

This in-person location will meet the legal requirement for our open meetings.

We will have a virtual option available, but the technology for the hybrid style meeting may not be reliable all of the time.

**City of Stevens Point
Transportation Commission Meeting
January 13, 2025 - 5:00 PM**

Central Transportation
2700 Week Street, Stevens Point

or

Zoom Meeting:

<https://us06web.zoom.us/j/88465566941?pwd=YUwvRFJ1WmJ6ZTdyRGpGaWpoQytsdz09>

Dial by your location

+1 312 626 6799 US

Meeting ID: 884 6556 6941

Passcode: 12456

AGENDA

Discussion and Possible Action on:

1. Roll Call.
2. Approval of December 9, 2024 minutes.
3. Approval of December 2024 Financial/Claims Report.
4. Approval of services and terms relating to the Transportation Department as set forth in the Baker Tilly Engagement Letter.
5. Approval to allocate up to \$71,241 per bus for variances, delivery, and spare/tooling costs as part of the purchase of three buses.
6. Update on the Transportation System and Department.
7. Next Meeting Date - February 10, 2024 - 5:00pm.
8. Adjournment.

Meeting Rider

Any person who has special needs while attending this meeting or needing agenda materials for this meeting should contact the City Clerk as soon as possible to ensure a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569, TDD # 346-1556 or by mail at 1515 Strongs Ave., Stevens Point, WI 54481.

Copies of ordinances, resolutions, reports and minutes of the committee meetings are on file at the office of the City Clerk for inspection during normal business hours from 7:30 a.m. to 4:00p.m.

SPECIAL NOTICE

Please take notice that a quorum of the Common Council, City Boards/Commissions may attend this meeting.

**City of Stevens Point
Transportation Commission Meeting**

December 9, 2024 - 5:00pm
2700 Week Street, Stevens Point, Wisconsin
Or
Zoom Teleconferencing

Minutes

1. Roll Call

Present: Ald. Allison Birr, Tom Bertram

Present via Zoom: Heidi Oberstadt, Ald. Dean Shuda, Neil Prendergast

Others Present: Talin Scheuermann, Kaitlyn Wall

Not Present: Karalyn Peterson, Nichole Lysne

2. Approval of the October 14, 2024 minutes.

Ald. Allison Birr made a motion to approve the October 14, 2024 minutes. Ald. Dean Shuda seconded. All in favor; none opposed. Motion carried.

3. Approval of the October and November 2024 financial/claims report.

Ald. Allison Birr made a motion to approve the October and November 2024 financial/claims reports. Heidi Oberstadt seconded. All in favor; none opposed. Motion carried.

4. CY2025 fare structure approval.

Ald. Dean Shuda made a motion to approve the CY2025 fare structure as attached. Ald. Allison Birr seconded. All in favor; none opposed. Motion carried.

5. CY2025 5311/85.20 budget and grant application review and approval.

Neil Prendergast made a motion to approve the 5311/85.20 budget and grant application. Ald. Allison Birr seconded. All in favor; none opposed. Motion carried.

6. Next Meeting Date

January 13, 2025 – 5:00pm

Discussion on benches and infrastructure as well as staff update and route updates.

7. Adjournment

5:16pm

Meeting of the Transportation Commission

Finances:

Bank Balance as of December 1, 2024

1,752,671.89

Bank Deposits recorded in December 2024

425,740.39

2,178,412.28

Checks Issued since the last meeting:

12/06/2024	8240 Employee	Wages	1,501.31
12/06/2024	8241 Employee	Wages	1,832.02
12/03/2024	8242 United Way of Portage Cty	United Way	8.00
12/03/2024	8243 WI Council 32 Per Capita Tax Trust	Union Dues	419.79
12/06/2024	8244 Ascendance	Air Filter	109.87
12/06/2024	8245 Aspirus Medical Group, Inc.	Onsite Trainer	540.00
12/06/2024	8246 Batteries Plus LLC	Batteries	492.00
12/06/2024	8247 Cintas Corp #442	Uniforms FS supplies	183.42
12/06/2024	8248 City of Stevens Point	Workers Comp Premiums	2,592.42
12/06/2024	8249 Courtesy Cab	November subsidized taxi trips	877.50
12/06/2024	8250 Fastenal Company	Hose Clamps	57.54
12/06/2024	8251 Gillig LLC	Motor assembly for wiper	692.27
12/06/2024	8252 Halron Lubricants Inc	Windshield Wash	142.46
12/06/2024	8253 NAPA	Radiator Cap	26.81
12/06/2024	8254 TruckshopUSA	Gas shocks for doors	48.00
12/12/2024	8256 Ascendance	Filters	777.39
12/12/2024	8257 Cintas Corp #442	Uniforms FS supplies	284.65
12/12/2024	8258 City of Stevens Point	WRS, Fuel, Life insurance, health insuranc	65,632.11
12/12/2024	8259 Courtesy Cab	Subsidized Taxi Rides	771.00
12/12/2024	8260 Employee Resource	Monthly EAP	88.35
12/12/2024	8261 Halron Lubricants Inc	DEF	1,159.20
12/12/2024	8262 Kimball Midwest	sign covers	113.64
12/12/2024	8263 Marshfield Clinic	DOT randoms	115.00
12/12/2024	8264 Midwest Transit Equipment	Seat belt extenders	146.32
12/12/2024	8265 NAPA	headlights	84.95
12/12/2024	8266 O'Reilly Auto Parts	Belt	26.67
12/12/2024	8267 PassioTechnologies LLC - CID 253	Monthly subscription	911.50
12/12/2024	8268 Seon Systems Sales Inc.	Annual Subscription	1,020.00
12/12/2024	8269 Spectra Print	Route Maps	932.66
12/12/2024	8270 UWSP Printing & Design	Feb. bus passes	83.25
12/12/2024	8271 Wisconsin Mechanical Solutions, Inc.	Boiler Repair	625.00
12/20/2024	8272 Employee	Wages	1,501.31
12/20/2024	8273 Employee	Wages	1,481.20
12/17/2024	8274 United Way of Portage Cty	United Way	8.00
12/17/2024	8275 WI Council 32 Per Capita Tax Trust	Union Dues	419.79
12/20/2024	8276 Cintas Corp #442	Uniforms FS supplies	183.42
12/20/2024	8277 City of Stevens Point	IT	2,351.53
12/20/2024	8278 Fastenal Company	Light Bulbs	70.38
12/20/2024	8279 U.S. Bank	Facility/ Office Supplies/ Tools	3,146.34
12/30/2024	8280 Beaver of Wisconsin	V.P. Gun, Hose Sections	499.00
12/30/2024	8281 Cintas Corp #442	Uniforms FS supplies	436.90
12/30/2024	8282 City of Stevens Point	Workers Comp Premiums	2,603.25
12/30/2024	8283 Heartland Business Systems. LLC	Managed IT Services	340.00
12/30/2024	8284 NAPA	Washer Pump	43.98
12/30/2024	8285 Stevens Point Public Utilities	Water	3,381.82
12/30/2024	8286 TBR Plasma and Fab	Stainless Steel Step and Brackets	929.00
12/2/2024	Delta Dental	Insurance premiums	711.10
12/5/2024	Payroll	Payroll	58,808.69
12/5/2024	Volunteer Reimbursement	Volunteer Reimbursement	2,964.47
12/6/2024	IRS	Payroll Taxes - Fed	15,216.63
12/6/2024	WI Dept of Revenue	Payroll Taxes - State	2,638.17
12/12/2024	Verizon	Verizon Bill	135.18
12/16/2024	Great America Financ Services	Copier Lease	95.00
12/18/2024	Wisconsin Public Service	Utility Payment	2,012.42

12/19/2024	Payroll	Payroll	45,525.12
12/19/2024	Volunteer Reimbursement	Volunteer Reimbursement	2,821.90
12/20/2024	IRS	Payroll Taxes - Fed	15,350.40
12/20/2024	WI Dept of Revenue	Payroll Taxes - State	2,672.51
	Total of checks listed		<u>248,642.61</u>
	Balance on hand December 31, 2024		<u>1,929,769.67</u>
	Plus uncleared checks		11,883.33
	Less checks previously written clearing this month		-4,313.97
	Ending Cash Balance matching Bank Statements		<u><u>1,937,339.03</u></u>

November 26, 2024

Joel Lemke, Public Utilities Director
City of Stevens Point
Department of Public Utilities and Transportation
P.O. Box 242
Stevens Point, WI 54481-0282

Dear Mr. Lemke:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Stevens Point Department of Public Utilities and Transportation (Client, you, your).

Service and Related Report

We will audit the financial statements of the City of Stevens Point Department of Public Utilities and Transportation as of and for the years ended December 31, 2024, 2025, and 2026, and the related notes to the financial statements. Upon completion of our audit, we will provide the City of Stevens Point Department of Public Utilities and Transportation with our audit report on the financial statements and supplemental information referred to below. If, for any reasons caused by or relating to the affairs or management of the City of Stevens Point Department of Public Utilities and Transportation, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Plant Schedules
- > Detailed Operating Income Statements
- > Rate of Return - Regulatory Basis
- > Reconciliation of Revenues and Expenses to WISDOT and Federal Recognized Revenues and Expenses - Transit
- > Computation of the Deficit Distribution Among the Subsidy Grantors - Transit

November 26, 2024

Page 2

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement the City of Stevens Point Department of Public Utilities and Transportation's financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the City of Stevens Point Department of Public Utilities and Transportation's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- > Management's Discussion and Analysis
- > OPEB - related schedules
- > Pension - related schedules

Our report does not include reporting on key audit matters.

Our Responsibilities and Limitations

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The objective also includes reporting on:

- > Internal control related to the financial statements and compliance with laws, regulations and the provisions of contracts or grant agreements, noncompliance with which could have a direct and material effect on the financial statements in accordance with Government Auditing Standards.
- > Internal control related to major federal programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Guidelines. This will be reported for the City as a whole.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (i) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (ii) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

November 26, 2024

Page 3

We will be responsible for performing the audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and will include tests of accounting records and other procedures we consider necessary to enable us to express such an opinion and to render the required reports.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations and the provisions of grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*.

As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We will also:

- > Identify and assess the risks of material misstatement of the financial statements and supplemental information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- > Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements and supplemental information that we have identified during the audit.
- > Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements and supplemental information, including the disclosures, and whether the financial statements and supplemental information represent the underlying transactions and events in a manner that achieves fair presentation.
- > Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal controls, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse. Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Stevens Point Department of Public Utilities and Transportation and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards. We will also inform you of any other matters involving internal control, if any, as required by *Government Auditing Standards*.

November 26, 2024

Page 4

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and the *State Single Audit Guidelines*, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and major state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control over compliance issued pursuant to the Uniform Guidance and the *State Single Audit Guidelines*.

Also, if required by *Government Auditing Standards*, we will report known or likely fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse directly to parties outside of the City of Stevens Point Department of Public Utilities and Transportation.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Stevens Point Department of Public Utilities and Transportation's compliance with the provisions of applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and the *State Single Audit Guidelines* require that we also plan and perform the audit to obtain reasonable assurance about whether you have complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of test of transactions and other applicable procedures described in the OMB Compliance Supplement and the *State Single Audit Guidelines* for the types of compliance requirements that could have a direct and material effect on each of the City of Stevens Point Department of Public Utilities and Transportation's major programs. The purpose of those procedures will be to express an opinion on your compliance with requirements applicable to each of your major programs in our report on compliance issued pursuant to the Uniform Guidance and the *State Single Audit Guidelines*.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

November 26, 2024

Page 5

Management's Responsibilities

Our audit will be conducted on the basis that the City of Stevens Point Department of Public Utilities and Transportation's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, establishment, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met and;
- > For identifying all federal and state awards received and understanding and complying with the compliance requirements;
- > For the design, implementation, and maintenance of effective internal controls over compliance that provides reasonable assurance that the City of Stevens Point Department of Public Utilities and Transportation administers federal and state awards in compliance with the compliance requirements; and
- > To provide us with:
 - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
 - Additional information that we may request from management for the purpose of the audit; and
 - Unrestricted access to persons within the City of Stevens Point Department of Public Utilities and Transportation from whom we determine it necessary to obtain audit evidence.

You are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance and the *State Single Audit Guidelines*, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review before we begin fieldwork.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed above. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. You are also responsible for providing management's views on our current findings, conclusions and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are responsible for preparation of the schedule of expenditures of federal and the awards (including notes and noncash assistance received) in conformity with the Uniform Guidance and the *State Single Audit Guidelines*. You agree to include our report on the schedule of expenditures of federal and the awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and the awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal and the awards no later than the date the schedule of expenditures of federal and the awards is issued with our report thereon. Your responsibilities include acknowledging to us in a written representation letter that (a) you are responsible for presentation of the schedule of expenditures of federal and the awards in accordance with the Uniform Guidance and the *State Single Audit Guidelines*; (b) that you believe the schedule of expenditures of federal and the awards including its form and content, is fairly presented in accordance with the Uniform Guidance and the *State Single Audit Guidelines*; (c) that the methods of measurement or presentation have not changed from those used in the prior year (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and the awards.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Stevens Point Department of Public Utilities and Transportation complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

Management is responsible for informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time. Management is also responsible for informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Stevens Point Department of Public Utilities and Transportation; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

November 26, 2024
Page 7

Nonattest Services

Prior to or as part of our audit engagement, it may be necessary for either Baker Tilly US, LLP or Baker Tilly Advisory Group, LP to perform certain nonattest services. For purposes of this letter, nonattest services include services that *Government Auditing Standards* refers to as nonaudit services.

Nonattest services that we or Baker Tilly Advisory Group, LP will be providing are as follows:

- > Financial statement preparation, including SEFSA assistance
- > Adjusting journal entries
- > Utility rate consulting

None of these nonattest services constitute an audit under generally accepted auditing standards including *Government Auditing Standards*.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will not perform any management functions or make management decisions on your behalf with respect to any nonattest services provided.

In connection with our performance of any nonattest services, Baker Tilly US, LLP or Baker Tilly Advisory Group, LP agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services performed.
- > Evaluate the adequacy and results of the nonattest services performed.
- > Accept responsibility for the results of the nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

In addition to the audit services discussed above, we will compile the Public Service Commission Annual Report. See Addendum A attached, which is an integral part of this Engagement Letter.

Other Documents

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

Joel Lemke, Public Utilities Director
City of Stevens Point, Department of Public Utilities and Transportation

November 26, 2024

Page 8

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Stevens Point Department of Public Utilities and Transportation must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

At the conclusion of our engagement, we will complete the appropriate auditor sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to complete the auditee sections and to submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior year audit findings, auditors' reports and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include within the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of thirty (30) days after receipt of the auditors' reports or nine (9) months after the end of the audit period.

We will provide copies of our reports to the City of Stevens Point Department of Public Utilities and Transportation, however, management is responsible for distribution of the reports and the financial statements. Copies of our reports are to be made available for public inspection unless restricted by law or regulation or if they contain privileged and confidential information.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to federal or state agencies for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Baker Tilly personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records; so we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Stevens Point Department of Public Utilities and Transportation's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Stevens Point Department of Public Utilities and Transportation hereby authorizes us to do so.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. We previously sent you our most recent peer review report.

Timing and Fees

Our fee estimate is based on certain assumptions. Certain circumstances may arise during the course of our audit that could significantly affect the targeted completion date or our fee estimate, and additional fees may be necessary as a result. Such circumstances include but are not limited to the following:

- > Changes to the timing of the engagement initiated by the City of Stevens Point Department of Public Utilities and Transportation, which may require the reassignment of our personnel.
- > The City of Stevens Point Department of Public Utilities and Transportation's failure to provide all information requested by us (i) on the date requested, (ii) in the form acceptable to us, (iii) with no mathematical errors, and (iv) in agreement with the appropriate the City of Stevens Point Department of Public Utilities and Transportation records.
- > Significant delays in responding to inquiries made of the City of Stevens Point Department of Public Utilities and Transportation personnel, or significant changes in the City of Stevens Point Department of Public Utilities and Transportation accounting policies or practices, or in the City of Stevens Point Department of Public Utilities and Transportation's accounting personnel, their responsibilities, or their availability.
- > Significant delays or errors in the draft financial statements and necessary schedules prepared by the City of Stevens Point Department of Public Utilities and Transportation's personnel.
- > Implementation of new general ledger software or a new chart of accounts by the City of Stevens Point Department of Public Utilities and Transportation.
- > Significant changes in the City of Stevens Point Department of Public Utilities and Transportation's business operations, including business combinations, the creation of new entities, divisions, or subsidiaries within the City of Stevens Point Department of Public Utilities and Transportation, significant new employment or equity agreements, or significant subsequent events. Certain business transactions or changes in business operations or conditions, financial reporting, and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists.
- > New financing arrangements or modifications to existing financing arrangements, or significant new federal or state funding.
- > Significant deficiencies or material weaknesses in the design or operating effectiveness of the City of Stevens Point Department of Public Utilities and Transportation's internal control over financial reporting identified during the audit.
- > A significant level of proposed audit adjustments.
- > Issuance of additional accounting or auditing standards subsequent to or effective for the periods covered by this Engagement Letter.
- > Circumstances beyond our control.

For new business transactions or changes in business operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists. This includes matters such as business combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

Description	2024	2025	2026
Water	\$14,300	\$14,600	\$14,900
Wastewater	12,300	12,600	12,900
Stormwater	12,300	12,600	12,900
Transit	5,500	5,800	6,100
Airport	7,500	7,800	8,100
Fiber	2,500	2,800	3,100
Audit Subtotal	\$54,400	\$56,200	\$58,000
PSC Report	3,000	3,300	3,600
Single Audit*	15,000	16,000	17,000
TOTALS	\$72,400	\$75,500	\$78,600

*Single Audit pricing includes costs for one major federal and one major state program.

Invoices for these fees will be rendered each month as work progresses and are payable on presentation. Fees are payable upon presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until the account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. The City of Stevens Point Department of Public Utilities and Transportation will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Stevens Point Department of Public Utilities and Transportation agrees to be responsible for all expenses of collection including related attorneys' fees.

To the extent applicable, Baker Tilly's fees are exclusive of any federal, national, regional, state, provincial or local taxes, including any VAT or other withholdings, imposed on this transaction, the fees, or on Client's use of the Services or possession of the Deliverable (individually or collectively, the Taxes). All applicable Taxes shall be paid by Client without deduction from any fees owed by Client to Baker Tilly. In the event Client fails to pay any Taxes when due, Client shall defend, indemnify, and hold harmless Baker Tilly, its officers, agents, employees and consultants from and against any and all fines, penalties, damages, costs (including, but not limited to, claims, liabilities or losses arising from or related to such failure by Client) and will pay any and all damages, as well as all costs, including, but not limited to, mediation and arbitration fees and expenses as well as attorneys' fees, associated with Client's breach of this section.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information.

Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the Services require Baker Tilly to receive personal data or personal information from Client, Baker Tilly may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws. Baker Tilly's processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Client, such as Baker Tilly's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Client personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Client, Baker Tilly shall, unless otherwise permitted by applicable privacy law, (a) follow Client instructions; (b) not sell personal data or personal information collected from the Client or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Client's engagement and not for Baker Tilly's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Client to ensure compliance with applicable privacy laws. Client is responsible for notifying Baker Tilly of any applicable privacy laws the personal data or personal information provided to Baker Tilly is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein. Client further understands Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will co-process Client data as necessary to perform the Services, pursuant to the alternative practice structure in place between the two entities. Baker Tilly Advisory Group, LP maintains custody of client files for both entities. By executing this Engagement Letter, you hereby consent to the transfer to Baker Tilly Advisory Group, LP of all your Client files, workpapers and work product. Baker Tilly Advisory Group, LP is bound by the same confidentiality obligations as Baker Tilly US, LLP. Baker Tilly is responsible for notifying Client if Baker Tilly becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Client to take reasonable and appropriate steps to remediate personal data or personal information processing. Client agrees that Baker Tilly has the right to utilize Client data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

November 26, 2024

Page 12

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at dataprotectionofficer@bakertilly.com.

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Stevens Point Department of Public Utilities and Transportation, unless otherwise prohibited. In the event we are requested by the City of Stevens Point Department of Public Utilities and Transportation or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Stevens Point Department of Public Utilities and Transportation, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Stevens Point Department of Public Utilities and Transportation if disclosure of confidential information is necessary for peer review purposes.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Stevens Point Department of Public Utilities and Transportation with any other services you may find necessary or desirable.

Resolution of Disagreements

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

November 26, 2024

Page 13

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no prehearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

Limitation on Damages and Indemnification

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

Other Matters

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees, it is hereby agreed that the City of Stevens Point Department of Public Utilities and Transportation will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly for a period of twelve (12) months following the date of the conclusion of this engagement. If the City of Stevens Point Department of Public Utilities and Transportation violates this nonsolicitation clause, the City of Stevens Point Department of Public Utilities and Transportation agrees to pay to Baker Tilly a fee equal to the hired person's annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Joel Lemke, Public Utilities Director
City of Stevens Point, Department of Public Utilities and Transportation

November 26, 2024

Page 15

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Stevens Point Department of Public Utilities and Transportation by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Stevens Point Department of Public Utilities and Transportation and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Stevens Point Department of Public Utilities and Transportation's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Stevens Point Department of Public Utilities and Transportation's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

Joel Lemke, Public Utilities Director
City of Stevens Point, Department of Public Utilities and Transportation

November 26, 2024
Page 16

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Jodi Dobson, the professional on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Jodi Dobson is available at 608 240 2469, or at jodi.dobson@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP



The services and terms as set forth in this Engagement Letter are agreed to by:

Official's Name

Official's Signature

Title

Date

Report on the Firm's System of Quality Control

October 28, 2021

To the Partners of Baker Tilly US, LLP and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Baker Tilly US, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2021. 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 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 in conformity with 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 the system of quality control and the firm's compliance therewith 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; audits of employee benefit plans; audits performed under FDICIA; audits of broker-dealers; and examinations of service organizations [SOC 1® and SOC 2® engagements].

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 Baker Tilly US, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2021, 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*. Baker Tilly US, LLP has received a peer review rating of *pass*.

Moss Adams LLP

ADDENDUM A

We will perform the following services:

1. We will compile, from information you provide, the Public Service Commission Annual Report, including the balance sheets of the utility name, of the City of Stevens Point Department of Public Utilities and Transportation, as of December 31, 2024 and , and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2024. Upon completion of the Public Service Commission Annual Report, we will provide you with our accountants' compilation report. If for any reason caused by or relating to affairs or management of the City of Stevens Point Department of Public Utilities and Transportation, we are unable to complete the compilation or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to submit the Public Service Commission Annual Report to you as a result of this engagement.

Our report on the Public Service Commission Annual Report of the City of Stevens Point Department of Public Utilities and Transportation is presently expected to read as follows:

Management is responsible for the balance sheets of the utility name, an enterprise fund of the City of Stevens Point Department of Public Utilities and Transportation, as of December 31, 2024 and , and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2024 included in the accompany prescribed form. We have performed a compilation engagement in accordance with *Statements on Standards of Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements included in the prescribed form.

These financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Public Service Commission of Wisconsin, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Public Service Commission of Wisconsin and is not intended to be and should not be used by anyone other than this specified party.

Our Responsibilities and Limitations

We will be responsible for performing the compilation in accordance with *Statements on Standards for Accounting and Review Services* established by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements. We will utilize information that is the representation of management without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with GAAP.

Our engagement cannot be relied upon to disclose errors, fraud or other illegal acts that may exist and, because of the limited nature of our work, detection is highly unlikely. However, we will inform the appropriate level of management of any material errors, and of any evidence that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this Engagement Letter.

Management's Responsibilities

The City of Stevens Point Department of Public Utilities and Transportation's management is responsible for the financial statements referred to above. In this regard, management is responsible for (i) the preparation and fair presentation of the financial statements included in the form prescribed by the Public Service Commission of Wisconsin, (ii) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements, (iii) preventing and detecting fraud, (iv) identifying and ensuring that you comply with the laws and regulations applicable to its activities, and (v) making all financial records and related information available to us. Management also is responsible for identifying and ensuring that you comply with the laws and regulations applicable to its activities.

Management is responsible for providing us with the information necessary for the compilation of the financial statements and the completeness and the accuracy of that information and for making your personnel available to whom we may direct inquiries regarding the compilation. We may make specific inquiries of management and others about the representations embodied in the financial statements.

PRICE VARIANCE
12/3/2024
STEVENS POINT, WI OFF STATE OF WISCONSIN (WISDOT) - RFP #510475
(3) 29' LOW FLOOR DIESEL BUSES, SN: TBD

ITEM	STATE OF WISCONSIN	STEVENS POINT, WI	VARIANCE
STYLING PACKAGE	STANDARD LOW FLOOR	STANDARD LOW FLOOR	-
ENGINE	CUMMINS L9, 280 HP	CUMMINS L9, 280 HP	-
ENGINE OIL FILTER	FLEETGUARD	FLEETGUARD	-
ENGINE COOLANT	PEAK FLEET CHARGE	PEAK FLEET CHARGE	-
ENGINE FUEL FILTER	FLEETGUARD	FLEETGUARD	-
ENGINE STARTER	DELCO 42MT	DELCO 42MT	-
ENGINE AIR RESTRICTION INDICATOR	DONALDSON INFORMER (RBX00-2277)	DONALDSON INFORMER (RBX00-2277)	-
ENGINE BLOCK HEATER	NOT INCLUDED	NOT INCLUDED	-
ENGINE RADIATOR	MODINE FRAMELESS / PANEL MOUNT E-FAN SYSTEM	MODINE FRAMELESS / PANEL MOUNT E-FAN SYSTEM	-
E-COAT RAD/CAC	NOT INCLUDED	REQUIRED	1,245.00
RADIATOR TANK GUARD	NOT INCLUDED	NOT REQUIRED	-
ALTERNATOR	NIEHOFF C803D (525 AMP)	NIEHOFF C803D (525 AMP)	-
TRANSMISSION	ALLISON B400R	ALLISON B400R	-
TRANSMISSION FUEL ECONOMY PACKAGE	FUELSENSE 2.0	FUEL SENSE 2.0 MAX	125.00
AXLE BRAKES	DRUM, W/S-CAM	DRUM, W/S-CAM	-
AXLE HUB SEALS	C/R OIL SEALS	C/R OIL SEALS	-
WHEEL MOUNTING	HUB PILOTED	HUB PILOTED	-
HUBODOMETER	NOT INCLUDED	NOT REQUIRED	-
AUTO TRACTION CONTROL	INCLUDED	REQUIRED	-
WHEELS	(6) STEEL WHITE POWDER COATED WHEELS	(6) STEEL WHITE POWDER COATED WHEELS	-
TIRES	(6) GILLIG PROVIDED GOOD YEAR B275/70R22.5, G652 RTB, METRO MILLER	(6) GILLIG FURNISHED, GOOD YEAR RTB METRO (275/70R 22.5)	1,659.00
STEERING WHEEL	20" NON-PADDED 3 SPOKE WEHEEL	20" NON-PADDED 3 SPOKE WEHEEL	-
ELECTRIC STEERING ASSIST	NOT INCLUDED	ZF ReAX REQUIRED	3,058.00
FUEL FILL	EMCO WHEATON FAST FILL FLIP-CAP	GRAVITY FILL	(358.00)
FUEL GAUGE - DASH	NOT INCLUDED	REQUIRED	150.00
ENGINE COMPARTMENT GAUGES	ELECTRIC - OIL PRESSURE & COOLING TEMP	ELECTRIC - OIL PRESSURE, COOLING TEMP & HOURMETER	63.00
REAR HAND THROTTLE	NOT INCLUDED	REQUIRED	185.00
REAR SWAT SWITCH	NOT INCLUDED	REQUIRED	250.00
AIR DRYER	SKF H.C. DUAL TURBO-2000, 24V, HEATED	SKF H.C. DUAL TURBO-2000, 24V, HEATED	-
ENGINE SKID PROTECTION	NOT INCLUDED	NOT REQUIRED	-
ELECTRICAL TOW CONNECTION	NOT INCLUDED	NOT REQUIRED	-
BATTERIES	(2) DEKA 8D	(2) DEKA 8D	-
BATTERY JUMP START CONNECTOR	REAR, ANDERSON 350 (AT MAIN ENGINE DOOR)	REAR, ANDERSON 350 (AT MAIN ENGINE DOOR)	-
A-POST SKID PLATES	NOT INCLUDED	NOT REQUIRED	-
WHEELCHAIR RAMP	LIFT-U, LU-18	LIFT-U, LU-18	-
HVAC SYSTEM	THERMO KING T14	THERMO KING T14	-
HVAC MOTORS	EBM BRUSHLESS	EBM BRUSHLESS	-
HVAC COMPRESSOR	X430	X430	-
HVAC REFRIGERANT	R134A	R134A	-
HVAC DIGITAL PRESSURE DISPLAY	INCLUDED	REQUIRED	-
DRIVERS HEATER MOTORS	MCC BRUSHLESS	MCC BRUSHLESS	-
FRESH AIR MAKE-UP	NOT INCLUDED	NOT REQUIRED	-
AUXILIARY COOLANT HEATER	NOT INCLUDED	SPHEROS THERMO 230 (80,000 BTU), W/ENGINE PREHEAT OPTION	3,713.00
FRONT STEP HEATER /THRESHOLD	NOT INCLUDED	REQUIRED	685.00
EXIT DOOR HEATER	NOT INCLUDED	NOT REQUIRED	-
UNDERSEAT HEATER-STREET SIDE	NOT INCLUDED	NOT REQUIRED	-
DASH MOUNTED DRIVERS FAN	NOT INCLUDED	(1) REQUIRED	128.00
EXTERIOR FRONT DOOR VALVE	NOT INCLUDED	NOT REQUIRED	-

PRICE VARIANCE
12/3/2024
STEVENS POINT, WI OFF STATE OF WISCONSIN (WISDOT) - RFP #510475
(3) 29' LOW FLOOR DIESEL BUSES, SN: TBD

ITEM	STATE OF WISCONSIN	STEVENS POINT, WI	VARIANCE
FRONT DOOR	40" SLIDE-GLIDE, AIR OPEN / AIR CLOSE	40" SLIDE-GLIDE, AIR OPEN / AIR CLOSE	-
REAR DOOR	34" SWING OUT, AIR OPEN / SPRING CLOSE	34" SWING OUT, AIR OPEN / SPRING CLOSE	-
REAR DOOR CONTROLS	5 POSITION ANALOG CONTROLLER, FULL DRIVERS CONTROL	5 POSITION ANALOG CONTROLLER, FULL DRIVERS CONTROL	-
33"H UPPER & 11"H LOWER, W/ (2) FANS & SOUTHCO LATCHES	44" TALL, W/ (2) FANS	33"H UPPER & 11"H LOWER, W/(2) FANS & SOUTHCO LATCHES	221.00
EXTERIOR AD FRAMES	NOT INCLUDED	NOT REQUIRED	-
INTERIOR AD FRAMES	NOT INCLUDED	NOT REQUIRED	-
PASSENGER SEATS	AMSECO INSIGHT PRIME W/ A.R.M, Q'STRAIT BELTS	USSC CITISEATS, ALL PERIMETER (LONGITUDINAL) SEATING W/ V-PRO, Q'STRAIT BELTS	9,823.00
REAR SEAT RISERS FOR FWD FACING SEATS	NOT INCLUDED	NOT REQUIRED	-
FRONT WHEELWELL VERTICAL STANCHIONS	NOT INCLUDED	REQUIRED - SS & CS	275.00
DRIVERS SEAT	RECARO ERGO METRO AM80, W/ HEADREST & 2-PT BELT	RECARO ERGO METRO, W/ HEADREST, 3 PT BELT & SEAT BELT ALARM	330.00
SEAT CUSHION ALARM	NOT INCLUDED	NOT REQUIRED	-
SEAT BELT ALARM	NOT INCLUDED	REQUIRED	195.00
PASSENGER SIGNALS	PULL CORD	PULL CORD	-
STOP REQUEST AT REAR DOOR STANCHION	INCLUDED	NOT REQUIRED	(50.00)
STOP REQUEST LAMP AT DASH	NOT INCLUDED	NOT REQUIRED	-
DRIVERS BARRIER	1-PC FLAT MELAMINE	1-PC FLAT MELAMINE	-
DRIVERS PROTECTION BARRIER	NOT INCLUDED	NOT REQUIRED	-
MODESTY PANEL FORWARD OF REAR DOOR	NOT INCLUDED	NOT REQUIRED	-
DISPLAY/ INFORMATION / SCHEDULE HOLDERS	NOT INCLUDED	OBIC 19/21 4P 2 L (W/OUT CUSTOM LOGO)	495.00
OVERHEAD GRAB STRAPS	INCLUDED - (10) SSTL	REQUIRED - (10) NYLON	(525.00)
PASSENGER WINDOWS	AROW STD FRAME / FULL FIXED	AROW FULL HEIGHT SLIDERS W/STD FRAME	3,120.00
HEADLAMPS	LED LOW BEAMS & HALOGEN HIGH BEAMS	LED LOW BEAMS & HALOGEN HIGH BEAMS	-
STOP/TAIL/TURN/BACK UP LAMPS	4" ROUND DIALIGHT LED	4" ROUND DIALIGHT LED	-
REAR CAP GRILLE LOWER CENTER MOUNTED AUXILIARY STOP LAMPS	(2) 4" RED LED LAMPS	(2) 4" RED LED LAMPS	-
INTERIOR LAMPS	LED I/O CONTROLS	LED I/O CONTROLS	-
PLEASURE RADIO	NOT INCLUDED	NOT REQUIRED	-
2-WAY RADIO & ANTENNA	NOT INCLUDED	NOT REQUIRED	-
DRIVERS SPEAKER	INCLUDED	REQUIRED	-
PA SYSTEM	STD REI	STD REI	-
CAD / AVL SYSTEM	NOT INCLUDED	NOT REQUIRED	-
HAND MICROPHONE	INCLUDED	REQUIRED	-
BOOM MIC	INCLUDED	REQUIRED	-
HEATED FRONT GLAZING	NOT INCLUDED	NOT REQUIRED	-
DESTINATION SIGNS	HANOVER AMBER - FRONT & CURBSIDE W/ EG4 CONTROLLER	HANOVER AMBER - FRONT & CURBSIDE W/ EG4 CONTROLLER	-
REAR RUN SIGN	NOT INCLUDED	NOT REQUIRED	-
DASH MTD FRONT RUN SIGN	NOT INCLUDED	NOT REQUIRED	-
FAREBOX	PRE-WIRE ONLY	NOT REQUIRED	-
FAREBOX GUARD	INCLUDED	REQUIRED	-
CEILING MTD FAREBOX LAMP	INCLUDED	REQUIRED	-
TRANSFER CUTTER	NOT INCLUDED	NOT REQUIRED	-
MANUAL PASSENGER COUNTER	NOT INCLUDED	NOT REQUIRED	-
FLOORING COVERING MANUFACTURE	ALTRO	ALTRO	-
COMPOSITE FLOORING	NOT INCLUDED	NOT REQUIRED	-

PRICE VARIANCE
12/3/2024
STEVENS POINT, WI OFF STATE OF WISCONSIN (WISDOT) - RFP #510475
(3) 29' LOW FLOOR DIESEL BUSES, SN: TBD

ITEM	STATE OF WISCONSIN	STEVENS POINT, WI	VARIANCE
ROOF HATCHES	FRONT & REAR - MANUAL	FRONT & REAR - MANUAL W/GRAY TINTED GLASS	398.00
EXTERIOR MIRRORS	SS: 10X11, 1-PC, W /MANUAL CONTROLS, NON-HEATED CS: 10X11, 1-PC, W /REMOTE CONTROLS, HEATED	SS: 10X11, 2-PC, W /REMOTE CONTROLS, HEATED CS: 10X11, 2-PC, W /REMOTE CONTROLS, HEATED	394.00
STANCHIONS AND GRAB RAILS	SSTL	SSTL	-
SUNSHADE	STREETSIDE ONLY, AUTO-MOTION SHADE, CORD RELEASE	STREETSIDE ONLY, AUTO-MOTION SHADE, CORD RELEASE	-
FIRE SUPPRESSION SYSTEM	NOT INCLUDED	AMEREX V-25	3,963.00
TRAFFIC LIGHT PREEMPTION	NOT INCLUDED	NOT REQUIRED	-
VIDEO SURVEILLANCE SYSTEM	NOT INCLUDED	SEON- 8 CAMERA SYSTEM COMPLETE INSTALL	15,246.00
BIKE RACK	NOT INCLUDED	SPORTWORKS DL2 SSTL	1,930.00
BIKE RACK - AD FRAME	NOT INCLUDED	NOT REQUIRED	-
BIKE RACK MIRROR	NOT INCLUDED	NOT REQUIRED	-
BIKE RACK DEPLOYED LAMP	NOT INCLUDED	NOT REQUIRED	-
MEDICAL AID KIT	NOT INCLUDED	NOT REQUIRED	-
BLOODBORN PATHOGEN KIT	NOT INCLUDED	REQUIRED	36.00
DRIVERS DASH GAUGES	AIR PRESSURE, SPEEDOMETER, OIL PRESSURE & COOLANT TEMP	I/O MULTI FUNCTION DASH DISPLAY (MFD II)	3,804.00
ADJUSTABLE PEDALS	NOT INCLUDED	NOT REQUIRED	-
CUP HOLDER	NOT INCLUDED	NOT REQUIRED	-
EXTERIOR PAINT	(1) COLOR	(4) COLORS	8,250.00
EXTERIOR GRAPHICS	BUS #'S ONLY	BUS #'S ONLY	-
CLEAR COAT	NOT INCLUDED	NOT REQUIRED	-
ROOF NUMBERS	NOT INCLUDED	NOT REQUIRED	-
WARRANTY (BASIC BUS)	12 MONTHS / 50,000 MILES	12 MONTHS / 50,000 MILES	-
WARRANTY (BODY STRUCTURAL)	36 MONTHS / 150,000 MILES	36 MONTHS / 150,000 MILES	-
WARRANTY (STRUCTURAL INTEGRITY CORROSION)	144 MONTHS / 500,000 MILES	144 MONTHS / 500,000 MILES	-
WARRANTY (ENGINE - L9)	24 MONTHS / UNL MILES	24 MONTHS / UNL MILES	-
WARRANTY (TRANSMISSION B400R)	24 MONTHS / UNL MILES	24 MONTHS / UNL MILES	-
WARRANTY (ALL OTHERS)	BASE COVERAGE PER STATE OF WISCONSIN CONTRACT	BASE COVERAGE PER STATE OF WISCONSIN CONTRACT	-
GILLIG TRAINING	NOT INCLUDED	ADDITIONAL GILLIG TRAINING (1 WEEK / 24HRS) \$5,000 / 3 BUSES	1,667.00
TOTAL STEVENS POINT, WI VARIANCES			60,475.00
STATE OF WISCONSIN 29' LOW FLOOR DIESEL BASE UNIT PRICE (SEPTEMBER 2023)			524,360.00
DELIVERY			4,869.00
STEVENS POINT, WI 29' LOW FLOOR DIESEL BASE UNIT PRICE			589,704.00
SPARE / TOOLING BUDGET (1%)			5,897.00
STEVENS POINT, WI 29' LOW FLOOR DIESEL BUS CURRENT PRICE (12/3/2024)			595,601.00

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