

## **Minutes for Audit Committee Meeting**

12/04/2023 | 08:00 AM - 08:18 AM

JAXPORT Executive Conference Room, 2831 Talleyrand Ave., Jacksonville, FL

### **Audit Committee Members Attending:**

Ms. Wendy Hamilton, Chair  
Mr. Palmer Clarkson, Member – via Zoom  
Mr. Ed Fleming, Member  
Ms. Soo Gilvarry, Member

### **Other Board Members Attending:**

Mr. Daniel Bean, Board Chairman  
Mr. Tom Slater, Board Member

### **Other Attendees:**

Mr. Eric Green, CEO  
Ms. Beth McCague, Chief of Staff  
Mr. Joey Greive, CFO  
Ms. Linda Williams, Chief, Administrative Officer  
Mr. Reece Wilson, Office of General Counsel  
Ms. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Audit Committee was held on Monday, December 4, 2023 in the JAXPORT Executive Conference Room, 2831 Talleyrand Avenue, Jacksonville, Florida. Chair Wendy Hamilton called the meeting to order at 8:00AM and welcomed all attendees.

### **Approval of September 28, 2023 Audit Committee Meeting Minutes**

Chair Hamilton called for approval of the September 28, 2023 Audit Committee meeting minutes. After a motion to approve the minutes by Mr. Fleming and a second by Ms. Gilvarry, the Committee unanimously approved the minutes as submitted.

### **Review and Approval of CEO SMART Goals for FY23/24**

Chair Hamilton initiated the discussion on the review and approval of CEO SMART Goals for FY23/24 by addressing changes to the goals based on committee recommendations. Notable points include the removal of the land acquisition goal due to its long-term nature, the addition of a revenue stretch goal, and the inclusion of safety goals. The remaining goals for FY23/24 have remained unchanged.

Mr. Clarkson expressed his disapproval of the current bonus concept, suggesting a preference for a multi-year, strategic plan bonus. He proposed bringing the CEO review and bonus discussion to the Audit Committee in August rather than November. Mr. Clarkson made a motion to approve the current bonus program but emphasized a more comprehensive CEO bonus plan for the following year, possibly in the summer of 2024. He opposed hiring payroll consultants but advocated for a longer-term vision to ensure a substantial future bonus for the CEO. He criticized the current CEO goals and bonus set-up as a budget layup which he feels is an insufficient motivating goal for achievement.

Chair Hamilton mentioned that to address one of Mr. Clarkson's issues, the CEO review process will begin in the summer, aligning it with the budget process to allow ample time for goal alignment. Chair Hamilton agreed with Mr. Clarkson's concerns about revenue and suggested being more aggressive in treating revenue as a budget line item to motivate Eric and the team to work harder toward meeting goals. She emphasized the importance of acknowledging Eric's leadership and the effective management of the port, while also considering alternative ways to motivate and retain him, such as a long-term vision matched to a bonus. Chair Hamilton concurred with the idea of starting the process earlier to avoid being behind schedule and ensure fairness to Eric. Going forward, the plan is to address these matters in the budget process, setting them before the fiscal year begins.

Chair Hamilton then asked if there was any further discussion or questions. There being none, she asked for a second on the motion made by Mr. Clarkson. After a second by Ms. Gilvarry, the Audit Committee unanimously agreed to the changes made to the CEO SMART goals and review for FY23/24.

### **Cash Management Update**

Mr. Joey Greive presented a cash management update to the committee.

### **Other Info, Comments, Questions, Concerns**

Chair Hamilton asked if there were any more questions or discussion. There being none, the meeting adjourned at 8:18AM.