

TOWN OF LIBERTY

239 S. Fayetteville Street | PO Box 1006 | Liberty, NC 27298

Office (336) 622-4276 | Fax (336) 622-2665

www.Liberty-NC.com

A G E N D A

Town Council Council Meeting

April 26, 2021 – 5:30 P. M.

- 1. Call to Order**
 - 1.1. Pledge of Allegiance
 - 1.2. Invocation / Moment of Silence
- 2. Adoption of Agenda**
- 3. Code Enforcement Report**
- 4. Approval of Minutes**
 - 4.1 March 15, 2021 - Work Session
 - 4.2 March 15, 2021 - Closed Session
 - 4.3 March 22, 2021 - Council Meeting
 - 4.4 March 22, 2021 - Closed Session #1
 - 4.5 March 22, 2021 - Closed Session #2
- 5. Consent Agenda**
 - 5.1 Approval March and April Finance Reports
 - 5.2 Auditor RFP FY 2021 - Debora B Wentz, CPA
 - 5.3 Budget Amendment # 38
- 6. Old Business**
- 7. New Business**
 - 7.1 Proclamation National Day of Prayer - Thursday May 6, 2021
- 8. Administrative Reports**
 - 8.1 Manager's Report
- 9. Committee Reports**
 - 9.1 Police Steering Committee Update - Billy Judson
- 10. Council Comments**
- 11. Mayor Comments**
- 12. Adjourn**

**Town of Liberty
P. O. Box 1006
239 South Fayetteville Street
Liberty, North Carolina 27298
(336) 622-4276 phone (336) 622-2665 fax**

Agenda Item Cover Sheet

Meeting Date:	April 26, 2021
Item:	Code Enforcement Report

Attachment:	Yes
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Brief Description:

Brandon Emory is unable to be here tonight. Report is attached if any questions or discussion.

Staff Recommendation:

Receive report and discuss.



Alliance Code
Enforcement LLC

PROTECTING QUALITY OF LIFE
Monthly Report
Town of Liberty

Updated
April 21st 2021

ADDRESS	VIOLATION	STATUS
305 S Murphy St	MH/OL/JV/JP	OPEN
314 E Kime Ave	MH/OL	OPEN
312 W Starmount Ave	MH	OPEN
729 W Swannanoa Ave	MH/OL/JP	OPEN
303 S New St	OL	OPEN
131 N Foster St	MH/OL/JP	OPEN
808 W Dameron Ave	MH/OL	OPEN
318 S New St	JV	OPEN
309 S New St	OL	OPEN
112 Keeter Ct	ZV	ABATED
553 Maplewood Cir	OL	OPEN
125 W Swannanoa Ave	JP/ZV	ABATED
504 W Dameron Ave	JV	OPEN
705 W Swannanoa Ave	OL	OPEN
202 S Murphy St	JP	OPEN
112 W Moffit Ave	JV/OL	ABATED
112 Keeter Ct	JP	OPEN
303 N Asheboro St	MH	OPEN
213 S New St	JP	OPEN
122 E Dameron St	JP	ABATED
142 W Frazier Ave	MH	OPEN
415 W Dameron Ave	MH	OPEN
428 N Smith St	JP	ABATED
122 E Dameron St	JV/JP	OPEN
409 S Fayetteville St	JV	OPEN
313 W Starmount Ave	JP	ABATED
241 W Starmount Ave	JV	ABATED
231 W Starmount Ave	JV	OPEN
309 S Murphy St	MH	OPEN
514 E Butler Ave	JP	ABATED
409 Edgewood Dr	JV	ABATED
107 W Brookwood Ave	JP	ABATED
509 N Foster St.	JV	OPEN
303 W Luther Ave	JV	ABATED
317 N Asheboro St	JP	ABATED
102 W Bowman Ave	JP	ABATED
448 W Swannanoa Ave	JV	OPEN



Alliance Code
Enforcement LLC

PROTECTING QUALITY OF LIFE
Monthly Report
Town of Liberty

Updated
April 21st 2021

108 Carter St	JP	ABATED
630 Logan Ln	OL/JP	OPEN
430 E Swannanoa Ave	JP	UNFOUNDED
183 S Fayetteville St	JP	OPEN
706 Kirkman St	ZV/JP	UNFOUNDED
533 S Fayetteville St	ZV	OPEN
446 E Swannanoa Ave	OL	OPEN
711 Logan Ln	OL	OPEN
139 N Foster St	OL	OPEN
131 N Foster St	OL	OPEN
532 W Swannanoa Ave	OL	OPEN
303 S Murphy St	OL	OPEN
704 Kirkman St	OL	OPEN
255 W Swannanoa Ave	OL	OPEN
504 E Highfill Ave	OL	OPEN

MONTHLY HIGHLIGHTS

- Contact continues to be made with all owners of open cases.
- A complaint was made on 183 S Fayetteville St. for JP. I've spoken with the person that made the complaint and with the owner of the property in violation. A NOV has been prepared and mailed.
- OL cases are now being opened. Properties in violation of OL do/will have an open case and will be asked to maintain throughout the season.

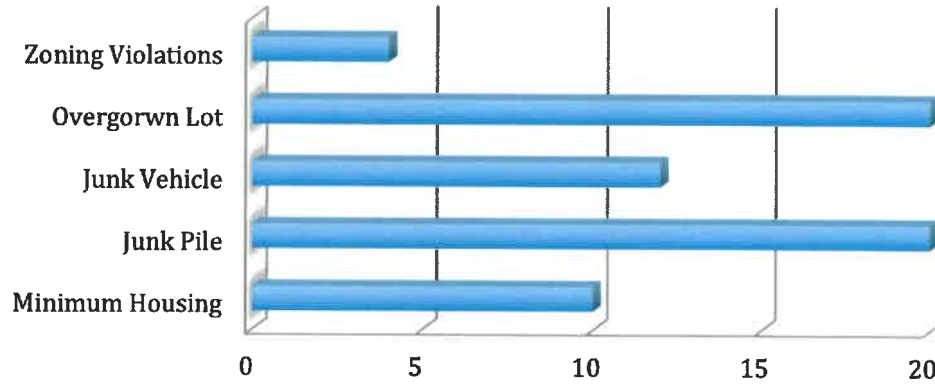


PROTECTING QUALITY OF LIFE
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Alliance Code
 Enforcement LLC

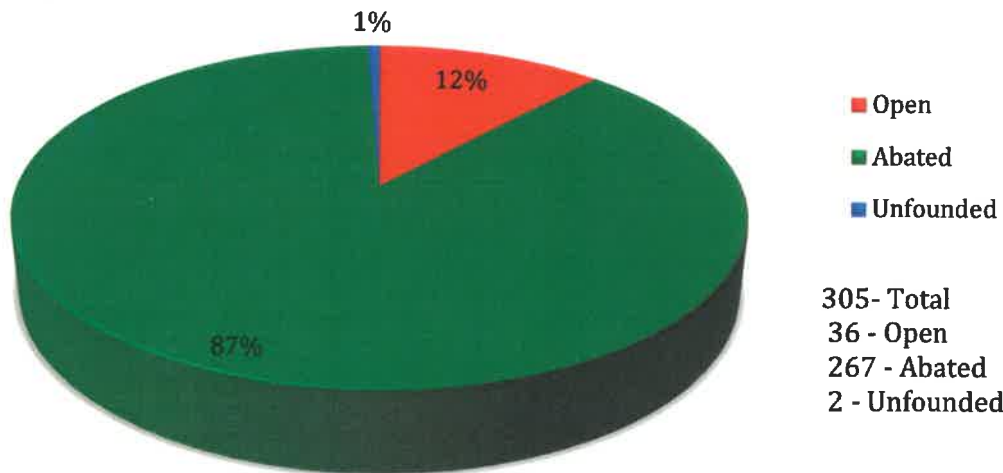
Updated
 April 21st 2021

Violations by the Numbers



	Minimum Housing	Junk Pile	Junk Vehicle	Overgorwn Lot	Zoning Violations
■ Violations by the Numbers	10	20	12	20	4

Case Status To Date



305- Total
 36 - Open
 267 - Abated
 2 - Unfounded

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Agenda Item Cover Sheet

Meeting Date:	April 19, 2021 and April 26, 201
Item:	Auditor RFP FY 2021 - Debora B Wentz, CPA

Attachment:	Yes
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Brief Description:

The audit proposal for Debora B. Wentz, CPA is attached. This is the staff recommendation for the auditor for FY2021.

Staff Recommendation:

Discuss and approve.

TOWN OF LIBERTY, NORTH CAROLINA

AUDIT PROPOSAL

SECTION I

2021-2023

Responsible Office:

Debora B Wentz, CPA

7 E 2nd Street

PO Box 287

Newton, NC 28658

(828) 464-1925

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

Firm Name:

Debora B Wentz, CPA
7 E 2nd Street
Newton, NC 28658

Proposal – Auditing Services

I am very excited for the opportunity to respond to your request for proposal to perform annual financial audit services for the Town of Liberty beginning with the fiscal year ending June 30, 2021 and continuing through fiscal years ending June 30, 2023. As a local leader in providing audit services to municipalities, I am confident that my proposal will demonstrate that I am uniquely qualified to be your auditor. I bring numerous years of experience in audit and advisory services and will strive to be your efficient audit engagement team. My audit practice has been focused on local governments and non-profit organizations, and I have developed a relationship with the North Carolina Local Government Commission (LGC).

I will conduct the audit in a timely manner such that all necessary financial and compliance information for all funds is completed, and the audit report, management letter, and other applicable report drafts are presented to the Finance Officer in a timely manner, and I will work diligently to ensure we meet your deadlines. I will provide assistance related to preparation of the Data Collection Form, and present the audited financial statements to the Town Council and management at a scheduled meeting upon completion of the report.

My fee includes technical assistance and guidance related to new note disclosures during our audit relationship. The audit contract conforms to the LGC requirements and will be approved by the Commission prior to audit commencement. All invoices will be submitted to the LGC prior to submission to the Town for payment.

My firm is best qualified to perform the audit of the Town of Liberty based on my:

- Experience in auditing governmental entities in North Carolina
- Availability to my clients beyond the duration of the audit
- Commitment to professional development in the governmental arena
- Record of providing non-traditional services to my governmental audit clients

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

The following responses address the information requested in the RFP:

1. Responsible Office: Debora B Wentz, CPA
7 E 2nd Street
PO Box 287
Newton, NC 28658

2. Personnel Involved

My audit team is located in Newton, North Carolina. I am the sole proprietor of the firm. I will conduct the majority of the audit personally. My role ends with signing the opinion letters and approving the issuance of the audited financial statements. It begins with the planning meetings with the client and with my staff, assessing the risk of the engagement, and approving and following the audit plan. I manage every aspect of the engagement, from supervising staff to monitoring compliance with "on-time" delivery. The Town personnel and Council will know my face and voice as I will be involved in the day-to-day management of the client relationship and audit process.

My non-professional staff, made up of Cynthia Ledford and Mary Cansler, will perform support and administrative functions of the engagement such as typing, confirmation and communication logistics, and drafting the finalized report, all to be completed at my accounting office. There has been no turnover in my office in the last five years, and no complaints have been filed against any of my staff members.

**3. Current & Previous Clients – Attest & Additional Services/ 4. Additional Services/
10. Reference list**

My firm provided, or is contracted to provide audit services to the following:

City of Conover – Audit 1994 – 2010, Financial Statement Prep 2011-2012, Audit 2013-2021
PO Box 549

Conover, NC 28613

Vickie K. Schlichting, Finance Director, (828) 464-1191

Town of Brookford – Audit 1994 – 2010, Financial Statement Prep 2011-2012, Audit 2013-2021
AFIR prep in each year

1700 S. Center Street

Hickory, NC 28602

Marshall Eckard, Town Manager & Clerk, (828) 322-4903

Town of Catawba – Audit 1994 – 2010, Financial Statement Prep 2011-2012, Audit 2015-2021
AFIR prep in each year

PO Box 70

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

Catawba, NC 28609

Sandy Jones, WPCOG – Catawba Town Finance Officer, (828) 241-2215

Town of Maiden – Audit 2013-2020

AFIR prep in each year

19 N. Main Avenue

Maiden, NC 28650

Dianne Lowe, Finance Officer, (828) 428-5003

Western Piedmont Regional Transit Authority – Audit 2015-2021

P.O. Box 459

1515 4th Street SW

Conover, NC 28613

Jeffrey L. Blalock, Finance Director, (828) 465-7644

Hickory-Conover Tourism Development Authority – Audit 2017-2021

1960 13th Ave Dr SE

Hickory, NC 28602

Mandy Pitts Hildebrand, Chief Executive Officer – (828) 322-1335 ext. 201

Foothills Health District – Audit 2019-2021

21 Callahan Koon Road

Spindale, NC 28160

Nancy Marshall, Chief Finance Officer - (828) 287-6044

5. Firm Quality Standards and Peer Review

I am a member of the American Institute of Certified Public Accountants (AICPA) and the North Carolina Association of Certified Public Accountants. My firm participates in the Quality review Program sponsored by the AICPA. Membership requires that I be subjected to a peer review by an independent CPA firm. The review assures the service to my clients meets the highest standards of the accounting profession. I received an unqualified opinion with no letter of comments, which is the best review result issued, in 2019. Please see the copy of my most recent peer review letter at Attachment A.

6. Professional Experience

I will be the only member of the audit team. I will have some administrative support from other employees, but they will rarely be on-site during the field work portion of the audit.

I have personally completed each of the audits for the clients listed above. I entered the governmental auditing industry in 1984 with my then partner, Bobby Robinson, of Newton, NC.

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

I provided auditing services until 2011. For the fiscal year-ended 2012 I provided non-attest services such as writing and completing financial statements, providing bookkeeping services, and providing internal control consultations to prepare my municipalities for their audits. I resumed my auditing duties for the year-ended June 30, 2013 financial statements for many of my same clients and included other entities to that list of clients. I will be on-site for 100% of the time field work takes place at the Town. I have extensive experience in auditing government organizations, programs, activities, and functions that are relevant to the Town. I trust my reference list, above, and the lengths of service to my clients will provide the Town assurance of my professional capabilities.

In order to better serve my auditees, and ensure a high-quality audit every year, I have attended the NCACPA's annual Local Government Conference every year for more than a decade. Further, my experience in financial statement preparation for many of my auditees puts me in a unique position to understand the accounting systems, policies, and procedures that compile the data that makes up the financial statement. While I cannot offer management services to auditees, I often find that education is the first step to verifying the financial statement is correct on a year-to-year basis.

7. Educational Background / 9. Specialized Training & Continuing Education.

I graduated with a Bachelor of Science in Business Administration, with a focus in Accounting, from Department of Commerce of UNC Chapel Hill's College of Arts (now the UNC Kenan-Flagler Business School) in 1981. I have been in public accounting for 40 years. During that time, I have maintained my professional education every year through a series of seminars and lectures, typically sponsored by the NC Association of CPAs and/or a private CPE vendor. The following is a summary of those hours of continuing education:

Year	Total Hours	Hours Governmental Accounting & Auditing
2011	40	8
2012	43	16
2013	51	16
2014	68	28
2015	49	25
2016	93	56
2017	84	35.5
2018	94.5	44.5
2019	34	12
2020	65.5	28

*Current through December 31, 2020

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

8. Experience in relevant government funds

All but one of the municipalities listed above have some type of Business Activity, ranging from Cemetery, Water/Sewer, Electric, Tourism Authority, Health District, or Transportation Authority. I am well versed in the financial reporting for each of those entities and types of funds.

11. Independence Statement

The firm monitors compliance with professional independence standards in accordance with the firm's quality control document (see Attachment B). This document requires all employees to notify management of any potential independence violations and to review the client list semi-annually for possible independence violations. The firm's independence policy also requires a determination of independence for each new and recurring audit client as a part of the audit planning stage.

At this time, I am unaware that I am providing services to any of the Town's vendors, suppliers, and/or customers.

In all matters relating to the audit of the Town of Liberty, Debora B. Wentz, CPA is independent in fact and appearance.

12. Liability Insurance

I presently carry professional liability insurance in the amount of \$250,000 per claim/ \$500,000 in aggregate for all claims, the firm also holds a \$150,000 bond for "Dishonesty by employees."

13. Regulatory Action/Oversight

On December 20th, 2010, the NC Board of CPA Examiners approved a consent order that suspended my license for 18 months beginning January 1, 2011. My license was fully reinstated on September 26, 2012. This order stemmed from an allegation of my failure to file my personal return timely for a series of years between 2000 and 2005 and in no way was a reflection of my work in either the tax or governmental auditing arena. While I disputed the facts, in order to avoid the cost and distraction of an expensive round of litigation, I signed the consent order and accepted the suspension. If you have any further questions or concerns regarding this matter, please do not hesitate to contact me.

14. Relationship with NC-LGC & UNC SOG

I have a very good working relationship with the Staff at NC Treasurer's Local Government Commission, including James Burke (a leader in the financial statement review function). In the

**TOWN OF LIBERTY
SECTION I
AUDIT PROPOSAL**

few times when I or my auditee clients have had questions regarding the best practices surrounding a financial statement disclosure, I have been able to speak to Mr. Burke, and receive guidance.

I also have several good contacts with the UNC School of Government, including Kara Millonzi and Gregory Allison. I have worked with them in the past on rather interesting aspects of governmental financial reporting.

If you have any further questions, please feel free to contact me directly.

Bidder Name	Debora B Wentz, CPA	Primary Contact	Debora B Wentz
Address	PO Box 287 Newton, NC 28658	Telephone	(828) 464-1925
		Fax	(828) 464-9497
Authorized Signature	<i>Debora B. Wentz, CPA</i>	E-mail	debora@wentz-pitts.com
		Date	April 15, 2021

ATTACHMENT A
(Peer Review Letter)



Report on the Firm's System of Quality Control

April 29, 2019

To the Owner of Debora B. Wentz 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 Debora B. Wentz (the firm) in effect for the year ended October 31, 2018. 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 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 Debora B. Wentz in effect for the year ended October 31, 2018, 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. Debora B. Wentz has received a peer review rating of pass.

Johnson Price Sprinkle PA

Asheville, North Carolina

Johnson Price Sprinkle PA

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An Independent Member of the BDO Seidman Alliance.

ATTACHMENT B
(Independence Quality Control Document)

Debora B Wentz, CPA
Quality Control Document
Effective April 30, 2019

My quality control policies and procedures for the six elements of quality control are presented below. It is my policy to follow all applicable unconditional and presumptively mandatory requirements of SQCS No. 8 (QC 10), *A Firm's System of Quality Control*, as evidenced by the policies and procedures within this quality control document. It is also my policy to adhere to all applicable unconditional and presumptively mandatory requirements of other relevant professional standards. The human resources QC activities of assigning teams to engagements; recruitment and hiring; and performance evaluations, compensation, and advancement are not applicable to my practice.

LEADERSHIP RESPONSIBILITIES FOR QUALITY WITHIN THE FIRM

I assume responsibility for the firm's system of quality control and design 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. I ensure compliance with this policy by implementing the following procedures:

- 1) I dedicate sufficient and suitable resources to the firm's quality control system and quality initiative and identify, develop, and implement the necessary QC policies and procedures based upon my comprehensive understanding of QC 10.
- 2) I continually evaluate client relationships and engagements to ensure that commercial considerations do not override the objectives of the quality control system.
- 3) At least annually, my leadership responsibilities for quality within the firm policy and procedures are reviewed to determine if they are appropriate and operating effectively, as covered in the Monitoring section of this document.

RELEVANT ETHICAL REQUIREMENTS

It is my policy to be familiar with and follow relevant ethical requirements of the AICPA, contained in the *Code of Professional Conduct*, the NC Board of CPA Examiners, and the North Carolina Association of CPAs in performing my professional responsibilities. Furthermore, it is my policy that, for engagements subject to *Government Auditing Standards* and other applicable regulatory agencies, I be familiar with and adhere to the relevant ethical requirements included in those standards, including any that may be more restrictive. Additionally, when I encounter situations that raise potential independence threats, but such situations are not specifically addressed by the interpretations of the *Independence Rule* of the *AICPA Code of Professional 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. I take appropriate action to eliminate threats to independence or mitigate them to an acceptable level by applying safeguards. If effective safeguards cannot be applied, I will withdraw from the engagement or take other corrective actions as appropriate to eliminate the breach.

I ensure compliance with this policy by implementing the following procedures:

- 1) I have access to the relevant ethical requirements to which I am subject and I maintain my familiarity with such requirements.
- 2) I take ethics training at least once a year as required by the NC Board of CPA Examiners.
- 3) Certain relevant ethical requirements are addressed by procedures within the work programs and standard forms in the accounting and auditing manuals that I use. Such procedures:
 - a) Determine compliance with relevant ethical requirements, including independence, on each new and recurring attest client as part of the acceptance and continuance decision. For clients of whom I am not independent, the only attest service I perform is a compilation and I disclose my lack of independence in the related report
 - b) Consider unpaid fees.
 - c) Annually confirm the independence of another accountant performing work on a group audit or a segment of a review or attestation engagement.
 - d) 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 I was satisfied that client personnel had the skills, knowledge, or experience to oversee the nonattest services). I 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*.
 - e) Consider whether actual or threatened litigation has an effect on the firm's independence with respect to the client.
 - f) Determine whether I am independent of the financial reporting entity, if I am engaged as the group auditor to report on the basic financial statements of the financial reporting entity.
 - g) Consider whether I was party to a cooperative arrangement with a client that was material to me or the client.
- 4) If a potential threat to, or breach of, independence is identified, I accumulate relevant information so I can (a) determine whether independence requirements are satisfied, (b) take appropriate action to address identified threats to, or breaches of, independence, (c) communicate the matter to those charged with governance at the attest client, and (d) maintain current independence information. For clients of whom I am not independent, the only attest service performed is a compilation and the lack of independence is disclosed in the related report.
- 5) I document my resolution of all relevant ethical requirements matters and file the documentation in the client's workpaper files and retain in accordance with the firm's document retention policy.
- 6) At least annually, my relevant ethical requirements policy and procedures are reviewed to determine if they are appropriate and operating effectively, as covered in the Monitoring section of this document.

ACCEPTANCE AND CONTINUANCE OF CLIENT RELATIONSHIPS AND SPECIFIC ENGAGEMENTS

It is my policy that for all audit, attestation, review, compilation, and preparation service engagements, I evaluate the acceptability of the client and the engagement before agreeing to provide professional services. I will accept and continue only client relationships and specific engagements when I have determined that I have the requisite competence and capabilities (including adequate time, resources, and licensure) to perform the engagement and can comply with legal and relevant ethical requirements. Additionally, I will only undertake or continue relationships and engagements when I have considered the integrity of the client and do not obtain information indicating that the client lacks integrity. I ensure compliance with this policy by implementing the following procedures:

- 1) For each prospective client that requests for the first time a preparation, compilation, review, attestation, or audit service, I complete an engagement acceptance and continuance form.
- 2) For existing attest clients, I annually review the firm's client list and reevaluate the acceptability of each client and engagement. In addition, prior to commencing the engagement, I ensure 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 manuals used by the firm.)
- 3) I document how issues identified during the acceptance and continuance process, if any, were overcome and resolved so that I decided to accept or continue the client relationship or specific engagement. Such documentation includes discussion of significant issues, consultations, conclusions, and the basis for the conclusions.
- 4) If situations occur after the commencement of an engagement and while work is in process that indicate I should consider withdrawing from the engagement, I consider whether there are any professional, regulatory, or legal responsibilities for me to remain associated with the client and the engagement or to report the withdrawal to regulatory authorities. In addition, I consider whether withdrawing from the engagement or discontinuing the client relationship is appropriate. 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.
- 5) I am responsible for ensuring that an engagement letter is obtained for each client. The engagement letter documents my agreement with the client regarding the nature, scope, and limitations of the services to be performed, as well as my role as engagement partner.
- 6) If I discover a potential conflict of interest during the acceptance and continuance decision, I determine whether it is appropriate to accept or continue the engagement. If the engagement is accepted or continued, the ethical requirements under *ET 1.110.010, Conflicts of Interest* ([link](#)), are considered, including whether a conflict of interest that might be perceived as impairing objectivity was disclosed and consented to by the client or other appropriate parties.
- 7) At least annually, my acceptance and continuance of client relationships and specific engagements policy and procedures are reviewed to determine if they are appropriate and operating effectively, as covered in the Monitoring section of this document.

HUMAN RESOURCES

Overall

It is my intent to succeed in the marketplace by possessing competence, capabilities, and commitment to ethical principles to assure that engagements I perform are in accordance with professional standards and applicable legal and regulatory requirements and that appropriate reports are issued in the circumstances. The activities of my human resources QC system for a sole practitioner with no professional staff include—

- Determining competencies and capabilities.
- Professional development.

Policies and procedures for these activities are described below. At least annually, my human resources policies and procedures are reviewed to determine if they are appropriate and operating effectively, as covered in the Monitoring section of this document.

Determining Competencies and Capabilities

It is my policy to possess the requisite competencies and capabilities to perform accounting, auditing, and attestation engagements. I ensure compliance with this policy by implementing the following procedures:

- 1) Periodically, I assess the competencies and capabilities that I should possess in order to perform accounting, auditing, and attestation engagements and ensure that engagements are performed in accordance with professional standards and applicable legal and regulatory requirements, and appropriate reports are issued in the circumstances. I annually review my performance (by means of self-assessment and peer evaluation) and my competencies and capabilities. I compare the competencies and capabilities I possess to the requirements of my current and prospective engagements to determine whether I should continue to perform those current engagements or to pursue a prospective engagement. This assessment includes my—
 - a) Understanding of the role of the firm's QC system and the AICPA *Code of Professional Conduct*.
 - b) Understanding of the service to be performed.
 - c) Technical proficiency.
 - d) Familiarity with the industries that I serve.
 - e) Professional judgment.
 - f) Understanding of the organization's information technology systems.
- 2) I determine whether any changes need to be made in my competencies and capabilities. If I lack recent experience in the assigned industry or area, I obtain appropriate education and/or experience before performing engagement planning procedures.
- 3) In the unusual situation where an engagement is found to be materially nonconforming after report issuance (such as during monitoring or in connection with peer review or regulatory inspection), I take appropriate action, as further described in the Monitoring section of this document.

- 4) In the unusual situation where I accept an audit in an industry that I have not previously audited and professional education is insufficient for me to obtain the requisite competence to perform the engagement, I engage a suitably qualified external individual to assist with the performance of the audit as a member of the engagement team.

Professional Development

It is my policy to comply with the continuing professional education requirements of the AICPA, the NC Board of CPA Examiners, the U.S. Government Accountability Office, and other regulatory agencies, if applicable, and to maintain an adequate awareness and understanding of current developments in professional standards, including developments that support the levels of service and industries of engagements provided. I ensure compliance with this policy by implementing the following procedures:

- 1) I obtain at least the minimum number of CPE required each year by the NC Board of CPA Examiners (or, alternatively, meet the CPE requirements of the AICPA) in programs that qualify for credit under the CPE rules that govern my practice. If applicable, in each two-year reporting period, 24 of my CPE hours are obtained in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the audited entity operates.
- 2) I maintain appropriate CPE documentation for the most recent five years.
- 3) I maintain a current library and keep abreast of important news about new or emerging changes in professional literature or business activity.

ENGAGEMENT PERFORMANCE

Overall

Engagement performance encompasses many aspects of performing an engagement, from the initial planning stages to the issuance of the report and assembly of the workpapers. Additionally, it is not uncommon to occasionally encounter difficult or contentious issues that result in the need for consultation or that create differences of opinion. I believe in a strong quality control system and support engagement quality control review. While all of these activities are part of the engagement performance element of the QC system, I have chosen to differentiate certain activities within this section of the QC document for ease of understanding. The activities are segregated as follows:

- Engagement performance and documentation.
- Engagement quality control review.
- Consultation and differences of opinion.

Policies and procedures for each of those engagement performance activities are described below. At least annually, my engagement performance policies and procedures are reviewed to determine if they are appropriate and operating effectively, as covered in the Monitoring section of this document.

Engagement Performance and Documentation

It is my policy that all audit, attestation, review, compilation, and preparation service engagements be properly planned, performed, documented, and reported or communicated in

accordance with the requirements of professional standards, applicable legal and regulatory requirements, and the firm. I ensure compliance with this policy by implementing the following procedures:

- 1) I use PPC's accounting and auditing manuals and practice aids as an integral part of my quality control system to assist with promoting consistency in the quality of engagement performance. I ensure the reliability of such materials and their suitability to the practice, including updating and modifying the materials as needed, for the performance of my engagements.

My engagement performance quality control (QC) steps are documented in the firm's engagement performance bridging documents.

After an engagement report has been released, the engagement team should complete and assemble all final engagement files on a timely basis.

After evaluating the reliability and suitability of PPC accounting and auditing manuals and practice aids, I adopt and integrate within my quality control system the use of such materials as more fully described in the engagement performance bridging documents. I maintain separate bridging documents for engagements performed under the AU-Cs, AT-Cs, and AR-Cs. Those bridging documents are located in the Quality Control binder. The use of such bridging documents facilitates consistency in the quality of engagement performance and application of engagement procedures. This QC document, the PPC manuals, and any other practice aids used by me are intended solely to assist in achieving compliance with professional standards. Accordingly, nothing within this QC document should be construed as (1) requiring a higher level of performance or documentation than the minimum specifically required by my QC policies and procedures, or (2) overriding the exercise of my professional judgment.

Engagement Quality Control Review

It is my policy to evaluate all engagements against criteria established by the firm to determine whether an engagement quality control review should be performed and to have an engagement quality control review performed for all engagements that meet those criteria. Engagement quality control reviews are completed before the report is released. I ensure compliance with this policy by implementing the following procedures:

- 1) I establish criteria for performance of an engagement quality control review (EQCR) for each major service provided (i.e., preparation, compilation, review, audit, and attestation engagements). I periodically evaluate and make changes to the EQCR criteria as needed based on changes in the structure and nature of my practice. All engagements are evaluated against the established criteria. An engagement quality control review is performed for all engagements that meet the established criteria.
- 2) Based on the current composition of my accounting and auditing practice, I have concluded that engagement quality control review should be performed for all new audits in an industry I have never audited before. The performance of engagement quality control review is appropriately documented.
- 3) I contract with a suitably qualified external individual to perform the engagement quality control review. The engagement quality control reviewer performs and documents review procedures required by professional standards. The engagement quality control reviewer will use PPC's Guide to Quality Control forms and the Engagement Quality Control Review

sections of the PPC workpapers and/or checklists (entitled Procedures, Review, and Approval Forms) I use during my engagements to document the engagement quality control reviewer's comments, results, and formal communication of the reviewer's findings. If a concern arises that the reviewer's objectivity may have become impaired, I will replace the reviewer with a different reviewer with the appropriate level of experience and expertise.

Consultation and Differences of Opinion

It is my policy to refer to authoritative literature and other sources when appropriate and to seek consultation on a timely basis, within or outside the firm, whenever differences of opinion occur or uncertainty exists regarding a technical issue. I ensure compliance with this policy by implementing the following procedures:

- 1) I maintain an adequate and up-to-date reference library that includes current authoritative reference materials, as well as industry and other specialized materials related to clients served. I consult those materials to research technical issues.
- 2) Before using an outside individual, including specialists (such as actuaries, appraisers, attorneys, engineers, and geologists), I evaluate whether the external provider is qualified for the specific purpose of the consultation. All relevant facts are provided to those consulted so they can understand the nature and scope of the consultation.
- 3) I sufficiently document in the workpapers all technical research and other matters relating to differences of opinions and consultations as required by professional standards. All consultations involving difficult or contentious issues are agreed upon by both the individual consulted and me. Consultations and differences of opinion are sufficiently documented in accordance with professional standards.
- 4) I do not release the report until any difference of opinion is resolved.

MONITORING

It is my policy to monitor the quality control system on an ongoing basis to provide reasonable assurance that the policies and procedures I have established for each of the elements of quality control are relevant, adequate, and operating effectively. Monitoring activities include engagement quality control review (EQCR), inspection, and postissuance review. EQCR, performed prior to completion of the engagements, assists in providing ongoing consideration and evaluation of my QC system. The policies and procedures relating to EQCR are addressed in the Engagement Performance section of this document. The retrospective monitoring activities performed relate to inspection and postissuance review (collectively referred to as *inspection/review*) and are the primary activities addressed in these monitoring policies and procedures.

As an integral part of the monitoring process, inspection/review procedures are performed on all elements of my quality control system at least annually to determine whether I have complied with professional standards, applicable legal and regulatory requirements, and the system's stated quality control policies and procedures. I ensure compliance with this policy by implementing the following procedures:

- 1) At least annually, I assess my compliance with my quality control system. 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

engagements selected for inspection are taken from the complete engagement population. The monitoring procedures include review of administrative records to assess compliance relating to QC elements other than engagement performance.

- 2) At the conclusion of the inspection/review, I identify and summarize the deficiencies noted for each engagement reviewed. I consider whether any deficiencies noted may affect other audit engagements.
- 3) I take appropriate corrective actions as necessary based on my evaluation of the deficiencies noted during monitoring procedures.
- 4) If monitoring procedures indicate that required engagement procedures were not performed or that an issued report is inappropriate, I determine what further actions are needed to comply with relevant professional standards and applicable legal and regulatory requirements.
- 5) At least annually, I prepare a formal monitoring report. This annual monitoring communication provides a description of (a) the monitoring procedures performed, (b) the conclusions reached from such procedures, and (c) any systemic, repetitive, or other significant deficiencies noted and the corrective actions taken to resolve them. I consider whether any deficiencies noted in the report may affect engagements.
- 6) In addition, the firm is subject every three years to a peer review in accordance with the requirements of the AICPA and the NC Board of CPA Examiners. I am responsible for scheduling and coordinating that review. The internal inspection/review results (including those specific to the firm's governmental audit engagements and ERISA employee benefit plan audit engagements selected for inspection/review) and annual monitoring communication are made available to the firm's peer review team.
- 7) Based on my annual inspection/review, the annual monitoring communication, and my ongoing monitoring of the system and, when applicable, the results of the firm's peer review, I determine any corrective actions that should be pursued to improve, amend, or revise the QC system.
- 8) I appropriately investigate, respond to, and document complaints and allegations against the firm. I involve legal counsel if necessary.
- 9) I document the performance of each element of my QC system on an ongoing basis, as well as in conjunction with documenting the monitoring of the system. I retain monitoring documentation evidencing the operation of my QC policies and procedures for a time sufficient to allow peer reviewers to evaluate compliance with my system of quality control.

TOWN OF LIBERTY, NORTH CAROLINA

AUDIT PROPOSAL

SECTION II

2021-2023

Responsible Office:

Debora B Wentz, CPA

7 E 2nd Street

PO Box 287

Newton, NC 28658

(828) 464-1925

**TOWN OF LIBERTY
SECTION II
AUDIT PROPOSAL**

1. Audit Program

I often refer to a governmental auditing resource, PPC's Guide to Audits of Local Governments, however, I tailor my audit to the specific needs and requirements of each auditee.

2. Statistical Sampling

I do use statistical sampling during the course of substantive testing of the internal controls. The method ensures that every dollar accounted for has an equal chance of being selected and examined. When applying statistical sampling in substantive test of details, it measures misstatement in an account or class of transactions. The method is appropriate when I wish to draw a conclusion about a population without performing an examination of all the items composing that population and allows me to become comfortable with the accuracy of the financial statements without tracing or vouching every transaction. This does not, however, forbid me from using judgment in selecting additional transactions to sample, especially those larger in size, or those subject to stricter scrutiny, such as federal and state grants used to fund special projects, etc. As an auditor, I will also use analytical procedures in areas where statistical sampling is not effective, or where it may be unnecessary. My sampling audit approach can be summarized as follows:

- Test controls to place reliance on the system
- Use tests that have more than one purpose to increase audit efficiency
- Evaluate areas and use analytical procedures that are effective in meeting my audit objectives
- Detailed tests of all areas where analytics are not effective

3. Computer audit specialists

At this time, I do not foresee the need of a computer audit specialist. Should the need for one arise, I will contract outside the scope of our engagement.

4. Audit team

I will be the only member of the audit team. I will have some administrative support from other employees, but they will rarely be on-site during the field work portion of the audit.

5. Management letter

The management letter and other required letters will contain all pertinent significant deficiencies, material weaknesses and recommendations for improvements, both in internal controls and efficiency and effectiveness of the Town's day to day operations. SAS 112 and 114 significantly changed the content of the Yellow Book and the Single Audit opinion letters, but there will be no surprises to management or the Council. If I detect an issue during the audit, management will be informed immediately. Any issues disclosed in the management letter or the compliance letters will have been fully discussed with management during the engagement.

**TOWN OF LIBERTY
SECTION II
AUDIT PROPOSAL**

6. Management Assistance Expected

No assistance is expected other than as listed in your RFP and related to locating various documents and extracting data from your accounting system, primarily in electronic format.

7. Tentative Schedule

I would like to gather data in May or June, 2021 and begin my review of your systems. This will involve reviewing the most current financial data and determining what areas may need additional attention. I also plan to spend time in the field, at an agreed time in July, working with staff to identify and understand the various controls in place and do walkthroughs of transactions. The data gathered will allow me to start analytical procedures and substantive testing.

After the year is closed, in August or September, I may need to resume fieldwork to finalize the audit of the balance sheets of all major funds and all nonmajor funds (in aggregate), perform analytic review procedures, gather data necessary to draft/review the financial statement, evaluate the sufficiency of my audit plan, and compare the final major program assessment with my projected assessment. On-site time for this field work will be one to two weeks. I will work with staff to discuss audit adjustments, compliance findings, and internal control findings at the completion of final fieldwork.

Unless there are a number of unforeseeable issues or circumstances, the Town can be assured that the complete financial report will be submitted to you for review and reconciliation to your records in order to allow adequate time for submission to the Local Government Commission by October 31.

**TOWN OF LIBERTY
SECTION II
AUDIT PROPOSAL**

8. Basis of cost of Audit / 11. Audit Cost Summary Sheet

	FYE 2021	FYE 2022	FYE 2023
Base Proposal-Financial Audit (with Single Audit)	\$ 16,500	\$ 16,950	\$ 17,450
Financial Statement Drafting	\$ 3,000	\$ 3,100	\$ 3,200
Total (Not-To-Exceed)	\$ 19,500	\$ 20,050	\$ 20,650

Basis/Methodology of bid:

a. Personnel Costs

Estimated Hours	On-Site Year-End	In Auditor's Office	Total Hours	Rate per hour	Cost
Certified Public Accountant	45	55	100	\$ 175	\$17,500
Financial Draft by non-professional time	10	23	33	\$ 100	\$ 3,300

b. Travel - None, included in total

c. Cost of supplies and materials – None, included in total

d. Other costs - None, included in total

Basis for Bid Estimate increases

My proposed fees for 2022 and 2023 will be the fees we charge unless there is a major change in the Town's staff structure or my role in the audit engagement. My typical rate increase from year-to-year is 3%.

**TOWN OF LIBERTY
SECTION II
AUDIT PROPOSAL**

9. Method of Information Sharing

My firm uses Dropbox as an effective information sharing device.

10. Other reasons to choose my firm

I am responsible for complying with auditing standards as a matter of professional compliance. I am also responsible for complying with new accounting and reporting standards as a matter of compliance with GAAP when I prepare the financial statements. Therefore, there will be no fees for changes in auditing standards, and no fees for changes in accounting standards.

My in-depth experience with auditing municipalities allows me to anticipate most of the administrative changes in the flow of federal and state funding. There have been multiple changes in the GASB Standards and the Uniform Guidance (Single Audit) procedures, and I am well updated on those changes. This helps me to inform clients and assist them in understanding the accounting implications.

If you have any further questions, please feel free to contact me directly.

Bidder Name	Debora B Wentz, CPA	Primary Contact	Debora B Wentz
Address	PO Box 287 Newton, NC 28658	Telephone	(828) 464-1925
		Fax	(828) 464-9497
Authorized Signature	<i>Debora B. Wentz, CPA</i>	E-mail	<u>debora@wentz-pitts.com</u>
		Date	April 15, 2021

PROPOSAL CERTIFICATION

Proposer's Signature: *Debora B. Wentz, CPA* Date: APRIL 15, 2021

By signing above, I certify that I have carefully read and fully understand the information contained in the RFP received from the Town of Liberty, North Carolina; 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 this Proposal on behalf of my organization.



**Town of Liberty
P. O. Box 1006
239 South Fayetteville Street
Liberty, North Carolina 27298
(336) 622-4276 phone (336) 622-2665 fax**

Agenda Item Cover Sheet

Meeting Date:	April 26, 2021
Item:	Mayoral Proclamation - National Day of Prayer - May 6, 2021

Attachment:	Yes
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Brief Description:

The Mayor is proclaiming Thursday May 6, 2021 as a "Day of Prayer ".

Staff Recommendation:

Review and approve.

Proclamation In Recognition of the
NATIONAL DAY OF PRAYER

By The
TOWN OF LIBERTY

WHEREAS, The National Day of Prayer tradition predates the founding of the United States of America, evidenced by proclamation in 1775 prior to George Washington, by the Continental Congress; Congress established an annual day of prayer in 1952 with no specific date; that law was amended in 1988 designating the first Thursday in May as the National Day of Prayer; and

WHEREAS, the mission of the National Day of Prayer is to mobilize prayer in America and to encourage personal repentance and righteousness in our culture; and

WHEREAS, our people continue to be plagued with challenges that defy simple answers, and our hope lies in humbly seeking the Almighty's guidance, protection, and blessings not only on the National Day of Prayer, but throughout the year; and

WHEREAS, May 6, 2021 is the 70th consecutive observance of the National Day of Prayer, as mandated by both houses of Congress and by our President in Public Law 100-307; and

WHEREAS, "**Lord, Pour Out Your Love, Life and Liberty.**" from **2 Corinthians 3:17** is the theme for the 2021 National Day of Prayer;

NOW, THEREFORE, I, Filmore York, Mayor of Liberty, North Carolina do hereby proclaim May 6, 2021 as a "**DAY OF PRAYER**" in Liberty, North Carolina and I invite the citizens of our Town to pray, in accordance with their own faiths and consciences, in thanksgiving for the freedoms and blessings we have received, and for God's guidance and continued protection as we meet the challenges before us.

AMEN

Filmore York
Mayor, Town of Liberty

**Town of Liberty
P. O. Box 1006
239 South Fayetteville Street
Liberty, North Carolina 27298
(336) 622-4276 phone (336) 622-2665 fax**

Agenda Item Cover Sheet

Meeting Date:	April 26, 2021
Item:	Police Steering Committee Update - Billy Judson

Attachment:	No
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Brief Description:

Committee member Billy Judson will give an update on options that have been explored by the Steering Committee.

Staff Recommendation:

Discuss.