Saint Johns County Airport Authority

Workshop Meeting Agenda
St. Augustine Airport

Airport Conference Center, Monday, September 08, 10:00 am

Purpose: When Board Meetings are regularly conducted, they create a historical record of significant Airport Operations and the progress of the Airport Authority's strategic initiatives. Although regularly scheduled Board Meetings are currently not being conducted in the absence of a statutory quorum of the Board, this meeting will serve to create and memorialize an update for all of the Airport's stakeholders concerning Airport Operations and activities in support of the Airport Authority's strategic initiatives.

- **Call to Order**
- **Pledge of Allegiance**
- **Roll Call**
- **Index:**

  1. **Financial Audit Presentation**
  2. **Forensic Audit Update**
  3. **FDOT Audit Update**
  4. **FAA 139 Audit Preparation Update**
  5. **AEP Emergency Plan (AEP) Exercise Briefing**
  6. **Public Records Request Process Overview**
  7. **T-Hangar Lease Policy: Preparing for Board Discussion**
  8. **T-Hangar Compliance: Actions and Ongoing Inspections**
  9. **FAA/FDOT Approvals: Air Terminal and ARFF Building Use**
  10. **Florida Job Growth Grant Fund Update**
  11. **Hawkeye View Lane Realignment Grant Update**

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- **Items for Discussion:**

1. **Financial Audit Presentation.**

   Presenter: Jeff Zeichner of Cherry Bekaert Advisory

   - Board Comments

2. **Forensic Audit Update**

   Presenter: General Counsel/Deputy General Counsel

   - Board Comments

3. **FDOT Audit**

   Presenter: Connie Worley, Controller, St. Johns County Airport Authority

   - Board Comments

4. **FAA 139 Audit Preparation Update**

   Presenter: Ethan Cole, Operations Supervisor - Landside, St. Johns County Airport Authority

   - Board Comments

5. **AEP Emergency Plan (AEP) Exercise Briefing**

   Presenter: Courtney K. Pittman, Interim Executive Director, St. Johns County Airport Authority

   - Board Comments

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6. **Public Records Request Process Review**

   Presenter: Linda Santiago, Executive Assistant and Board Liaison, St. Johns County Airport Authority

   - Board Comments

7. **T-Hangar Lease Policy: Preparing for Board Discussion**

   Presenter: Courtney K. Pittman, Interim Executive Director, St. Johns County Airport

   - Board Comments

8. **T-Hangar Compliance: Actions and Ongoing Inspections**

   Presenter: Courtney K. Pittman, Interim Executive Director, St. Augustine Airport

   - Board Comments

9. **FAA/FDOT Approvals: Air Terminal and ARFF Building Use**

   Presenter: Courtney K. Pittman, Interim Executive Director, St. Augustine Airport

   - Board Comments

10. **Florida Job Growth Grant Fund Update**

    Presenter: Connie Worley, Controller, St. Johns County Airport Authority

    - Board Comments

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11. Hawkeye View Lane Realignment Grant Update

Presenter: Courtney K. Pittman, Interim Executive Director, St. Augustine Airport

- Board Comments

12. Board Comments

13. Next meeting

a. Regular Meeting, Monday, October 13, 2025, 9:00 am, Airport Conference Center

14. Adjournment

Respectfully Submitted,
Courtney K. Pittman
Interim Executive Director

*For any questions regarding these agenda items, Board Members or members of the public are encouraged to reach out to the Interim Executive Director.

ST. JOHNS COUNTY AIRPORT AUTHORITY

Audit Executive Summary

August 21, 2025

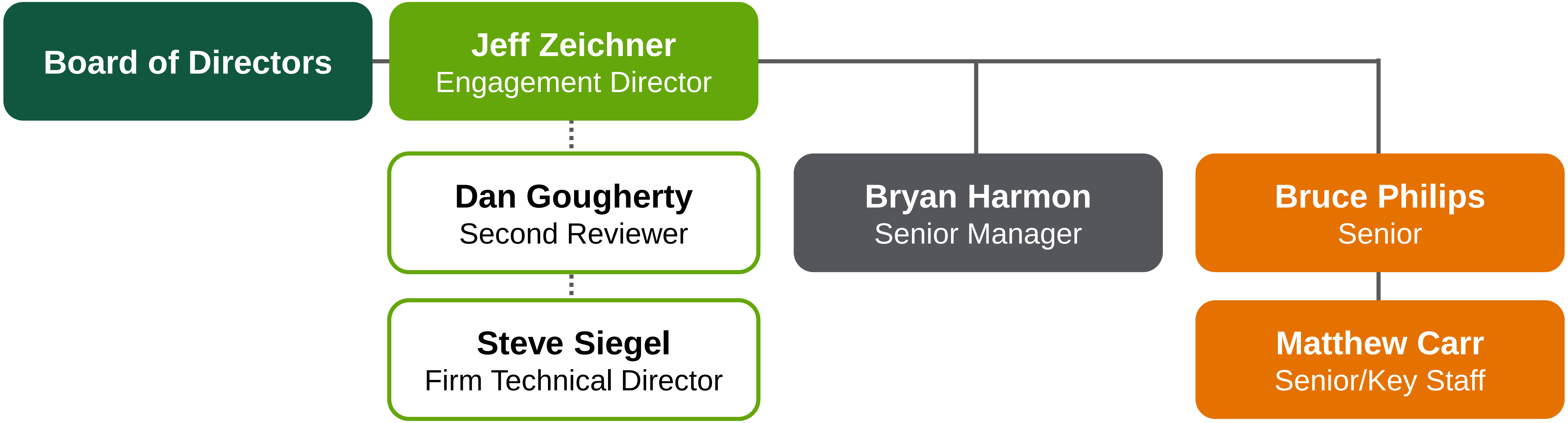
Cherry Bekaert LLP
Your Guide Forward

Agenda

- Client Service Team
- Results of the Audit
- Significant Audit Matters
- Internal Control Communication
- Corrected and Uncorrected Misstatements
- Qualitative Aspects of Accounting Practices
- Independence Considerations
- Other Required Communications
- Other Matters
- Upcoming Financial Reporting Changes

This information is intended solely for the use of the Board of Directors and, the management of St. Johns County Airport Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

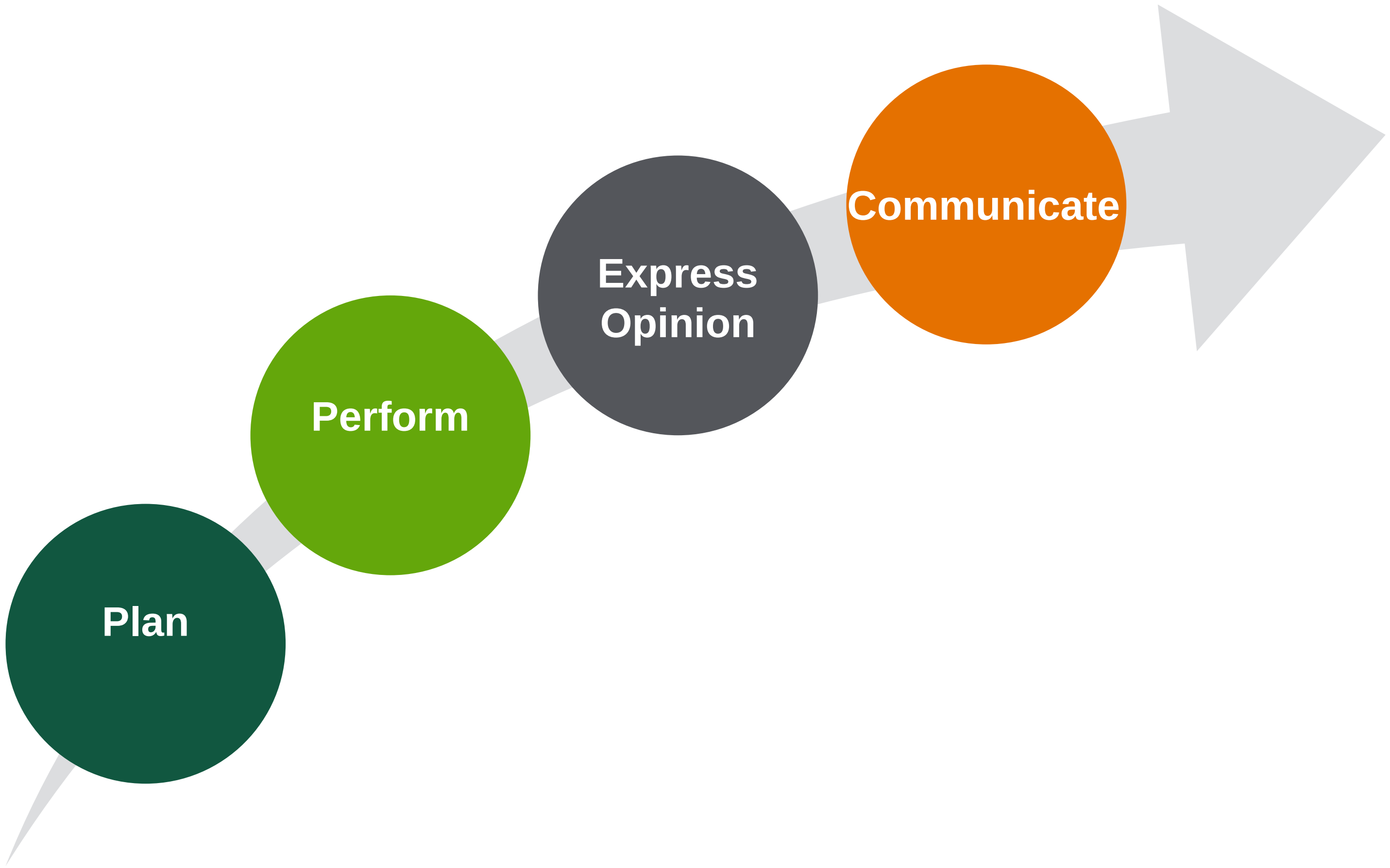
Client Service Team



Results of the Audit

We have audited the financial statements of the St. Johns County Airport Authority (the “Authority”) for the year ended September 30, 2024, and we have issued our report thereon dated August 21, 2025.

We have issued an unmodified opinion on the financial statements.



Significant Audit Matters

Management override of Controls

We have performed journal entry testing.

We have examined significant estimates for evidence of management bias.

We have made inquiries om management and non-management personnel.

The results of our procedures indicated no evidence of management override of controls

Capital Assets

We have tested additions to capital assets.

We have examined the year end CIP schedule to determine if CIP was accurate based on the status of each project

We have performed substantive analytics over depreciation expense.

The results of our procedures indicated no issues pertaining to the financial reporting of capital assets.

Internal Control Communication

In planning and performing our audit, we considered internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

Internal Control Communication

Material Weakness

- A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis.

Significant Deficiency

- A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We did not identify any control deficiencies that we believe to be material weaknesses.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Corrected Misstatements

- The following material misstatement detected as a result of audit procedures were corrected by management:
  - A reclassification from construction in progress to land and land improvements in the approximate amount of $2.1 million.
  - A decrease of leases receivable and deferred inflows in the approximate amount of $46 thousand.
  - Net position and revenue were increased in the approximate amount of $25 thousand.

Corrected and Uncorrected Misstatements

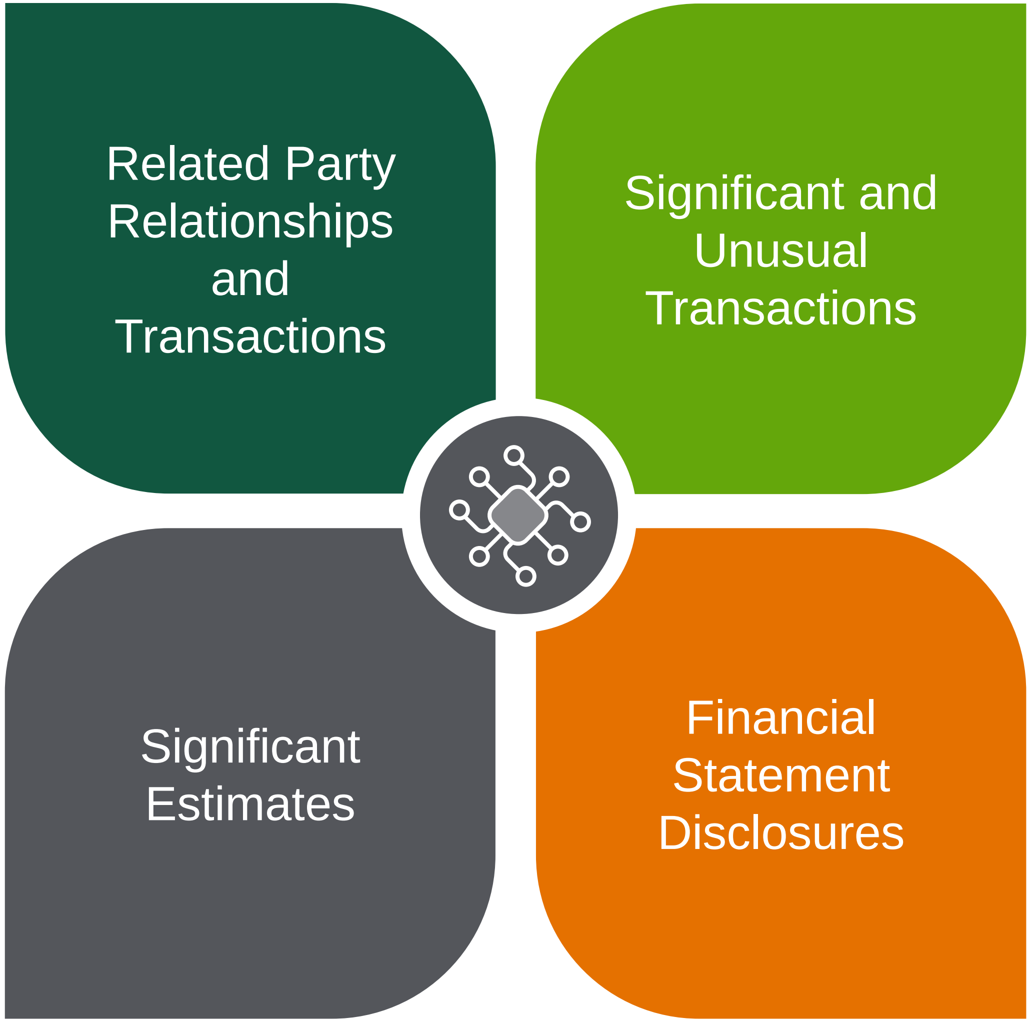
Uncorrected Misstatements

- The following summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.
  - Understatement of accounts payable and expenses in the approximate amount of $65 thousand.
  - The Authority has not recorded a liability for other post employment benefits. As a result, we estimate that liabilities are understated and net position is overstated by approximately $63 thousand.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 2 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no inappropriate accounting policies or practices.

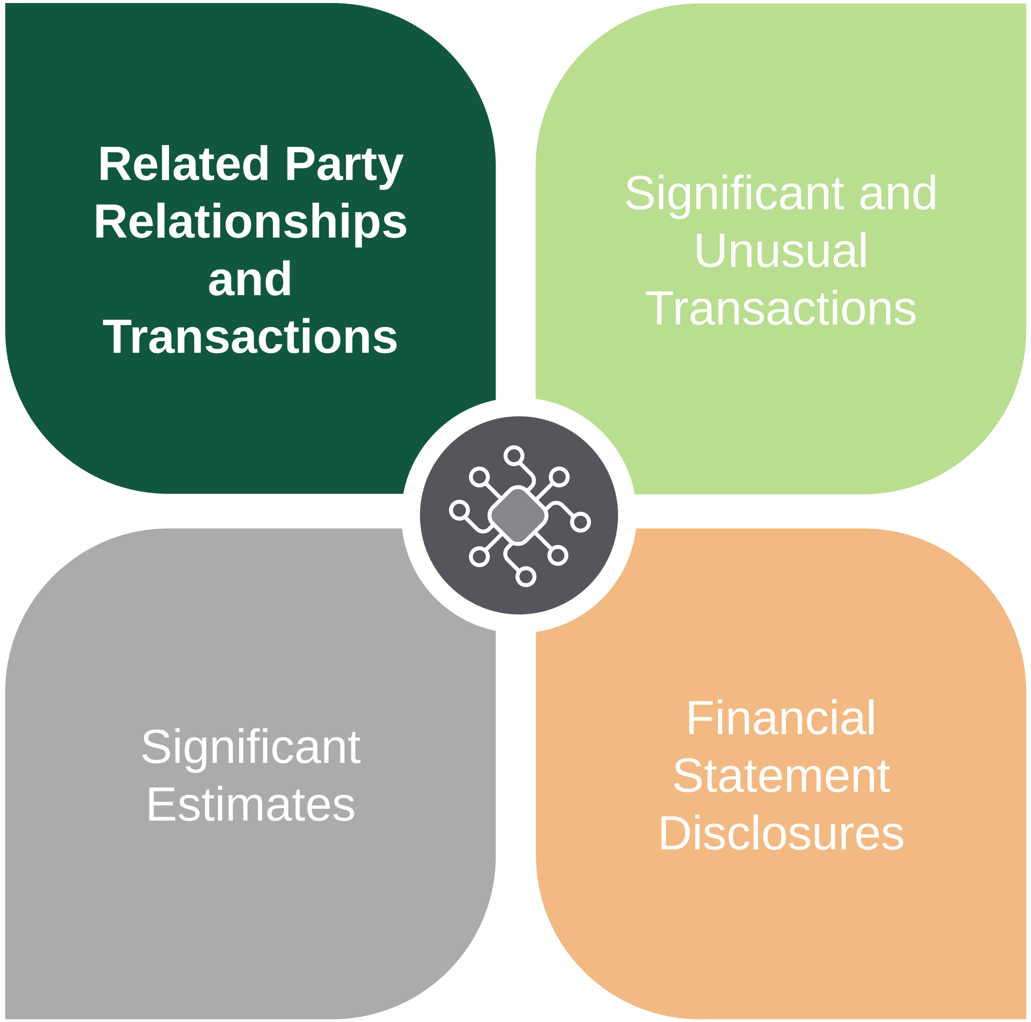


Qualitative Aspects of Accounting Practices

As part of our audit, we evaluated the Authority's identification of, accounting for, and disclosure of the Authority's relationships and transactions with related parties as required by professional standards.

We noted none of the following:

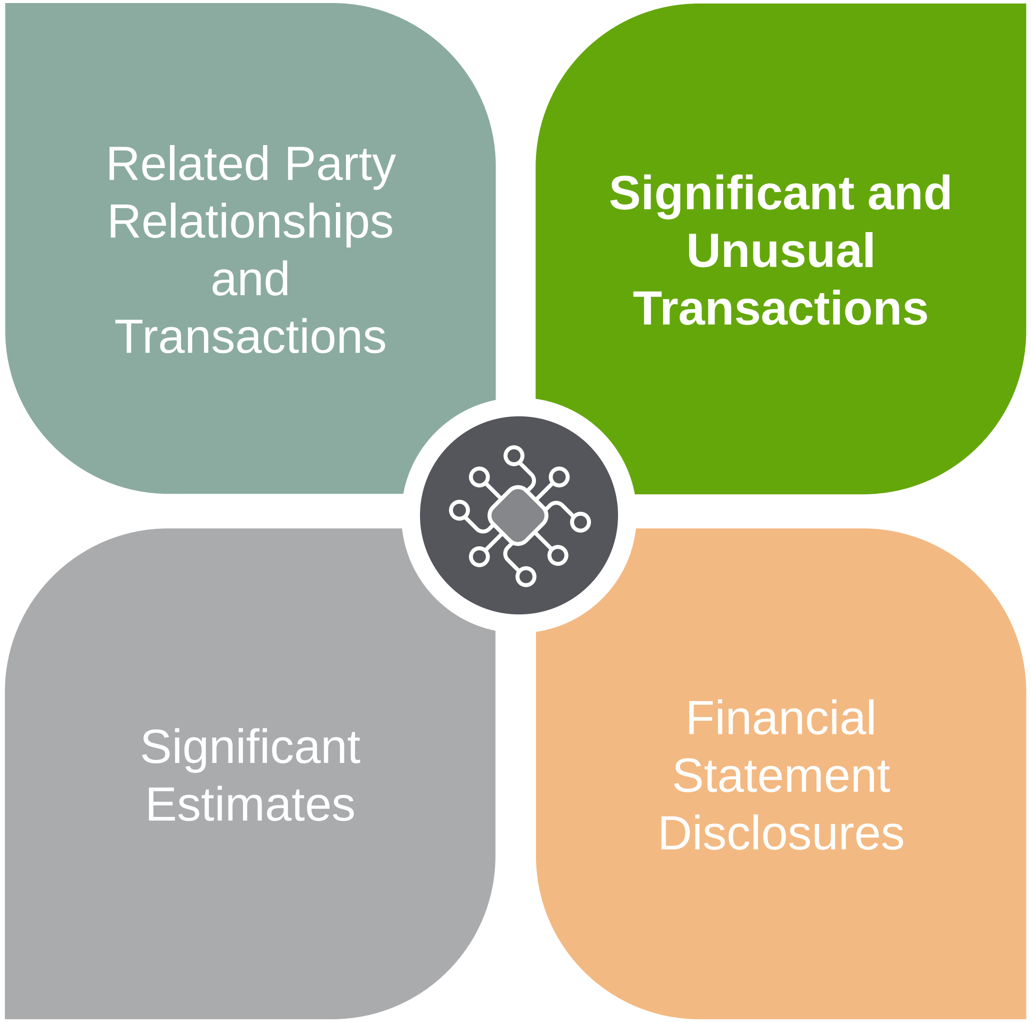
- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related party transactions that have not been approved in accordance with the Authority's policies or procedures or for which exceptions to the Authority's policies or procedures were granted;
- Significant related party transactions that appeared to lack a business purpose;
- Noncompliance with applicable laws or regulations prohibiting or restricting specific types of related party transactions; and
- Difficulties in identifying the party that ultimately controls the Authority.



Qualitative Aspects of Accounting Practices

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

For purposes of this presentation, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the Authority or that otherwise appear to be unusual due to their timing, size, or nature. We noted no significant unusual transactions during our audit.

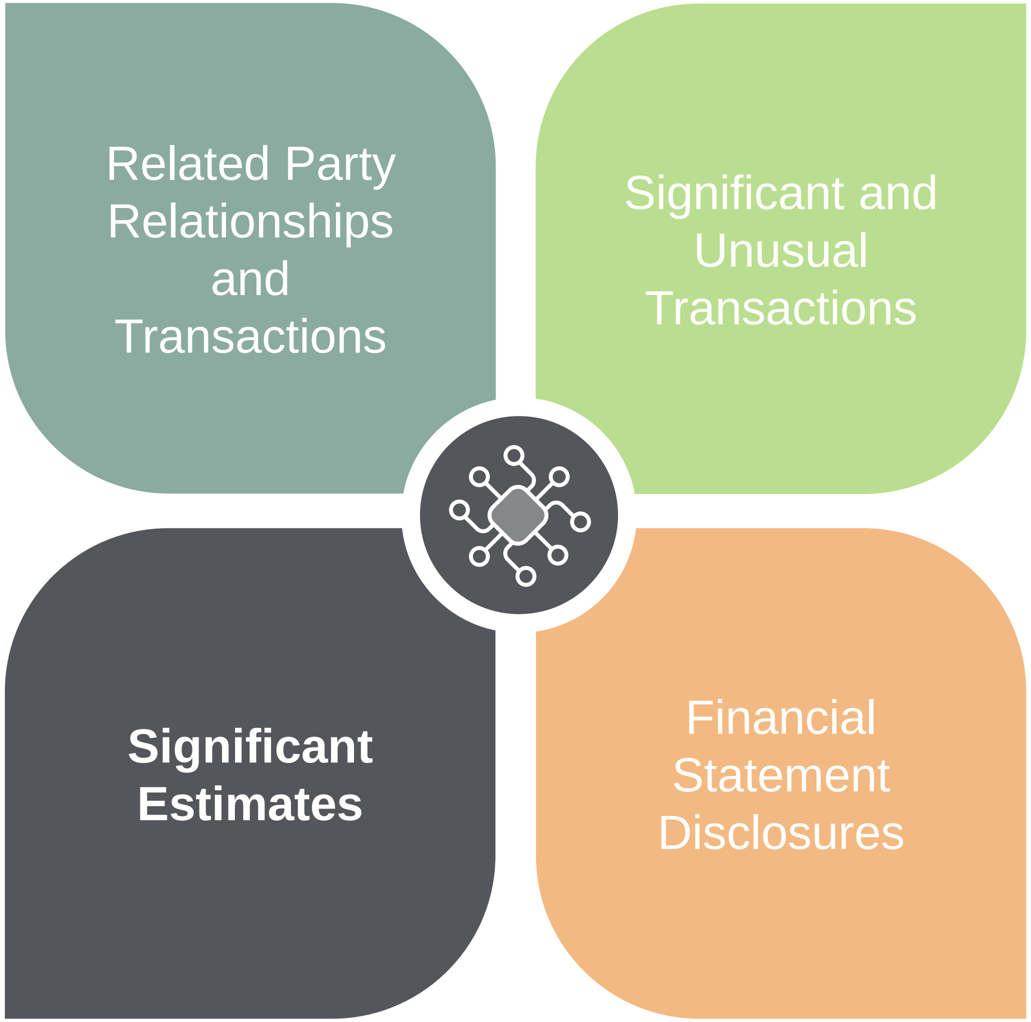


Qualitative Aspects of Accounting Practices

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the financial statements were:

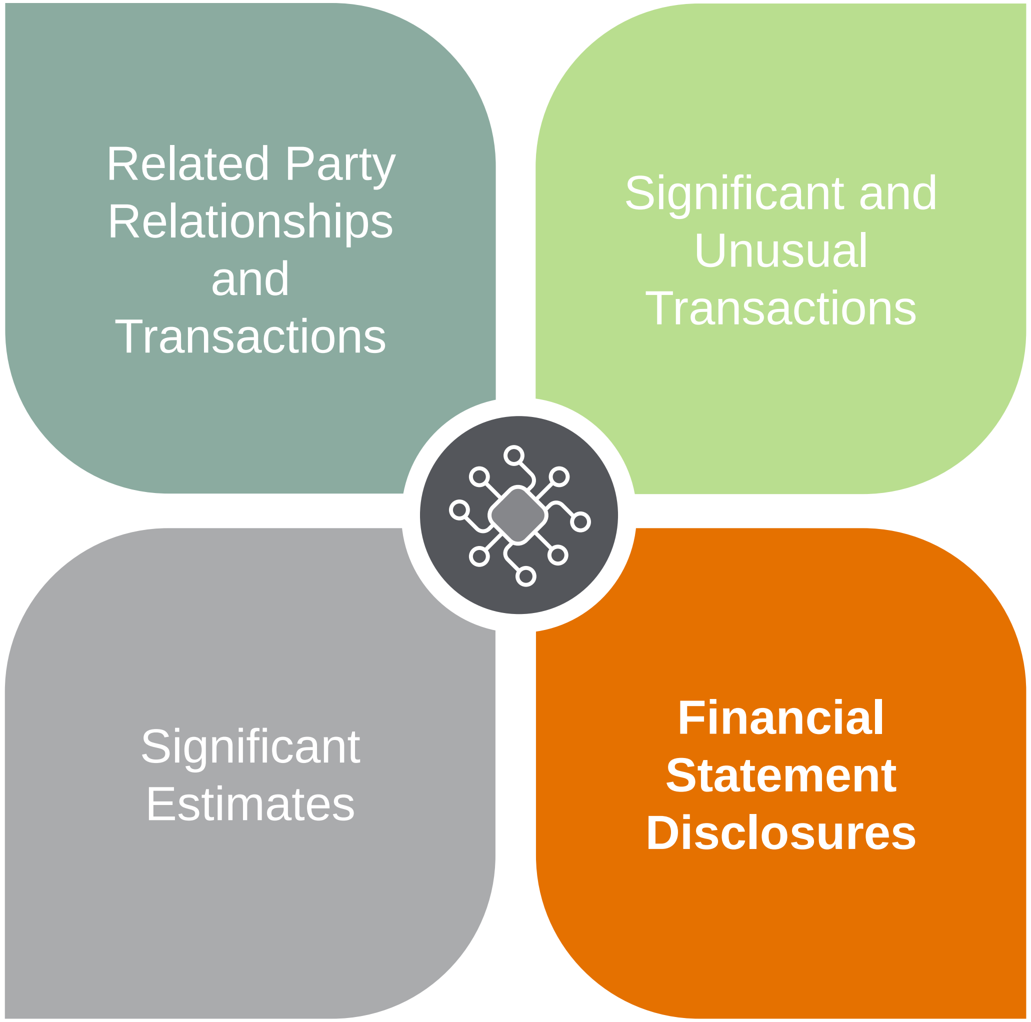
- Depreciation of capital assets
- Pension obligations
- Valuation of leases receivable

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



Qualitative Aspects of Accounting Practices

The financial statement disclosures are neutral, consistent, and clear.



Independence Considerations

Nonattest Services

- Assist in preparation of the financial statements and notes, data collection form, and depreciation schedules.
- Assistance in the maintenance of depreciation schedules.
- Forensic accounting services.
- For all nonattest services we perform, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, and accept overall responsibility for the results of the services.

Independence Conclusion

- We are not aware of any other circumstances or relationships that create threats to auditor independence.
- We are independent of the Authority and have met our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.

Other Required Communications

Difficulties Encountered	We encountered no significant difficulties in dealing with management in performing and completing our audit.
Disagreements with Management	Includes disagreements on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.
Auditor Consultations	We noted no matters that are difficult or contentious for which the auditor consulted outside the engagement team.
Management Representations	We have requested certain representations from management that are included in the management representation letter dated August 21, 2025.

Other Required Communications

Management Consultations	In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. To our knowledge, there were no such consultations with other accountants.
Other Findings or Issues	We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Fraud and Illegal Acts	As of the date of this presentation, no significant fraud, illegal acts, or violations of laws and regulations noted.
Going Concern	No events or conditions noted that indicate substantial doubt about the Authority's ability to continue as a going concern.

Other Matters

Supplementary Information

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Upcoming Financial Reporting Changes

These standards will be effective for the Authority in the upcoming years and may have a significant impact on the Authority's financial reporting.

We would be happy to discuss with management the potential impacts on the Authority's financial statements and how we may be able to assist in the implementation efforts.

- GASB Statement No. 101, *Compensated Absences*
- GASB Statement No. 102, Certain *Risk Disclosures*
- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*

Questions

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