

Village of Cedar Rock



Physical Address: 2065 Cedar Rock Estate Dr. | Lenoir, NC 28645

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villageofcedarrocks@gmail.com

Village of Cedar Rock Request for Proposal (RFP)

To Provide Audit Services

Responses Due: Close of Business, June 21, 2024.

Village Contact Information:

Name: Daniel S. Odom

Title: Village Administrator

Address: 2065 Cedar Rock Estate Dr, Lenoir, NC 28645

Phone: (828)302-3021

Email: daniel.odom@wpcog.org

Request for Proposal

The Village Council of Cedar Rock, North Carolina (hereinafter called the “Village”) invites qualified independent auditors (hereinafter called “auditor”) with sufficient governmental accounting and auditing experience to perform an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the Village of Cedar Rock to reimburse firms for any expenses incurred in preparing proposals in response to this request.

Any specifications exceeding non-yellow book audit standards can be considered above and beyond the expectations of the Village of Cedar Rock. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the Village of Cedar Rock. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Cedar County, North Carolina.

Type of Audit

- 1. The audit shall be performed in accordance with the laws and regulations of the State of North Carolina, which include requirements for the minimum scope of the Village’s audit.**
- 2. The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission.**
- 3. The financial audit opinion will cover the financial statements for the governmental activities, business-type activities, each major fund, and the remaining fund information, which collectively constitute the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical**

data. This supplemental information will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The audit will also include the following:

- 4. Attendance at Village Council meeting in late October for presentation of the financial statements by Manager or Partner of the Audit Staff with comments and potential questions from Council as requested.**
- 5. The audit should encompass all funds and entity-wide activities as reported in the Village's Comprehensive Annual Financial Report (CAFR) or Audit report at [prior year-end] and any additional funds or entity-wide activities that may be added subsequent to that date.**
- 6. If required, the audit firm will issue a management letter to the Village Council after completion of the audit and assist management in implementing recommendations, as is practical. Village staff also request that an informal letter be addressed to the Village Administrator with any efficiency, internal control, or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Village Administrator prior to issuance. The audit firm is encouraged to discuss the content while the management letter is in draft form to ensure that all parties fully understand the circumstances that lead to auditor comments.**
- 7. The Village staff may require the auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the Village's financial statements. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards, and other reporting requirements at the fiscal year-end. The cost for providing these services should be included in the auditor's base fee quote and will not be considered extra for additional billings. In cases where services requested would require a more in-depth scope and require work**

significantly above the original fee quote, such additional fees must be negotiated prior to commencement of work.

Auditor Requirements

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.

A planning meeting will be held each year to determine schedules that the Village will be responsible for preparing. Estimated time frames will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

The Village staff will prepare all standard year-end accruals and other adjusting journal entries. The Village's Finance Officer will prepare the government-wide year-end adjusting journal entries. The Village does not have Other Post-Employment Benefits, therefore no OPEB entries are necessary. The Village shall designate an individual, such as the Finance Officer, with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. The Village management will ultimately be responsible for the preparation and fair presentation of the financial statements, which includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements. The Village will need the assistance of the Financial Statement Preparer for the preparation, typing, proofing, printing, and copying of the Basic Financial Statements, supplementary information, and compliance reports. The Village of Cedar Rock's Finance Officer will prepare the MD&A. A preliminary draft of the audit and required adjusting

journal entries must be submitted to the Finance Officer by October 1 for proofing and reconciliation to the Village's records to allow ample time for review and corrections before it is sent to the Local Government Commission. The Village of Cedar Rock's Finance Officer will return the draft to the Financial Statement Preparer with proposed revisions within 10 working days. The financial statement preparer will be ultimately responsible for the preparation, typing, proofing, printing, and copying of the Basic Financial Statement, supplementary information, and all applicable compliance reports.

Meeting Local Government Commission (LGC) deadlines is a high priority for the Village. Therefore, the Village of Cedar Rock prefers interim fieldwork be completed in early June. Year-end fieldwork should begin by or before mid-August and be completed by late September. While many documents can be shared electronically, the Village expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. An agreed upon post-closing trial balance must exist by September 30. The Finance Officer will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

The timing of the draft and review should ensure final completion of the Financial Statements by the annual October 31st deadline or no later than the annual grace period of December 1. For every week the audit is late due to no fault of the Village of Cedar Rock, there will be a reduction in the audit fee of \$100.00.

Eight copies of each Audit report, management letter, and other applicable reports must be supplied to the Village Administrator within the timeframe cited above. In addition, the auditor is responsible for complying with the requirements of the LGC for submitting the audit and all associated documents and forms as required for the year under audit when (or prior to) submitting the final invoice for audit services rendered to the Commission.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Either the manager or partner of the audit staff is required to present and attend the Village Council's meeting in which the Audit report is presented. Required communications to the Council can be delivered at this point, as well as general comments regarding the audit process and the results of the audit. Finance staff will coordinate this presentation and determine the date and time of the meeting, typically held in late October following the audit completion.

Audit Contract: Period & Payment of Audit Fees

The Village intends to enter into a one-year agreement, with the opportunity for continued relationship subsequently. Each year after negotiation has taken place, an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. The Village of Cedar Rock reserves the right to request proposals at any time following the first year of this contract. It is requested that proposals be prepared for the following year, with year one being the only obligated year:

July 1, 2023 to June 30, 2024

The required current revision of the form "Contract to Audit Accounts" (form LGC-205) is required to be executed as the contract document; however, other forms of contracts may be used in addition to the LGC-205. The auditor shall bill the Village for audit services as

work progresses, but the total of interim billings shall not exceed seventy-five percent (75%) of the total fee without prior written approval of the Village of Cedar Rock.

The final payment shall be made upon acceptance of the audit and required reports by the staff of the LGC. Should the auditor encounter circumstances requiring an increase in the fee quoted in their proposal, written notification of the reasons must be given to the Village's Finance Officer at once and approved prior to the commencement of the work. A separate bill will be rendered for each additional increase. Conversely, should the auditor encounter less difficulty than anticipated in completing the audit, the Village of Cedar Rock expects a reduction in the fee charged will be discussed.

Description of Selection Process

The Finance Officer will review the proposals and make a recommendation to the Village Council on the basis of audit approach, qualifications, experience, cost, and time required to perform the audit. The Village Council will make the final decision. The Village of Cedar Rock reserves the right to reject any and all proposals, waive formalities, and make a decision that appears in its best interest. The Village of Cedar Rock reserves the right to request additional information from proposing firms and to conduct necessary investigations to determine the qualifications of any individual or firm to perform the audit services as described in this RFP. It is the policy of the Village of Cedar Rock to obtain services based on demonstrated competence and to award contracts based on demonstrated competence at reasonable and competitive prices.

Instructions on Proposal Format

Follow these directions in your response to this RFP:

1. Title Page

- Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of contact person, and the date.

2. Letter of Transmittal

- Briefly state your understanding of the work to be done and make a positive commitment to perform the work within the time period.
- State the all-inclusive fee for which the work will be done.
- State the names of the persons who will be authorized to make representations for your firm, their titles, addresses, and telephone numbers.
- State that the person signing the letter will be authorized to bind the proposer.

3. Audit Team Qualifications and Experience

- Identify the audit team that will be assigned to the audit and describe their qualifications and experience.

4. Description of Audit Approach

- Clearly describe the scope and approach to be used in the audit, including the specific steps that will be taken to complete the audit.

Evaluation Criteria

Proposals will be evaluated based on the following criteria:

- 1. Responsiveness to the RFP.**
- 2. Experience and qualifications of the audit team.**
- 3. Audit approach and methodology.**
- 4. Cost of the audit services.**

General Comments

- 1. The Village of Cedar Rock reserves the right to reject any or all proposals and to negotiate portions thereof. The Village also reserves the right to negotiate all final terms and conditions of any contract resulting from this RFP.**
 - 2. Any questions concerning the RFP should be directed to the Village of Cedar Rock Administrator, Daniel Odom].**
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Appendix

- 1. Current budget document.**
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APPENDIX

FISCAL YEAR 2023-2024 BUDGET ORDINANCE

JUNE 20, 2023

WHEREAS, pursuant to N. C. Gen. Stat. Sec. 160A-209, the Council of the Village of Cedar Rock may adopt an ordinance to levy taxes on property having a situs within the Village under the rules and according to the procedures prescribed in the Machinery Act (Chapter 105, Subchapter II).

BE IT ORDAINED BY THE BOARD OF COUNCILMEN OF THE VILLAGE OF CEDAR ROCK, NORTH CAROLINA:

The following estimated fund revenues and departmental expenditures are approved and appropriated for the Village of Cedar Rock’s operation for the Fiscal Year Beginning July 1, 2023 and ending June 30, 2024.

SECTION 1: FISCAL 2023-2024 BUDGET

REVENUE

Property Tax Revenue (Village Road Fund)	\$ 33,601.00	
Property Tax Revenue	\$ 67,202.00	
Sales & Use Tax Revenue	\$ 70,000.00	
Powell Bill Allocation	\$ 18,000.00	
Franchise & Utility Tax Distribution	\$ 14,500.00	
Caldwell County Vehicle Tax	\$ 6,000.00	
Caldwell. Co. Veh. Tax (Road Fund)	\$ 3,000.00	
Solid Waste Revenue	\$ 200.00	
Interest Income	\$ 100.00	
SLFRF Revenue	\$ 50,000.00	
Total without Fund Balance		\$ 262,603.00
Appropriated Fund Balance	\$ 17,541.00	
TOTAL REVENUE		\$ 280,144.00

EXPENDITURES

ADMINISTRATION

SLFRF Administrative Expense	\$ 0.00
Beautification	\$ 1,000.00
General Maintenance and Repair	\$ 1,000.00
Audit and Accounting	\$ 18,000.00
WPCOG - Manager Contract	\$ 3,324.00
Contracted Services	\$ 1,200.00

WPCOG Code Enforcement	\$	3,200.00	
Dues	\$	1,700.00	
Legal and Professional	\$	2,000.00	
Meetings and Conventions	\$	3,000.00	
Website	\$	1,000.00	
Office Expense	\$	500.00	
Internet	\$	1,800.00	
Utilities-Power	\$	2,500.00	
Advertising	\$	700.00	
Election costs	\$	4,000.00	
Insurance	\$	3,500.00	
Bank Fees	\$	200.00	
Postage	\$	500.00	
Rent	\$	6,000.00	
Admin-Collection Fees	\$	3,000.00	
Travel and Training	\$	500.00	
Utilities-Water	\$	300.00	
Total Administration			\$ 58,924.00

CULTURAL & RECREATIONAL

Public Support	\$	12,000.00	
Total Cultural & Recreational			\$ 12,000.00

PUBLIC SAFETY

Security Expense (Patrols)	\$	18,720.00	
Security Camera Maintenance	\$	2,000.00	
Total Public Safety			\$ 20,720.00

PUBLIC WORKS

Garbage/Recycling (Republic)	\$	43,500.00	
Total Public Works			\$ 43,500.00

TRANSPORTATION

Road & Right of Way Maintenance	\$	50,000.00	
Snow Removal	\$	10,000.00	
Leaf Pickup	\$	17,000.00	
Powell Bill Funds	\$	18,000.00	
SLFRF Road Building and Maintenance and Other Infrastructure	\$	50,000.00	
Total Transportation			\$ 145,000.00

TOTAL EXPENDITURES **\$ 280,144.00**

TOTAL EXPENDITURES AND RESERVE: **\$ 280,144.00**

SECTION 2: AD VALOREM TAXES:

Pursuant to N. C. Gen. Stat. Sec. 160A-209(d), an Ad Valorem tax rate of twenty cents (\$0.20) per hundred dollars (\$100) valuation of taxable real property as listed for taxes as of December 31, 2022 and personal property per the most recent revaluation, is hereby levied and established as the official tax rate for the Village of Cedar Rock for the fiscal year 2023-2024, one third being allocated to the Village Road Fund. The rate is based upon a total projected valuation of \$51,167,365.00 and an estimated collection rate of 98.5%. The purpose of the ad valorem tax is to raise sufficient revenue to assist in financing necessary municipal government operations in the Village of Cedar Rock.

SECTION 3: DOCUMENTATION:

Copies of this ordinance will be kept on file at the office of the Village of Cedar Rock located in the clubhouse of Cedar Rock Golf & Country Club. Copies shall be furnished to the Village Clerk and Budget Officer to provide direction in collection of revenues and disbursement of Village funds.

SECTION 4: FEE SCHEDULE:

Fees shall be charged as follows:

Village of Cedar Rock
Fee Schedule 2023-2024

Service	Frequency	Rate
Zoning		
Application <ul style="list-style-type: none">• Zoning Permit	Per request	\$25.00
Legislative Action <ul style="list-style-type: none">• Text Amendment• Rezoning (includes Conditional)	Per request Per request	\$500.00 \$600.00
Quasi-judicial Action		

<ul style="list-style-type: none"> • Variance • Special Use Permit • Appeal 	Per request	\$500.00
	Per request	\$600.00
	Per request	\$500.00
FINES		
Fines – Zoning ordinance <ul style="list-style-type: none"> • Section 132.4 	Upon violation – per day	\$50.00
Fines – Code Enforcement <ul style="list-style-type: none"> • Minimum housing and nuisance 	Upon violation – per day	\$50.00

SECTION 4: SPECIAL AUTHORIZATION:

Councilman Bill Griffin shall serve as Budget Officer.

The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department not to exceed \$2,000. Notification of all such transfers or amendments shall be made to the Board of Councilmen at the next regular meeting following the effective date of the transfer.

Adopted on this the 20th day of June, 2023

Honorable Robert Floyd, Mayor
Village of Cedar Rock, North Carolina

ATTEST:

Councilman

