



Minutes for Audit Committee Meeting

02/27/2023 | 08:00 AM - 08:40 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206 - Executive Conf. Room

Audit Committee Members Attending:

Mr. Daniel Bean, Chairman
Mr. Ed Fleming, Member
Ms. Wendy Hamilton, Member
Mr. Brad Talbert, Member - Member

Other Board Members Attending:

Mr. Palmer Clarkson, Board Chairman

Other Attendees:

Mr. Eric Green, CEO
Ms. Beth McCague, CFO/Chief of Staff
Ms. Linda Williams, Chief, Adm. & Corporate Performance
Mr. Nick Primrose, Chief Regulatory Compliance
Ms. Chelsea Kavanagh, Sr. Director, Communications
Mr. Mike McClung, Director, Finance
Ms. Rebecca Dicks, Board Liaison

A meeting of the Jacksonville Port Authority Audit Committee was held on Monday, February 27, 2023 in the JAXPORT Executive Conference Room, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairman Daniel Bean called the meeting to order at 8:00AM and welcomed all attendees.

Approval of December 5, 2022 Audit Committee Meeting Minutes

Chairman Bean called for approval of the December 5, 2022 Audit Committee meeting minutes. After a motion to approve the minutes by Mr. Talbert and a second by Mr. Fleming, the Committee unanimously approved the minutes as submitted.

FY2022 Audited Financial Statements

Chairman Bean turned the meeting over to Mr. Dan Bonnette of RSM to discuss the FY2022 Audited Financial Statements.

Mr. Bonnette stated that as to the status of the audit, RSM has completed their audit of the financial statements of the Jacksonville Port Authority for the year ended September 30, 2022 in accordance with auditing standards generally accepted in the United States of America (GAAS) and Government Auditing Standards (GAS) issued by the Comptroller of the United States. He stated that RSM's opinion of the financial statements is unmodified. Mr. Bonnette stated that other than the number of programs required for compliance testing, there were no significant changes to the planned audit strategy.

Mr. Bonnette did say that at this time that RSM is in the process of completing their testing of the Federal and State grant programs. To date, they have not identified any findings or questioned costs that would be reportable to the Federal or State governments. He stated that RSM should be completing all the testing for the single audit purposes in the near future.

Chairman Bean asked Mr. Bonnette when the Audit Committee could expect these single audits to be completed. Mr. Bonnette stated they should be finished by March 11, 2023.

After a motion by Mr. Talbert and a second by Mr. Fleming, the Audit Committee unanimously accepted RSM's Audited Financial Report for the fiscal year ended on September 30, 2022 as is as long as the single audit is completed by RSM with no issues.

Process for Solicitation & Selection of External Auditor

Ms. Lisa Gee, Director of Procurement, and Nick Primrose, Chief of Regulatory Compliance, gave an update on the process for solicitation and selection of an External Auditor. They informed the committee that changes have been made to the Evaluation Criteria and composition of the Evaluation Committee based on Section 218.391(2)(d), Florida Statutes, and guidelines from the State of Florida Auditor General. JAXPORT staff is not allowed to be involved in any decision making in the scoring and selection of a new external auditor. Staff can, however, provide guidance on qualification and experience of companies that bid on this proposal.

It was decided that Audit Committee members Daniel Bean, Wendy Hamilton, Ed Fleming and Board Member Jamie Shelton will sit on this committee, and that CFO Beth McCague will serve as an advisor to the committee.

Audit Committee Charter Revision

Chairman Bean informed the Audit Committee that due to the changes that have been made to the Evaluation Criteria and composition of the Evaluation Committee based on guidelines from the State of Florida Auditor General that was just discussed, staff is recommending the words "Select and" be added to the Audit Committee Charter on page 2 under Specific Authority and Responsibility, first bullet point, so it states clearly that the Audit Committee has the responsibility to Select and Recommend to the Board the appointment and compensation of any registered public accounting firm contracted by JAXPORT. Chairman Bean stated that this revision doesn't really change anything, but that it does give more clarity to the Audit Committee Charter.

After a motion by Mr. Talbert and a second by Mr. Fleming, the Audit Committee unanimously accepted this revision to the Audit Committee Charter.

Update on Solicitation for Internal Auditor

Linda Williams gave an update on the selection process for an Internal Auditor. She stated that on

February 13 there were bid openings. There were eight companies that submitted proposals.

Ms. Williams stated that a committee of three members have been selected to evaluate those proposals. On March 7, the score cards will be submitted from the Evaluation Committee members. On March 10, the committee will come together with their combined scoring for the selection to decide what the next steps will be. Those next steps could include the award of a contract but if the scoring is close, they will ask for presentations or they can decide to re-bid. She stated that the goal is to have an Internal Auditor selected by April 1 or shortly thereafter.

Updated List of Outstanding Audit Items

Chairman Bean asked Ms. Williams if there were any updates on the List of Outstanding Audit Items, and she reported there were no changes since last meeting.

There being no further business, the meeting adjourned at 8:40AM.