

**Bayshore Gardens Park & Recreation District
Auditor Selection Committee Meeting Minutes
Wednesday; June 21, 2023 @ 10:30AM**

Sharon Densen, Chairman, opened the meeting at 10:30. Two were in attendance for the meeting: Committee members Sharon Denson and Gwen Norris, Secretary. Marlene Durgin joined the meeting at 11:00 for the interview of Kimeth (Kim) Gardner, CPA, and Chadwick (Chad) Bailey, EA, of Gardner - Thomas.

Business

Sharon moved to approve the May 17, 2023, Meeting. Minutes as distributed. Gwen Norris seconded the motion. The motion was voted on and passed.

Sharon said she will show and discuss State Statute 189.016 with Kim and give him a copy of the budget. She said she will address the expectations of the Board from the Auditor. Gwen said she will ask the same things that were asked at the previous interview. Sharon wondered if the FLCPA Manual was read. She wanted to make a one-year contract to give both parties a way out if it does not suit either party.

Interview

Interview with Kimeth (Kim) Gardner, CPA and Chadwick (Chad) Bailey, EA, began at 1:00. Marlene Durgin was called via phone to attend remotely.

Kim asked if this would be a Yellow Book Audit. No there none.

Sharon provided Kim with a copy of our Profit and Loss statement and Balance Sheet. The Profit and Loss does not list the Reserve Funds that were already spent. Kim said he will review it. Sharon said the Board of Trustees develops the budget using the Profit and Loss reports/statements. October 1st is the beginning of the fiscal year. Sharon said she worked for a large corporation and had audited inventory and looked at books at several of the company's locations and can read the data easily. Marlene asked what their Audit would look like. Kim said they would review the QuickBooks entries line by line and review assets and liabilities and the third-party reports (bank accounts) for confirmation. He noted that they would have the comments/notes in the back of the report and data first, unlike the one that we let him look at. They would compare/verify it to the next month, etc., etc. The income statement would be compared to the expenses last year looking for things out of line and compare it with the budget.

Kim said he will review the state statues (189.016). They will look for things out of line in the account and check what is included in a category. They will look to see where money was moved. Sharon said the budget is broken down into categories. We have hired Natalie who does input in QuickBooks and prints payroll checks, etc. Natalie also does the tax return and will see the Auditor's Report.

Kim said they can begin the audit in early November. Sharon advised that we need the report before the end of January, for the February Meeting. Chad said they may be on site testing for one or two days. Sharon said we use QuickBooks on the computer, here, not on-line.

The audit contract would be with Gardner-Thomas. Kim said that he is going to apply to audit at the Bradenton office (Hernden, Trapp, Westfall & Gardner, LLC) so they can do Audits there also, later. Sharon said that the auditor's contract will go to our attorney for review.

The quoted price from Gardner-Thomas is \$4,900 to \$6,200. Gwen Norris asked for the individual rates per hour. Kim said that, as partner, he charges \$200/hour and Chad, \$125/hour. He indicated that the final cost may be less than what was quoted.

We discussed 'qualified opinion' and 'unqualified opinion'. Kim said that a 'qualified opinion' is when nothing is found materially suspect, and for an 'unqualified opinion' they must show in the final statement what does not meet GAP (General Accounting Practice).

Sharon said that our website (bayshoregardens.org) had all the information, audit reports, etc. She said the FICPA spells out the responsibilities.

Sharon said we had five bank accounts and paid about \$4000 for service and are reducing the number of bank accounts as we only need one for escrow and one for everything else. Chad said that if such an expense were found it would be noted to the client.

Marlene told Kim that she was glad he is feeling better. Kim thanked her and said it took weeks.

Gwen Norris advised that the Auditor Selection Committee remains intact, and for next year.

With no more to discuss, Kim and Chad were excused at 11:40 AM.

Recommendation

We discussed the firms and a recommendation for the Board.

Marlene Durgin said she felt the locally owned, non-corporate Gardner-Thomas was better fit for us as they seemed more conscientious and approachable. She noted the quote was lower, but as noted, this is not part of the selection criteria. They would be more accessible for questions. She said they seemed knowledgeable on QuickBooks.

Gwen Norris said she prefers a locally owned firm like Gardner-Thomas. She felt they would be more responsive and would review/follow the State Statutes. She also noted lower quote and they supplied their hourly rates, which were reasonable.

Sharon Denson said that the firm Gardner had knowledge and had years in business. And they were local. Sharon said she thinks a new set of eyes are needed for our Audit.

Marlene moved to recommend hiring Gardner-Thomas for our Auditor. Sharon seconded the motion. It was voted on and passed.

Sharon said she will submit a 'Thank You' letter to Gia to be sent to Mauldin & Jenkins. She said we will recommend a one-year contract with Gardner-Thomas and let the Board know our committee will stay intact. She will create a letter restating the quote amount and contract.

We adjourned at 12:00 PM.

Recording Secretary: Gwen Norris

Approved by: Committee

Date: November 8, 2023