



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>					

# ADDITIONAL FTE POSITIONS (Cumulative)					
---	--	--	--	--	--

Is Item Included In Current Budget? Yes  X  No    
 Does this Item include the use of Federal funds? Yes   No  X

Budget Account No.:

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

**C. Departmental Fiscal Review: All costs to be borne by the Housing Finance Authority. No fiscal impact to Palm Beach County**

**III. REVIEW COMMENTS**

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

Lisa R 8/27/19  
 OFMB GMM  
8/27

D. J. [Signature] 8/30/19  
 Contract Development and Control  
 8/30/19 TW

**B. Legal Sufficiency:**

[Signature] 9/4/19  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director



**WEINSTEIN ZUGMAN, LLC**  
Certified Public Accountants & Consultants

6301 NW 5<sup>th</sup> Way, Suite 4200  
Fort Lauderdale, FL 33309  
Broward 954.351.9000  
Palm Beach 561.393.0411  
Miami-Dade 305.947.7717  
Fax 954.351.9011

August 9, 2019

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

We are pleased to confirm our understanding of the services we are to provide for the Housing Finance Authority of Palm Beach County, Florida (the Authority) for the years ended September 30, 2019, and the two subsequent years September 30, 2020 and 2021.

You have requested that we prepare the General Fund financial statements of the Authority, which comprise the statement of net assets and the related statement of revenues, expenses and changes in net assets, and cash flows for the year ended September 30, 2019, and related notes to the financial statements, and perform a compilation engagement with respect to those financial statements. The supplementary information accompanying the compiled financial statements will be presented for purposes of additional analysis. The supplementary information will be compiled from information the representation of management. We will not audit or review the supplementary information. We will not express an opinion, a conclusion, or provide any assurance on such supplementary information.

We will provide you with the following bookkeeping services:

1. We will perform the following:
  - a. Analyze and record all transactions reported by the custodian for the general fund and propose standard, adjusting or correcting entries.
  - b. Maintain detailed general ledgers and related accounting records for the general fund.
2. 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
3. Assist in preparing Management's Discussion and Analysis.

4. Recommend accounting software for HFA to use in order to start maintaining accounting records for the general fund, and supply information and assistance needed for record setup and processing.

#### **Our Responsibilities**

The objective of our engagement is to:

1. Prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you and the custodian, and
2. Apply accounting and financial reporting expertise to assist you in the presentation 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 in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA) and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the bookkeeping services, preparing the financial statements, and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

#### **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.

2. The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America, if applicable.
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.
4. The prevention and detection of fraud.
5. To ensure that the Authority complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
7. To provide us with:
  - Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - Additional information that we may request from you for the purpose of the compilation engagement.
  - Unrestricted access to persons within the Authority of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our bookkeeping services, the preparation of your financial statements, preparation of payroll returns, and any other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

#### **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. 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.

We are not independent with respect to the Housing Finance Authority of Palm Beach County, Florida. We will disclose that we are not independent in our compilation report.

This report is intended solely for the information and use of Caler, Donten, Levine, Cohen, Porter & Veil, PA and is not intended to be, and should not be, used by anyone other than this specified party.

Housing Finance Authority of  
Palm Beach County, Florida  
August 9, 2019  
Page Four

#### **Other Relevant Information**

George F. Horvath is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

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. In either event, you agree to compensate us for our services to the date of the withdrawal.


#### **Fees**

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the engagement.

We estimate that our fees for these services should be in the range of \$9,000 to \$14,000 for the financial statement preparation and compilation. The amount of the fee is reliant upon the time required for the transition of the recordkeeping to the Authority including the amount of assistance needed, and the correctness and accuracy of the final product produced by the Authority. The fee estimate is also based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If we incur less time at our standard hourly rates than the quoted fee range we will only bill you for our actual time incurred. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. This engagement may be terminated by either the Authority or Weinstein Zugman, LLC within 90 days after the completion and acceptance of the compiled financial statements, by giving written notice to the other party.

#### **Other Matters**

In connection with this engagement, we may communicate with you or others via e-mail transmission. We take reasonable measures to secure your confidential information in our e-mail transmissions, including password protecting tax returns and other confidential documents. However, as e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of e-mail transmissions or for the unauthorized use or failed delivery of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of mail transmission, including any consequential, incidental, direct, indirect, or special

 **WEINSTEIN ZUGMAN, LLC**  
Certified Public Accountants & Consultants

Housing Finance Authority of  
Palm Beach County, Florida  
August 9, 2019  
Page Five

damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

*Weinstein Zugman, LLC*  
Weinstein Zugman, LLC

Acknowledge:

Housing Finance Authority of  
Palm Beach County, Florida

  
Chairman

8.23.19  
Date

 **WEINSTEIN ZUGMAN, LLC**  
Certified Public Accountants & Consultants