

RESOLUTION NO. 2017-08-_____

CITY OF TONTITOWN, WASHINGTON COUNTY, ARKANSAS

A RESOLUTION AUTHORIZING THE MAYOR OF TONTITOWN, ARKANSAS TO APPROVE AND EXECUTE AN ENGAGEMENT LETTER WITH BERRY & ASSOCIATES, P.A. TO PROVIDE AUDIT SERVICES TO THE TONTITOWN WATER AND SEWER DEPARTMENT

WHEREAS, it has come to the attention of the City Council of the City of Tontitown, that it is necessary for the Mayor to approve and execute an engagement letter with Berry & Associates, P.A. for the 2016 audit year to provide audit services to the Tontitown Water and Sewer Department; and

WHEREAS, the City of Tontitown now desires to execute an engagement letter attached hereto as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Tontitown as follows:

Section 1. The engagement letter with Berry & Associates, P.A. is hereby approved.

Section 2. The Mayor of the City of Tontitown, Arkansas, is hereby authorized to approve and execute said engagement letter with Berry & Associates, P.A. and to take all other necessary actions in relation thereof.

PASSED AND APPROVED this _____ day August, 2017.

APPROVED:

Paul Colvin, Jr., Mayor

ATTEST:

Rhonda Ardemagni, City Recorder-Treasurer

BERRY & ASSOCIATES, P.A.

Certified Public Accountants

American Institute of CPAs

Arkansas Society of CPAs

Texas Society of CPAs

August 2, 2017

Honorable Mayor Paul Colvin and City Council
Tontitown Water & Sewer Department
Tontitown, Arkansas

RE: Proposal for Audit, Tontitown Water and Sewer Department

We respectfully submit the following proposal to provide audit services to Tontitown Water and Sewer Department. We will perform an independent financial and compliance audit for the year ended December 31, 2016 in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States. If for any reason we are unable to express an unmodified opinion, we will contact you in advance.

Our fee for audit services proposed above for the Tontitown Water and Sewer Department for would range between \$9,000 and \$11,000. The fees above include travel expenses and any other out-of-pocket expenses. We bill by the hour at a range of \$100 to \$150 per hour, based upon the level of personnel performing the audit services. We would begin the fieldwork for this engagement at your earliest convenience and issue the report within thirty days of the last day of fieldwork.

If your governmental unit has expended \$750,000 or more in transactions associated with federal grants, awards, or loan proceeds during 2016, additional audit requirements apply under the Single Audit Act. Please let us know if this circumstance applies to you and we will discuss with you the changes in the terms of the engagement and estimated increase in the fee range. If you have any other questions please do not hesitate to call us. We look forward to working with you and your office.

We are members of the Arkansas Rural Water Association and provide auditing and accounting services to approximately fifty systems with the State of Arkansas.

Please call us if you have any questions. We would welcome the opportunity to be of service to you.

Sincerely,
Joseph Taun Berry, CPA
Berry & Associates, PA

RESPONSE:

This letter correctly sets forth the understanding of the proposal to provide audit services for Tontitown Water and Sewer Department.

Signature: _____

2 Office Park Drive • Little Rock, AR 72211 • 501-227-9044 • Fax 501-227-8791 •
jtberrycpa@gmail.com
2911 Turtle Creek Blvd., Suite 300 • Dallas, TX 75219 • 972-437-2919