

BOARD OF DIRECTORS MEETING
Audit Committee
Jacksonville Port Authority
June 4, 2018

A meeting of the Jacksonville Port Authority Audit Committee was held on Monday, June 4, 2018 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Mr. John Falconetti called the meeting to order at 9:00 a.m. and welcomed all attendees.

Audit Committee Members Attending:

Mr. John Falconetti, Chairman of Audit Committee
Mr. John Baker, Member
Mr. Jamie Shelton, Member

Other Board Members Attending:

Mr. Ed Fleming, Chairman
Dr. John A. Newman, Member

Other Attendees:

Mr. Eric Green, CEO
Mr. Fred Wong, COO
Ms. Beth McCague, Interim CFO
Ms. Linda Williams, Chief, Adm. & Corporate Performance
Mr. Mike McClung, Director of Finance
Mr. Gil Feltel, Chief Legal Counsel
Ms. Rebecca Dicks, Board Liaison

Mr. Falconetti called for approval of the March 5, 2018 Audit Committee meeting minutes. After a motion by Mr. Baker and a second by Mr. Shelton, the Committee unanimously approved the minutes as submitted.

Ms. Beth McCague presented an overview of the proposed operating and capital budget for FY2019 to the committee. She asked the Audit Committee for approval of the FY2019 budget pursuant to the Charter of the Consolidated Government of the City of Jacksonville which states that the port is required to send its proposed budget over to the City Council by July 1, 2018.

After discussion by the Audit Committee, Mr. Falconetti asked for a motion to approve the proposed FY2019 Annual Budget. After a motion by Mr. Baker and a second by Mr. Shelton, the Audit Committee unanimously voted to approve the proposed FY2019 Annual Budget as submitted.

Ms. Linda Williams presented an update on the Internal Auditing Services. She stated that all prior audits have been completed except for the implementation of the new billing system. She stated that the new billing system is on track and the targeted date for it to go live is October 1, 2018.

Ms. Williams stated that at the last Audit meeting, the Committee recommended RSM for performing the port's internal auditing services and they approved a draft audit plan. She stated that the port is still in the process of preparing the audit plan and the delay in getting the contract implemented was due to some insurance modifications. Ms. Williams is in contact with Jennifer Murtha of RSM, and they are in the process of putting together a draft of the three-year plan along with cost estimates. Once this is completed, she will be sending it out to the Audit Committee for their review.

The Audit Committee then discussed the process for the upcoming Board submission regarding the issuance of bonds.

There being no further business of the Audit Committee, meeting was adjourned at 9:33AM.