STEDMAN BOARD OF COMMISSIONERS MEETING
AGENDA

MAY 7, 2026 @ 7:00 P.M.
REGULAR MEETING
STEDMAN TOWN HALL
5110 Front Street, Stedman, NC

1. **CALL TO ORDER**

2. **INVOCATION & PLEDGE OF ALLEGIANCE**

3. **ADOPTION OF AGENDA –*Addition or Deletion***

   (All additions, add to New Business, requires majority vote of Board to consider)

   POTENTIAL ACTION: Motion to adopt the agenda

4. **CONSENT AGENDA-**

   Items on the consent agenda are considered routine or have been thoroughly discussed previously. A member of the Board of Commissioners may request that an item be removed from the consent agenda for further discussion under New Business or at a later time.

   a.) Approval of April 2, 2026 – Regular Meeting Minutes
   b.) Approval of April 2, 2026 - Closed Session Minutes
   c.) Approval of April 13, 2026- Special Meeting Minutes
   d.) Approval of April 13, 2026 – Closed Session Minutes
   e.) Approval of April 20, 2026 – Budget Workshop Minutes
   f.) Approval of April 27, 2026 – Budget Workshop Minutes

   POTENTIAL ACTION: Motion to adopt the Consent Agenda as presented or as amended

5. **PRESENTATIONS –None**

6. **PUBLIC HEARING – REZONING REQUEST CASE #ZON-26-0018**

   DESCRIPTION: Rezoning request for R10 Residential District and C(P) Planned Commercial District to R10 Residential District and C(P) Planned Commercial District for adjustment of the zoning district boundary lines for approximately .61 acres of two parcels containing approximately 5.17 acres (see map).

   APPLICANT: Will Marsh/Marsh Investment Group, LLC
   PROCEDURE: -PLANNING DEPARTMENT PRESENTATION
   -APPLICANT PRESENTATION
   -PUBLIC TESTIMONY
   -CLOSE PUBLIC HEARING

ACTION REQUESTED: Motion to approve Rezoning Case #/ZON-26-0018 request to rezone the boundary lines for .61 acres from R10 Residential to C(P) Planned Commercial District to R10 Residential to C(P) Planned Commercial District between two parcels. The request is consistent with the Stedman Area Land Use Plan which calls for "Commercial" at this location. The request is reasonable and in the public interest as it is compatible to and in harmony with the surrounding land use activities and zoning.

7. **PUBLIC COMMENT**

Each speaker is asked to limit comments to 3 minutes and the total comment period will be 15 minutes or less. Anyone desiring to speak must sign up with the Town Clerk by 6:55 p.m. The Board will not take action on an item that is presented during the Public Forum.

8. **OLD BUSINESS –**

a.) Approve Ordinance to Regulate the Extension of Municipal Water and Sewer Lines Within the Town of Stedman, North Carolina

POTENTIAL ACTION: Motion to approve ordinance to regulate the extension of municipal water and sewer lines with the Town of Stedman.

b.) Voluntary Non-Contiguous Annexation (Satellite) Application for Autry Road property. (PIN#1405081491000) Town Clerk will share findings.

POTENTIAL ACTION: Motion to approve Resolution 2026-10 to set public hearing on the question of the satellite annexation pursuant to G.S.160A-58.2 on Thursday, May 21,2026 PIN#1405081491000, Autry Road property.

9. **NEW BUSINESS –**

a.) Approve to Send Two Art Contest Drawings to Mosca for Manufacturing New Christmas Displays for the Park.

POTENTIAL ACTION: Motion to grant the Town Administrator permission to submit the drawings to Mosca, Inc. for manufacturing new Christmas displays for the park.

b.) Set Public Hearing Date of May 21, 2026 at 6 pm for the 2026/2027 Budget

POTENTIAL ACTION: Motion to approve the public hearing date of May 21, 2026 at 6 pm for the discussion and approval of the 2026/2027 Budget

c.) Discuss Revised Fee Schedule

POTENTIAL ACTION: Motion to approve the revised fee schedule for the 2026/2027 budget year.

d.) Approve Audit Contract with Thompson, Price, Scott, Adams & CO, P.A. for the 2026 Fiscal Year

POTENTIAL ACTION: Motion to approve audit contract with Thompson, Price, Scott, Adams & CO, P.A. for the 2026 Fiscal Year

12. STAFF REPORTS/BOARD OF COMMISSIONERS

a. Town Clerk Report
b. Chief of Police Report
c. Stedman Fire Department-
d. Code Enforcement Report-see report
e. Planners Report
f. Mayor & Board of Commissioners

13. CLOSED SESSION- G.S. 143-318.11 Discuss operation and maintenance contract draft with attorney.

14. ADJOURNMENT

MINUTES OF THE TOWN OF STEDMAN BOARD OF COMMISSIONERS
May 7, 2026 ----- 7:00PM
REGULAR MEETING

MEMBERS PRESENT
Mayor Martin L. Jones, Jr., Commissioner Wood, Commissioner Vogt, Commissioner Horne, Commissioner Lee and Commissioner Cain

STAFF PRESENT
Connie Veeder/Town Clerk, Whitney Barlow, Samantha Scudder, Police Chief Jackson, and Attorney Donald Hudson

INVOCATION AND PLEDGE OF ALLEGIANCE
Mayor Jones led the invocation and Pledge of Allegiance.

ADOPTION OF AGENDA
Commissioner Wood made a motion to approve the agenda and Commissioner Vogt seconded the motion. The motion passed unanimously.

CONSENT AGENDA

a.) Approval of April 2, 2026 – Regular Meeting Minutes
b.) Approval of April 2, 2026 - Closed Session Minutes
c.) Approval of April 13, 2026- Special Meeting Minutes
d.) Approval of April 13, 2026 – Closed Session Minutes
e.) Approval of April 20, 2026 – Budget Workshop Minutes
f.) Approval of April 27, 2026 – Budget Workshop Minutes

Commissioner Cain made a motion to adopt the Consent Agenda as presented above and Commissioner Vogt seconded the motion. Motion passed unanimously.

PRESENTATIONS- None

PUBLIC HEARING- REZONING REQUEST CASE #ZON-26-0018

DESCRIPTION: Rezoning request for R10 Residential District and C(P) Planned Commercial District to R10 Residential District and C(P) Planned Commercial District for adjustment of the zoning district boundary lines for approximately .61 acres of two parcels containing approximately 5.17 acres (see map).

APPLICANT: Will Marsh/Marsh Investment Group, LLC
PROCEDURE: PLANNING DEPARTMENT PRESENTATION

The Cumberland County Planning Board presented all the facts of the rezoning case. There was no public discussion in the zoning matter.

Commissioner Wood made the motion to approve Rezoning Case #/ZON-26-0018 request to rezone the boundary lines for .61 acres from R10 Residential to C(P) Planned Commercial District to R10 Residential to C(P) Planned Commercial District between two parcels. The request is consistent with the Stedman Area Land Use Plan which calls for "Commercial" at this location. The request is reasonable and in the public interest as it is compatible to and in harmony with the surrounding land use activities and zoning. Commissioner Cain seconded the motion. The motion passed.

PUBLIC COMMENT- None

OLD BUSINESS-

a.) Approve Ordinance to Regulate the Extension of Municipal Water and Sewer Lines Within the Town of Stedman, North Carolina

Commissioner Lee made the motion to approve ordinance to regulate the extension of municipal water and sewer lines with the Town of Stedman. Commissioner Vogt seconded the motion. The motion passed.

b.) Voluntary Non-Contiguous Annexation (Satellite) Application for Autry Road property. (PIN#1405081491000) Town Clerk will share findings.

The town clerk shared that the property is within 3 miles of the town city limits, the property is not contiguous to the town limits, and all town services can be provided to the property except for the sewer. The property is more than 500 feet from the existing sewer lines of the town. The town clerk asked to set a date for a public hearing on Thursday, May 21, 2026 by resolution to hear citizen's concerns about the voluntary satellite annexation.

Commissioner Lee made a motion to approve Resolution 2026-10 to set public hearing on the question of the satellite annexation pursuant to G.S.160A-58.2 on Thursday, May 21,2026 PIN#1405081491000, Autry Road property. Commissioner Wood seconded the motion. The motion passed.

NEW BUSINESS-

a.) Approve to Send Two Art Contest Drawings to Mosca for Manufacturing New Christmas Displays for the Park.

Two drawings were shared with the board to view. These drawings were selected by the art teacher at the local schools in Stedman as the top two drawings for the Christmas displays this year. The town administrator asked for approval to send the drawings into Mosca Designs, the vendor who manufactures the displays.

Commissioner Wood made the motion to grant the Town Administrator permission to submit the drawings to Mosca, Inc. for manufacturing new

Christmas displays for the park. Commissioner Vogt seconded the motion. The motion passed.

b.) Set Public Hearing Date of May 21, 2026 at 6 pm for the 2026/2027 Budget
Commissioner Wood made the motion to approve the public hearing date of May 21, 2026 at 6 pm for the discussion and approval of the 2026/2027 Budget. Commissioner Cain seconded the motion. The motion passed.

c.) Discuss Revised Fee Schedule

A revised fee schedule for the 26/27 budget year was provided to the board to review. Commissioner Lee made a motion to approve the revised fee schedule for the 2026-2027 budget year. Commissioner Wood seconded the motion. The motion passed.

d.) Approve Audit Contract with Thompson, Price, Scott, Adams & CO, P.A. for the 2026 Fiscal Year
Commissioner Lee made the motion to approve the audit contract with Thompson, Price, Scott, Adams & CO, P.A. for the 2026 Fiscal Year. Commissioner Wood seconded the motion. The motion passed.

STAFF REPORTS/BOARD OF COMMISSIONERS

a.) Town Clerk's Report-
- The clerk reported that the Town Hall will be closed Monday, May 25, 2026 in observance of Memorial Day.
- The lead and copper inventory has been completed.
- March 16th is Party in the Park from 10 am – 10 pm
- Town Administrator met with Superior Utilities and Consulting, LLC. The meeting was for seeking out vendors to use for O & M services for the town to help save in cost of getting utility work completed.
- Two certified letters have been mailed stating that the resident has 60 days to pay before the town files liens on the property for unpaid charges.

b.) Chief of Police Report –
Chief Jackson was in attendance and gave the following report: For the month of April the department had a total of 5 felony arrests,7 misdemeanor arrests 21 citations, and 14 reports. The department has received a $3000 grant for rifle arm plates.

c.) Stedman Fire Department-
- Brandon Walker was in attendance and provided the following report:
He reported a total of 60 calls total, 24 medical calls, 20 fire calls. The burn band has just been lifted for the area. Most of the fire calls were due to people burning during the burn band.

d.) Code Enforcement Report- None

e.) Planners Report- None

f.) Mayor & Board of Commissioners Report –

- Mayor Jones reported about the National Day of Prayer. It was held at the Pentecostal Holiness Church dur to rain. There were a lot of people there and was enjoyed by all. He also participated in the Leaders Are Readers Program with the local primary school. The town continues to work with Meyer's Engineering concerning the PWC issues with billing.

- Commissioner Wood shared the success of opening day for baseball. The police and fire departments both helped. There were 25 teams represented in the parade. The county helped get the fields ready for the season and being able to use the vacant lot on Clinton Road helped with parking.

Mayor Jones also stated that he and the board need to actively search for an entertainment venue to host future events due to all the developments and people coming to the area.

CLOSED SESSION- pursuant N.C.G.S 143-318.11 to discuss legal matters with attorney

- Commissioner Wood made a motion to enter closed session at 7:29 p.m. pursuant to N.C.G.S. §§143-318.11 and 11(a)(3) to consult with the Town Attorney regarding legal advice on a contract and controversial development plans. Commissioner Vogt seconded the motion. The motion passed unanimously.
- Commissioner Lee made a motion to return to open session at 8:17 p.m. Commissioner Wood seconded the motion. The motion passed unanimously.

ADJOURNMENT

A motion was made by Commissioner Horne and seconded by Commissioner Lee to adjourn the May 7, 2026 meeting at 8:18 p.m.

MINUTES OF THE TOWN OF STEDMAN BOARD OF COMMISSIONERS
April 13, 2026 —— 6:30PM
SPECIAL MEETING

MEMBERS PRESENT

Commissioner Wood, Commissioner Vogt, Commissioner Horne, Commissioner Cain and Commissioner Lee

STAFF PRESENT

Connie Veeder/Town Clerk, Whitney Barlow/Deputy Clerk

CALL TO ORDER

Mayor Pro -Tem Louis Wood called the meeting to order at 6:30 p.m.

INVOCATION & PLEDGE OF ALLEGIANCE

The invocation and Pledge of Allegiance were led by Mayor Pro-Tem Wood.

ADOPTION OF AGENDA

Commissioner Cain made a motion to adopt the agenda. Commissioner Vogt seconded the motion. The motion passed unanimously.

APPROVAL OF RESOLUTION 2026-09 FOR AN ASSET INVENTORY ASSESSMENT STUDY FUNDING APPLICATION

Commissioner Lee made a motion to approve Resolution 2026-09. Commissioner Vogt seconded the motion. The motion passed unanimously.

CLOSED SESSION – N.C.G.S. 143-318.11(a)(1) & (6)

Commissioner Vogt made a motion to enter closed session. Commissioner Cain seconded the motion. The motion passed unanimously. The Board entered closed session at approximately 6:32 p.m.

Topics discussed in closed session included:

- Utility Billing Specialist Replacement

- Potential O&M Contract between the Town and Cumberland County

RETURN TO OPEN SESSION

Commissioner Lee made a motion to return to open session. Commissioner Vogt seconded the motion. The motion passed unanimously. The Board returned to open session at approximately 6:50 p.m.

ACTIONS FOLLOWING CLOSED SESSION

Utility Billing Specialist Position:

Commissioner Cain made a motion to approve the proposed candidate, Samantha Scudder and to pay at a rate of $16.50 per hour for the Utility Billing Specialist position. Commissioner Vogt seconded the motion. The motion passed unanimously.

O&M Contract Discussion:

Commissioner Lee made a motion to move forward with discussions regarding the O&M contract between the Town and Cumberland County. Commissioner Cain seconded the motion. The motion passed unanimously.

ADJOURNMENT

Commissioner Horne made a motion to adjourn. Commissioner Lee seconded the motion. The motion passed unanimously. The meeting adjourned at 6:51 p.m.

MINUTES OF THE TOWN OF STEDMAN BOARD OF COMMISSIONERS
April 20, 2026 — 6:00PM
SPECIAL MEETING

MEMBERS PRESENT
Mayor Martin L. Jones, Jr., Commissioner Wood, Commissioner Vogt, Commissioner Horne, Commissioner Lee and Commissioner Cain

STAFF PRESENT
Connie Veeder/Town Clerk, Whitney Barlow/Deputy Clerk, Police Chief, and Attorney Donald Hudson

INVOCATION AND PLEDGE OF ALLEGIANCE
Mayor Jones led the invocation and Pledge of Allegiance.

PURPOSE
The purpose of the Special Meeting was to discuss satellite annexation with the Town Attorney and developer from 6:00 p.m. to 6:30 p.m., followed by the 2026–2027 Budget Workshop, as presented to the Board.

SATELLITE ANNEXATION DISCUSSION
The Board held a discussion regarding satellite annexation with the Town Attorney and developer. Discussion included concerns related to the distance of sewer service, estimated at over 2,800 linear feet from Autry Road, and the developer's request to exclude sewer service and utilize septic systems.

Following discussion, action was taken by the Board.

SATELLITE ANNEXATION ORDINANCE
Commissioner Lee made a motion to adopt Satellite Annexation Ordinance. Commissioner Vogt seconded the motion. Motion was passed unanimously.

2026-2027 BUDGET WORKSHOP
The Board conducted the 2026–2027 Budget Workshop. Discussion included projected revenues, projected expenditures, and departmental budget needs. No formal action was taken during the workshop.

ADJOURNMENT
Commissioner Horne made a motion to adjourn the meeting at 8:02 P.M. Commissioner Lee seconded the motion. Motion was passed unanimously.

MINUTES OF THE TOWN OF STEDMAN BOARD OF COMMISSIONERS
April 27, 2026 ----- 6:00PM
SPECIAL MEETING

MEMBERS PRESENT
Mayor Martin L. Jones, Jr., Commissioner Wood, Commissioner Vogt, Commissioner Horne, Commissioner Lee and Commissioner Cain

STAFF PRESENT
Connie Veeder/Town Clerk

INVOCATION AND PLEDGE OF ALLEGIANCE
Mayor Jones led the invocation and Pledge of Allegiance.

PURPOSE
The purpose of the Special Meeting was to continue the discussion of the 2026/2027 budget, as presented to the Board.

The Board conducted the final meeting for the 2026–2027 Budget Workshop. Discussion included projected revenues, projected expenditures, and departmental budget needs. No formal action was taken during the workshop. The board instructed the Town Administrator to compile the calculations for the budget and a potential public hearing with approval of the budget on May 21st. Public approval will be made at the May 7th BOC meeting.

ADJOURNMENT
Commissioner Horne made a motion to adjourn the meeting at 7:50 P.M. Commissioner Vogt seconded the motion. Motion was passed unanimously.

PLANNING STAFF REPORT
REZONING CASE # ZON-26-0018
Planning Board Meeting: Apr. 21, 2026
Location: North of Clinton Road and 300 feet East of Bainbridge Road
Jurisdiction: Town of Stedmen

CUMBERLAND COUNTY
NORTH CAROLINA
PLANNING & INSPECTIONS

REQUEST	**Rezoning R10 and C(P) to R10 and C(P)**

Applicant requests an adjustment of the zoning district boundary lines from R10 Residential District and C(P) Planned Commercial District to R10 Residential District and C(P) Planned Commercial District for approximately 0.61 acres of two parcels containing approximately 5.17 acres located to the north of Clinton Rd and 300 feet east of Bainbridge Rd, as shown on Exhibit "A". The intent of the zoning district boundary line adjustment is for a residential subdivision development within the R10 zoned portion of the site and a commercial development within the C(P) zoned portion. Approximately 25,000 square feet of R10 Residential District is to be rezoned to C(P) Planned Commercial District, and approximately 1800 square feet of C(P) Planned Commercial District is to be rezoned to R10 Residential District. The proposed zoning district boundary line adjustment is illustrated on a map appearing in the attachments.

PROPERTY INFORMATION

OWNER/APPLICANT: Marsh Investment Group, LLC (Owner/Applicant).

ADDRESS/LOCATION: Located on north side of Clinton Rd and 300 feet east of Bainbridge Rd. Refer to Exhibit "A", Location and Zoning Map. REID numbers: 0496202125000 & 0496204037000.

SIZE: The two (2) parcels contain a total of approximately 5.17 acres. The western parcel contains approximately 2.70 acres, and the eastern parcel contains approximately 2.47 acres. Road frontage along Clinton Rd for both contiguous parcels totals to 100 linear feet. The property is approximately 611 feet in length at its deepest point.

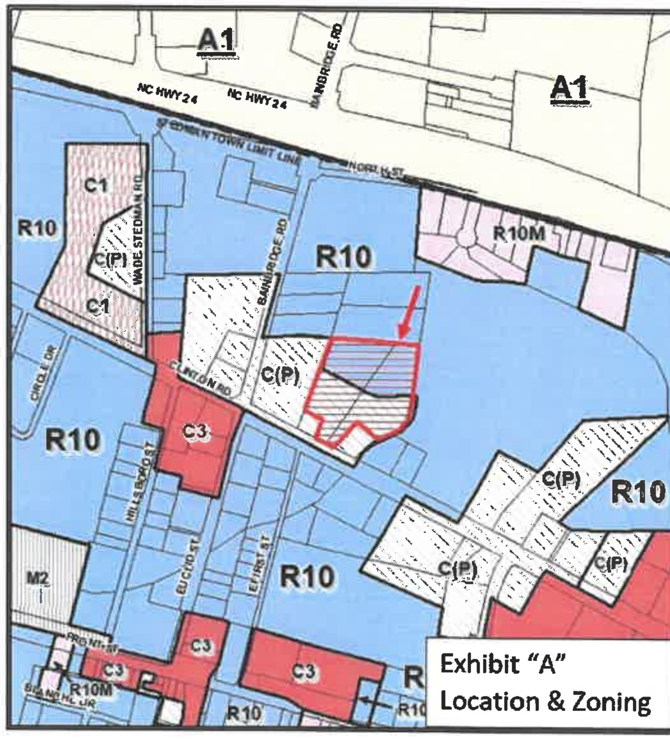


Exhibit "A"
Location & Zoning

EXISTING ZONING: The subject properties are currently split zoned R10 Residential District and C(P) Planned Commercial District. R10 Residential District is a district designed primarily for single family dwellings on medium sized lots with a lot area of 10,000 square feet or above.

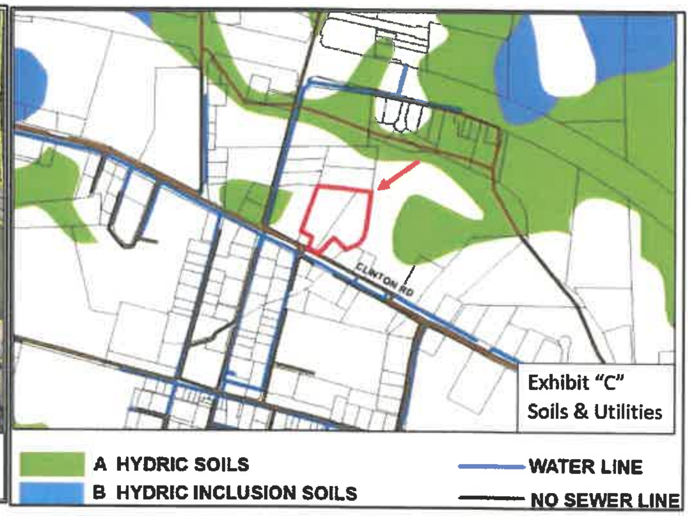
The intent of the C(P) Planned Commercial district is to assure the grouping of buildings on a parcel of land as to constitute a harmonious, efficient and convenient retail shopping area. To promote the essential design features within this district, plan approval is required. Any site plan shall assure traffic safety and the harmonious and beneficial relations between the commercial area and contiguous land.

EXISTING LAND USE: The western property contains wooded land with some cleared land closer to Clinton Rd. The eastern property contains an office building.

SURROUNDING LAND USE: Exhibit "B" illustrates the following:

- **North:** Wooded lands
- **East:** Post office, single-family homes, farmlands, and commercial
- **West:** Wooded lands and commercial
- **South:** Single-family homes, Church, and Stedman Primary School

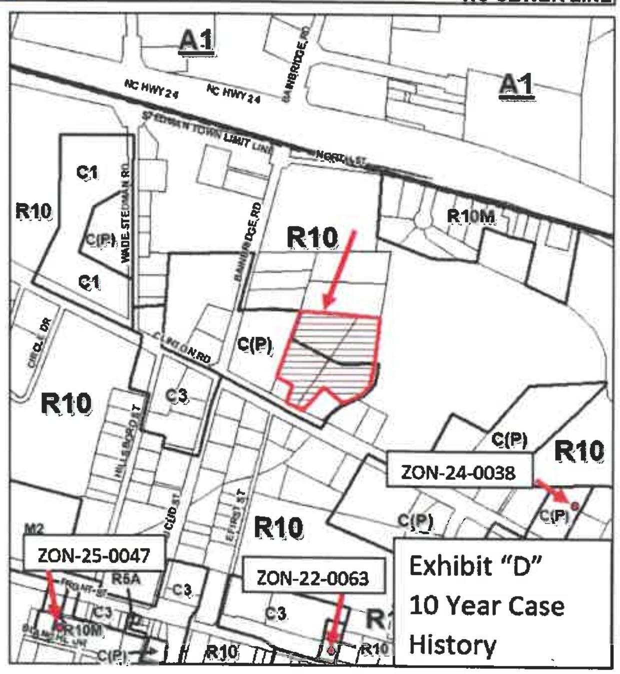
OTHER SITE CHARACTERISTICS: The site is not located in a Watershed Protection Area or within a Flood Zone Hazard Area. The subject property, as delineated in Exhibit "C", illustrates no presence of hydric or hydric inclusion soils at the property.



TEN YEAR ZONE CASE HISTORY:

Exhibit "D" denotes the following rezoning cases within the past ten years near the subject property:

- ZON-25-0047: R10 to R10M; approved by Town of Stedman
- ZON-24-0038: R10 to C(P); approved by Town of Stedman
- ZON-22-0063: C3 to R10; approved by Town of Stedman



DEVELOPMENT REVIEW: Prior to commencement of any new subdivision or commercial development, a preliminary plan or site plan must be submitted to the Current Planning Division for consistency review, and approval by the Town of Stedman for compliance with their Subdivision and Zoning Ordinances prior to development activity.

DIMENSIONAL PROVISIONS FOR REQUESTED DISTRICT:

Minimum Standard	R10 (Existing and Proposed Zoning)	C(P) (Existing and Proposed Zoning)
Front Yard Setback	30 feet	50 feet
Side Yard Setback	10 feet	30 feet
Rear Yard Setback	35 feet	30 feet
Lot Area	10,000 sq. ft.	2 Acres (Net)
Lot Width	75'	N/A

DEVELOPMENT POTENTIAL:

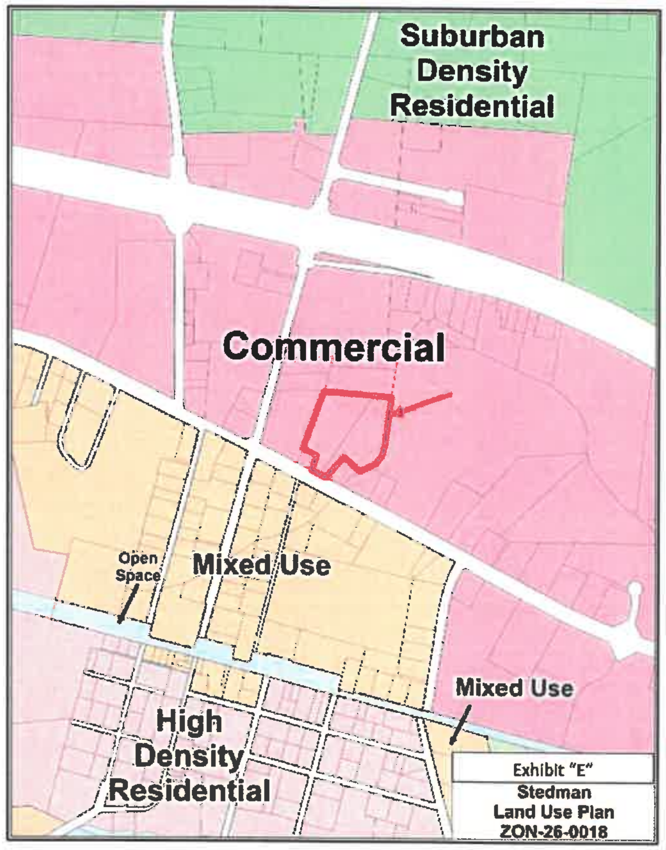
Existing Zoning Boundaries (R10)	Proposed Zoning Boundaries (R10)	Existing Zoning Boundaries (C(P))	Proposed Zoning Boundaries (C(P))
11 dwelling units	9 dwelling units	0 dwelling units	0 dwelling units

- Lot count may be rounded up when a fraction occurs. When any requirement of this ordinance results in a fraction of a unit, a fraction of one-half or more shall be considered a whole unit, and a fraction of less than one-half shall be disregarded.

COMPREHENSIVE PLANS:

This property is located in the Stedman Area Land Use Plan (2020), as shown in Exhibit "E". The future land use classification of the property is "Commercial". The associated zoning districts for Commercial are C1 and C(P).

The proposed rezoning request is consistent with the adopted land use plan.



Future Land Use Classification Development Goals Notes and Objectives:

- "Facilitate quality, attractive, well designed commercial development with supporting infrastructure that will help to create a sense of place, supports the needs of the community and enhances economic opportunity for area residents" (Stedman Area Land Use Plan 2020, p. 58).
- "Utilize office, institutional, low intensity commercial and high-density residential development as a transition between intense commercial development and residential areas" (Stedman Area Land Use Plan 2020, p. 58).
- The proposed rezoning request meets the following location criteria: "Public water and sewer is required; Direct access to a collector street is preferred; Should not be in a predominately residential area; Must be located on a sufficient site that provides adequate area for buffering, screening, and landscaping" (Stedman Area Land Use Plan 2020, p. 48).

IMPACTS ON LOCAL INFRASTRUCTURE AND/OR FACILITIES

UTILITIES: Water and sewer lines are available near the subject property and provided by the Town of Stedman. It is the applicant's responsibility to determine if this utility provider will serve their development. Water and sewer lines are shown on Exhibit "C".

TRANSPORTATION: Clinton Road is classified as a "Major Collector" road per NCDOT's Road Classification System. According to the Fayetteville Area Metropolitan Planning Organization (FAMPO), Clinton Rd is located outside of FAMPO boundaries. Average daily traffic count information was not available for this road at the time this report was completed.

SCHOOLS CAPACITY/ENROLLMENT: This information was not available from Cumberland County Schools at the time this report was submitted for publication.

ECONOMIC DEVELOPMENT: Fayetteville Cumberland County Economic Development Corporation has reviewed the request and had no objection to the proposed rezoning.

EMERGENCY SERVICES: Cumberland County Fire Marshal's office has reviewed the request and has no objections to the proposed rezoning.

SPECIAL DISTRICTS/OVERLAY DISTRICTS: The subject property is not located within any special district or overlay district.

Special Districts			
Fayetteville Regional Airport Overlay:	n/a	Averasboro Battlefield Corridor:	n/a
Five Mile Distance of Fort Bragg:	n/a	Eastover Commercial Core Overlay District:	n/a
Voluntary Agricultural District (VAD):	n/a	Spring Lake Main Street Overlay District:	n/a
VAD Half Mile Buffer:	n/a	Coliseum Tourism Overlay District	n/a

CONDITIONS OF APPROVAL: This is a conventional zoning. There are no conditions proposed at this time.

STAFF RECOMMENDATION

In Case ZON-26-0018, Planning and Inspections staff **recommends approval** of the rezoning request from R10 Residential District and C(P) Planned Commercial District to R10 Residential District and C(P) Planned Commercial District. Staff finds that the request is consistent with the Stedman Area Land Use Plan which calls for "Commercial" at this location. Staff also finds that the request is reasonable and in the public interest as it is compatible to and in harmony with the surrounding land use activities and zoning.

Attachments:
Notification Mailing List
Application
Proposed Zoning District Boundary Adjustment Map

ATTACHMENT – MAILING LIST

AUTRY, JAMES SAMUEL; AUTRY, MELANIE GAY; MCCULLEN, MARY A 6638 MAXWELL RD STEDMAN, NC 28391	BASS, GLENN W SR; BASS, VALLIE 2845 LITTLE DR FAYETTEVILLE, NC 28314	BLACKBURN, MICHAELSHANE; BLACKBURN, KELLY; BLACKBURN, SANDRA W 138 E FIRST ST STEDMAN, NC 28391
CAROLINA SUN INVESTMENTS LLC PO BOX 205 FAYETTEVILLE, NC 28302	COKESBURY METHODIST CHURCH OF STEDMAN INC PO BOX 280 STEDMAN, NC 28391	CRUMPLER, RICHARD M 7508 CLINTON ROAD STEDMAN, NC 28391
CUMBERLAND COUNTY BD OF ED PO BOX 2357 FAYETTEVILLE, NC 28302	DANALI PROPERTIES LLC 517 ROB RD STEDMAN, NC 28391	DEVANE, DANIEL H; DEVANE, ALICE S 1504 CANE CREEK DR GARNER, NC 27529
FIRST CITIZENS BK & TRUST CO PO BOX 27131 RALEIGH, NC 27611	GAINEY, CHARLES R. JR.; GAINEY, GAIL K. 402 INVERNESS RD CLINTON, NC 28328	GOINS, LINDA P 455 CARRIAGE CT ALPHARETTA, GA 30022
GROSSKOPF, SAMANTHA M; GROSSKOPF, MATHEW W 1407 GENERAL LEE AVE FAYETTEVILLE, NC 28305	INDOOR WAREHOUSE STORAGE LLC; BEARSKIN HOLDINGS, LLC PO BOX 715 HOPE MILLS, NC 28348	MALDONADO, DAVID; MALDONADO, BRANDY 126 E FIRST ST STEDMAN, NC 28391
MARSH INVESTMENT GROUP LLC 5624 TOBY PLACE RD STEDMAN, NC 28391	MCCULLEN, MARY A PO BOX 243 STEDMAN, NC 28391	MML & ASSOCIATES LLC 10 CARLIE C'S DR DUNN, NC 28334
PALMER, NELLIE EARLE STRICKLAND; TAYLOR, RETTA STRICKLAND; GILLIS, ELAINE SURLES; HILL, RHONDA SURLES PO BOX 293 STEDMAN, NC 28391	PEREZ, EDGAR ALEJANDRO; PEREZ, VANESSA 6790 NORTH STREET STEDMAN, NC 28391	RUSH, JOSEPH W JR; RUSH, WINIF PO BOX 58 STEDMAN, NC 28391
SANDY CREEK LAND COMPANY LLC PO BOX 616 STEDMAN, NC 28391	SHUFFIELD, JAMES DALE TRUSTEE; SHUFFIELD, LAURA HALLISEY TRUSTEE 2601 COLGATE DR FAYETTEVILLE, NC 28304	SIMMONS, VETONA; SPELL, CHARLIE IV 6223 MOUNT MORIAH RD EXT MEMPHIS, TN 38115
SMITH, PATRICK SMITH, GENA 137 E FIRST ST STEDMAN, NC 28391	SPELL, CHARLIE III 6223 MOUNT MORIAH RD EXT MEMPHIS, TN 38115	SPELL, TIMMIE JR; KIM, . 14200 HARDY TAVERN DR ACCOKEEK, MD 20607
TOWN OF STEDMAN P O BOX 220 STEDMAN, NC 28391	WHITLOW, MYRON C; WHITLOW, BRENDA K 131 EUCLID ST STEDMAN, NC 28391	

ATTACHMENT: APPLICATION

Town *of* Stedman

Planning & Inspections Department

CASE #: ZON-26-0018

PLANNING BOARD MEETING DATE: ____________

DATE APPLICATION SUBMITTED: ____________

RECEIPT #: ____________

RECEIVED BY: ____________

Application for
REZONING REQUEST
TOWN OF STEDMAN

The following items are to be submitted with the completed application:

1. A copy of the *recorded* deed and/or plat;
2. If a portion(s) of the property is being considered for rezoning, an accurate written legal description of only the area to be considered; and
3. A check made payable to "Cumberland County" in the amount of $ 250 ____________. (See attached Fee Schedule).

Rezoning Procedure:

1. Completed application submitted by the applicant.
2. Notification to surrounding property owners.
3. Planning Board public hearing.
4. Re-notification of interested parties / public hearing advertisement in the newspaper.
5. Town of Stedman Board of Commissioners' public hearing (approximately four weeks after Planning Board public hearing)
6. If approved by the Board of Commissioners, rezoning becomes effective immediately.

The County Planning Staff will advise on zoning options, inform applicants of development requirement and answer questions regarding the application and rezoning process. For further questions, call (910)678-7603 or (910)678-7609. Hours of operation are 8:00 a.m. to 5:00 p.m., Monday through Friday.

NOTE: Any revisions, inaccuracies or errors to the application may cause the case to be delayed and will be scheduled for the next available board meeting according to the board's meeting schedule. Also, the application fee is *nonrefundable*.

TO THE CUMBERLAND COUNTY JOINT PLANNING BOARD AND THE BOARD OF COMMISSIONERS OF STEDMAN, NC:

I (We), the undersigned, hereby submit this application, and petition the Board of Commissioners to amend and to change the zoning map of the Town of Stedman as provided for under the provisions of the Stedman Zoning Ordinance. In support of this petition, the following facts are submitted:

1. Requested Rezoning from R10 and C(P) to C(P) and R10 A WKM William K. Marsh
2. Address of Property to be Rezoned: 7513 CLINTON ROAD, STEDMAN, NC 28391
3. Location of Property: See above and below descriptions.
4. Parcel Identification Number (PIN #) of subject property: 0496-20-4037 and 0496-20-2125
   (also known as Tax ID Number or Property Tax ID)
5. Acreage: 2.45 and 2.63 Frontage: 39.61' and 61.03' Depth: ~611'
6. Water Provider: Well: ____ PWC: Utilized Other (name): ____
7. Septage Provider: Septic Tank ____ PWC Utilized
8. Deed Book 12399, Page(s) 0482, Cumberland County Registry. (Attach copy of deed of subject property as it appears in Registry).
9. Existing use of property: C303-OFFICE and C100-COMMERC
10. Proposed use(s) of the property: R10 subdivision development and C(P) development A WKM William K. Marsh
11. Do you own any property adjacent to or across the street from this property?
    Yes Yes No ____ If yes, where? Adjoining
12. Has a violation been issued on this property? Yes ____ No No

A copy of the recorded deed(s) and/or recorded plat map(s) must be provided. If the area is a portion of a parcel, a written legal description by metes and bounds, showing acreage must accompany the deeds and/or plat. If more than one zoning classification is requested, a correct metes and bounds legal description, including acreage, for each bounded area must be submitted.

The County Planning Staff is available for advice on completing this application; however, they are not available for completion of the application.

The undersigned hereby acknowledge that the County Planning Staff has conferred with the petitioner or assigns, and the application as submitted is accurate and correct.

Marsh Investment Group, LLC

NAME OF OWNER(S) (PRINT OR TYPE)

5624 TOBY PLACE RD, STEDMAN, NC 28391

ADDRESS OF OWNER(S)

willmarsh@mes-pllc.com

E-MAIL

910-229-5814

HOME TELEPHONE #

WORK TELEPHONE #

William K Marsh

NAME OF AGENT, ATTORNEY, APPLICANT (PRINT OR TYPE)

5624 Toby Place Road, Stedman, NC, 28391

ADDRESS OF AGENT, ATTORNEY, APPLICANT

willmarsh@mes-pllc.com

E-MAIL

910-229-5814

HOME TELEPHONE #

WORK TELEPHONE #

William K. Marsh

SIGNATURE OF OWNER(S)

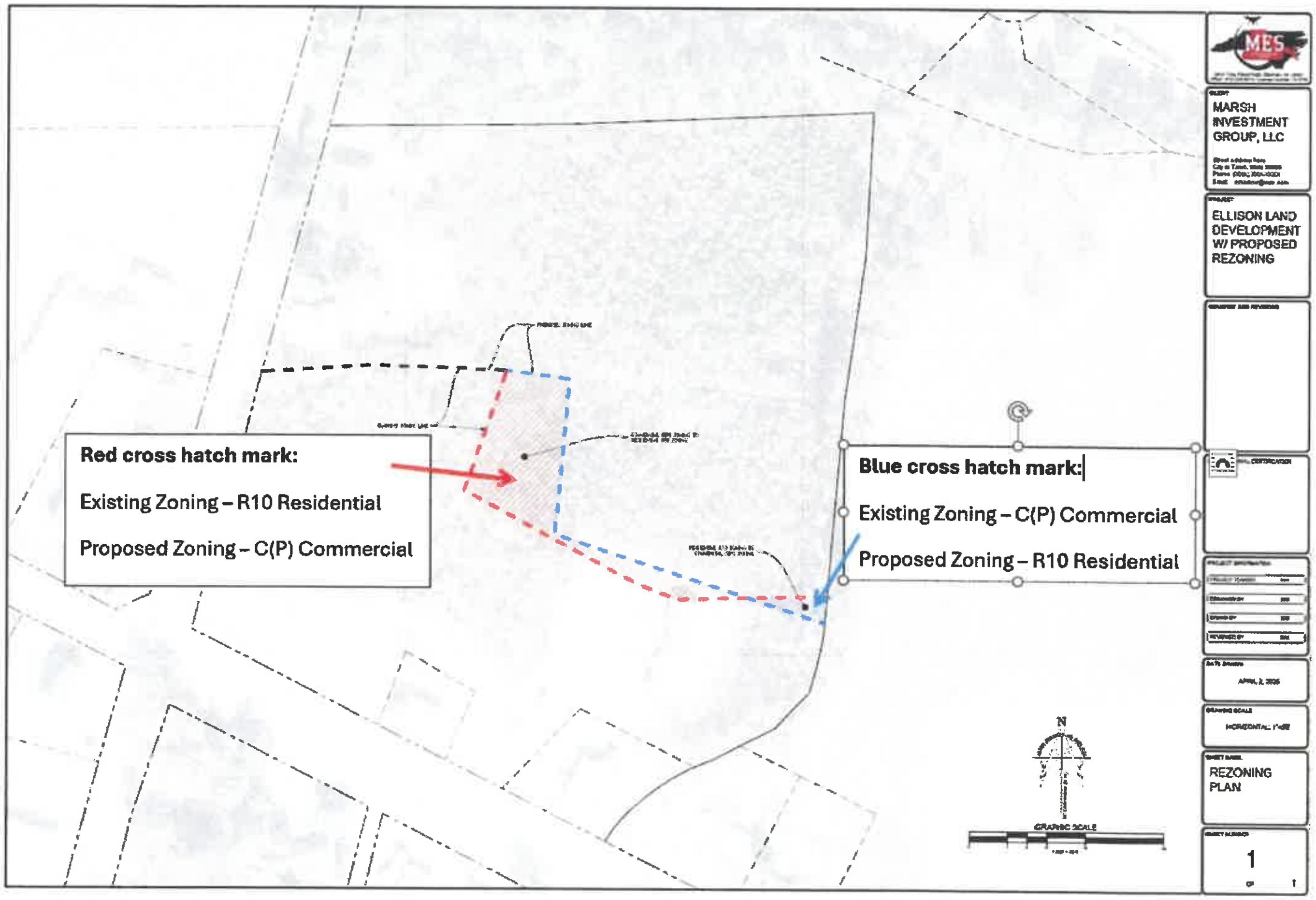
William K. Marsh

SIGNATURE OF AGENT, ATTORNEY OR APPLICANT

SIGNATURE OF OWNER(S)

The contents of this application, upon submission, becomes "public record."

ATTACHMENT:
PROPOSED ZONING DISTRICT BOUNDARY ADJUSTMENT



AN ORDINANCE TO REGULATE THE EXTENSION OF MUNICIPAL WATER AND SEWER LINES WITHIN THE TOWN OF STEDMAN, NORTH CAROLINA

WHEREAS, the Board of Commissioners find it necessary to promote orderly growth, fiscal responsibility, and efficient provision of public utilities; and

WHEREAS, unregulated extension of water and sewer infrastructure can impose substantial financial burdens on the Town and its residents; and

WHEREAS, it is in the public interest to limit the extension of water and sewer lines to areas in reasonable proximity to existing infrastructure;

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Stedman, North Carolina:

SECTION 1. TITLE & AUTHORITY

This Ordinance shall be known as the "Utility Extension Limitation Ordinance." This Ordinance is adopted pursuant to the authority granted by Chapters 160A and 160D of the North Carolina General Statutes, including but not limited to:

- N.C. Gen. Stat. § 160A-311 (Public enterprises)
- N.C. Gen. Stat. § 160A-312 (Authority to operate utilities)
- N.C. Gen. Stat. § 160A-314 (Authority to establish rates and require payment)
- N.C. Gen. Stat. § 160D-804 (Adequate public facilities)

SECTION 2. PURPOSE

The purpose of this Ordinance is to:

1. Ensure efficient and cost-effective extension of public water and sewer systems;

2. Prevent urban sprawl and promote compact development;

3. Protect the financial integrity of the Town's utility systems; and

4. Ensure that infrastructure extensions are consistent with adopted plans and policies.

SECTION 3. DEFINITIONS

For the purposes of this Ordinance:

"Existing Water Line" means a municipal water line that is installed, operational, and owned or maintained by the Town.

"Existing Sewer Line" means a municipal sanitary sewer line that is installed, operational, and owned or maintained by the Town.

"Extension" means any expansion, lengthening, or continuation of a water or sewer line to serve additional properties.

"Property" means a parcel of land as defined in the Town tax records.

"Distance" shall be measured in a straight line ("as the crow flies") from the nearest point of the property boundary to the nearest point of the existing line.

SECTION 4. LIMITATION ON EXTENSIONS

(a) Water Lines

No extension of a municipal water line shall be approved unless the property to be served is located within five hundred (500) feet of an existing water line.

(b) Sewer Lines

No extension of a municipal sewer line shall be approved unless the property to be served is located within five hundred (500) feet of an existing sewer line.

SECTION 5. EXCEPTIONS

The Board of Commissioners may approve an exception to this Ordinance upon a finding that:

1. The extension is necessary to address a public health or safety concern; or

2. The extension is required to serve a public facility, including but not limited to schools, fire stations, or government buildings; or

3. The applicant agrees to bear the full cost of the extension and demonstrates that:

- The extension will not create undue financial burden on the Town/City; and
- The extension is consistent with adopted land use plans.

All exceptions shall require approval by a majority vote of the Board of Commissioners at a duly noticed public meeting.

SECTION 6. COST RESPONSIBILITY

The Town shall not be obligated to fund any water or sewer extension. The Town may require developers or property owners to:

- Pay all costs of extension;
- Install infrastructure in accordance with the Town standards;
- Dedicate infrastructure upon completion, if applicable.

SECTION 7. ADMINISTRATION

The Town's Mayor or designee shall:

1. Review all requests for water and sewer extensions;

2. Determine compliance with this Ordinance;

3. Make recommendations to the Board of Commissioners regarding exception requests.

SECTION 8. CONFLICTS WITH OTHER ORDINANCES

In the event of a conflict between this Ordinance and any other ordinance, the more restrictive provision shall apply.

SECTION 9. SEVERABILITY

If any section or provision of this Ordinance is held invalid, such invalidity shall not affect the remaining provisions.

SECTION 10. EFFECTIVE DATE

This Ordinance shall become effective upon adoption.

ADOPTED this ___ day of __________, 20___.

____

Martin L. Jones, Mayor

ATTEST:

____

Connie Veeder, Town Clerk

APPENDIX A
TOWN OF STEDMAN
RATE & FEE SCHEDULE
Fiscal Year 2026-2027
Effective July 1, 2026

Administration

Return Check Fee	$35.00
Copies	$.25 Black & White per copy $1.00 Color per copy (*See note below)
Notary Fee Per Signature	$10.00 per signature
Scanned Documents	$1.25 per page (sending and receiving) (*See note below)
Yard Sale Permit	$10.00
Golf Cart Permit	Initial Inspection - $25.00 Annual Renewal Inspection - $20.00 Re-inspection - $10.00
Annexation Application Fee	$125.00 (*See note below)
Invoice late fee (all invoices are due within 30 days)	$25.00

**For all copying & scanning services that exceed 15 minutes to complete, an administrative fee of $5.00 per 15-minute increments will be charged in addition to the service charges.*
** All Annexation fees including attorney fees, advertisement requirements etc. will be billed to customer + 15% administrative fee*

Park Reservations

X- Large Shelter - (7 tables)	$50.00
Large Shelter - (3 tables)	$25.00
Gazebo – (1 table)	$25.00

** All rental fees are per event, with a maximum time of 4 hours.*
**To complete reservation(s) all fees must be paid in full. Accepted forms of payment are credit cards, money order, or cash only. No checks are accepted.*

Utility Fund

Water Rates
Residential & Commercial

Inside Town Limits	$25.79 flat rate + $6.27 per 1000 gallons
Outside Town Limits	$32.43 flat rate + $8.19 per 1000 gallons
Bulk Water – Old North State Water Company	$6.90 per 1000 gallons

Sewer Rates

Residential & Commercial (based on water consumption)

Inside Town Limits	$30.41 flat rate + $10.99 per 1000 gallons
Outside Town Limits	$41.05 flat rate + $14.34 per 1000 gallons
Sewer Only (no water connection)	$110.40 flat rate

Utility Service Fees

Utility Deposit	Homeowners - $150.00 Rentals - $175.00 Commercial – $200.00
Late Fee (assessed on the 26th of the month)	$10.00
Tampering (cutting on or off other than by town employee – If damage occurs to the meter, there will be an additional charge)	$100.00
Water Reconnect Fee	$25.00 (no reconnection during non-business hours)
Water Disconnect Fee	$25.00
Sewer Reconnect Fee	$80 (no reconnection during non-business hours)
Sewer Disconnect Fee	$80
Water Meter Box Replacement (Replaced at no cost for normal wear and tear)	$75.00
Water Meter box raised (1 layer of brick) Additional layers will be $20.00 per layer	$60.00
Water testing	Varies by test type (Contact town for cost)

Water Tap – Fee

Water Tap Fees Inside Town Limits	Cost + 10% administrative fee
Water Tap Fees Outside Town Limits	Cost + 15% administrative fee
Water Meter	3/4" - $380.00 2" - $1177.00
Water Meter Installation	$50.00
External Antennae for meter (if needed)	$60.00

** Water tap estimated costs plus 10%, Facility Investment Fees (FIF), and administrative fees are due in advance of work.*

** Water tap installation is based upon actual cost plus 10%. Balance is due in advance of work.*

** Water meter installation will be completed once tap is installed & inspection from plumber is complete.*

** Upon receipt of the final invoice, any overpayment will be refunded and any outstanding balance will be billed to the customer.* **When installed by Town of Stedman Maintenance, parts cost, labor at $80 per hour, $110 per hour for machinery use + 10% administrative fee will be added to the fees above.*

Sewer Tap – Fee

Sewer Tap Fees Inside Town Limits	Cost + 10% administrative fee
Sewer Tap Fees Outside Town Limits	Cost + 15% administrative fee
** Sewer tap estimated cost plus 10%, Facility Investment Fees (FIF) & administrative fees are due in advance of work.* ** Sewer tap fee is based upon actual cost plus 10%. Balance is due in advance of work.* ** Upon receipt of the final invoice, any overpayment will be refunded and any outstanding balance will be billed to the customer.*	

** A 20% administrative fee will be added to each invoice that is billed when an outside contractor is used for sewer & water tap installations. Charges for construction observation will be billed to customer as the Town is billed.*

Water Facility Investment Fees (FIF)		**Sewer Facility Investment Fees (FIF)**	
Size of Water Meter	Cost per Connection	Size of Water Meter	Cost per Connection
¾ "	$625.00	¾"	$ 875.00
1"	$ 1,500.00	1"	$ 2,125.00
1 ½"	$ 3,000.00	1 ½"	$4,312.50
2"	$ 4,687.50	2"	$6,875.00
3"	$ 10,187.50	3"	$14,875.00
4"	$17,500.00	4"	$25,625.00
5"	$36,250.00	5"	$52,625.00
6"	$ 52,500.00	6"	$75,925.00

** Water & Sewer FIF fees are due in advance of work*

Engineer Review Fees

An initial fee of $180.00 shall be charged. In addition, the applicant shall reimburse the Town of Stedman for all costs incurred by the Town's consulting engineer for review and related services. Such services may include, but are not limited to: (1) review of site and subdivision plans (preliminary and construction), (2) attendance at meetings, and (3) special projects as required.
Customer costs shall be based on actual costs incurred, plus a fifteen percent (15%) administrative fee, and shall be due upon receipt of invoice.

LGC-205 Form A

CONTRACT TO AUDIT ACCOUNTS

Rev. 02/2026

The	Governing Board TOWN COUNCIL
of	Primary Government Unit TOWN OF STEDMAN
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.
	Auditor Address 1626 S MADISON STREET, WHITEVILLE, NC 28472

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/26	Date Audit Will Be Submitted to LGC 12/31/26

Must be within six months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by "U.S. Auditing Standards – AICPA (Clarified)," referred to as generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). Budgetary comparison information shall be prepared in accordance with applicable GASB standards. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented as required supplementary information and shall not be included in the basic financial statements. Any other budgetary comparison information shall be presented only as supplementary information for funds required to be budgeted under NCGS Chapter 159, Article 3.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is $1,000,000 for federal and state single audits, or such other threshold as applicable for the fiscal year under audit. This audit and all associated audit documentation may be subject to review by federal and State agencies in accordance with federal and State laws, including the staff of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form (form SF-FAC) to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards* (2018 revision or subsequent revisions, as applicable) issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he or she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and to the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon the Auditor's receipt of an updated peer review report. If the audit firm receives a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed, and the report of audit submitted to LGC Staff, within six months of fiscal year end. At the time of the execution of this contract, if the parties know that the anticipated submission date of the audit exceeds six months after fiscal year end, a written explanation shall be provided to the Secretary of the LGC on this contract form (see the space provided on Page 7). If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as they relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth the Auditor's findings, together with his or her recommendations for improvement. That written report shall include all matters determined to be "significant deficiencies and material weaknesses" in accordance with AU-C §265 "Communicating Internal Control Related Matters Identified in an Audit" of GAAS. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an Auditor issues an AU-C §260 report, "Auditor's Communication With Those Charged With Governance," commonly referred to as a "Governance Letter," LGC staff does not require the report to be submitted unless the Auditor cites significant findings or issues from the audit, as defined in AU-C §260 paragraphs 12 - 14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious for which the Auditor consulted outside the engagement team and, in the Auditor's judgment, are significant and relevant to those charged with governance, and other findings or issues that the Auditor believes are significant and relevant. If matters identified during the audit were required to be reported as described in AU-C §260 paragraphs 12 - 14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal Single Audit Act and the State Single Audit Act. This does not include fees for any pre-issuance reviews that may be required by the North Carolina Association of Certified Public Accountants (NCACPA) Peer Review Committee or North Carolina State Board of CPA Examiners (see Paragraph 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the Secretary of the Local Government Commission to obtain a pre-issuance review or take corrective action as a result of peer review findings or quality control deficiencies, such corrective action shall be consistent with the authority and requirements of the North Carolina State Board of Certified Public Accountant Examiners, the AICPA Peer Review Program, and established Local Government Commission practice, including the use of report addenda or other remedial measures, as appropriate.

14. In accordance with G.S. 159-34, the Finance Officer of the Unit is responsible for filing the audited financial statements with the Secretary of the Local Government Commission.

The Auditor may upload the audit report and related documents through the LGC's electronic submission system; however, submission shall not be deemed complete until the Finance Officer has reviewed and certified the submission.

The Auditor, Finance Officer, other Unit staff member designated by the Finance Officer, or a third party approved by the Unit may enter all Data Input Report information except the information on the "transmittal doc info" tab. The "transmittal doc info" tab must be completed by the Auditor.

The Finance Officer shall review, approve, and certify the accuracy and completeness of the Data Input Report (DIR) in the LGC's LOGOS system prior to LGC review, regardless of whether the DIR is prepared by the Auditor or the Unit.

Finance Officer certification is required for any corrected or revised submissions.

Finance Officer certification of the DIR shall be completed in a timely manner following notification that the DIR is ready for review and within time frames prescribed by the LGC. Failure to complete certification in a timely manner may result in the audit being considered late due to unit action rather than auditor performance

The Auditor shall conduct the audit in accordance with generally accepted auditing standards and shall ensure that the financial statements are prepared in accordance with generally accepted accounting principles as of the fiscal year end. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented in required supplementary information, separate from the basic financial statements, and shall not be included in the audit opinion. The Auditor shall confirm that such information reconciles to the financial statements and is consistent with applicable accounting guidance and any LGC reporting requirements.

The Finance Officer shall certify in a timely manner that all data inputted in LOGOS used for preparation of the financial statements and required supplementary information is complete and accurate.

For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and preaudited if the change includes a change in audit fee (preaudit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Paragraph 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in The Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and Finance Officer also shall be included on this contract.

20. The contract shall be executed, preaudited (preaudit requirement does not apply to hospitals) and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. The Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if the Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 or 2024 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, the Auditor must document and include in the audit workpapers how the Auditor reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The Auditor shall present the audited financial statements including any compliance reports to the Government Unit's Governing Board or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary of the LGC. The Auditor's presentation to the Governing Board or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the Auditor, and any other issues related to the internal controls or fiscal health of the Government Unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the Auditor regarding internal controls as required by current auditing standards;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the Governing Board that the Governing Board shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under Rule 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary of the LGC through the LGC's LOGOS system, including completion of the Data Input Report (DIR). Submission is not complete and shall not be accepted by the LGC until the Finance Officer has reviewed and certified the DIR in accordance with Paragraph 14 of this contract.

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Paragraph 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and Units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit.

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. **Applicable to audits with fiscal year ends of June 30, 2025, and later.** The Unit authorizes the LGC to grant access to the LGC's LOGOS system, including the Data Input Report (DIR), to employees of the contracted audit firm who are associated with and acting on behalf of the firm for purposes of performing audit and reporting services under this contract. Such access shall be limited to the scope necessary to perform contracted services and shall not relieve the Auditor or the Unit of their respective responsibilities under this contract.

34. Changes or edits to the text of this contract form are not permitted, except for the Secretary's authority to revise or update this contract form pursuant to LGC Rule 20 NCAC 03. 0502.

For contracts with an anticipated audit submission date exceeding six months after fiscal year end, please use this space to explain the reason for the late submission, as required by Paragraph 6 of this contract form:

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards,2018 Revision*. Refer to Paragraph 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☑Auditor ☐Governmental Unit ☐Third Party

If applicable: The individual at the Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	***Title and Unit / Company:***	***Email Address:***
CONNIE VEDDER	Town Administrator/ Town of Ste	cveeder@townofstedman.com

OR Not Applicable ☐ *(Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Paragraphs 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit firm for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the Unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in Rule 20 NCAC .0503 shall be submitted to the Secretary of the LGC for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	TOWN OF STEDMAN
Audit Fee (financial and compliance if applicable)	$ 21,000
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$ 5,500
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$ 26,500

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	$
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.	
Authorized Firm Representative (typed or printed)* ALAN W. THOMPSON	Signature*
Date* 04/30/26	Email Address* alanthompson@tpsacpas.com

GOVERNMENTAL UNIT

Governmental Unit* TOWN OF STEDMAN	
Date Governing Board Approved Audit Contract* **(Enter date in box to right)**	
Mayor/Chairperson (typed or printed)*	Signature*
Date	Email Address*

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

GOVERNMENTAL UNIT – PREAUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by The School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	$ 26,500
Primary Governmental Unit Finance Officer* (typed or printed)	Signature*
Date of Preaudit Certificate*	Email Address*

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

Thompson, Price, Scott, Adams & Co, P.A.
P.O. Box 398
1626 S Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA

April 30, 2026

Town of Stedman
PO Box 220
Stedman, NC 28391

We are pleased to confirm our understanding of the services we are to provide the Town of Stedman for the year ended June 30, 2026.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Stedman as of and for the year ended June 30, 2026. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Stedman's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town of Stedman's RSI in accordance with auditing standards generally accepted in the United States of America (GAAP). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Changes in Total Pension Liability and Schedule of Total Pension Liability as a Percentage of Covered Payroll – Law Enforcement Officers' Special Separation Allowance
3. Schedule of Changes in the Total OPEB Liability and Related Ratios
4. Schedule of Proportionate Share of the Net Pension Liability (Asset) and Contributions – LGERS

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Stedman' financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

1. Combining and Individual Fund Statements, Budgetary Schedules, and Other Schedules

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Town of Stedman and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing* Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimated made by management. We will also evaluate the overall presentation of the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards.* In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmission, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories (if material), and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguard to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of Stedman' compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand our responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statement date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards.*

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information. With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information on the website with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Other Services

We will assist in preparing the financial statements and related notes of the Town of Stedman in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also assist in preparing year-end cash to accrual and GASB related entries. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.* We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement preparation and other services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedures or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide, to include making adjusting journal entries and updating the depreciation schedule. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, and/or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. We will not undertake any accounting services (including but not limited to reconciliation of accounts and preparation of requested schedules) without obtaining approval through a written change order or additional engagement letter for such additional work.

We will provide copies of our reports to the Town; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams & Co, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to requesting Regulators or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams & Co, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Alan Thompson is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign them. We expect to begin our audit on approximately June 1, 2026 and to issue our reports no later than December 31, 2026, with final copies being provided to the Town upon approval by the Local Government Commission.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $26,500. However, any additional fees incurred in obtaining required audit evidence (i.e. bank confirmations) will be billed directly to the Town. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. 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.

Reporting

We will issue a written report upon completion of our audit of the Town of Stedman' financial statements. Our report will be addressed to the Mayor and Town Council of the Town of Stedman. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section or add emphasis-of-matter or other-matter paragraphs, or if necessary, withdraw from this engagement. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing* Standards in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Town of Stedman is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the Town of Stedman and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Alan W Thompson

Alan W. Thompson
Thompson, Price, Scott, Adams & Co, P.A.

RESPONSE:

This letter correctly sets forth the understanding of the Town of Stedman.

SIGN HERE

Management Signature: ______________________________

Title: ______________________________

Date: ______________________________

SIGN HERE

Governance Signature: ______________________________

Title: ______________________________

Date: ______________________________

CC: Mayor and Town Council