

RESOLUTION 2013-02-411R

**AUTHORIZING THE ENGAGEMENT OF DANIEL R. McCORMICK, C.P.A., P.A.
FOR WATER AND SEWER DEPARTMENT 2012 AUDITING SERVICES**

WHEREAS, municipal water and sewer operations are required to be audited on an annual basis; and

WHEREAS, the previous years' audit, which was adequate, suitable, and complied with all requirements, was performed by the firm of Daniel R. McCormick, C.P.A., P.A.; and

WHEREAS, it is the desire of the City Council to exercise its authority pursuant to A.C.A. 14-58-104(b) to extend the existing contractual relationship with said firm for 2012 auditing services; and

WHEREAS, an acceptable engagement letter has been received by the city to effectuate the continuation of said relationship, and insure timely auditing services for said operations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TONTITOWN, ARKANSAS:


SECTION 1. That the existing contractual relationship for auditing between the firm of Daniel R. McCormick, C.P.A., P.A. and the City of Tontitown is hereby extended, and the engagement of said firm for preparing an audit of the combined financial statements of the Tontitown Water and Sewer Department for the year ended December 31, 2012, is hereby approved.

SECTION 2. That the mayor is hereby authorized to execute the applicable engagement letter dated January 31, 2013, and to subsequently pay an amount not to exceed \$9,000 for the performance of said auditing services.

PASSED AND APPROVED THIS 5 DAY OF February 2013.


Mayor

ATTEST:


Recorder-Treasurer

SPONSOR: _____

System Review Report

To the Owner of
Daniel R. McCormick, CPA, P. A.
and the Peer Review Committee of the Arkansas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Daniel R. McCormick, CPA, P. A. (the firm) in effect for the year ended December 31, 2009. 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. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an audit performed under *Governmental Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Daniel R. McCormick, CPA, P. A. in effect for the year ended December 31, 2009, 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*. Daniel R. McCormick, CPA, P. A. has received a peer review rating of *pass*.

Breazeale, Saunders & O'Neil, Ltd.

Jackson, Mississippi
June 15, 2010