



**TOWN OF HOLDEN BEACH
AUDIT COMMITTEE MEETING
TUESDAY, APRIL 10, 2018- 10:00 A.M.**

The Audit Committee of the Town of Holden Beach, North Carolina met for a meeting on April 10, 2018 at 10:00 A.M. in the Town Hall Public Assembly. Present were Audit Chair, Commissioner John Fletcher; Members Ron Skubic, Mark Fleischhauer, Ben Burnside and Tom Myers; Town Manager David W. Hewett, Fiscal Operations III Margaret Lancaster, Public Works Director Chris Clemmons, and Clerk Mandy Lockner.

DISCUSSION AND POSSIBLE APPROVAL OF MINUTES

Committee Member Fleischhauer made a motion to approve the minutes as written. Committee Chair Fletcher asked for some discussion. Member Myers said that there were two discrepancies that were not captured in the minutes that should be recorded. Chair Fletcher asked if there was a recording of the meeting and Clerk Lockner said no. Chair Fletcher said that there was a recording and that he would listen to it and draft up an addition to the current minutes. Manager Hewett stated that if there was a recording of the meeting it needed to be submitted as public record. Member Fleischhauer stated that we needed to add to the minutes about the two discrepancies. Chair Fletcher wanted to add to the minutes that he asked the auditor who prepared the responses for the audit because they were false and the auditor said that the town staff had given the responses. Chair Fletcher asked if the auditor could provide working papers on that. It was agreed that those additional statements needed to be amended in the minutes. Chair Fletcher said the minutes could not be approved without listening to the recording. Chair Fletcher said he did not have the recording and the minutes will not be approved until next meeting. Member Fleischhauer asked Chair Fletcher if he could draft up some notes to add to the minutes and he agreed.

REVIEW OF THE SYSTEM DEVELOPMENT FEES REPORT

Town Manager David Hewett reviewed the new system development fees that would be adopted in the Fiscal Year 2018-2019 budget. Discussion surrounding the accuracy of the fees and the validity of the report was had. After discussion all committee members agreed to move forward with the report at least for a year to see how it would impact the Town.

REVIEW QUARTERLY BUDGET PERFORMANCE

Town Manager Hewett went over the quarterly financials pointing out discrepancies to the committee members. There was discussion over fund balance policy and what the current status of that policy was relating to the upcoming budget.

ADJOURNMENT