Certified Public Accountant in the State of Colorado. Member of the American Institute of CPAs and Colorado Society of CPAs. Most continuing education in the past three years has been related to accounting and auditing.

Professional Experience: Timothy has over twenty years of experience with local public accounting firms in Colorado.

Timothy has provided audit and consulting services to various industries during his career in public accounting, including governments, and not for profit organizations as well as public and non-public companies in the manufacturing, software, and consulting industries.

Timothy is currently responsible for audits of counties, cities, school districts and charter schools of varying sizes in Colorado.

Timothy has performed internal control and policies and procedures reviews and presented recommendations to management and governing boards.



Engagement Team (Continued)

Ariel Fuqua **Senior In-charge Auditor**

(T) (303) 796-1000

(F) (303) 796-1001

Ariel.F@HinkleCPAs.com

Engagement Responsibility: Ariel's will work with Jim Hinkle as the Senior In-Charge Auditor and is responsible for completing the detailed audit work.

Education: B.S. Accounting, Western Governors University, Salt Lake City, UT., B.S. Music Performance, Metropolitan State University of Denver, Denver, Colorado.

Current Responsibilities: Associate Auditor for the Colorado practice in the public accounting firm of Hinkle & Company, PC.

Other Related Training/Education: Currently studying for the CPA exams and taking continuing education related to governmental accounting and auditing.

Professional Experience: Ariel has worked with Hinkle & Company since January of 2023 working mostly in the audit area with some tax experience.

Ariel has over 13 years of professional experience in client-based services where she has managed teams, developed correspondences, developed training programs and solved client issues.

Ariel has provided audit, financial and consulting services to various industries during her career in accounting, including governments, school districts, charter schools and not for profit organizations.



Engagement Team (Continued)

Kinsey Fields Staff Auditor

(T) (303) 376-7257
(F) (303) 796-1001

kinsey.f@hinklecpas.com

Engagement Responsibility: Kinsey will work with Ariel Fuqua as the Staff Auditor and will be responsible for completing the detailed audit work and audit lead with all interim and final fieldwork procedures.

Education: B.S. Accounting, Washburn University, Topeka, Kansas.

Current Responsibilities: Senior Staff Auditor for the Colorado practice in the public accounting firm of Hinkle & Company, PC.

Other Related Training/Education: Kinsey is pursuing her Master's in Accounting at Metropolitan University of Denver.

Professional Experience: Kinsey has 2 years of professional experience in accounting.

During college, Kinsey was an athlete and assistant coach of the NCAA Division II – Metropolitan University of Denver Tennis Team.



Exhibits

Attached are the following exhibits which are considered an integral part of this proposal.

Exhibit 1	Client References
Exhibit 2	Peer Review Report
Exhibit 3	Firm & CPA Licenses
Exhibit 4	Proof of Professional Liability Insurance
Exhibit 5	Schedule of Professional Fees

Summary

We would like to thank you for this opportunity to be considered for your auditing needs and to provide you with information about Hinkle & Company, PC. We are confident our successful track record in the completion of audits of similar governmental agencies has demonstrated that we possess the qualifications, competencies, and capacity to satisfy the requirements for the Town of Johnstown's financial and single audit, on time and on budget. If you have any questions, we invite you to please contact us. We are excited about submitting this proposal and we are asking for the opportunity to provide you with professional audit and compliance services. Thank you!



Exhibit 1– Client References

<u>Organization Name/Audit type</u>	<u>Contact</u>	<u>Telephone</u>
Town of Berthoud Audit	Cindy Leach Director of Finance & Human Resources cleach@berthoud.org	(970) 344-5877
Town of Morrison Audit	Ariana Neverdahl Town Clerk aneverdahl@morrisonco.us	(303) 697-8749
Town of Windsor Audit	Dean Moyer Finance Director dmoyer@windsorgov.com	(970) 674-2418
Weld County Audit/ACFR	Chris D'Ovidio Controller (Received GFOA Certificate) cdovidio@weldgov.com	(970) 400-4447
City of Golden Audit/ACFR	Stephanie Novello Deputy Director of Finance (Received GFOA Certificate) snovello@cityofgolden.net	(303) 384-8021


**Example/samples of audit of financial statements and ACFR reports are available on referenced client websites.




Exhibit 2 - Peer Review



Finley & Cook, PLLC 

405-878-7300 

Finley-Cook.com 

1421 East 45th Street 
Shawnee, OK 74804

Report on the Firm's System of Quality Control

To the Partners of Hinkle & Company, PC and
the Peer Review Committee of the Oklahoma Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Hinkle & Company, PC (the "firm") in effect for the year ended September 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants ("Standards").

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. 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 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. 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.

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.

Exhibit 2 - Peer Review

To the Partners of Hinkle & Company, PC and
the Peer Review Committee of the Oklahoma Society of CPAs
Page -2-

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Hinkle & Company, PC in effect for the year ended September 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Hinkle & Company, PC has received a peer review rating of *pass*.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
August 30, 2023

December 04, 2023

James Hinkle
Hinkle & Company PC
5028 E 101st ST Ste A
Tulsa, OK 74137-5821

Dear James Hinkle:

It is my pleasure to notify you that on November 30, 2023, the Oklahoma Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is March 31, 2026. This is the date by which all review documents should be completed and submitted to the administering entity. Since your due date falls between January and April, you can arrange to have your review a few months earlier to avoid having a review during tax season.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

OSCPA Peer Review Committee

Peer Review Committee
peerreview@oscpa.com
1-800-522-8261 ext. 3810

cc: Danny Bledsoe

Firm Number: 900010140928

Review Number: 601404

Exhibit 3 - Firm & CPA Licenses



Lookup Detail View

Licensee Information

This serves as primary source verification* of the license.

*Primary source verification: License information provided by the Colorado Division of Professions and Occupations, established by 24-34-102 C.R.S.

Name	Public Address
Hinkle & Company PC	James D. Hinkle 8400 E Crescent Pkwy Ste 600 Greenwood Village, CO 80111-2842

Credential Information

License Number	License Method	License Type	License Status	Original Issue Date	Effective Date	Expiration Date
FRM.5000345	Firm Registration	Public Accounting Firm	Active	12/20/2017	09/01/2023	08/31/2026

Supervision

Relationship	Supervisor/Supervisee	License	Start Date	Relationship Type
Supervised By	James Douglas Hinkle	CPA.0034804	12/20/2017	Responsible Individual

Board/Program Actions

Discipline
There is no Discipline or Board Actions on file for this credential.

Generated on: 10/24/2023 11:36:19 AM

Exhibit 3 - Firm & CPA Licenses



Lookup Detail View

Licensee Information

This serves as primary source verification* of the license.

*Primary source verification: License information provided by the Colorado Division of Professions and Occupations, established by 24-34-102 C.R.S.

Name	Public Address
James Douglas Hinkle	Greenwood Village, CO 80111

License Information

Colorado Certificate holders passed the AICPA Ethics course within 2 years immediately preceding their Colorado application and achieved a minimum score of 90%. Colorado does not provide exam scores. Licensees can obtain their exam score from NASBA, for a fee, by visiting www.nasbastore.org (https://nasbastore.org/index.php?main_page=document_product_info&cPath=248&products_id=1096).

Minimum Training Requirements on the Date of First Issue:

- Prior to 7/1/2015 = 150 hours of education OR 120 hours of education + 1 year of work experience (1800 hours verified by a CPA)
- After 7/1/2015 = 150 hours of education + 1 year of work experience (1800 hours verified by a CPA)

License Number	License Method	License Type	License Status	Original Issue Date	Effective Date	Expiration Date
CPA.0034804	Reciprocity	Certified Public Accountant	Active	09/20/2017	12/01/2021	11/30/2023

Supervision

Relationship	Supervisor/Supervisee	License	Start Date	Relationship Type
Supervises	Hinkle & Company PC	FRM.5000345	12/20/2017	Responsible Individual

Board/Program Actions

Discipline
There is no Discipline or Board Actions on file for this credential.

Exhibit 3 - Firm & CPA Licenses



Lookup Detail View

Licensee Information

This serves as primary source verification* of the license.

*Primary source verification: License information provided by the Colorado Division of Professions and Occupations, established by 24-34-102 C.R.S.

Name	Public Address
Timothy Andrew Ahopelto	Denver, CO 80236

License Information

Colorado Certificate holders passed the AICPA Ethics course within 2 years immediately preceding their Colorado application and achieved a minimum score of 90%. Colorado does not provide exam scores. Licensees can obtain their exam score from NASBA, for a fee, by visiting www.nasbastore.org (https://nasbastore.org/index.php?main_page=document_product_info&cPath=248&products_id=1096).

Minimum Training Requirements on the Date of First Issue:

- Prior to 7/1/2015 = 150 hours of education OR 120 hours of education + 1 year of work experience (1800 hours verified by a CPA)
- After 7/1/2015 = 150 hours of education + 1 year of work experience (1800 hours verified by a CPA)

License Number	License Method	License Type	License Status	Original Issue Date	Effective Date	Expiration Date
CPA.0021210	Examination	Certified Public Accountant	Active	09/26/2001	12/01/2021	11/30/2023

Board/Program Actions

Discipline
There is no Discipline or Board Actions on file for this credential.

Generated on: 10/24/2023 11:41:29 AM

Exhibit 3 - Firm & CPA Licenses



Lookup Detail View

Licensee Information

This serves as primary source verification* of the license.

*Primary source verification: License information provided by the Colorado Division of Professions and Occupations, established by 24-34-102 C.R.S.

Name	Public Address
Janae Cheri Jensen	8390 E. Crescent Parkway, Suite 600 Greenwood Village, CO 80111

License Information

Colorado Certificate holders passed the AICPA Ethics course within 2 years immediately preceding their Colorado application and achieved a minimum score of 90%. Colorado does not provide exam scores. Licensees can obtain their exam score from NASBA, for a fee, by visiting www.nasbastore.org (https://nasbastore.org/index.php?main_page=document_product_info&cPath=248&products_id=1096).

Minimum Training Requirements on the Date of First Issue:

- Prior to 7/1/2015 = 150 hours of education OR 120 hours of education + 1 year of work experience (1800 hours verified by a CPA)
- After 7/1/2015 = 150 hours of education + 1 year of work experience (1800 hours verified by a CPA)

License Number	License Method	License Type	License Status	Original Issue Date	Effective Date	Expiration Date
CPA.0027174	Examination	Certified Public Accountant	Active	02/06/2009	12/01/2021	11/30/2023

Board/Program Actions

Discipline
There is no Discipline or Board Actions on file for this credential.

Generated on: 10/24/2023 11:42:26 AM



Exhibit 4 - Professional Liability Ins Policy & Workers Compensation CERTIFICATE OF LIABILITY INSURANCE

KROBERTS

DATE (MM/DD/YYYY)

1/22/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0C36861 Alliant Insurance Services, Inc. 5727 South Lewis Ste 420 Tulsa, OK 74105	CONTACT NAME: Kendal Roberts	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS: Kendal.Roberts@alliant.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Travelers Casualty Insurance Company of Americ		19046
INSURER B : Travelers Indemnity Company		25658
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

INSURED
Hinkle & Company, Pc
Attn: Jim Hinkle
5028 E 101st St, Suite A
Tulsa, OK 74137

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			680-1E515996-23-42	1/29/2024	1/29/2025	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	UB3K3549352442	2/19/2024	2/19/2025	PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$ 500,000
							E.L. DISEASE - EA EMPLOYEE	\$ 500,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Re: 750 West Hampden Ave., Suite 400, Englewood, CO 80110
 Account Number: 1500-89065

First Oklahoma Bank is included as Lenders Loss Payee when required by written contract.

CERTIFICATE HOLDER

CANCELLATION

First Oklahoma Bank
 PO Box 1370
 Jenks, OK 74037

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



Exhibit 4 - Professional Liability Ins Policy & Workers Compensation KROBERTS
CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/22/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0C36861 Alliant Insurance Services, Inc. 5727 South Lewis Ste 420 Tulsa, OK 74105	CONTACT NAME: Kendal Roberts PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: Kendal.Roberts@alliant.com														
INSURED Hinkle & Company, Pc 5028 E 101st St, Suite A Tulsa, OK 74137	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A : Travelers Casualty Insurance Company of Americ</td> <td>19046</td> </tr> <tr> <td>INSURER B : Travelers Indemnity Company</td> <td>25658</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Travelers Casualty Insurance Company of Americ	19046	INSURER B : Travelers Indemnity Company	25658	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A : Travelers Casualty Insurance Company of Americ	19046														
INSURER B : Travelers Indemnity Company	25658														
INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____			680-1E515996-23-42	1/29/2024	1/29/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y / N <input checked="" type="checkbox"/> N / A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			UB3K3549352442	2/19/2024	2/19/2025	<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER Hinkle & Company, PC for information purposes only	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	--

Exhibit 5 – Schedule of Professional Fees

Town of Johnstown, Colorado

Dollar Cost Proposal – Schedule of Professional Fees

Hinkle & Company, PC

Hinkle & Company, PC certifies that James D. Hinkle, CPA is entitled to represent the firm, is empowered to submit the bid, and authorized to sign a contract with the Town of Johnstown, Colorado.



James D. Hinkle, CPA

September 16, 2024

Date



Exhibit 5 – Schedule of Professional Fees

Estimated Staffing Needs

We have developed a budget of audit hours that includes a significant portion of time by our most seasoned team. We anticipate the estimated time proposed as follows:

	Estimated Hours**	Quoted Rates	Total
Jim Hinkle (Managing Partner)	20	150	\$ 3,000
Timothy Ahopelto (Partner)	35	140	4,900
Ariel Fuqua (Senior Auditor)	95	120	11,400
Kinsey Fields (Staff Auditor)	92	100	9,200
	<u>242</u>		<u>\$ 28,500</u>
*Out-of-Pocket expense			<u>None</u>
			<u>\$ 28,500</u>

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY2028</u>
Financial Audit	\$ <u>28,500</u>	\$ <u>28,500</u>	\$ <u>30,000</u>	\$ <u>30,000</u>	\$ <u>32,000</u>
Single Audit **	\$ <u>5,500</u>	\$ <u>5,500</u>	\$ <u>5,800</u>	\$ <u>5,800</u>	\$ <u>6,200</u>

* Out-of-pocket expenses (including transportation, meals, lodging and other travel related expenses) are included in the bid proposal.

** If a Single audit is required during any audit period, we anticipate compliance testing will add an additional 40-50 hours to the engagement and therefore, the fee will increase by the amount shown for each major program required to be audited, respectively.

Fees for services provided will be invoiced as work is completed on the engagement. We expect to send an invoice after interim work is complete, at the end of final fieldwork, and a final invoice upon issuance of the audit opinions.

Fees for Other Services

If additional (non-audit) services are required, the hourly rates for issues that reach beyond the scope of this agreement would be negotiated at the time and would be based upon the level of services requested. Any services requested on an hourly basis would be billed at \$175 per hour.

