

**BLOOMINGTON-NORMAL AIRPORT AUTHORITY
AUDIT/FINANCE COMMITTEE MEETING REPORT
THURSDAY, January 17, 2019
1:30 p.m.**

Commissioner Kannaday called the meeting to order at 1:30 p.m. Commissioner Hanson, Executive Director Carl Olson, CFO Paulette Hurd, and Executive Assistant Lynnette Hindman were present. A quorum was acknowledged.

The Committee approved the meeting report from the August 27, 2018 meeting.

Staff released a Request For Proposals (RFP) for audit services November 16, 2018 with a submittal deadline of December 21, 2018. Notice of the RFP was provided directly to eight firms known to do government work with offices in Illinois. The RFP was placed on the Authority's website, as well as being advertised in the *Pantagraph*. Nine firms requested the full packet, which included copies of the most recent audit reports. Three proposals were received; Plante Moran, Sikich and CliftonLarsenAllen. Ms. Hurd shared with the Committee her review of the proposals. Plante Moran proposed the audit taking 234 hours with a fee of \$222,500 over the 5 years. Sikich proposed the audit taking 332 hours with a fee of \$199,000 over the 5 years and CliftonLarsenAllen proposed the audit taking 215 hours with a fee of \$203,750 over the 5 years. Commissioner Kannaday inquired about the big discrepancy with the hours between Sikich and the other firms. Ms. Hurd noted that Sikich has been doing the audit for the last several years and they would have a better understanding of exactly how many hours would be required. The other 2 firms are estimates based off general information. The Committee discussed the merits of the 3 proposals. Sikich is the only firm that has experience with Illinois airports. They also proposed changing the engagement partner as well as the entire audit team, should the Board request it. It was noted that the Airport Authority is rather complex with the different revenue streams and the Federal and State requirements. This can pose a learning curve for a new firm. The grant projects and the State of Illinois reimbursement can be challenging. With Paulette and Dianne being new to their positions, the Committee felt that there are "fresh eyes" on the Authority's financials and don't have concerns with going with the same firm for another 5 years. A motion was made to present the Sikich proposal to the full board for their approval and award for a 3 year term with two (1) year renewals, at the Authority's sole decision. The motion was seconded and upon a unanimous vote, the motion carried.

A copy of the budget schedule was shared with the Committee. There is actually 30 days between the April and May meeting this year. The draft budget would come to the Committee in March and then to the full Board for the tentative approval at the April meeting. The budget would then be put on display for 30 days with final approval being at the May meeting. As a part of budget preparation, Staff would like to recommend incorporating the Hangar Fund into the General Fund.

Staff is also working on the preparation of a Series 2019 General Obligation Bonds in the first half of 2019. Carl also shared that the new snow equipment is expected to arrive in April. This is ahead of schedule and more than likely there will not be sufficient funds available to pay for the equipment and wait for reimbursement. There is a chance that the line of credit might have to be used for this.

There being no other business to come before the Committee the meeting adjourned at 1:55 p.m.


Signature

3-25-19
Date