

MINUTES OF COMMITTEE MEETING LIVE OAK LAKE COMMUNITY DEVELOPMENT DISTRICT

A meeting of the audit selection committee of the Board of Supervisors of the Live Oak Lake Community Development District was held Friday, January 27, 2017, at 11:30 a.m. at the District Office, 313 Campus Street, Celebration, FL 34747.

Present and constituting a quorum were:

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| Scott Stearns | Chairman |
| José Rios | Vice Chairman |
| Walter Beeman | Assistant Secretary |
| Kimberly Locher | Assistant Secretary |

Also present were:

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| Gary Moyer | Manager: Moyer Management Group |
| Jonathan Johnson (<i>by phone</i>) | Attorney: Hopping Green & Sams |
| Tucker Mackie | Attorney: Hopping Green & Sams |
| Nicole Stalder | Engineer: Dewberry |

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Mr. Moyer called the meeting to order at 11:30 a.m.

Mr. Moyer called the roll and stated a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Ranking of Auditing Firms

Mr. Moyer stated this Board previously appointed its members to serve as the audit selection committee for the District, which is pretty standard for CDDs to do. We have solicited auditors to submit to the District their qualifications and letters of interest to serve as our auditor. We received three responses, and we made all the information available to the members prior to this meeting. I asked staff to prepare a summary of those responses to maybe save you a little time in the review process. One of the interesting things about auditor selection and solicitation is, unlike engineers and architects, we are permitted to ask how much they will charge for their service. We cannot do that with engineers and architects. You can take price into consideration during your deliberations. To the degree that you had an opportunity to go through this material, you will determine that all three of these auditing firms are qualified to do the work. There is really not a significant difference in their level of expertise or history. It tends to more or less look at price in your determination, although the law is clear that price is not the only criterion you should look at. You should look at the other scoring criteria that we provided.

Mr. Rios stated looking at the scope of work and the fee schedules they provided, I imagine everyone came to the same conclusion that the audit will be ready for everyone. If it was not ready, then obviously they are able to charge more?

Mr. Moyer stated the accounting staff has closed the books from last fiscal year, and those records are ready to be audited.

Mr. Rios stated I imagined that would be the case. The fee was all inclusive from McDirmit Davis and Grau, but it was not from Berger or I did not see it. They might be able to charge us for travel and other expenses.

Mr. Moyer stated Grau has done quite a number of CDD audits, and we are comfortable with them. Grau actually did provide an all-inclusive fee, but Berger did not. There is not that much of a spread to be concerned about it.

Ms. Locher stated I have used all three of them, and they have all done a good job. I have probably used Grau the most often. I am very happy with their work. They have never let me down.

Mr. Beeman stated I would think for the difference we are talking about, Grau is probably very capable and would be the fastest.

On MOTION by Mr. Stearns, seconded by Mr. Rios, with all in favor, approval was given to rank the auditing firms as Grau & Associates #1 and to authorize staff to negotiate an engagement letter.

THIRD ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Beeman, seconded by Ms. Locher, with all in favor, the meeting adjourned at 11:35 a.m.

Gary L. Moyer, Secretary

M. Scott Stearns, Chairman