

Town of Charlotte, Vermont

Audit Services
For the Years Ended
June 30, 2014, 2015 and 2016

TABLE OF CONTENTS

Letter of Transmittal

Detailed Proposal

1.	Broad outline of services	1
2.	Professional development, independence & license	2
3.	Professional staff assigned to this engagement	3
4.	Similar clients served	4
5.	Proposed fee	5
6.	Peer Review Report	6

Telling & Associates, CPA, PC

Certified Public Accountants
5 Park Street – Middlebury, VT 05753

February 11, 2014

Town of Charlotte
Attn: Dean Bloch, Town Administrator
P.O. Box 119
Charlotte, Vermont 05445

Dear Mr. Bloch,

We appreciate this opportunity to present our proposal to perform audit services for the Town of Charlotte, Vermont for the years ended June 30, 2014, 2015 and 2016.

The enclosed proposal is a firm and irrevocable offer to provide the services which are requested. Tom Telling and Samantha Hillman will be available throughout the term of the contract.

We have substantial experience in auditing municipalities, as the attached detailed proposal will reflect. We believe our fees are competitive when measured against the quality of service we will provide. We believe our reputation is based on our commitment to excellence and outstanding service.

Our first concern is to serve you and to be effective, efficient, and successful at achieving your goals. We measure our own success by the effectiveness in helping you succeed. If there are any questions, please do not hesitate to contact us. If you wish, we will be happy to meet with you to discuss this proposal.

Sincerely,



Thomas Telling, CPA
Telling & Associates, CPA, PC

Broad outline of service to be provided

We will audit the statement of net position of Town of Charlotte, Vermont as of June 30, 2014, 2015 and 2016 and the related statement of activities for the years then ended. The objective of our audits is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audits will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion.

Our procedures will include tests of documentary evidence supporting transactions recorded in the accounts, direct confirmation of receivables and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions.

Service philosophy

We believe in the philosophy "More than the numbers." We do this by working hard to provide the best possible service, at the highest levels of quality, in a cost-effective manner and to offer substantive advice and counsel to help you realize your goals.

We are proud of our reputation for hard work. We use basic audit-related tasks as a springboard to provide you with solid business and financial advice. We consider ourselves to be a source of valuable counsel on other operational issues.

Finally, we recognize the individuality of the clients with whom we work. We are not providing, nor attempting to provide, identical services to everyone. We listen to each client and adjust our services and the manner of its delivery to the desires of the client, rather than expect the client to adjust to us. We find that our services are received more favorably, and used more effectively, when we are viewed as a positive and supportive force. We, not the client, have the primary obligation to see that our contribution is delivered in an independent manner that encourages its optimum use.

Professional development

We are committed to staying abreast of the most recent professional and accounting pronouncements as they relate to, nonprofit audits, town and village audits, school districts, and small businesses.

We maintain our technical proficiency by meeting the continual professional educational requirements related to single audits as set forth by the OMB Circular A-133.

All CPA's and accounting staff, who participate in audits of governmental municipalities, school districts, and non-profit entities receive a minimum of 80 hours of Continuing Professional Education (CPE) every two years of which a minimum of 24 hours is in subjects directly related to Government Auditing Standards..

We have satisfied the 24-hour requirement by attending a variety of Governmental programs.

We receive a minimum 40 hours of governmental and auditing continuing professional education per year.

Independence: We are independent of Town of Charlotte, Vermont as defined by generally accepted auditing standards and the US General Accounting Office's Government Auditing Standards (2011 Revision).

License: We are properly licensed to practice Public Accounting and Governmental Auditing in the State of Vermont.

Insurance: We maintain liability insurance for our work and have had no disciplinary actions within the past three years.

Local contact:	website:	www.telling.info
	Phone:	(802) 388-3311
	Fax:	(802) 419-3739
	E-mail:	tomtelling@telling.info

Professional staff assigned to the engagement:

Thomas Telling, CPA

Tom's experience includes audits of several school districts. Tom is a graduate of the University of Illinois. He maintains his CPA license in New York and Vermont. Tom has been responsible for the audits of many school districts, municipalities, and non-profit organizations.

Tom is a member of the American Institute of CPAs. He is a registered peer reviewer for New York State Peer Review Program and the New England Peer Review Program. Tom currently serves as a volunteer or consultant for local not for profit organizations and is Treasurer of the Middlebury Rotary Club and Assistant Treasurer of the International District. Tom will be responsible for managing and reviewing the fieldwork and the audit.

Samantha Hillman, B.S. Accounting

Sam's experience includes audits of several school districts and municipalities. Sam is a graduate of Castleton State College with a Bachelor of Science degree in business administration with a concentration in accounting. Sam has over five years of government auditing experience and has been in-charge of auditing a variety of governmental entities including towns, school districts, transfer stations, court diversions and landfills. Sam will be responsible for organizing and conducting the field work and audit report preparation.

Ashlie Allen, A.S. Accounting

Ashlie joined our firm in 2011. Ashlie is a graduate of Community College of Vermont with an Associates of Science degree in accounting. Ashlie is anticipating completion of her B.S. in accounting this May 2014 from Champlain College. Ashlie will participate in performing audit field work for Town of Charlotte, Vermont.

Rachel Gosselin, B.A. Accounting

Rachel obtained her Bachelor of Arts in accounting from Flagler College in St. Augustine, Florida. Rachael passed the CPA examination in 2011 and has worked with our firm part time since 2009. She is presently completing her postgraduate degree in accounting through Kaplan University. Rachael may participate in audit field work for Town of Charlotte.

Reference contacts:

We have worked with many governmental districts, which are available to provide comments on our firm's performance:

Town of Cornwall, Vermont
2629 Route 30
Cornwall, VT 05753
Contact: Sue Johnson
Phone: (802) 462-2775

Town of Salisbury, Vermont
128 Schoolhouse Road
Salisbury, VT 05769
Contact: Ann Dittami
Phone: (802) 352-4228

Town of New Haven, Vermont
78 North Street
New Haven, VT 05472
Contact: Barbara Torian
Phone: (802) 453-3516

Town of Middlebury, Vermont
P.O. Box 128
Middlebury, VT 05753
Contact: Jackie Sullivan, Treasurer
Phone: (802) 388-8100 X203

Addison County Solid Waste Management
1223 Route 7 South
Middlebury, VT 05753
Contact: Katie Johnson
Phone: (802) 388-2333

Town of Weybridge, Vermont
1727 Quaker Village Road
Weybridge, VT 05753
Contact: Scott Wales Treasurer
Phone: (802) 545-2450

Town of Lincoln, Vermont
62 Quaker St.
Lincoln, VT 05753
Contact: Lisa Truchon, Treasurer
Phone: (802) 453-2880

Proposed Fee:

Our fee for the annual audit of the Town for the years ending June 30, 2014, 2015 and 2016 will be:

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Assistance with preparation of financial statements			
and the Town's management discussion and analysis	\$ 1,000	1,100	\$ 1,100
Audit in accordance with Government Auditing Standards	<u>11,640</u>	<u>12,000</u>	<u>12,500</u>
Total	<u>\$ 12,640</u>	<u>13,100</u>	<u>\$ 13,600</u>

The preceding proposed fee is an all-inclusive price, which includes all direct and indirect cost including all out-of-pocket expenses. We will not seek reimbursement for travel, lodging, subsistence, or out-of-pocket costs incurred. 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.

The proposed fee is based on our time as follows:

Tom Telling	\$110 hour	24 hours	\$ 2,640
Samantha Hillman	80 hour	80 hours	6,400
Accounting staff support	60 hour	60 hours	3,600

Thank you,



Thomas Telling, CPA
Telling & Associates, CPA PC

F.G. BRIGGS, JR., CPA
PROFESSIONAL ASSOCIATION

*Ninety Eight Salmon Street
Manchester, New Hampshire 03104*

FREDERICK G. BRIGGS, JR., CPA
ABBY T. DAWSON, CPA
DIANE M. RONAN, CPA
AMY B. MAILHOT, CPA

TELEPHONE: 603-668-1340
FAX 603-668-6751
WWW.FGBRIGGSJRCPA.COM

MEMBERS OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
MEMBER FIRM OF AICPA
PRIVATE COMPANIES
PRACTICE SECTION

System Review Report

September 30, 2011

To the Partners of
Telling & Associates, CPA, PA
And the Peer Review Committee of the New England Peer Review, Inc.

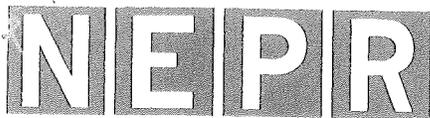
We have reviewed the system of quality control for the accounting and auditing practice of Telling & Associates, CPA, PA (the firm) in effect for the year ended May 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the 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 engagements performed under the *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Telling & Associates, CPA, PA in effect for the year ended May 31, 2011, 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*. Telling & Associates, CPA, PA has received a peer review rating of *pass*.



F.G. BRIGGS, JR., CPA
PROFESSIONAL ASSOCIATION



New England Peer Review



American Institute
of Certified Public
Accountants

Administrator of the AICPA Peer Review Program & New England Peer Review Program in the states of
Maine ▪ New Hampshire ▪ Rhode Island ▪ Vermont

August 21, 2009

Thomas Raymond Telling, CPA
Telling & Associates, CPA, PC
5 Park Street
Star Mill Building
Middlebury, VT 05753

Dear Mr. Telling:

It is my pleasure to notify you that on May 15, 2009 the New England Peer Review Executive Committee accepted the report on the most recent peer review of your firm. The due date for your next review is November 30, 2011. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Ronald S. Bennett
Executive Committee Chairman

cc: Frederick G Briggs Jr, CPA

Firm Number: 4703191

Review Number: 260436

