



December 2, 2019

Kerry Beghin
Sauk County
505 Broadway Street
Baraboo, WI 53913

Dear Kerry:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the Affordable Care Act reporting services CliftonLarsonAllen LLP (CLA) will provide for Sauk County ("you," "your," or "the entity") for the year ended December 31, 2019. This letter will serve as an agreement made by and between CLA and the entity.

Scope of services

We will provide reporting services to help satisfy your obligations under Internal Revenue Code sections 6056 and 6055. Our services will include the following:

Information return preparation services

- Prepare Forms 1094-C and 1095-C ("information returns")
- Mail 1095-C forms to employees
- File information returns with Internal Revenue Service (IRS)

Information return preparation services

We will prepare the entity's information returns in accordance with the applicable income tax laws. The forms will be completed based on employee demographic and insurance premium data received from the entity.

Upon request of the entity, CLA shall make its resources available to provide additional financial, regulatory, and operational consulting services to the entity. The terms and fees of such an engagement would be documented in a separate engagement letter.

Management responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate information returns. We will have no obligations with regard to a particular calendar year until you have provided such information to us. Management agrees it is solely responsible for the accuracy, completeness, and reliability of the data and information that it provides CLA for the engagement.

Management is also responsible for the determination of employee status, for health coverage offerings, and for providing data to CLA in an agreed-upon format in accordance with current laws and regulations.

Our information return preparation services will include electronically transmitting Forms 1094-C and 1095-C to the Internal Revenue Service on your behalf. Approval and authorization for us to provide this service will be

made in a separate communication. You will be required to provide us written approval and authorization. (An email is acceptable documentation.)

Approval and authorization for us to mail the 1095-C forms to your employees will also be made in a separate communication. You will be required to provide us written approval and authorization. (An email is acceptable documentation.)

For all nonattest services we may provide to you, including these reporting services, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services. You are responsible to carefully review the returns that we prepare on your behalf before signing and submitting them to the Internal Revenue Service. We will advise you with regard to tax positions taken in the preparation of the returns, but the responsibility for the returns remains with you.

Engagement limitations

Our engagement cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. We will not audit or otherwise verify the accuracy or completeness of the information we receive from you, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

We have no responsibility to ensure the entity's practices, systems, or reports comply with applicable laws or regulations, all of which remain your sole responsibility.

Tax examinations

All returns are subject to potential examination by the Internal Revenue Service. In the event of an examination, we will be available, at your request, to assist you. Services in connection with tax examinations are not included in our fee for preparation of your information returns. Our fee for such services will be billed to you separately, along with any direct costs.

Record retention

You are responsible for retaining all documents, records, or other evidence in support of information and amounts reported on your information returns. These items may be necessary in the event the Internal Revenue Service examines or challenges your returns. These records should be kept for at least seven years. Your copy of the information returns should be retained indefinitely.

In preparing the information returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files

will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of the entity.

Communications and confidentiality

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

CLA uses subcontractors/vendors to perform services under this agreement, and they will have access to your information and records. Any such subcontractors/vendors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Consent to send you publications and other materials

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your return information. Such information includes the entity name and address as well as the business and financial information you provided to us.

By signing and dating this engagement letter, you authorize CLA to use the information that you provide to CLA during the preparation of your information returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the engagement letter.

Deliverables, timing, and personnel

We will mail the forms 1095-C to the employees by the extended due date (March 2nd) of the year following the year to which the Form 1095-C relates and will electronically file the Forms 1094-C and 1095-C with the IRS by the due date, provided we receive the requested information by February 10, 2020.

Generally Forms 1094-C and 1095-C must be filed by March 31, if filing electronically, of the year following the calendar year to which the return relates.

Professional fees

Our professional fees for these services are estimated below:

Professional services	Professional Fees
efile Form 1094-C and 669 Forms 1095-C	\$3,700

Any changes in the number of forms between years will increase or decrease your fees accordingly. Additionally, we will also bill for a technology and client support fee of five percent (5%) of all professional fees billed.

Unless it is included in the scope of services section, our agreement to prepare Forms 1095-C and 1094-C does not include responding to IRS notices or penalties. Any assistance required would be separate from this engagement.

Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and will be due and payable within 30 days of receipt of an invoice from CLA. Finance charges of one and one-quarter percent (1.25%) per month will be added to any past due amounts. CLA has the right to immediately terminate our services if payment of our invoices is not made to us in a timely manner. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Limitations

You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party") and that this limitation of remedies provision is governed by the laws of the state of Wisconsin, without giving effect to choice of law principles.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this engagement agreement, but any recovery on any such claim shall not exceed the portion of the total fees actually paid by you to CLA that corresponds to the particular service(s) that give(s) rise to the claim (i.e., the specific service(s) that a CLA party performed in such a manner as to cause CLA to be liable to you).

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the shorter of these periods ("Limitation Period"):

- For information return preparation services, separately within thirty-six (36) months after the date when we deliver any final information return(s) under this agreement to you on which the dispute is based, regardless of whether any CLA party provides other services for you or relating to said return(s).

- For consulting services, separately within thirty-six (36) months from the date of our last billing for each service on which the dispute is based.
- For all information return preparation and consulting services, within twelve (12) months from the date when you terminate this or any other engagement of our services.

The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

Scope of agreement

This agreement applies to all aspects of our relationship and to any other or additional services CLA may render to the entity at any time, unless they are covered by a separate written agreement that the entity and CLA both sign.

Termination of agreement

Either party may terminate this agreement at any time by giving written notice to the other party. In that event, the provisions of this agreement shall continue to apply to all services rendered prior to termination.

Agreement

Please sign and date the enclosed copy of this letter to confirm our agreement and return it to us via email or fax no later than December 16, 2019:

- Email to Julie.Pulda@claconnect.com
- Fax to Julie Pulda at 920-731-8037

If you have any questions, please contact Paula Heid at 920-996-1133. We are looking forward to working with you.

Sincerely,

CliftonLarsonAllen LLP

A handwritten signature in black ink that reads "Paula Heid, CPA". The signature is written in a cursive, flowing style.

Paula A. Heid, CPA
Manager
920-996-1450
paula.heid@claconnect.com

Acceptance and acknowledgement

On behalf of Sauk County, I acknowledge that the terms of this agreement accurately state our understanding with CLA, and agrees to be bound by them.

Authorized Signature: _____

Title: _____

Date: _____

