



## **Minutes for Audit Committee Meeting**

09/27/2021 | 08:00 AM - 08:42 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

### **Audit Committee/Board Members Attending:**

Ms. Wendy Hamilton, Audit Committee Chairwoman  
Mr. Palmer Clarkson, Member  
Mr. Daniel Bean, Member (via conference call)

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

Dr. John Newman, Board Member  
Mr. Ed Fleming, Board Member  
Mr. Brad Talbert, Board Member

### **Other Attendees:**

Mr. Eric Green, CEO  
Ms. Linda Williams, Chief, Adm. & Corporate Performance  
Ms. Beth McCague, CFO  
Mr. Mike McClung, Director of Finance  
Mr. Nick Primrose, Chief Regulatory Compliance  
Mr. David Migut, Office of General Counsel  
Mr. Frederick Wessling, Director, Information Technology  
Ms. Rebecca Dicks, Board Liaison

## **Agenda**

A meeting of the Jacksonville Port Authority Audit Committee was held on Monday, September 27, 2021 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida in the third floor Executive Conference Room.

### **Call Meeting to Order**

Chairwoman Wendy Hamilton called the meeting to order at 8:00 a.m. and welcomed all attendees.

## **Approval of June 28, 2021 Audit Committee Meeting Minutes**

Chairwoman Hamilton called for approval of the June 28, 2021 Audit Committee meeting minutes. After a motion to approve the minutes by Mr. Clarkson and a second by Mr. Bean, the Committee unanimously approved the minutes as submitted.

## **CEO Annual Review and Evaluation**

Ms. Hamilton then turned the meeting over to Ms. Linda Williams to present the CEO Annual Review and Evaluation. Ms. Williams stated that the CEO's review encompassed established goals and accomplishments from FY20/21.

Audit Committee Member Palmer Clarkson stated that Goal #2 (acquiring land for future development) is sometimes an impossible task based on the timing. He still feels that this goal should be made into a multi-year goal and that this goal should not be taken into consideration at this time. Mr. Bean stated that as to this issue, he doesn't think there is anything that the CEO has not done that he should have done in this category. Mr. Bean stated that the CEO has done everything he can do so far. Mr. Bean does not have a problem with the structure of the CEO Smart Goals and he is in favor of giving the CEO the full compensation for all 3 goals. Mr. Bean feels that the CEO and his team have done a tremendous job during extraordinary conditions and that the port is fortunate to have him as CEO.

After more discussion by the Audit Committee as to weighted and completed percentages on Mr. Green's performance scorecard, they all agreed that Mr. Green did a commendable job during another unprecedented and difficult year. Mr. Bean made a motion to award the performance of the CEO with a bonus of \$98,145 for fiscal year 2020/21. The motion was seconded by Mr. Clarkson, and the Audit Committee unanimously agreed.

## **Information Technology Security Risk Assessment**

Ryan Moore, Internal Auditor for RSM, presented a confidential report to the Audit Committee on JAXPORT's IT Risk Assessment. The subject matter covered in this audit is confidential in nature, so it is exempt from Florida Statutes 119.07(1) and 286.001. Before Mr. Moore began his report, David Migut from the Office of General Counsel gave a brief summary of the law and the specific exemption to the Audit Committee related to this report.

## **Audit Follow-Up**

Jaime Bardee, Internal Auditor for RSM, presented a follow-up procedures report on the summary of observations for Maintenance Dredging Contract Compliance completed in October of 2018;

Preventative & Corrective Equipment Maintenance-Large Equipment Cranes completed in September of 2019; and the Timekeeping audit completed in October of 2020. RSM did testing on each of these audits to make sure that the observations they found during the original audits had been addressed, and RSM was able to close all of the open observation items. She stated that JAXPORT has completed the procedures and these audits have now been closed.

Board Member Ed Fleming added a comment that by the next Audit Committee meeting, he would like for the staff to come up with action plans showing responsible parties and timetables for follow-up observations on audit items so the committee can track them to make sure they are being addressed and taken care of. Linda Williams stated that she will have a follow-up document ready for review at the next Audit Committee meeting on December 6.

### **Discussion of Proposed Slate of Board Officers**

Chairwoman Hamilton informed the Audit Committee that it was time to update the slate of Board Officers. She opened a discussion of proposing a slate of Board Officers and Audit Committee members to serve a term beginning October 1, 2021 through September 30, 2022.

Palmer Clarkson made a motion that the current slate of Board Officers immediately move up which would make Wendy Hamilton, Chairwoman, Palmer Clarkson, Vice Chairman, Daniel Bean, Treasurer, and Brad Talbert, Secretary for a term beginning October 1, 2021 through September 30, 2022. The motion was seconded by Daniel Bean the Audit Committee unanimously agreed.

Mr. Clarkson reminded the Audit Committee that since the Audit Charter states that the Vice Chairman of the Board will serve as the Chairman of the Audit Committee, he would like to make a motion that the Audit Committee members for the term beginning October 1, 2021 through September 30, 2022, will consist of himself as Chair, along with members Daniel Bean, Brad Talbert and Ed Fleming. Mr. Bean seconded this motion and the Audit Committee unanimously agreed.

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

Chairwoman Hamilton asked if there were any more questions or discussion. There being none, she reminded the Audit Committee that the next meeting will be held on December 6, 2021 with Palmer Clarkson as Chairman. The meeting adjourned at 8:42 a.m.