



NICHOLS, CAULEY & ASSOCIATES, LLC

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March 8, 2021

Board of Commissioners
Glynn County Airport Commission
Brunswick, Georgia

We have audited the financial statements of Glynn County Airport Commission (the “Commission”), an enterprise fund of Glynn County, Georgia (the “County”) as of and for the year ended June 30, 2020, and have issued our report thereon dated March 8, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 30, 2020, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Glynn County Airport Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Glynn County Airport Commission is included in Note I to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended June 30, 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are:

- a. The estimated liability for post-employee benefits;
- b. The estimated amount of uncollectable receivables.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Glynn County Airport Commission's financial statements is Note 1 – Summary of Significant Accounting Policies.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Glynn County Airport Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 8, 2021.

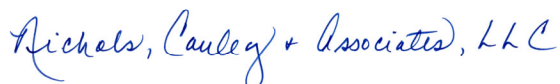
Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Glynn County Airport Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Glynn County, Georgia's auditors.

Very truly yours,



Nichols, Cauley & Associates, LLC
March 8, 2021

Client: **10071.001 - Glynn County, Georgia**
Engagement: **2020 EA - Glynn County, Georgia**
Period Ending: **6/30/2020**
Trial Balance: **3000.01 - GASB Fund Trial Balance**
Workpaper: **3700.02 - Adjusting Journal Entries Report - Airport**
Fund Level: **Fund**
Index: **599**

Account	Description	Debit	Credit
Adjusting Journal Entries			
To record changes to pension related accounts based on actuarial valuation for Airport Fund			
Adjusting Journal Entries JE # 7			
To adjust AP to included paybles at year end that were not properly recorded.			
599.1407.180F	3130018-42 Pass Term Security I	6,136.00	
599.1607.203F	Federal Rwy 4 Thresh Reloc Cons	22,201.00	
599.1607.203L	Local Rwy 4 Thresh Reloc Const	1,233.00	
599.1607.203S	State Rwy 4 Thresh Const	1,233.00	
599.1607.208F	ALP Update Future Dev Federal	38,815.00	
599.1607.208L	ALP Update & Future Deve Local	2,156.00	
599.1607.208S	ALP Update & Future State Share	2,157.00	
599.2003	Accounts Payable - CIP		73,931.00
Total		73,931.00	73,931.00
Adjusting Journal Entries JE # 10			
To remove CARES funding from CIP FAAOR			
599.5001	Salaries, Wages & Allowances	42,069.00	
599.5003	Payroll Taxes	3,047.00	
599.6017.1	Bi-weekly Administrative Charge	4,091.00	
599.6017.1	Bi-weekly Administrative Charge	120.00	
599.1407.189F	CARES ACT REIMB Federal		49,327.00
Total		49,327.00	49,327.00
Adjusting Journal Entries JE # 11			
To remove CARES reimbursement from CIP FAA1R			
599.1042	Prepaid Salaries/Wages - Firema	30,361.00	
599.1043	Prepaid Taxes - Fireman	9,639.00	
599.5001	Salaries, Wages & Allowances	362,533.00	
599.5002	Employee Benefits	77,258.00	
599.5003	Payroll Taxes	26,199.00	
599.5004	Pension Plan	35,253.00	
599.6012.25	Workers Comp Quarterly Payments	7,333.00	
599.6017.1	Bi-weekly Administrative Charge	1,133.00	
599.6017.11	Internal Human Resources Chgs	5,771.00	
599.7001.16	Runway Bulb and Board Repl	500.00	
599.7001.19	Windsock Replacement	630.00	
599.7001.21	AWOS Maintenance Contract	2,250.00	
599.7005.113-T13	2007 ARFF OSHKOSH Truck-BQK	17,689.00	
599.7103.18	Repairs	4,238.00	
599.7103.24	PM Service AC Units (FAS)	7,782.00	
599.7104	Janitorial Services Contract	17,600.00	
599.8001	Electric	118,611.00	
599.1407.189F	CARES ACT REIMB Federal		724,780.00
Total		724,780.00	724,780.00
Adjusting Journal Entries JE # 12			
To record Pension Expense for the Airport			
599.1049	Deferred Outflows Pension	144,707.00	
599.2112	Deferred Pension Inflows of Res	58,997.00	
599.2021	Net Pension Liability		197,285.00
599.5004	Pension Plan		6,419.00
Total		203,704.00	203,704.00
Adjusting Journal Entries JE # 13			
To record OPEB activity in the Airport			
599.1050	Deferred Outflows OPEB	1,532.00	
599.2022	Total OPEB Liability	52,841.00	
599.2113	Deferred Inflows of Resources	11,366.00	
599.5004	Pension Plan		65,739.00
Total		65,739.00	65,739.00

Adjusting Journal Entries JE # 14

To correct CARES Funding

599.6016.33	ARFF Fire Services	40,000.00	
599.1042	Prepaid Salaries/Wages - Firema		30,361.00
599.1043	Prepaid Taxes - Fireman		9,639.00
Total		<u><u>40,000.00</u></u>	<u><u>40,000.00</u></u>

Adjusting Journal Entries JE # 15

To accrue Benefit amounts owed to Glynn County

599.5002	Employee Benefits	11,457.00	
599.5002	Employee Benefits	10,334.00	
599.5002	Employee Benefits	674.00	
599.6012.25	Workers Comp Quarterly Payments	11,815.00	
599.2002	Accounts Payable - Glynn County		34,280.00
Total		<u><u>34,280.00</u></u>	<u><u>34,280.00</u></u>

Total Adjusting Journal Entries

1,191,761.00 1,191,761.00

Total All Journal Entries

1,191,761.00 1,191,761.00