Town of Boonville
May 7, 2024, Regular Meeting Minutes
Harvey E. Smith Municipal Building

The following were in attendance at the 5/7/24 regular meeting: Mayor Vaughn Benton, Mayor Pro-Tem Tim Driver, Commissioners David Cox, Dwaine Dobbins, and Greg Wagoner. Also in attendance were Finance Officer/Town Clerk Kim Wells, Police Chief Jeff Hobson, Public Works Director Tim Collins, and Attorney James Freeman. Commissioner Craver was absent.

I. **Call to Order and Welcome:** Mayor Benton called the 5/7/24 meeting to order at 6:59 p.m.

II. **Conflict of Interest Issues and Approval of Agenda:** Commissioner Wagoner motioned to approve Change Order I and the agenda. Commissioner Cox seconded, and the motion passed unanimously.

III. **Pledge of Allegiance and Prayer:** Mayor Benton led the Pledge of Allegiance and the prayer.

IV. **Adoption of Minutes:** Commissioner Cox motioned to adopt the (4/2/24 regular, 4/2 closed, 4/11 recessed, and 4/11 closed) minutes as written. Mayor Pro-Tem Driver seconded, and the motion passed unanimously.

V. **Public Comments:** None were voiced.

VI. **Old Town Business:**

A. **American Rescue Plan Act (ARPA) Fund Projects:** Discussion followed on Change Order I for NC DEQ Project #SRP-W-ARP-0043.

VII. **New Town Business:**

A. **Presentation of the Fiscal Year 2023 Audit by Gibson and Company:** Carroll Hoyle, CPA, Gibson and Company, presented the Fiscal Year 2023 audit. The audit had been submitted and was approved by the Local Government Commission (LGC). There were two performance issues that the LGC needed a response to: 1. Timing of the audit (due to the timing of the work performed by the Town's independent CPA and the staff changes at Gibson and Company); 2. Expenditures over budget (due to changing the classifications of ARPA funds from one budget to the next). Other than those two minor issues, the Town's audit was unmodified resulting a clean opinion. Mr. Hoyle reviewed major pages in the audit and told the Board members that the Town remains strong financially.

B. **Contract for Fiscal Year 2024 Audit by Gibson and Company:** Mr. Hoyle reviewed the contract for Fiscal Year 2024. Commissioner Wagoner motioned to approve the contract for Fiscal Year 2024 audit by Gibson and Company. Commissioner Cox seconded, and the motion passed unanimously.

C. **Ratify the Consensus to Approve the Purchase of Supplies from Miller Supply Company in the Amount of $3,425.42:** Commissioner Cox motioned to ratify the consensus. Mayor Pro-Tem Driver seconded, and the motion passed unanimously.

D. **Ratify the Consensus to Purchase a Scag Lawnmower from Riddle Tractor in the Amount of $14,855.05:** Commissioner Wagoner motioned to ratify the consensus. Commissioner Dobbins seconded, and the motion passed unanimously.

E. **Ratify the Consensus to Purchase a 6'x16' Lawnmower Trailer from Southern Farm Supply in the Amount of $3,700:** Commissioner Cox motioned to ratify the consensus. Mayor Pro-Tem Driver seconded, and the motion passed unanimously.

F. **Ratify the Consensus to Approve the Payment of the Consolidated Pipe Bill Dated 4/29/24 in the Amount of $2,627.92:** Public Workers Director Collins stated this bill was for Octave Meters. Commissioner Cox motioned to ratify the consensus. Commissioner Wagoner seconded, and the motion passed unanimously.

G. **Ratify the Consensus to Hire Jeannie Collins, Part-Time, Administrative Assistant on an As-needed Basis at a Rate of $15 hour:** Commissioner Cox motioned to ratify the consensus. Commissioner Wagoner seconded, and the motion passed unanimously.

H. **Budget Workshop Date:** Discussion followed. It was the consensus of the Board members to hold the next budget workshop on 5/30/24 at 6:30 p.m.

VIII. **Reports and Announcements:**

A. **Mayor's Report:** Mayor Benton mentioned an upcoming event at the Boonville Community Public Library.

B. **Finance Officer's Report:** Finance Officer/Town Clerk Wells reported on Town Hall.

C. **Zoning Officer's Report:** Finance Officer/Town Clerk Wells presented the report in Commissioner Craver's absence.

D. **Public Works Director's Report:** Public Works Director Tim Collins reported on the recent meter change at Boonville Elementary School. He stated the Public Works Department employees are working hard.

E. **Police Chief's Report:** Police Chief Hobson stated that he had finished the Police Department audit with the State, and all was going well in the Police Department.

F. **Fire Department Report:** There was no report from the Fire Department.

G. **Departmental Commissioner's Reports**:
Commissioner Wagoner reported that he was obtaining paving quotes from contractors.
Mayor Pro-Tem Driver had no items to report.
Commissioner Cox reported on Insight NC, a prevention service in Iredell County.
Commissioner Dobbins had no items to report.

H. **Committee Reports as Needed:** Jeannie Bumgarner, B.I.G. president, reported on several, planned upcoming events.

IX. **Closed Session per NCGS 143-318.11(a) (6)-Personnel:** The Board members tabled the closed session until the recessed meeting.

X. **Adjourn/Recess:** Commissioner Dobbins motioned to recess until May 30, 2024, at 6:30 p.m. Commissioner Wagoner seconded, and the motion passed unanimously. The meeting ended at 8:01 p.m.

Vaughn Benton

R. Devaughn (Vaughn) Benton, Mayor

Kim Wells

Kim Wells, Finance Officer/Town Clerk

EJCDC
ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Change Order No. 1

Date of Issuance:	4/25/2024	Effective Date:	4/25/2024
Owner:	Town of Boonville	NC DEQ Project No.:	SRP-W-ARP-0043
Contractor:	KRG Utility, Inc.	Contractor's Project No.:	
Engineer:	TRC Engineers, Inc. (Formerly DAA)	Engineer's Project No.:	2200535
Project:	Wastewater Collection System Improvements	Contract Name:	

The Contract is modified as follows upon execution of this Change Order:

Description: This Change Order will initiate the repair work associated the CCTV inspection performed during the initial phase of this project. The identified damages have been reviewed by engineer and contractor with the attached documentation describing the proposed work and detailing the cost per Damage ID repair, along with mobilization. This Change Order will also remove the streambank stabilization portion of the project per Owner request, and add the additional 2,983 LF of heavy cleaning / root cutting that was necessary during CCTV to the final contract amount.

Attachments: *Contractor's quote for additional repairs; Updated Engineering Plans; Engineer's Summary of Changes*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: $ 365,062.50	Original Contract Times: Substantial Completion: 240 days Ready for Final Payment: 250 days days or dates
[Increase] [Decrease] from previously approved Change Orders No.___to No._: $ N/A	[Increase] [Decrease] from previously approved Change Orders No.___to No.____: Substantial Completion: N/A Ready for Final Payment: N/A days
Contract Price prior to this Change Order: $ 365,062.50	Contract Times prior to this Change Order: Substantial Completion: 240 Ready for Final Payment: 250 days or dates
Increase of this Change Order: $ 768,074.00	Increase of this Change Order: Substantial Completion: 150 Ready for Final Payment: 150 days
Contract Price incorporating this Change Order: $ 1,133,136.50	Contract Times with all approved Change Orders: Substantial Completion: 390 Ready for Final Payment: 400 days

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: [signature]	By: Vaughn Benton	By: [signature]
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: Project Manager	Title MAYOR	Title OM
Date: 4/25/2024	Date 5/3/24	Date 4-29-24

Approved by Funding Agency (if applicable)

By: ____________ Date:

Title: ____________

KRG
UTILITY INC

136 Macy Station Rd. Kernersville, NC 27284
PH: 336-515-3364

Proposal / Agreement

Proposal Number 4350

Boonville Collection System
Boonville, NC

Date: 4/15/2024
Customer Name: Town of Boonville
Customer Billing Address: 110 N. Carolina Ave.
City Boonville State NC ZIP 27011
Contact Person: Ethan Gartin
Contact Phone: 919-582-7269
Contact Person Email: egartin@trccompanies.com
Customer Contract #: Town of Boonville - Wastewater Collection System Improvements
Job Reference Name: **Boonville Sectional Patch repairs & Open Cut Point Repairs**

In accordance with your request, we are pleased to submit the following proposal:

Item #	Description	Unit	Qty	Unit Price	Extended Price
1	6" X 48" Sectional Patch Repairs	EA	33	$ 3,200.00	$ 105,600.00
2	8" X 48" Sectional Patch Repairs	EA	87	$ 3,200.00	$ 278,400.00
3	See Attachment Open Cut Point repairs & replacement	EA	1	$ 344,687.50	$ 344,687.50
4	See Attachment Road Patch repairs if needed	EA	1	$ 60,437.50	$ 60,437.50
5	Mobilization	EA	1	$ 18,750.00	$ 18,750.00
6					$ -
7					$ -
8					$ -
9					$ -
10					$ -
					$ 807,875.00

SCOPE OF WORK DESCRIPTION:

KRG will perform 120 sectional patch repairs on 6" and 8" sewer main pipe. Please see the attachment for scoped open cut point repairs/replacement of 6-8" sewer pipe line and pavement estimates.

All quotes/prices are valid for 30 days of acceptance of this proposal by the Customer. After 90 days KRG reserves the right to adjust the price.

INCLUSIONS

- This scoped work includes seed/straw but no shrub replacement, fence reset, culvert replacement, etc.
- ID 13 is shown going behind shrubs but there is a really nice patio that may cause concern depending on where the sewer line runs. That would have to be re-evaluated with more info.
- ID 115 issue was not found. This is based on a guess and we would need more information to reevaluate.
- This revised proposal includes Damage ID# 44, 62, 116, 117, and 80 into the KRG scope of repair work and the addition of 9 sectional liner (8") patch repairs. Please see yellow highlighted area in point repair attachment and adjusted footage for Damage ID# 6 MH 134 to MH 125 (434.1' to 191.4') and Damage ID# 6 MH 91 to MH 92 (4.1' to 215.6').

EXCEPTIONS:

- Relocating other utilities, surface restoration other than seeding, Erosion Control, Electric Services, Individual property agreements, rock excavation, unsuitable soil abatement, permits and fees, assumes, and waste site at WWTP.
- Pavement cost was estimated for this project as we don't know exactly where the faults are or how far into the road a repair would be required to open for repair. Included patching but no mill mill and overlay if required.

We have submitted this proposal in good faith, under the assumption the information provided is accurate and the descriptions and scope and intentions of this project are accurate. We reserve the right to modify this proposal if the conditions vary widely. The pricing is submitted under the assumption the job will be completed, as whole. Additional mobilizations for stoppages beyond our control will be negotiated.

General Conditions: These general conditions are incorporated by reference into the proposal and are part of the Agreement under which services are to be performed by KRG Utility for the Customer. KRG Utility will always follow Customer's instructions both verbal and written.

Customer Provided Labor: Where the Customer provides labor for KRG Utility, the Customer will indemnify KRG Utility for liability, loss or expense for work related injuries to those laborers not provided by KRG Utility. The Customer agrees to waive all rights to subrogation against KRG Utility arising out of the work in the Agreement.

Customers Responsibilities: Customer will provide mechanical services. Operation and control of Customer's equipment is the Customer's responsibility. If KRG Utility cannot continue its work due to circumstance caused or allowed by Customer and of which KRG Utility was not apprised prior to starting the work, an hourly fee will be charged.

Damage Limitations: Under no circumstances will KRG Utility be responsible for indirect, incidental or consequential damages. KRG Utility also is not responsible for the rendering of or failure to render architectural, engineering or surveying professional services.

Pre-existing Conditions: KRG Utility will not be responsible for liability, loss or expense (including damage caused by the backup of basement sewers or the use of fire hydrants) where the primary cause of the claim or damage is pre-existing conditions including faulty, inadequate or defective design, construction, maintenance or repair of property or contamination of the subsurface where the condition existed prior to the start of KRG Utility's work. Customer is responsible for loss of service equipment caused by the pre-existing conditions on the job site.

Environmental Conditions: The debris is represented to KRG Utiltiy to be non-hazardous, requiring no manifesting or special permitting. The Customer will be responsible for any additional costs or claims associated with treatment, storage, disposal of the removed debris, or breach of the above representation, at any time during or after the completion of this project.

Indemnification: The Customer and KRG Utiltiy will each indemnify the other in proportion to relative fault for liability, loss and expense incurred by the other party resulting from a negligent act or omission in performance of work under this Agreement. The Customer also will indemnify KRG Utiltiy for liability, loss and expense resulting from KRG Utility's services if KRG Utility is acting at the direction or instruction of the Customer, or where the primary cause of any damages is due to information provided by the Customer.

Limitation of Liability: Notwithstanding anything herein to the contrary, KRG Utiltiy's liability arising under this agreement or relating to this work shall not exceed the aggregate amounts paid by Customer to KRG Utility under this agreement. The foregoing sentence is the entire liability and obligation of KRG Utility with respect to any liability hereunder, including, without limitation, incidental, special, consequential, punitive, aggravated, exemplary, liquidated or delay damages.

Payment Terms: Company will invoice Customer monthly or upon completion of the scope of services. Customer's payment terms will be in US Dollars and paid in full thirty (30) days after invoice date. In addition to any other remedy available to Company for late payments, Customer will be obligated to pay Company interest for fees and charges not paid within 45 days from invoice date at the compounded interest rate of 1-1/2% per month or the maximum allowed by law, whichever is less for each month (or partial month), calculated from the date such payment was due until the date paid. Customer will be responsible for any costs, including attorney's fees, incurred by the Company in collecting any past due amounts under this Agreement.

Sectional Installation: Customer acknowledges the installation of a Sectional Liner for the purpose of rehabilitating a damaged pipeline does not guarantee additional repair work will not be required even with proper installation. Should it be determined additional repair work will be required KRG Utility will provide additional services as agreed upon with the Customer. Such costs for additional services will be born by the customer and agreed upon in writing prior to the initiation of additional work.

Entire Agreement: This proposal together with any written documents which may be incorporated by specific reference herein constitutes the entire agreement between the parties and supersedes all previous communications between them, either oral or written. The waiver by KRG Utility of any term, condition or provision herein stated shall not be construed to be a waiver of any other term, condition or provision hereof.

CUSTOMER APPROVAL	KRG Utility Inc
Vaughn Benton	Josh Powers
Customer Signature	Submitted by
VAUGHN BENTON, MAYOR	Josh Powers - Business Development Manager
Printed Name & Title	Printed Name & Title
5/3/24	4/15/2024
DATED	DATED

Engineer's Summary of Changes

Change Order 1 - Boonville Wastewater Collection System Improvements

4/25/2024

DAMAGE ID	Priority	MANHOLE SECTION	SIZE & MATERIAL	DISTANCE TO DAMAGE (LF)	DAMAGE DESCRIPTION	PROPOSED REPAIR	CONSTRUCTION COST	Road Patch Cost
5	1	MH-133 to MH-134	6" VCP	67.4	Hole (Soil Visible)	Sectional Liner - 1 EA	$3,200.00	
13	1	MH-127 to MH-126	8" VCP	133.2	Tap Break-In Intruding	Point Repair - Dig and Repair	$10,625.00	
				133.8	Broken Pipe (Soil Visible)			
15	1	MH-128C to MH-128B	6" VCP	8	Circumferential Fracture	Sectional Liner - 11 EA	$35,200.00	
				24.8	Fine Roots at Joint			
				79	Fine Roots at Joint			
				84.3	Hole (Soil Visible)			
				94.6	Hole			
				97.6	Circumferential Fracture			
				104.7	Multiple Fractures			
				108	Circumferential Fracture			
				179	Hole (Soil Visible)			
					Longitudinal Fracture			
				185.9	Large Offset Joint			
				214.2	Multiple Fractures			
20	1	MH-59B to MH-60	6" PVC	141.1	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
				141.5	Longitudinal Fracture			
22	1	MH-138 to MH-139	8" VCP	130.2	Hole	Sectional Liner - 1 EA	$3,200.00	
23	1	MH-139 to MH-140	8" VCP	287.6	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
26	1	MH-149B to MH-149A	6" VCP	72.4	Broken Pipe (Soil Visible)	Point Repair - Dig and Repair	$8,125.00	
35	1	MH-53 to MH-52	8" PVC	27.8	Broken Pipe (Soil Visible)	Sectional Liner - 1 EA	$3,200.00	
48	1	MH-84 to MH-85	6" PVC	93.5	Broken Pipe (Soil Visible)	Sectional Liner - 1 EA	$3,200.00	
54	1	MH-140 to MH-141	8" VCP	136	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
59	1	MH-154 to MH-155	8" VCP	11.1	Broken Pipe (Soil Visible)	Sectional Liner - 2 EA	$6,400.00	
				13.6	Broken Pipe			
73	1	MH-80 to MH-81	8" VCP	10	Medium Offset Joint	Sectional Liner - 4 EA	$12,800.00	
				27.6	Broken Pipe			
				50.5	Hole (Void Visible)			
				51	Broken Pipe			
				52.2	Hole (Soil Visible)			
74	1	MH-81 to MH-80	8" VCP	175.3	Broken Pipe	Sectional Liner - 2 EA	$6,400.00	
				183.1	Hole (Soil Visible)			
					Attached Grease Deposits			
76	1	MH-79A to MH-79	8" VCP	50.2	Longitudinal Fracture	Sectional Liner - 2 EA	$6,400.00	
					Broken Pipe			
				60.2	Brick Wedged in Joint			
78	1	MH-76 to MH-77	8" VCP	89.1	Hole (Soil Visible)	Sectional Liner - 4 EA	$12,800.00	
				97.1	Hole			
				111.5	Hole			
				122.6	Hole			
81	1	MH-107 to MH-106	8" VCP	136.1	Hole	Sectional Liner - 1 EA	$3,200.00	
86	1	MH-40 to MH-39	8" PVC	130.7	Broken Pipe	Point Repair - Dig and Repair	$5,625.00	
91	1	MH-137.5 to MH-136	6" PVC	303.9	Hole	Point Repair - Dig and Replace up to 20 LF	$10,625.00	$1,875.00
				316.8	Intruding Sealing Material, Sealing Ring Loose/Poorly Fitting (Gasket Visible)			
97	1	MH-93 to MH-92	6" VCP	50.8	Broken Pipe	Sectional Liner - 2 EA	$6,400.00	
				69.3	Large Offset Joint			
100	1	MH-64 to MH-65	8" VCP	205.2	Broken Pipe	Point Repair - Dig and Repair in DOT ROW	$10,625.00	$1,875.00

DAMAGE ID	Priority	MANHOLE SECTION	SIZE & MATERIAL	DISTANCE TO DAMAGE (LF)	DAMAGE DESCRIPTION	PROPOSED REPAIR	CONSTRUCTION COST	Road Patch Cost
111	1	MH-114 to MH-115	8" VCP	60.9	Broken Pipe	Point Repair - Dig and Repair in DOT ROW	$10,625.00	$3,125.00
116	1	MH-111	8" VCP	0	MH Structural Failure	Replace Existing MH with 4' Diameter Precast Concrete MH, Reconnect All Existing Gravity Sewer Pipes and Services, and Include Rungs to Match Existing Run Placement at Minimum (in DOT ROW, Shall be Traffic-Rated per DOT Standards)	$22,500.00	$6,250.00
117	1	MH-135	6" VCP	0	MH Structural Failure	Replace Existing MH with 4' Diameter Precast Concrete MH, Reconnect All Existing Gravity Sewer Pipes and Services, and Include Rungs to Match Existing Run Placement at Minimum	$11,250.00	$2,500.00
5	2	MH-133 to MH-134	6" VCP	413.6	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
13	2	MH-127 to MH-126	8" VCP	290.2 296.8 302.7	Large Offset Joint Medium Offset Joint Fine Roots at Joint	Point Repair - Dig and Replace up to 20 LF	$10,625.00	
19	2	MH-59A to MH-59	8" PVC	4.8	Medium Offset Joint	Sectional Liner - 1 EA	$3,200.00	
25	2	MH-149C to MH-149B	6" VCP	256.6 256.7	Large Offset Joint Grade 1 Infiltration (Stain) at Joint Fine Roots at Joint	Point Repair - Dig and Repair	$8,125.00	$2,500.00
26	2	MH-149B to MH-149A	6" VCP	43.6 44.3 45.5	Multiple Fractures Tap Break-In Intruding Fine Roots at Joint	Point Repair - Dig and Replace up to 20 LF	$13,125.00	$3,125.00
51	2	MH-145 to MH-146	6" VCP	210.2	Hole	Sectional Liner - 1 EA	$3,200.00	
52	2	MH-146 to MH-147	6" VCP	54.8	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
53	2	MH-142 to MH-141	6" VCP	33.5 98.5 102.5	Multiple Fractures Medium Offset Joint Multiple Fractures	Sectional Liner - 3 EA	$9,600.00	
60	2	MH-155 to MH-13	8" PVC	19.4 22.1 37.7 42.9 58.3	Fine Roots at Joint Fine Roots at Joint Circumferential Fracture Circumferential Fracture Circumferential Fracture	Sectional Liner - 5 EA	$16,000.00	
63	2	MH-46C to MH-46B	6" PVC	37.6	Tap Break-In Intruding Large Offset Joint	Point Repair - Dig and Repair	$9,375.00	$1,562.50
64	2	MH-73 to MH-72	8" VCP	225.6 252.8 264.8 269.8	Medium Offset Joint Circumferential Fracture Circumferential Crack Circumferential Fracture Longitudinal Fracture	Sectional Liner - 3 EA	$9,600.00	
66	2	MH-71 to MH-70	8" VCP	338.3	Multiple Fractures	Sectional Liner - 1 EA	$3,200.00	
78	2	MH-76 to MH-77	8" VCP	182.2 183.8	Longitudinal Fracture Multiple Fractures	Point Repair - Dig and Repair in DOT ROW	$14,375.00	$3,125.00
87	2	MH-98 to MH-97	6" PVC	219.2	Large Offset Joint	Replace up to 250 LF of 6" GSP from Point of Offset to MH to Reconnect at Grade	$8,125.00	$1,562.50
88	2	MH-97 to MH-96	6" PVC	434.1	Lateral Roots Tap Large Offset Joint	Point Repair - Dig and Repair	$8,125.00	$1,562.50
91	2	MH-137.5 to MH-136	6" PVC	776.2	Large Offset Joint	Sectional Liner - 2 EA	$6,400.00	
94	2	MH-91 to MH-92	6" VCP	4.1	Large Offset Joint	Point Repair - Dig and Repair in DOT ROW	$9,375.00	$1,062.50

DAMAGE ID	Priority	MANHOLE SECTION	SIZE & MATERIAL	DISTANCE TO DAMAGE (LF)	DAMAGE DESCRIPTION	PROPOSED REPAIR	CONSTRUCTION COST	Road Patch Cost
96	2	MH-92 to MH-93	6" VCP	80.9	Large Offset Joint	Point Repair - Dig and Repair in DOT ROW	$10,625.00	$1,875.00
99	2	MH-93A to MH-94	6" VCP	224.1	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
					Fine Roots Barrel			
				229	Grade 5 Water Level Sag			
102	2	MH-66A to MH-66	6" VCP	32.3	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
115	2	MH 16 to PS	6" VCP	263.8	Large Offset Joint	Point Repair - Dig and Repair	$11,875.00	$1,875.00
1	3	MH-132 to MH-132A	6" VCP	392	Multiple Fractures	Point Repair - Dig and Replace up to 20 LF	$9,062.50	$1,875.00
				395.1	Fine Roots at Joint			
9	3	MH-135 to MH-123B	6" VCP	337.4	Fine Roots at Joint	Sectional Liner - 3 EA	$9,600.00	
				346.3	Fine Roots at Joint			
				362.5	Circumferential Fracture			
12	3	MH-128 to MH-127	8" VCP	100.6	Multiple Fractures	Sectional Liner - 4 EA	$12,800.00	
				122.6	Circumferential Fracture			
				155.8	Circumferential Fracture			
14	3	MH-126 to MH-125A	8" VCP	197.8	Fine Roots at Joint	Sectional Liner - 2 EA	$6,400.00	
				198.7	Circumferential Fracture			
16	3	MH-128B to MH-128A	8" VCP	33.2	Circumferential Fracture	Sectional Liner - 2 EA	$6,400.00	
				65.6	Circumferential Fracture			
28	3	MH-148 to MH-149	8" VCP	159.6	Multiple Fractures	Sectional Liner - 3 EA	$9,600.00	
				161.3	Fine Roots at Joint			
				179.4	Fine Roots at Joint			
31	3	MH-110 to MH-109	8" VCP	0	Fine Roots at Joint	Sectional Liner - 6 EA, root cutting as needed	$19,200.00	
				16.9	Fine Roots at Joint			
				125.9	Fine Roots at Joint			
				133.8	Tap Break-In Intruding			
				137.2	Fine Roots at Joint			
				239	Multiple Fractures			
40	3	MH-119 to MH-120	8" VCP	395.4	Multiple Fractures	Sectional Liner - 3 EA	$9,600.00	
				410	Multiple Fractures			
44	3	MH-82 to MH-83	6" VCP	137.5	Circumferential Fracture	Point Repair - Dig and Repair	$6,250.00	
62	3	MH-23 to MH-24	8" PVC	3.1	Medium Separated Joint	Point Repair - Dig and Repair	$7,187.50	
64	3	MH-73 to MH-72	8" VCP	173.6	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
65	3	MH-72 to MH-71	8" VCP	371.3	Longitudinal Fracture	Point Repair - Dig and Repair in DOT ROW	$16,875.00	$4,375.00
67	3	MH-70 to MH-164	8" VCP	158.5	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
75	3	MH-80 to MH-79A	8" VCP	38.2	Longitudinal Fracture	Sectional Liner - 2 EA	$6,400.00	
				39.2	Multiple Fractures			
				45.5	Tap Break-In Intruding			
89	3	MH-60 to MH-61	8" PVC	317.5	Medium Offset Joint	Sectional Liner - 1 EA	$3,200.00	
92	3	MH-136 to PS	6" PVC	182.5	Intruding Sealing Material, Sealing Ring Hanging (Gasket Visible)	Point Repair - Dig and Repair	$8,750.00	
95	3	MH-91 to MH-92	6" VCP	10	Medium Offset Joint	Point Repair - Dig and Repair in DOT ROW	$9,375.00	$1,875.00
97	3	MH-93 to MH-92	6" VCP	110.8	Broken Pipe	Sectional Liner - 1 EA	$3,200.00	
100	3	MH-64 to MH-65	8" VCP	58.8	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
102	3	MH-66A to MH-66	6" VCP	282.8	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
112	3	MH-116A to MH-117	8" VCP	350.4	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
114	3	MH-121 to MH-122	8" VCP	0	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
2	4	MH-132 to MH-131	6" VCP	47.6	Tap Break-In Intruding	Point Repair - Dig and Repair	$5,000.00	
3	4	MH-132 to MH-132B	6" VCP	144.2	Tap Break-In Intruding	Point Repair - Dig and Repair	$4,375.00	

DAMAGE ID	Priority	MANHOLE SECTION	SIZE & MATERIAL	DISTANCE TO DAMAGE (LF)	DAMAGE DESCRIPTION	PROPOSED REPAIR	CONSTRUCTION COST	Road Patch Cost
5	4	MH-133 to MH-134	6" VCP	299.5	Tap Break-In Intruding	Point Repair - Dig and Repair	$9,375.00	$1,875.00
6	4	MH-134 to MH-124	6" VCP	39.7	Circumferential Fracture	Point Repair - Dig and Repair	$5,625.00	$1,875.00
				92.1	Longitudinal Crack	Point Repair - Dig and Repair	$5,625.00	$1,875.00
				179.4	Circumferential Fracture	Point Repair - Dig and Repair	$5,625.00	$1,875.00
				191.4	Circumferential Fracture	Point Repair - Dig and Repair	$5,625.00	$1,875.00
				215.6	Longitudinal Crack	Point Repair - Dig and Repair	$5,625.00	$1,875.00
8	4	MH-135A to MH-135	6" VCP	324	Circumferential Fracture	Sectional Liner - 2 EA	$6,400.00	
				546.2	Circumferential Fracture			
10	4	MH-68 to MH-129	8" VCP	226.2	Tap Break-In Intruding	Point Repair - Dig and Repair	$9,375.00	$1,875.00
11	4	MH-129 to MH-128	8" VCP	6	Circumferential Fracture	Sectional Liner - 10 EA	$32,000.00	
				25.4	Fine Roots at Joint			
				43.6	Fine Roots at Joint			
22	4	MH-138 to MH-139	8" VCP	108.1	Tap Break-In Intruding	Point Repair - Dig and Repair	$8,437.50	$1,562.50
23	4	MH-139 to MH-140	8" VCP	135.1	Longitudinal Fractures	Sectional Liner - 1 EA	$3,200.00	
36	4	MH-51A to MH-51	8" PVC	95.9	Medium Offset Joint	Sectional Liner - 2 EA	$6,400.00	
				117.3	Tap Break-In Intruding			
40	4	MH-119 to MH-120	8" VCP	443.2	Longitudinal Fracture	Sectional Liner - 8 EA	$25,600.00	
				493.7	Fine Roots at Joint			
46	4	MH-86A to MH-86	6" PVC	208.6	Longitudinal Fracture	Sectional Liner - 1 EA	$3,200.00	
58	4	MH-151 to MH-152	8" VCP	14.1	Tap Break-In Intruding	Sectional Liner - 2 EA	$6,400.00	
				24.7	Medium Roots at Joint			
68	4	MH-69 to MH-164	8" VCP	32.5	Longitudinal Fracture	Sectional Liner - 1 EA	$3,200.00	
69	4	MH-69 to MH-68	8" VCP	23.7	Medium Offset Joint	Sectional Liner - 1 EA	$3,200.00	
74	4	MH-81 to MH-80	8" VCP	78	Attached Grease Deposits	Sectional Liner - 2 EA	$6,400.00	
				85	Longitudinal Fracture			
				107.8	Tap Break-In Intruding			
				119.1	Circumferential Fracture			
75	4	MH-80 to MH-79A	8" VCP	143.3	Circumferential Fracture	Sectional Liner - 1 EA	$3,200.00	
77	4	MH-79 to MH-78	8" VCP	270.7	Longitudinal Fracture	Sectional Liner - 1 EA	$3,200.00	
80	4	MH-89 to MH-75	8" PVC	21.2	Deformed Flexible Bulging Round	Point Repair - Dig and Repair in DOT ROW	$7,500.00	$1,875.00
97	4	MH-93 to MH-92	6" VCP	155.6	Medium Roots at Joint	Point Repair - Dig and Replace up to 20 LF in DOT ROW	$11,875.00	$1,875.00
				162.7	Roots at Joint and Coming out of Service			
107	4	MH-56 to MH-50	8" DIP	16.8	Obstruction Wedged in Joint	Point Repair - Dig and Repair	$9,375.00	
					Surface Damage (Corrosion)			
NA	1	NA	NA	NA	Additional Heavy Cleaning / Root Cutting Performed During Initial CCTV Inspection (Bid Item No. 2)	2,983 LF Added @ $3.00 per LF	$8,949.00	
NA	1	NA	NA	NA	Removal of Grouted Riprap Streambank Stabilization (Bid Item 6) from Contract Scope	NA	-$39,375.00	
NA	1	NA	NA	NA	Removal of Concrete Encasement of GSP (Bid Item 7) from Contract Scope	NA	-$9,375.00	
						Subtotal	$688,886.50	$60,437.50
						Carolina Grading Mobilization	$18,750.00	
						TOTAL CO1 CONSTRUCTION COST =	$768,074.00	

The	Governing Board Board of Commissioners
of	Primary Government Unit Town of Boonville
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Gibson & Company, P.A.
	Auditor Address 1411 Old Mill Circle Winston-Salem, NC 27103

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/ or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards,2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☐Auditor ☐Governmental Unit ☑Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	*Title and Unit / Company:*	*Email Address:*
Kim Wells	Fin. Officer/Town of Boonville	kim.wells@boonvillenc.com

OR Not Applicable ☐ *(Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	Town of Boonville
Audit Fee (financial and compliance if applicable)	$ 12,970
Fee per Major Program (if not included above)	$ 4,000
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$ 16,970

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	$
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Gibson & Company, P.A.	
Authorized Firm Representative (typed or printed)* Monty R. Pendry, Partner	Signature* Monty R. Pendry
Date* 5-1-24	Email Address* monty@gibcocpa.com

GOVERNMENTAL UNIT

Governmental Unit* Town of Boonville	
Date Governing Board Approved Audit Contract* **(Enter date in box to right)**	
Mayor/Chairperson (typed or printed)* Vaughn Benton, Mayor	Signature*
Date	Email Address* vaughn.benton@boonvillenc.com

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	$ 16,970
Primary Governmental Unit Finance Officer* (typed or printed) Kim Wells	Signature*
Date of Pre-Audit Certificate*	Email Address* kim.wells@boonvillenc.com

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* **(Enter date in box to right)**	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by this Transaction:	$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT

GIBSON & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Addendum to Contract to Audit Accounts of

Town of Boonville

The current Peer Review Report dated November 30, 2023, for the firm of Gibson & Company, P.A. was provided to our Local Government and was an attachment to the 2024 Audit Contract/Engagement Letter submitted to the Local Government Commission. The report contained a pass with deficiency rating concerning the Independent Quality Reviewer also signed the engagement letter and was named as engagement partner which is now considered an impairment of the Quality Reviewer's independence under the current yellow book requirements. Engagement contracts and letters will now name someone other than the Quality Reviewer as the engagement partner.

We do not believe this will affect the quality of audit we receive from Gibson & Company, P.A.

______________________________ ______________________
Mayor/Chairperson of the governing board Date

______________________________ ______________________
Chair of Audit committee (if applicable) Date

______________________________ ______________________
Governmental Unit Finance Officer Date

1411 Old Mill Circle
Winston-Salem, NC 27103

336/760-8910
FAX 336/760-8913

Ray,
Bumgarner,
Kingshill,
& Assoc., P.A.
Certified Public Accountants

385 N. Haywood St., Suite 3
Waynesville, NC 28786

(828) 452-4734
Fax (828) 452-4733

Report on the Firm's System of Quality Control

November 30, 2023

To the Shareholders of Gibson & Company, P.A. 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 **Gibson & Company, P.A.** in effect for the year ended March 31, 2023. 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 the 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 and an audit of an employee benefit plan.

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.

Deficiency Identified in the Firm's System of Quality Control

We noted the following deficiency during our review:

1. The firm's quality control policies and procedures regarding relevant ethical requirements (independence) and engagement performance (engagement quality control review) are not appropriately designed to allow someone independent of the engagement team to be the safeguard to mitigate the significant threat of preparing the client's financial statements and also to conduct engagement quality control reviews.

   On six out of twelve of the yellow-book engagements and three out of 4 of the single audit engagements, the engagement partner of those jobs is designated as the safeguard person to mitigate the significant self-review threat of preparing the client's financial statements.

   The engagement partner on those jobs does not go to the field, review workpapers, or write financial statements. However, the firm's engagement letter indicates this partner is the engagement partner. This engagement partner reviews the financial statements, signs the report, and reviews the client representation letter.

   Therefore, the engagement partner does not meet the yellow-book requirements that the safeguard has to be someone who was not a member of the engagement team to review the work performed. The firm's managing partner is also the engagement quality control reviewer of all engagements that meet the firm's criteria for engagement quality control review, including engagements where the managing partner is also the engagement partner. The managing partner does not meet the quality control standards where the engagement quality control reviewer is independent of the engagement team, where the managing partner is also the engagement partner. In addition, the engagement quality control reviewer only reviews the financial statements and report and is not required to review select workpaper documentation as required by quality control standards.

   As a result, the above engagements do not conform to professional standards in all material respects because the firm is not independent based on the yellow-book requirements.

Opinion

In our opinion, except for the deficiency previously described, the system of quality control for the accounting and auditing practice of **Gibson & Company, P.A.** in effect for the year ended March 31, 2023, 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. **Gibson & Company, P.A.** has received a peer review rating of *pass with deficiency.*

Ray, Bumgarner, Kingshill & Assoc., P.A.

GIBSON & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

May 1, 2024

To the Board of Commissioners
Town of Boonville
110 Carolina Avenue North
Boonville, NC 27011

We are pleased to confirm our understanding of the services we are to provide for the Town of Boonville for the year ended June 30, 2024.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Town of Boonville as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Boonville's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town of Boonville's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Required Supplementary Information.

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Boonville's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole.

1) Schedule of expenditures of federal awards.
2) Combining and individual non-major or fund financial statements.
3) Other schedules.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

1411 Old Mill Circle
Winston-Salem, NC 27103

336/760-8910
FAX 336/760-8913

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

> According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of Boonville's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Town of Boonville's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Town of Boonville's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Town of Boonville in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Town of Boonville; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Gibson & Company, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the North Carolina Local Government Commission or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gibson & Company, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the North Carolina Local Government Commission. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Monty R. Pendry is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit at your earliest convenience.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed $12,970 (this fee is for a GAAS or GAGAS audit only. An additional fee of $4,000 per major program will be added if a Single Audit is necessary). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes significantly overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. The cost included for the basic audit services are "not-to-exceed."

Our fees for other services, if any, (reconciliations, consultation, etc that are not related to or required by the basic audit) tend to be on an "as needed" basis and are therefore not subject to a fixed fee. We propose that these services, if any, be billed at our standard rate based on the actual time spent as needed or requested by you and you staff. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your engagement. These standard rates range from $72 to $256 which includes a 20% discount that we offer to municipals. (Please note that this paragraph will not be imposed for "routine questions" with a duration of 30 minutes or less.) This paragraph is intended to apply to "special projects" or requests by you that would require significant time and involvement by us. Further we would advise you of any potential additional fees before they were incurred.

This service engagement arrangement may be terminated by you or by Gibson & Company, P.A. upon written notification.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners of the Town of Boonville. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the Town of Boonville and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Gibson & Company, P.A.

Monty R. Pendry

Monty R. Pendry
Partner

RESPONSE:

This letter correctly sets forth the understanding of the Town of Boonville.

Management signature: ______________________

Title: ______________________

Date: ______________________

Governance signature: ______________________

Title: ______________________

Date: ______________________

QUOTATION

Date 4/4/24

PO BOX 1745 1628 S MAIN STREET
LAURINBURG NC 28352
Office (910) 276.7820 Fax (910) 276.7822
chris.taylor@millersupplywaterworks.com
joey.batten@millersupplywaterworks.com

MILLER SUPPLY Co.

TO	
Co. Name	Town of Boonville
Address	
City.State.Zip	
Email Address	
Attention	

QTY	DESCRIPTION	UNIT PRICE	TOTAL
12	¾" TPS Galvanized Dresser Coupling	23.47	281.64
12	C44-33-G-NL ¾" CTS x CTS Coupling	32.77	393.24
6	B11-233W-NL ¾" FIP x FIP Ball Valve	60.49	362.94
12	BRN-0760 ¾" x 6" Brass Nipple	12.21	146.52
12	FSC-088x6R ¾" x 6" CTS Wrap Clamp	87.01	1,044.12
300	¾" Blue Plastic Inserts	.34	102.00
6	NLBRRC-1007 1" x ¾" Brass Reducer Coupling	14.25	85.50
6	NLBRRC-0705 ¾" x ½" Brass Reducer Coupling	8.55	51.30
6	#327-0004 4" Sch.40 Cleanout Hub	16.50	99.00
6	#328-0004 4" Sch.40 Raised Plug	8.24	49.44
6	#321-0004 4" Sch.40 45° Bend Elbow	14.90	89.40
6	#359-0004 4" Sch.40 11 ¼° Bend Elbow	63.12	378.72
	Material Total		3,083.82
	Freight (< or =)		125.00
	Sales Tax (6.75%)		216.60
		TOTAL	3,425.42

Quotations are for immediate acceptance and cover only the materials herein described and are subject to change without notice by Miller Supply Company. Terms of sale are net 30 days – no discount. Materials cannot be returned without written permission by Miller Supply Company. Purchaser must reimburse Miller Supply Company for all expenses loss and damage resulting from such. Cancellations, descriptions, quantities and sizes should be checked with plans and specifications as they are not guaranteed and errors are subject to correction. Our guarantee covers replacements of the material furnished adjudged faulty in material or workmanship. No claims for labor or consequential expenses of strikes, accidents or causes beyond our control. Quotes are made subject to purchasing all items listed.

Kubota. SCAG ALTOZ ALWAYS AHEAD WALKER ECHO Land Pride BUSH HOG DIVISION OF BUSH HOG IMPLEMENTS STIHL

RT RIDDLE TRACTOR
3709 GLENN AVENUE WINSTON-SALEM, N.C. 27115
P.O. BOX 4021 PH:(336) 767-2001

Town of Boonville
110 N Carolina Ave
Boonville NC 27011

467-7064 4-22-24

QTY	N/U	MFGR.	DESCRIPTION	SERIAL NO.	AMOUNT
1	N	Scag	STT11-61V-40BV-EFI V7202694		138832
			Sourcewell		
			(2) SAM		

TRADE-IN INFORMATION

QTY	N/U	MFGR.	DESCRIPTION	TAG NO.	AMOUNT		
		APPROVED BY	KW			TAX	97183
		DATE PAID	4-22-24			TOTAL	14855.0
		CHECK #	30430			SETTLEMENT	
		ACCTS CHARGED	100-5100-50400-40074	13883.22		☐ CASH ☐ CHECK	14855.05
			100-120-12000-12302	659.46	CF# 30	NOTE	
			100-120-12000-12303	312.37	03226	CHARGE TO ACCOUNT	
						TRADE-IN ALLOWANCE	
						TOTAL	14855.05

TERMS OF SALES OF ALL USED EQUIPMENT

All used machinery and equipment is sold "as is" - the dealer gives no warranty, neither written nor implied, unless specified in writing above. From date of sale customer assumes all responsibility for repair and maintenance of machinery or equipment.

SIGNATURE Kim Wall

DEALER COPY

NO. 31170

SALES ORDER

SOUTHERN FARM SUPPLY
P.O. Box 128
2335 W. Memorial Hwy.
Union Grove, NC 28689
(704) 539-5000

№ 0041799

CUSTOMER'S ORDER NO.	DEPARTMENT	DATE
		4/23/2024

NAME: Town of Boonville
ADDRESS: 110 North Carolina Ave
CITY, STATE, ZIP: Boonville, NC 27011

SOLD BY	CASH	C.O.C.	CHARGE	ON ACCT.	MDSE. RETD.	PAID OUT

	QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	1	6x16BG Hurst		3700.00
2		TAil Gate lift		
3		S/N: 1H9TE1822P1057012		
4				
5				
6				
7				
8		Paid		
9				
10				
11				
12				
13				
14				
15				
16				
17				

RECEIVED BY

SALES ORDER *KEEP THIS SLIP FOR REFERENCE*

Consolidated

PIPE & SUPPLY COMPANY, INC.

2410 Binford St.
Greensboro, NC 27407
336 314-0349 Phone
205-578-4845 Fax

DATE: 4/29/2024

Due to the current nature of a volatile supply chain, all prices are subject to fluctuation.
All pricing will be reviewed and subject to a price and availability change at the time of order being placed

JOB NAME	WATER MATERIAL
CUSTOMER	TOWN OF BOONVILLE
LOCATION	SHOP

ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	EXTENSION
1	200	3/4" PLASTIC CTS INSERT	$0.35	$ 70.00
2	6	4" SCH40 PVC CLEANOUT ASSEMBLY	$12.00	$ 72.00
3	2	6" HYMAX COUPLING	$360.00	$ 720.00
4	1	2"X17" OCTAVE WATER METER (23-0200-00187) (23-0000-00213)	$1,575.00	$ 1,575.00
5	1	2" MTR BOLT & GASKET (23-0200-00150)	$19.00	$ 19.00
6	1	NC & YADKIN CO SALES TAX (7%)	$171.92	$ 171.92
			Total	**$ 2,627.92**

Thank you,
Randall Greeson
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