



MINUTES

GLYNN COUNTY AIRPORT COMMISSION AUDIT COMMITTEE

Special Called Meeting

Monday, January 7, 2019

PRESENT

WAYNE JOHNSON, Chairman – Brunswick and Glynn County Development Authority
KEVIN RUNNER, Vice Chairman – GCAC Commissioner Audit Committee
AL MCKINNON – GCAC Commissioner Audit Committee
BILL AUSTIN – Brunswick and Glynn County Development Authority
GREGORY CHAPMAN, CPA – Nichols, Cauley and Associates
CHRISTOPHER MCGUIRE, CPA - Nichols, Cauley and Associates
HILLARY STRINGFELLOW – Counsel for GCAC
ROBERT BURR – GCAC Executive Director
DOUGLAS HUTSON – GCAC Commissioner
SHAWNA WILLIAMS – GCAC Finance and Administration Manager
KATHERINE KISSLING – GCAC Airport Senior Administrative Coordinator
TIFFANY LANDRY – GCAC Airport Accountant
TERRA WINSLETT - GCAC Airport Property & Marketing Manager

The Special Called meeting of the Glynn County Airport Commission (GCAC) Audit Committee was held at 9:00 a.m. on Monday, January 7, 2019 at 9:00 at the Brunswick & Golden Isles Development Authority second floor conference room.

Call to Order -The meeting of the GCAC Audit Committee was called to order by Chairman Wayne Johnson at 9:00 a.m. He welcomed the attendees.

Approval of Minutes – Wayne Johnson presented the August 9, 2018 audit committee meeting minutes for approval. Copies were provided to all attendees. He requested any additions or corrections. None were stated.

Commissioner Runner made a motion to accept the Audit Committee meeting minutes for August 9, 2018. Commissioner McKinnon seconded the motion and it carried unanimously: 4-0.

Wayne Johnson and Commissioner Runner signed the August 9, 2018 Audit Committee minutes.

Wayne Johnson explained that the purpose of the meeting is to hear the audit report for Fiscal Year 2017/2018. He introduced two representatives of Nichols Cauley and Associates: Greg Chapman and Chris McGuire. He welcomed them and turned the meeting over to the auditors.

Greg Chapman handed out a presentation of the June 30, 2018 audit results. He thanked the Airport Commission for allowing them to perform the audit. It was a transition year with a new firm and the combination of the County auditor and Airport Commission auditor. The process went smoothly. There were no issues along the way.

Nichols Cauley is a firm of certified public accounts with a staff of about 150 in eight offices throughout Georgia. Mr. Chapman is a partner who specializes in a wide variety of governmental accounting.

The audit was performed in accordance with Auditing Standards Generally Accepted Accounting Principles in the United States of America. (GAAP) and Governmental Auditing Standards (GAS). The objective was to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

The auditors considered the internal controls of the Commission in the audit. The financial statements are the responsibility of the Airport Commission's management. The auditor's job is to opine on those statements.

A three-page letter was presented to the attendees containing the auditor's opinion on the financial statement audit. The auditors rendered an unmodified opinion, which is a clean opinion, on the basic financial statements. The auditors determined they are presented in accordance with generally accepted accounting principles in the United States (GAAP).

A single audit was completed for the Airport Commission because over \$750,000 in federal grant money was spent. The Airport Commission was tested separately from Glynn County. An unmodified clean opinion was rendered on compliance for one major federal program tested in accordance with Title 2 U.S. CFR Section 200 (Uniform Guidance).

In considering the policies used by the Airport Commission, the auditors noted that the Airport Commission is now in accordance with generally accepted accounting principles. GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, was a new standard that was implemented this year.

During the audit no controversial or emerging issues were identified.

The various estimates used by the Airport Commission were deemed reasonable in relation to the financial statements as a whole.

The auditors received full cooperation from the Airport Commission's management, staff and others. There were no disagreements with management on accounting issues or financial reporting matter.

Adjustments were proposed to the records of the Airport Commission and have been recorded in the Airport Commission's financial statements. There were no passed audit adjustments.

There were no significant issues discussed with management related to business conditions, plans or strategies that may have affected the risk of material misstatement.

In accordance with AICPA standards, Nichols Cauley is independent with regard to the Airport Commission and its financial reporting process.

GASB pronouncements which could be applicable to the Airport Commission in future years include:

- 1.) GASB Statement No. 83, Certain Asset Retirement Obligations which relates to retiring or disposing of assets. An example of an asset this would apply to would be when the Quonset Hut was taken down.
- 2.) GASB Statement No. 87, Leases, will require all lease agreements to be recorded as a liability and receivable under full accrual accounting applicable for June 30, 2021. There will be a lot of bookkeeping and tracking required to comply. New software may be needed to track this. As the date approaches there will be more implementation guidance. The Airport Commission currently has over 100 leases.
- 3.) GASB No. 88 may affect long-term debt disclosures and is applicable for June 30, 2019.

Wayne Johnson stated that this sounds like an outstanding report with no findings.

Mr. Chapman agreed that there were no findings, no significant deficiencies or material instances, and nothing on the single audit.

Chris McGuire agreed that everything went very well. He expressed his appreciation to Airport Commission team. He stated that everyone was very helpful, very knowledgeable and provided everything that was needed.

Wayne Johnson explained that the audit report must be accepted by the Audit Committee and asked for a motion to accept the audit report.

Commissioner Runner made a motion to accept the audit report. Bill Austin seconded the motion and it carried unanimously: 4-0.

Wayne Johnson thanked everyone and congratulated staff on a clean report.

Robert Burr commented that the auditors were excellent to work with. They were very helpful and responsive. He stated that staff is looking forward to working with Nichols Cauley on the next audits.

Wayne Johnson asked for a motion to adjourn.


Commissioner McKinnon made a motion to adjourn. Bill Austin seconded the motion and it carried unanimously: 4-0. The Glynn County Airport Commission Audit Committee meeting was adjourned at 9:34 a.m.



Wayne Johnson



Kevin Runner


Katherine Kissling, Attest
Date