

TOWN OF TIMNATH, COLORADO

RESOLUTION NO. 12, SERIES 2012

**A RESOLUTION APPROVING THE ENGAGEMENT LETTER
WITH CLIFTON, LARSON & ALLEN**

WHEREAS, the Town Council of the Town of Timnath ("Town") has the power to pass resolutions pursuant to C.R.S. § 31-15-103; and

WHEREAS, Council policy is that material agreements and other documents requiring formal Council approval should be approved by resolution; and

WHEREAS, attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF TIMNATH, COLORADO as follows:

Section 1. Repeal

The Town Council hereby approves the Agreement or Document and authorizes its execution by the Mayor, Manager, or other person authorized by Council adopted resolution or the Charter to sign Agreements or Documents.

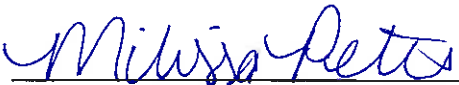
INTRODUCED, MOVED, AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF TIMNATH, ON APRIL 10, 2012,

TOWN OF TIMNATH, COLORADO

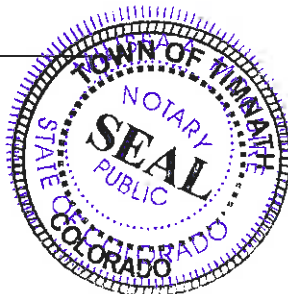


Jill Grossman-Belisle, Mayor

ATTEST:



Milissa Peters, Town Clerk





CliftonLarsonAllen LLP
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Greenwood Village, CO 80111
303-779-5710 | fax 303-779-0348
www.cliftonlarsonallen.com

April 6, 2012

Town of Timnath
4800 Goodman Street
Timnath, Colorado 80547

Dear Town Council,

We are pleased to serve you on this consulting engagement. The purpose of this letter is to confirm the terms of our agreement and to clarify the nature and extent of the services to be provided.

Christine Harwell will be the client partner responsible for these services to be provided to you. Kristin Baumgartner will also be assigned to your account. This arrangement assures that another person you know will be familiar with your operations. It also provides a person who can substitute for Christine should she not be available. We hope you will call either of these individuals when you believe the firm can be of assistance.

The services we will provide to the Town are outlined in Exhibit A of this agreement. Throughout our engagement, we will work with the appropriate Town personnel as well as other Town current consultants.

Our engagement will be conducted in accordance with Statements on Standards for Consulting Services established by the American Institute of Certified Public Accountants. If for any reason, we are unable to complete any of the services, we will describe any restrictions on the performance of the services in a report to Council.

We are not responsible for the preparation of any tax return, report to any governmental agency, or any other form, return, or report, or for providing advice not specifically recited in this letter.

This letter constitutes the entire agreement regarding services to be provided to you and to the parties specified in our report and supersedes all prior agreements, understandings, negotiations, and discussions between us, whether oral or written. This agreement may be supplemented by other written agreements

Because the procedures we will follow do not constitute an audit, we will not express an opinion on any reports issued during the course of our engagement. In addition, we have no obligation to perform any procedures beyond those described in this letter.

Town of Timnath
April 6, 2012
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The charges for our services are to be based upon the time involved, degree of responsibility assumed and skills required, plus expenses including travel and administrative charges. Monthly bills will be submitted to cover charges and expenses incurred for the previous month. If bill for services is not paid when due, we reserve the right to cease work and withdraw from the engagement.

We anticipate our fees for services included in this engagement will average between \$22,500 to \$24,000 per month. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

CliftonLarsonAllen LLP certifies that as of the date of this letter, it does not knowingly employ or contract with an illegal alien to perform work under this Agreement. We have confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participation in the Basic Pilot Program. The City may terminate this Agreement if we do not comply with the provisions of C.R.S. 8-17.5 – 102(2) and we shall be liable for actual and consequential damages to the City. We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102(5).

CliftonLarsonAllen LLP shall comply, to the extent required by law, with Article XXVIII, Sections 15 through 17 of the Colorado Constitution (also known as Amendment 54). Clifton Gunderson warrants that it is fully apprised of the provisions of Amendment 54.

The working papers for our engagement are the sole and exclusive property of CliftonLarsonAllen LLP and constitute confidential and proprietary information. We do not provide access to our work papers to you or anyone else in the normal course of business. Should we be ordered by a valid subpoena or other appropriate court order to provide access to or copies of our work papers, you agree to reimburse us for the time and out-of-pocket expense necessary to comply with such order.

We will do our uppermost to provide quality service to you. We do not anticipate any difficulties in meeting the expectations recited in this letter.

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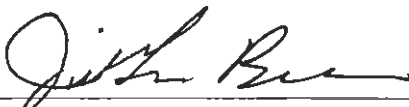
We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy to confirm your understanding and return it to us. If the need for additional services arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter.

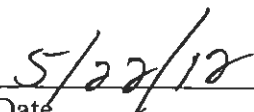
Very truly yours,



CLIFTONLARSONALLEN LLP

APPROVED:
Town of Timnath



Signature & Title

Date

Service Item	Service Description	Product Deliverable(s)	Targeted Completion
1	Accounting software review	Report to Council summarizing current software analysis and recommendations	April 30, 2012
2	Financial reporting	Accounting software generated financial statements	6/1/2012 (Assumes that current software used by Town will continue to be used going forward)
3	Policies (Phase 1)	Draft of policy for Council consideration and approval	June 1, 2012 May 15, 2012 May 15, 2012
	1.) Disaster Recovery Plan		July 1, 2012
	2.) Record retention and archiving		July 1, 2012
	3.) Elections		July 1, 2012
	4.) HR		June 15, 2012
	a.) Employee handbook		May 15, 2012
	b.) Expense reimbursement		May 15, 2012
	c.) Travel		May 15, 2012
	d.) Computer passwords		June 15, 2012
	5.) Purchasing (and bidding procedures)		June 15, 2012
	6.) Investments		May 15, 2012
	7.) Working reserve (unassigned fund balance)		May 15, 2012
	8.) Capital reserves		May 15, 2012
	9.) Debt		May 15, 2012
	10.) Capital Thresholds		May 15, 2012
	Furthermore, create standard policy template to be utilized for all future Town policies		
4	Internal controls and procedures	Written procedures and internal controls provided to Town staff	July 15, 2012
	Review and establish formal internal control procedures over Town financial related processes including:		July 15, 2012
	1.) Purchasing		July 15, 2012
	2.) Cash receipts		July 15, 2012
	3.) Cash disbursements		July 15, 2012
	4.) Wire transfers		July 15, 2012
	5.) Adjusting Journal entries		July 15, 2012
	6.) Accounts Receivable write-offs		July 15, 2012
5	Long-term cash projections	Long-term cash projections report provided to Council for review	August 15, 2012
6	Metropolitan Districts	Memo provided to Town staff regarding results of review	As needed
7	Any and all additionally agreed upon financial consulting services	To be determine	On-going