

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: April 27, 2026

FROM: Valesa Wells, Finance Director

SUBJECT: Professional Services Contract with Independent Auditors to Audit the Financial Statements of the Town as Required by the Tennessee Code Annotated

INTRODUCTION:

The purpose of this Agenda item is to approve a contract with Watkins Uiberall, PLLC to audit the Town's financial statements for the fiscal year ending June 30, 2026 through June 30, 2028, with the option to renew for two additional years.

BACKGROUND:

The Town of Collierville is required to have an independent audit by a qualified CPA firm to ensure compliance with state statute and generally accepted accounting standards and as a matter of best practice. Such a firm also provides assistance to the Finance Department in preparing the Annual Comprehensive Financial Report (ACFR).

An RFSOQ for audit services was issued in January of 2018 and resulted in Watkins Uiberall being chosen as the Town's independent auditors. Watkins Uiberall has completed eight (8) audits of the Town's end of year financials. The original contract and all allowable renewal options have been exercised and a new contractual agreement is required.

DISCUSSION:

Watkins Uiberall's strong governmental audit experience, the quality of the firm's personnel and their ability to perform the audit, and their assistance in preparing the ACFR in a timely manner have all been evident in the service provided in the past eight audits. Further, the firm has provided invaluable insight and direction as the Town has navigated the implementation of new Governmental Accounting Board Standards (GASB) as they have been released.

Based on the quality of service provided, the Town requested Watkins Uiberall submit a proposal to continue to provide audit services. The firm submitted an engagement agreement for a three-year contract with the option to renew for two additional years.

Audit services would begin with the fiscal year ending June 30, 2026. The attached agreement details the scope of services. Also included is a draft of the contract for audit services in a form required by the State Comptroller. If approved, this contract will be signed electronically on the State's Contract and Report System (CARS) and a copy of the engagement agreement executed by the Town will also be uploaded to the CARS System.

The total proposed audit fee includes the base audit, calculations and reporting related to the Town's Other Post-Employment Benefit (OPEB) plan, and single audits related to federal grant reporting. The proposed fees by fiscal year are as follows and are included as Exhibit A to this board report.

- Fiscal year ending June 30, 2026, is \$83,250 (a 4.7% increase)
- Fiscal year ending June 30, 2027, is \$86,750 (a 4.2% increase)
- Fiscal year ending June 30, 2028, is \$90,250 (a 4.0% increase)
- Renewal 1 if approved: Fiscal year ending June 30, 2029, is \$94,250 (a 4.4% increase)
- Renewal 2 if approved: Fiscal year ending June 30, 2030, is \$98,400 (a 4.4% increase)

The proposed contract includes details of the services to be provided and is attached as Exhibit B.

BUDGET IMPACT:

If approved, the Fiscal Year 2026-2027 budget will reflect the proposed fee of \$83,250.

ATTACHMENTS:

[Exhibit A - Watkins Uiberall Audit Proposal.pdf](#)

[Exhibit B - Watkins Uiberall Audit Contract.pdf](#)

PROPOSED MOTION:

To approve a three-year contract with Watkins Uiberall, PLLC to audit the Town’s financial statements for the fiscal years ending June 30, 2026 through June 30, 2028, with the option to renew for two additional years upon Board approval.

Board Action: Motion By _____ Seconded By _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						