



STAFF REPORT

Meeting Date: April 16, 2015

Agenda Item #: 6

TO: Mayor and Town Council
FROM: Bonnie Schwerd, Finance Director
THRU: Susan Parker, Town Administrator
TITLE: Audit Contract
ATTACH: Proposed Contract Documents

Summary: North Carolina requires all Towns to have an annual audit performed. It must then be submitted to the Local Government Commission (LGC).

Discussion: The Town contracted with Thompson, Price, Scott, Adams & Co., P.A. for the FYE 2014 audit. A proposed contract for FY 2015 auditing services is included in the contract format prescribed by the LGC. If approved by Town Council, the contract must go to the LGC for approval prior to the start of any audit work. A change to this year's format is that it includes a place for Discretely Presented Component Units (DPCU) to complete if the unit is also being audited by the same audit firm. The Town's DPCU, the ABC Board engaged a different auditor last year, so this part of the contract is purposely left blank since they will be completing their own contract with their auditor.

The Town will need to contract separately for Pension Attestation services since the Town has been selected by the state as one of the governmental units that must have this additional service for the FY 2015. A proposed contract for this service will be provided for Town Council review in a future meeting.

Fiscal/Policy Implication(s): The contract rate is the same amount as last year; \$16,500 for the audit and \$1000 for financial statements preparation. This has been included in the FY 2015-2016 budget.

Recommendation: Staff recommends the approval of this proposed contract.