

MINUTES

BEACH SHOPS

AUDIT COMMITTEE

Friday, May 23 – Corporate Conference Room

Members Present: James Ahumada, Chair Milton Ordoñez
Dr. Nancy Dayne

Staff Present: Dr. Miles Nevin, Executive Director, Beach Shops and ASI, Inc.
Marianne Russo, Board Administrator
Andrew Kerr, CFO, Beach Shops and ASI, Inc.
Tom Collier, Controller, Beach Shops

Guest(s): Bobby LaCour, Aldrich Advisors
Brian Nguyen, Aldrich Advisors

A. Call to Order:

The meeting was called to order at 10:14 a.m. by Chair, James Ahumada

B. Approval of the Agenda: May 23, 2025

Motion to accept the Agenda as presented.

M/S Mr. Ordoñez / Dr. Dayne

By acclamation the Agenda for the meeting of May 23, 2025, was hereby approved as presented.

C. Approval of Minutes: September 6, 2024

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Dr. Dayne

By acclamation the minutes of September 6, 2024, were hereby approved as presented.

D. NEW BUSINESS

- Entrance Conference for FY 2024-2025 Audit by Aldrich CPAs & Advisors – Mr. Bobby LaCour reviewed the Audit process with the committee members.
 - The discussion covered the annual audit's purpose and scope, key milestones from the June 28th inventory to the September 19th wrap-up, planning and fieldwork phases, expected deliverables, this year's audit team along with audit specific considerations.
 - He additionally highlighted the following information:
 - This year has presented unique and noteworthy developments within the non-profit sector.
 - ❖ This would include technological security risks in remote work environments, economic volatility such as inflation and tariff concerns that may impact budgeting, and staffing challenges related to filling critical roles and retaining high-quality personnel.

- He reviewed a new Accounting Standard ASU 2023-01 that refers specifically to lease management and the accounting of lease improvements, however, since the Shops do not have many leases that should not affect us as much.
 - ❖ Also, he highlighted a new Accounting Standard 2023-09, effective December 2028 which enhances income tax disclosure requirements, but Mr. Lacour does not anticipate any impact on the Shops.

F. Adjournment

- There being no further business, the meeting was adjourned at 10:40 a.m.