

6a

ASHLEY HODGES
MAYOR

DORIS WALTON
TOWN MANAGER

GINA M. DURANTE
TOWN CLERK

JOHN LEIDY
TOWN ATTORNEY



COMMISSIONERS:

CONNIE BROTHERS
MAYOR PRO TEM

KEITH ROUSE

SARA WINSLOW

EVAN COPELAND

Text Amendment

Proposal:

To add Fabricated Metal Products as a permitted use in the C-6 Zone.

Rationale:

The proposed text amendment to the C-6 zoning district is intended to clarify permitted uses by expressly allowing fabricated metal production at a larger scale. The current C-6 district language under Manufacturing/Processing does not list fabricated metal production as permitted use. While certain fabrication and light industrial activities are allowed under Commercial Sales / Repairs and Storage, the ordinance is generally interpreted to permit these uses only on a smaller scale. The proposed user, MiTek, will engage in fabricated metal production that exceeds what is typically contemplated under the existing wording of the C-6 district.

MiTek is already zoned C-6 and is suitable for the proposed use based on its location, access, and surrounding development pattern. The proposed operation is consistent with the general intent of the C-6 district, which is to accommodate commercial uses and compatible industrial activities. A text amendment is the most appropriate manner to address this issue, as it provides clarity and consistency in ordinance interpretation without requiring a rezoning of the property.

The amendment will ensure the zoning ordinance accurately reflects the intended range of uses within the C-6 district, supports orderly development, and allows for appropriate economic development while maintaining compatibility with surrounding uses.

Zone C-6 is defined as follows: The purpose of this district is to provide for commercial and industrial facilities within the Perquimans County Commerce Park that businesses related to marine construction, boat building and related trades can be located without negative impact to surrounding properties or adjacent bodies of water.

6c

REQUEST FOR PROPOSALS FEASIBILITY STUDY FOR USE OF RESTORED HISTORIC THEATRE

The Town of Hertford seeks a comprehensive and credible, decision-ready analysis to guide municipal leaders, stakeholders, and the broader community regarding the sustainable use of the restored historic theatre.

RFP Issuance: _____

Deadline for Response: _____

Project Description: The Town of Hertford has purchased and is in the process of rehabilitating the Hertford State Theatre to serve as a regional attraction and foster economic growth in downtown Hertford. The study is intended to evaluate realistic and financially sustainable use for the theatre, address community expectations, inform operational, programming, and governance decisions and support future funding, partnerships, and grant applications

Scope of Work: The study should include a research and marketing component, a stakeholder identification and community engagement component, and an analytical framework. Each component should include objectives which justify the phase, methodology, inputs and data sources and deliverables. The study must be lead by a designated project manager or consultant who 1) has demonstrable experience with feasibility studies, arts facilities, historic theaters, or comparable community-scale projects; 2) is responsible for defining methodology, analytic frameworks, and decision criteria; 3) exercises professional judgment in interpreting data and stakeholder input; and 4) is accountable for the quality, coherence and realism of the final report. The project lead must be clearly defined by name, role and qualifications. Students or interns may support the study, but may not be the primary drivers of analysis, stakeholder identification, or conclusion. Their role should be limited to research support, data collection and organization and drafting materials under close supervision. The project lead retains full responsibility for analysis, synthesis and final recommendations.

Evaluation and Acceptance Criteria

Proposals or responses will be evaluated based on the following criteria:

1. **Responsiveness to Scope** – Degree to which the proposal meets or exceeds all minimum requirements outlined in this document.
2. **Qualifications and Experience** – Demonstrated experience of the project lead with feasibility studies, historic theaters, arts facilities, or comparable municipal projects.
3. **Project Management and Accountability** – Clarity of leadership, governance structure, and responsibility for final deliverables.
4. **Methodological Rigor** – Soundness and appropriateness of proposed methodologies, analytical tools, and engagement strategies.

5. **Practical Applicability** – Likelihood that the study’s findings and recommendations will be actionable and credible for municipal decision-making.
6. **Quality of Deliverables** – Clarity, professionalism, and usefulness of proposed written and presentation materials.

The municipality reserves the right to:

- Request clarification or additional information;
- Reject proposals that do not meet minimum requirements;
- Modify the scope or timeline prior to award; and
- Determine the proposer(s) best qualified to perform the services in the public interest.

Project Timeline: The project shall be completed not later than 14 weeks after the signing of the contract

Questions: Questions regarding the RFP should be directed to Doris Walton, Town Manager at (252) _____ or dwalton@townofhertfordnc.com,

Submission Guidelines: Bids must be received on or before 12 noon on _____, 2026 by e-mail to Doris Walton, Town Manager at dwalton@townofhertfordnc.com

6d

PROPOSED SCHEDULE for
HISTORIC PRESERVATION COMMISSION DISTRICT

- 9/22/25 Present district boundary proposal to Council.
§160D-942(2) & §160D-944(b)(2)
-Seeking a vote to refer it to the NC Dept of Cultural Resources
(through State Historic Preservation Office) for “analysis and
recommendation”
-Seeking a vote to refer it to PZBOA for its review §160D-944(c)
- 9/23/25 Sent to SHPO for comment
- 11/14/25 Received comments.
Revisions made to narrative based on comments
- 1/20/26 Revisions sent to PZBOA
Town of Hertford Zoning Regulations, Article IX, §9-2
- 1/26/26 Ask Council to authorize public hearing in conjunction with HPC
for March 9, 2026 (*I'll be out of Town on February 23rd*)
- 2/2/26 Send public hearing announcement to PQ Weekly for publication
Town of Hertford Zoning Regulations Article IX, § 9-3(a)
- 2/14/26
& 2/21/26 Public hearing notice appears in newspaper

Notices will be mailed to property owners
- 3/9/26 Public Hearing
Zoning Amendment passed by Council

HERTFORD LOCAL HISTORIC PRESERVATION DISTRICT

NARRATIVE STATEMENT OF SIGNIFICANCE

Historical Background

The Hertford Local Historic Preservation District is a segment of the larger Hertford Historic District which is on the National Register of Historic Places. This local district is primarily comprised of the Town of Hertford's commercial core, stretching two blocks north and south along Church Street, and includes businesses, government buildings and a few residences because of their juxtaposition to and visibility from downtown.

The original courthouse, constructed sometime between 1726 and 1730, was replaced in 1825 with the still existing Federal style brick courthouse (128 N Church Street). John Gatling was the contractor for the new building, and the first court session was held in August 1825. In 1823 the Albemarle Lodge of Masons, No. 77 (incorporated in 1821), entered into a unique agreement with the county to assist in construction of the courthouse in exchange for permanent use of a room on the second floor. This partnership established a lasting civic and fraternal association that remains distinctive in North Carolina history.

Laid in Flemish bond, the courthouse's symmetrical five-bay façade is distinguished by a diminutive porch supported by molded brick columns. Dentil rows accent both the porch cornice and pediment, while the central double-door entrance is complemented by a fanlight. During the May 1832 court session, plans were made for building a porch on the courthouse, the first of numerous renovations made to the building through the years. Modifications made in 1892 lengthened the courtroom by obliterating the original apse and shortened the vestibule by repositioning the courtroom partition walls. Rooms were also added behind each wing. During the twentieth century, further additions were made to the rear and both sides. These expansions and improvements are evidence that the

courthouse continues to serve as the governmental hub of Perquimans County, housing the register of deeds, tax office, clerk's office, county manager's office and courtrooms.

Religious and Civic Development

By the late 1820s, Hertford's civic and religious institutions expanded. Prominent planters such as Benjamin S. Skinner organized an Episcopalian congregation, and by 1848 the Holy Trinity Episcopal Church (207 S Church St). was constructed in the Gothic Revival style. This picturesque frame church is dominated by the deep gable-end roof which is supported by side buttresses and corner angle buttresses. Both the narthex and the bell-tower were added in 1894. Alongside the existing Baptist and Methodist congregations, these institutions reinforced Hertford's role as a center of community life.

Commercial Growth and Economic Significance

The first quarter of the twentieth century, and leading up to it, witnessed population growth and the expansion of Hertford's business district along Church Street. Notable examples are

the 1895 W.R. Shannonhouse Building (121-127 N Church Street), the 1905 Hertford Hardware and Supply Store (146 N Church Street), the 1909 Darden' Department Store (109-111 N Church Street), the 1922 Dr. Robert W. Smith Drug Store (101 N Church Street), the 1912 Roses 5-10-25 Cent Store (103-107 N Church Street), the c.1915 Old Hertford Post Office (147 N Church Street), the 1916 Divers Motor Company Building (135 N Church Street) and the 1928 Gregory's 5-10-25 Cent Store (115-119 N Church Street). These businesses along with banks such as the Hertford Banking Company established in 1895 by J. Elmer White and the Farmers National Bank (129 N Church Street), founded in 1916, formed the economic backbone of the county. The opening of the State Theatre in 1937 (144 N Church Street) added cultural vitality, while department stores and hardware

suppliers anchored daily commerce. Together, these institutions made downtown Hertford the economic powerhouse of Perquimans County, serving residents, farmers, and later tourists.

The commercial section of Hertford expanded slightly north of N Church Street during the twentieth century to include parts of W Market Street and W Dobbs Street. Several large two-story brick commercial buildings on the north side of West Market include the 1895 Mills L. Eure Building (110 W Market Street) and the c. 1920 M.H. White/H.C Stokes Building (112-116 W Market Street). The 1936 Dr. Thomas P. Brinn Clinic located at 118 W Market Street is a handsome building with brick siding, a raised brick parapet, and brick jack arch lintels over the windows. Several important commercial buildings located along the south side of W Market Street include the c. 1932 Charles E. Johnson Building (109-111 W Market Street), the c. 1948 D. M. Jackson Building (113-115 West Market Street), and the c. 1948 Hertford Furniture Company Building (117 W Market Street).

Even today, restoration projects such as the State Theatre and renovations of the hardware store and gas station, combined with streetscaping, demonstrate the district's ongoing economic relevance and adaptability.

Architectural Styles and Features

During the first quarter of the twentieth century durable one or two-story brick structures replaced earlier wood buildings. The district's architectural character is defined by a cohesive collection of late 19th- and early 20th-century buildings in Classical Revival and Victorian styles widely used in North Carolina during that era, complemented by Gothic Revival and Federal landmarks. Decorative elements such as corbelled cornices, pilasters, raised parapets, recessed panels and Flemish bond brickwork provide stylistic unity.

The c.1909 Darden Department Store (109-111 N Church Street), with its intact façade, raised parapet, and rusticated pilasters, exemplifies the craftsmanship and design quality of the period. Collectively, these buildings rise to significance as one of the most intact ensembles of small-town commercial architecture in eastern North Carolina, representing both local prosperity and statewide architectural trends, even though there have been some alterations.

Governmental Significance

As the county seat, Hertford's downtown has always been the governmental center of Perquimans County. The courthouse anchors the district, not only as a judicial facility but as the administrative hub where citizens conduct essential business—recording deeds, paying taxes, attending court, and engaging with county officials. The enduring partnership with the Masonic Lodge adds a unique dimension to the courthouse's history, symbolizing collaboration between civic and fraternal institutions. This governmental concentration distinguishes Hertford from some other towns in the region and reinforces its central role in county life.

Integrity Assessment

There have been some storefront alterations. For example, the bricks were bowing out on the Hertford Savings and Loan building (121 North Church Street) and the repair resulted in the large plate glass windows being abandoned and bricked up to create smaller windows. Other buildings like the Gunther Law Office Building (147/149 North Church Street) which was previously the Hertford Post Office were changed from large plate glass windows to adapt to the new usage of the building. The plate-glass display windows at the Hertford Furniture Company Building (117 Market Street) were bricked up to accommodate the privacy desired by the dance studio that currently occupies that space. Alterations of

the first floor storefronts in some cases have changed to accommodate the nature of current businesses and how services are offered with changing times, but the overall design still reflects the original architecture.

Despite these storefront alterations, the Hertford Local Historic Preservation District retains integrity in multiple areas:

- **Design:** The majority of buildings preserve their original massing, brickwork, and stylistic details.
- **Materials:** Durable brick, stone, and wood elements remain intact, conveying authenticity.
- **Association:** The district continues to function as the commercial and governmental hub of Perquimans County.
- **Feeling:** Walking through downtown Hertford conveys the historic character of a small eastern North Carolina county seat.

Alterations have generally been sympathetic, undertaken to secure structural integrity or adapt to modern needs without erasing historic character. Restoration projects such as the State Theatre and ongoing renovations further demonstrate the community's commitment to preserving integrity while embracing change.

Conclusion

The Hertford Local Historic Preservation District embodies the intertwined commercial, governmental, and architectural history of Perquimans County. As the county seat, its courthouse and surrounding businesses anchored civic and economic life for nearly two centuries. Its cohesive collection of Federal, Gothic Revival, Classical Revival, and Victorian buildings rises to significance as one of the most intact small-town commercial districts in eastern North Carolina. With strong integrity of design, materials, association,

and feeling, the district justifies preservation planning and ordinance protection, ensuring Hertford's historic core remains a vital part of the county's identity and future.

6e

ASHLEY HODGES
MAYOR

DORIS WALTON
TOWN MANAGER

GINA M. DURANTE
TOWN CLERK

JOHN LEIDY
TOWN ATTORNEY



COMMISSIONERS:

CONNIE BROTHERS
MAYOR PRO TEM

KEITH ROUSE

SARA WINSLOW

EVAN COPELAND

TOWN OF HERTFORD
Request for Proposal (RFP)
To Provide Audit Services

Responses Due:
February 20, 2026, by 3 pm

Town of Hertford Contact information:

Name: Ashley Eure
Title: Finance Director, Town of Hertford
Address: PO Box 32, Hertford, NC 27944
Phone: 252-377-3426
Email: aeure@townofhertfordnc.com

Request for Proposal

The Town Council of the Town of Hertford, North Carolina (hereinafter called the "town") invites qualified independent auditors (hereinafter called "auditor") having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the Town of Hertford to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the Town of Hertford. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Perquimans County, North Carolina.

Type of Audit

1. The audit shall be performed in accordance with the laws and regulations of the State of North Carolina, which include requirements for the minimum scope of the town's audit. The audit firm shall comply with generally accepted auditing standards as required by the American Institute of Certified Public Accountants and Government Auditing Standards, issued by the Comptroller General of the United States. The audit firm shall apply auditing procedures necessary to render an opinion as to the basic financial statements taken as a whole, in conformance with generally accepted accounting principles.
2. The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission. This includes but is not limited to Governmental Accounting Standards Board statements and Government Auditing Standards. Although some pronouncements will not be in effect until after the first year of the audit, estimates for future years should include pronouncements that will become effective during that contract period. The audit firm will be expected to advise appropriate town staff on the applicability of accounting and reporting standards as they become effective.
3. The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, each major fund and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall express an

opinion on the budgetary comparison information for the General Fund, the major funds and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the Audit report.

4. The audit will also include the following:
 - a. Pre-planning conference with Finance staff in March or April time frame where both the auditor and Finance staff discuss their expectations of the audit.
 - b. Interim audit work prior to June 30th and/or prior to final close.
 - c. Attendance at Board of Commissioners meeting in October for presentation of the financial statements by Manager or Partner of the Audit Staff with comments and potential questions from Council as requested.
5. The audit should encompass all funds and entity-wide activities as reported in the town's Annual Comprehensive Financial Report (ACFR) at June 30, 2026, and any additional funds or entity-wide activities that may be added subsequent to that date.
6. If required, the audit firm will issue a management letter to the Board of Commissioners after completion of the audit and assist management in implementing recommendations, as is practical. town staff also request that an informal letter be addressed to the Finance Director with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Finance Director prior to issuance. The audit firm is encouraged to discuss the content while the management letter is in draft form to ensure that all parties fully understand the circumstances that lead to auditor comments.
7. The town staff may require the auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the town's financial statements. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards and other reporting requirements at June 30 year-end. Cost for providing these services should be included in the auditor's base fee quote and will not be considered extra for additional billings. In cases, however, where services requested would require a more in-depth scope and require work significantly above the original fee quote, such additional fees must be negotiated prior to commencement of work.

Auditor Requirements

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.

A planning meeting will be held each year to determine schedules that the town will be

responsible for preparing. Estimated time frames will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

If the Town of Hertford audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2018 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. **The Auditor must provide a copy of their most recent peer review report with their proposal.**

The town Finance Director will prepare an electronic draft Audit Report by mid-October. The auditor will communicate all recommendations, revisions and suggestions for improvement to the Finance Director. The Finance Director will complete the review of the comments as expeditiously as possible. Once all issues for discussion are resolved and the auditor provides opinions and compliance reports, the Finance Director will deliver the final electronic draft of the audit report to the auditor. The auditor will submit the Audit Report, the Data Input worksheet, the AFIR and the necessary Single Audit information to the Federal Audit Clearinghouse on behalf of the town.

Meeting LGC deadlines is a high priority for the town. Therefore, the Town of Hertford prefers interim fieldwork be completed in early June. Year-end fieldwork should begin by or before mid-August and be completed by late September. While many documents can be shared electronically, the Town expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. **An agreed upon post-closing trial balance must exist by September 30.** The Finance Director will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

The timing of the draft and review should ensure final completion of the Financial Statements by the annual December 31st deadline or no later than the annual grace period of February 1. For every week the audit is late due to no fault of the Town of Hertford, there will be a reduction in the audit fee of \$100.00.

Ten copies of each Audit report, management letter, and other applicable reports must be supplied to the Finance Director within the time frame cited above. In addition, the auditor is responsible for complying with the requirements of the LGC for submitting the audit and all associated documents and forms as required for the year under audit when (or prior to) submitting the final invoice for audit services rendered to the Commission.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the

governing board and forwarded to the staff of the LGC for approval.

Either the manager or partner of the audit staff is required to present and attend the Town Council's meeting in which the Audit report is presented. Required communications to the Council can be delivered at this point, as well as general comments regarding the audit process and the results of the audit. Finance staff will coordinate this presentation and determine the date and time of the meeting, typically held in early December following the audit completion.

Audit Contract: Period & Payment of Audit Fees

The City intends to continue the relationship with the auditor for no less than three years based on annual negotiation after the completion of the first-year contract. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board's approval. The Town of Hertford reserves the right to request proposals at any time following the first year of this contract. It is requested that proposals be prepared for the following years, with year one being the only obligated year:

July 1, 2026 to June 30, 2027

July 1, 2027 to June 30, 2028

July 1, 2028 to June 30, 2029

The required current revision of the form "Contract to Audit Accounts" (form LGC-205) is required to be executed as the contract document; however, the auditor and the Town may also execute an engagement letter and/or a Town contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the Town. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

The LGC only approves invoices for audit related work. Requests for payment related to any additional agreed upon procedures or AFIR work do not require LGC approval. Final invoices for these services will be paid after the final report results and findings have been reviewed and deemed satisfactory by Town staff.

Description of Selection Process

The Town requests that no Town officials be contacted during this proposal process.

Submit questions regarding the RFP in writing via email to aeure@townofhertfordnc.com. Any additional information disclosed to participating audit firms prior to bid submission will be shared with all interested parties

Proposals will be submitted in two sections and must be physically signed by an authorized representative of the Audit firm. The first section will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits. The second section will consist of completed cost estimate sheets. The Finance Director will evaluate the auditor/firm on educational and technical qualifications. The firm best meeting the Town's expectations for experience, audit approach, and cost requirements will be selected.

Please keep in mind that cost, while an important factor will not be a sole determining factor. Unusually low bids that are obviously out of line with other bidders or are significantly lower than our current fees will raise concern. The lowest bid will not automatically be awarded preferential consideration.

The Town reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the City.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid. Firms must be registered with the North Carolina State Board of CPA Examiners.

Section 1 - Profile of the Firm

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the Audit firm's North Carolina office location(s) that will handle the audit.
2. Indicate the number of people (by level) located within the Audit firms local office that will handle the audit.
3. Provide a list of the audit firms' local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.
4. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
5. Describe your audit organization's participation in AICPA sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer

review.

6. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site. Relevant experience and education with the new GASBS reporting requirements should be clearly communicated.
7. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
8. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer, Electric service function).
9. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
10. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
11. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2018 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
13. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
14. Comment on your knowledge of and relationship with the NC Local Government Commission and the University Of North Carolina School Of Government in Chapel Hill.

Section 2 – Audit Approach

Proposals should include completed cost estimate sheets and any other necessary cost information in a separate, sealed envelope marked – "Cost Estimate." The Town will

evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate.

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of automated processes and internal control testing methods.
4. Use of computer audit specialists.
5. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
6. Information that will be contained in the management letter.
7. Assistance expected from the government's staff, if other than outlined in the RFP.
8. Tentative schedule for completing the audit within the specified deadlines of the RFP.
9. Specify costs using the format below for the audit year July 1, 2026, to June 30, 2027. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2026 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a "not-to-exceed" amount.
 - A. Audit firm personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
 - 1) Estimated hours: please categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor's office.
 - 2) Rate per hour.
 - 3) Total cost for each category of personnel and for all personnel costs in total.
 - B. Travel – itemize transportation and other travel costs separately.
 - C. Cost of supplies and materials – itemize.
 - D. Other costs – completely identify and itemize.
 - 1) If applicable, note your method of determining increases in audit costs on a year-to-year basis.

10. Please list any other information the firm may wish to provide.

11. Please include the Summary of Audit Costs Sheet with your proposal.

Time Schedule for Awarding the Contract

RFP Release Date	<i>January 27, 2026</i>
Deadline for RFP Questions *	<i>February 18, 2026 by 5:00 pm</i>
Questions to be Answered No Later Than	<i>February 19, 2026 by 5pm</i>
Deadline for Receipt of Proposals **	<i>February 20, 2026 by 3:00 pm</i> Town of Hertford Attn: Ashley Eure, Finance Director PO Box 32 Hertford, NC 27944
Notice of Recommended Firm	<i>March 10, 2026</i>
Council Approval ***	<i>March 9, 2026</i>

*Any questions should be directed to Ashley Eure, Finance Director, at (252) 377-3426 or aeure@townofhertfordnc.com. Appointments may be scheduled to discuss further any specific matters necessary in preparing your proposal.

** Proposals can either be submitted electronically (email) to aeure@townofhertfordnc.com or on paper by February 20, 2026, by 3:00 pm. Envelopes containing proposals on paper should be clearly identified on the front with the words "RESPONSE TO RFP FOR AUDIT SERVICES".

- Please note your email should include two separate pdf attachments for sections 1 and 2
- Envelopes should include two copies of the bound proposal (clearly separating section 1 and 2) should be delivered to:

Town of Hertford
Attn: Ashley Eure,
PO Box 32
Hertford, NC 27944

*** The Finance Director will review the proposals and make a recommendation to the

Board of Commissioners on March 9, 2026, at which time the contract will be awarded.

Description of the Governmental Entity and Its Accounting System

Reference should be made to the most recent Audit report for a general overview of the Town. A PDF copy of the most recent Audit report is located on the Town's website see below or by emailing aeure@townofhertfordnc.com or from [Recent Audit Reports](#)

Funds

The Town of Hertford maintains the following funds:

Governmental Funds

- General Fund
- Fire Fund
- Water/Sewer Fund
- Electric Fund
- Powell Bill Fund
- Grant Project Funds

Grants, Entitlements, and Shared Revenues

A copy of the Schedule of Federal and State Expenditures and a Summary of Auditor's Results showing the major programs for the year ended June 30, 2025, can be found in the Audit Report located on the Town's website.

Budgets

The City's annual budget is adopted for the General, Fire, Water/Sewer, Electric fund and Powell Bill fund, Multi Year project ordinances are prepared for Grant Project funds.

All budgets are prepared using the modified accrual basis of accounting. All appropriations are made at the departmental level. The Town also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide comparison with actual expenditures.

Accounting Records

The Town maintains all its accounting records at the finance office located at 114 W Grubb

St., Hertford, NC 27944. All accounting journals and subsidiary ledgers are maintained on Black Mountain software.

Assistance Available to Auditor

The Town has designated the Finance Director as a person with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. The Town will make available to the auditor sufficient help to pull and re-file records and prepare necessary confirmations. An electronic version of the trial balance with budgeted amounts will be made available in late August. The following accounting procedures will be completed, and documents prepared by the City's staff no later than September 1.

The books of accounts will be fully balanced.

All subsidiary ledgers will be reconciled to control accounts.

All bank account reconciliations for each month will be completed.

The Town's personnel will prepare the following items:

General

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. General Ledger transaction detail report for each account.
4. A copy of the original budget, all amendments, and the final budget as of June 30, 20xx.
5. A copy of all project ordinances and all amendments for active projects during the audit period.
6. A copy of board policies, including travel policies, investment policies, debt policies, fund balance policies and purchasing policies including how the pre-audit process is performed.
7. Copies of all signed Board meeting minutes.
8. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, letters regarding the financial statements audited and compliance reports for the previous year.

Cash and Investments

1. All bank reconciliations for each month
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

Receivables

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end.
2. Listing of outstanding receivables by account as of the fiscal year end.
3. Listing of outstanding receivables in detail as of the fiscal year end.
4. Schedule of miscellaneous receivables booked as of the fiscal year end.

Other Assets

1. Schedule of insurance coverage.

Capital Assets

1. Listing of all capital assets
2. Printout of all capital asset acquisitions made during the audit year.
3. Printout of all capital asset dispositions made during the audit year.
4. Printout of depreciation expense posted for the audit year.

Current Liabilities

1. Schedule of accounts payable including batch printouts.

Long-Term Debt

1. Computation of vested vacation payable as of the audit date.
2. Debt Schedule for each debt issue and related payments.

Grants

The following will be compiled for each grant:

1. Grant agreement.
2. Grant Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

**Size and Complexity of City
Personnel/Payroll**

Number of employees	<u>20-23</u>
Frequency of payroll	<u>weekly</u>
Number of payroll direct deposit advice monthly	<u>100</u>

Property Tax collected by Perquimans County

Total dollar amount of most recent year's collections	\$ <u>830,154</u>
Total dollar amount of levy	\$ <u>879,963</u>

Purchasing

Number of purchase orders issued (FY 2025)	<u>~50</u>
--	------------

Bank Accounts

Number of bank accounts	<u>2</u>
Number of investment accounts (NC Cash Management Trust Government Portfolio)	<u>1</u>
Average monthly activity in main accounts	\$ <u>750,000 excl cap projects</u>
Number of deposits: Central Depository	<u>daily</u>
Number of checks: Central Depository	<u>75-80</u>

The following financial applications are on the computer system:

General Ledger	Accounts Receivable
Accounts Payable	Cash Receipts
Capital Assets	

SUMMARY OF AUDIT COSTS SHEET

- 1. Base Audit
Includes Personnel costs, travel, and on-site work \$ _____

- 2. Extra Audit Services
\$ _____ Per hour \$ _____

- 3. Other (explain)
_____ \$ _____

- 4. Other (explain)
_____ \$ _____

- TOTAL** \$ _____

FIRM:	Primary Contact:
Address:	Telephone:
	Fax:
	E-mail:
	Date:

PROPOSAL CERTIFICATION

Proposers
Signature _____ **Date** _____

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed):

TITLE:

COMPANY:

ADDRESS:

TELEPHONE:

EMAIL:
