



Regular Council - Minutes
Monday, August 5, 2024

COUNCIL PRESENT:

Mayor Mulhollem
Council Member Bruton
Council Member Jackson
Council Member Purvis
Council Member Wilson

COUNCIL ABSENT:

Mayor Pro Tem Castleberry

STAFF PRESENT:

Bryan Chadwick, Town Administrator
Marcus Burrell, Town Attorney
Jason Kress, Town Planner
Kim P. Batten, Assistant Town Administrator/Finance Officer
Chris Allen, Parks & Recreation Director
Chad Meadows, CodeWright Planners, LLC
Jenny Martin, Human Resources Officer/Town Clerk

MEDIA PRESENT:

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1. WELCOME/CALL TO ORDER:

a) Invocation

Mayor Mulhollem called the meeting to order at 6:30 p.m. in the Jeffrey D. Barnes Council Chambers located at 14094 Buffalo Road, Archer Lodge, NC and declared a quorum present. Council Member Jackson offered the invocation.

b) Pledge of Allegiance

Mayor Mulhollem led in the Pledge of Allegiance to the US Flag.

2. APPROVAL OF AGENDA:

a) Council Member Jackson asked if the Board could receive the agenda earlier in the week. Council Member Bruton agreed. Mayor Mulhollem informed that it had been noted. No further discussion.

Moved by: Council Member Jackson
Seconded by: Council Member Purvis

Approved Agenda.

CARRIED UNANIMOUSLY

3. OPEN FORUM/PUBLIC COMMENTS:

(Maximum of 30 minutes allowed; 3 minutes per person)

a) No Public Comments.

4. CONSENT AGENDA:

**a) 15 Nov 2021 Special Meeting
08 Jul 2024 Regular Meeting**

Mayor Mulhollem called for a motion to approve Consent Agenda. Discussion followed.

5. DISCUSSION AND POSSIBLE ACTION ITEMS:

a) PUBLIC HEARING - Text Amendments - Code of Ordinances, Town of Archer Lodge, NC, Chapter 30 - referenced as Unified Development Ordinances (UDO) Text Amendment# AL2024-08-1:

- **Article 5. - Use Regulations, Division 4. - Accessory Uses, Sec. 30 - 5404. - Common Accessory Uses Table, to add private burials to the list of allowable accessory uses.**
- **Article 5. - Use Regulations, Division 4. - Accessory Uses, Sec. 30 - 5405(d). - Specific Standards for Common Accessory Uses, to include new standards for private burial as an accessory use.**
- **Article 5. - Use Regulations, Division 5. - Temporary Uses, Sec. 30 - 5503(c)(1). - Food truck and pushcart vendors, to permit such uses in the AR zoning district, clarify minimum separation distances from certain other use types, modify allowable hours of operation, and establish special standards for food truck and push carts when operated on lots owned or operated by a governmental entity (like the Town Park).**
- **Article 5. - Use Regulations, Division 5. - Temporary Uses, Sec. 30 - 5503(c)(2). - Itinerant merchant sales, to permit such uses on lots owned or operated by a governmental entity (like the Town Park), to modify hours of operation, and to establish special standards for food truck and push carts when operated on lots owned or operated by a governmental entity.**
- **Article 10. - Measurements and Definitions, Division 3. - Definitions, to establish a definition for private burials.**

1. **Open Public Hearing**
2. **Staff Report and Planning Board Recommendations**
3. **Public Comments (Maximum 30 minutes allowed; 3 minutes per person)**
4. **Close Public Hearing**
5. **Governing Body**
 - **Discussion and Consideration of the Consistency Statement**
 - **Discussion and Consideration of Adopting Ordinance# AL2024-08-1 Amending the Code of Ordinances, Town of Archer Lodge, NC Chapter 30 - Unified Development Ordinance:**
Article 5. - Use Regulations, Division 4, Division 5,
Article 10. - Measurements and Definitions, Division 3

1. Mayor Mulhollem called for a motion to **Open the Public Hearing.**
2. **Staff Report and Planning Board Recommendations.**
 - Mr. Meadows provided a presentation (attached to the agenda) and discussed the specifics of the proposed amendments. He noted that there are no state laws regarding private burials. Discussion followed.
 - Points of Discussion:
 - UDO - 30-5405 (d) Private Burial (4): Clarify the minimum 50-foot setback from potable water sources.
 - UDO 30-5405 (d) Private Burial (6): Change "physical marker" to "permanent marker".
 - Minimum 2-Acre lot size to allow private burial.

- Clarified that a private burial is one person, and two or more persons are cemeteries.
 - Recommendation to prohibit amendment AL2024-08-1 - Establishes standards for home burial and approve amendments AL2024-08-1 - Clarified the zoning district where food trucks are permitted and Clarifies allowable activities on Town-owned/controlled sites.
3. **Public Comments:**
- a. Mr. Pete Barnes of 2100 Castleberry Road, Archer Lodge, questioned some of the specifics of the burial lot.
 - b. Ms. Terri Richards of 120 Bentley Way, Archer Lodge, recommended eliminating established subdivisions or small lots from private burials and questioned the possibility of flooding at a burial site. Discussion followed.
4. Mayor Mulhollem called for a motion to **Close the Public Hearing.**
5. **Governing Body**
- **Discussion and Consideration of the Consistency Statement**
 - Property values
 - Appropriateness - low lying area, proximity to wells, setbacks
 - Already established burials sites.
 - Minimum size of lot.
 - **Attorney Burrell read the Consistency Statement as follows:**
 - The Town Council finds that the proposed amendments are reasonable and in the public interest. The proposed revisions clarify/streamline ordinance provisions, facilitate environmental protection, plans for future development, and addresses changes in state law. Furthermore, the proposed amendments are consistent with the Town of Archer Lodge 2030 Comprehensive Land Use Plan, aka "Comprehensive Plan", vision and mission statements and other adopted Town plans having bearing on the matter.
 - **Discussion and Consideration of Adopting Ordinance# AL2024-08-1 Amending the Code of Ordinances, Town of Archer Lodge, NC Chapter 30 - Unified Development Ordinance:**
 - **Article 5. - Use Regulations, Division 4, Division 5**
 - **Article 10. - Measurements and Definitions, Division 3**
 - Mayor Mulhollem called for a motion to adopt the Consistency Statement and Ordinance# AL2024-08-1 Amending the Code of Ordinances, Town of Archer Lodge, NC Chapter 30 - Unified Development Ordinance with changes listed below
 - Article 5. - Use Regulations, Division 4, Division 5
 - Article 10. - Measurements and Definitions, Division 3 with the following proposed changes:
 - UDO - 30-5405 (d) Private Burial (4): Clarify the minimum 50-foot setback from potable water sources.
 - UDO 30-5405 (d) Private Burial (6): Change "physical marker" to "permanent marker".
 - Minimum 2-Acre lot size to allow private burial.
 - **Motion failed.**
 - Discussion followed regarding private burials.
 - Mayor Mulhollem called for a motion to approve text amendment AL2024-08-1 for Food Trucks and Itinerant Merchant Sales and prohibit Private Burials.

Moved by: Council Member Wilson

Seconded by: Council Member Jackson

Approved to Open the Public Hearing at 6:36 p.m.

CARRIED UNANIMOUSLY

Moved by: Council Member Wilson
Seconded by: Council Member Jackson
Approved to Close Public Hearing at 7:03 p.m.

CARRIED UNANIMOUSLY

Moved by: Council Member Wilson
Seconded by: Council Member Purvis
Motion failed to adopt the Consistency Statement and Ordinance# AL2024-08-1 Amending the Code of Ordinances, Town of Archer Lodge, NC Chapter 30 - Unified Development Ordinance. Article 5. - Use Regulations, Division 4, Division 5, Article 10. - Measurements and Definitions, Division 10 for Food Trucks, Itinerate Merchant Sales and Private Burials, as presented and to include the following changes:

- **UDO - 30-5405 (d) Private Burial (4): Clarify the minimum 50 foot setback from potable water sources.**
- **UDO 30-5405 (d) Private Burial (6): Change "physical marker" to "permanent marker".**
- **Minimum 2-Acre lot size to allow private burial.**

Failed: 2 IN FAVOR (Wilson & Purvis) 3 OPPOSED (Bruton, Jackson, & Mulhollem)

Moved by: Council Member Wilson
Seconded by: Council Member Bruton
Adopted Ordinance# AL2024-08-1 Amending the Code of Ordinances, Town of Archer Lodge, NC Chapter 30 - Unified Development Ordinance. Article 5. - Use Regulations, Division 4, Division 5, for Food Trucks & Itinerant Merchant Sales and prohibit Private Burial and definition, as presented.

CARRIED 3 TO 1 (Jackson Opposed)

Moved by: Council Member Wilson
Seconded by: Council Member Bruton
Adopted the Consistency Statement for Ordinance# AL2024-08-1.

CARRIED 3 TO 1 (Jackson Opposed)

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b) Discussion and Possible Action of Engaging May & Place, PA to Audit Financial Records and Approving the Audit Contract for Fiscal Year Ending June 30, 2024

Mr. Chadwick explained the changes in auditing costs. No further discussion.

Mayor Mulhollem called for a motion.

The signed Contract is attached.

Moved by: Council Member Wilson
Seconded by: Council Member Purvis
Approved Engaging May & Place, PA to Audit Financial Records and the Audit Contract for Fiscal Year Ending June 30, 2024.

CARRIED UNANIMOUSLY

[Audit Engagement Letter Yellow Book 2024 Signed](#)
[2024 Audit Contract Signed](#)

c) Discussion and Possible Action of Approving the Updated Affidavit of Parent, Guardian, or Legal Custodian of Employment, Internship, or Volunteer of Minor Age at the Town of Archer Lodge

Ms. Martin discussed the specifics of the updated affidavit. No further discussion.

Moved by: Council Member Purvis
Seconded by: Council Member Wilson
Approved the Updated Affidavit of Parent, Guardian, or Legal Custodian of Employment, Internship, or Volunteer of Minor Age at the Town of Archer Lodge, as presented.

CARRIED UNANIMOUSLY

22	d) Discussion and Possible Action of Adopting the Budget Amendment for Fiscal Year Ending June 30, 2025 ~ (BA 2025 01) Mr. Chadwick explained the Budget Amendment attached that will reduce the budget by \$75,450. Discussion followed regarding the specifics of the changes. He reminded Council that the Archer Lodge Park & Recreation Master Plan was adopted in 2015 and due to be updated. He noted that it required to be updated at least every 10 years. Mr. Chadwick informed Council Member Bruton that he received the budget spreadsheet she emailed to him on Thursday, prior to the meeting. He shared copies of the spreadsheet with Council, to review and discuss at a later date. Discussion followed. Mayor Mulhollem reminded Council that the subject being discussed was the amendment that was presented to reduce the budget by \$75,450, any other items outside of the reduction can be discussed at a later date. He opened the floor for discussion. No further discussion. Mayor Mulhollem called for a motion. The signed Budget Amendment is attached. Moved by: Council Member Wilson Seconded by: Council Member Purvis <u>Adopted Budget Amendment BA 2025 01 for Fiscal Year Ending June 30, 2025, as presented.</u> CARRIED UNANIMOUSLY BA 2025 01 Signed
	e) Discussion and Possible Action of Approving the Memorandum of Agreement for Personnel Services between the Town of Archer Lodge, the North Carolina League of Municipalities (NCLM) and the MAPS Group. Mr. Chadwick asked the Mayor to table Item 5 e), allowing Council time to review and contact him with any questions, and add to the Special Meeting Agenda scheduled for Monday, August 19, 2024. Mayor Mulhollem confirmed.
	f) Discussion of Possible Action of Approving the Updated Memorandum of Understanding (MOU) Between the Town of Archer Lodge and Johnston County Little League Mr. Chadwick shared an explanation of the changes to the memorandum discussed during the last meeting held with Johnston County Little League. He asked Council to provide feedback regarding the revised MOU before Staff sends to JCLL for final approval before adopting. Discussion followed. Mayor Mulhollem informed that no action will be taken until the memorandum is finalized.
6.	<u>TOWN ATTORNEY'S REPORT:</u> a) Attorney Burrell advised everyone to stay safe due to possibility of severe weather.
7.	<u>TOWN ADMINISTRATOR'S REPORT:</u> a) Mr. Chadwick shared a budget timeline, that he and Mayor Mulhollem discussed. It included dates and schedules that begin September 23, 2024. He asked Council to review and contact him with any questions, before the Monday, August 19, 2024, Special

Meeting. Mayor Mulhollem shared that the goal was to push up the process for preparing earlier for the FY2025/2026 Budget.

Mr. Chadwick informed that he would like to discuss special upcoming projects with Council at the Special Meeting being held Monday August 19, 2024, at 6:30 p.m.

Mr. Chadwick shared that a Town Emergency Operation Plan (EOP) will need to implemented and noted that he had been in discussions with Terri Richards, who lives in the Town of Archer Lodge. He informed that Ms. Richards volunteered to help the Town and has a background with EOP, and is currently completing a doctorate degree at Liberty University in public policy with emphasis in emergency management. Ms. Richards provided a weather report on the specifics of the potential severe weather coming to the area. Discussion followed.

8. HUMAN RESOURCES OFFICER/TOWN CLERK’S REPORT:

- a) Ms. Martin provided an update on recent new hires for the Town.

9. PARK AND RECREATION DIRECTOR’S REPORT:

- a) Mr. Allen shared the following updates:
- Two part-time and one full-time staff employees have been added to Parks & Recreation.
 - Summer Season programs are ending the month of August:
 - Volleyball Clinic - 39 registered;
 - Softball - 92 registered (3 sessions);
 - Popsicles in the Park Reading Program - averaged 31 kids per session
 - Fall Season includes:
 - Senior Exercise Classes (15 Seniors attended the last session);
 - Baseball and Softball;
 - Flag Football
 - The new Mosaic Mural, made by Jeanette Brossart, Artist, has been installed at the park. A grant from the Johnston County Art Council paid for the art piece and the town covered installation.

10. PLANNING/ZONING REPORT:

- a) Mr. Kress shared the following updates:
- 6 Permits issued for FY 2025 - sheds, pools, 1 for solar panels.
 - No new residential or subdivisions permit requests, at this time.
 - Asked Council to consider amending the ordinance to allow expansion of the AR (Agriculture & Rural) Zoning Districts for accessory structures. The current ordinance restricts any accessory structures to 50% of the principal structure. Discussion followed. Council Member Bruton asked Mr. Kress to provide the current text without maps for them to review.

11. MAYOR’S REPORT:

- a) Mayor Mulhollem stated for everyone to be safe due to the forecast of storms coming to the area.

12. COUNCIL MEMBERS’ REMARKS:

a) Council Member Bruton had no remarks.

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b) Council Member Purvis read his resignation letter, which is attached, to Council.

Council Member Bruton shared that she hated to see Council Member Purvis go.

Mayor Mulhollem reiterate Council Member Bruton's remark and shared that they would be praying for him.

[JAMES JIM PURVIS III RESIGNED 08.05.24](#)

c) Council Member Jackson shared that he was grateful for having had the opportunity to work with him and enjoyed his even temperament and humor. He added that he is still hoping for a Mardi Gras event that Council Member Purvis always suggested having.

d) Council Member Wilson shared that he would keep Council Member Purvis in his prayers. He echoed what everyone had said regarding the potential severe weather, "Turn around, don't drown" and watch out for down trees and power lines.

13. ADJOURNMENT:

a) Having no further discussion, Mayor Mulhollem called for a motion to adjourn.

Moved by: Council Member Wilson

Seconded by: Council Member Bruton

Adjourned meeting at 8:40 p.m.

CARRIED UNANIMOUSLY



Matthew B. Mulhollem, Mayor



Jenny Martin, Town Clerk



May & Place, PA

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 900
LOUISBURG, NC 27549
Bus: 919-496-3041
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SCOTT H. MAY, CPA
DALE R. PLACE, CPA, CFE

July 24, 2024

To the Honorable Mayor and Town Council Members
14094 Buffalo Road
Archer Lodge, NC 27527

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

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Archer Lodge 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 Archer Lodge'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 Archer Lodge'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 evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Local Government Employees' Retirement System's Schedule of the Proportionate Share of the Net Pension Liability and Contributions.

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Archer Lodge'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 auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining and individual fund statements
- 2) Budgetary schedules and other schedules

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, issue an auditor's report that includes our opinion 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 Standard* 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 judgement of a reasonable user made based on the financial statements.

The objectives also include reporting on 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*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Town of Archer Lodge 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 material misstatements 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. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes 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. 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, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, 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:

- Management override of controls.

- Improper revenue recognition due to fraud.

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 internal control relevant to the audit, 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. 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*. 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. 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 and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Archer Lodge's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit 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*.

Other Services

We will also assist in preparing the financial statements and related notes of the Town of Archer Lodge in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit 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 statement 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 relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed, and approved the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit 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.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for 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, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and 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 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 and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). 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) additional information that we may request for the purpose of the audit; and (3) 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 your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written 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 and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (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. 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 other 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.

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.

We will provide copies of our reports to the Mayor and Town Council; 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 May & Place, PA, 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 the 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 May & Place, PA, 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. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we

Dale Place 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 on approximately July 31, 2024, and to issue our reports no later than October 31, 2024.

Our fee for these services will be \$8,000.00 plus \$6,000.00 for each federal and/or State major program as defined by the Uniform Guidance and/or the NC Single Audit Implementation Act for the audit and \$6,500.00 for the financial statement preparation. Our invoices for these fees will be rendered in accordance with the North Carolina Local Government Commission instructions as detailed in the contract. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of the Town of Archer Lodge's financial statements. Our report will be addressed to the Town Council of the Town of Archer Lodge. 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.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that 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 on compliance, and (2) that 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 report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of Archer Lodge is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the Town of Archer Lodge 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,

May & Place, PA

May & Place, PA

RESPONSE:

This letter correctly sets forth the understanding of the Town of Archer Lodge.

Management signature:



Title: Town Administrator – Bryan R. Chadwick

Date:

8/5/2024

The	Governing Board
	Town Council
of	Primary Government Unit
	Town of Archer Lodge
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
	May & Place, PA
	Auditor Address
	PO Box 900 Louisburg, NC 27549

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Date Audit Will Be Submitted to LGC
	06/30/24	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 P. Batten

Asst. Town Admin/Finance Officer

Kim.batten@archerlodgenc.gov

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 Archer Lodge
Audit Fee (financial and compliance if applicable)	\$ 8,000.00
Fee per Major Program (if not included above)	\$ 6,000.00
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$ 6,500.00
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$ 20,500

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	\$ 20,500

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* May & Place, PA	
Authorized Firm Representative (typed or printed)* Dale Place	Signature*
Date* 07/24/24	Email Address* dale@mayandplace.com

GOVERNMENTAL UNIT

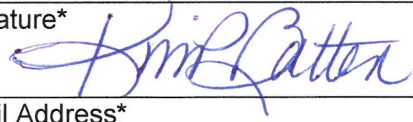
Governmental Unit* Town of Archer Lodge	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	8/5/2024
Mayor/Chairperson (typed or printed)* Matthew B. Mulhollem	Signature* 
Date 8-5-2024	Email Address* matt.mulhollem@archerlodgenc.gov

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:	\$ 20,500
Primary Governmental Unit Finance Officer* (typed or printed) Kim P. Batten	Signature* 
Date of Pre-Audit Certificate* 8/6/2024	Email Address* kim.batten@archerlodgenc.gov

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:	\$ 20,500
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

Town of Archer Lodge
Fiscal Year Ending June 30, 2025



Budget Amendment # BA 2025 01

Date: 05-Aug-24

General Fund

Account	Account Number	Budget	Amendment	Amended Budget
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Revenues:

Gen/Jo Co Tourism Authority Grant	10-3492-0000	-	5,000.00	5,000.00
Gen/Fund Balance Appropriated	10-3990-0000	378,000.00	(80,450.00)	297,550.00
				-

Total Increase (Decrease) in Revenues

(75,450.00)

Expenditures:

Gen/Admin/Retiree Medical	10-4120-1832	700.00	(700.00)	-
Gen/Public Buildings/Professional Fees	10-4190-1900	20,000.00	(10,000.00)	10,000.00
Gen/Public Buildings/Communications	10-4190-3340	23,000.00	20,760.00	43,760.00
Gen/Public Buildings/Building Permits	10-4190-5900	10,000.00	(5,000.00)	5,000.00
Gen/Public Safety/Contracted Services-Animal Control	10-4300-3550	6,000.00	(750.00)	5,250.00
Gen/Transportation(Public Works)/Street Lights	10-4510-3330	11,000.00	(2,000.00)	9,000.00
Gen/Transportation(Public Works)/Contracted Services	10-4510-3500	5,000.00	(5,000.00)	-
Gen/Planning_Zoning/Training & Meetings	10-4910-3110	8,000.00	(2,000.00)	6,000.00
Gen/Planning_Zoning/Code Enforcement Services	10-4910-3650	2,000.00	(1,000.00)	1,000.00
Gen/Parks & Recreation/Salaries (Part-Time)	10-6120-1220	40,000.00	(5,000.00)	35,000.00
Gen/Parks & Recreation/Professional Fees	10-6120-1900	-	20,000.00	20,000.00
Gen/Parks & Recreation/Program Materials & Supplies-Parks & Rec	10-6120-2050	80,000.00	(10,000.00)	70,000.00
Gen/Parks & Recreation/Contracted Services	10-6120-3500	76,000.00	(20,760.00)	55,240.00
Gen/Parks & Recreation/Small Equipment & Furnishings	10-6120-5000	10,000.00	(4,000.00)	6,000.00
Gen/Interfund Transfers/Transfer to Capital Reserve Fund 30	10-9900-0030	25,000.00	(25,000.00)	-
Gen/Interfund Transfers/Transfer to Public Safety Reserve Fund 32	10-9900-0032	25,000.00	(25,000.00)	-
				-

Total Increase (Decrease) in Expenditures

(75,450.00)

Justification for Budget Amendment:

To appropriate or reappropriate unanticipated revenues and expenditures as recorded.

Adopted this 5th day of August 2024

ATTEST:

Jenny H. Martin
Jenny Martin, Town Clerk



Matthew B. Mulhollem
Matthew B. Mulhollem, Mayor

Bryan Chadwick
Bryan Chadwick, Budget Officer

August 5, 2024

Town of Archer Lodge
14094 Buffalo Road
Archer Lodge, North Carolina 27527

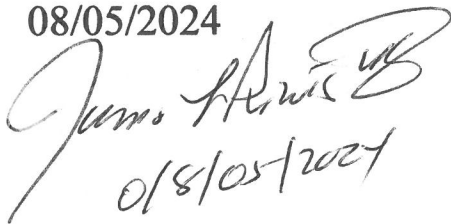
Archer Lodge Town Staff
Archer Lodge Town Council

Today August 5, 2024 I wish to render my resignation from the Town Council of Archer Lodge. A few months ago I was diagnosed with Stage 4 Kidney failure and have been attending to testing and what treatment to go forward with. I personally feel at this point with the disease progressing that I will not be able to perform my duties as town council member to my fullest ability.

I wish to thank everyone involved for their support during this time and pray that Archer Lodge grows with working with each other in a compassionate way to make sure Archer Lodge grows into a town everyone may be proud of.

James L. Purvis III

08/05/2024



James L. Purvis III
08/05/2024