

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	July 16, 2013	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Department of Economic Sustainability		
Submitted For:	Housing Finance Authority of Palm Beach County		

I. EXECUTIVE BRIEF

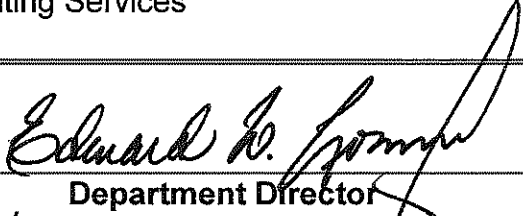
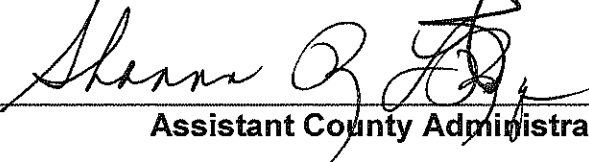
Motion and Title: Staff recommends motion to approve: a Contract for Accounting Services between the Housing Finance Authority of Palm Beach County, Florida (Authority), and Goldstein, Zugman, Weinstein and Poole, LLC (GZWP).

Summary: The Authority was established by the Board of County Commissioners (BCC) in 1979 in accordance with Part IV, Chapter 159, Florida Statutes. Section 2-189 of the Palm Beach County Code of Ordinances, as amended, requires that all contracts of the Authority for the purchase of goods and services in excess of \$10,000 be approved by the BCC. This Contract sets forth the terms under which GZWP will provide accounting services to the Authority. GZWP was selected by the Authority to provide accounting services pursuant to a public Request for Accounting Services process on August 14, 2009. The Contract provides for an initial three (3) year term and up to two (2) successive three (3) year renewals. The initial Contract was approved by the BCC on October 6, 2009, and this first renewal Contract was entered into by the Authority on June 14, 2013, subject to approval by the BCC. No Match from County General Funds is required. (HFA of PBC) Countywide (PFK)

Background and Justification: Approval of the above by the BCC constitutes the approval required by Palm Beach County Code Section 2-189, as amended.

Attachments:

- 1. Contract for Accounting Services

Recommended By:		4/25/2013
	Department Director	Date
Approved By:		7/2/13
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No X

Budget Account No.:

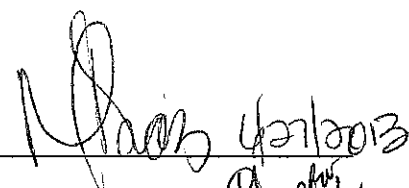
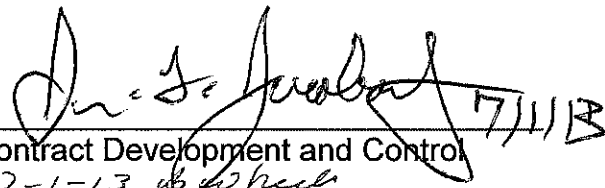
B. Recommended Sources of Funds/Summary of Fiscal Impact: N/A

All costs will be borne by the Housing Finance Authority.
No fiscal impact to Palm Beach County.

C. Departmental Fiscal Review: N/A

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

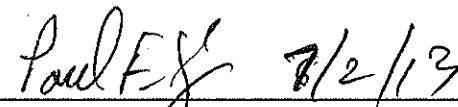



 OFMB Contract Development and Control

4/27/2013 *7/1/13*

6/26 *7-1-13*

B. Legal Sufficiency:



 Assistant County Attorney

C. Other Department Review:

 Department Director

June 20, 2013

Mr. David Brandt, Executive Director
Housing Finance Authority of
Palm Beach County, Florida
West Palm Beach, Florida

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

1. We will compile, from information provided by the financial institutions acting as trustees for the various bond programs (the names and periods as outlined in the attached schedule of Programs of the Authority), the annual statements of net assets and the related statements of revenues, expenses and changes in net assets, and cash flows of the single family and multi-family mortgage revenue bonds and the general fund, as outlined in the attached schedule of Programs of the Authority (comparative for the single family programs). We will not audit or review such financial statements.

We will compile the financial statements and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and the standards set forth in Section 3.3 of that certain request for proposal for accounting services issued by the Authority on May 11, 2009, as amended (the "RFP"). The objective of a compilation is to assist management in presenting financial information in the form of financial statements, without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We will not audit or review such financial statements. A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical review procedures, or other procedures performed in a review. Consequently, the information provided by management will not be verified, corroborated, reviewed, or audited. Additionally, a compilation does not contemplate obtaining an understanding of the entity's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Therefore, a compilation does not provide a basis for expressing any level of assurance on the financial statements being compiled. Accordingly, we will not express an opinion or provide any assurance regarding the financial statements.

As part of our engagement, we may also propose standard, adjusting or correcting entries. You are responsible for the review and understanding of the nature and impact of the proposed entries. You are responsible for management decisions and functions. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities. You also have final responsibility for the financial statements.

Mr. David Brandt, Executive Director
Housing Finance Authority of
Palm Beach County, Florida
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Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform you of any material errors and any evidence or information that comes to our attention during the performance of our compilation procedures, that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

If during the course of our engagement we encounter circumstances, which we believe may create a conflict of interest or conflict with the ethical standards of our profession, we will inform you of our concerns. If these concerns cannot be adequately addressed to our satisfaction, or we are compelled to do so by the professional standards of our profession, we may withdraw from the engagement. Additionally, we reserve the right to withdraw from the engagement should we encounter circumstances, which conflict with the ethical standards of our firm.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

2. We will perform the following:
 - a. Analyze and record all transactions reported by the trustees for the single and multi-family bond programs and custodian for the general fund and propose standard, adjusting or correcting entries.
 - b. Maintain detailed general ledgers and related accounting records for each bond program and the general fund.
3. In order to facilitate the work of your independent auditors, we will prepare the following schedules for each bond program to assist the Authority's auditors in the performance of their audit procedures:
 - a. Prepare preliminary trial balances by fund.
 - b. Prepare lead schedules for cash and investments by fund and investment type.
 - c. Prepare a detailed listing of transactions by type:
 - Interest on investments
 - Purchases of investments
 - Sale of investments
 - Transfers between funds by type
 - Expenditures by type
 - Schedule of principal payments and mandatory redemptions on the bonds
 - Interest payments on the bonds

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Housing Finance Authority of
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- d. Prepare a schedule of capitalized interest and/or accreted values of Capital Appreciation Bonds.
4. Assist in preparing Management's Discussion and Analysis (MD & A).
5. Assist auditors in risk assessment process and risk assessment standards throughout their audit.
6. Preparation of quarterly payroll tax returns, annual payroll tax returns and Forms W-2 and W-3.

Our fee for the years ending September 30, 2013, 2014 and 2015 will not exceed \$52,700 for the general fund and 23 bond issues, as set forth in the fee schedules for the general fund, multi-family bond issues and single family bond issues attached hereto as Exhibit A and incorporated by reference herein.

For the 2004-1 Single-Family issue and the Multi-Family issues, the Authority reserves the right to direct us to not perform such engagements, and no payment shall be due in respect thereto by giving us notice to such affect prior to December 31st of each year. (For example, prior to December 31, 2013, notice for September 30, 2014 engagements).

If single family or multi-family issues are added or subtracted during this engagement period, the fees will be adjusted by \$5,500 and \$1,600, respectively.

This agreement may be renewed for one successive three-year term in accordance with the RFP.

Upon the approval of the Authority, any additional engagements will be charged at a fee of \$110 per hour.

Any follow-up services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new engagement letter for that service.

We understand timeliness is critical in the performance of the accounting services. The respective engagements will be delivered to the auditors within ninety days subsequent to the end of the reporting period. This is based upon maximum cooperation from the auditors, the mortgage servicer(s) and administrators, the trustee(s), the Authority, and any other party that is involved in our performing the procedures related to this engagement letter and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new adjusted fee.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Mr. David Brandt, Executive Director
Housing Finance Authority of
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We appreciate this opportunity to be of service to the Housing Finance Authority of Palm Beach County, Florida, and believe this letter accurately summarizes the significant terms of our engagement.

We shall be pleased to discuss this letter with you at any time.

If the foregoing is in accordance with your understanding, please sign the copy of this letter in the space provided and return it to us.

Sincerely,

Goldstein, Zugman, Weinstein & Poole, LLC
GOLDSTEIN, ZUGMAN,
WEINSTEIN & POOLE, LLC
Certified Public Accountants and Consultants

Acknowledged:

HOUSING FINANCE AUTHORITY
OF PALM BEACH COUNTY, FLORIDA

Bobby A. "Smig" Smith
Chairman

June 25, 2013
Date

 GOLDSTEIN, ZUGMAN,
WEINSTEIN & POOLE, LLC
Certified Public Accountants and Consultants

PROGRAMS OF THE AUTHORITY

<u>PROGRAM</u>	<u>FISCAL YEAR END</u>
Single Family Home Mortgage Revenue Bonds	
2004 Series	9-30-13
Multi-Family Mortgage Bonds	
1987 Series A Belle Glade	9-30-13
1996 Series A Woodlake Apts.	9-30-13
1997 Series A Chelsea Commons	9-30-13
1998 Series A/B Windsor Park	9-30-13
1999 A/B Riverview House	9-30-13
1999 A/B Lake Delray	9-30-13
1999 A Haverhill	9-30-13
1999 A Azalea Place (Remarketed)	9-30-13
2001 A/B Mallards Landing	9-30-13
2001 A Colony Park	9-30-13
2002 A/B Indian Trace	9-30-13
2002 Westlake Phase II	9-30-13
2002 A/B Pinnacle At Abbey Park	9-30-13
2003 A/B Renaissance Apts.	9-30-13
2003 A Malibu Bay	9-30-13
2006 A Green Cay Village RSG	9-30-13
2007 La Costa	9-30-13
2007 Palm Gardens Apartments Project	9-30-13
2011 Westgate Plaza Apts.	9-30-13
2011 Colonial Lakes	9-30-13
2012 Pinnacle Palms	9-30-13
2012 Pine Run Villas	9-30-13
General Fund	9-30-13

EXHIBIT A