



Town of Bristol

1 South Street
P.O. Box 249
Bristol, VT 05443
(802) 453-2410
www.bristolvt.org

Summary for Selectboard: Changes to Town Audit Contract

Bottom Line

Our audit requirements and costs have increased significantly due to new federal funding levels.

What Changed

- **Cost Increase:** Audit fees increased from \$19,080 to **\$24,080** (+\$5,000)
- **New Requirement:** We now need a "Single Audit" in addition to our regular financial audit
- **Why:** The town received over \$750,000 annually in federal grants/funding. The Pine Street Waterline Replacement Project triggered this

Why This Happened

Federal law requires any organization receiving \$750,000+ in federal funds to undergo a Single Audit. This reflects the town's success in securing federal grants but comes with additional oversight requirements.

Recommendation

Accept the new contract terms as they are federally mandated. The additional \$5,000 cost is unavoidable given our federal funding levels, and the compliance requirements help protect the town from potential federal penalties.

Key Point: This is not optional - it's required by federal law when we accept this level of federal funding.

Future Planning: As we move ahead, we will likely need more single audits in the coming years due to the federally funded projects the Town is undertaking. We should include these costs in future Town budget planning.