

To the Board of Directors
Fayetteville Area Convention and Visitors Bureau, Inc.
Fayetteville, North Carolina

We have audited the financial statements of the Fayetteville Area Convention and Visitors Bureau, Inc. (the "Bureau"), a component unit of the County of Cumberland, North Carolina, for the years ended June 30, 2019 and 2018 and have issued our report thereon August 25, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 11, 2019. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Bureau are described in notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2019. We noted no transactions entered into by the Bureau during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the depreciation and amortization expense is based on an analysis of estimated useful lives of property and equipment. We evaluated the key factors and assumptions used to develop the useful lives to determine that they seem reasonable in relation to the financial statements of the Bureau for the year ended June 30, 2019, taken as a whole. While procedures used by management and the amount recorded for depreciation and amortization expense seem reasonable at this time, there will usually be differences between actual useful lives and the estimates used and these differences may be material.

Management's estimate of the allowance for doubtful accounts is based on an analysis of historical collection trends, customer relations, and economic conditions. We evaluated the key factors and assumptions used to develop the allowance to determine that it seems reasonable in relation to the financial statements taken as a whole. While the procedures used by management and the amount recorded for the allowance for doubtful accounts seem reasonable at this time, there will usually be differences between actual bad debts and the estimates used and these differences may be material.

Management's estimate of functional expenses is based on formulas derived from management's historical estimate of time allotted to administrative functions. We evaluated the key factors and assumptions used to develop the functional expense classifications to determine that they seemed reasonable in relation to the financial statements for the year ended June 30, 2019. While the procedures used by management and amounts recorded for functional expenses seem reasonable at this time, there will usually be differences between actual functional use and the estimates used and these differences may be material.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected financial statement misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 25, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves an application of an accounting principle to the Bureau's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Bureau's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Management has omitted Management's Discussion and Analysis that U.S. generally accepted accounting principles require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

This information is intended solely for the use of the Board of Directors and management of the Bureau and is not intended to be and should not be used by anyone other than these specified parties.

Cheryl Bekaert LLP