

BOARD OF ALDERMEN

ITEM NO. D(1)

AGENDA ITEM ABSTRACT

MEETING DATE: January 11, 2005

TITLE: Presentation of Audit Report for Fiscal Year Ending June 30, 2004

DEPARTMENT: Management Services	PUBLIC HEARING: YES ____ NO <u>x</u>
ATTACHMENTS: A. Resolution B. 2003-04 Audit Report (contact Town Clerk's office to view this document) C. Memo – Audit Management Letter	FOR INFORMATION CONTACT: Judy Weller, Accounting Officer, 918-7302 L. Bingham Roenigk, Assistant Town Manager, 918-7315

PURPOSE

In accordance with principles of accountability and state statutes, the town undergoes an annual financial audit by independent auditors. The town contracted with Dixon Odom PLLC to perform the audit for the fiscal year ending June 30, 2004. The purpose of this agenda item is for the Board to receive the audit report. LaVonne Montague, CPA, of Dixon Odom PLLC, who oversees the town's audit, will present the report.

INFORMATION

Annually, the Board of Aldermen receives the audit report that evaluates the Town's system of internal accounting controls to express an opinion on the Town's financial statements. The auditors find the general-purpose financial statements present fairly, in all material respects, the financial position of the Town as of June 30, 2004 and thus issue an "unqualified" or clean opinion.

The audit report for this fiscal year looks significantly different than in past years due to accounting changes associated with GASB34 and due to the fact that the Town is submitting, for the first time, a Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2004. This document, or CAFR, is entered into a certificate program sponsored by the Government Finance Officers' Association (since 1945) and is designed to recognize and encourage excellence in financial reporting by state and local governments. The Town anticipates receiving the award and will report to the Board upon receipt of the certificate. This certificate is meaningful to credit rating agencies and other institutions when assessing the Town's financial situation and community as a whole. It also demonstrates proficiency within the Management Services Department and the town as a whole.

FISCAL IMPACT:

N/A

STAFF RECOMMENDATION

The Board is requested to receive the audit report and approve a resolution accepting the 2003-04 audit report.