



# *Town of Blowing Rock*

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, NC 28605

To: Mr. Jim Freeman, Mayor Sellers and Members of Town Council  
From: Nicole M. Norman, Finance Officer  
Subject: Financial Audit Contract Amendment- Misty Watson CPA, P.A.  
Date: December 11, 2018

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Attached please find for your consideration an amendment to our current financial audit contract for Fiscal Year 17-18 with Misty Watson, CPA, PA. The attached amendment is necessary due to the ABC Board audit (a component unit of the Town) not being complete. Per the ABC Store, it is anticipated that the ABC Store audit should be complete by the end of December.

This year was the first year ABC Stores were required to have an actuary complete their OPEB evaluation and the consulting firm that completes it was unable to deliver the report in time for the ABC Board audit to be complete by the October 31<sup>st</sup> deadline or the December 1<sup>st</sup> extended deadline, therefore the North Carolina Local Government Commission requires an amended audit contract with a revised time frame be adopted by the units Governing Board.

The Board will continue to be updated once the ABC audit report is received and the Town's audit is able to be finished. Please note all audit work that is related to the Town was complete by the October 31<sup>st</sup> deadline, however, it was unable to be completed and submitted due to the missing ABC information.

Whereas	Primary Government Unit Town of Blowing Rock
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A
and	Auditor Misty D Watson, CPA, PA

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

for	Fiscal Year Ending 06/30/18	and originally due on	Audit Report Due Date 10/31/18
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hereby agree that it is now necessary that the contract be modified as follows.

<input checked="" type="checkbox"/> Modification to due date:  <input type="checkbox"/> Modification to fee:	Original due date 10/31/18	Modified due date 12/31/18
	Original fee	Modified fee

**EXPLANATION OF MODIFIED CONTRACT TERMS**

*Please provide an explanation for the modification of terms. If the amendment is submitted to extend the due date, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years.*

The Town's component unit, The Blowing Rock ABC Board, did not receive an OPEB actuarial study before 11/30/18. The ABC Board expects to issue the audited financial statements in December 2018.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

## SIGNATURE PAGE

## AUDIT FIRM

Audit Firm Misty D Watson, CPA, PA	
Authorized Firm Representative (typed or printed) Misty Watson	Signature
Date 12/02/18	Email Address misty@mistywatsoncpa.com

## GOVERNMENTAL UNIT

Governmental Unit Town of Blowing Rock	
Date Primary Government Unit Governing Board Approved Audit Contract (Ref. G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed)	Signature
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

## GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

**\*ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT\***

*(Pre-audit certificate not required for charter schools or hospitals)*

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

*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.*

Primary Governmental Unit Finance Officer Nicole Norman	Signature
Date of Pre-Audit Certificate	Email Address finance@townofblowingrocknc.gov

**SIGNATURE PAGE – DPCU  
(complete only if applicable)**

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU N/A	
Date DPCU Governing Board Approved Audit Contract (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
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**

**\*ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT\***

*(Pre-audit certificate not required for charter schools or hospitals)*

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

*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.*

DPCU Finance Officer (typed or printed)	Signature
Date of Pre-Audit Certificate	Email Address