

STATEMENT OF WORK

May 5, 2025

Beth King, Acting City Clerk - Treasurer
City of Roy
216 McNaught Rd S
PO Box 700
Roy, WA 98580-0700

Dear Beth:

This Statement of Work ("SOW") is made pursuant to the Agreement, dated May 5, 2025, between City of Roy and Clark Nuber P.S. and is effective as of the date hereof. The terms and conditions of the Agreement are incorporated into this Statement of Work by reference, and include any and all entities listed as of the signing date of the Agreement and any entities created thereafter which are listed in this SOW. Capitalized terms used, but not defined, in this SOW have the meanings set forth in the Agreement.

We appreciate the opportunity to serve City of Roy. Mitch Hansen will be the Shareholder in charge of the work we perform for the Client, assisted by Senior Manager Lauren Hausner and other professionals. This Statement of Work confirms our understanding of the services you have asked Clark Nuber to provide to the Client and the terms and conditions under which our firm agrees to perform those services.

We will compile, from information you provide, the Washington State Auditor's Office (SAO) Budget, Accounting, and Reporting System (BARS) cash basis annual report of the Client as of and for the year ended December 31, 2024, and issue an accountant's report thereon in accordance with the "compilation standards" as set forth in the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, to ask our permission to do so. 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 any assurance that there are no material modifications that should be made to the financial statements in order for the



T: 425-454-4919
T: 800-504-8747
F: 425-454-4620

10900 NE 4th St
Suite 1400
Bellevue, WA
98004

clarknuber.com

statements to be in conformity with the applicable financial reporting framework. Under these professional standards, the accuracy of the Client's financial statements is the responsibility of the Client's management, not Clark Nuber.

We will not audit or review such financial statements. A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical procedures, or other procedures performed in a review. Consequently, the information provided by management will not be verified, corroborated, reviewed and/or audited. Additionally, a compilation does not contemplate obtaining an understanding of the entity's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Therefore, a compilation does not provide a basis for expressing any level of assurance on the financial statements being compiled. Accordingly, no form of assurance will be given on the financial statements. Because we are performing our compilation work as accountants rather than auditors, you agree that you will not record or describe our services as an audit or "auditing" in your minutes or other books of record. Consequently, the financial statements and our report thereon will not satisfy any of the requirements by regulatory or governmental agencies for an audit report.

Our report on the annual financial statements of City of Roy is expected to read as follows:

Management is responsible for the accompanying financial statements of City of Roy, which are expected to comprise:

- Fund Resources and Uses Arising from Cash Transactions
- Fiduciary Fund Resources and Uses Arising from Cash Transactions
- Notes to Financial Statements
- Schedule 01
- Schedule 06 – Summary of Bank Reconciliation
- Schedule 09 – Schedule of Liabilities
- Schedule 16 – Schedule of expenditures of Federal Awards
- Schedule 16 Notes – Notes to the Schedule of Expenditures of Federal Awards
- Schedule 17 – Public Works
- Schedule 19 – Labor Relations Consultant(s)

as of December 31, 2024, in accordance with SAO BARS. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial

statements nor were we required to perform any procedures to verify the accuracy or the 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.

If management elects to omit substantially all disclosures, we will include an additional paragraph that will read as follows:

Management has elected to omit substantially all of the disclosures required by SAO BARS. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Client's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

If management elects to include supplementary information to accompany the basic financial statements, we will include an additional paragraph that will read as follows:

The supplementary information on pages [XX] through [XX] is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

You agree that Beth King will serve as the Client's representative with suitable skill, knowledge and experience responsible for reviewing and approving all planned nonattest services to be provided by Clark Nuber including preparation of financial statements along with any additional nonattest services that may be agreed to.

We estimate our fee for this engagement will be \$19,500 plus any out-of-pocket expense we might incur, based on the assistance of your personnel and assuming no significant accounting problems arise.

We will include a technology, data security, and administrative support fee of 5% of the amount invoiced. This charge covers services and costs such as processing fees, data security, and technology innovation. Travel and direct out of pocket costs will be billed separately and are not included in the 5% charge.

Beth King
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Clark Nuber PS

Prior to the start of any project, your engagement manager from Clark Nuber will be contacting the applicable point person at the Client regarding the key project milestones and outlining the key dates. You agree that delay in meeting the key project milestones, key dates and/or our originally scheduled start date or providing inaccurate or incomplete information may require us to charge additional professional fees and/or reschedule your engagement at our next available time. Should your engagement need to be rescheduled, your specific time deadlines, including tax and government filings, may go unmet.

You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards and additional fees to be charged.

We accept responsibility to advise you only on such matters for which we have been expressly engaged in this SOW. If you have any questions or comments regarding the scope of our services, please contact us immediately. We will be happy to work with you to define the scope of our services and to confirm that scope of services in writing. However, you agree we are not responsible for services for which we have not been expressly engaged in writing.

In addition to the specific services described above, we may from time to time respond to your routine requests for advice, services, or information which may not be specifically described in this SOW. We will bill you separately for such services at our standard hourly rates.

If the foregoing correctly states our agreement with the Client for services, please follow the link and prompts to approve the terms of this SOW electronically. Alternatively, you may print, sign and return the SOW.

We are pleased to have this opportunity to serve you.

Sincerely,

Clark Nuber P.S.

Certified Public Accountants

The services and terms for their performance described in this SOW are in accordance with the Client's requirements and are acceptable to and agreed to by the Client, which has authorized me to sign this SOW on its behalf.

Authorized Signature

Date