



**TOWN OF HOLDEN BEACH
AUDIT COMMITTEE
THURSDAY, SEPTEMBER 19, 2019 – 1:00 P.M.**

The Audit Committee of the Town of Holden Beach, North Carolina met for a Special Meeting on Thursday, September 19, 2019 at 1:00 p.m. in the Town Hall Public Assembly. Present were Audit Chair Mayor Pro Tem Fletcher John Fletcher; Members Tom Myers and Woody Tyner; Town Manager David W. Hewett; and Fiscal Operations Clerk Mandy Lockner. Members Tony Chavonne and Mark Fleischhauer were unable to attend the meeting.

PUBLIC COMMENTS

No comments were made.

APPROVE MINUTES OF PREVIOUS MEETING

Motion by Member Myers to approve the minutes; second by Member Tyner.

Member Tyner said on page 1 in the next to last paragraph it says a single audit was not required in 2018. He didn't understand the statement. Town Manager Hewett explained that has to deal with the FEMA reimbursements. He explained we did not meet the threshold requiring an additional audit. Mr. Sharpe explained the process. Member Myers read the motion on the second to last page regarding the milestone list and asked if it is clear enough who *us* is in the motion. Chair Fletcher said he thinks it is okay.

The motion passed by unanimous vote.

DISCUSSION OF 2019 AUDIT KICK-OFF MEETING WITH AUDIT PARTNER AND TOWN MANAGER

Town Manager Hewett said he, Chair Fletcher; Member Fleischhauer and Jay Sharpe met on the 27th to kick off the audit season. The draft calendar they came up with to meet the deadline is reflected in item 5. Town Manager Hewett and Chair Fletcher provided information from the meeting. Chair Fletcher explained the committee's role.

DIRECTION FROM BOC REGARDING COMMUNICATION OF AUDIT COMMITTEE BUSINESS

Chair Fletcher said the Board has asked him to share with the committee that they want any communication that comes out of the committee to come through the chair to the Board.

AGREE PROCESSES FOR MONITORING YEAR-END AUDIT

The committee talked about proposed milestones and schedule for the auditor. The role of the committee was discussed. The management discussion and analysis letter and representation letter were also

discussed. Mr. Sharpe explained every town they work with has different requirements on committee and board approval of the audit.

Chair Fletcher said the committee agrees with the auditor's schedule with the exception of moving the deadline from November 11th to October 31st.

BRIEFING BY AUDIT PARTNER ON PROGRESS TO-DATE ON 2019 ANNUAL AUDIT

Mr. Sharpe explained they are here for fieldwork. They are in good shape. They are on track to have the draft to management by October 9th and to meet all of the deadlines the Town has requested. He explained the progress they have made. Mr. Sharpe answered questions from committee members.

ADJOURNMENT

Motion to adjourn by Member Myers to adjourn at 1:38 p.m.; second by Member Tyner; approved by unanimous vote.