



Legislation Details (With Text)

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File created:	5/14/2020	In control:		Board of Aldermen	
On agenda:	6/2/2020	Final action:			
Title:	Independent Audit Contract for Fiscal Year Ending June 30, 2020 PURPOSE: To award contract for the Town's annual independent audit for the fiscal year ending June 30, 2020.				
Indexes:					
Code sections:					
Attachments:	1. Attachment A - Resolution to Award Audit Contract for FY20, 2. Attachment B - FY20 Audit Engagement Letter and Contract				

Date	Ver.	Action By	Action	Result
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Independent Audit Contract for Fiscal Year Ending June 30, 2020

PURPOSE: To award contract for the Town's annual independent audit for the fiscal year ending June 30, 2020.

DEPARTMENT: Finance

CONTACT INFORMATION: Cary McNallan, 918-7301

INFORMATION: The Local Government Budget and Fiscal Control Act (LGBFCA) requires each local government to prepare an annual financial report on their financial position at the end of the fiscal year and financial results of operations. The LGBFCA also requires that this financial report be audited by an independent certified public accountant.

Dixon Hughes Goodman LLP, the Town's independent auditor, has submitted a contract to audit the Town's accounts and letter of engagement for the fiscal year ending June 30, 2020. The audit cost is \$53,000.00, compared to \$51,490.00 last year. Depending upon the total expenditures of state and/or federal funds (e.g. Powell Bill Funds, federal grants, etc.), the Town may be required to have one or more single audits prepared. The cost for a single audit is \$3,000 for up to two major programs and \$1,800 for any additional major program thereafter. At the request of the Town, Dixon Hughes Goodman LLP has included preparation of the Town's annual financial statements at an additional cost of \$3,100.00.

FISCAL & STAFF IMPACT: The total cost for audit and financial statement preparation will not exceed \$60,900.00, if no more than three major programs require audits. Funds for the cost of the annual audit, single audits and financial statement preparation have been requested in the Finance Department's FY 2020-21 General Fund operating budget.

RECOMMENDATION: That the Council: 1) award a contract to Dixon Hughes Goodman LLP for a total cost not to exceed \$60,900.00 for independent audit of Town accounts, preparation of single audits if

necessary, and preparation of annual financial statements for fiscal year ending June 30, 2020; and, 2) authorize the Mayor to sign the Audit Contract and Letter of Engagement as required by the North Carolina Local Government Commission.