

**TOHOQUA  
COMMUNITY DEVELOPMENT DISTRICT  
PROPOSAL FOR AUDIT SERVICES**

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**PROPOSED BY:**

Berger, Toombs, Elam, Gaines & Frank  
CERTIFIED PUBLIC ACCOUNTANTS, PL

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600 Citrus Avenue, Suite 200  
Fort Pierce, Florida 34950

(772) 461-6120

**CONTACT PERSON:**

J. W. Gaines, CPA, Director

**DATE OF PROPOSAL:**

September 24, 2018

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# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

September 24, 2018

Tohoqua Community Development District  
Governmental Management Services  
135 W. Central Blvd., Suite 320  
Orlando, Florida 32801

Dear District Manager:

Thank you very much for the opportunity to present our professional credentials to provide audit services for Tohoqua Community Development District.

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has assembled a team of governmental and nonprofit specialists second to none to serve our clients. Our firm has the necessary qualifications and experience to serve as the independent auditors for Tohoqua Community Development District. We will provide you with top quality, responsive service.

## Experience

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a recognized leader in providing services to governmental and nonprofit agencies throughout Florida. We have been the independent auditors for a number of local governmental agencies and through our experience in performing their audits, we have been able to increase our audit efficiency and; therefore, reduce costs. We have continually passed this cost savings on to our clients and will continue to do so in the future. As a result of our experience and expertise, we have developed an effective and efficient audit approach designed to meet or exceed the performance specifications in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the standards for financial and compliance audits. We will conduct the audit in accordance with auditing standards generally accepted in the United States of America; "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Single Audit Act, Subpart F of Title 2 US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, with minimal disruption to your operations. Our firm has frequent technical updates to keep our personnel informed and up-to-date on all changes that are occurring within the industry.

Fort Pierce / Stuart

Member AICPA

Member AICPA Division For CPA Firms  
Private Companies Practice Section

Member FICPA

Tohoqua Community Development District  
September 24, 2018

Our firm is a member of the Government Audit Quality Center, an organization dedicated to improving government audit quality. We also utilize the audit program software of a nationally recognized CPA firm to assure us that we are up to date with all auditing standards and to assist us maintain maximum audit efficiencies.

To facilitate your evaluation of our qualifications and experience, we have arranged this proposal to include a resume of our firm, including our available staff, our extensive prior governmental and nonprofit auditing experience and clients to be contacted.

You need a firm that will provide an efficient, cost-effective, high-quality audit within critical time constraints. You need a firm with the prerequisite governmental and nonprofit experience to perform your audit according to stringent legal and regulatory requirements, a firm that understands the complex nature of community development districts and their unique compliance requirements. You need a firm with recognized governmental and nonprofit specialists within the finance and governmental communities. And, certainly, you need a firm that will provide you with valuable feedback to enhance your current and future operations. Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is that firm. J. W. Gaines is the person authorized to make representations for the firm.

Thank you again for the opportunity to submit this proposal to Tohoqua Community Development District.

Very truly yours,



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

## **PROFILE OF THE PROPOSER**

### **Description and History of Audit Firm**

**Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is a Treasure Coast public accounting firm, which qualifies as a small business firm, as established by the Small Business Administration (13 CFR 121.38), with offices in Fort Pierce and Stuart. We are a member of the Florida Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. The firm was formed from the merger of Edwards, Berger, Harris & Company (originated in 1972) and McAlpin, Curtis & Associates (originated in 1949). J. W. Gaines and Associates (originated in 1979) merged with the firm in 2004. Our tremendous growth rate experienced over the last 69 years is directly attributable to the firm's unrelenting dedication to providing the highest quality, responsive professional services attainable to its clients.

We are a member of the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA) to assure we meet the highest standards. Membership in this practice section requires that our firm meet more stringent standards than standard AICPA membership. These rigorous requirements include the requirement of a triennial peer review of our firm's auditing and accounting practice and annual Continuing Professional Education (CPE) for all accounting staff (whether CPA or non-CPA). For standard AICPA membership, only a quality review is required and only CPAs must meet CPE requirements.

We are also a member of the Government Audit Quality Center ("the Center") of the American Institute of Certified Public Accountants to assure the quality of our government audits. Membership in the Center, which is voluntary, requires our firm to comply with additional standards to promote the quality of government audits.

We have been extensively involved in serving local government entities with professional accounting, auditing and consulting services throughout the entire 69 year history of our firm. Our substantial experience over the years makes us uniquely qualified to provide accounting, auditing, and consulting services to these clients. We are a recognized leader in providing services to governmental and nonprofit agencies on the Treasure Coast and in Central and South Florida, with extensive experience in auditing community development districts and water control districts. We were the independent auditors of the City of Fort Pierce for over 37 years and currently, we are the independent auditors for St. Lucie County since 2002, and for 34 of the 38 years that the county has been audited by CPA firms. Additionally, we have performed audits of the City of Stuart, the City of Vero Beach, Indian River County and Martin County. We also presently audit over 75 Community Development Districts throughout Florida.

Our firm was founded on the belief that we are better able to respond to our clients needs through education, experience, independence, quality control, and personal service. Our firm's commitment to quality is reflected in our endeavor of professional excellence via continuing education, the use of the latest computer technology, professional membership in PCPS and peer review.

We believe our approach to audit engagements, intelligence and innovation teamed with sound professional judgment enables us to explore new concepts while remaining sensitive to the fundamental need for practical solutions. We take pride in giving you the assurance that the personal assistance you receive comes from years of advanced training, technical experience and financial acumen.

## Professional Staff Resources

**Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** has a total of 27 professional and administrative staff (including 12 professional staff with extensive experience servicing government entities). The work will be performed out of our Fort Pierce office with a proposed staff of one senior accountant and one or two staff accountants supervised by an audit manager and audit partner. With the exception of the directors of the firm's offices, the professional staff is not specifically assigned to any of our individual offices. The professional and administrative staff resources available to you through Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL are as follows:

	<u>Total</u>
Partners/Directors (CPA's)	5
Principals (CPA)	1
Managers (CPA)	1
Senior/Supervisor Accountants (1 CPA)	3
Staff Accountants	7
Computer Specialist	1
Paraprofessional	6
Administrative	<u>4</u>
Total – all personnel	28

Following is a brief description of each employee classification:

**Staff Accountant** – Staff accountants work directly under the constant supervision of the auditor-in-charge and, are responsible for the various testing of documents, account analysis and any other duties as his/her supervisor believes appropriate. Minimum qualification for a staff accountant is graduation from an accredited university or college with a degree in accounting or equivalent.

**Senior Accountant** – A senior accountant must possess all the qualifications of the staff accountant, in addition to being able to draft the necessary reports and financial statements, and supervise other staff accountants when necessary.

**Managers** – A manager must possess the qualifications of the senior accountant, plus be able to work without extensive supervision from the auditor-in-charge. The manager should be able to draft audit reports from start to finish and to supervise the audit team, if necessary.

**Principal** – A principal is a partner/director in training. He has been a manager for several years and possesses the technical skills to act as the auditor-in-charge. A principal has no financial interest in the firm.

**Partner/Director** – The director has extensive governmental auditing experience and acts as the auditor-in-charge. Directors have a financial interest in the firm.

## **Professional Staff Resources (Continued)**

**Independence** – Independence of the public accounting firm, with respect to the audit client, is the foundation from which the public gains its trust in the opinion issued by the public accounting firm at the end of the audit process. This independence must be in appearance as well as in fact. The public must perceive that the accounting firm is independent of the audit entity to insure that nothing would compromise the opinion issued by the public accounting firm. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is independent of Tohoqua Community Development District, including its elected officials and related parties, at the date of this proposal, as defined by the following rules, regulations, and standards:

AuSection 220 – Statements on Auditing Standards issued by the American Institute of Certified Public Accountants;

ET Sections 101 and 102 – Code of Professional Conduct of the American Institute of Certified Public Accountants;

Chapter 21A-1, Florida Administrative Code;

Section 473.315, Florida Statutes; and,

Government Auditing Standards, issued by the Comptroller General of the United States.

On an annual basis, all members of the firm are required to confirm, in writing, that they have no personal or financial relationships or holding that would impair their independence with regard to the firm's clients.

Independence is a hallmark of our profession. We encourage our staff to use professional judgment in situations where our independence could be impaired or the perception of a conflict of interest might exist. In the governmental sector, public perception is as important as professional standards. Therefore, the utmost care must be exercised by independent auditors in the performance of their duties.

### **Ability to Furnish the Required Services**

As previously noted in the Profile of the Proposer section of this document, our firm has been in existence for over 69 years. We have provided audit services to some clients for over 30 years continually. Our firm is insured against physical loss through commercial insurance and we also carry liability insurance. The majority of our audit documentation is stored electronically, both on our office network and on each employee laptop or computer assigned to each specific job. Our office computer network is backed up on tape, so in the event of a total equipment loss, we can restore all data as soon as replacement equipment is acquired. In addition, our field laptop computers carry the same data and can be used in the event of emergency with virtually no delay in completing the required services.

## **ADDITIONAL SERVICES PROVIDED**

### **Arbitrage Rebate Services**

**Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** also provides arbitrage rebate compliance and related services to governmental issuers. The Tax Reform Act of 1986 requires issuers of most tax-exempt obligations to pay (i.e., “rebate”) to the United States government any arbitrage profits. Arbitrage profits are earnings on the investment of bond proceeds and certain other monies in excess of what would have been earned had such monies been invested at a yield equal to the yield on the bonds.

Federal tax law requires that interim rebate calculations and payments are due at the end of every fifth bond year. Final payment is required upon redemption of the bonds. More frequent calculations may be deemed advisable by an issuer’s auditor, trustee or bond counsel or to assure that accurate and current records are available. These more frequent requirements are usually contained in the Arbitrage or Rebate Certificate with respect to the bonds.

Our firm performs a comprehensive rebate analysis and includes the following:

- Verifying that the issue is subject to rebate;
- Calculating the bond yield;
- Identifying, and separately accounting for, all “Gross Proceeds” (as that term is defined in the Code) of the bond issue, including those requiring analysis due to “transferred proceeds” and/or “commingled funds” circumstances;
- Determining what general and/or elective options are available to Gross proceeds of the issue;
- Calculating the issue’s excess investment earning (rebate liability), if any;
- Delivering appropriate documentation to support all calculations;
- Providing an executive summary identifying the methodology employed, major assumptions, conclusions, and any other recommendations for changes in recordkeeping and investment policies;
- Assisting as necessary in the event of an Internal Revenue Service inquiry; and,
- Consulting with issue staff, as necessary, regarding arbitrage related matters.



## **GOVERNMENTAL AUDITING EXPERIENCE**

**Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** has been practicing public accounting in Florida for 69 years. Our success over the years has been the result of a strong commitment to providing personalized quality service to our clients.

The current members of our firm have performed audits of over 900 community development districts, and over 1,800 audits of municipalities, counties and other governmental entities such as the City of Fort Pierce and St. Lucie County.

Our firm provides a variety of accounting, auditing, tax litigation support, and consulting services. Some of the professional accounting, auditing and management consulting services that are provided by our firm are listed below:

- Performance of annual financial and compliance audits, including Single Audits of state and federal financial assistance programs, under the provisions of the Single Audit Act, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), with minimal disruptions to your operations;
- Performance of special compliance audits to ascertain compliance with the applicable local, state and federal laws and regulations;
- Issuance of comfort letters and consent letters in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews;
- Calculation of estimated and actual federal arbitrage rebates;
- Assistance in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting;
- Preparation of indirect cost allocation systems in accordance with Federal and State regulatory requirements;
- Providing human resource and employee benefit consulting;
- Performance of automation feasibility studies and disaster recovery plans;
- Performance feasibility studies concerning major fixed asset acquisitions and utility plant expansion plans (including electric, water, pollution control, and sanitation utilities); and
- Assistance in litigation, including testimony in civil and criminal court.
- Assist clients who utilize QuickBooks software with their software needs. Our Certified QuickBooks Advisor has undergone extensive training through QuickBooks and has passed several exams to attain this Certification.

## **Continuing Professional Education**

All members of the governmental audit staff of our firm, and audit team members assigned to this engagement, are in compliance with the Continuing Professional Education (CPE) requirements set forth in Government Auditing Standards issued by the Comptroller General of the United States. In addition, our firm is in compliance with the applicable provisions of the Florida Statutes that require CPA's to have met certain CPE requirements prior to proposing on governmental audit engagements.

## **GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)**

The audit team has extensive experience in performing governmental audits and is exposed to intensive and continuing concentration on these types of audits. Due to the total number of governmental audits our team performs, each member of our governmental staff must understand and be able to perform several types of governmental audits. It is our objective to provide each professional employee fifty hours or more of comprehensive continuing professional education each year. This is accomplished through attending seminars throughout Florida and is reinforced through in-house training.

Our firm has made a steadfast commitment to professional education. Our active attendance and participation in continuing professional education is a major part of our objective to obtain the most recent knowledge on issues which are of importance to our clients. We are growing on the reputation for work that our firm is providing today.

### **Quality Control Program**

Quality control requires continuing commitment to professional excellence. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is formally dedicated to that commitment.

To ensure maintaining the standards of working excellence required by our firm, we joined the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA). To be a participating member firm of this practice section, a firm must obtain an independent Peer Review of its quality control policies and procedures to ascertain the firm's compliance with existing auditing standards on the applicable engagements.

The scope of the Peer Review is comprehensive in that it specifically reviews the following quality control policies and procedures of the participating firm:

- Professional, economic, and administrative independence;
- Assignment of professional personnel to engagements;
- Consultation on technical matters;
- Supervision of engagement personnel;
- Hiring and employment of personnel;
- Professional development;
- Advancement;
- Acceptance and continuation of clients; and,
- Inspection and review system.

We believe that our commitment to the program is rewarding not only to our firm, but primarily to our clients.

The external independent Peer Review of the elements of our quality control policies and procedures performed by an independent certified public accountant, approved by the PCPS of the AICPA, provides you with the assurance that we continue to conform to standards of the profession in the conduct of our accounting and auditing practice.

## **GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)**

Our firm is also a member of Governmental Audit Quality Center (GAQC), a voluntary membership center for CPA firms that perform governmental audits. This center promotes the quality of governmental audits.

Our firm has completed successive Peer Reviews. These reviews included a representative sample of our firm's local governmental auditing engagements. As a result of these reviews, our firm obtained an unqualified opinion on our quality control program and work procedures. On page 31 is a copy of our most recent Peer Review report. It should be noted that we received a pass rating.

Our firm has never had any disciplinary actions by state regulatory bodies or professional organizations.

As our firm performs approximately one hundred audits each year that are reviewed by federal, state or local entities, we are constantly dealing with questions from these entities about our audits. We are pleased to say that any questions that have been raised were minor issues and were easily resolved without re-issuing any reports.

### **Certificate of Achievement for Excellence in Financial Reporting (CAFR)**

We are proud and honored to have been involved with the City of Fort Pierce and the Fort Pierce Utilities Authority when they received their first Certificates of Achievement for Excellence in Financial Reporting for the fiscal years ended September 30, 1988 and 1994, respectively. We were also instrumental in the City of Stuart receiving the award, in our first year of performing their audit, for the year ended September 30, 1999.

We also assisted St. Lucie County, Florida for the year ended September 30, 2003, in preparing their first Comprehensive Annual Financial Report, and St. Lucie County has received their Certificate of Achievement for Excellence in Financial Reporting every year since.

As continued commitment to insuring that we are providing the highest level of experience, we have had at least one employee of our firm serve on the GFOA – Special Review Committee since the mid-1980s. This committee is made up of selective Certified Public Accountants throughout the United States who have demonstrated their high level of knowledge and expertise in governmental accounting. Each committee member attends a special review meeting at the Annual GFOA Conference. At this meeting, the committee reports on the Certificate of Achievement Program's most recent results, future goals, and common reporting deficiencies.

We feel that our previous experience in assisting the City of Fort Pierce, the Fort Pierce Utilities Authority and St. Lucie County obtain their first CAFRs, and the City of Stuart in continuing to receive a CAFR and our firm's continued involvement with the GFOA, and the CAFR review committee make us a valued asset for any client in the field of governmental financial reporting.

## **GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)**

### References

Capron Trail Community Development  
District  
Jeff Walker, Special District Services  
(561) 630-4922

Gateway Community Development  
District  
Stephen Bloom, Severn Trent Management  
(954) 753-5841

The Reserve Community Development District  
  
Darrin Mossing, Governmental Management  
Services LLC  
(407) 841-5524

Port of the Islands Community Development  
District  
Cal Teague, Premier District Management  
  
(239) 690-7100 ext 101

In addition to the above, we have the following additional governmental audit experience:

### Community Development Districts

Aberdeen Community Development  
District

Celebration Pointe Community  
Development District

Amelia Concourse Community  
Development District

Channing Park Community  
Development District

Anthem Park Community  
Development District

Cheval West Community  
Development District

Arborwood Community Development  
District

City Center Community Development  
District

Bannon Lakes Community  
Development District

Colonial Country Club Community  
Development District

Beacon Lakes Community  
Development District

Creekside at Twin Creeks Community  
Development District

Candler Hills East Community  
Development District

Deer Run Community Development  
District

Capron Trail Community Development  
District

Diamond Hill Community  
Development District

Cedar Hammock Community  
Development District

Eagle Point Community Development  
District

## GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Eastlake Oaks Community Development District	Legends Bay Community Development District
Easton Park Community Development District	Live Oak No 2 Community Development District
Estancia @ Wiregrass Community Development District	Marshall Creek Community Development District
Forest Brooke Community Development District	Meadow View at Twin Lakes Community Development District
Gramercy Park Community Development District	Meadow Point III Community Development District
Greyhawk Landing Community Development District	Meadow Point IV Community Development District
Griffin Lakes Community Development District	Midtown Miami Community Development District
Habitat Community Development District	Mira Lago Community Development District
Harmony Community Development District	Narcoossee Community Development District
Heritage Harbor Community Development District	New Port Tampa Bay Community Development District
Heritage Isles Community Development District	Overoaks Community Development District
Heritage Lake Park Community Development District	Panther Trace 2 Community Development District
Heritage Palms Community Development District	Pine Island Community Development District
Julington Creek Community Development District	Pine Ridge Community Development District
Lake Bernadette Community Development District	Piney-Z Community Development District

**GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)**

Remington Community Development District

Southern Hills Plantation III Community Development District

Renaissance Commons Community Development District

St. John's Forest Community Development District

Reserve Community Development District

Stoneybrook West Community Development District

Reserve at Pradera Community Development District

Tern Bay Community Development District

Ridgewood Trails Community Development District

Terracina Community Development District

River Hall Community Development District

Twin Creeks North Community Development District

River Place on the St. Lucie Community Development District

Valencia Acres Community Development District

Riverwood Community Development District

Villages of Bloomingdale Community Development District

Riverwood Estates Community Development District

Westside Community Development District

Rolling Hills Community Development District

Willow Creek Community Development District

Sampson Creek Community Development District

Winston Trails Community Development District

Seminole Improvement District

Solterra Resort Community Development District

South Village Community Development District

Southern Hills Plantation I Community District

## **GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)**

### Other Governmental Organizations

City of Westlake	Office of the Medical Examiner, District 19
Florida Inland Navigation District	Rupert J. Smith Law Library of St. Lucie County
Fort Pierce Farms Water Control District	St. Lucie Education Foundation
Indian River Regional Crime Laboratory, District 19, Florida	Town of Ocean Breeze Park
Jobs and Education Partnership	Troup Indiantown Water Control District

### Current or Recent Single Audits.

St. Lucie County, Florida  
Early Learning Coalition, Inc.  
Treasure Coast Food Bank, Inc.

Members of our audit team have acquired extensive experience from performing or participating in over 1,800 audits of governments, independent special taxing districts, school boards, and other agencies that receive public money and utilize fund accounting.

Much of our firm's auditing experience is with compliance auditing, which is required for publicly financed agencies. In this type of audit, we do a financial examination and also confirm compliance with various statutory and regulatory guidelines.

Following is a summary of our other experience, including Auditor General experience, as it pertains to other governmental and fund accounting audits.

### Counties

(Includes elected constitutional officers, utilities and dependent taxing districts)

Indian River  
Martin  
Okeechobee  
Palm Beach

### Municipalities

City of Port St. Lucie  
City of Vero Beach  
Town of Orchid

## **GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)**

### Special Districts

Boggy Creek Community Development District  
Coquina Water Control District  
Dovera Community Development District  
Durbin Crossing Community Development District  
Golden Lakes Community Development District  
Lakewood Ranch Community Development District  
Martin Soil and Water Conservation District  
Myrtle Creek Community Development District  
St. Lucie County – Fort Pierce Fire District  
The Crossings at Fleming Island  
St. Lucie West Services District  
Indian River County Mosquito Control District  
St. John's Water Control District  
Westchase and Westchase East Community Development Districts  
Pier Park Community Development District  
Verandahs Community Development District  
Magnolia Park Community Development District

### Schools and Colleges

Federal Student Aid Programs – Indian River Community College  
Indian River Community College  
Okeechobee County District School Board  
St. Lucie County District School Board

### State and County Agencies

Central Florida Foreign-Trade Zone, Inc. (a nonprofit organization affiliated with the St. Lucie County Board of County Commissioners)  
Florida School for Boys at Okeechobee  
Indian River Community College Crime Laboratory  
Indian River Correctional Institution



## **FEE SCHEDULE**

We propose the fee for our audit services described below to be \$3,000 for the years ended September 30, 2018 and 2019, \$3150 for the year ended September 30, 2020, and \$3,3325 for the years ended September 30, 2021 and 2022. The fee is contingent upon the financial records and accounting systems of Tohoqua Community Development District being “audit ready” and the financial activity for the District is not materially increased. If we discover that additional preparation work or subsidiary schedules are needed, we will consult with your authorized representative. We can assist with this additional work at our standard rates should you desire.

## **SCOPE OF WORK TO BE PERFORMED**

If selected as the District's auditors, we will perform a financial and compliance audit in accordance with Section 11.45, Florida Statutes, in order to express an opinion on an annual basis on the financial statements of Tohoqua Community Development District as of September 30, 2018, 2019, 2020, 2021, and 2022. The audits will be performed to the extent necessary to express an opinion on the fairness in all material respects with which the financial statements present the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles and to determine whether, for selected transactions, operations are properly conducted in accordance with legal and regulatory requirements. Reportable conditions that are also material weaknesses shall be identified as such in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Other (non-reportable) conditions discovered during the course of the audit will be reported in a separate letter to management, which will be referred to in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

Our audit will be performed in accordance with standards for financial and compliance audits contained in *Government Auditing Standards*, as well as in compliance with rules and regulations of audits of special districts as set forth by the State Auditor General in Chapter 10.550, Local Governmental Entity Audits, and other relevant federal, state and county orders, statutes, ordinances, charter, resolutions, bond covenants, Administrative Code and procedures, or rules and regulations which may pertain to the work required in the engagement.

The primary purpose of our audit will be to express an opinion on the financial statements discussed above. It should be noted that such audits are subject to the inherent risk that errors or irregularities may not be detected. However, if conditions are discovered which lead to the belief that material errors, defalcations or other irregularities may exist or if other circumstances are encountered that require extended services, we will promptly notify the appropriate individual.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **J. W. Gaines, CPA, CITP**

Director – 38 years

#### **Education**

- ◆ Stetson University, B.B.A. – Accounting

#### **Registrations**

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants

#### **Professional Affiliations/Community Service**

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Affiliate member Government Finance Officers Association
- ◆ Past President, Vice President-Campaign Chairman, Vice President and Board Member of United Way of St. Lucie County, 1989 - 1994
- ◆ Past President, President Elect, Secretary and Treasurer of the Treasure Coast Chapter of the Florida Institute of Certified Public Accountants, 1988 - 1991
- ◆ Past President of Ft. Pierce Kiwanis Club, 1994 - 95, Member/Board Member since 1982
- ◆ Past President, Vice President and Treasurer of St. Lucie County Chapter of the American Cancer Society, 1980 -1986
- ◆ Member of the St. Lucie County Chamber of Commerce, Member Board of Directors, Treasurer, September 2002 - 2006, Chairman Elect 2007, Chairman 2008, Past Chairman 2009
- ◆ Member Lawnwood Regional Medical Center Board of Trustees, 2000 – Present, Chairman 2013 - Present
- ◆ Member of St. Lucie County Citizens Budget Committee, 2001 – 2002
- ◆ Member of Ft. Pierce Citizens Budget Advisory Committee, 2010 – 2011
- ◆ Member of Ft. Pierce Civil Service Appeals Board, 2013 - Present

#### **Professional Experience**

- ◆ Miles Grant Development/Country Club – Stuart, Florida, July 1975 – October 1976
- ◆ State Auditor General's Office – Public Accounts Auditor – November 1976 through September 1979
- ◆ Director - Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for numerous government and nonprofit audits.
- ◆ Over 30 years experience in all phases of public accounting and auditing experience, with a concentration in financial and compliance audits. Mr. Gaines has been involved in all phases of the audits listed on the preceding pages.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **J. W. Gaines, CPA, CITP (Continued)**

Director

#### **Continuing Professional Education**

- ◆ Has participated in numerous continuing professional education courses provided by nationally recognized sponsors over the last two years to keep abreast of the latest developments in accounting and auditing such as:
  - Governmental Accounting Report and Audit Update
  - Analytical Procedures, FICPA
  - Annual Update for Accountants and Auditors
  - Single Audit Sampling and Other Considerations

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **David S. McGuire, CPA, CITP**

Accounting and Audit Principal – 9 years  
Accounting and Audit Manager – 4 years  
Staff Accountant – 11 years

#### **Education**

- ◆ University of Central Florida, B.A. – Accounting
- ◆ Barry University – Master of Professional Accountancy

#### **Registrations**

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants
- ◆ Certified Not-For-Profit Core Concepts 2018

#### **Professional Affiliations/Community Service**

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Associate Member, Florida Government Finance Office Associates
- ◆ Assistant Coach – St. Lucie County Youth Football Organization (1994 – 2005)
- ◆ Assistant Coach – Greater Port St. Lucie Football League, Inc. (2006 – 2010)
- ◆ Board Member – Greater Port St. Lucie Football League, Inc. (2011 – present)
- ◆ Treasurer, AIDS Research and Treatment Center of the Treasure Coast, Inc. (2000 – 2003)
- ◆ Board Member/Treasurer, North Treasure Coast Chapter, American Red Cross (2004 – 2010)
- ◆ Member/Board Member of Port St. Lucie Kiwanis (1994 – 2001)
- ◆ President (2014/15) of Sunrise Kiwanis of Fort Pierce (2004 – present)
- ◆ St. Lucie District School Board Superintendent Search Committee (2013 – present)

#### **Professional Experience**

- ◆ Twenty-four years public accounting experience with an emphasis on nonprofit and governmental organizations.
- ◆ Audit Manager in-charge on a variety of audit and review engagements within several industries, including the following government and nonprofit organizations:
  - St. Lucie County, Florida
  - 19<sup>th</sup> Circuit Office of Medical Examiner
  - Troup Indiantown Water Control District
  - Exchange Club Center for the Prevention of Child Abuse, Inc.
  - Healthy Kids of St. Lucie County
  - Mustard Seed Ministries of Ft. Pierce, Inc.
  - Reaching Our Community Kids, Inc.
  - Reaching Our Community Kids - South
  - St. Lucie County Education Foundation, Inc.
  - Treasure Coast Food Bank, Inc.
  - North Springs Improvement District
- ◆ Four years of service in the United States Air Force in computer operations, with a top secret (SCI/SBI) security clearance.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **David S. McGuire, CPA, CITP (Continued)**

Accounting and Audit Principal

#### **Continuing Professional Education**

- ◆ Mr. McGuire has attended numerous continuing professional education courses and seminars taught by nationally recognized sponsors in the accounting auditing and single audit compliance areas. He has attended courses over the last two years in those areas as follows:

Not-for-Profit Auditing Financial Results and Compliance Requirements

Update: Government Accounting Reporting and Auditing

Annual Update for Accountants and Auditors

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **David F. Haughton, CPA**

Accounting and Audit Manager – 27 years

#### **Education**

- ◆ Stetson University, B.B.A. – Accounting

#### **Registrations**

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy

#### **Professional Affiliations/Community Service**

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Former Member of Florida Institute of Certified Public Accountants Committee on State and Local Government
- ◆ Affiliate Member Government Finance Officers Association (GFOA) for over 10 years
- ◆ Affiliate Member Florida Government Finance Officers Association (FGFOA) for over 10 years
- ◆ Technical Review – 1997 FICPA Course on State and Local Governments in Florida
- ◆ Board of Directors – Kiwanis of Ft. Pierce, Treasurer – 1994-1999; Vice President – 1999-2001

#### **Professional Experience**

- ◆ Twenty-seven years public accounting experience with an emphasis on governmental and nonprofit organizations.
- ◆ State Auditor General's Office – West Palm Beach, Staff Auditor, June 1985 to September 1985
- ◆ Accounting and Audit Manager of Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for audit and accounting services including governmental and not-for-profit audits.
- ◆ Over 20 years of public accounting and governmental experience, specializing in governmental and nonprofit organizations with concentration in special districts, including Community Development Districts which provide services including water and sewer utilities. Governmental and non-profit entities served include the following:

##### **Counties:**

St. Lucie County

##### **Municipalities:**

City of Fort Pierce

City of Stuart

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **David F. Haughton, CPA (Continued)**

Accounting and Audit Manager

#### **Professional Experience (Continued)**

##### **Special Districts:**

Bluewaters Community Development District  
Country Club of Mount Dora Community Development District  
Fiddler's Creek Community Development District #1 and #2  
Indigo Community Development District  
North Springs Improvement District  
Renaissance Commons Community Development District  
St. Lucie West Services District  
Stoneybrook Community Development District  
Summerville Community Development District  
Terracina Community Development District  
Thousand Oaks Community Development District  
Tree Island Estates Community Development District  
Valencia Acres Community Development District

##### **Non-Profits:**

The Dunbar Center, Inc.  
Hibiscus Children's Foundation, Inc.  
Hope Rural School, Inc.  
Maritime and Yachting Museum of Florida, Inc.  
Tykes and Teens, Inc.  
United Way of Martin County, Inc.  
Workforce Development Board of the Treasure Coast, Inc.

- ◆ While with the Auditor General's Office he was on the staff for the state audits of the Martin County School District and Okeechobee County School District.
- ◆ During 1997 he performed a technical review of the Florida Institute of Certified Public Accountants state CPE course on Audits of State and Local Governments in Florida. His comments were well received by the author and were utilized in future updates to the course.

#### **Continuing Professional Education**

- ◆ During the past several years, he has participated in numerous professional development training programs sponsored by the AICPA and FICPA, including state conferences on special districts and governmental auditing in Florida. He averages in excess of 100 hours bi-annually of advanced training which exceeds the 80 hours required in accordance with the continuing professional education requirements of the Florida State Board of accountancy and the AICPA Private Companies Practice Section. He has over 75 hours of governmental CPE credit within the past two years.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Matthew Gonano, CPA**

Senior Staff Accountant – 7 years

#### **Education**

- ◆ University of North Florida, B.B.A. – Accounting
- ◆ University of Alicante, Spain – International Business
- ◆ Florida Atlantic University – Masters of Accounting

#### **Professional Affiliations/Community Service**

- ◆ American Institute of Certified Public Accountants
- ◆ Florida Institute of Certified Public Accountants

#### **Professional Experience**

- ◆ Senior Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.
- ◆ Performed audits of nonprofit and governmental organizations in accordance with Governmental Accounting Auditing Standards (GAAS)
- ◆ Performed Single Audits of nonprofit organizations in accordance with OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

#### **Continuing Professional Education**

- ◆ Mr. Gonano has participated in numerous continuing professional education courses.



## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Paul Daly**

Staff Accountant – 6 years

#### **Education**

- ◆ Florida Atlantic University, B.S. – Accounting

#### **Professional Experience**

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

#### **Continuing Professional Education**

- ◆ Working to attain the requirements to take the Certified Public Accounting (CPA) exam.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Melissa Arnold**

Senior Staff Accountant – 4 years

#### **Education**

- ◆ Indian River State College, A.A. – Accounting
- ◆ Florida Atlantic University, B.B.A. – Accounting

#### **Professional Experience**

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

#### **Continuing Professional Education**

- ◆ Ms. Arnold participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Bryan Snyder**

Staff Accountant – 3 years

#### **Education**

- ◆ Florida Atlantic University, B.B.A. – Accounting

#### **Professional Experience**

- ◆ Accountant beginning his professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.
- ◆ Mr. Snyder is gaining experience auditing governmental & nonprofit entities.

#### **Continuing Professional Education**

- ◆ Mr. Snyder participates in numerous continuing education courses and plans on working to acquire his CPA certificate.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Maritza Stonebraker**

Staff Accountant – 2 years

#### **Education**

- ◆ Indian River State College, B.S.A. – Accounting

#### **Professional Experience**

- ◆ Staff Accountant beginning her professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.

#### **Continuing Professional Education**

- ◆ Mrs. Stonebraker participates in numerous continuing education courses and plans on acquiring her CPA.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Jonathan Herman**

Senior Staff Accountant – 4 years

#### **Education**

- ◆ University of Central Florida, B.S. – Accounting
- ◆ Florida Atlantic University, MACC

#### **Professional Experience**

- ◆ Accounting graduate with four years experience with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

#### **Continuing Professional Education**

- ◆ Working to study to take the Certified Public Accounting (CPA) exam.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

#### **Sean Stanton**

Staff Accountant

#### **Education**

- ◆ University of South Florida, B.S. – Accounting
- ◆ Florida Atlantic University, M.B.A. – Accounting

#### **Professional Experience**

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank auditing governmental and non-profit entities.

#### **Continuing Professional Education**

- ◆ Mr. Stanton is working towards passing the CPA exam.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

**Brianne Davies**  
Staff Accountant

#### **Education**

- ◆ Indian River State College, B.S.A. – Accounting

#### **Professional Experience**

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

## ***Commitment to Quality Service***

### **Personnel Qualifications and Experience**

**Taylor Nuccio**  
Staff Accountant

#### **Education**

- ◆ Indian River State College, B.S.A. – Accounting

#### **Professional Experience**

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.





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## System Review Report

To the Directors  
Berger, Toombs, Elam, Gaines & Frank, CPAs PL  
and the Peer Review Committee of the Florida Institute of Certified Public Accountants

November 2, 2016

We have reviewed the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs PL (the firm), in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control, and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards and audits of employee benefit plans*.

In our opinion, the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs PL in effect for the year ended May 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berger, Toombs, Elam, Gaines & Frank, CPAs PL, has received a peer review rating of *pass*.

  
Baggett, Reutimann & Associates, CPAs, PA

(BERGER\_REPORT16)

Member American Institute of Certified Public Accountants (AICPA) and Florida Institute of Certified Public Accountants (FICPA)  
National Association of Certified Valuation Analysts (NACVA)

**TOHOQUA COMMUNITY DEVELOPMENT DISTRICT  
REQUEST FOR PROPOSALS**

**Annual Audit Services for Fiscal Year 2018**  
Osceola County, Florida

**INSTRUCTIONS TO PROPOSE**

**SECTION 1. DUE DATE.** Sealed proposals must be received no later than **Monday, September 24, 2018, at 12:00 P.M.**, at the offices of District Manager, located 135 W. Central Blvd., Suite 320, Orlando, FL 32801. Proposals will be publicly opened at that time.

**SECTION 2. FAMILIARITY WITH THE LAW.** By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules, and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relive it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

**SECTION 3. QUALIFICATIONS OF PROPOSER.** The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

**SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL.** Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

**SECTION 5. SUBMISSION OF PROPOSAL.** Submit seven (7) copies and one (1) electronic copy of the Proposal Documents, and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services - Tohoqua Community Development District" on the face of it.

**SECTION 6. MODIFICATION AND WITHDRAWL.** Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

**SECTION 7. PROPOSAL DOCUMENTS.** The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions (the "Proposal Documents").

**SECTION 8. PROPOSAL.** In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

**SECTION 9. BASIS OF AWARD/RIGHT TO REJECT.** The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

**SECTION 10. CONTRACT AWARD.** Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

**SECTION 11. LIMITATION OF LIABILITY.** Nothing herein shall be construed as or constitute a waiver of District's limited waiver of liability contained in section 768.28, Florida Statutes, or any other statute or law.

**SECTION 12. MISCELLANEOUS.** All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List position or title of all personnel to perform work on the District audit. Include resumes for each person listed: list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including resumes with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal for Fiscal Year 2018, 2019, 2020, 2021 & 2022. The District intends to enter into five (5) separate one-year agreements. E. Provide a proposed schedule for performance of the audit.

**SECTION 13. PROTESTS.** Any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) hours after the receipt of the documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid plans, specifications or contract documents.

**SECTION 14. EVALUATION OF PROPOSALS.** The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

## **AUDITOR SELECTION EVALUATION CRITERIA**

### ***1. Ability of Personnel.***

**(20 Points)**

(E.g., geographic locations of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load; proposed staffing levels, etc.)

### ***2. Proposer's Experience.***

**(20 Points)**

(E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other Community Development Districts in other contracts; character, integrity, reputation, of respondent, etc.)

### ***3. Understanding of Scope of Work.***

**(20 Points)**

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

### ***4. Ability to Furnish the Required Services.***

**(20 Points)**

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required (E.g. the existence of any natural disaster plan for business operations).

### ***5. Price.***

**(20 Points)**

Points will be awarded based upon the price bid for the rendering of the services and reasonableness of the price to the services.