

BOARD OF ALDERMEN

ITEM NO. C(4)

AGENDA ITEM ABSTRACT

MEETING DATE: April 21, 2009

SUBJECT: Award of Contract for Audit Firm

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| DEPARTMENT: Management Services | PUBLIC HEARING: YES ____ NO <u>X</u> __ |
| ATTACHMENTS: A. Resolution B. Dixon Hughes PLLC Contract | FOR INFORMATION CONTACT: Bing Roenigk, Assistant Town Manager Nancy Emslie, Accounting Officer |
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PURPOSE: The purpose of this agenda item is to award the contract for the Town's annual audit for the year ending June 30, 2009.

INFORMATION: Dixon Hughes PLLC has proposed a fee of \$50,000. Funds for the audit have been budgeted in the FY09-10 budget. Last year the audit costs increase significantly (\$35,000 for FY 06-07 to \$54,000 for FY 07-08). This was a direct result of the significant change in auditing standards due to SAS 104-111 related to internal controls and risk assessments.

FISCAL IMPACT: This year's audit cost is based on a blended hourly rate of \$137 per hour and is estimated to be \$50,000 for fiscal year ending June 30, 2009. Sufficient funds have been budgeted in the FY 09-10 budget.

STAFF RECOMMENDATION To award the contract to Dixon Hughes PLLC for a total cost of \$50,000 and to authorize the Mayor to sign the Engagement to Audit contract required by the Local Government Commission.