

MINUTES OF MEETING  
TISON'S LANDING COMMUNITY DEVELOPMENT DISTRICT

The Audit Committee meeting of the Board of Supervisors of the Tison's Landing Community Development District was held Thursday, July 9, 2015 at 10:00 a.m. at England-Thims & Miller, Inc. 14775 Old St. Augustine Road, Jacksonville, Florida 32258.

Present and constituting a quorum were:

|               |               |
|---------------|---------------|
| Doug Maier    | Vice Chairman |
| Fitch King    | Supervisor    |
| Aaron Roberts | Supervisor    |

*Also present were:*

|              |                             |
|--------------|-----------------------------|
| Dave deNagy  | District Manager            |
| Dennis Lyles | District Counsel (by phone) |

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. deNagy called the meeting to order at 10:00 a.m.

**SECOND ORDER OF BUSINESS**

**Review and Ranking of Audit Proposals for Fiscal Year 2015**

Mr. deNagy stated I have taken the liberty of filling out an evaluation criteria. I will go through the scoring I prepared. We received four proposals. The current audit firm is Grau and Associates, and they have provided a proposal for the FY15, FY16, and FY17 audits. The other firms are Berger, Toombs, Elam, Gaines, and Frank; Carr Riggs and Ingram; and McDirmitt Davis and Company. There are five criteria by which we evaluate the proposals. Those criteria include Ability of Personnel, Proposer's Experience, Understanding Scope of Work, Ability to Furnish Required Services, and Price. Each criteria is weighted 20 points. The audit firm with the highest number of points would be awarded the contract. I noted on the bottom of the evaluation the price proposals for reference from each of the audit firms. Our budget for FY16 is \$4,400. For the FY15 budget, all of the proposers bid either at budget or below. I will start with price. The one with the lowest bid gets the full 20 points, which is Grau and Associates. They bid \$3,500. Each of the bidders is scored based on a percentage of the low score. We have Berger Toombs as the next lowest at 19.6 points, McDirmitt Davis at

18.9 points, and Carr Riggs was the lowest at 16 points. Next is Ability of Personnel. I am familiar with all four of these audit firms. I like to consult with our accountants who deal with the audit firms directly. They do the lion's share of the work with the audit firms, and I got their opinions on whether they have any problems or issues or preferences of audit firms. While Grau and Associates and Berger Toombs do a bunch of CDD work, the accountants have expressed some concern working with these companies because maybe they have too much work. I took that into account when scoring Ability of Personnel. I didn't give Grau or Berger a full 20 points. I gave Grau 18 because they are our current CPA firm, and I gave Berger 17. Our accountants seem to like Carr Riggs and McDermitt Davis, so I gave them a full 20 points. Under Proposer's Experience, all the audit firms that presented proposals have adequate experience, so each got 20 points. For Understanding Scope of Work, all of these four firms understand the scope of work. The Ability to Furnish Required Services again gets back to one of the issues the accountants have with Grau and Berger, so I scored them with 15 points each for Ability to Furnish Required Services. I gave Carr Riggs and McDermitt Davis 20 point each. Given that scoring, the firm with the highest number of points would be McDermitt Davis at 98.9. The second highest would be Carr Riggs at 96 points. Third would be Grau and Associates at 93 points and Berger Toombs came in at 91.6. The scoring has McDermitt Davis ranked #1 even though their fee proposal is \$200 more than our current provider, Grau and Associates. McDermitt Davis is well under the budget by \$700, so that is not an issue. My recommendation would be to rank McDermitt Davis #1, Carr Riggs #2, Grau and Associates #3, and Berger Toombs #4. If the Audit Committee is happy with that ranking, I need a motion.

Mr. Maier asked if there were any issues with Grau and Associates at this time.

Mr. deNagy responded yes, some minor issues.

Ms. Roberts asked this would be for the next three fiscal years?

Mr. deNagy responded correct.

On MOTION by Mr. Maier seconded by Ms. Roberts with all in favor to rank McDermitt Davis #1, Carr Riggs #2, and Grau and Associates #3 was approved.

**THIRD ORDER OF BUSINESS**

**Other Business**

There was no other business.

**FOURTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Maier seconded by Mr. King with all in favor the meeting was adjourned.