COUNCIL MEETING
MAY 18, 2026
6:30 P.M.

ORDER OF BUSINESS

1. **PLEDGE TO FLAG**
2. **INVOCATION**
3. **APPROVAL OF AGENDA**
4. **CONSENT AGENDA ITEMS**
5. **PUBLIC HEARING**
   i. **ORDINANCE** to Amend The Wilson's Mills Unified Development Ordinance
6. **1st OPEN FORUM**
7. **REGULAR BUSINESS:**

   a. MAYOR FLETA BYRD

   b. TOWN ADMINISTRATOR - Leighanna Worley
      i. Presentation of Fiscal Year 2026-2027 Budget and Budget Message
      ii. Call Public Hearing - Approve Funds and Raise Revenue - Fiscal Year 2026-2027

   c. FINANCE DEPARTMENT - Connie Lassiter
      i. Award Contract for Audit Services

   d. PLANNING DEPARTMENT - Wendy Oldham
      i. Update Town of Wilson's Mills Fee Schedule - Special Use Permit
      ii. Appointment of Planning Board Member

   e. POLICE DEPARTMENT - Chief Williams
      i. CONTRACT for School Resource Officers

   f. COUNCILMEMBER COMMENTS

8. **2nd OPEN FORUM**
9. **CLOSED SESSION**
   a. 143-318.11a(3) *"...consult with attorney..."*
10. **ADJOURNMENT**

AN ORDINANCE TO AMEND
THE WILSON'S MILLS UNIFIED DEVELOPMENT ORDINANCE

WHEREAS, the Town has prepared an amended Unified Development Ordinance, hereinafter described, as duly filed with the Town; and

WHEREAS, the Planning Board held a public meeting on February 23, 2026 and the Town Council held a public hearing on May 18, 2026 to receive public comment and input on the amended Unified Development Ordinance; and

WHEREAS, newspaper notice publications were carried out for the public hearing pursuant to G.S. § 160D-602 and the Unified Development Ordinance; and

WHEREAS, the Planning Board submitted its recommendation to the Town Council recommending approval of said amendment that was generally consistent with the Town's Adopted Comprehensive Plan; and

WHEREAS, the Wilson's Mills Town Council also finds that the approval of the proposed text amendments in are reasonable and in the public interest.

BE IT ORDAINED BY THE TOWN COUNCIL:

Section 1: The Unified Development Ordinance of the Town of Wilson's Mills is hereby amended as identified in UDO Binder dated May 18, 2026, in Town Clerk's office.

Section 2: The Town Clerk is hereby authorized and directed to cause the said Unified Development Ordinance for the Town of Wilson's Mills, North Carolina, to be physically revised and amended to reflect the changes ordained by this Ordinance.

Section 3: After reviewing all the information presented, the Wilson's Mills Town Council finds the text amendment request generally consistent with the Comprehensive Plan, and reasonable, and in the public interest.

Section 4: All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed. If any section, paragraph, subdivision, clause, or provision of this ordinance shall be adjudged invalid, such adjudication shall apply only to such section, paragraph, subdivision, clause, or provision so adjudged and the remainder of the ordinance shall be deemed valid and effective.

THIS THE 18th DAY OF MAY 2026

____

FLETA A. BYRD, Mayor

ATTEST:

____

EMILY MATTHEWS , CMC, Town Clerk

Request for Council Action

Agenda Item 7c(i)

TO: Mayor Fleta Byrd and Town Council Members
FROM: Connie Lassiter, Finance Director
DATE: May 18, 2026
ITEM: Request For Proposal for Audit Services

ITEM SUMMARY:

The Town solicited proposals from qualified auditors for the Town's annual independent audit for fiscal years 2026, 2027 and 2028. The Town's most recent auditor is Sharpe Patel CPA. The Town received four (4) proposals from the following firms:

1. Thompson, Price, Scott, Adams & Co., P.A.
2. Sharpe Patel CPA
3. Travis Hardee CPA
4. AAPG, LLP

Connie Lassiter, Finance Director, reviewed and rated each proposal on the following criteria:

1. Approach to audit quality
2. Team knowledge and experience
3. Unique qualifications
4. Scope and pricing of engagement

All proposals are attached for Council review.

STAFF RECOMMENDATION: Based on all factors evaluated the recommendation is to award the audit contract for three years to Thompson, Price, Scott, Adams & Co., P.A.

ACTION REQUESTED:
Move to award a three-year contract for audit services to Thompson, Price, Scott, Adams & Co., P.A. for a price contract of $13,500 for FY2026, $13,500 for FY2027 and $13,500 for FY2028, plus an additional $3,000 when a single audit is required.

Proposal to Provide Auditing Services

WILSON'S MILLS
NORTH CAROLINA

Section 1:
Profile of the Firm

Due : April 27, 2026 3:00 PM

PRESENTED BY:

Thompson, Price, Scott, Adams & Co., P.A.

TOWN OF WILSON'S MILLS
North Carolina

Proposal to Provide Auditing Services
For the Years Ending June 30, 2026 Through 2028

SECTION 1:
Profile of the Firm

SUBMITTED BY:

Thompson, Price, Scott, Adams & Co., P.A.

PO Box 398
1626 S. Madison St.
Whiteville, NC 28472
910-642-2109

CONTACT PERSON:

(The individual authorized to conduct negotiations and discuss the proposal)

Alan Thompson, Partner

DUE DATE: APRIL 27, 2026 3:00 PM

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

TABLE OF CONTENTS

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

Thompson, Price, Scott, Adams & Co, P.A.
P.O. Box 398
1626 S Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
regory S. Adams, CPA

April 20, 2026

Town of Wilson's Mills, Finance Department
Attn: Connie Lassiter, Finance Director
4083 Wilson's Mills Rd.
PO Box 448
Wilson's Mills, NC 27593

Re: Request for Proposal for Audit Services for the Town of Wilson's Mills

Dear Ms. Lassiter:

Thompson, Price, Scott, Adams & Co, P.A., hereinafter called the "Auditor" is pleased to submit this proposal to provide professional auditing services for the Town of Wilson's Mills, hereinafter called the "Town" We are confident that our specialized experience in governmental auditing will provide the Town with an accurate, timely, and valuable audit that adheres to all regulatory requirements. Having served North Carolina local governments for over four decades, our firm understands the unique fiscal challenges and regulatory reporting requirements facing growing municipalities in our state.

Our primary objective is to provide a thorough, efficient audit that ensures compliance with North Carolina General Statutes and the requirements of the Local Government Commission. We offer the Town more than just a compliance check; we provide a partnership rooted in transparency and technical expertise.

By selecting the Auditor, the Town will benefit from:

- Governmental Specialization: Our firm's practice is heavily concentrated in the public sector, ensuring your audit is handled by professionals who speak the language of fund accounting and the Local Government Budget and Fiscal Control Act.
- Proactive Communication: We believe in year-round availability. Our team is accessible to your finance staff throughout the year to discuss the impact of new GASB pronouncements or internal control improvements.
- Commitment to Deadlines: We are fully prepared to meet the December 31st submission deadline, ensuring the Town remains in good standing with the LGC.

Alan Thompson will serve as the engagement partner and is authorized to represent the Auditor and bind us to the terms of this proposal. We are independent of the Town as defined by the Government Auditing Standards issued by the Comptroller General of the United States.

We appreciate the opportunity to present our qualifications and look forward to the possibility of working with the Town. If you have any questions regarding this proposal, please contact me directly at 910-642-2109 or alanthompson@tpsacpas.com.

Sincerely,

Alan Thompson, Managing Partner

Section 1 – Profile of the Firm

1. Indicate the Audit firm's North Carolina office location(s) that will handle the audit.

This audit will be conducted from the Whiteville office. The partner in the Wilmington office and his staff will be available if needed.

2. Indicate the number of people (by level) located within the Audit firm's local office that will handle the audit.

Audit Team

Alan Thompson., CPA,	Engagement Partner
Brandy Turbeville, CPA	Audit Manager - oversees both financial and compliance audits
Ronnie Creech	Senior Staff - assists in financial audit testing
Hunter Wiseman	Senior Staff - assists in financial audit testing
Sophie Chen, CPA	Senior Staff - compliance auditor

3. Provide a list of the audit firm's local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.

CURRENT & PRIOR AUDIT CLIENTS

GOVERNMENT	AUDIT TYPE	YEARS AUDITED
Anson County	**SA**	**2015-2025**
Beaufort County	**SA**	**2019-2025**
Caswell County	**SA**	**2017-2025**
Cleveland County	**SA**	**2018-2025**
Craven County	**SA**	**2020-2025**
Edgecombe County	**SA**	**2020-2025**
Georgetown County (SC)	**SA**	**2020-2025**
Granville County	**SA**	**2020-2025**
Hertford County	**SA**	**2017-2025**
Hyde County	**SA**	**2015-2025**
Johnston County	**SA**	**2003-2025**
Lee County	**SA**	**2015-2025**
Nash County	**SA**	**2017-2025**
Northampton County	**SA**	**2016-2025**
Richmond County	**SA**	**1999-2025**
Stanly County	**SA**	**2017-2025**
Vance County	**SA**	**2017-2025**
Washington County	**SA**	**2019-2025**
Yadkin County	**SA**	**2018-2025**
Town of Caswell Beach	**YB**	**2010-2025**
Town of Cerro Gordo	**YB**	**2001-2025**
Town of Godwin	**STD**	**2019-2025**
Town of Leland	**SA**	**2015-2025**
City of Henderson	**SA**	**2018-2025**
City of New Bern	**SA**	**2019-2025**
City of Whiteville	**YB**	**2010-2025**

CURRENT & PRIOR AUDIT CLIENTS (Cont.)

Granville County TDA	STD	2020-2025
Johnston County Tourism	STD	2003-2025
Nash County TDA	STD	2017-2025
Northampton TDA	STD	2016-2025
Ocracoke Township TDA	STD	2015-2025
Town of Leland TDA	STD	2017-2025
Vance County TDA	STD	2020-2025
Yadkin County TDA	STD	2018-2025
Albemarle Regional Solid Waste	STD	2021-2025
SE Brunswick Sanitary District	SA	1999-2025
Stanly County Water & Sewer	STD	2017-2025
Albemarle Commission	STD	2009-2025
High-Country COG	SA	2015-2025
Mid-Carolina Council of Govts	STD	2003-2025
Upper Coastal Plain COG	SA	2015-2025
Clay County Schools	SA	2020-2025
Edgecombe Co Board of Ed	SA	2012-2025
Florence School District Four	SA	2021-2025
Hertford County Schools	SA	2009-2025
Hyde County Schools	SA	2020-2025
Thomas Academy	SA	2014-2024
Whiteville City Schools	SA	2006-2025
Memorial Gardens (Granville)	SA	2020-2025
Johnston County Airport	STD	2003-2025
App Health District	SA	2018-2025
Albemarle Regional Health System	SA	2021-2025
Stanly County Visitors Bureau	NP	2017-2025
Lumbee Regional Development	NP	2019-2025
Brunswick Transit Authority	NP-SA	2018-2025
Boys & Girls Homes	NP	1987-2024
SCC Foundation	YB	2002-2025

4. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.

<u>**Additional Services Provided**</u>

Brunswick ABC Board	Bookkeeping & Payroll	10+ years
West Columbus ABC Board	Bookkeeping & Payroll	5 years
Town of Fair Bluff	Bookkeeping & Payroll	7 years
Town of Brunswick	Bookkeeping	10+ years
Town of Tabor City	Bookkeeping	10+ years
Town of Boardman	Bookkeeping	10+ years
Town of Sandy field	Bookkeeping	10+ years
Town of Bolton	Bookkeeping	5 years

In addition to audit services, we provide bookkeeping and payroll services for several local municipalities and 2 ABC Boards, as well as preparation of individual, business, and non-profit tax returns, medical billing services, and financial advisory services. Auditing makes up 45% of services provided.

5. Describe your audit organization's participation in AICPA sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.

Quality Control Program

Quality Control comprises the methods used to make sure that the firm meets its professional responsibilities to clients. Thompson, Price, Scott, Adams & Co., P.A. has created these methods to be completed during and at the end of each engagement. The most significant step is our review process, which consists of:

- Engagement Review
- Partner Review
- Independent Staff Review
- Peer Review (Every Three Years)

Engagement Review

This review is conducted by the in-charge accountant. Its objective is to ensure that all audit programs are supported by evidential matter and that proper audit documentation is in place.

Partner Review

The primary purpose of this review is to determine that the financial statements are fairly presented, and all compliance issues have been addressed based on the type of engagement.

Independent Staff Review

Before issuance of the audit report, an independent firm member reviews the work papers and financial statements to determine if any material errors have been made.

Monitoring

For the two years between peer review years, we perform in-house monitoring, which is structured similar to peer review. Our offices select engagements to review, and we use the AICPA Peer Review checklist to assist in reviewing the engagements. Any findings or recommendations are discussed with personnel.

Peer Review

Every three years we are required to allow an outside Certified Public Accountant or Firm to review our quality control procedures and to actually review selected work papers and issued financial statements. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Thompson, Price, Scott, Adams & Co, P.A.'s most recent peer review report was for the year ending December 2022. The firm received a Pass. (Copy of report follows).

Bernard Robinson & Company, L.L.P.

Report on the Firm's System of Quality Control

June 27, 2023

To the Partners of Thompson, Price, Scott, Adams & Co, P.A.
and the Peer Review Committee of the North Carolina
Association of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Thompson, Price, Scott, Adams & Co, P.A. (the firm) in effect for the year ended December 31, 2022. 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 and complying with a system of quality control 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 a compliance audit under the Single Audit Act.

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 Thompson, Price, Scott, Adams & Co, P.A. in effect for the year ended December 31, 2022, 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*. Thompson, Price, Scott, Adams & Co, P.A. has received a peer review rating of *pass*.

Bernard Robinson & Company, L.L.P.

BERNARD ROBINSON & COMPANY, L.L.P.

1501 Highwoods Blvd., Ste. 300 (27410)
P.O. Box 19608 | Greensboro, NC 27419
P: 336-294-4494 • F: 336-294-4495
brccpa.com

6. Describe the professional experience in governmental audits of each senior and higher-level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Relevant experience and education with the new GASBS reporting requirements should be clearly communicated.

Normally the engagement partner and/or audit manager will be on site 35%-50% of the time required to complete fieldwork. The remainder of the listed staff will be there 100% of the time required to complete fieldwork. We hope to receive as much information as possible electronically through our portal and organizer.

Our firm is committed to the proactive implementation of new and evolving **GASB** standards. We ensure that our clients are prepared for reporting shifts well before the LGC's December 31st deadline. Our recent and ongoing implementation experience includes:

- **GASB Statement No. 101, Compensated Absences:** We are currently assisting clients with the transition from GASB 16 to GASB 101 for the 2024-25 fiscal year. This includes re-evaluating leave types (sick, vacation, and PTO) under the new "more likely than not" recognition threshold and ensuring opening balances are accurately adjusted.
- **GASB Statement No. 102, Certain Risk Disclosures:** For the upcoming fiscal year, our team is already working with Finance Directors to identify reportable **concentration** (e.g., major taxpayers or employers) and **constraints** (e.g., legislative, or contractual limitations) to ensure full transparency in the notes to the financial statements.
- **GASB Statement No. 100, Accounting Changes and Error Corrections:** We have implemented an enhanced disclosure framework for reporting changes in accounting principles and prior-period adjustments, ensuring clear communication to the Town's stakeholders.
- **GASB Statement No. 96, SBITAs:** Our team has completed successful audits of Subscription-Based Information Technology Arrangements, assisting towns in identifying and valuing IT assets.

ALAN W. THOMPSON, CPA – ENGAGEMENT PARTNER – AUDITS PERFORMED

GOVERNMENT	YEARS	POSITION
Anson County	8	Engagement Partner
Beaufort County	4	Engagement Partner
Cleveland County	5	Engagement Partner
Craven County	3	Engagement Partner
Edgecombe County	3	Engagement Partner
Georgetown County SC	3	Engagement Partner
Granville County	3	Engagement Partner
Hertford County	6	Engagement Partner
Hyde County	8	Engagement Partner
Johnston County	19	Engagement Partner
Lee County	7	Engagement Partner
Nash County	6	Engagement Partner
Northampton County	7	Engagement Partner
Person County	1	Engagement Partner
Richmond County	20	Engagement Partner
Rockingham County	1	Engagement Partner
Scotland County	1	Engagement Partner
Stanly County	6	Engagement Partner
Vance County	6	Engagement Partner
Washington County	4	Engagement Partner
Yadkin County	5	Engagement Partner
Town of Blowing Rock	1	Engagement Partner
town of Butner	1	Engagement Partner
Town of Caswell Beach	12	Engagement Partner
Town of Cerro Gordo	21	Engagement Partner
Town of East Arcadia	25	Engagement Partner
Town of Godwin	3	Engagement Partner
Town of Hope Mills	9	Engagement Partner
Town of Lake Waccamaw	19	Engagement Partner
Town of Leland	7	Engagement Partner
Town of Smithfield	5	Engagement Partner

GOVERNMENT	YEARS	POSITION
Town of Woodland	2	Engagement Partner
City of Conover	1	Engagement Partner
City of Henderson	4	Engagement Partner
City of Laurinburg	1	Engagement Partner
City of Lumberton	3	Engagement Partner
City of Morganton	1	Engagement Partner
City of New Bern	4	Engagement Partner
City of Southport	4	Engagement Partner
City of Whiteville	13	Engagement Partner
Clay County Schools	3	Engagement Partner
Edgecombe County BOE	11	Engagement Partner
Hertford County BOE	14	Engagement Partner
Hyde County Schools	3	Engagement Partner
Old Main Stream Academy	1	Engagement Partner
Pender County BOE	14	Engagement Partner
Thomas Academy	9	Engagement Partner
Whiteville City Schools	13	Engagement Partner
Albemarle Commission	14	Engagement Partner
High Country COG	8	Engagement Partner
Mid-Carolina COG	16	Engagement Partner
Upper Coastal Plain COG	8	Engagement Partner
Western Piedmont COG	1	Engagement Partner
Albemarle Regional Sold Waste	1	Engagement Partner
Southeast Brunswick Sanitary District	23	Engagement Partner
Stanly County Water & Sewer Auth.	6	Engagement Partner
Granville County TDA	3	Engagement Partner
Johnston County TDA	20	Engagement Partner
Leland TDA	6	Engagement Partner
Nash County TDA	6	Engagement Partner
Northampton County TDA	7	Engagement Partner
Ocracoke Township TDA	8	Engagement Partner
Person County TDA	1	Engagement Partner
Vance County TDA	3	Engagement Partner
Yadkin County TDA	5	Engagement Partner
Albemarle Regional Health Services	1	Engagement Partner
Appalachian District Health Dept.	5	Engagement Partner
Granville-Vance District Health Dept.	1	Engagement Partner
South Granville Memorial Gardens	3	Engagement Partner
Johnston County Airport Authority	20	Engagement Partner
Lumberton Airport Commission	3	Engagement Partner
Stanly County Visitors Bureau	6	Engagement Partner

BRANDY TURBEVILLE, CPA – AUDIT MANAGER – AUDITS PERFORMED

Government Audits	Years	Position
Anson County	4 Years	Audit Manager/Lead Auditor
Beaufort county	1 Year	Audit Manager/Lead Auditor
Caswell County	3 Years	Audit Manager/Lead Auditor
Cleveland County	2 Years	Audit Manager/Lead Auditor
Hertford County	3 Years	Audit Manager/Lead Auditor
Hyde County	5 Years	Audit Manager/Lead Auditor
Johnston County	15 Years	Audit Manager/Lead Auditor
Lee County	5 Years	Audit Manager/Lead Auditor
Nash County	3 Years	Audit Manager/Lead Auditor
Northampton County	4 Years	Audit Manager/Lead Auditor
Richmond County	15 Years	Audit Manager/Lead Auditor
Stanly County	3 Years	Audit Manager/Lead Auditor
Vance County	3 Years	Audit Manager/Lead Auditor
Washington County	1 Year	Audit Manager/Lead Auditor
Yadkin County	2 Years	Audit Manager/Lead Auditor
Edgecombe County Schools	8 Years	Audit Manager/Lead Auditor
Hertford County Schools	10 Years	Audit Manager/Lead Auditor
Pender County Schools	10 Years	Audit Manager/Lead Auditor
Thomas Academy	6 Years	Audit Manager/Lead Auditor
Whiteville City Schools	15 Years	Audit Manager/Lead Auditor
Town of Caswell Beach	10 Years	Audit Manager/Lead Auditor
Town of Hope Mills	7 Years	Audit Manager/Lead Auditor
Town of Leland	5 Years	Audit Manager/Lead Auditor
Town of Smithfield	3 Years	Audit Manager/Lead Auditor
City of Henderson	2 Years	Audit Manager/Lead Auditor
City of Whiteville	10 Years	Audit Manager/Lead Auditor
Albemarle Commission	10 Years	Audit Manager/Lead Auditor
High Country COG	5 Years	Audit Manager/Lead Auditor
Mid-Carolina COG	14 Years	Audit Manager/Lead Auditor
Upper Coastal Plain COG	5 Years	Audit Manager/Lead Auditor
Appalachian District Health Dept.	2 Years	Audit Manager/Lead Auditor
Albemarle Commission	7 Years	Audit Manager/Lead Auditor
Boys and Girls Homes of NC	15 Years	Audit Manager/Lead Auditor

HUNTER WISEMAN - SENIOR AUDITOR - AUDITS PERFORMED

GOVERNMENT AUDITS	YEARS	POSITION
Anson County	6 Years	Financial Auditor
Beaufort County	6 Years	Financial Auditor
Caswell County	6 Years	Financial Auditor
Craven County	6 Years	Financial Auditor
Granville County	6 Years	Financial Auditor
Hyde County	6 Years	Financial Auditor
Nash County	6 Years	Financial Auditor
Northampton County	6 Years	Financial Auditor
Stanly County	6 Years	Financial Auditor
Vance County	6 Years	Financial Auditor
Washington County	6 Years	Financial Auditor
Yadkin County	6 Years	Financial Auditor
Town of Caswell Beach	6 Years	Financial Auditor
City of Henderson	6 Years	Financial Auditor
City of Whiteville	6 Years	Financial Auditor
The Carl Malone Foundation, Inc.	1 Year	Financial Auditor
Southeast Raleigh Promise, Inc.	1 Year	Financial Auditor
NET 32, Inc.	1 Year	Financial Auditor

RONNIE CREECH – SENIOR STAFF - AUDITS PERFORMED

Government Audits	Years	Position
Caswell County	3 Years	Financial Auditor
Hyde County	4 Years	Financial Auditor
Johnston County	10 Years	Financial Auditor
Nash County	2 Years	Financial Auditor
Yancey County	1 Year	Financial Auditor
Richmond County	20 Years	Financial Auditor
Stanly County	2 Years	Financial Auditor
Vance County	2 Years	Financial Auditor
Yadkin County	1 Year	Financial Auditor
Town of Hope Mills	5Years	Financial Auditor
Town of Leland	4 Years	Financial Auditor
Town of Red Springs	20 Years	Financial Auditor
Town of Smithfield`	2 Years	Financial Auditor
City of Henderson	1 Year	Financial Auditor

SOPHIE CHEN – COMPLIANCE AUDITOR – AUDITS PERFORMED

Governmental Audits	Years	Position
Anson County	6	Compliance Auditor
Beaufort County	5	Compliance Auditor
Caswell County	6	Compliance Auditor
Cleveland County	6	Compliance Auditor
Columbus County	4	Compliance Auditor
Craven County	4	Compliance Auditor
Edgecombe County	4	Compliance Auditor
Granville County	4	Compliance Auditor
Hertford County	6	Compliance Auditor
Hyde County	6	Compliance Auditor
Johnston County	6	Compliance Auditor
Lee County	6	Compliance Auditor
Nash County	6	Compliance Auditor
Northampton County	6	Compliance Auditor
Richmond County	6	Compliance Auditor
Stanly County	6	Compliance Auditor
Vance County	6	Compliance Auditor
Washington County	5	Compliance Auditor
Yadkin County	6	Compliance Auditor
Town of Leland	6	Compliance Auditor
Town of Smithfield	6	Compliance Auditor
Town of Red Springs	1	Compliance Auditor
City of Henderson	6	Compliance Auditor
City of Whiteville	6	Compliance Auditor
City of Lumberton	2	Compliance Auditor
City of New Bern	5	Compliance Auditor
City of Southport	1	Compliance Auditor
Appalachian District Health	6	Compliance Auditor
Albemarle Regional Health	3	Compliance Auditor
Lumbee Regional Development	5	Compliance Auditor

7. Describe the relevant educational background of each person assigned to the audit senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.

All professional staff assigned to this engagement meet or exceed the Generally Accepted Government Auditing Standards (GAGAS/Yellow Book) requirement of 80 hours of CPE every two years, with at least 24 hours specifically in governmental accounting and auditing and corresponding liabilities.

Staff Continuing Education Summary

BRANDY TURBEVILLE

DATE	COURSE
1/28/2025	Surgent's Federal Tax Update
3/3/2025	Assessing the Risk of Fraud in a Financial Statement Audit
3/20/2025	Government and Nonprofit Frauds and Controls to Stop Them
4/29/2025	Quarterly Fraud Update
5/6/2025	Jen Louis In House Training
5/7/2025	Debt book - GASB 87 and 96 Webinar
5/14/2025	SOG - Compensated Absences
5/29/2025	SOG - Auditor's Conference
5/30/2025	Proven Controls to Steer You Clear of Fraud (Self Study)
6/4/2025	Local Auditor's Medicaid Review
6/10/2025	NC Ethics
6/17/2025	Fraud in Single Audits
6/30/2025	Guide to AICPA Quality Management Standards
10/21/2025	Update on AICPAs New Ethics and QC Standards

ALAN THOMPSON

DATE	COURSE
5/14/2025	UNC School of Government via Zoom
5/21/2025	Live Stream: Excel Conference
6/10/2025	AICPA & CIMA ENGAGE 2025
8/3/2025	Update on Audit Technology
9/27/2025	AICPA Standards Update
10/21/2025	Update on AICPAs New Ethics and QC Standards
10/24/2025	Behavioral Ethics
12/6/2025	Governmental Auditing Update
12/6/2025	Single Audit Readiness - The Auditor and Entity Perspectives (OL149725)
12/6/2025	Governmental Auditing Update (OL149125)
12/6/2025	The Continuing Relevance of Internal Control Concepts and Frameworks
12/6/2025	Cyber Resilience: Protecting Government Entities in a Rapidly Evolving Digital World

HUNTER WISEMAN

DATE	COURSE
4/9/2025	Preparing for NFP Financial Statements (ENFP)
5/8/2025	Jen Louis Customized Audit Training
5/14/2025	SOG - Compensated Absences Webinar
5/20/2025	Latest Developments in Gov and NFP Accounting and Auditing (GNAA)
5/29/2025	2025 Local Government Independent Auditors Conference
12/10/2025	FCS4 Government & Nonprofit Frauds and Controls to stop them
12/11/2025	QUA4 Applying the Yellow Book to a Financial Statement Audit

RONNIE CREECH

DATE	COURSE
5/7/2025	Lease & Subscription Journal Entries
5/8/2025	Jen Louis Customized Audit Training
5/29/2025	2025 LGIAC
10/15/2025	Performing an Effective Audit Assessment
10/31/2025	The Most Critical Challenges in Governmental Accounting Today
11/18/2025	A Complete Guide to the Yellow Book
12/1/2025	Introduction to Single Audit
12/2/2025	Fraud in Single Audits
12/10/2025	Simply Auditing Not for Profits Efficiently

SOPHIE CHEN

DATE	COURSE
5/8/2025	Jen Louis In House Training
6/4/2025	Local Auditor's Medicaid Review
6/17/2025	Fraud In Single Audits (FSA4)
6/23/2025	The Most Critical Challenges in Governmental Accounting Today (CGA4)
6/30/2025	Annual Accounting and Auditing Update (ACAU)
7/17/2025	Understanding and Testing Control and Compliance in a Single Audit (UTC4)
7/23/2025	Yellow Book and Single Audits: How to Stay in Good Graces and Out of Bad Places with Your Peer Reviewer (YBS4)
8/20/2025	Found It! Reporting Findings in Yellow Book and Single Audits (FOT2)
11/24/2025	Ethical Considerations for CPAs (ETH4)

8. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer, Electric service functions).

The Auditor provides auditing, accounting, and management advisory services to all types of municipalities, including municipalities with the following features: solid waste operations, water and sewer operations, electric utility systems, internal service functions, and single audit programs. We feel confident that we can provide exceptional service to the Town as well.

9. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.

See staff resumes that follow.

ALAN W. THOMPSON CPA, PFS

Managing Partner

EXECUTIVE SUMMARY:

- Certification Issued July 17, 1989
- Practice Since February 1985
- Member of AICPA, NCACPAs, SCACPAs and TSCPAs
- Graduate of UNC-Pembroke with a
- B.S. in Accounting
- Licensed to practice in NC, SC, GA and TN
- Certificate of Educational Achievement
- of Government and Non-Profit Accounting

SUMMARY

Over thirty years of experience in public accounting. Experienced in hiring, training, and supervising staff, budgeting, scheduling, performing risk analyzes, directing multiple on-going complex audits and facilitating the inclusion of proper internal controls as part of the system's development process.

PROFESSIONAL EXPERIENCE

Partner
Thompson, Price, Scott, Adams & Co., P.A. (June 1, 1993 to Present)

- Conduct financial, compliance, governmental, non-profit and operational audits.
- Supervise staff auditors on audit engagements.
- Hire and supervise staff.
- Developed an internal audit training program to train staff.
- Prepare individual, partnership, and corporate tax returns.

Work on compilations, reviews and audits of businesses, governments, and charitable organizations.

Staff Accountant
Moore & Price CPAs
(February 1985 to June 1993)

- Prepared individual, partnership and corporate tax returns.
- Worked on compliance, reviews, and audits of businesses, governments, and charitable organizations.
- Developed audit plans and schedules.
- Suprvised staff auditors on audit engagements.

ALAN W. THOMPSON
CPA, PFS

Managing Partner

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- Local Government Conference 2022
- How to Get Better Return on Yellow Book & single Audits 2022
- 2022 Local Government Independent Auditors Conference
- Governmental Accounting & Auditing Conference 2022
- Local Government Conference 2022
- Jen Louis - In House CPE 2023
- 2023 LGC Independent Auditor's Conference
- YB & SA How to Stay in Good Graces & Out of Bad Place With Your Peer Reviews 2023
- Independent Requirements for Auditors 2023
- Governmental Auditing Update 2023
- Governmental & SAS Auditing Update 2023
- Internal Control Weaknesses & Fraud 2023
- Reporting Findings in YB & SA 2023
- Capital Asset Management for Local Governments 2023
- Comptroller's Q&A Panel 2023
- Jen Louise - In House CPE 2024
- Compensated Absences Webinar 2024
- Governmental Auditing Update 2024
- Governmental Cybersecurity 2024
- The New Normal - Adapting to Staff Challenges 2024
- Comptroller's Q&A Panel 2024
- Are Audit Findings "Red Flag" Emergencies 2024
- Major Fraud Schemes & Internal Control 2024
- How to Proactively Prepare for Next Year 2024
- TN Specific Accounting & Auditing 2024

BRANDY TURBEVILLE CPA,CFE

Audit Manager

EXECUTIVE SUMMARY:

- Practice since April, 2005
- CPA Certification issued May 18, 2006
- CFE Certification issued August 18, 2014
- Member of NCACPA and AICPA, ACFE
- Graduate of UNC-Wilmington, with B.S. and M.S. in Accounting
- Licensed to Practice in NC and SC

SKILLS AND EXPERTISE:

Fifteen years experience - public accounting, one year experience as payroll clerk for County. Experienced in planning and performing audits for various governments, including school district, counties, towns, council of governments, as well as non-profits and for-profit entities. Experience in preparing tax returns for various entities, and preparing compilations and reviews.

PROFESSIONAL EXPERIENCE

- Audit Manager
- Develop audit plans and schedules
- Supervise staff auditors on audit engagements
- Write-up Audits

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- Assessing the Risk of Fraud in a Financial Statement Audit 2022
- Understanding & Testing Control & Compliance in a Single Audit 2022
- Govt. & NFP Frauds & Controls to Stop Them 2022
- The Most Critical Challenges in Governmental Auditing 2022
- Avoiding Deficiencies in Peer Reviews - Focus on Engagement Quality 2022
- Jen Louis In House CPA 2022
- Introduction to Biometrics & Fraud Prevention 2022
- Local Government Independent Auditor's Conference 2022

BRANDY TURBEVILLE
CPA, CFE

Audit Manager

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- YB & SA How to Stay in Good Graces & Out of Bad Places with Your Peer Reviewer 2023C
- Compensated Absences Webinar 2024
- Jen Louis-Current Issues with Gov>Nonprofit Financial 2024
- Government Auditing Update 2024
- Government Cybersecurity 2024
- The New Normal, Adapting to Staff Challenges 2024
- Comptroller's Q&A Panel 2024
- Are Audit Findings "Red Fag" Emergencies 2024
- Major Fraud Schemes & Internal Control 2024
- How to Proactively Prepare for Next Year 2024
- Implementing the Risk Assessment 2024
- TN Specific Accounting & Auditing 2024

HUNTER WISEMAN

Senior Auditor

EXECUTIVE SUMMARY:

- Graduate of NC State - B.S. in Accounting
- Worked in Public Accounting Since 2017
- Worked as Auditor since 2019

SKILLS AND EXPERTISE:

Four years of experience in public accounting. Experienced in the planning and performing of various financial and compliance audits, including Yellow Book and Single Audits, for various municipalities including counties, cities & towns, as well as audits on non-profits and small for-profit businesses.

PROFESSIONAL EXPERIENCE

Staff Auditor
Thompson, Price, Scott, Adams & Co., P.A. (August 2019-Present):

- Prepare individual, partnership, and corporate tax returns.
- Work on compilations, reviews, and audits of businesses, governments, and charitable organizations.
- Conduct financial, compliance, governmental, non-profit, and operational audits.

Senior Accountant
Akram & Associates (Cary, NC)
December 2017 - July 2019

- Prepared individual, partnership and corporate tax returns.
- Worked on compliance, reviews, and audits of businesses, governments, and charitable organizations.
- Conducted financial, compliance, governmental, non-profit and operational audits.

HUNTER WISEMAN

Senior Auditor

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- Avoiding Deficiencies in Reviews: Focus on Engagement Quality 2022
- In House CPE 2022
- Local Government Independent Auditor's Conference 2022
- Performing an Effective Audit Risk Assessment in the COVID-19 Environment 2022
- Current Issues in Accounting & Auditing Annual Update 2022
- The Most Critical Challenges in Governmental Accounting Today 2022
- Applying the Yellow Book to a Financial Statement Audit 2022
- WGU Credits - Advanced Auditing 2023
- Government & NP Frauds & Control to Stop Them 2023
- Latest Development in Government & NP A&A 2023
- LGC Independent Audtors' Conf. 2024
- Auditing for Not-For-Profit Entities 2024
- Applying YB to Financial Statements 2024
- Artificial Intelligence for Accounting 2024
- A Complete Guide to Yellow Book 2024
- Independent Audit Conference 2024
- Current Issues with Governmental/NP Financials 2024
- Government & Non Profit Frauds 2024

RONNIE CREECH

Senior Auditor

EXECUTIVE SUMMARY:

- Graduate of UNC-Wilmington 1985
- Practice Since 1985
- Member of NCACPA

SKILLS AND EXPERTISE:

Over thirty-five years of experience in public accounting.

PROFESSIONAL EXPERIENCE

Senior Staff
Thompson, Price, Scott, Adams & Co., P.A. (January 1999-Present).

- Prepare individual, partnership, and corporate tax returns.
- Work on compilations, reviews, and audits of businesses, governments, and charitable organizations.
- Conduct financial, compliance, governmental, non-profit, and operational audits.

Staff Accountant
S. Preston Douglas & Associates, LLC
(1985-1998)

- Prepared individual, partnership and corporate tax returns.
- Worked on compliance, reviews, and audits of businesses, governments, and charitable organizations.
- Conducted financial, compliance, governmental, non-profit and operational audits.

RONNIE CREECH

Senior Auditor

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- In House CPE 2022
- Local Government Independent Auditors Conference 2022
- Local Government Conference 2022
- A Complete Guide to Yellowbook 2022
- Annual Accounting & Auditing Update 2022
- Government & Nonprofit Frauds & Controls to Stop Them 2022
- Jen Louis In House CPE 2023
- 2023 LGC Independent Auditors Conference 2023
- YB & SA How to Stay in Good Graces & Out of Bad Places with Your Peer Reviewer 2023
- Latest Developments in Government & Non-Profit Accounting & Auditing 2023
- Performing Single Audits Under the Uniform Guidance for Federal Awards 2023
- A Complete Guide to the YB 2023
- Local Government Conference 2024
- Issues with Govern/Non Profit FS & Compliance Audits 2024
- :Latest Developments in Government & Non Profit Audits 2024
- Yellow Book & Single Audits - Good Graces Out of Bad Places 2024
- Annual Accounting & Auditing Update 2024
- Applying Yellow Book to Financial Statement Audit 2024
- Government & Non Profit Frauds & Controls to Stop Them 2024

SOPHIE CHEN
CPA, MBA

Senior Auditor

EXECUTIVE SUMMARY:

Practice since May 2018
CPA Certification issued March 17, 2020
Member of NCACPA
Graduate of UNC-Pembroke with B.S. in
Finance and MBA in Accounting

SKILLS AND EXPERTISE:

Four years of experience in public accounting and four years of experience in private sector. Experienced in planning and performing compliance audits on Federal and State programs for various governments including counties, towns, council of governments, as well as non-profit organizations.

PROFESSIONAL EXPERIENCE

CPA, Senior Staff -
Thompson, Price, Scott, Adams & Co., P.A. (May 2018-Present).

- Compliance audits on Federal and State programs for various governments.
- Assist with financial statement audits.

CONTINUING EDUCATION IN GOVERNMENT/NON-PROFIT CPE AREA:

- Understanding and Testing Control and Compliance in a Single Audit 2022
- The Most Critical Challenges in Governmental Accounting Today 2022
- NC Ethics for CPAs 2022
- Reporting Internal Control Deficiencies Under Yellow Book 2022

SOPHIE CHEN
CPA, MBA

Senior Auditor

- Avoiding Deficiencies in Peer Reviews: Focus on Engagement Quality 2022
- Jen Louis In House CPE 2022
- 2022 Local Government Independent Auditor's Conference
- Advanced Topics in a Single Audit 2022
- LGC Conference 2022
- Jen Louise In House CPE 2023
- 2023 LGC Independent Auditor's Conference
- Avoiding Deficiencies in Peer Reviews 2023
- YB & SA How to Stay in Good Graces & Out of Bad Places with Your Peer Reviews 2023
- A Complete Guide to the YB 2023
- Latest Developments in Governmental
  Accounting & Auditing 2023
- Ethical Considerations for CPAs 2023
- The Yellow Book Performance & Reporting (Requirements for Financial Audit 2024
- Annual Accounting & Auditing Update 2024
- Performing Single Audits Under the Uniform Guidance for Federal Awards 2024
- Local Government Independent Auditor's Conference 2024
- NC DHHA Medicaid Training 2024
- TPSA Firm Sponsored CPE 2024
- Compliance Supplement & Single Audit Update 2024
- Ethical Consideration for CPAs 2024
- Understanding & Testing Control & Compliance in a Single ?Audit 2024

10. Provide names, addresses, telephone numbers, and email addresses of personnel of current and prior audit clients who may be contacted for a reference.

Johnston County
Chad McLamb – Finance Director
PO Box 1049
Smithfield, NC 27577
Chad.mclamb@johnstonnc.com
919-989-5109

City of Henderson
Joseph Fuqua – Finance Director
131 Rose Ave.
Henderson, NC 27536
JosephFuqua@henderson.nc.gov
252-430-5711

Hyde County Schools
Ken Chilcoat – Finance Director
1430 Main St.
Swan Quarter, NC 27885
kchilcoat@hyde.k12.nc.us
252-926-3281

Person County
Tracy Clayton – Finance Director
304 S. Morgan St.
Roxboro, NC 27573
tclayton@personcountync.gov
336-597-1726

11. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2018 Revision. Provide a copy of the firm's Statement of Policy and Procedures.

As stated in Thompson, Price, Scott, Adams & Co., P.A.'s Quality Management Documents:

It is the policy of our firm that all professional personnel be familiar with and adhere to the independence rules, regulations, interpretations, and rulings of the AICPA, the State of North Carolina Board of Accountancy, and the North Carolina Association of Certified Public Accountants. In this regard, any transaction, event, or circumstance that would impair the firm's independence on compilation, review, audit, forecast, projection, or attestation engagements is prohibited. Although not necessarily inclusive of all transactions or events that may impair our firm's independence, the following are considered to be prohibited transactions:

a. Investments by any professional employee in a client's business.

b. Investments by any professional employee with a client, or with client personnel.

c. Borrowing from or loans to a client, or client's personnel.

d. Accepting cash or gifts from a client (with the exception of noncash token Christmas gifts of nominal value.)

e. Certain family relationships between professional personnel and client personnel. (Consult the managing partner for a ruling on these.)

Notwithstanding the preceding policy and list of prohibited transactions, at the managing partner's discretion, certain prohibitions can be waived if it is deemed to be in the best interest of the firm. However, in so doing, the engagement service performed for the client must be limited to that allowed by AICPA professional literature for non-independent situations.

The procedures listed below should be followed to ensure compliance with this policy:

1. All professional personnel are required to sign a representation letter when hired (and to be reviewed annually thereafter) that acknowledges their familiarity with the firm's independence policies and procedures.

2. All professional personnel are required to notify the managing partner of any potential violation of a prohibited transaction or independence rule as soon as they become aware of such a situation. To acknowledge that responsibility, professional personnel are when hired (and annually thereafter) required to sign a representation letter and to list situations they know of that could impair our firm's independence.

3. All professional personnel are required to review the firm's client list annually for possible independence violations. The list of clients is maintained on the computer, and each employee has access to a copy. Additions to the list are communicated on a timely basis by a memorandum from the managing partner. When hired (and reviewed annually thereafter) all professional personnel are required to sign a representation that confirms this responsibility.

4. If our firm is engaged as principal auditor and another firm is engaged to examine a subsidiary, branch, division, governmental component unit, or to perform procedures on an element or account grouping within a client's financial statement, the engagement team is required to obtain a written representation regarding the other firm's independence with respect to our client. Furthermore, in a compilation, review, forecast, projection, or attestation engagement, if another firm performs work on a segment of the engagement, a representation (either written or oral) regarding the other firm's independence is required. The PPC manuals (located in the library) contain examples of representation letters used in such situations.

5. The Partners have primary responsibility for determining if there are significant unpaid fees for any clients that would impair the firm's independence. The firm's client accounts receivable listing and the Partner's knowledge of any unbilled fees should be considered in making this determination.

6. To monitor compliance with our firm's policy and procedures on independence, representation letters are obtained when a professional employee is hired, and annually thereafter, and are routed to the managing partner for his review. During our firm's annual quality control monitoring and remediation process, a sample of employee personnel files will be reviewed to determine that a current independence representation is on file. Also, during this inspection, a sample of engagements will be reviewed to determine compliance at the engagement level with our firm's independence procedures.

Also included in our quality controls, is for all personnel to be familiar with and adhere to the independence rules, regulations, interpretations and rulings of the American Institute of Certified Public Accountants, the North Carolina Board of Certified Public Accountants, the North Carolina Association of Certified Public Accountants and Government Auditing Standards, issued by the Comptroller General of the United States. In this regard, any transaction, event, or circumstance that would impair the firm's independence on this engagement is prohibited. Thompson, Price, Scott, Adams & Co., P.A. is free from any of the above transactions, events, and circumstances, and therefore is independent of all matters relating to the Town.

See Appendix A for a copy of the Firm's Quality Management Document.

12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.

Thompson, Price, Scott, Adams & Co., P.A. maintains a four-million-dollar per claim professional liability insurance policy. Each year the policy is reviewed to ensure adequate coverage. The firm also carries a workers compensation policy that pays up to $100,000 per accident.

13. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.

The Firm or local offices have had no regulatory action taken against them by any oversight body.

14. Comment on your knowledge of and relationship with the NC Local Government Commission and the University of North Carolina School of Government in Chapel Hill.

The Firm has a good relationship with the NC Local Government Commission. We have been doing local government audits in North Carolina for over thirty-five years. We have had a partner teach a class at one of the conferences at the UNC School of Government in Chapel Hill.

QUALITY MANAGEMENT DOCUMENT
THOMPSON, PRICE, SCOTT, ADAMS & CO., P.A.

REVISED 12/15/2025

QUALITY MANAGEMENT DOCUMENT

The firm's quality management policies and procedures for the eight elements of quality management are presented on the following pages. All employees and members of the firm are provided copies and are responsible for understanding, implementing, and adhering to these policies and procedures.

Any questions, concerns, or recommendations about the firm's quality management system should be communicated to the quality manager/managing partner.

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INTRODUCTION

During 2025, Thompson, Price, Scott, Adams & Co. P.A. (TPSA), performed a risk assessment as prescribed by Statement on Quality Management Standards (SQMS) No. 1. A Firm's System of Quality Management (QM Section 10), in preparation for the implementation of TPSAs' revised System of Quality Management (SQM).

SQMS 1 (system of quality management), SQMS 2 (engagement quality review) and SQMS 3 (group audits) along with three pronouncements related to quality at the engagement level for SAS 146 (audits), SSARS 26 (reviews, compilations and preparation engagements) and SSAE 23 (attestation engagements including agreed-upon procedures) were issued by the AICPA beginning in June 2022 and are effective for a firm's accounting and auditing practice as of December 15, 2025. The SQM standards supersede Statement on Quality Control Standards No. 8, A Firm's System of Quality Control (QC 10) and adds a new standard (QC 20).

The objective of the firm is to design, implement, and operate a system of quality management for the accounting and auditing practice at TPSA that provides reasonable assurance that

- The firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements and conduct engagements in accordance with such standards and requirements, and

- Engagement reports issued by the firm are appropriate in the circumstances.

RISK ASSESSMENT

The most notable change reflected in the new QM standards is the introduction of a risk-based approach in designing, implementing, and operating a system of quality management (SQM). The risk assessment helps firms identify and address risks specific to their practice. In addition, the suite of standards made significant shifts in certain of the components identified in SQCS 8 by augmenting the existing elements and adding others as identified below. SQMS 2 is a more robust version of the Engagement Quality Review (EQR) process.

The firm's risk assessment process includes establishing quality objectives, identifying and assessing quality risks, and designing and implementing responses to address the quality risks. Quality objectives are established for each quality objective specified by SQMS No. 1, and those considered necessary by the firm to achieve the objectives of the SQM. The firm ensures compliance with this policy by implementing the following procedures:

- The firm has established quality objectives, identified and assessed quality risks, designed and implemented responses to address the quality risks, and documented the risk assessment process at *Appendix 1*.

- The firm has established policies and procedures to consider whether additional quality objectives, or modifications to quality objectives, are needed when changes in the nature and circumstances of the firm and its engagements occur.

For more information on the detailed risk assessment for TPSA at Appendix 1.

GOVERNANCE AND LEADERSHIP

The quality objective of the leadership responsibilities element of a system of quality control is to promote an internal culture based on the recognition that quality is essential in performing engagements. Thompson, Price, Scott, Adams & Co., P.A. satisfies this objective by establishing and maintaining the policies and procedures described below.

It is the firm's policy to promote a culture of quality that is pervasive throughout the firm's operations through the development of its system of quality control. Firm management, under the direction of the managing partner, assumes responsibility for the firm's system of quality management (SQM) and designs the system to (1) emphasize the importance of performing work that complies with professional standards and applicable legal and regulatory requirements and (2) issue reports that are appropriate in the circumstances. In maintaining a culture of quality, the firm emphasizes the importance of ethics and integrity in every decision that personnel make, particularly at the engagement level.

The firm ensures compliance with this policy by implementing the following procedures:

1. The firm assigns ultimate responsibility and accountability for its SQM to the firm's managing partner. The managing partner assigns operational responsibility for the SQM and operational responsibility for specific aspects of the system to appropriate audit engagement partners. Individuals with responsibility for the SQM have appropriate experience, knowledge, influence, and authority; and are given sufficient time to fulfill their assigned responsibility and understand the importance of the responsibility they have been given. Those individuals have a direct line of communication to the managing partner to discharge their responsibility with regard to the SQM. The partners assigned operational responsibility for the SQM and operational responsibility for specific aspects of the system are equitably compensated even if such time is not billable. The managing partner has assigned operational responsibility for the system to the SQM director.

2. The firm also dedicates sufficient personnel and financial resources to support its SQM. The proper functioning of the firm's SQM is given the highest priority by firm leadership.

3. The firm communicates clear, consistent, and frequent actions and messages that emphasize the expectation that each individual has a personal responsibility for quality and is to follow the firm's SQM policies and procedures. Such actions and messages include-

    - The firm teaches all new professional employees about the firm's values, attitudes, and expectations regarding professional conduct during employee orientation.

    - The firm conducts periodic in-house training and staff meetings that focus on professional ethics requirements and the firm's values and attitudes related to its commitment to quality.

    - The firm ensures personnel develop and maintain appropriate competence through professional development opportunities that enable them to perform their roles and build additional competence and skill. Partners meet with staff members at the beginning of the year to plan continuing education.

    - The firm informs personnel of actions taken to address quality, discusses the effectiveness of those actions, and solicits feedback from personnel.

    - Firm leadership recognizes personnel performing quality accounting and auditing work in firm communications.

    - The firm has established incentives that encourage individuals to demonstrate a commitment to quality. For example, performance appraisals evaluate whether personnel are committed to quality in how they conduct themselves when performing engagements and other activities related to the firm's SQM. A component of compensation is based on the quality of the person's work.

    - The firm's performance evaluation, compensation, and advancement processes ensure all levels of management are fully aware of their responsibility for quality and are held accountable to provide clear, consistent, and frequent actions and communications that emphasize quality. The firm considers the results of the periodic evaluation of the firm's SQM in its performance evaluations of individuals having ultimate and operational responsibility for the firm's SQM.

4. The firm assigns risk assessment ratings to its attest engagements, and more experienced personnel are assigned to high-risk engagements.

5. The firm prepares engagement budgets that allow for unanticipated issues that often arise to ensure enough time is available to perform quality engagements. The firm does not pressure personnel to skip or shorten planned procedures under tight deadlines.

6. The firm demonstrates its commitment to quality through its mission statement, which includes the firm's core values and the importance of quality. The firm has established a formal code of conduct that reflects the firm's core value of quality and guides personnel to make appropriate decisions throughout their workday. The code of conduct is regularly communicated, reiterated, and available to all employees.

7. The firm allocates resources, including financial resources, in a manner that supports all areas of the firm, with emphasis on the accounting and auditing practice since it serves the public interest. The firm allocates more experienced and knowledgeable personnel to higher-risk accounting and auditing engagements.

8. The firm provides the SQM director with sufficient time, authority, and financial resources to develop, implement, and maintain the firm's QM policies and procedures. This includes having the ability to influence decisions made about current and future financial and other resource needs and how the firm obtains, develops, uses, and maintains such resources.

9. The firm has established policies and procedures to address engagement quality reviews pursuant to SQMS No. 2, Engagement Quality Reviews, and requires an engagement quality review (EQR) for audits or other engagements when (a) an EQR is required by law or regulation, or (b) the firm determines that an EQR is an appropriate response to one or more quality risks.

10. The firm has established policies and procedures for receiving, investigating, and resolving complaints and allegations about noncompliance with the firm's SQM policies and procedures.

11. The firm has established policies and procedures for receiving, investigating, and resolving complaints and allegations about failures to perform work in accordance with professional standards and applicable legal and regulatory requirements in conjunction with monitoring activities.

12. Individuals in the firm with leadership responsibility invite and welcome criticism and input from staff. Consensus is reached with staff on matters of disagreement.

13. The managing partner promptly addresses occurrences of firm leadership making decisions or acting in a manner that does not prioritize quality.

RELEVANT ETHICAL REQUIREMENTS

The quality objective of the relevant ethical requirements element of a system of quality control is to provide the firm with reasonable assurance that the firm and its personnel comply with relevant ethical requirements (in fact and in appearance) when discharging professional responsibilities. Relevant ethical requirements include independence, integrity, and objectivity.

Thompson, Price, Scott, Adams & Co., P.A. satisfies this objective by establishing and maintaining the following policies and procedures.

It is the policy of our firm that all professional personnel be familiar with and adhere to relevant ethical requirements of the AICPA, contained in the *Code of Professional Conduct,* applicable State Boards of Accountancy, applicable State CPA Societies, state statutes and other regulatory agencies where applicable. Furthermore, it is the policy of our firm that for engagements that are subject to *Government Auditing Standards* and other applicable regulatory agencies, all professional personnel be familiar with and adhere to the relevant ethical requirements included in those standards, including any that may be more restrictive.

Additionally, when the firm and its professional personnel encounter situations that raise potential independence threats, but such situations are not specifically addressed by the independence rules of the AICPA *Code of Conduct,* the situation will be evaluated by referring to the *Conceptual Framework for Independence* and applying professional judgment to determine whether an independence breach exists. The firm takes appropriate action to eliminate threats to independence or mitigate them to an acceptable level by applying safeguards. If effective safeguards cannot be applied, the firm will withdraw from the engagement or take other corrective actions as appropriate to eliminate the breach.

The firm ensures compliance with these policies by implementing the following procedures:

1. The firm provides all personnel with online access to the relevant ethical requirements to which the firm is subject. The firm expects its engagement partners and other personnel to stay informed on those relevant ethical requirements.

2. The firm provides independence and ethics training for professional personnel at least annually. All profes-sional personnel who work on attest engagements and are required to be independent sign an independence representation form when hired and annually thereafter acknowledging their familiarity with the firm's relevant ethical requirements policy and procedures, particularly regarding independence.

   Copies of all completed independence confirmations are retained in our quality control books.

3. The firm maintains a list of the most common transactions, circumstances, and relationships that would impair the firm's independence and other relevant ethical requirements, and periodically reminds professional personnel to review the information.

4. The firm informs personnel of changes to the client list to ensure independence is maintained.

5. Important relevant ethical requirements are addressed by procedures within the work programs and standard forms in the accounting and auditing materials used by the firm, such as:

   - Determine compliance with relevant ethical requirements, including independence, on each new and recurring attest client as part of the acceptance and continuance decision by completing relevant independence practice aids. Additionally, the independence practice aid is reviewed by a second person in the firm. For clients of whom the firm is not independent, the only attest service performed is a compilation and the firm discloses its lack of independence in the related report.

   - Consider unpaid fees (billed and unbilled).

   - Consider any familiarity threat related to senior personnel recurring on an attest engagement for five years or more.

   - When another firm, or firm personnel in associated member firms, performs part of the engagement, the firm confirms the independence of the other firm and adherence to other relevant ethical requirements. Written confirmations are obtained regarding the other firm's independence with respect to audit engagements and either written or oral confirmations are obtained for review or attestation engagements. Oral confirmations are documented.

6. Certain important independence requirements are addressed by procedures within the work programs and standard forms in the accounting and auditing materials used by the firm. Such procedures-

   - Identify nonattest services performed for attest clients and determine if the services threaten independence with respect to that client (including obtaining and documenting an understanding of how the firm was satisfied that client personnel had the skills, knowledge, or experience to oversee the nonattest services). The firm will only provide nonattest services to an attest client when the client accepts its responsibilities. Where applicable, this includes determining whether such nonattest (nonaudit) services impair independence under the independence rules in Government Auditing Standards.

   - Consider the firm's independence of attest clients at which professional personnel have been offered management positions or have accepted offers of employment.

   - Consider whether actual or threatened litigation influences the firm's independence with respect to the client.

   - Determine whether all professional personnel are independent of the financial reporting entity if the firm is engaged as the group auditor to report on the basic financial statements of the financial reporting entity.

- Consider whether the firm was party to a cooperative arrangement with a client that was material to the firm or the client.

7. The firm maintains an annual summary of all potential independence issues noted on the annual independence representation forms, which is reviewed by the SQM director. All relevant ethical requirements matters, including potential independence issues noted, are resolved by the SQM director, who is also responsible for determining actions to be taken when professional personnel violate firm independence policies and procedures. Documentation of the resolution of a relevant ethical requirements matter is filed in the client's workpaper files and retained in accordance with the firm's document retention policy.

8. If a breach of a relevant ethical requirement, including independence, is identified, the breach and the required corrective actions are promptly communicated to (a} the SQM director, (b} the engagement partner who (along with the firm} needs to address the breach, (c} other relevant personnel in the firm and those subject to the independence requirements who need to take appropriate action, and (d} those charged with governance at the attest client. The engagement partner confirms to the SQM director when required corrective actions related to the breach and noncompliance with these policies and procedures have been taken.

9. When there is a disagreement between the attest engagement partner and the managing partner or the SQM director, the firm requires contacting the AICPA Ethics Hotline. The written response from the AICPA is retained in the relevant attest file and the guidance is followed.

10. independence or violate the firm's relevant ethical requirements policies. A copy of the completed independence representation is retained in the firm's quality control notebook. Professional standards of relevant ethical requirements that govern the firm are available electronically through access to RIA Checkpoint or Accounting Research Manager. These standards, including the AICPA's Conceptual Framework for AICPA Independence Standards and the advice of the engagement partner may be consulted if an employee is unsure if a threat to independence should be reported to firm management.

11. If a potential threat to independence or other relevant ethical issue is identified, the engagement partner/staff accumulates and communicates relevant information to appropriate personnel so (a) firm management and the engagement partner or managing partner can determine whether they satisfy independence or ethical requirements, (b) the engagement partners can take appropriate action to address identified threats to independence or other relevant ethical requirements, (c) the firm can maintain current independence information and (d) the engagement partner should consult with others in the firm and take appropriate action. For clients of whom the firm is not independent, only compilation and preparation services are performed.

12. The engagement partner is responsible for communicating the identification of an independence issue or other relevant ethical requirement breach, and the engagement team understands the responsibilities of members if they become aware of such breaches. The engagement team also understands their responsibilities if they become aware of any noncompliance with laws and regulations by the client entity.

13. The engagement partner has the primary responsibility for determining whether actual or threatened litigation has an effect on the firm's independence with respect to the client or other relevant ethical requirements. The firm's independence or other ethical requirements could be impaired by litigation (a) between the client and the firm, and (b) from other third parties.

14. If the firm is engaged as principal auditor to report on the basic financial statements of a financial reporting entity, all professional personnel must be independent of the financial reporting entity. If the firm is engaged as principal auditor to report on a major fund, non-major fund, internal service fund, fiduciary fund, or governmental component unit of the financial reporting entity, all professional personnel must be independent of the fund or entity the firm reports on. The engagement partner has the primary responsibility for determining whether the firm's relationship with entities in the governmental financials statements has an effect on independence.

15. If a breach of independence is identified, the firm promptly communicates the breach and the required corrective actions to (a) the engagement partner, who (along with the firm) has the responsibility to address the breach and (b) other relevant personnel in the firm and those subject to the independence requirements who need to take appropriate action. The engagement partner confirms to the firm when required corrective actions related to the breach and noncompliance with these policies and procedures has been taken.

16. The engagement partner remains alert throughout the audit engagement, by observing and making inquiries as needed, for breaches of relevant ethical requirements or the firm's related policies and procedures by those on the engagement team.

17. The engagement partner reviews the firm's ethical requirements policy and procedures to determine if they are appropriate and operating effectively. This review is performed and documented as part of our monitoring procedures. Changes, if necessary, to the system are made based on the results of that review.

ACCEPTANCE AND CONTINUANCE OF CLIENT RELATIONSHIPS AND SPECIFIC ENGAGEMENTS

The quality objective of the Acceptance and Continuance of Client Relationships and Specific Engagements elements of a system of quality control is to establish criteria for deciding whether to accept or continue a client relationship and whether to perform a specific engagement for a client. Our client acceptance and continuance policies represent a key element in mitigating litigation and business risk. Accordingly, it is important that our firm be aware that the integrity and ethical values of client management could reflect the reliability of the client's accounting records and financial representations and, therefore, affect the firm's reputation or involvement in litigation. Our policies and procedures related to the acceptance and continuance of client relationships and specific engagements provides us with reasonable assurance that we will undertake or continue relationships and engagements only where we:

- Have considered the integrity of the client, including the identity and business reputation and ethical values of the client's principal owners, key management, related parties, and those charged with its governance, and the risks associated with providing professional services in the particular circumstances;
- Are competent to perform the engagement and have the capabilities and resources to do so in accordance with professional standards and applicable legal and regulatory requirements;
- Can comply with legal and ethical requirements (including proper state licensure); and have reached an understanding with the client, in writing, regarding the services to be performed.

Thompson, Price, Scott, Adams & Co., P.A.

It is the policy of our firm that, for all audit, attestation, review, compilation, and preparation service engagements, the acceptability of the client and the engagement be evaluated before the firm agrees to provide professional services. The firm will accept and continue only client relationships and specific engagements when it has determined that the requisite competence and capabilities (including adequate time, resources, and licensure) exists within the firm to perform the engagement and the firm can comply with legal and relevant ethical requirements. Additionally, the firm will only undertake or continue relationships and engagements when the firm has considered the integrity of the client and does not obtain information indicating that the client lacks integrity. The procedures listed below are followed to ensure compliance with this policy:

1. For each prospective client that requests for the first time a preparation, compilation, review, attestation, or audit service, the partner making initial contact with the client is required to complete an engagement acceptance and continuance form pertinent for the type of service(s) requested. The completed form is routed to the managing partner who decides whether to accept or reject the prospective client and documents that conclusion on the form.

2. The firm gains a thorough understanding of the prospective client and determines if it has appropriate knowledge, experience, and competency to perform the engagement. The firm accepts engagements in new industries, new types of engagements, or those requiring specialized knowledge only when the firm is willing to make the investment to acquire the necessary competency. This generally includes assigning more exper-ienced staff to the client engagement and/or requiring the engagement team to take appropriate CPE before planning the engagement. It also may necessitate using external resources for the engagement.

3. For existing attest clients, the managing partner annually reviews the firm's client list and reevaluates the acceptability of each client and engagement. In addition, prior to commencing the engagement, the engagement partner ensures that the relevant section of the engagement acceptance and continuance form has been completed. (The engagement acceptance and continuance form is located in the accounting and auditing materials used by the firm.) Continuance concerns or issues are brought to the attention of the managing partner.

4. The firm's acceptance and continuance form includes procedures that apply to the circumstance of an existing client requesting new attest or nonattest services. The existing engagement partner completes the relevant information and discusses the potential new service with the managing partner. The engagement partner also determines if any potential nonattest services would threaten independence with respect to the client and, if so, takes appropriate actions to maintain the firm's independence.

5. The firm's acceptance and continuance decisions consider factors that influence the firm's ability to perform the engagement, such as staffing requirements compared to available personnel resources, reporting deadlines, and technological and intellectual resource needs.

6. The firm has established policies or procedures that address situations that occur where the firm becomes aware of information after accepting or continuing a client relationship or specific engagement that would have caused the firm to decline the client relationship or specific engagement if that information had been known initially. In that situation, the engagement partner promptly communicates the information to the managing partner who considers whether there are any professional, regulatory, or legal requirements that obligate the firm to remain associated with the client and the engagement or to report the withdrawal to regulatory authorities. The engagement partner and managing partner jointly decide whether to withdraw from an attest engagement or from the client relationship. This may necessitate consultation with legal counsel. Significant issues, consultations, conclusions, and the basis for the conclusions are documented when withdrawal from an engagement or from both the engagement and the client relationship occurs.

7. The firm bills for its work, whether based on time spent or a fixed fee arrangement, in a manner that ensures that the engagement fee is sufficient to enable the engagement team to perform the engagement in compliance with professional standards.

8. After completing an engagement, the engagement team considers whether the client relationship and specific engagement is appropriate to continue. For those engagements where a change has occurred that potentially affects whether the firm will continue to provide services, the situation is discussed with the managing partner.

9. The managing partner annually approves partner compensation and any incentive bonus based upon criteria established by the partner group. Such criteria reward quality service and do not place commercial considera-tions ahead of the quality of work performed, including making appropriate decisions about accepting or continuing client relationships and specific engagements.

ENGAGEMENT PERFORMANCE

The quality objective of the engagement performance element of a system of quality control is to provide the firm with reasonable assurance (a) that engagements are consistently performed in accordance with applicable professional standards and regulatory and legal requirements, and (b) that the firm or the engagement partner issues reports that are appropriate in the circumstances. Policies and procedures for engagement performance should address all phases of the design and execution of the engagement, including engagement performance, supervision responsibilities, and review responsibilities. Policies and procedures should also require that consultation takes place when appropriate. In addition, a policy should establish criteria against which all engagements are to be evaluated to determine whether an independent review should be reviewed.

Engagement performance encompasses many aspects of performing an engagement, from the initial planning stages to the issuance of the report, assembly, and retention of the workpapers. Additionally, it is not uncommon for the firm's engagement teams to occasionally encounter difficult or contentious issues that result in the need for consultation or that create differences of opinion. The firm believes in a strong system of quality management (SQM) and supports frequent engagement quality reviews. While all these activities are part of the engagement performance element of the SQM, the firm has chosen to differentiate certain activities within this section of the

SQM document for ease of understanding. The activities are segregated as follows:

- Engagement Performance and Documentation
- Consultation and Differences of Opinion

Policies and procedures for each of those engagement performance activities are described below.

Engagement Performance and Documentation

It is the firm's policy that all audit, attestation, review, compilation, and preparation service engagements be properly planned, performed, supervised, reviewed, documented, and reported or communicated in accordance with the requirements of professional standards, applicable legal and regulatory requirements, and the firm. In this regard, the firm's system of engagement performance quality control (QC) steps is to be followed:

1. Each engagement is assigned to an engagement partner who accepts overall responsibility for managing and achieving quality on the engagement. The firm ensures that the workload of its engagement partners allows them to effectively manage and be regularly and appropriately involved in each engagement for which they are responsible.

2. The firm uses PPC's accounting and auditing materials as an integral part of its SQM to assist with promoting consistency in the quality of engagement performance. The managing partner ensures the appropriateness of such materials for the firm's practice, including updating and modifying the materials (as needed) for perform-ance of the firm's engagements. Professional personnel are trained in the use of PPC's accounting and auditing materials to ensure appropriate completion of engagement procedures as required by professional standards, type of engagement, client applicable laws and regulations, and the firm.

3. If the firm accepts a new type of engagement or a client in an industry in which the firm's personnel lack recent experience, the firm requires all senior members of the engagement team to take appropriate engagement level or industry-specific CPE before the engagement's planning procedures are performed.

4. The engagement partner takes responsibility for the direction and supervision of engagement teams and ensures that review of the work performed is appropriate considering the nature and circumstances of the engagement. The engagement partner also ensures that the resources used by the engagement team are sufficient.

5. The firm requires that suitably experienced engagement team members review the work performed by other engagement team members. The engagement partner will ensure that appropriate supervision occurs during and at the conclusion of the engagement. Supervisory reviews, including engagement partner reviews, are to be documented in the engagement file.

6. The firm trains its engagement teams in the use of the firm's accounting and auditing materials to ensure appropriate completion of engagement procedures as required by professional standards, applicable laws and regulations, and the firm. The firm emphasizes to engagement teams how professional skepticism supports the quality of the judgments made on assurance engagements.

7. Prior to issuing a report for an audit or attestation engagement, the engagement partner ensures that sufficient engagement evidence is obtained to support the report opinion. On SSARS engagements, the engagement partner ensures that appropriate engagement documentation is maintained.

8. The firm complies with time limits established by professional standards and laws and regulations that address the assembly of final engagement files for specific types of engagements. The firm has established assembly deadlines for all engagements.

9. The firm maintains and retains engagement documentation for a period sufficient to meet the needs of the firm, professional standards, and laws and regulations. The firm's engagement documentation retention policies also consider the advice of the firm's legal and insurance carriers, as appropriate.

Consultation and Differences of Opinion

The firm's policy is that personnel refer to authoritative literature or other sources when appropriate. Also, the firm's policy is that all professional personnel seek consultation on a timely basis, within or outside the firm, whenever differences of opinion occur or uncertainties exist regarding a technical issue. The firm ensures compliance with this policy by implementing the following procedures:

1. Differences of opinion that affect engagement teams are resolved as soon as possible using procedures put in place by the firm. The firm will not release the report until all differences of opinion are resolved. Differences of opinion between the engagement partner and the engagement quality reviewer are communicated to the managing partner for resolution.

2. The engagement partner ensures that appropriate consultation takes place on difficult or contentious matters. The engagement partner ensures that-

    - Members of the engagement team follow the firm's consultation policies during the engagement.

    - The nature and scope of the consultation are agreed upon with the party consulted.

    - The resulting conclusions are understood by the parties involved.

    - The conclusions are implemented.

RESOURCES

The quality objective of the resources element of a system of quality control is to provide the firm with reasonable assurance that it has established policies to address obtaining, developing, using, maintaining, allocating, and assigning resources in a timely manner to permit the design, implementation and operation of the system of quality management. The firm determines sufficient and appropriate resources exist to perform the engagement. These quality objectives not only include human resources, but also technological and intellectual resources

Having effective quality control policies and procedures over the human resources element will help ensure the proficiency of its personnel. The activities of our resources SQM include-

- Human Resources.
- Other resources, including technology resources.

Policies and procedures for each of these activities are detailed below.

Human Resources

The firm's intent is to succeed in the marketplace by having partners and staff who possess the competence, capabilities, and commitment to ethical principles to assure that engagements performed by the firm are in accordance with professional standards and applicable legal and regulatory requirements, and that appropriate reports are issued in the circumstances. Having effective SQM policies and procedures over the human resources element helps to ensure the proficiency of personnel. The firm ensures compliance with this policy by implementing the following procedures:

1. Individuals with high levels of integrity, competence, intelligence, maturity, motivation, appropriate academic training, and, if applicable, appropriate public accounting experience are hired, developed, and retained.

2. In the unusual situation where the firm accepts an audit in an industry that the firm's personnel have not previously audited and professional education is insufficient for the engagement team to obtain the requisite competence to perform the engagement or for situations when the firm does not have sufficient or appropriate personnel to perform an engagement or to operate the firm's SQM, the firm engages a suitably qualified external individual to assist with the performance of the audit as a member of the engagement team.

3. The firm selects individuals with appropriate experience, knowledge, influence, and authority within the firm and sufficient time to fulfill their assigned responsibilities to carry out duties related to the operation of the firm's SQM. Those individuals understand their assigned roles and are held accountable.

4. In addition to assessing the engagement partner's competencies and capabilities, the managing partner clearly defines and communicates the responsibilities and authority of an engagement partner to that partner and evaluates the partner's workload to ensure that they have the time to adequately perform the role. The engagement partner accepts overall responsibility for managing and achieving quality on the engagement.

5. The engagement partner works with the firm to assign engagement team members (including any external individuals) who possess appropriate competence and capabilities, and have sufficient time, to perform a quality engagement before any engagement procedures are performed.

6. The firm takes the operation of its SQM seriously and, accordingly, only individuals who possess the necessary competence and capabilities, including sufficient time, are assigned to perform activities within the firm's SQM.

7. The firm regularly evaluates the performance of its professional staff, including that they demonstrate-

   A commitment to quality through their actions and behaviors.

   A level of competence appropriate for their roles.

   Performance appraisals evaluate whether personnel are committed to quality in how they conduct themselves when performing engagements.

8. Firm personnel understand that their failure to adhere to the firm's expectations related to quality performance, ethical principles, and competence may result in more training, additional time at the present level, or more severe consequences.

9. The firm provides professional personnel information describing career paths for those who satisfy the development criteria established.

Other Resources, Including Technology Resources

The firm's policy is that appropriate other resources, including technological resources, are obtained or developed, implemented, maintained, and used to permit operation of the firm's SQM and the performance of engagements. The firm ensures compliance with this policy by implementing the following procedures:

1. After considering the appropriateness of PPC accounting and auditing materials, including technological resources, the firm adopts and integrates the use of such materials to support the consistent performance of quality engagements and the operation of the firm's SQM. Other intellectual resources are obtained or developed, as needed, and are appropriately implemented and maintained to support industry specialization, practice management topics, or other areas of the firm's SQM.
2. The firm considers annually whether its technological resources are appropriate given the size, nature, and circumstances of the firm and its engagements. The firm also considers whether technology issues in the firm indicate that enhancement in technological resources may be needed.
3. Engagement team members communicate to the firm when the technological or intellectual resource needs (such as software or industry guides, for example) are insufficient to perform engagements.
4. The firm appropriately maintains security and controls over IT resources, including protection against malware or hacks.

5. The firm assigns specific partners or staff the responsibility of monitoring advances and updates to the technological resources the firm uses.
6. The firm ensures that personnel are appropriately trained on the availability and use of technological resources.
7. When the firm uses a service provider as a human, technological, or intellectual resource, the firm identifies and assesses the quality risks of the situation by obtaining an understanding of the conditions, events, circum-stances, actions, or inactions relating to the service provider that may adversely affect the firm's achievement of its quality objectives.

INFORMATION AND COMMUNICATION

The firm's policy is that the information system should enable the firm's system of quality management (SQM) to properly function and support decisions made about the SQM. It includes the processes that affect identifying, capturing, processing, maintaining, and communicating information, whether manual or electronic. The firm ensures compliance with this policy by implementing the following procedures:

1. The firm reviews its existing information system annually and considers its appropriateness and whether changes should be made to better identify, capture, process, and maintain relevant and reliable internal and external information to support the firm's SQM.

2. The firm's culture recognizes, supports, and expects appropriate transparency and forthright communication at all levels and by all personnel to exchange information that enhances quality throughout the firm. The firm encourages such communication during its biweekly partner and staff meetings, and during engagement team meetings.

3. The firm has established effective two-way communication throughout the firm and with engagement teams to permit (1) personnel and engagement teams to carry out their responsibilities for performing engagements or performing activities within the SQM and (2) personnel and engagement teams to communicate information to the firm as they perform engagements and perform activities within the SQM.

4. The firm has established policies or procedures that address (1) when it is appropriate to communicate with the firm's network or service providers about the firm's SQM, and (2) the information to be provided when communicating externally about the firm's SQM, including the nature, timing, and extent and appropriate form of communication.

5. The firm communicates relevant and reliable information externally when required by law, regulation, or professional standards, or to support external parties' understanding of the firm's SQM. For instance, the firm has chosen to provide information about its most recent peer review on the firm's website.

MONITORING AND REMEDIATION

The firm's policy is that the system of quality management (SQM) be monitored on both an ongoing and periodic basis to provide information that is relevant, reliable, and timely about the design, implementation, and operation of the firm's SQM. Additionally, monitoring activities performed are designed to identify deficiencies in the SQM and remediate them timely. The firm's monitoring activities include inspecting/reviewing completed engagements and determining the engagements and engagement partners to monitor, review of engagement documentation, reports and financial statements, and other components covered by the SQM. The firm ensures compliance with this policy by implementing the following procedures:

- Adherence to professional standards and regulatory and legal requirements
- Whether the quality control system has been appropriately designed and effectively implemented
- Whether the firm's quality control policies and procedures have been operating effectively so that reports issued by the firm are appropriate in the circumstances

Thompson, Price, Scott, Adams & Co., P.A. satisfies this objective by establishing and maintaining the following policies and procedures.

It is policy of our firm that our quality control system be monitored on an ongoing basis to provide the firm with reasonable assurance that the policies and procedures established by the firm for each of the elements of quality control are relevant, adequate, operating effectively, and being effectively applied. Monitoring activities include engagement quality control reviews (EQCR), inspection, and post-issuance review. EQCR, performed prior to completion of the engagements, assists in providing ongoing consideration and evaluation of the firm's quality control system. The policy and procedures relating to EQCR are addressed in the ENGAGEMENT PERFORMANCE section of this document. The retrospective monitoring activities performed by the firm relate to inspection and post-issuance review (collectively referred to as inspection/review) and are the primary activities addressed in these monitoring policy and procedures.

As an integral part of the monitoring process, inspection/review procedures are performed on all elements of the firm's quality control system at least annually to determine whether the firm has complied with applicable professional standards and its stated quality control policies and procedures.

The procedures listed below are followed to ensure compliance with this policy:

1. At least annually, the managing partner selects an individual or team (hereafter referred to as the "inspection team") to perform inspection procedures on the firm's quality control system. The inspectors should possess adequate technical knowledge and experience and, when practical, should not be directly involved in the administration, supervision, or performance of the quality control procedures of engagements each will inspect. One inspector on each office inspection team will be designated as the team captain. The inspection will include a review of the governmental audit practice in accordance with the AICPA guidance provided. The monitoring process is planned, performed, and documented using the appropriate monitoring checklist found in the practice aid section of *PPC's Guide to Quality Control* as a work program. The monitoring procedures include review of administrative records to assess compliance relating to quality control elements other than engagement performance. The monitoring activities include review of administrative records to assess compliance relating to QM components other than engagement performance.

2. At the conclusion of the inspection/review, the team captain is responsible for completing the "Evaluation of Findings" form in the practice aid section of PPC's Guide to Quality Management, which documents findings, identified deficiencies and their root causes, and remedial actions taken. The team captain also discusses the results of the monitoring activities performed with the SQM director, engagement partners, and other appropri-ate personnel responsible for each of the engagements and QM components selected for review. Evaluating identified deficiencies, determining their root causes, and the appropriate remedial actions to take is generally a combined effort of the team captain and those individuals who are responsible for the affected engagements and QM components where deficiencies were identified. Engagement partners consider whether any identified deficiencies noted in the monitoring team's results may affect other audit engagements.

3. The firm pursues one or more of the following actions resulting from its evaluation of the deficiencies noted during inspection/review:

    - Implement the remedial action determined to be appropriate for the engagement or QM component.
    - Revise the related quality objective, quality risk, or response (QM policy or procedure).
    - Discipline individuals who failed to follow the firm's QM policies and procedures.
    - Communicate the need for additional training or CPE to those responsible for training and professional development when it appears that the root cause of an identified deficiency may be a lack of training or understanding by firm personnel.

4. In addition, if a materially nonconforming engagement or other significant deficiency is identified, the firm takes appropriate action that, depending on the severity of the deficiency(ies), may also include one or more of the following internal actions:

    - Require the engagement partner and team members to take relevant CPE.
    - Require an EQR on the engagement partner's future engagements in the specific industry or type of engagement.
    - Prohibit the engagement partner from performing future engagements in the specific industry or type of engagement.
    - Consider whether other actions should be taken.

5. If monitoring activities indicate that required engagement procedures were not performed or that an issued report is inappropriate, the firm (a) takes appropriate action to comply with relevant professional standards and applicable legal and regulatory requirements, and (b) when the issued report is determined to be inappropriate, considers the implications and takes appropriate action, which may include obtaining legal advice and communicating the matter to the firm's legal liability insurance carrier.

6. After remedial actions are implemented, those assigned operational responsibility for the monitoring and remediation process, evaluate whether the remedial actions have been effective in addressing the identified deficiencies. If the evaluation indicates that a remedial action is unsatisfactory, further appropriate action is taken to modify the remedial action such that it is effective. This evaluation is documented on the "Evaluation of Findings" form in the practice aid section of PPC's Guide to Quality Management.

7. At least annually, the individuals who have been assigned operational responsibility for monitoring and remediation, timely communicate the results of the monitoring and remediation process to the managing partner, the SQM director, and to engagement teams and other individuals assigned activities within the SQM to enable them to take prompt and appropriate action in accordance with their defined roles and responsibilities. The communication provides a description of (a) the monitoring activities performed, (b) the deficiencies identified, including their severity and pervasiveness, and (c) the remedial actions taken to address the root causes of the identified deficiencies. Engagement partners consider whether any identified deficiencies noted in communication may affect their engagements.

8. In addition to the firm's inspection/review and other monitoring procedures, the firm is subject every three years to a peer review in accordance with the requirements of the AICPA and the North Carolina State Board of Accountancy. The managing partner is responsible for scheduling and coordinating that review.

    - In accordance with the membership requirements of the AICPA Governmental Audit Quality Center and the AICPA Employee Benefit Plan Audit Quality Center, the engagement letter covering the firm's peer review requires that the governmental audits and ERISA employee benefit plan audits selected for review during the firm's peer review are reviewed by someone who is employed by a member firm of the respective Center. Also, information relative to the firm's most recently accepted peer review is available to the public in accordance with the membership requirements of the respective Centers.
    - The internal inspection/review results (including those specific to the firm's governmental audit engagements and ERISA employ benefit plan audit engagements selected for inspection/review) and annual monitoring and remediation communication are made available to the firm's peer review team.

9. The managing partner periodically reminds personnel during staff meetings that any concerns regarding complaints or allegations may be communicated to the firm without fear of reprisal. The firm is particularly interested in complaints and allegations about the firm's noncompliance with professional standards, applicable legal and regulatory requirements, and the firm's SQM. The firm addresses complaints and allegations by-

    - Establishing channels of communication for complaints and allegations through the firm's website and communicating such information to employees and clients.

- Investigating complaints and allegations and involving legal counsel if considered necessary. The firm assigns partners to this process who are trained and knowledgeable about firm procedures and who are not otherwise involved in the engagement or the operation of the SQM relating to the complaint or allegation.

- Documenting all complaints and allegations.

10. The firm documents the performance of each component of its SQM on an ongoing basis, as well as in conjunction with documenting its monitoring of the system. The firm retains documentation evidencing the operation of its QM policies and procedures for a time sufficient to allow those monitoring the SQM, including peer reviewers, to evaluate the firm's compliance with its system.

SUMMARY

The quality management document is to be complied with using professional judgment. The managing partner and/ or another partner may issue a report without review or may add/delete to the steps contained therein if in their professional judgment the engagement is performed in accordance with all appropriate requirements. The firm uses the guides of Practitioners Publishing Company as its main source for professional guidance, checklists and audit programs but the partner-in-charge of an engagement may substitute other material if more appropriate in his/her opinion.

At any time a circumstance arises that is not addressed in this document, the PPC and AICPA resources used in drafting this document will be considered in resolving such circumstance.

Proposal to Provide Auditing Services

WILSON'S MILLS
NORTH CAROLINA

Section 2:
Audit Approach & Cost Estimates

Due : April 27, 2026 3:00 PM

PRESENTED BY:
Thompson, Price, Scott, Adams & Co., P.A.

TOWN OF WILSON'S MILLS
North Carolina

Proposal to Provide Auditing Services
For the Years Ending June 30, 2026 Through 2028

SECTION 2:
Audit Approach & Cost Estimates

SUBMITTED BY:

Thompson, Price, Scott, Adams & Co., P.A.

PO Box 398
1626 S. Madison St.
Whiteville, NC 28472
910-642-2109

CONTACT PERSON:

(The individual authorized to conduct negotiations and discuss the proposal)

Alan Thompson, Partner

DUE DATE: April 27, 2026 3:00 PM

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

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CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

Thompson, Price, Scott, Adams & Co, P.A.
P.O. Box 398
1626 S Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA

April 20, 2026

Town of Wilson's Mills, Finance Department
Attn: Connie Lassiter, Finance Director
4083 Wilson's Mills Rd.
PO Box 448
Wilson's Mills, NC 27593

Re: Request for Proposal for Audit Services for the Town of Wilson's Mills

Dear Ms. Lassiter:

Thank you for the opportunity for Thompson, Price, Scott, Adams & Co., P.A., hereinafter called the "Auditor" to submit a bid to perform the audit for the Town of Wilson's Mills, hereinafter called the "Town."

Alan Thompson, partner, is entitled to represent the Firm, empowered to submit the proposal, and authorized to sign a contract with the Town.

Our total not-to-exceed fee to perform the Town's base audit is $ 11,500.00, for the year ending June 30, 2026. Our total not-to-exceed fee for preparation of the financial statements is $2,000.00 for the year ending June 30, 2026. If a single audit is required, our fee is $3,000.00 per single audit for the year ending June 30, 2026. Any additional services outside of the RFP will be billed at $150.00 per hour with prior approval from the Town. The Town reserves the option to renew the audit services contract for two additional years, in increments of one year at the time.

We are very grateful for the opportunity to submit our proposal, and we would be delighted to answer any further questions that you might have in relationship to our proposal.

Respectfully Your

Alan Thompson

Alan Thompson, Partner

Section 2 – Audit Approach & Cost Estimates

1. Type of audit program used (tailor-made, standard government, or standard commercial).

The Auditor will use Practitioners Publishing Company's (PPC) audit programs which enable us to tailor the program to the Town In addition the Auditor uses CCH's engagement for analytics and as its paperless solution.

2. Use of statistical sampling.

The Auditor uses statistical sampling for tests of compliance, tests of internal control, and disbursement testing. The Auditor typically uses a sample size of sixty.

3. Use of automated processes and internal control testing methods.

We use compliance supplements and PPC guidance for testing internal controls. Our use of automated processes is determined by the technological ability of the auditee.

4. Use of computer audit specialists

The Auditor is not aware of the need for the use of computer audit specialists in the engagement. However, if we determine that a computer audit specialist is needed, we have in house IT available.

5. Organization of the audit team and the approximate percentage of time spent on the audit by each member.

The audit team will consist of one partner, the audit manager, and three senior audit personnel. Under normal conditions the engagement partner and/or audit manager would be on site 35% - 50% of the time, and the remainder of the listed staff would be there 100% of the time that it takes to complete necessary procedures. However, we would like to get as much information electronically as possible and be onsite as little as possible. We know some onsite time will be unavoidable.

Audit Team

Alan Thompson, CPA	Engagement Partner
Brandy Turbeville, CPA	Audit Manager - oversees both financial and compliance audits
Ronnie Creech	Senior Staff - assists in financial audit testing
Hunter Wiseman	Senior Staff - assists in financial audit testing
Sophie Chen	Senior Staff - Compliance Auditor

6. Information that will be contained in the management letter.

The Auditor will issue a management letter to the Town after completion of the audit and assist management in implementing recommendations, as is practical. We will also provide an informal letter addressed to the Finance Director with any efficiency, internal control, or accounting improvements that could be made based on the audit staff's observation during fieldwork, if necessary. All information would be discussed with the Finance staff prior to issuance.

7. Assistance expected from the government's staff, if other than outlined in the RFP.

The Auditor expects no assistance outside the RFP.

8. Tentative schedule for completing the audit within the specified deadlines of the RFP.

See Following Page.

Tentative Schedule for Completion of Audit Within the Specified Deadlines of the RFP

Pre-Planning Conference		To be held by June 1, 2026.
Interim Fieldwork June(1week)		To be completed by June 15, 2026 1. Prepare all confirmation and obtain appropriate personnel signatures. 2. Begin preliminary fieldwork to include: a. Review of internal control procedures. b. Testing internal control procedures. c. Assembling necessary permanent file documents. d. Perform compliance tests of those programs subject to single audit.
Detailed Audit Plan		To be delivered to the Town by June 15, 2026.
Fieldwork Aug-Sept. (2 weeks)		The year-end fieldwork will begin by mid-August and be completed by September 30, 2026. Finish all fieldwork, present the client representation letter and attorney legal letter to the Town. Agreed upon post-closing balance will be provided September 1, 2026.
Exit Conference & Draft Report		The exit conference will be scheduled with the Town at an agreed upon date. The draft report will be supplied to the Finance Office by November 30, 2026.
Final Report		The final audit will be given to the Town no later than December 31, 2026, but earlier if possible.

This **tentative** schedule is based on receiving timely information from the finance staff to help with performing the audit. If the Town is unable to fulfill commitments to providing information on a timely basis as outlined in the RFP, the time frame will be appropriately extended.

Entrance Conferences, Progress Reporting, and Exit Conferences will be scheduled once the contract is signed and executed.

9. Specify costs using the format below for the audit year July 1, 2025, to June 30, 2026. For the two audit years which follow, list the estimated costs. The cost for the audit year ending June 30, 2026, is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a "not-to-exceed" amount.

A. Audit firm personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.

1) Estimated hours: please categorize estimated hours into the following: On-site interim work, year-end on-site work, and work performed in the auditor's office.
2) Rate per hour.
3) Total cost for each category of personnel and for all personnel costs in total.

B. Travel – itemize transportation and other travel costs separately.

C. Cost of supplies and materials – itemize.

D. Other costs – completely identify and itemize.

1) If applicable, note your method of determining increases in audit costs on a year-to-year basis.

2026 Audit Costs

	Standard Rate per Hour	On-site Interim Work	Year-end On-site Work	Work in Auditor's Office	Total
Partners	$ 160.00	8	8	5	$ 3,360.00
Managers	$ 130.00	15	10	15	5,200.00
Senior Staff	$ 110.00	15	10	12	4,070.00
					12,630.00
Less: Discount					(1,130.00)
Sub Total					11,500.00
Financial Statement Preparation					$ 2,000.00
Total					13,500.00

Single Audt Fee is $3,000.00 per single audit

B. No Travel Cost
C. No Supplies Cost
D. No Other Cost
Increases after the initial year will be based on inflationary pressures. However, any changes in fees would be negotiated with the Town.

Estimated fee for 2027 $13,500.00 Estimated fee for 2028 $13,500.00.

10. Please list any other information the firm may wish to provide.

The firm does not wish to provide any additional information at this time.

11. Please include the Summary of Audit Costs Sheet with your proposal.

See the following page.

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit (includes personnel costs, travel, on-site work)

Fiscal Year 2025-2026:	$ 11,500.00
Fiscal Year 2026-2027:	$ 11,500.00
Fiscal Year 2027-2028:	$ 11,500.00

2. Extra Audit Services

   $ 150.00 Per hour — $ ______

3. Single Audit Services (if necessary) per single audit — $ 3,000.00

4. Other (explain)

   Financial Statement Preparation per year — $ 2,000.00

TOTAL $ 40,500.00 (3 yr. total - no single audit)

FIRM: Thompson, Price, Scott, Adams & Co., P.A.	Primary Contact: Alan Thompson
Address: PO Box 398	Telephone: 910-642-2109
1626 S. Madison St.	Fax: 910-642-5958
Whiteville, NC 28472	E-mail: alanthompson@tpsacpas.com
	Date: 4/20/2026

PROPOSAL CERTIFICATION

Proposers Signature _______________ Date 4/20/2026

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed): Alan Thompson

TITLE: Managing Partner

COMPANY: Thompson, Price, Scott, Adams & Co., P.A.

ADDRESS: PO Box 398, 1626 S. Madison St.
Whiteville, NC 28472

TELEPHONE: 910-642-2109

EMAIL: alanthompson@tpsacpas.com

SHARPE
PATELCPA

TOWN OF WILSON'S MILLS

PROPOSAL FOR AUDIT SERVICES

JAY E. SHARPE, CPA, CFE
DIRECTOR OF AUDIT SERVICE
5510 SIX FORKS ROAD, SUITE 140
RALEIGH, NC 27609
919-961-7496
jay@sharpepatelcpa.com
www.sp.cpa

SHARPE
PATEL CPA

Letter of Transmittal

April 27, 2026

Town of Wilson's Mills
Wilson's Mills, North Carolina

To Management and the Town Council:

Enclosed is our proposal and response to Town's request for audit services for the years ended June 30, 2026, 2027 and 2028. We appreciate the opportunity to propose on these services. I believe the Town will find that we are qualified to perform the requested services. Jay Sharpe, the proposed audit partner in charge has 26 years' experience working with governmental auditing throughout North Carolina. We would be glad to discuss our firm and services and answer any questions or concerns the Town may have concerning our proposal. We look forward to the Town's decision.

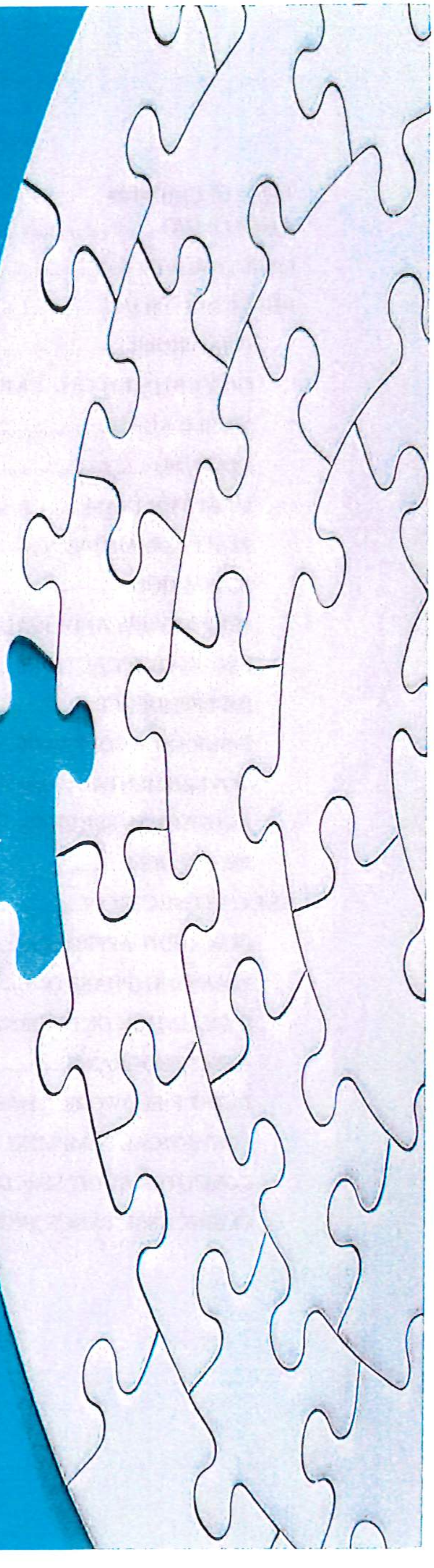
Thank you.

Sincerely,

Sharpe Patel PLLC

Jay E. Sharpe, CPA, CFE

AN EXPERIENCED CPA FIRM PROVIDING QUALITY AUDIT AND TAX SERVICES



At Sharpe Patel PLLC we are committed to exceeding our client's expectations and we pride ourselves on the ability of our team to provide a personal and unique experience. Our goal with every client is to provide exceptional customer service through accessibility, efficiency, quality and knowledge of our clients on a personal level.

Simply put, we are driven to go beyond the numbers . . .

Table of Contents

ABOUT US

Sharpe Patel PLLC was formed by Jay Sharpe and Aaron Patel in 2020 with the belief that audit and tax services can be provided efficiently while still being cost effective and maintained on a personal level. While the focus of our services have been in North Carolina, we have been engaged by clients as far as Texas. Our approach is simple, we begin every assignment with an individual view and adapt our methods to meet the specific needs of each of our clients.

When you engage Sharpe Patel PLLC, you can be confident that you will be working with experienced professionals every step along the way.

OUR LOCATIONS

We Are located throughout the state of North Carolina with offices in Raleigh, Charlotte and our newest location, Wilmington.

FIRST SECTION

FIRM PROFILE

While Sharpe Patel PLLC is relatively new (formed in 2020), its team members are not. Jay Sharpe and Aaron Patel formed the Firm to give better service to clients across all industries including the governmental and nonprofit sectors. Sharpe Patel PLLC currently has offices in Raleigh, Wilmington and Charlotte.

GOVERNMENTAL EXPERIENCE

Sharpe Patel PLLC has a dedicated team of professionals knowledgeable in government accounting, audit and financial reporting. With numerous years of experience in the public sector, our auditors possess the knowledge and capability to support your government's auditing and assurance needs. Our support structure, resources and training are devoted to providing governments with accurate, prompt, and efficient audits and financial related services. With an in-depth knowledge of single audits, the latest GASB pronouncements, Annual Comprehensive Financial Reports and state and federal regulations, we aim to provide each of our clients with the most efficient audit and long-term guidance possible. Our focus lies on exceptional customer service which we accomplish through accessibility, efficiency, quality and knowledge.

The experience and capabilities of our governmental audit team includes work in the following areas:

- Financial Audits, reviews and compilations
- Single Audits, under both Federal and North Carolina requirements.
- Yellow Book Audits
- Program Specific Audits
- Agreed-upon Procedures
- Forensic Audits / Examinations
- Financial Statement Preparation
- Forecasted Financial Statements

SINGLE AUDIT

All government agencies that ***spend*** more than $1,000,000in federal funds during a fiscal year are required by the Office of Management and Budget (OMB) to have a single audit(s) performed. In addition, government agencies that ***spend*** more than $1,000,000 in state funds during a fiscal year are required under the North Carolina State Single Audit Implementation Act to have a single audit(s) performed. Our team have extensive experience with single audit and have performed yellow book and single audits for numerous governments on a variety of federal and state programs. We will review the Town's accounting records and determine the need for a single audit meeting the criteria noted above. As part of our single audit, we will evaluate the Town's internal controls over grant compliance and the financial statements. We will develop a risk-based audit program and determine if the City is meeting all compliance and financial requirements associated with their federal and state grants. Once complete, we will assist the Town with the submission of their single audit reporting package to the Federal Audit Clearinghouse or other required authoritative body.

STAFFING

The Town's assigned engagement team will consist of a lead partner, senior manager, senior auditor, and experienced audit associate(s), who will work both onsite, at the Town's location, and at the firm offices for the duration of the audit. The Firm from time to time utilizes college students under its internship program (if this will be an issue, please let us know). Our partners maintain a high degree of client involvement during the engagement process.

MEET THE TEAM

Jay E. Sharpe, CPA, CFE will be the partner in charge for the Town's audit. Additional information on our team is as follows:

Jay E. Sharpe, Partner – Audit Partner

Jay E. Sharpe, CPA, CFE is the Raleigh office's partner and serves as the firm's Director of Auditor Services. Jay has over 25 years of experience in auditing various government agencies. His work experience includes working with a variety of Towns and Cities, Charter Schools, Boards of Education, Community Colleges and State Agencies. Jay previously worked for the Office of the State Auditor. In addition to his auditing experience, Jay performs forensic and fraud investigative services. He has led seminars in the past on preventing fraud and is the past President of the Board of Directors for the Central Carolina Chapter of the Association of Certified Fraud Examiners.

Community Involvement

- Former Treasurer on the Board for the SPCA of Wake County.
- Jay teaches accounting and auditing classes at Wake Tech
- He has serviced as a volunteer reviewer for the GFOA.

Education and Licenses

- Bachelor of Science in Accountancy – The University of North Carolina at Wilmington
- Master's in science in Accountancy – The University of North Carolina at Wilmington
- Licensed as a Certified Public Accountant in North Carolina (license # 27818)
- Licensed as a Certified Fraud Examiner

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)
- Association of Certified Fraud Examiners (ACFE)

Continuing Professional Education

Jay maintains CPE hours as required under current standards including Yellow Book CPE hours. He has taken over 40 credit hours per year including annual ethics requirements, annual audit updates, fraud seminars and attended the local government and not-for-profit conferences held by the NCACPA. Jay has also led seminars on fraud and auditing techniques during the past three years.

Jacob Allen, Audit Partner

Jacob Allen, CPA, is a Senior Audit Manager in the Raleigh office of Sharpe Patel PLLC. Jacob practices in the areas of auditing and attestation. He has over ten years of experience in public accounting and his areas of expertise including towns, boards of education, charter schools, HUD properties and other government agencies.

Education and Licenses

- Bachelor of Business Administration in Accounting – Campbell University
- Master of Accountancy – North Carolina State University
- Jacob is licensed as a Certified Public Accountant in the State of North Carolina (#37400).

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)

Continuing Professional Education

Jacob maintains CPE hours as required under current standards including Yellow Book CPE hours. He has taken over 40 credit hours per year including annual ethics requirements, annual audit updates, fraud seminars and attended the local government and not-for-profit conferences held by the NCACPA.

Leizl Baker, Audit Manager

Leizl Baker, CPA, is an audit senior associate in the Raleigh office of Sharpe Patel PLLC. Leizl practices in the areas of auditing and attestation. Leizl has experience in areas including governments, charter schools, Boards of Education, not-for-profit organizations, captive insurance, HUD properties, and EMS units.

Education and Licenses

- Bachelor of Science in Accounting – North Carolina State University
- Master of Accounting – North Carolina State University
- Leizl is licensed as a Certified Public Accountant in the State of North Carolina (#43181).

Professional Affiliations

- Association of Certified Fraud Examiners (ACFE)
- North Carolina Association of Certified Public Accountants (NCACPA)
- Central Carolina Chapter of the Association of Certified Fraud Examiners

Continuing Professional Education

Leizl has maintained required CPE levels by taking over 40 credit hours per year including annual ethics requirements, annual audit updates, courses on recently released FASB standards, and attended the local government and not-for-profit conferences held by the NCACPA.

Jacob Tripp, Audit Manager

Jacob Tripp, CPA is an audit senior associate in the Raleigh office of Sharpe Patel PLLC. Jacob practices in the areas of auditing and attestation. Jacob has experience in areas including governments, charter schools, Boards of Education, not-for-profit organizations, captive insurance, HUD properties, and 401(k) employee benefit plans.

Education and Licenses

- Bachelor of Science in Accounting – Towson University
- Jacob is licensed as a Certified Public Accountant in the State of North Carolina (#44903).

Professional Affiliations

- North Carolina Association of Certified Public Accountants (NCACPA)

Continuing Professional Education

Jacob has maintained required CPE levels by taking over 40 credit hours per year including annual ethics requirements, annual audit updates, courses on recently released FASB standards, and attended the local government conference held by the NCACPA.

Sarah Jones, Senior Audit Associate

Sarah Jones is an Audit Senior Associate in the Raleigh office of Sharpe Patel PLLC. Sarah practices in the areas of auditing and attestation. She has experience working with governmental, not-for-profit, charter schools, captive insurance, and affordable housing properties.

Education and Licenses

- Bachelors of Science in Accounting – Meredith College
- Bachelors of Science in Economics – Meredith College

Professional Affiliations

- North Carolina Association of Certified Public Accountants (NCACPA)

Continuing Professional Education

Sarah's continuing education includes attendance at courses concentrating on audit and attestation services for clients in a variety of industries including not-for-profits.

Sarah has maintained required CPE levels by taking over 40 credit hours per year including annual ethics requirements, annual audit updates, courses on recently released FASB standards, and attended the local government held by the NCACPA.

Other staff that may be involved:

Mario Peroni – Senior Auditor
Hannah Schneggenburger – Senior Auditor
Kristine Black – Senior Auditor
Bridgett Thomson – Audit Associate
Carter Pollack – Audit Associate
Reuben Garcia – Audit Associate
Elizabeth Montalvo – Audit Associate
Akhil Krishnan – Audit Associate
Alison Hammett – Audit Associate

STAFF COMMITMENT

The Firm is fully committed to having a consistent team on the Town's audit year in and year out. We understand from our experience taking on new audits, one of the biggest complaints by new clients is that the prior audit firm constantly changed staff on their audit team. We have had less than 5% turnover in our audit team over the last two years.

EDUCATION

It is the policy of the Firm that all audit staff maintain at the very minimum 40 hours of continuing professional education on an annual basis, rather they have their CPA license or not. This is done through a combination of in-house training, AICPA and NCACPA seminars and other methods. All staff assigned to the Town's audit will have sufficient Yellow Book CPE.

PEER REVIEW AND QUALITY CONTROL

Sharpe Patel PLLC is a member of the American Institute of Certified Accountants (AICPA) peer review programs. The AICPA Peer Review Program requires enrolled firms to have a peer review conducted by an independent evaluator, once every three years of their accounting and auditing practice. Such review assures that the services we provide to our clients meet the highest level of standards in the accounting profession. In addition, it is the policy of our Firm that our quality control system be monitored on an ongoing basis to provide the Firm with reasonable assurance that the policies and procedures established by the Firm for each of the other quality control elements (including quality control elements and activities not formalized in writing) of quality control are suitably designed and are being effectively applied. The adequacy and effectiveness of the Firm's quality control system is monitored on an ongoing basis by the Firm's quality control partner. As an integral part of the monitoring process, our quality control system is inspected annually to determine whether the Firm has complied with its stated quality control policies.

A copy of our latest peer review with a PASS rating can be found in Appendix A.

REGULATORY ACTIONS

No regulatory actions have been taken against the Firm or any of its staff.

INDEPENDENCE

In accordance with the quality control document of the Firm all professional personnel must be familiar with and adhere to the independence, confidentiality integrity, and objectivity rules, regulations, interpretations, and Rulings of the AICPA, the State of North Carolina Board of Accounting, the State of North Carolina CPA Society, state statutes, and other State or regulatory agencies where applicable. Independence, Confidentiality, Integrity, and Objectivity Representation is required by all personnel when hired and annually thereafter.

Independence on all audit engagements is reviewed on an annual basis to ensure compliance with all rules that govern this topic. We have reviewed our independence in association with this proposed engagement and in all matters relating to the audit of the Town, Sharpe Patel PLLC is independent in fact and appearance.

INSURANCE COVERAGE

The Firm presently carries the following insurance policies:

1. Worker's Compensation - The Firm maintains Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage.
2. Commercial General Liability –General Liability Coverage on a Comprehensive Broad Form on an occurrence basis.
3. Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract.
4. Professional Liability - Professional Liability Coverage on a Comprehensive Broad Form on an occurrence basis.

All insurance meets the laws of the State of North Carolina. Insurance coverage is obtained from companies that are authorized to provide such coverage and are authorized by the Commissioner of Insurance to do business in North Carolina. The Firm shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the Firm shall not be interpreted as limiting the contractor's liability and obligations under the contract.

If awarded the contract, we will be glad to provide a COI.

GOVERNMENTAL CLIENTS

Below is a sample of governmental clients the Firm and / or team have worked with:

Client	Services	Years
Town of Benson	Financial statement audit and single audit	6
Town of Pittsboro	Financial statement audit and single audit	6
Town of Oak Island	Financial statement audit and single audit	1
Town of Goldston	Financial statement audit and single audit	6
City of Clinton	Financial statement audit and single audit	5
City of Creedmoor	Financial statement audit	5
Town of Wilson's Mills	Financial statement audit and single audit	6
Town of Indian Beach	Financial statement audit	5
Town of Hope Mills	Financial statement audit and single audit	3
North Carolina Agriculture Finance Authority	Financial statement audit and single audit	5
North Carolina Office of the State Auditor	Financial statement audit	5
City of Southport	Financial statement audit	3
Tuckaseigee Water & Sewer Authority	Financial statement audit	4
Guilford Community College	Financial statement audit and single audit	4
Asheville-buncombe Community College	Financial statement audit	2
Stanly Community College	Financial statement audit	1
Beaufort Community College	Financial statement audit	1
Town of Siler City	Financial statement audit	2
Various Community Colleges	Program audits	2
Town of Ayden	Financial statement audit and single audit	1
80 plus charter schools (reported under Governmental Standards)	Financial statement audit and single audit	6

ADDITIONAL SERVICES

The Firm from time to time provides other services for government agencies. A few examples of these additional services include:

- Conducted a three-year forensic audit for a Housing Authority.
- Conducted a forensic audit for a Town.
- Conducted pension testing as required by the Local Government Commission for several Boards of Education, Towns and other government agencies throughout the years.
- Conducted a vendor audit for a Board of Education.
- Prepared forecasted financial statements for USDA loan applications for several Towns.

REFERENCES

We invite you to contact the following personnel for the purpose of verifying our experience:

Town of Pittsboro	Heather Meacham Finance Director hmeacham@pittsboronc.gov 984-282-6936
Tuckaseigee Water and Sewer Authority	Karen Polyasko Finance Director kpolyasko@twsanc.us 828-586-6303
Town of Indian Beach	Tim White Town Manager twhite@indianbeach.org

Additional references available upon request.

SECOND SECTION

OUR AUDIT APPROACH

Sharpe Patel PLLC implements a unique audit strategy for each audit it conducts utilizing a risk-based audit approach. This allows us to perform financial statement audits of governmental entities efficiently and effectively in accordance with auditing standards generally accepted in the United States of America (GAAS). This is accomplished by obtaining an understanding of the Town and its environment to sufficiently assess the risk of material misstatement. Audit procedures are then designed and performed in response to the risk of material misstatement.

Our goal in this is to reduce the burden on Town staff as much as possible while adhering to the established timeline. Our audit will be conducted in accordance with the following standards (as applicable):

- Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants.
- Financial Audit Standards established by the General Accounting Office's Government Auditing Standards.
- All provisions of the Uniform Guidance and the U.S. Office of Management and Budget (OMB) single audits of states, local governments and not-for-profit organizations.

PLANNING (PHASE ONE)

The planning phase involves developing the overall audit strategy for the expected activities, organization, and staffing of the audit. We will plan the audit to respond to the assessment of the risk of material misstatement based on our understanding of the Town, its environment, and internal controls.

Our understanding of the Town and its environment will include the following:

- Economic, regulatory, and other external factors;
- Nature of the Town;
- Objectives, strategies and related risks that may cause material misstatement of the financial statements;
- Measurement and review of the Town's financial performance;
- Evaluation of Internal controls (see below for more details on this step)

In addition, we will calculate our initial materiality during the planning phase. This will assist in establishing the extent of our audit procedures.

EVALUATION OF INTERNAL CONTROLS

As part of the planning process, audit standards require that we obtain an understanding of the Town sufficient to evaluate the design of the internal controls and to determine whether they have been implemented. Our understanding of the Town's internal controls will focus on five areas:

1. the control environment;
2. risk assessment;
3. information and communication systems;
4. control activities and;
5. monitoring controls.

To gain that knowledge and complete our control evaluation, we will use a combination of the following procedures:

- Conduct interviews of selected management and staff;
- Submit questionnaires to select management and staff'
- Evaluate the Town's financial reporting and management policies, budget documents and process, and informational systems;

In addition if based on the knowledge gained from the step above, we feel we can rely on the Town's internal controls in place, we may conduct the following on certain significant reporting areas:

- Test the design and implementation of selected key controls by performing a walk-through of the selected transaction class;
- Test the operating effectiveness of selected controls that were deemed appropriate.

As we noted previously, we utilize a risk-based audit approach. The evaluation of internal controls will enable us to assess inherent and controls risk over all the significant financial reporting areas of the Town and allow us to identify and assess the risk of material misstatement within the Town to form our overall audit plan and design the extent, nature, and timing of substantive audit procedures to mitigate that risk to an acceptable level.

AUDIT PROGRAMS

Once our initial risk assessment is completed, we will develop audit programs that lay the road map for our audit procedures during the fieldwork phase of the audit. Our audit programs are combinations of programs made in house and programs which are issued by governmental authorities and private publishers such as Practitioners Publishing Company (PPC). We generate unique programs for each audit based on the client's industry and our risk assessment software. The use of this risk assessment software allows us to assess risk to each individual section of the financial statements and to generate additional tasks for higher risk areas. We are able to customize the programs as needed. We subscribe to the governmental industries from PPC and CCH.

AUDIT FIELDWORK (PHASE TWO)

As noted above, based on the results of our risk assessment and internal control evaluation, audit procedures will be designed. Our audit procedures will be designed to concentrate on identified high risk areas. However, we will touch all significant reporting areas during fieldwork. We will use tests of details, substantive analytical procedures, or a combination of the two to conclude on the reasonableness of the given transaction class or account balance.

By utilizing a blend of substantive testing (vouching underlying transactions to support), and substantive analytical testing (testing data through overall and stratified analysis), we are able to cover significant ground while still getting a quality level of detailed depth to our testing. Striking a good balance and not over relying on one type of testing over the other is integral to a thorough and efficient audit.

Substantive procedures are an integral part of a thorough audit. Significant transactions must be supported evidentially, and when they cannot be supported, that may be a symptom of a potential material misstatement or other systematic issue. Under the standards, we are to design and conduct our procedures to gain *sufficient* audit evidence to render an opinion on the financial statements.

STATISTICAL SAMPLING

We will use a combination of statistical and non-statistical sampling in our audit approach. We will determine which method to use based on auditor judgment during planning and creation of procedures. Statistical sampling will include use of either simple random sampling using a random number generator or interval sampling. Non-statistical sampling will include use of judgmental selection and haphazard selection. Audit procedures performed on selected samples along with analytical procedures will be used to obtain sufficient appropriate audit evidence to afford a reasonable basis for an opinion regarding the financial statements under audit. When appropriate, we will also use Dual-Purpose Sampling to test the operating effectiveness of controls and tests of the recorded monetary amounts, minimizing the time spent on repetitive tasks, thereby saving audit costs. The sample sizes will be directly related to the assessment of the inherent risk and the control risk of the entity.

COMPUTER AUDIT SPECIALIST

We do use a computer audit specialist when a need arises. However, due to the heavy investments that our Firm has made in technology and the knowledge that our staff has, we are typically able to handle computer related issues without the need of a specialist. Our staff will obtain an understanding of the internal controls surrounding the computer systems to identify any potential weakness that may have a direct and material impact on the financial statements, and we will make recommendations directly to management in areas where weaknesses are identified.

CLIENT ASSISTANCE METHODOLOGY

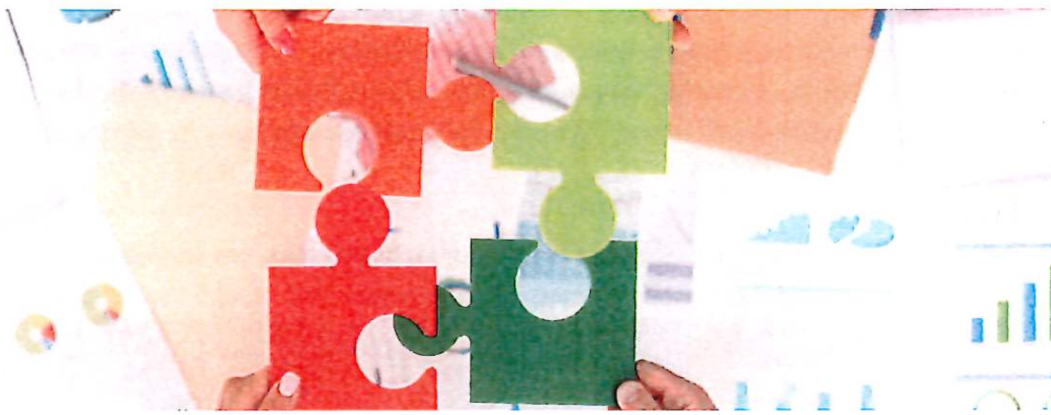
Prior to the start of field work, we will schedule a meeting (entrance conference) to discuss the desired timeframe, estimated report delivery, and extent of management and auditor responsibilities as it relates to the audit. We will also provide a detailed list of requests, "PBC List", that will provide the items needed for the audit, and a link to our secure file sharing system where those items can be uploaded. This streamlines the audit approach and allows us to get information in the most efficient manner possible. Our Firm uses state of the art technology in addition to e-mail and file sharing as much as possible, eliminating all unnecessary paper and removing geographic limitations. We customarily utilize paperless and electronic engagement software in the field to share data with staff working on the same engagement using the "cloud" and ProSystem Engagement.

We fully understand that minimizing costs is a high objective of both the Firm and the Town. In order to accomplish this, we do expect complete cooperation from the Town's staff during the performance of the audit. This includes preparing as many of the schedules and supporting documentation as possible and being available for questions and discussion. We understand the Staff at the Town are very busy in their daily responsibilities. An audit can be a burden for a short period of time, but the better the cooperation, the more efficient the audit can be performed and the quicker the auditors will leave! We can designate specific time to ask questions of staff if needed.

In order to input the Town's trial balances into our audit software, we would need the trial balance transmitted to us in an excel format or a format that could be converted to excel.

AUDIT WRAP UP (THIRD AND FINAL PHASE)

At the conclusion of the audit, we will evaluate the information gathered and determine if sufficient audit evidence has been accumulated to determine that the financial statements are fairly stated in all material respects in accordance with generally accepted accounting principles (GAAP). We will also determine the type of opinion based on the sufficiency of the audit evidence.



REPORTING ON THE RESULTS OF THE AUDIT

During our compliance and substantive testing, we may note certain matters involving internal control and other operational procedures. Our job as your auditor will be to ensure that you understand where you have deficiencies or weaknesses so that you can make informed decisions on how best to respond to these risks. We may identify the following types of deficiencies:

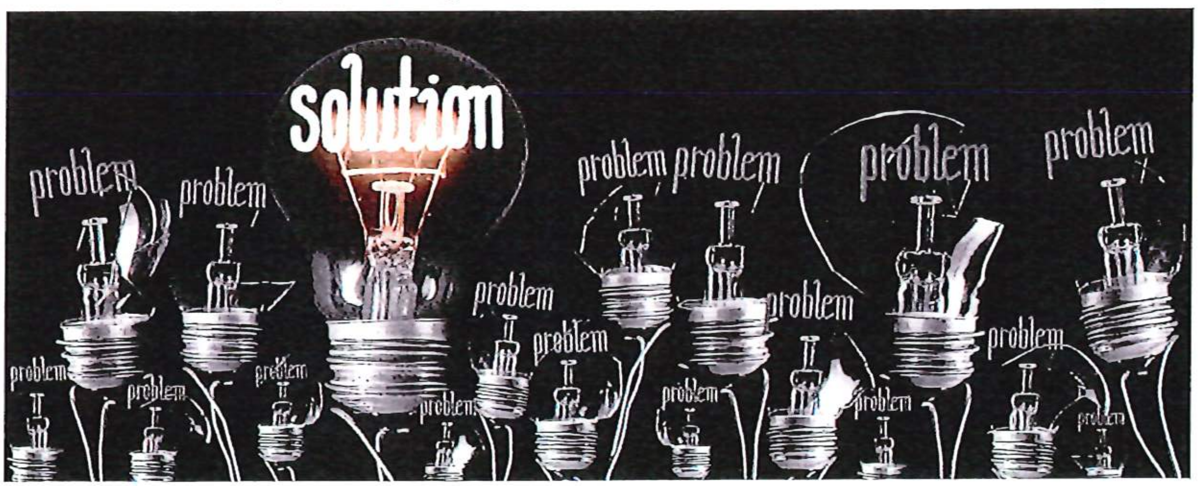
- **Control Deficiency**: A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. This type of deficiency is typically communicated in the management letter.

- **Significant Deficiency**: A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
- **Material Weakness**: A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Significant deficiencies and material weaknesses are typically reported as "findings" in the audited financial statements and require a response or a corrective action plan by management.

We will communicate to you orally and in a letter, all deficiencies noted and recommendations for your consideration, intended to improve the internal control and/or the results of the operating efficiencies. The letters are solely for management, those charged with your organization's governance, others you deem appropriate within your organization and any governmental authorities you need to share this information with.

Our Firm operates under a "NO SURPRISE MANDATE", any issues which arise during the audit will be brought to the attention of management for discussion and analysis. We will NOT be issuing board communication without providing the same information to management. Management, as well as the audit committee will have the opportunity to discuss any issues which come up prior to issuance of Standard Board Communication Letters. Our goal is to be a partner with all of our clients, and work together to make the audit a smooth, and value-added process.



AUDIT TIMELINE

The following is a proposed timeline for the Town's audit services. We will discuss and come to an agreeance on a more detailed timeline during our entrance conference if the Firm is awarded the Town's audit services.

May 2026	Sharpe Patel PLLC is awarded the audit.
May	The engagement letter and audit contracts are prepared by the Firm and sent to the Town for review, approval and signature. We will contact predecessor auditors.
Spring	We will hold an entrance conference to discuss overall timing of the audit. We will begin the planning phase of the audit and potentially conduct preliminary fieldwork. This will involve test of controls, inventory observation (if deemed material) and other preliminary procedures.
June	We will send the PBC list to the Town so they can prepare for the audit. We will begin the confirmation process.

July / August	We will receive the trial balances (in excel) in advance of fieldwork. We will finalize the planning and risk assessment process in anticipation of the fieldwork phase.
August / September	The Firm will conduct final fieldwork. The exact dates will be discussed during our entrance conference.
October / November	We will conclude our audit procedures. We will prepare the financial statements and submit a full draft for review by the Town. We will submit to the LGC once approved.
December / January	We will present the audit to the Board and/or committee as requested.

FEES

The following is our proposed fees for the year ended June 30, 2026, 2027 and 2028.

This fee includes:

- Financial Audit of the Town
- Federal / State Single Audit (if applicable and priced separately)
- Preparation of the financial statements
- Presentation to the board and / or finance committee
- Minor technical questions throughout the year

Technical Questions

We understand the Town may seek consultation on various subjects throughout the year and we encourage our clients to contact us with questions. Routine questions are included in our fees above as part of our service and are encouraged. If the Town has questions or research topics that require extensive time, those services will be billed at our standard billing rates (discounted for not-for-profits). We will agree to the cost of this additional work with the Town before beginning any such requests .

Cost Proposal - June 30, 2026

	Partner	Manager	Senior Staff	Staff	Financials	Total
Preliminary Fieldwork	-	2	-	8		10
Fieldwork	-	4	24	24		52
Work performed in auditor's office (planning, wrap up, financial statements, etc.)	14	2	8	-	12	36
Total Hours	14	8	32	32	12	98
Rates	$ 300	$ 200	$ 175	$ 150	$ 110	
	$ 4,200	$ 1,600	$ 5,600	$ 4,800	$ 1,320	$ 17,520
Travel						$ 44 **
Other costs						$ 164
Governmental discount						$ (1,752)
TOTAL COSTS						$ 15,976

COST PROPOSAL			
	June 30, 2026	Audit	$ 15,976
		Single Audit	$ - *
		Total	$ 15,976
	June 30, 2027		$ 16,775
	June 30, 2028		$ 17,614

* **If Federal and State Single audits are not required, these amounts will be removed.**

Federal single audits will be charged $2,500 per program.
State single audits will be charged $1,500 per program.
** - charged at cost

OTHER INFORMATION

Service

We at Sharpe Patel PLLC pride ourselves on providing a service model that thrives on being more responsive to our clients. We want to serve our clients and work with them, not simply be a vendor that works for the client. We allow our clients access to our most experienced personnel. We believe that we are the size CPA firm that can give those personal services to organizations the size of the Town. We understand that many CPA firms could perform an audit, but it is the personal service that makes the difference. We want all our clients to succeed and we want to assist them in doing so.

Staff

As noted above, our service model calls for our most experienced personnel to be available to our clients. We have experienced low turnover; therefore we are able to offer staff continuity for the engagements. Technology and sophisticated auditing software systems are nice, but what makes the difference is the people. We believe the experience of our staff is a perfect fit for these engagements.

Experience

Concentration in the governmental sector. We don't simply see this as "filler" work. Governments make up a significant amount of our engagements during the year.

Communication

In order to best serve the Town, we believe communication is an overriding factor. We will provide constant communication to management on the audit process.

Pricing

We based our cost proposal on how much time we think, based on experience, it will take to complete the engagement. Many firms base their cost proposal on what the Town previously paid and try to low bid to win the contract. In the end, as with many services, we believe you get what you pay for. ***We are not in the business of "winning" engagements, instead we are "creating" relationships.***

JAY E. SHARPE, CPA, CFE
DIRECTOR OF AUDIT SERVICES
5510 SIX FORKS ROAD, SUITE 140
RALEIGH, NC 27609
919-961-7496
jay@sharpepatelcpa.com
www.sp.cpa

APPENDIX A – 2024 PEER REVIEW REPORT

BATCHELOR, TILLERY & ROBERTS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 18068
RALEIGH, NORTH CAROLINA 27619

RONALD A. BATCHELOR
WM. JAMES BLACK, JR.
SCOTT E. CABANISS
MICHELLE W. LEMANSKI
JARED L. PILAND
DAVID C. CORN, JR.

3605 GLENWOOD AVENUE, SUITE 350
RALEIGH, NORTH CAROLINA 27612
TELEPHONE (919) 787-8212
FACSIMILE (919) 783-6724

Report on the Firm's System of Quality Control

To the Owners of Sharpe Patel PLLC and the Peer Review
Committee of Coastal Peer Review, Inc.:

We have reviewed the system of quality control for the accounting and auditing practice of Sharpe Patel PLLC (the firm) in effect for the year ended March 31, 2024. 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 an audit of an employee benefit plan and audits performed under Government Auditing Standards including a compliance audit under the Single Audit Act.

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 Sharpe Patel PLLC in effect for the year ended March 31, 2024, 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*. Sharpe Patel PLLC has received a peer review rating of *pass*.

Batchelor, Tillery & Roberts, LLP

August 30, 2024

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit (includes personnel costs, travel, on-site work)

   Fiscal Year 2025-2026: $ 15,976

   Fiscal Year 2026-2027: $ 16,775

   Fiscal Year 2027-2028: $ 17,614

2. Extra Audit Services

   $ 150-300 Per hour $ –

3. Single Audit Services (if necessary) 1,500-2,500 $ –

4. Other (explain)

   $ –

TOTAL $ 50,364

FIRM: Sharpe Patel PLLC	Primary Contact: Jay Sharpe
Address:	Telephone: 919.961.7496
5510 Six Forks Rd	Fax:
Ste 140	E-mail: jay@sp.cpa
Raleigh NC 27609	Date: 4/27/28

PROPOSAL CERTIFICATION

Proposers Signature Jay E Sharpe Date 4/27/2026

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed): JAY SHARPE

TITLE: Audit Partner

COMPANY: Sharpe Patel PLLC

ADDRESS: 5510 Six Forks Rd Ste 140

Raleigh NC 27609

TELEPHONE: 919.961.7496

EMAIL: jay@sp.cpa

TOWN OF WILSON'S MILLS

First Section

Response to Request for Proposal for Audit Services

Responsible Office and Contact Person:

Travis Hardee, CPA

AUDIT PARTNER

GOVERNMENTAL/NOT-FOR-PROFIT AUDITS

236 E. Center Street
Lexington, NC 27292
Office: (336) 843-4409
Mobile: (336) 479-1271
Email: travis@shcpa.cpa
Website: www.shcpa.cpa

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FIRM PROFILE

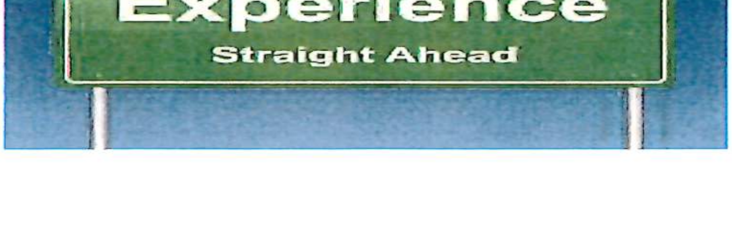
Strickland Hardee PLLC is a partnership licensed by the North Carolina State Board of CPA Examiners. The Firm, located in Lexington NC, is engaged in the practice -4409of public accounting. Strickland Hardee PLLC was established in 2020 by TJ Strickland and Travis Hardee. Strickland Hardee PLLC is a growing firm with its partners having 40 years of experience in accounting.

We have a primary objective to provide quality audit, accounting, tax, and advisory services to clients in the best professional manner. Our partners, managers, and staff are expected to comply with this statement of philosophy in order to achieve the desired objective. "Professionalism" in the accounting profession means integrity, objectivity, independence where required, adherence to professional standards and applicable laws and regulations. Additionally, we demonstrate the will to improve the quality of professional services offered. Particularly in the field of auditing, professionalism requires an understanding of and dedication to the public interest. The public interest in audited financial statements has placed the public accounting profession in a unique position of public trust. Moreover, there is also a significant public interest in the way in which the Firm carries out accounting, tax, and advisory services. Therefore, no client or Firm consideration is allowed to interfere with our ability to carry out our commitment to professionalism. Our goal is to provide quality accounting services through integrity and gaining your trust.

Our Governmental/Not-for-Profit Audit Team takes the audit service beyond the basics, by providing advice throughout the audit process to improve operations and ensure compliance with regulations and general statutes. We are a member of the American Institute of Certified Public Accountants Governmental Audit Quality Center, North Carolina Association of Certified Public Accountants, the American Institute of Certified Public Accountants Private Practice Center, and the North Carolina Center for Nonprofits.

EXPERIENCE

Strickland Hardee PLLC has a solid foundation on which to develop its practice in the Not-for-Profit and Governmental service industry. The collective and extensive experience of our Governmental/Not-for Profit Audit Team has over thirty years' experience in the industries. Ever-changing accounting standards, economic conditions, and the continued rise in operating costs have propelled our Governmental/Not-for-Profit Audit Team to work with entities to help alleviate the pressures facing the industries. Our commitment to the Governmental and Not-for-Profit industries is reflected in the integrity and care we show our clients.



The experience and capabilities of our Governmental/Not-for-Profit Audit Team include:

- Financial Audits
- Single Audits (Uniform Guidance)
- Program Specific Audits
- Agreed-upon Procedures
- Performance Audits
- Risk Assessment and Remediation
- Strategic Planning
- Internal Controls
- Staff Training Seminars
- Management Reviews

Our OMB Uniform Guidance and Single Audit experience, which we perform on a recurring basis, includes the following federal and state programs:

- Water and Waste Disposal Systems for Rural Communities
- Head Start and Early Head Start
- Child and Adult Care Food Program
- Weatherization Assistance Program
- Workforce Innovation and Opportunity Act (WIOA)
- NC Pre-K
- Title I, Part A Grants to LEAs
- Special Education Cluster:
  - Education of the Handicapped
  - Children with Disabilities – Risk Pool
  - Coordinating Early Intervening Services
  - Preschool Handicapped
  - IDEA Targeted Assistance for Preschool Federal Grant
  - IDEA VI-B Special Needs Targeted Assistance
- Community Services Block Grant
- Community Development Block Grant
- Improving Teacher Quality
- Title II Immigrant & Youth
- Child Nutrition Cluster
  - National School Lunch Program
  - School Breakfast Program
- Education Technology
- Vocational Education
- English Language Acquisition Grants
- N.C. State Public School Fund
- Public Building Capital Fund
- State Bus Appropriation
- School Improvement Grants
- Technical Assistance for Parents
- Parent Training and Information Program
- Family to Family Health Information Program
- Home Care Program
- Many other programs

AUDIT STAFFING (1. & 2. FROM RFP)

Strickland Hardee PLLC started in Lexington North Carolina in 2020 as a result of two individuals who wanted to provide quality accounting services with true professionalism. The staffing needs are based on the complexity and nature of the organization, timing, the extent of procedures which must be performed to meet the audit objective, and the travel involved. At Strickland Hardee PLLC, you work directly with the partner as well as engagement team staff. Each member of this team will be fully available to satisfy the needs of the engagement.

We understand that professionals who have gained specific governmental knowledge through on-site experience are best equipped to serve our clients, so we are committed to returning team members to the same engagements each year. This continuity helps control costs and saves time, by making sure you are working with trusted professionals who have a clear understanding of your goals and strategies.

Our partners maintain a high degree of client involvement which minimizes the overhead and reduces the audit costs. This also provides the client a higher level of expertise that is always available. The following indicates the individuals by level and location that will handle the audit:

The Town's Audit will be staffed by Strickland Hardee PLLC as follows:

POSITION	OFFICE	PERCENTAGE OF TIME
Audit Partner	Lexington	25%
Audit Director	Lexington	100%
Senior Staff	Lexington	100%
Staff	Lexington	10%

GOVERNMENT CLIENTS (3. & 4. FROM RFP)

Below is a sample of Governmental/Not-for-Profit audit clients with years served Strickland Hardee PLLC staff have worked on:

Audit Clients	Services	Years	Office
Boards of Education			
Anson County Schools	Financial Statement Audit Single Audit	8	Lexington
Rowan-Salisbury Schools	Financial Statement Audit Single Audit	3	Lexington
Thomasville City Schools	Financial Statement Audit Single Audit	3	Lexington
Wilkes County Schools	Financial Statement Audit Single Audit	9	Lexington
Yadkin County Schools	Financial Statement Audit Single Audit	5	Lexington
Towns			
Town of Waxhaw	Financial Statement Audit Single Audit	5	Lexington
Town of Gaston	Financial Statement Audit	3	Lexington
Town of Spencer	Financial Statement Audit	1	Lexington
Town of Stanley	Financial Statement Audit	1	Lexington
Town of Badin	Financial Statement Audit	3	Lexington
City of Locust	Financial Statement Audit Single Audit	3	Lexington
Town of Jamestown	Financial Statement Audit Single Audit	3	Lexington
Not-For-Profits			
Randolph Community Services	Financial Statement Audit Single Audit	10	Lexington
Blue Ridge Community Action	Financial Statement Audit Single Audit	8	Lexington
Newborns In Need	Financial Statement Audit	4	Lexington

VALUE-ADDED SERVICES BEYOND THE AUDIT

Auditing can be perceived as a commodity that adds little to no value to a Town, which is why Strickland Hardee PLLC's primary objective is to go beyond the mandatory requirements and help our clients achieve success. One of our greatest assets is the substantial insight that is generated from our industry knowledge and expertise. Our in-depth experience with governmental and not-for-profit organizations enables us to become a "resource channel" to keep clients current and apprised on significant developments impacting the industry.

Strickland Hardee PLLC takes the audit service beyond the basics, by providing advice throughout the audit process to improve operations and ensure compliance with regulations and general statutes. We are not just another provider of commodity services; we partner with your Town and provide valuable insight to help you meet your Town's objectives.

The Audit Team will take the information gathered during the audit process to identify opportunities for growth and improvement. We address several areas during the audit which include ***operational and quality effectiveness, business risk, compliance and process controls, governance effectiveness, and process and organizational efficiencies.***

PEER REVIEW (5. FROM RFP)

Strickland Hardee PLLC is a member of the American Institute of Certified Public Accountants (AICPA) and participates in the AICPA Peer Review Program. The AICPA Peer Review Program, - administered by the North Carolina Association of Certified Public Accountants in North Carolina, requires enrolled firms to have a peer review conducted by an independent evaluator, once every three years of their accounting and auditing practice. Such review assures that the services we provide to our clients meet the highest level of standards in the accounting profession. Strickland Hardee PLLC has registered for peer review in accordance with NC CPA Board policy. Please see attachment A for our most recent peer review report.

It is the policy of our Firm that our quality control system be monitored on an ongoing basis to provide the Firm with reasonable assurance that the policies and procedures established by the Firm for each of the other quality control elements (including quality control elements and activities not formalized in writing) of quality control are suitably designed and are being effectively applied. The adequacy and effectiveness of the Firm's quality control system is monitored on an ongoing basis by the Firm's quality control partner. As an integral part of the monitoring process, our quality control system is inspected annually to determine whether the Firm has complied with its stated quality control policies.

STAFF EXPERIENCE (6., 7., 8., & 9. FROM RFP)

The Town of Wilson's Mills' audit will be overseen by Travis Hardee, CPA who has been auditing governmental entities for 35 years. The audit team will consist of members who have experience in governmental audits either performing audit procedures or reviewing audit documents for accuracy. The experience and qualifications of the partners and director are found in greater detail below.

TEAM BIOGRAPHIES

Travis Hardee, Audit Partner

Travis Hardee, CPA is a Partner of Strickland Hardee PLLC. He is responsible for planning, supervising, and reviewing accounting and auditing engagements, consulting on accounting and auditing matters and analyzing new regulations and rulings.

Travis's unique qualifications include 35 years of audit experience in the area of governmental education agencies, including Local Education Agencies, Charter Schools, Institutes of Higher Education, and extensive experience in single audits. He has added not-for-profits to his extensive resume in the past 7 years.

When Travis is out of the office, you can usually find him enjoying the outdoors with his wife or working at Charlotte Motor Speedway as a track official or guest services supervisor.

Education and Licenses

- Bachelor of Business Administration in Accounting – Georgia College and State University
- Licensed as a Certified Public Accountant in the State of North Carolina (license #39531)
- Licensed as a Certified Public Accountant in the State of Georgia (license #022870)
- Licensed (Retired) as a Certified Government Financial Manager (license #13609)

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)
- Member of the NCACPA Governmental Accounting and Auditing Committee

Continuing Professional Education

His continuing education includes attendance at courses concentrating on audit services for governmental industry clients and not-for-profit topics. Travis is also a key contributor to the Firm's internal professional education programs and has taught various classes on governmental accounting topics.

A sample of relevant clients that Travis has worked on in the past include:

- Town of Waxhaw
- Town of Gaston
- Anson County Schools
- Wilkes County Schools
- Yadkin County Schools
- Randolph Community Services d/b/a Regional Consolidated Services
- Blue Ridge Community Action
- Newborns In Need
- Council on Aging in Union County

TJ Strickland, Managing Partner

TJ Strickland, CPA serves as the managing partner of Strickland Hardee PLLC in Lexington, NC, and is responsible for the strategic direction of the Company as well as short- and long-term goal setting. TJ's services to clients include financial and compliance audits, agreed upon procedures, statutory accounting, and consulting. He is responsible for monitoring and commenting on all audit and accounting developments and ensures that clients are kept updated and advised on the impact on new accounting standards.

When TJ is out of the office you can usually find him on a lake or river with his family taking in the great outdoors.

Education and Licenses

- Bachelor of Science in Business Administration – East Carolina University
- Master of Science in Accounting – East Carolina University
- Licensed as a Certified Public Accountant in the State of North Carolina (license #37389)

Continuing Professional Education

- North Carolina Association of Certified Public Accountants
- Booke Seminars for Property and Casualty and Life Insurance Companies

Professional Memberships & Affiliations

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)

Nicholas Wicker, Director of Nonprofit/Governmental Services

Nicholas Wicker is a Director with Strickland Hardee PLLC. He is responsible for planning, supervising, and reviewing accounting and auditing engagements, consulting on accounting and auditing matters and analyzing new regulations and rulings.

Nicholas's unique qualifications include 11 years of audit experience in the area of governmental education agencies, including local education agencies and charter schools. Additionally, Nicholas has worked extensively with municipalities, special purpose government agencies, and various not-for-profit organizations.

When Nicholas is out of the office, you can usually find him on a sporting clays course with his son or picking and grinning in the garage.

Education

- Bachelor of Business Administration in Accounting (Cum Laude) – Campbell University

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)
- Member of the NCACPA Governmental Accounting and Auditing Committee (Past member)

Continuing Professional Education

His continuing education includes attendance at courses concentrating on audit services for governmental industry clients and not-for-profit topics. Within the past three years, Nicholas's continuing professional education has been heavily focused on newer GASB standards, including GASB Statements 87 through 104.

A sample of relevant clients that Nicholas has worked on in the past include:

- Town of Spencer
- Wilkes Transportation Authority
- Town of Star
- Handy Sanitary District
- Wilkes County Schools
- Yadkin County Schools
- Rowan-Salisbury Schools
- North Carolina Lions, Inc.
- Pathways Community Center, Inc.
- Town of Jamestown
- Town of Badin
- City of Locust

Staff Commitment

The Firm is fully committed to having the same staff on an annual basis on the Town's audit engagements. We fully understand and believe that it is beneficial to the Firm to have the same staff on an engagement on an annual basis as they will have previous knowledge with the client and will be more efficient.

Education (

It is a policy of Strickland Hardee PLLC that all audit staff maintain at a minimum of 40 hours of CPE on an annual basis, whether they have their CPA license or not. This continuing professional education is accomplished through a combination of conferences, seminars, webinars, self-study course and internal CPE courses. Every staff assigned to the Town's audit will have sufficient CPE and Yellow Book credit hours on an ongoing basis.

Some of the many seminars the Firm's staff has attended in recent years:

- Travis attends numerous governmental and single audit webinars sponsored by the AICPA annually.
- Travis has attended the NCASBO conference for the past 7 years.
- Staff will attend the annual Not-for-Profit seminars through the NCACPA.

Authorized Governmental/Not-for-Profit Courses and Seminars:

- UNC School of Government Annual Updates
- Local Government Conference.
- Understanding, Applying & Documenting, Governmental Compliance Requirements
- GASB Update
- Auditing & Accounting
- Governmental Accounting and Auditing - Preparation/Developing/Writing
- Auditing of School Districts
- Governmental/Not-for-Profit Accounting & Auditing Update
- A & A Concepts & Financial Disclosure
- Yellow Book Update and Risk Assessment

In addition to in-house courses and seminars, the Governmental/Not-for-Profit Audit Team members will attend courses and seminars conducted by other organizations such as the NCACPA and AICPA. Below is a sample of courses and seminars attended by the Governmental/Not-for-Profit Audit Team conducted by other organizations:

- Applying OMB Uniform Guidance to Not-for-profit and Governmental Organizations
- NC Accountancy Law, Ethics, Principles and Professional Responsibilities
- Compliance Auditing Workshop
- Not-For-Profit Conference
- Studies on Single Audit and Yellow Book Deficiencies
- Local Government Commission Update
- Introduction to School Board Audits
- Compliance Auditing School Districts
- Frequent Frauds Found In Governments and Not-for-Profits
- Professional Ethics and Conduct
- Malpractice Risk Seminar
- Employee Benefit Conference

GOVERNMENTAL EXPERIENCE

As noted under our Firm Profile, the Firm has vast experience in auditing government and not-for-profit agencies. That includes an array of Federal Single Audits and State Single Audits for various programs. Our governmental experience includes:

- Boards of Education
- Towns, including water and sewer funds.
- Charter Schools
- Community Colleges
- Not-for-Profits

In addition, Travis Hardee, who will lead the audit team, retired from the Georgia Department of Audits and Accounts after 27 years, where he performed audits of Universities, Colleges, Board of Educations, and various State agencies.

SPECIALIZED SKILLS AND TRAINING (9. FROM RFP)

The following discusses some of the specialized skills and training for individuals that may be assigned to the Town's audit.

Travis Hardee – Travis, Partner, is a current member of the NCACPA's governmental accounting and auditing committee. Travis has dedicated his entire career to guiding governmental entities, through the audit process, to understanding the reporting requirements of the Governmental Accounting Standards Board (GASB) and the federal governmental compliance requirements. His training has earned him the Advanced Single Audit badge issued by the AICPA. He has also taken his knowledge to the classroom and taught classes on general ledger maintenance, financial statement preparation, and single audits.

REFERENCES (10. FROM RFP)

We invite you to contact the below personnel of other audit clients in regard to their audit experience with us.

City of Locust
186 Ray Kennedy Drive
Locust, NC 28097
Stephania Morton, Finance Director
smorton@locustnc.gov
(704) 888-5260

Town of Jamestown
301 E. Main Street
Jamestown, NC 27282
Faith Wilson, Finance Director
fwilson@jamestown-nc.gov
(336) 454-1138

Town of Spencer
460 S. Salisbury Ave.
Spencer, NC 28159
Heather Kann, Finance Officer
hkann@spencer.gov
(704) 633-2231

Additional references available upon request.

INDEPENDENCE (11. FROM RFP)

In accordance with the quality control document of Strickland Hardee PLLC, all professional personnel must be familiar with and adhere to the independence, confidentiality integrity, and objectivity rules, regulations, interpretations, and Rulings of the AICPA, the State of North Carolina Board of Accounting, the State of North Carolina CPA Society, state statutes, and other State or regulatory agencies where applicable. All personnel are required to maintain Independence, Confidentiality, and Integrity.

Independence on all audit engagements is reviewed on an annual basis to ensure compliance with all rules that govern this topic. We have reviewed our independence in association with this proposed engagement and in all matters relating to the audit of the Town, Strickland Hardee PLLC is independent in fact and appearance. Please see Attachment B for a copy of our employee manual as it concerns independence.

INSURANCE COVERAGE (12. FROM RFP)

Strickland Hardee PLLC presently carries the following insurance policies:

1. Worker's Compensation - The Firm maintains Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage.

2. Commercial General Liability –General Liability Coverage on a Comprehensive Broad Form on an occurrence basis.

3. Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired, and non-owned vehicles, used in connection with the contract.

4. Professional Liability - Professional Liability Coverage on a Comprehensive Broad Form on an occurrence basis.

All insurance meets the laws of the State of North Carolina. Insurance coverage is obtained from companies that are authorized to provide such coverage and are authorized by the Commissioner of Insurance to do business in North Carolina. The Firm shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the Firm shall not be interpreted as limiting the contractor's liability and obligations under the contract.

If awarded the contract, we will be glad to provide a COI.

REGULATORY ACTIONS (13. FROM RFP)

No regulatory action has been taken against the Firm or any staff members that will be assigned to the audit.

WORKPLACE LOCATION

All work will be performed in Lexington, North Carolina.

NC LOCAL GOVERNMENT COMMISSION AND THE UNC SCHOOL OF GOVERNMENT (14. FROM RFP)

The firm has extensive experience in working with the North Carolina Local Government Commission and has taken classes offered by the UNC School of Government.

ELECTRONIC FILE SHARING

The firm utilizes Onvio for electronic file sharing.

COMMUNICATION

The Firm encourages its clients to communicate as much as possible throughout the audit process. Communication channels include but are not limited to email, telephone, and Microsoft teams.

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SECOND SECTION

AUDIT PROGRAMS (1. FROM RFP)

Our audit programs are combinations of programs made in house and programs which are issued by governmental authorities and private publishers such as Practitioners Publishing Company (PPC). We generate unique programs for each audit based on the client's industry and our risk assessment software. The use of this risk assessment software allows us to assess risk to each individual section of the financial statements and to generate additional tasks for higher risk areas. We are able to customize the programs as needed. We subscribe to the local government industry from PPC.

STATISTICAL SAMPLING (2. & 3. FROM RFP)

We will use a combination of statistical and non-statistical sampling in our audit approach. We will determine which method to use based on auditor judgment during planning and creation of procedures. Statistical sampling will include use of either simple random sampling using a random number generator or interval sampling. Non-statistical sampling will include use of judgmental selection and haphazard selection. Audit procedures performed on selected samples along with analytical procedures will be used to obtain sufficient appropriate audit evidence to afford a reasonable basis for an opinion regarding the financial statements under audit. When appropriate, we will also use Dual-Purpose Sampling to test the operating effectiveness of controls and tests of the recorded monetary amounts, minimizing the time spent on repetitive tasks, thereby saving audit costs. The sample sizes will be directly related to the assessment of the inherent risk and the control risk of the entity.

We will gain an understanding of internal controls through internal control walkthroughs. We typically perform test of controls over major areas such as cash disbursement, receipts, and payroll. We prefer to conduct internal control testing during interim fieldwork and during the actual year under audit so we can gain an understanding of controls during the year.

COMPUTER AUDIT SPECIALIST (4. FROM RFP)

We do use a computer audit specialist when a need arises. However, due to the heavy investments that our Firm has made in technology and the knowledge that our staff has, we are typically able to handle computer related issues without the need of a specialist. Our staff will obtain an understanding of the internal controls surrounding the computer systems to identify any potential weakness that may have a direct and material impact on the financial statements, and we will make recommendations directly to management in areas where weaknesses are identified.

MANAGEMENT LETTER CONTENT (6. FROM RFP)

During compliance and substantive testing. we may note certain matters involving internal control and other operational procedures. Our job as your auditor will be to ensure that you understand where you have deficiencies or weaknesses so that you can make informed decisions on how best to respond to these risks. We may identify the following types of deficiencies:

- Control Deficiency: A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. This type of deficiency is communicated in the management letter.
- Significant Deficiency: A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
- Material Weakness: A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

We will communicate to you orally and in a letter, all deficiencies noted and recommendations for your consideration, intended to improve the internal control and/or the results of the operating efficiencies. The letters are solely for management, those charged with your Town's governance, others you deem appropriate within your organization and any governmental authorities you need to share this information with.

Our Firm operates under a belief in integrity and honesty. If, during the audit, we believe something is wrong, we will immediately inform management of the situation. We will NOT be issuing board communication without providing the same information to management. Management, as well as the audit committee will have the opportunity to discuss any issues which come up prior to issuance of Standard Board Communication Letters.

In addition, during the audit process we will inform management of any room for improvement we identify.

Our goal is to be a partner with all of our clients, and work together to make the audit a smooth, and value-added process.

CLIENT ASSISTANCE METHODOLOGY (7. FROM RFP)

Our Firm uses state of the art technology in addition to e-mail and file sharing as much as possible, eliminating all unnecessary paper, and removing geographic limitations. We customarily utilize paperless and electronic engagement software in the field to share data with staff working on the same engagement using Thomson Reuters CS Pro Suite Virtual Office and AdvanceFlow audit engagement software. Therefore, the items outlined in the Request for Proposal (RFP) and other requested items are preferred in electronic format whenever possible. In addition to the environmental benefit, this can save significant amounts of time in calculations, sampling, procedures, and record keeping, ultimately reducing audit costs.

We fully understand that minimizing costs is a high objective of both the Firm and the Town. In order to accomplish this, we need complete cooperation from the Town's staff during the performance of the audit. This includes preparing as many of the schedules and supporting documentation as possible and being available for questions and discussion.

We understand the Staff at the Town are terribly busy in their daily responsibilities. An audit can be a burden for a brief period of time, but the more we work together, the more efficient the audit can be performed and the quicker the auditors will leave. We can designate specific times to ask questions of staff if needed.

In order to input the Town's trial balances into our audit software, we would need the trial balance transmitted to us in an excel format or a format that could be converted to excel.

We will provide a list of items needed ahead of fieldwork.

AUDIT PLAN (8. FROM RFP)

AUDIT APPROACH

Our audit approach is designed to maximize efficiencies, by leveraging staff and technology. We utilize automated processes and have staff that specialize in certain areas of the audits, such as internal control testing and high-risk area testing. We have found that we can complete more efficient audits by utilizing this approach, which also provides a high level of expertise, therefore improving service and recommendations to your organization. Our goal is to provide an efficient high-quality audit.

RISK ASSESMENT

We will perform a risk assessment of the Town's financial reporting process. This assessment will evaluate both inherent and control risks. Based on this risk assessment, we will concentrate our audit procedures on higher risk areas.

This is a tentative schedule. Actual dates will be determined in a preliminary meeting with management.

May 2026	Strickland Hardee PLLC is awarded the audit.
May 2026	Engagement letter / contracts are prepared. Signed engagement letters / contracts are returned to Strickland Hardee PLLC. Strickland Hardee PLLC communicates with the predecessor auditors and sets up a time to review their working papers. Pre-planning conference scheduled.
June 2026	We will conduct preliminary fieldwork. This will include planning, risk assessment procedures, internal control testing, compliance testing (if applicable), and inventory observations (if applicable). We will also send the Town a list of the items we will need to complete our final fieldwork at this time along with any confirmations.

Engagement Fieldwork

August 2026	Strickland Hardee PLLC will conduct final fieldwork. The exact dates will be discussed with management. All issues we note during our audit will be discussed with staff before fieldwork is complete. We expect to be on site for final fieldwork for approximately one week.
September 2026	Strickland Hardee PLLC will present final post-closing trial balance, preliminary audit report draft, and required journal entries for the year under review.

Engagement Conclusion

October 2026	The Firm will send a draft of the audited financial statements for review by the Finance Director.
November 2026	The Firm will prepare the data input report and create all relevant electronic documents for upload to the LGC.
December 2026	We will present the audit to any requested Board and / or committee meetings.

FEES (9. FROM RFP)

Please see Attachment C for a cost proposal breakdown for various audit related costs.

The information provided in Attachment C provides the audit fee, preparing the financial statements, and major program testing, if any. The firm recognizes that governmental entities are sensitive to costs into today's economic conditions. We have discounted our fees in response to this. We attempt to keep fees as flat as possible, but due to increases in operating costs or an increase in procedures (either due to new accounting pronouncements or additional accounting / compliance initiated by organizational growth), inevitably, fees may increase. We will discuss any fee increases with management.

Technical Questions

We understand the Town may seek consultation on various subjects throughout the year and we encourage our clients to contact us with questions. Routine questions are included in our fees above as part of our service and are encouraged. If the Town has questions or research topics that require extensive time, those services will be billed at our standard billing rates (discounted for governmental entities). We will agree to the cost of this additional work with the Town before beginning any such requests.

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OTHER INFORMATION (10. FROM RFP)

Why Choose Us?

Service
Strickland Hardee PLLC is built on "INTEGRITY" that will be the foundation on which we provide service to our clients. This, in turn, will earn your "TRUST" and help develop our partnership relationship. We want to serve our clients and work with them, not simply be a vendor that works for them. We allow our clients access to our most experienced personnel. We want all our clients to succeed, and we want to partner with you in doing so.

Staff
As noted above, our service model calls for our most experienced personnel to be available to our clients. We want to provide staff continuity for the engagements. Technology and sophisticated auditing software systems are nice, but what makes the difference is the people. We believe the experience of our staff is a perfect fit for your engagement.

Experience
Concentration in the government and not-for-profit industries. We work with a variety of government agencies and have extensive experience in preparing financial statements under GASB 34 as well as numerous years of experience in single audits.

Communication
In order to best serve the Town, we believe communication is an overriding factor. We will provide constant communication to management on the audit process.

Pricing
We based our cost proposal on the amount of time we think, based on experience, it will take to complete the engagement. We understand the budget restraints facing governmental entities today and we want to partner with you for success, not merely be your vendor for the money. When the audit is over, the relationship continues.

Affiliations
Strickland Hardee PLLC is a proud member of the following organizations:

- American Institute of Certified Public Accountants
- AICPA Governmental Quality Center
- North Carolina Association of Certified Public Accountants
- GFOA

Strickland Hardee PLLC

Contact:

Travis Hardee, CPA
Strickland Hardee PLLC
236 E. Center Street
Lexington, NC 27292
Phone: (336) 479-1271
Email: travis@shcpa.cpa

Authorized Signature: Travis Hardee

Date: 4/20/2026

Strickland Hardee PLLC is an accounting firm where INTEGRITY MEETS TRUST. We have developed a service model that is more than being your vendor. We want to be your partner in success.

ATTACHMENT A

Peer Review

PRIDA GUIDA & PEREZ, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
2504 W. Kathleen Street
Tampa, FL 33607

Phone: 813-226-6091
Fax: 813-229-7754

Report on the Firm's System of Quality Control

August 16, 2024

To the Partners of Strickland Hardee, PLLC
and the Coastal Review Committee administered by the North Carolina and Maryland Associations of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Strickland Hardee, PLLC (the firm) in effect for the year ended April 30, 2024. 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 on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act.

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 Strickland Hardee, PLLC in effect for the year ended April 30, 2024, 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*. Strickland Hardee, PLLC has received a peer review rating of *pass*.

Prida, Guida & Perez PA

ATTACHMENT B

Quality Control Document Excerpt

Excerpt from Strickland Hardee PLLC Quality Control Document

RELEVANT ETHICAL REQUIREMENTS

It is the firm's policy that all professional personnel be familiar with and adhere to relevant ethical requirements of the AICPA, contained in the *Code of Professional Conduct*, the State of North Carolina Board of Accountancy, and the State of North Carolina CPA Society in discharging their professional responsibilities as well as those for any other state under whose jurisdiction may apply. Furthermore, it is the policy of the firm that, for engagements subject to *Government Auditing Standards* and other applicable regulatory agencies, all professional personnel be familiar with and adhere to the relevant ethical requirements included in those standards and that personnel will always act in the public interest. Any transaction, event, circumstance, or action that would impair independence or violate the firm's relevant ethical requirements policy on an audit, attestation, review, compilation engagement, or other service subject to the standards of the AICPA Auditing Standards Board or the AICPA Accounting and Review Services Committee (as required under Rules 201 and 202) is prohibited. Additionally, when the firm and its professional personnel encounter situations that raise potential independence threats but such situations are not specifically addressed by the independence rules of the AICPA *Code of Professional Conduct*, the situation will be evaluated by referring to the *Conceptual Framework for AICPA Independence Standards* and applying professional judgment to determine whether an independence breach has occurred. The firm will take appropriate action to eliminate those threats or mitigate them to an acceptable level by applying safeguards. If effective safeguards cannot be applied, the firm will withdraw from the engagement or take other corrective actions as appropriate to eliminate the breach.

Although not necessarily all-inclusive, the following are considered to be prohibited transactions and relationships:

1. Investments by any partner or professional employee in a client's business during the period of a professional engagement defined as an audit, attestation, review, compilation engagement, or other service subject to the independence standards of the AICPA, State Board of Accountancy, or other applicable regulatory agencies, including a commitment to acquire any direct or material indirect financial interest in a client.

2. An investment in an entity or property by any of the following individuals and the client (or the client's officers or directors, or any partner who has the ability to exercise significant influence over the client) that enables them to control (as defined by GAAP for consolidation purposes) the entity or property:

    a. An individual on an attest engagement team.

    b. An individual in a position to influence the attest engagement by doing any of the following:

        i. evaluating the performance or recommending the compensation of the attest engagement partner/senior manager {senior manager assigned to a low risk engagement unless otherwise noted}.

        ii. directly supervising or managing the attest engagement partner/senior manager and all their superiors,

iii. consulting with the attest engagement team about technical or industry-related issues specific to the engagement, or

iv. participating in or overseeing quality control activities, including internal monitoring, with respect to the attest engagement.

c. A partner or manager who provides nonattest services to the attest client beginning once he or she provides ten or more hours of nonattest services to the client within any fiscal year and ending on the later of the date:

i. the firm signs the report on the financial statements for the fiscal year during which those services were provided, or

ii. he or she no longer expects to provide ten or more hours of nonattest services to the attest client on a recurring basis.

d. A partner in the office in which the lead attest engagement partner/senior manager primarily practices with respect to the attest engagement.

e. The firm and its employee benefit plans.

3. Borrowing from or loans to a client, or client's personnel during the period of a professional engagement by any of the individuals listed in items 2a - e., except as grandfathered or permitted.

4. Accepting or offering gifts or entertainment from or to a client unless reasonable in the circumstances and approved by the managing partner.
5. Certain family relationships between professional personnel and client personnel.

Notwithstanding the preceding policy and list of prohibited transactions and relationships, at the managing partner(s)' discretion, certain prohibitions can be waived if it is deemed to be in the best interest of the firm. However, in so doing, the engagement service performed for the client must be limited to that allowed by AICPA professional standards.

The firm ensures compliance with this policy by implementing the following procedures:

1. All professional personnel are required to sign a representation letter when hired (and annually thereafter) that acknowledges their familiarity with the firm's relevant ethical requirements policy and procedures, particularly regarding independence. Such signed representation letters are also required from part-time, seasonal, and contract professionals and any other individuals who work on accounting and auditing engagements and are required to be independent. Ethics training is provided for professional personnel at least every three years. Such training covers the firm's relevant ethical requirements policy and procedures and the independence and ethical requirements of all applicable regulators.

2. All professional personnel review the firm's current client list in conjunction with completing the representation letter for identification of threats to, or breaches of, independence. The current client list is maintained by the QC partner and changes to the list are communicated on a timely basis by a memorandum from the QC partner. When hired (and annually thereafter), all professional personnel are required to sign a representation that confirms this responsibility.

3. To ensure that independence is properly addressed at the engagement level, the engagement partner or senior manager will consider relevant information about client engagements and evaluate the overall effect, if any, on independence requirements as part of the engagement and acceptance decision. In making this determination, any familiarity threat related to senior personnel recurring on an audit or attest engagement for five years or more will be considered, including any other specific rotation requirements of regulatory agencies or other authorities. Additionally, the work programs and forms in the accounting and auditing manuals used by the firm contain steps requiring an evaluation of independence on each new and recurring engagement. Furthermore, those manuals contain reporting guidance for the types of engagements where a lack of independence is allowed.

4. All professional personnel are required to promptly notify the designated QC partner/senior manager of any circumstances or relationships that may create a potential threat to independence (such as a potential prohibited transaction) or an independence breach, so that appropriate action can be taken. To acknowledge that responsibility, professional personnel are required when hired (and annually thereafter) to sign a representation letter and to list known circumstances and relationships that may create a potential threat to independence or violate the firm's relevant ethical requirements policy. (Each individual keeps a copy of their representation letter, which includes cross references to the professional standards of relevant ethical requirements that govern the firm. Professional standards, including the AICPA's Conceptual Framework for AICPA Independence Standards and the advice of the QC partner may be consulted if an employee is unsure if a threat to independence should be reported to firm management.).

5. If a potential threat to independence is identified, the QC partner accumulates and communicates relevant information to appropriate personnel so (a) firm management and the engagement partner/senior manager can determine whether they satisfy independence requirements, (b) the engagement partner/senior manager can take appropriate action to address identified threats to independence, and (c) the firm can maintain current independence information.

6. If the firm is engaged as principal auditor and another firm is engaged to audit a subsidiary, branch, division, governmental component unit, or to perform procedures on an element or account grouping within a client's financial statement, the engagement team is required to obtain a written representation regarding the other firm's independence with respect to the client. The auditing manuals used by the firm contain examples of representation letters to use in such situations. Furthermore, in a review or attestation engagement, if another firm performs work on a segment of the engagement, a representation (either written or oral) regarding the other firm's independence is required. The engagement programs in the accounting and auditing manuals used by the firm contain steps to ensure compliance with this procedure.

7. The engagement partner/senior manager (or the accountant in charge under the partner's supervision) has the primary responsibility for determining if there are unpaid fees on any of his clients that would impair the firm's independence. The engagement work programs, and standard forms used by the firm contain steps to ensure compliance with this procedure. The firm's client accounts receivable listing and the engagement partner's knowledge of unbilled fees should be considered in making this determination. In addition, the managing partner(s) have secondary responsibility to review the firm's accounts receivable listing on a periodic basis to identify potential independence problems.

8. The engagement partner/senior manager has the primary responsibility to identify all nonattest services performed for an attest service client and for determining if such nonattest services impair independence with respect to that client. Reviewing nonattest services performed for attest clients includes obtaining and documenting an understanding with the client regarding the client's responsibilities for the nonattest services performed by the firm. Where applicable, this includes determining whether such nonattest (nonaudit) services impair independence under the independence rules in Government Auditing Standards for ongoing, planned, and future audits. Firm engagement work programs for all attest and compilation engagements include steps to ensure compliance with this procedure.

9. The engagement partner/senior manager has the primary responsibility for determining whether actual or threatened litigation influences the firm's independence with respect to the client. The firm's independence could be impaired by litigation (a) between the client and the firm, (b) with the client company's securities holders, and (c) from other third parties.

10. If the firm is engaged as principal auditor to report on the basic financial statements of a financial reporting entity, all professional personnel must be independent of the financial reporting entity. If the firm is engaged as principal auditor to report on a major fund, nonmajor fund, internal service fund, fiduciary fund, or governmental component unit of the financial reporting entity, all professional personnel must be independent of the fund or entity the firm reports on. The engagement partner/senior manager has the primary responsibility for determining whether the firm's relationship with entities in the governmental financial statements has an effect on independence.

11. The managing partner(s) have the primary responsibility for determining whether the firm was a party to a cooperative arrangement with a client that was material to the firm or the client.

12. The QC partner is responsible for obtaining the representation letters, reviewing them for completeness, and accumulating relevant information relating to identified threats to relevant ethical requirements matters (including questions from the representation letters and those from other sources). In determining a resolution, firm management should consider the AICPA's Conceptual Framework for AICPA Independence Standards and, when necessary, consult the AICPA or the North Carolina Association of CPAs for assistance in interpreting independence, integrity, and objectivity rules. Documentation of the resolution of a relevant ethical requirements matter should be filed in the client's permanent workpaper files. Firm management is also responsible for determining actions to be taken when professional personnel violate firm independence policies and procedures. The action for each incident is determined based on its unique circumstances and may include eliminating a personal impairment, requiring additional training, drafting a reprimand letter, or even termination.

13. The QC partner is responsible for monitoring the firm's independence of attest clients at which partners or other senior personnel have been offered management positions or have accepted offers of employment. The independence, integrity, and objectivity questionnaire used by the firm and the client acceptance checklists used by the firm in attest engagements include questions to help ensure compliance with this requirement.

14. If a breach of independence is identified, the firm promptly communicates the breach and the required corrective actions to (a) the engagement partner/senior manager, who (along with the firm) has the responsibility to address the breach and (b) other relevant personnel in the firm and those

subject to the independence requirements who need to take appropriate action. The engagement partner/senior manager confirms to the firm when required corrective actions related to the breach and noncompliance with these policies and procedures have been taken.

15. At least annually, the QC partner reviews the firm's relevant ethical requirements policy and procedures to determine if they are appropriate and operating effectively.

ATTACHMENT C

Cost Proposal Breakdown

TOWN OF WILSON'S MILLS
Cost Proposal
Audit Services - June 30, 2026

The following is a summary of our cost proposal for the audit services of the Town for the year ended June 30, 2026.

Personnel Costs	Audit Partner	Audit Director	Senior Staff	Staff	Total	
Preliminary Fieldwork	8	16	16	-	40	
Fieldwork	8	24	24	-	56	
Work performed in auditor's office (planning, wrap up, financial statements, review, etc.)	12	24	32	8	76	
Total Hours	28	64	72	8	172	
Rates	$ 275	$ 200	$ 150	$ 100		
	$ 7,700	$ 12,800	$ 10,800	$ 800	$ 32,100	
Travel					$ -	**
TOTAL COSTS					$ 32,100	
Government discount					$ (6,000)	
COST PROPOSAL			June 30, 2026		$ 26,100	*
			June 30, 2027		$ 27,805	
			June 30, 2028		$ 29,545	

SUMMARY OF AUDIT COSTS SHEET FOR JUNE 30, 2026		
Base Audit (Includes Personnel costs, travel, and on-site work)	$ 17,600	
Financial Statement Preparation	$ 5,000	
Fee Per Major Program (Single Audit)	$ 3,500	***
	$ 26,100	*

* **This is a cost assuming no unexpected, extensive research is required in order to issue an opinion. If additional research is required, the Finance Director will be made aware of the need for additional work and the additional fee will be discussed and agreed upon prior to the extensive research being performed. If the cost are less than the quoted amount, the Town will be charged the lesser amount.**

** **This is a not to exceed cost proposal. Any travel and related expenses are included in the base audit fee.**

*** **This fee proposal assumes one major program (Single Audit). If additional programs are required, there is a $3,500 fee for each major program. If no major programs are tested, there will be no fee.**

Travi Had

Authorized signer	Audit Partner Title	4/20/2026 Date

SUMMARY OF AUDIT COSTS SHEET

1. Base Audit (includes personnel costs, travel, on-site work)

   Fiscal Year 2025-2026: $ 17,600

   Fiscal Year 2026-2027: $ 27,805 (includes FS prep & 1 major program)

   Fiscal Year 2027-2028: $ 29,545 (includes FS prep & 1 major program)

2. Extra Audit Services

   $ ______ Per hour $ ______

3. Single Audit Services (if necessary) $ 3,500

4. Other (explain)

   Financial statement preparation $ 5,000

TOTAL $ 26,100 (FY 2026)

FIRM: Strickland Hardee PLLC	Primary Contact: Travis Hardee
Address: 236 E. Center Street	Telephone: (336) 843-4409
Lexington, NC 27292	Fax: (336)232-1577
	E-mail: travis@shcpa.cpa
	Date: 4/20/2026

PROPOSAL CERTIFICATION

Proposers Signature Travi Hard ____________ Date 4/20/2026

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed): Travis Hardee

TITLE: Partner

COMPANY: Strickland Hardee PLLC

ADDRESS: 236 E. Center Street
Lexington, NC 27292

TELEPHONE: (336) 843-4409

EMAIL: travis@shcpa.cpa

AAPG, LLP

Aline Accounting Partners Group

Audit Services Proposal

Town of Wilson's Mills, North Carolina

April 24, 2026

You Belong Here

AAPG, LLP
Aline Accounting Partners Group

CONTENTS

AAPG, LLP
Aline Accounting Partners Group

FIRM PROFILE

Cover Letter

April 24, 2026

Town of Wilson's Mills
Attn: Connie Lassiter
Finance Director
P.O. Box 448
Wilson's Mills, NC 27593

Subject: **Audit and Financial Statement Preparation Services for the Town of Wilson's Mills, North Carolina**

Dear Ms. Lassiter,

Aline Accounting Partners Group, LLP ("AAPG, LLP") hereby expresses its strong interest in providing audit and financial statement preparation services to the Town of Wilson's Mills, North Carolina, as outlined in the Request for Proposal (RFP).

We have carefully reviewed the RFP and are confident that AAPG, LLP possesses the necessary qualifications, experience, and resources to successfully prepare and conduct the financial audit of the Town's Annual Financial Report ("AFR"). Our team has extensive experience in governmental accounting and auditing, including audits performed in accordance with generally accepted auditing standards; *Government Auditing Standards*. We also are capable of conducting a single audit under the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and the State Single Audit Implementation Act.

The opportunity to partner with the Town for the multi-year engagement as outlined in the RFP for the three-year period starting in 2026, provides us to develop a long-term relationship with the Town. Our firm is emerging into the rural local government market and the Town meets our ideal client profile. We understand the importance of timely and accurate financial reporting and are committed to meeting the Town's deadlines and requirements.

We believe this proposal addresses all the requirements and highlights our qualifications, experience, audit approach, and cost considerations.

Thank you for your consideration.
Sincerely,

April Adams

April Adams, CPA
Partner, Audit Services
AAPG, LLP
Office Address: 8300 Acro Corporate Drive, Suite 500
Charlotte, NC 28273
Phone: (919)-632-5878
Email: April.Adams@AAPGLLP.com

Staff and Assigned Office

1. *Indicate the number of people (by level) located within the local office that will handle the audit.*

Aline Accounting Partners, LLC ("Aline") incorporated in July 2024, with a mission to create The Destination Accounting Firm through a merger of three existing firms. AAPG, LLP, the firm's attestation entity, was created in January 2025. Both firms are branded under Aline Accounting Partners Group and the alternative practice structure is applied, where a separate attest firm, AAPG, LLP, is designated to perform all the audit and attest services, while Aline focuses on tax, advisory and non-attest work. Aline currently has 14 firms unified under one platform performing non-attest work. Aline Accounting Partners Group has approximately 285 employees.

AAPG, LLP's local office is located in Charlotte, North Carolina, however most employees perform their work remotely. April Adams, the engagement partner responsible for the audit, is located in Apex, North Carolina. Victoria Barnett, the audit manager responsible for executing the established audit plan using various audit staff, is located in Orlando, Florida. Shannon Carlton, the audit senior is located in Michigan.

GWI Tax & Accounting is a member firm of Aline which AAPG, LLP works jointly with to provide the financial statement preparation services for its government engagements.

GWI Tax & Accounting's local office is in Raleigh, North Carolina and the majority of its professionals that provide services to governmental entities work remotely all over the state of North Carolina.

2. *Indicate the number of people (by level) located within the Audit Firms local office that will handle the audit.*

We anticipate the audit team of dedicated experienced government auditors to consist of one partner, one manager, one senior and one to two staff.

Current & Prior Government Clients

3. *Provide a list of the local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.*
4. *Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.*

As an emerging firm, our governmental audit experience is built upon the extensive expertise of our team members, drawing from their work with prior governmental audit clients at previous firms. April Adams brings a distinguished history of serving local governments across North Carolina, having previously been a partner at Cherry Bekaert, LLP. For a detailed overview of her client engagements, please refer to her resume (attachment B). She performed a variety of services beyond the standard financial statement audit, she has experience in both federal and state compliance audits, examinations, and agreed upon procedures.

A list of current AAPG, LLP government clients is as follows; each one is currently going through or has been through one audit:

City of King, NC	Tyrrell County, NC	Town of Ponce Inlet, FL
Town of Belhaven, NC	Town of Hemby Bridge, NC	Town of Belleair Shore, FL
Town of Teachey, NC	Town of Sims, NC	Town of Garland, NC
Aeronautics Authority of the City of Henderson, City of Oxford, County of Granville and County of Vance		

Peer Review

5. *Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.*

As AAPG, LLP is an emerging firm and based on AICPA merger guidelines Kings Shores Preston's peer review serves as AAPG, LLP's peer review.

King Shores Preston has passed, without exception, their peer review conducted under the auspices of the AICPA. Please see as an attachment, a copy of the peer review.

ENGAGEMENT TEAM

Governmental Audit Experience

6. *Describe the professional experience in governmental audits of each senior and higher-level person assigned to the audit, including years on each job and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site.*

Please refer to the team bios for detailed information on each member's governmental audit experience. We are actively expanding our team with qualified professionals to support the upcoming audit season and accommodate our continued growth. Our team will work remotely, except for the board meeting presentation upon audit completion or if an onsite visit becomes necessary.

Team Member	Qualifications
April Adams  **Engagement Partner**	With 20+ years of experience in governmental accounting and auditing, including North Carolina municipalities, towns, and counties, April will serve as the Town's Engagement Partner. She will oversee scheduling, staffing, and audit coordination, ensuring timely and accurate service delivery.
Victoria Barnett  **Audit Manager**	With 10+ years of experience in governmental accounting and auditing municipalities, towns, and counties, Victoria will serve as the Town's Audit Manager. She will be your primary point of contact and will execute the audit plan developed with the audit partner and will have direct supervision of the staff performing the testing.
Shannon Carlton  **Senior Audit Associate**	With 10+ years of experience in governmental accounting and auditing including North Carolina municipalities, Shannon will serve as the Town's Audit Senior. Shannon and April previously worked together in North Carolina before Shannon moved to Michigan. She will be performing and directing staff in the testing of audit support and documentation work in the audit file.

Continuing Professional Development

7. *Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.*

Please see attachments for the resumes and details of CPE attended for the past three years.

Relevant Experience

8. *Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions.*

Team Member	Years of Experience	Government Audits & GAS	Water and Sewer Utility	Single Audit	ACFR Reporting requirements
April Adams	25	✓	✓	✓	✓
Victoria Barnett	10	✓	✓	✓	✓
Shannon Carlton	10	✓	✓	✓	✓

Specialized Training

9. *Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.*

April Adams plays a key leadership role in the NCACPA's Governmental Accounting and Auditing Committee, including serving as a past chair. She is a regular attendee at the NCGFOA's spring and summer conferences and has contributed as a speaker and panelist.

References

10. *Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contacted for reference.*

City of King	**PO Box 1132** **King, NC 27021**
Point of Contact	Susan O'Brien, Director of Finance
Phone	(336) 983-0236
Email	sobrien@ci.king.nc.us
Tyrrell County –	**108 S Water Street** **PO Box 449** **Columbia NC 27925**
Point of Contact	Karen Gerhart, Finance Officer
Phone	(252) 796-1371
Email	kgerhart@tyrrellcounty.net
Town of Belhaven	**315 East Main Street** **Belhaven, NC 27810**
Point of Contact	Lynn Davis, Town Manager or Colby Nixon, Finance Director
Phone	(252) 943-3055
Email	ldavis@townofbelhaven.com; cnixon@townofbelhaven.com

Statement of Policy & Procedures

11. *Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2018 Revision. Provide a copy of the firm's Statement of Policy and Procedures.*

AAPG, LLP has an independence policy that was designed specifically to address the independence requirements under the *Government Auditing Standards*. Attached is a copy of the Firms' Independence Policy.

Insurance

12. *Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.*

AAPG, LLP maintains adequate insurance coverage to meet the needs of the Town. We have placed our professional liability insurance with a national carrier and our current limits of coverage are satisfactory for this engagement. Upon selection, the Firm will provide evidence of our current insurance coverage arrangements as requested.

Regulatory Action

13. *Describe any regulatory action taken by any oversight body against the proposing audit or local office.*

There have been no complaints or regulatory actions against the Firm, key personnel or any engagement team members leveled by state regulatory bodies or professional organizations.

Relationship with the LGC & UNC School of Government

April Adams has extensive experience with members of both organizations by working jointly together on the GAA committee of the NCACPA and other various projects over the years. April has been asked her advice or expertise by the LGC on a regular basis, and by the school of government to participate in webinars. Now that some of the members from the LGC have retired and resurfaced as leaders in the North Carolina League of Municipalities she is working together with them to help assist in the efforts to help small local governments in the State with catching up on their audits. April also has a experience working with the Office of State Auditor's Office, providing them staffing, when needed as well assistance with audits on a contract basis.

AAPG, LLP
Aline Accounting Partners Group

ATTACHMENTS

Attachment – Resumes

April Adams, CPA

Engagement Partner

CPA License: NC-2971

April, an Assurance Partner at AAPG, LLP's Raleigh office, has provided attestation services to governmental and nonprofit clients since 2001. She specializes in financial and compliance audits, including Uniform Grant Guidance, serving governments of all sizes across North Carolina.

Her role spans planning, performing, supervising, reporting, and wrapping up engagements, ensuring direct communication and value-added services for clients.

April is a trusted instructor and speaker for Firm-sponsored governmental updates. She is a member of AAPG, LLP's Government Services Group, NCACPA, GFOA, and AICPA, and a former Chair of the NCACPA Governmental Accounting and Auditing Committee.

Education

- ✓ B.S. in Accounting, North Carolina State University
- ✓ Master of Accounting, North Carolina State University

Areas of Expertise

- ✓ Accounting Services
- ✓ Audit & Attestation
- ✓ External Audit
- ✓ Municipal & County Governments
- ✓ Nonprofits
- ✓ Public Utilities
- ✓ Uniform Grant Guidance
- ✓ Various State Agencies

Professional & Civic Involvement

- ✓ American Institute of Certified Public Accountants
- ✓ North Carolina Association of Certified Public Accountants
- ✓ Governmental Accounting and Auditing Committee,
- ✓ NCACPA
- ✓ Greater Raleigh Chamber of Commerce Leadership
- ✓ Raleigh Class 26

Relevant Experience

- ✓ City of Raleigh
- ✓ City of Durham
- ✓ City of Greenville
- ✓ City of Reidsville
- ✓ Town of Morrisville
- ✓ Town of Fuquay-Varina
- ✓ Town of Cary
- ✓ Town of Wake Forest
- ✓ Town of Rolesville
- ✓ Town of Apex
- ✓ County of Cumberland
- ✓ Durham County
- ✓ Mecklenburg County
- ✓ New Hanover County
- ✓ Guilford County
- ✓ Randolph County
- ✓ Tyrrell County
- ✓ New Hanover County Airport Authority
- ✓ Greater Raleigh Convention & Visitors Bureau
- ✓ Greenville Utility Commission

Victoria Barnett, CPA

Audit Manager

CPA License: AC56585

Victoria is an Audit Manager providing assurance services to governmental clients since 2012. She spent the majority of the first 10 years of her career with MSL, CPA where she focused on governmental clients of all sizes. She specializes in financial and compliance audits, including Uniform Grant Guidance, serving governments of all sizes across Florida.

Education

- ✓ BS in Accounting University of Central Florida
- ✓ Master of Accounting, University of Central Florida

Areas of Expertise

- ✓ Accounting Services
- ✓ Audit & Attestation
- ✓ External Audit
- ✓ Municipal & County Governments
- ✓ Nonprofits
- ✓ Public Utilities
- ✓ Uniform Grant Guidance

Professional & Civic Involvement

- ✓ American Institute of Certified Public Accountants
- ✓ Florida Institute of Certified Public Accountants
- ✓ Florida Government Finance Officers Association (FGFOA)
- ✓ Government Finance Office Association (GFOA)

Relevant Experience

- ✓ Bradenton Downtown Development Authority
- ✓ Brevard County School Board
- ✓ Citrus County
- ✓ City of Bradenton
- ✓ City of Casselberry
- ✓ City of Cocoa
- ✓ City of Leesburg
- ✓ City of Naples
- ✓ City of Northport
- ✓ City of Palm Bay
- ✓ City of Stuart
- ✓ City of Venice
- ✓ Escambia School Board
- ✓ Florida Virtual School
- ✓ Greater Orlando Aviation Authority
- ✓ Lake County
- ✓ Lake County Soil and Water Conservation District
- ✓ Lee County School Board
- ✓ LYNX – Public Transportation in Orange, Seminole & Osceola County
- ✓ Manatee County School Board
- ✓ Osceola County
- ✓ Seminole County
- ✓ Seminole County School Board
- ✓ Town of Bellair Shore
- ✓ Town of Fort Myers Beach
- ✓ Town of Lake Placid
- ✓ Town of Ponce Inlet
- ✓ Trailer Estates Park & Recreation District

Shannon Carlton, CPA

Senior Audit Associate

CPA License: 1103042255 (MI)

Based in Perry, Michigan, Shannon has served governmental and nonprofit clients through her work in financial and compliance audits, including Uniform Grant Guidance. She brings experience working with organizations of various sizes, ensuring compliance and accountability across diverse engagements.

Her responsibilities span the full audit process—from planning and performing to supervising, reporting, and final wrap-up—while maintaining direct communication and support for each client throughout the engagement.

Shannon is a former member of the American Institute of Certified Public Accountants (AICPA) and is currently exploring renewed involvement with professional organizations.

Education

- ✓ Master of Science in Accountancy from Michigan State University
- ✓ Bachelor of Science in Accountancy from Michigan State University
- ✓ Michigan CPA

Areas of Expertise

- ✓ Audit & Attestation
- ✓ External Audit
- ✓ Municipal & County Governments
- ✓ Nonprofits
- ✓ Uniform Grant Guidance

Professional & Civic Involvement

- ✓ Former member of the AICPA; exploring renewed involvement

Relevant Experience

- ✓ City of Reidsville
- ✓ Town of Cary
- ✓ Town of Lillington
- ✓ Durham County
- ✓ Mecklenburg County
- ✓ Greater Raleigh Convention & Visitors Bureau
- ✓ Dorthea Dix Park
- ✓ Chapel Hill Training Outreach Program
- ✓ Greenville Utility Commission
- ✓ Santee Cooper

AAPG, LLP
Aline Accounting Partners Group

Attachment – CPE

April Adams:

Course	Date	CEU Hours
2026		
From Guidance to Action: Implementing GASB 103 with Confidence	1/13/2026	1
2025		
2024 Accounting Standards Update	1/8/2025	1
Yellowbook and Single Audit Update	1/15/2025	2
Expectations of a preissuance and EQR reviewer	1/21/2025	1
Career Advisor - January 2025	1/28/2025	1
NCGFOA Spring Conference	2/27/2025	11.6
GFOA - No Vacation from Compensated Absences	3/10/2025	1.5
Seven Must-Knows for a successful GASB 101 Implementation	4/9/2025	1
Florida GFOA Annual Conference	6/15/2025	19
NCGFOA Summer Conference	7/21/2025	9.6
Advancing Government Efficiency through Performance Audits	8/5/2025	1.5
Navigating Grants Compliance	8/5/2025	1
Cybersecurity Best Practices	8/5/2025	1
Smart Finance, Stronger Government	8/7/2025	1
Audit Ready Teams	10/16/2025	1
NCGFOA Fall Conference	11/16/2025	5.4
Total		58.6
2024		
Strategic Impact 2024 - The Story of our People	12/5/2024	4
Strategic Impact 2024 - The Story of our Firm	12/3/2024	4
Strategic Impact 2024 - The Story of our Clients	12/4/2024	4
GASB Pensions and Other Post Employment Benefits	8/30/2024	1
Career Advisor - Accountability	8/28/2024	1
2024 GASB Update Part 2	8/15/2024	1
Managing Cyber Security Risk in the Public Sector	8/8/2024	1
Navigating the world of indirect cost and maximizing grant funds	8/8/2024	1
Trust in Government: Where are we? Where do we go from here?	8/8/2024	1
Helping New State and Local Leaders manage risk	8/7/2024	1
2024 GASB Update and implementation roadmap	8/7/2024	1
Data Analytics and the art of the possible	8/7/2024	1
Fraud, Waste and Abuse in Governmental Sector	8/7/2024	1
Career Advisor - Active listening	7/30/2024	1
2024 NCGFOA summer conference	7/23/2024	10.8
preventing discrimination and harassment fundamentals	7/15/2024	1.2
Leading with Intentionality: The Emerging Trends in NFP	7/10/2024	1
Career Advisor - Powerful Questions	6/27/2024	1
2024 Compliance Supplement and Single Audit Update	6/13/2024	2
Career Advisor - Effective 1 on 1s	5/29/2004	1
2024 Single Audit Focus Areas	5/16/2024	2
Help! We need People!	5/15/2024	1
Current Expected Credit Loss (CECL) and How NFPs will be affected	5/1/2024	1
Career Advisor - Feedback and Coaching	4/30/2024	1
Fostering and Allyship Culture: Greentable Talk	4/24/2024	1
Energize your not-for-profit organization; direct pay and transferability of energy tax credits and incentives	4/17/2024	1
2024 NCGFOA Spring Conference	3/8/2024	9.2
Annual refresher of Analytical Procedures	2/9/2024	1.5
Expectations of a preissuance and EQR Reviewer	1/24/2024	1
CB Playbook - Audit binder overview	1/18/2024	2
Total		60.7

AAPG, LLP
Aline Accounting Partners Group

2023		
Semi Annual Update - ASUs Effective for Upcoming Busy Season	12/14/2023	1
Real time with RAD	12/5/2023	1
Strategic IMPACT 2023	11/16/2023	8
Project Management - Managers through Partners	10/24/2023	1
New Attestation Standards Effective this Upcoming Busy Season	9/12/2023	1
Introduction to DataSnipper	8/16/2023	1
GASB 96 Implementation	8/1/2023	1
2023 Preventing Discrimination & Harassment	7/31/2023	0.5
Government GASB Update	7/25/2023	1
NCGFOA summer conference	7/18/2023	10
Single Audit process	5/16/2023	1.5
NCGFOA spring conference	3/3/2023	14
Analytical procedures - Not just a flux analysis	1/30/2023	1
Real time with RAD	1/25/2023	1
Expectations of a preissuance and EQR Reviewer	1/24/2023	1
Total		44

AAPG, LLP
Aline Accounting Partners Group

Victoria Barnett:

Course	Date	CEU Hours
2026		
From Guidance to Action: Implementing GASB 103 with Confidence	1/13/2026	1
ARPA Wrap Up	1/15/2026	1.5
2025		
No Vacation from Estimating Compensated Absences	3/10/2025	1.5
Intermediate Accounting	4/7/2025	16
Seven Must Knows for a Successful GASB 101 Implementation	4/9/2025	1
Advisory Bootcamp	4/23/2025	4.5
FICPA Legislative Town Hall and 2025 Post Session Review	5/7/2025	2
Understanding Government Financial Statements	5/16/2025	1.5
Cybersecurity in the Financial Process	5/16/2025	1.5
Outsourcing considerations	5/16/2025	1
NC 2025 Local Government Independent Auditor Conference	5/29/2025	5
Florida GFOA Conference	6/15/2025	21
Florida Ethics	6/23/2025	4
Florida Virtual NonProfit Seminar	6/24/2025	4
Governmental Auditing Standards for Financial Audits (Yellowbook)	7/2/2025	2
Special Edition AICPA Town Hall: Key Tax Law Changes You Need to Know	7/14/2025	1
2025 Compliance Supplement	7/15/2025	2
Under the Microscope: Examining Concentrations and Constraints for GASB 102	7/24/2025	1
Public Finance Federal Update with GFOA's Emily Brock	8/5/2025	1
Advancing Government Efficiency with Performance Audits	8/5/2025	1.5
Navigating Grant Compliance	8/5/2025	1
Closing with Confidence: Year End Best Pracitices Unlocked	8/7/2025	1
Smart Finance, Stronger Government	8/7/2025	1
GASB Update	8/7/2025	1.5
Cybersecurity Best Practicies and How Managed IT Services Can Reduce Risk	8/7/2025	1
Navigating the ERP Selection & Implementation Process	8/7/2025	1
Quarterly Government Alert	9/2/2025	1
Quarterly Government Alert	12/3/2025	1
Quarterly Accounting & Auditing Update	12/19/2025	4
Total		84
2024		
Microsoft Suite	5/22/2024	1
Single Audit Updates and More	5/22/2024	2
Auditor General	5/21/2024	2
Internal Controls in Government	5/21/2024	2
Legislative Update	5/21/2024	2
Common Audit Findings	5/21/2024	1.5
Financial Reporting Challenges	5/20/2024	2
The Growth Mindset	5/20/2024	2
"Yes, We Can!"	5/20/2024	2
GASB Hot Topics	5/19/2024	2
GASB Update: Enough	5/19/2024	2
Governmental Update Webinar Day 2	5/8/2024	4
MSL's 2024 Governmental Update Webinar Day 1	5/7/2024	4
2024 Not-for-Profit Summit: Keynote: Making an Impact Together	1/25/2024	1.5
Total		30
2023		
FGFOA Webinar - Commercial Banking Overview	7/20/2023	2
RFPs, RFIs & RFQs	6/27/2023	2
Financial Transparency: Spending in the Sunshine	6/27/2023	2
Public Records Requests & the Sunshine Law	6/27/2023	2

Budget Best Practices	6/27/2023	2
First-Time Leaders & the Challenges They Face	6/26/2023	2
Internal Controls & Fraud in the Remote Environment	6/26/2023	2
Benefits of Moving to the Cloud	6/26/2023	1
Auditor General & Department of Financial Services Update	6/26/2023	2
Total		17

Boyce, Spady
& Moore PLC
Certified Public Accountants & Consultants

Report on the Firm's System of Quality Control

August 25, 2025

To the Members of King, Shores & Preston CPAs, LLC, including Walker
Healthcare Services Group DBA (a division of King, Shores & Preston CPAs, LLC)
and the Peer Review Committee of VSCPA

We have reviewed the system of quality control for the accounting and auditing practice of King, Shores & Preston CPAs, LLC, including Walker Healthcare Services Group DBA (a division of King, Shores & Preston CPAs, LLC) (the firm) in effect for the year ended March 31, 2025. 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 on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations
Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

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 King, Shores & Preston CPAs, LLC, including Walker Healthcare Services Group DBA (a division of King, Shores & Preston CPAs, LLC) in effect for the year ended March 31, 2025, 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*. King, Shores & Preston CPAs, LLC, including Walker Healthcare Services Group DBA (a division of King, Shores & Preston CPAs, LLC) has received a peer review rating of *pass*.

Boyce, Spady & Moore PLC

1013 West Washington Street
Suffolk, Virginia 23434
(757) 539-2953
(757) 925-1191
fax (757) 539-3805

boycespadyandmoore.com

353 Main Street (23430)
P.O. Box 152
Smithfield, Virginia 23431
(757) 357-5200
fax (757) 357-0500

AAPG, LLP
Aline Accounting Partners Group

Attachment – Independence Policy

ALINE ACCOUNTING PARTNERS

Policy on Mitigating Auditors' Threat to Independence

Effective/Updated February 1, 2025

POLICY

Purpose

This policy ensures that AAPG, LLP establishes and implements procedures to address and mitigate the audit threats of Self-Review and Management Participation, both in fact and appearance.

Discussion

Aline Accounting Partners (Aline) is the brand name under which AAPG, LLP, Aline Accounting Partners, LLC, and its subsidiary entities provide professional services. AAPG, LLP and Aline Accounting Partners, LLC, along with their subsidiary entities, operate under an alternative practice structure. AAPG, LLP is a licensed independent CPA firm that provides attest services, while Aline Accounting Partners, LLC and its subsidiaries offer tax and business consulting services. Aline Accounting Partners and its subsidiary entities are not licensed CPA firms.

The Government Accountability Office (GAO) provides standards for auditors performing audits of state and local governments. Generally Accepted Government Auditing Standards (GAGAS) contain requirements relating to ethics, independence, auditors' professional judgment and competence, quality control, audit performance, and reporting. These standards ensure that information disclosed in an auditor's report is objectively acquired and evaluated for usefulness.

Regarding independence in mind and appearance, the standards require: "In all matters relating to the GAGAS engagement, auditors and audit organizations must be independent from an audited entity."

GAGAS identifies seven broad categories of threats (see Attachment A) that may impair an auditor's or audit organization's independence. Aline acknowledges that its alternative practice structure may present risks to AAPG, LLP's independence when conducting audits of local government entities. However, standards allow an audit organization to apply safeguards to eliminate threats or reduce them to an acceptable level.

The two threats to independence believed to arise from Aline's alternative practice structure are:

- Self-Review Threat
- Management Participation Threat

To eliminate or mitigate these threats to an acceptable level, Aline has adopted the following **safeguards**.

Safeguards

1. Governmental Services Staff Restrictions on Audit Engagements

- Staff employed by Aline Accounting Partners, LLC are prohibited from participating in any audit engagements conducted by AAPG, LLP in any capacity.
- All new staff will be informed of the restriction.
- The implementation of this restriction will be monitored by the partners of Aline Accounting Partners, LLC.

2. Restricted Access to Client Information

- While AAPG, LLP and Aline Accounting Partners, LLC share administrative functions under Aline, including access to data storage, AAPG, LLP will not have access to bookkeeping, consulting, or financial services data accumulated by Aline Accounting Partners, LLC.
- Any audit-related information required by AAPG, LLP, that has been gathered by Aline Accounting Partners, LLC must be obtained directly from the shared client and not from Aline Accounting Partners, LLC staff.

3. Restrictions on Client's Management Duties

AAPG, LLP and Aline Accounting Partners, LLC staff are prohibited from performing management functions for audit clients.

AAPG, LLP staff will not:

- Prepare financial statements for any audit clients.
- Post adjusting journal entries for Government-Wide financial statements without management's review and approval.
- Post any journal entries, resulting from an audit, to adjust account balances for financial reporting without management's review and approval.
- Perform any managerial duties, such as making hiring decisions, for an audit client.

Aline Accounting Partners, LLC staff will not:

- Post journal entries resulting from bookkeeping services without a member of management's review and approval.
- Post adjusting journal entries for Government-Wide financial statements without management's review and approval.
- Post any journal entries resulting from the audit to adjust account balances for financial reporting without management's review and approval.
- Perform any managerial duties, such as making hiring decisions, for any audit or governmental accounting services clients.

4. Management's Acceptance of Responsibilities

- Upon providing nonaudit services, Aline Accounting Partners, LLC's clients acknowledge their acceptance of responsibility for the nonaudit service being provided. Specifically, the engagement letter, signed by the client, specifies that the client has designated an individual who possesses suitable skill, knowledge, or experience and that the individual understands the services to be provided sufficiently to oversee them.
- Aline Accounting Partners, LLC staff are required to document the individual identified with the skills, knowledge, and expertise to assume all the management responsibilities.

The consideration of independence for these identified threats as well as all categories of threats will be required to be evaluated for each audit engagement.

By implementing these safeguards, AAPG, LLP ensures its continued independence and compliance with audit standards.

AAPG, LLP

Aline Accounting Partners Group

Audit Services Proposal

City of Wilson's Mills, North Carolina

April 24, 2026

You Belong Here

CONTENTS

Audit Methodology and Software

1. *Type of audit program used (tailor-made, standard government, or standard commercial)..*

AAPG, LLP will be using Thomson Reuters Engagement software for our audit documentation along with their guided assurance application. The guided assurance application is the integration of Thomson Reuters PPC audit and accounting guidance to plan, perform and document our audit in accordance with the auditing standards. AAPG, LLP will be using a risk-based audit approach where we will tailor our audit procedures to address only those risks identified in the planning meeting and discussions specific to your financial statements.

Statistical Sampling

2. *Use of statistical sampling.*

We will use statistical sampling as part of our planned audit procedures. These samples could be part of the financial statement audit areas, compliance testing for single audit or tests of internal controls. The use of statistical sampling will allow us to ensure that we select and test transactions to enable us to obtain sufficient coverage to conclude whether the financial statements are fairly presented, in compliance and internal controls that are operating effectively. Sample sizes will be determined in accordance with GAAS and GAS, and we will only use sampling when it's determined to be an efficient way to obtain the necessary coverage.

Automation & Control Methods

3. *Use of automated processes and internal control methods.*

We are required by the auditing standards to obtain an understanding of the policies and procedures and processes used related to the significant transaction cycles of the Town. That should consist of the following cycles: for cash receipts, cash disbursements, payroll and financial close and reporting. If controls over any of those processes are automated through the financial system we will have to view evidence of that automation or rules of the programming to become comfortable that the controls are operating effectively and in accordance with the policies and procedures. This can be achieved through video conferencing walkthrough and/or screenshots of the system.

Computer Audit Specialists

4. *Use of computer audit specialists.*

The firm does not contemplate the use of a computer specialist in performance of the Town's audit.

Audit Team Working Time Segmentation

5. *Organization of the audit team and appropriate percentage of time spent on the audit by each member.*

Team Member	% of time dedication
April Adams Engagement Partner	20%
Victoria Barnett Audit Manager	30%
Shannon Carlton Senior Auditor	30%
Staff Auditor	20%

Management Letter

6. *Information that will be contained in the management letter.*

If a management letter is determined necessary, the letter will contain concern(s) identified during the audit with recommendations on how to address the concern(s) noted. This letter would not include any significant deficiencies or material weaknesses noted in the report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*, as they are included and reported in the AFR.
All items included in a management letter will be thoroughly discussed as they arise and agreed upon before presented in a draft letter format. The intention of issuing a management letter is to communicate an opportunity for improvement, not the need for improvement, and the recommendations should be received as constructive.

Government Staff Support Expectations

7. *Assistance expected from the government's staff, if other than outlined in the RFP.*

A client assistance list will be created and shared with the consideration of your staff's time. We don't anticipate needing additional staff time beyond what is outlined in the RFP.

Audit Timeline

8. *Tentative Schedule for completing the audit within the specified deadlines of the RFP.*

The Local Government Commission has extended the deadline for local government audits from October 31 to December 31 beginning for audits conducted starting in FY 2025. We acknowledge that in the RFP the Town wishes to issue by October 31st. We will confirm a timeline to meet or exceed that deadline and will present it to the agreed upon Board meeting.

Cost Specifications

9. *Specify costs using the format below for the audit year July 1, 2025 to June 30, 2026. For the subsequent two audit years, list the estimated costs. The cost for the audit ending June 20, 3026 is binding, while the second and third years are estimated costs. Cost estimates much indicate the basis for the charges and whether the amount is a "not-to-exceed" amount..*
    a. *Audit Firm Personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the respective rate per hour.*
        i. *Estimated hours – categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor's office.*
        ii. *Rate per hour*
        iii. *Total cost of each category of personnel and for all personnel costs in total*

BASE AUDIT FEE: (Audit only see next page for financial statement preparation fee)

Staff Level	Interim Work	Year End	Rate/Hour	Total Cost
Partner	4	20	$300	$7,200
Manager	4	16	$225	$4,500
Senior	24	40	$175	$11,200
Staff	8	24	$125	$4,000
Less Discount				($6,900)
Total – Audit	44	92		$20,000*

This fee does not include the cost any single audit programs. A fee of $5,000 per program (or at an hourly rate of $175 if a simple program with minimal testing required) will be charged in addition to the proposed audit fee for each additional major program tested.

FINANCIAL STATEMENT PREPARATION FEE (GWI TAX & ACCOUNTING):

Staff Level	Hours	Rate/Hour	Total Cost
Report Writer	65	$150	$9,750
Discount			($1,750)
Final Cost			$8,000*

This fee is contingent upon the word and/or excel document of the prior year financial statement template being made available.

Total fees for 2027 and 2028

Year	Audit	FS Prep	Total
2027	$21,000	$8,500	$29,500
2028	$22,000	$9,000	$31,000

b. *Travel – itemize transportation and other travel costs separately.*

Travel to and from for the audit presentation to the Board of the audit results is included in the proposed audit fee.

c. *Cost of supplies and materials*

All costs of supplies and materials are included in the proposed audit fee.

d. *Other costs – completely identify and itemize.*

A fee of $5,000 per program (or at an hourly rate of $175 if a simple program with minimal testing required) will be charged in addition to the proposed audit fee for each additional major programs tested.

Please note that the Financial Statement Preparation Fee is separate from the base audit fee.

e. *If applicable, note your method of determining increases in audit costs on a year-to-year basis.*

Year-to-year fee increases contemplate any significant changes in the organization that are known at the time of the proposal and include a cost-of-living adjustment.

10. Please list any other information the firm may wish to provide.

AAPG, LLP will serve as the auditor of the financial statements and GWI Tax & Accounting will serve as the financial statement preparer. This allows AAPG, LLP to maintain its independence in accordance with the professional standards. We have experience working together from start to finish with clients providing a smooth and seamless process. The GWI team brings extensive hands on experience with decades of being finance officers. Below is more information about the GWI Tax & Accounting Leadership Team.

Team Member	Qualifications
Pat Galloway  **Partner**	Pat is a CPA with over 30 years of local government accounting experience. Her career began as a member of a CPA firm where experience was gained in auditing and writing financial statements for small local governments in North Carolina. After a few years with the CPA firm, she decided to focus her career on governmental accounting and finance by joining a county finance department. She worked in local government finance departments, county and municipal, for 30 years with 18 of those years serving as Finance Director.
Pam Wortham  **Director**	Pam Wortham is a seasoned public finance professional with over 45 years of experience supporting North Carolina municipalities, counties, and state agencies. Known for stepping into high-need environments, Pam brings immediate value by restoring stability, audit readiness, and operational clarity. Her extensive background includes providing interim leadership, preparing financial statements, developing balanced budgets, and guiding government finance staff through complex accounting challenges. Pam is particularly skilled at ensuring timely, audit-ready reporting and has earned a reputation as a steady, solutions-oriented advisor to local governments across the state.
Linda Pennell  **Partner**	Linda is a finance professional with two decades of experience in governmental accounting, beginning her career in public accounting before serving as Deputy Finance Director for a North Carolina county. She is dedicated to helping local governments address financial challenges through efficient operations, strong internal controls, and dependable financial information that supports sound budgeting and decision-making.

AAPG, LLP
Aline Accounting Partners Group

Summary of Audit Costs Sheet - RFP for Auditing Services

1. Base Audit (includes Personnel costs, travel, and on-site work)		
Fiscal Year 2025-2026	$	28,000
Fiscal Year 2026-2027	$	29,500
Fiscal Year 2027-2028	$	31,000
2. Extra Audit Service		
$175 per hour	$	
3. Single Audit Services (if necessary)		
$5,000 per major program or $175 per hour for smaller simpler programs	$	
4. Other (explain)		
	$	
TOTAL	$	28,000

FIRM: AAPG, LLP
Address: 3800 Arco Corporate Drive, Suite 500
Charlotte, NC 28273

Primary Contact: April Adams
Telephone: 919-632-5878
Fax: n/a
E-mail:april.adams@aapgllp.com
Date: 4/24/26

AAPG, LLP
Alfne Accounting Partners Group

PROPOSAL CERTIFICATION

Proposer's Signature: April Adams Date: 4/24/26

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed): April Adams

TITLE: Managing Partner

COMPANY: AAPG, LLP

ADDRESS: 3800 Arco Corporate Drive, Suite 500, Charlotte, NC 28273

TELEPHONE: 919-632-5878

EMAIL: april.adams@aapgllp.com

Request for Council Action

Agenda Item 7d(i)

TO: Mayor Fleta Byrd and Town Council Members
FROM: Wendy Oldham, CZO
DATE: May 18, 2026
REQUEST: Fee Schedule Change

The NC General Assembly recently changed the language for all Conditional Use Permits to Special Use Permits. This change has been made in green on page 4 of the attached fee schedule.

Also, all Special Use Permits should be recorded at Johnston County Register of Deeds once approved by Town Council. The fees for the recordation have been added to the attached fee schedule as 3rd party fees that the applicant will be responsible for reimbursing the town for once the recordation has occurred. This, too, is in green on the attached fee schedule.

Action Requested:
Please approve the changes to the fee schedule effective immediately.

Respectfully Submitted,

Wendy Oldham, CZO
Planning Director

Fee Schedule
Effective 5/18/2026

ADMINISTRATIVE DEPARTMENT	
COPIES-INCLUDES PUBLIC RECORDS REQUESTS AND PUBLIC COPY REQUESTS	FEE
Regular	$1.00 per page
Certified (Town Records only - does not include Notarization)	$5.00 first page $2.00 each subsequent page
Certified Copies with Numbered Pages	$6.00 first page $2.00 each subsequent page
USB Drive Copies of Documents &/or Pictures	$5.00 per USB Drive
FAX SERVICES **ONLY LOCAL FAXES AVAILABLE**	FEE
Send	$2.00 first page $1.00 each subsequent page
Receive	$1.00 per page
Ad Valorem Tax	$0.50 per hundred
Returned Check Charge	$35.00
Notary Public Fees	$10.00 per signature/seal
Meeting notice request—Sunshine List	$10.00 annually* *Fee waived for email-only notifications
"Stop Payment" Fee for Misplaced Checks	$35.00
Fee for Replacement of Lost or Damaged Check	$5.00
Petition to close a street	$750.00 per street
Town Hall Property Temporary Parking *With written approval ONLY (Parking without approval will be citied per Code)	$20.00 per day per vehicle

ANIMAL CONTROL DEPARTMENT	FEE
Dog or Cat Registration (Spayed or Neutered)	$10.00 each year
Dog or Cat Registration (Non-Spayed or Neutered)	$20.00 each year
All Other Animals (Exotic)	$50.00 each year
Duplicate Animal Registration Tag	$5.00
Rabies Non-Compliance	$100.00
Wild Animal Non-Compliance	$100.00
Reclaim Fee (Domestic)	$50.00 per animal
Reclaim Fee (Exotic)	$200.00

PLANNING FEES

CERTIFICATES ISSUED BY JOHNSTON COUNTY

Building Permits – Johnston County Building Inspections Department issues building permits following issuance of Zoning permit by the Town of Wilson's Mills.

Certificate of Occupancy (CO)- Johnston County Building Inspections Department issues upon final building inspections and site plan zoning compliance approval by the Town.

*****All fees and charges relevant to building permits, inspections, and issuance of certificates shall be as adopted by Johnston County's fee schedule.**

ZONING COMPLIANCE PERMITS (Where construction begins without appropriate permits in place, permit cost shall be doubled)	FEE
Single, Two-Family structures and mobile home	$250
Accessory Dwelling	$250
Single Family attached/multi- family (condominium, apartment, town home, etc.)	$300
Residential Addition-Attached	$100
Accessory structures/Shed/Porch/Pool/Paving	$100
Fences	$50
Non-residential	$300 + site plan review
Temporary Use/Event Permit	$100 $0 for events hosted by charitable organizations that are within the Town's Planning Jurisdiction
Home Occupation Permit	$100
Conditional Use Permit Application	$750
Zoning Verification Letter	$50
Certificate of Non-Conformity Adjustment	$100
Driveway Permit (2.17) (If Town-owned street)	$100
Tree Disturbance Permit (11.10)	$250 admin fee + Actual cost from any outside consultants or professional services review
Land Disturbance Permit	$200/acre (valid for 2 years)
Excavation and Encroachment	$200
On-site Land Clearing and Inert Debris (LCID) Landfill Permit – 2.13-4	$150 admin fee + Actual cost from outside consultant review to determine surety bond amount + bond administration fee
Food Truck Permit	$100 (unless Town sponsored event) plus proof of current sanitation inspection
Amplified Music Permit	$25.00
SIGN PERMITS (Only when obtained separately from primary development permits)	**FEE**
Permanent Sign	$100
Temporary Sign	$25
Master Sign Plan (When not submitted with site development plan)	$400

TELECOMMUNICATIONS TOWERS/COLLOCATIONS	FEE
New Tower, Stealth Tower, and Collocation Lease Negotiation Fee (Existing Tower)	$2,500
REZONES	**FEE**
Less than 3 acres 3-6 Acres More than 6 acres	$400 $600 $750 + $20/acre
Vested Rights	$500
Vested Rights Extension	$200
BOARD OF ADJUSTMENT	**FEE**
Variance	$1,000
Variance (After the fact)	$2,000
Appeal	$500
ANNEXATIONS	**FEE**
Voluntary Contiguous Annexation Request	$0
Voluntary Satellite Annexation Request within the Extraterritorial Jurisdiction (ETJ)	$400
Voluntary Satellite Annexation Request outside the Extraterritorial Jurisdiction (ETJ)	$400 + $250 per ¼ mile outside the Extraterritorial Jurisdiction (ETJ)
COMMERCIAL/MAJOR SITE PLAN DEVELOPMENT	**FEE**
Site Development Plans	$500
Construction Drawings	$750
Final Plat	$150 per sheet
MAJOR SUBDIVISION REVIEW - 5 or more lots (If a 3rd submittal is required, an additional fee will be collected)	
Sketch Plat~~/Plan~~ Review	$200 per sheet
Preliminary Plat/Site Development Plan/~~Construction Plans~~ Review	$500 + 25 per lot
Construction Plan Review	$750 + $25 per lot
Preliminary/Construction Plan Amendment	$400
3rd submittal of Preliminary/Construction Plan	¼ of the original cost
Final Plat Review	$150 per map sheet
3rd submittal of Final Plat	$50 per map sheet
Re-addressing Due to Changes	$250
MINOR SUBDIVISION REVIEW - 4 lots or less (If a 3rd submittal is required, an additional fee will be collected)	**FEE**
Preliminary Plat Review	$300
Preliminary Plat Amendment	$200
3rd submittal of Preliminary Plat	$50
Construction Drawings	$500
Final Plat Review	$150 per map sheet
3rd submittal of Final Plat	$50 per map sheet

STORMWATER MANAGEMENT FEES	FEE
Stormwater Plan Review less (If a 3rd submittal is required, an additional fee will be collected)	$400 per disturbed acre ($1000 minimum)
3rd submittal of Stormwater Review	¼ of the original cost
Stormwater Facilities Operation and Maintenance Agreement Administration	$200 per agreement
Stormwater Facilities Inspection (if completed by the Town)	$2500 per stormwater facility
OTHERS	**FEE**
Conveyance Plat	$10 per lot
Exempt Subdivision/Easement/Recombination Plat	$100
Floodplain Development Permit (If not part of construction plan review)	$250
Open Space Fee in Lieu	$1,000 per lot
Demolition Permit (Asbestos Report Required)	$250
Floodplain Management Document review (Letter of Map Revision (LOMR), Conditional Letter of Map Revision (CLOMR) etc.)	$150 per form
Transportation Impact Analysis (TIA) Review	$400
Bond Amendment and Reduction Fee	$100
Bond Administration Fee	$250
Special Use Permit Fee	$500 plus responsible for all 3rd party fees
Chicken and Fowl Permit	$100
Chicken and Fowl Inspection	$40
Acceptance of Streets/Utilities/Infrastructure	$500 per application
CONSTRUCTION INSPECTION FEES (Fees to be collected upon approval of construction drawings)	**FEE**
New Streets (public)	$1.50 per linear foot
Storm Drainage	$1.50 per linear foot
Final Subdivision Inspection Fee (trails, sidewalks, greenways)	$500
As-built Review Fee	$250

CODE ENFORCEMENT FEES

	FEE
All Nuisance Violations- Administration Fee (per occurrence)	$200
Nuisance Abatement – Administration Fee	$300 Administration fee + actual cost for clean-up or removal
Lien Placement	$500

PARK FEES	FEE
Community Park Shelter Rental	\$15.00 per hour – in town residents \$30.00 per hour – out of town residents (minimum of 2 hours for any rentals)
	\$100.00 daily rate – in town residents \$200.00 daily rate – out of town residents (more than 6 hours)

POLICE DEPARTMENT	FEE
Golf Cart	\$50.00 1st year
	\$20.00 each subsequent year

Civil Penalty Fee & Nonpayment Penalty

In addition to the general penalties provided in the Town's Code, an ordinance may provide that a violation shall subject the offender to a civil penalty. Unless otherwise specified by Town Code, the **civil penalty is \$50.00.**

A nonpayment penalty of \$50.00 for each 30-day period will be added to all civil penalties not paid by the date due.

Request for Council Action

Agenda Item 7d(ii)

TO:	Mayor Fleta Byrd and Town Council Members
FROM:	Wendy Oldham, CZO
DATE:	May 18, 2026
REQUEST:	APPOINTMENT OF A NEW PLANNING BOARD MEMBER

Please appoint a new member to the Planning Board to fill vacant seat #2 which expires on June 28, 2028. The Planning Board received four applications to fill the seat vacated by Tony Eason.

After reviewing the applications, the Planning Board met on April 27, 2026, to further consider the candidates. During this meeting, members had the opportunity to speak with and question Ms. Jessica Knight regarding her interest and qualifications.

Following this discussion, the Planning Board recommends the appointment of Ms. Jessica Knight to fill the vacant seat.

Action Requested:
Please appoint a new member to the Planning Board to fill vacant seat #2, which has a term expiration date of June 28, 2028.

Respectfully Submitted,

Wendy Oldham

Wendy Oldham, CZO
Planning Director

Town of Wilson's Mills P. O. Box 448 Wilson's Mills, N.C. 27593 919-938-3885 – Office 919-938-1121 - Fax	Application for Committee Appointment (Please Print When completing the application)

Please indicate below which committee(s) or board(s) you are interested in serving on.

X Planning Board ____ Historic Preservation Committee

____ Events Committee ____ Board of Adjustment

X 1st Time Appointment ____ Reappointment

Full Name: Jessica Taylor Knight

Address: 140 Holton St. Wilson's Mills, NC 27577

Phone Number (Home) — (Mobile) 919-880-1926

Employer: TLC Occupation: Asst. Manager HR, Training & Compliance

Do you live in the Wilson's Mills Corporate Limits? Yes How long? 8 months

Are you a citizen of the United States? Yes How Long? 44+ years

Have you ever served on any committees or any of the above listed committees or Boards? If so, please list.

No

What do you feel are your qualifications for serving on the committee and why do you think you would be an asset to this committee? In addition to my full time position @ TLC, I have spent the past 5 years doing compliance monitoring for HUD certified projects ensuring regulations were being followed and learning about community impact. Additionally, on a regular basis @ TLC I am utilizing analytical thinking, strategic planning and ensuring regulatory compliance.

What areas of concern would you like to see the committee address? the impact of additional housing developments and keeping the town small.

Signature Jessica T. Knight Date 04/01/2024

Any comments can be written on the back of this page if you need more room to do so.

Appointed to ____ Committee on ____

Town of Wilson's Mills
P. O. Box 448
Wilson's Mills, N.C. 27593
919-938-3885 – Office 919-938-1121 - Fax

Application for Committee Appointment

(Please Print When completing the application)

Please indicate below which committee(s) or board(s) you are interested in serving on.

X Planning Board
X Events Committee
______ Historic Preservation Committee
______ Board of Adjustment

X 1st Time Appointment
______ Reappointment

Full Name: Steven Ray Weaver U.S.Army Veteran

Address: 90 Powell Dr. Wilson's Mills N.C. 27577

Phone Number (Home) ______ (Mobile) 9842264222

Employer: Sunstates Security LLC Occupation: Restricted Access Consultant

Do you live in the Wilson's Mills Corporate Limits? Y How long? 3 Years
Are you a citizen of the United States? Y How Long? 66 Years

Have you ever served on any committees or any of the above listed committees or Boards? If so, please list.
No

What do you feel are your qualifications for serving on the committee and why do you think you would be an asset to this committee? Grew up in a small town and are familiar with growth successes and prosperity. Have really

What areas of concern would you like to see the committee address?
Community Projects, Building Rapport in Communities and getting residents involved inwhere we reside

Signature Steven Ray Weaver Date January 11, 2026

Any comments can be written on the back of this page if you need more room to do so.

Appointed to ______ Committee on ______

Town of Wilson's Mills P. O. Box 448 Wilson's Mills, N.C. 27593 919-938-3885 – Office 919-938-1121 - Fax	Application for Committee Appointment (Please Print When completing the application)

Please indicate below which committee(s) or board(s) you are interested in serving on.

X Planning Board

_____ Historic Preservation Committee

_____ Events Committee

_____ Board of Adjustment

X 1st Time Appointment

Full Name: Kaitlin Meitzler

Address: 145 Eason Creek Way, Wilson's Mills, NC 27527

Phone Number (Home) N/A (Mobile) 908-763-8298

Employer: Galaxy Diagnostics Occupation: Sr. Quality Specialist

Do you live in the Wilson's Mills Corporate Limits? yes How long? 1 year + 2 months

Are you a citizen of the United States? yes How Long? Since birth (26.5 yrs.)

Have you ever served on any committees or any of the above listed committees or Boards? If so, please list.

No

What do you feel are your qualifications for serving on the committee and why do you think you would be an asset to this committee? While I may not have construction management experience, I am good with organization, detail, and work well with teams. In addition, I want to be an involved member of the community while assisting with continuous town growth in whatever way possible.

What areas of concern would you like to see the committee address? I reviewed the document that outlines the strategic plan for fiscal years 2025/26 – 2030/31 and would love to see parks + recreation for Wilson's Mills become established as well as increasing walkability and adding more small businesses.

Signature Kaitlin A. Meitzler Date 15 Jan 2026

Any comments can be written on the back of this page if you need more room to do so.

Appointed to __________ Committee on __________

Please indicate below which committee(s) or board(s) you are interested in serving on.

X Planning Board

____ Historic Preservation Committee

____ Events Committee

____ Board of Adjustment

____ 1st Time Appointment

____ Reappointment

Full Name: Lauren Nicole Doskoez

Address: 130 S. Rose Hill Drive

Phone Number (Home) ____ (Mobile) 631-452-0799

Employer: Blu Chip Marketing Occupation: Partner

Do you live in the Wilson's Mills Corporate Limits? Yes How long? 5

Are you a citizen of the United States? Yes How Long? 42 years

Have you ever served on any committees or any of the above listed committees or Boards? If so, please list.

Yes, Clayton HS PTSA, Oxhead RD PTA, Centereach, NY

What do you feel are your qualifications for serving on the committee and why do you think you would be an asset to this committee? Please see attached page.

What areas of concern would you like to see the committee address? Please see attached page.

Signature Lauren N Doskoez Date April 1, 2020

Any comments can be written on the back of this page if you need more room to do so.

Appointed to ____ Committee on ____

Request for Council Action

Agenda Item 7e(i)

TO:	MAYOR FLETA BYRD AND TOWN COUNCIL MEMBERS
FROM:	A. Z. WILLIAMS, CHIEF OF POLICE
DATE:	MAY 13, 2026
RE:	SRO CONTRACT

Attached for your consideration is the contract for two (2) School Resource Officers (SRO) for upcoming school year 2026-27.

ATTACHMENTS:

One (1) four-page document:

Johnston County Schools contract for SRO services at Wilson's Mills Elementary and Wilson's Mills High School.

ACTION REQUESTED:

Approve or deny the contract.

100 Railroad Street • PO Box 448 • Wilson's Mills, North Carolina 27593
(919) 938-3885 • Fax: (919) 938-1121

STATE OF NORTH CAROLINA
COUNTY OF JOHNSTON

CONTRACT FOR SCHOOL RESOURCE OFFICER SERVICES

This Contract for School Resource Officer Services ("Agreement") is made and entered into this _____day of _____________ 2026, by and between the Johnston County Board of Education ("Board"), the governing body of the Johnston County Public Schools ("JCPS" or "District"), and the Town of Wilson's Mills, the governing body of the Wilson's Mills Police Department ("Town"), (collectively, the "Parties").

WITNESSETH:

WHEREAS, the Board desires to have the Town assign a sworn law enforcement officer to serve as a School Resource Officer ("SRO") at a certain school owned and operated by the Board;

WHEREAS, the Town is willing to provide a sworn law enforcement officer to serve as an SRO within the District; and

WHEREAS, the Board and Town have entered into a separate School Resource Officer Program Memorandum of Understanding ("MOU"), describing the respective roles and responsibilities of school administrators and law enforcement officers pursuant to the MOU.

NOW, THEREFORE, in consideration of the promises and covenants of the parties hereto herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Board and Town do hereby agree as follows:

1. The Town shall provide two (2) full-time sworn law enforcement officers from the Wilson's Mills Police Department to serve as SROs for the 2026-27 school year.

2. The SROs shall be assigned to Wilson's Mills Elementary School and Wilson's Mills High School.

3. During the term of this Agreement, the Board shall pay to the Town **one hundred twenty-six thousand dollars, and zero cents ($126,000.00)**. Payment shall be made by the Board in equal amounts on a monthly basis commencing with the effective date of this Agreement and continuing each month thereafter, with each

monthly payment to be issued by the Board no later than thirty (30) days after receipt of an invoice from the Town reflecting the amount due.

4. The assignment of and services provided by the SRO shall be consistent with the terms of the MOU between the Board and the Town, effective July 1, 2026. The MOU is hereby incorporated in this Agreement by reference and attached as Exhibit A. To the extent the MOU is amended or modified during the term of this Agreement, any such modified terms shall govern. To the extent any terms of this Agreement conflict with terms of the MOU, the MOU shall prevail.

5. It is understood and agreed between the Parties that although it is the intent of both Parties to provide the officers and funding described herein, there may arise circumstances in which one or both Parties are unable to discharge their respective obligations pursuant to the Agreement and MOU. It is understood and agreed between the Parties that the payment obligation *of* the Board under this Agreement is contingent upon the availability of appropriated funds from which payment *for* Agreement purposes can be made. To the extent the Board is unable to issue funding as described herein, the Board acknowledges that the Town may decline to provide further SRO services. It is understood by the Board that the services provided by the Town under this Agreement are contingent upon ongoing employment of a sufficient number of officers to meet the needs of the Town at large, which includes the needs of the District pursuant to this Agreement. To the extent the Town is at any time unable to provide SRO services as described in this Agreement and the MOU, the Board shall not be responsible for further payment, and payment made for services not rendered shall be refunded by the Town to the Board. Thus, if either the Board is unable to provide funding or the Town is unable to provide an officer, this Agreement shall terminate on two (2) weeks' notice of either part to the other, and neither party shall have further obligations hereunder, except that the payment made by the Board to the Town for services not rendered shall be refunded by the Town to the Board.

6. The Parties acknowledge that the requirements of N.C.G.S. § 115C-332.1 apply to this Agreement. The Town shall conduct an annual check of all sworn law enforcement officers assigned as SROs on the North Carolina Sex Offender and Public Protection Registration Program, The North Carolina Sexually Violent Predator Registration Program, and the National Sex Offender Registry, and certifies that it no individual appearing on any such registry shall be assigned as, or provide services pursuant to this Agreement as, an SRO. The Town shall also conduct criminal background checks on each of its officers who shall be assigned as, or provide

services pursuant to this Agreement as, an SRO. The Town shall not assign an officer to provide services pursuant to this MOU if said officer has been convicted of a felony or any crime, whether misdemeanor or felony, involving violence, illegal drugs, theft, child abuse, sexual harassment, sexual abuse, or personal impropriety of a sexual nature with regard to any other person or if said officer has engaged *in* any crime or conduct indicating that the officer may pose a threat to the safety or well-being of students or school personnel. The Town agrees to conduct the background checks articulated above no earlier than thirty (30) days prior to provision of services articulated in this Agreement, to maintain documentation of the checks, and to provide such documentation of the checks to the District upon its request. The Board reserves the right to prohibit any individual officer of the Town from providing services on Board property or at Board events if the Board determines, in its sole discretion, that such officer poses a threat to the safety or well-being of students, school personnel or others, or that the officer has not undergone the background checks articulated in this Paragraph.

7. The Town shall pay all federal, state, and FICA taxes, and maintain minimum insurance requirements for all sworn law enforcement officers assigned as SROs under this Agreement.

8. The Town shall be an independent contractor of *the* Board, and nothing herein shall be construed as creating a partnership or joint venture; nor shall any employee of the Town be construed as an employee, agent, or principal of the Board.

9. This Agreement shall be governed by the laws of the State of North Carolina. The venue for initiation of any such action shall be Johnston County, North Carolina.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seal the day and year indicated below.

JOHNSTON COUNTY BOARD OF EDUCATION

By: ______________________________

[Name, Title]

Date:____________________

PRE-AUDIT CERTIFICATE. This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

______________________________ ______________

[Name, JCPS Finance Officer] Date

TOWN OF WILSON'S MILLS

By: ______________________________ ______________

[Name, Title] Date

PRE-AUDIT CERTIFICATE. This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

______________________________ ______________

[Name], Finance Officer Date