

RESOLUTION NO. 2012-09

A RESOLUTION OF THE HARBOUR WATERWAY SPECIAL DISTRICT, DUVAL COUNTY, FLORIDA, APPROVING EXECUTION OF A CONTRACT WITH ROY MILLER & ASSOCIATES, TO PROVIDE AUDITING SERVICES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Harbour Waterway Special District (“HWSD”), was established through City of Jacksonville Ordinance No. 2010-725-E (“Ordinance”) and given responsibility therein for maintenance of the system of canals located within the boundaries of the HWSD ; and

WHEREAS, Section 6 of the Ordinance requires that an audit of the HWSD’s finances be conducted annually; and

WHEREAS, Roy Miller & Associates (“Miller”) is a Certified Public Accounting firm experienced in conducting audits of local governmental bodies and is familiar with the reporting requirements for such audits as specified by federal and state law ; and

WHEREAS, Miller has presented a proposal, attached as Exhibit “A” hereto, to the HWSD to perform the annual audit work required by the HWSD to comply with the Ordinance.


NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the HWSD:

Section 1. The Miller proposal attached as Exhibit “A” is accepted by the Board.

Section 2. The Chairman of the Board is hereby authorized to execute a contract with Miller for the services described in Miller’s proposal on the terms specified in Miller’s proposal.

Section 3. This Resolution shall become effective upon adoption.

Passed and Adopted this 11th day of December, 2012.



William Hibbard
Board Chair

Attest:



Board Secretary

Roy Miller & Associates
Certified Public Accountants
8834-6 Goodby's Executive Drive
Jacksonville, Florida 32217
(904) 731-4846 - (904) 731-4473 fax

December 7, 2012

Mr. Stanley H. Pipes, Jr.
Supervisor and Secretary/Treasurer
Harbour Waterway Special District
Dependent Special District
11554 Starboard Drive
Jacksonville, FL 32225-1015

Dear Mr. Pipes:

We are pleased to confirm our understanding of the services we are to provide for Harbour Waterway Special District, Dependent Special District for the year ended June 30, 2013.

We will audit the statement of financial position of Harbour Waterway Special District, Dependent Special District as of June 30, 2013, and the related statements of activities and cash flows for the year then ended.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from the Organization's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Management Responsibilities

You are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee the tax services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the Organization complies with applicable laws and regulations.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Roy Miller is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately August 1, 2013 and to issue our report no later than August 30, 2013.

We estimate that our fees for these services will be \$3,000 for the audit. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Additional expenses are estimated to be \$150. The fee estimate is based on anticipated cooperation from your personnel 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 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. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our

engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

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 agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Roy Miller & Associates

RESPONSE:

This letter correctly sets forth the understanding of Harbour Waterway Special District, Dependent Special District.

Officer signature: 

Title: Chairman

Date: 12-11-2002