

BOARD OF ALDERMEN

ITEM NO. B(1)

AGENDA ITEM ABSTRACT

MEETING DATE: January 9, 2007

TITLE: Presentation of Audit Report for Fiscal Year Ending June 30, 2006

DEPARTMENT: Management Services	PUBLIC HEARING: YES or NO XX
ATTACHMENTS: A. Resolution B. 2005-2006 Audit Report (posted on town's website) C. Memo – Audit Management Letter	FOR INFORMATION CONTACT: Nancy Emslie, Accounting Officer, 918-7306 Bing Roenigk, Assistant Town Manager, 918-7439

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 Hughes PLLC to perform the audit for the fiscal year ending June 30, 2006. The purpose of this agenda item is for the Board to receive the audit report. LaVonne Montague, CPA, of Dixon Hughes 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, 2006 and thus issue an "unqualified" or clean opinion (attachment C).

The Town is submitting, for the third time, a Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2006. This document, or CAFR, is entered into a certificate program sponsored by the Government Finance Officers' Association (GFOA) 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

RECOMMENDATION

The Board is requested to receive the audit report and approve a resolution accepting the 2005-2006 audit report.