



Administrative Services
Finance

Town of Nags Head

Post Office Box 99
Nags Head, North Carolina 27959
Telephone 252-441-5508
Fax 252-441-4680
www.nagsheadnc.gov

Amy Miller
Finance Director

MEMORANDUM

To: Cliff Ogburn, Town Manager

From: Amy Miller, Finance Director

RE: June 30, 2020 audit contract

Staff is recommending Potter & Company out of Mooresville, NC, to perform the annual fiscal year end 2020 audit for the Town for a minimum of three years, with up to three additional years as a renewal option. The partner assigned to this audit, Bob Taylor, has earned the *Certificate of Educational Achievement in Governmental Accounting and Auditing*. Bob will keep us informed on new regulations and will be available throughout the year to provide assistance as needed. Bob is also an instructor for the Local Government Commission. Potter & Company has committed to providing a successful and timely audit of the Town's CAFR, internal controls, and grants as required by the federal and state Single Audit Acts.

In selecting an accounting firm, it is important to select the firm which will provide the very highest level of service. Potter & Company will utilize all their resources necessary to assure prompt and professional service. Their staffing permits allocation of necessary time and resources to ensure the Town of Nags Head will be a highly valued client to their firm. Their firm policy is to assign staff members who have previous experience on the engagement each year. The professionals assigned are expected to be on-site 85-95% of the time. Normally there will be two staff (one a manager level), in addition to the partner in charge, assigned to the audit. Their experience and familiarity with numerous governmental audits allow for a comprehensive and efficient audit with minimal distraction to staff.

One important aspect of the audit that sets Potter & Company apart is the amount of partner and manager involvement in all phases of the audit, including field work, as well as the staff and time commitment allocated to the engagement. Their position is that a large on-site commitment from the partner and manager in charge of the engagement increases the efficiency and understanding in the audit process. Potter & Company has built in 250 hours of audit time for our engagement. Of these hours, 96%, or 240 hours, will be performed by the partner and senior staff. One additional item to consider is their familiarity with the Outer Banks and challenges experienced by the local governments in this region.

Potter & Company's great degree of experience in governmental accounting allows them to understand the Town's needs and provide answers to unique situations. They audit several clients that receive the GFOA Certificate of Achievement for Excellence in Financial Reporting including Dare County (25 years), Cabarrus County (15 years), City of Monroe (22 years), and Town of Mooresville (18 years), to name a few. These examples demonstrate what a knowledgeable resource Potter & Company would be for the Town, as well as exemplify the value they place on long term relationships.