

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The South Village Community Development District audit committee met Tuesday, September 6, 2016 at 6:30 p.m. at the Eagle Landing Residents Club, 3975 Eagle Landing Parkway, Orange Park, Florida.

Present were:

Gary Cross	Audit Committee Member
Grant Krueger	Audit Committee Member
Richard Townsend	Audit Committee Member
Bobby J. Poole	Audit Committee Member
Jim Oliver	District Manager
Katie Buchanan	District Counsel

The following is a summary of the actions taken at the September 6, 2016 audit committee meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the audit committee meeting to order at 6:30 p.m.

SECOND ORDER OF BUSINESS

Review and Ranking of Proposals for Audit Services

Mr. Oliver stated the board appointed itself as the audit committee and you approved the evaluation criteria on which to evaluate the proposals that you would receive and those criteria are: ability of personnel, proposers experience, understanding scope of work, ability of the audit firm to furnish the required services and price. Once you approved the evaluation criteria staff published a notice of the audit RFP in the newspaper and you received proposals from four firms and those proposals were given to the board at a previous meeting. Subsequent to the RFP going out the board issued bonds and also purchased the golf course, which changed the scope of the audit. We went to each of the four proposers and asked if they would provide an adjusted price based on the change in circumstances, they did that and you have a score sheet by email that showed the pricing for those audits. The four audit firms that proposed were: Berger Toombs

Elam Gaines & Frank, the current auditor at a price of \$5,750 to conduct the fiscal year 2016 audit, Carr Riggs & Ingram \$18,500, Grau & Associates \$9,500 and McDirmit Davis \$8,100. If you go to the far right column and the score you will see that the full 20 points was given to Berger Toombs with the price of \$5,750, six points went to Carr Riggs that had a price of \$18,500, 12 points went to Grau & Associates at \$9,500 and 14 points went to McDirmit Davis at \$8,100 price. I then scored the four other categories, which are more subjective but based on the proposals that we received ability of personnel, Berger Toombs got 20, Grau & Associates 19, Carr Riggs 18 and McDirmit Davis 17. Proposers experience there is a slight edge to Berger Toombs because they are familiar with this project having not only done the audit for this district for the last three years they also did the due diligence audit for the golf course, which would be very helpful, Grau & Associates 19 points, Carr Riggs 18 points and McDirmit Davis 18. I gave a full 20 points for understanding scope of work for all these firms who are all very qualified CPA firms that do governmental audits. Ability to furnish required services, the track record with Grau and with Berger Toombs they have both done audits for this district and they got the full 20 points, Carr Riggs & McDirmit Davis 18 points each. My rankings came out: first Berger Toombs at 100 points, second Grau & Associates at 90 points, third McDirmit Davis at 87 points and fourth was Carr Riggs at 80 points. The board can accept those rankings and direct staff to get an engagement letter from Berger Toombs or you can rank the proposals yourself and either way is fine. I will take board direction on that.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor Berger Toombs was ranked no. 1, Grau & Associates no. 2, McDirmit Davis no. 3 and Carr Riggs no. 4.

On MOTION by Mr. Cross seconded by Poole with all in favor the audit committee meeting adjourned.