

MINUTES OF COMMITTEE MEETING BRIGHTON LAKES COMMUNITY DEVELOPMENT DISTRICT

A meeting of the audit selection committee of the Board of Supervisors of the Brighton Lakes Community Development District was held Thursday, November 3, 2016, at 6:00 p.m. at the Brighton Lakes Clubhouse, 4250 Brighton Lakes Boulevard, Kissimmee, Florida 34744.

Present and constituting a quorum were:

Michelle Incandela	Committee Chairman
John Mastromarino	Committee Vice Chairman
John McGrath	Committee Member
Dolores Pieters	Committee Member

Also present were:

Gary L. Moyer	District Manager
Sarah Sandy (<i>via telephone</i>)	Attorney
Diana Alvez-Martins	Severn Trent Services
Al Desrosiers	Severn Trent Services
Joe Grozier	American Ecosystems
Paul McCartan	Keep Safe Security
Tom Murphy	Girard Environmental
Brian Smith	Severn Trent Services
Residents and members of the public	

This represents the context and summary of the meeting.

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Mr. McGrath led the *Pledge of Allegiance*.

Mr. Moyer called the meeting to order at 6:00 p.m.

Mr. Moyer called the roll, indicating a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Ranking of the Audit Firm Proposals and Recommendations of Selected Audit Firm

Mr. Moyer stated as you will recall, this Board appointed itself as the audit committee. We are going through a process of reviewing qualifications from auditing firms to audit our last fiscal year, which ended on September 30. In response to the District's request for proposals, which was advertised in the newspaper, we received three responses: Berger, Toombs, Elam, Gaines & Frank; Grau & Associates; and McDirmit Davis & Company. Staff took the liberty of highlighting for you the proposals that were submitted. I am familiar with two of these firms. They do a lot of audits. I am not familiar with McDirmit Davis & Company, but they certainly seem to be qualified.

All three firms are qualified. In selecting an auditor, what we are not permitted to do in selecting an engineer or architect, is to ask how much the service is going to cost us. One of the columns identifies the price. On an annual basis, Berger, Toombs, Elam, Gaines & Frank was \$5,025, Grau & Associates was \$3,800, and McDirmit Davis & Company was \$4,500. The last two were less than what we paid this year for our audit, which was \$4,750. When you take the totality of all of them being qualified and their prices, the District could save some money by going with Grau & Associates.

Mr. Mastromarino stated I would agree. Based on the criteria, all three companies were equal across the board. That is a fair price. Typically, what type of increases would we expect next year?

Mr. Moyer responded if you ranked Grau & Associates number one, I will negotiate a contract with them. Part of that contract will be for three years and they will include that price in there.

Mr. Mastromarino stated good. Did our proposal include a three-year request or just a request for an audit?

Mr. Moyer responded I think the proposal indicated that we would consider a three-year contract.

Ms. Pieters stated on page 32, it says that we must maintain our current level of operations. What does that mean?

Mr. Moyer responded that we do not go out and do another bond issue because it takes a lot of effort to do bond issues or we start a water and sewer system and send out utility bills, which we are authorized to do. We just do not do it because we get our water and sewer from another provider. If we keep doing what we are doing now or we want to add a park, that is already accounted for in the general fund and will not trigger any changes.

Ms. Pieters stated we are adding security.

Mr. Moyer stated that is all under the general fund.

<p>Mr. McGrath made a MOTION to rank Grau & Associates as the number-one ranked firm to provide auditing services. Mr. Mastromarino seconded the motion.</p>
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Mr. Mastromarino asked is it a one-year contract and we are trying to negotiate for three years?

Mr. Moyer responded right. This is convoluted but you as the committee are making a recommendation to the Board. There is an item on your agenda where you actually authorize me to negotiate that contract. This motion will be your recommendation to the Board.

Upon VOICE VOTE with all in favor, unanimous approval was given to rank Grau & Associates as the number-one ranked firm to provide auditing services.

Mr. Mastromarino stated just so the home owners know, Mr. Moyer said that we paid \$4,700 last year for the audit, and this year it is \$3,800, so we are saving \$900. If we can negotiate that, we will see those savings for the next couple of years.

Ms. Sandy asked were the other auditors ranked in terms of points awarded?

Mr. McGrath responded yes.

THIRD ORDER OF BUSINESS

Adjournment

There being no further business, the audit committee meeting was adjourned.

Gary L. Moyer, Secretary

Michelle Incandela, Chairman