



BOARD PACKAGE

Meeting

OCTOBER 18, 2017

REGULAR MEETING

A regular meeting of the Housing Finance Authority of Broward County, Florida, will be held on Wednesday, October 18, 2017, at 5:30 p.m., in the 2nd Floor Conference Room located at 110 N.E. 3rd Street, Suite 201, Fort Lauderdale, Florida.

CALLING OF THE ROLL

CONSENT AGENDA ITEMS 1 – 3

1. Approval of September 20, 2017, Regular Meeting Minutes
2. Executive Director's (September) Operational Report
3. Broward County External Audit Services Agreement

MOTION TO RATIFY the approval of Resolution No 2017-008 of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving and authorizing the execution and delivery of the agreement between Broward County, Florida, Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Housing Finance Authority, Health Facilities Authority of Broward County, and RSM US LLP for external audit services ("Agreement"); authorizing certain Officials of the Housing Finance Authority to take all actions necessary in connection with the execution and delivery of the Agreement; providing for severability; and providing for an effective date.

MOTION TO APPROVE the Consent Agenda for October 18, 2017

REGULAR AGENDA

4. Financial Reports Monthly Overview – Ms. Linda Dufresne

MOTION TO APPROVE the Housing Finance Authority monthly financial reports for the month of September 30, 2017.

5. Single Family Mortgage Revenue Bonds - 2017 Carry Forward and 2018 Bond Allocations

MOTION A:

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida authorizing staff to carry forward 2017 Allocation; authorizing the request for 2018 Allocation; approving a plan of financing involving the issuance by the authority of its Single Family Mortgage Revenue Bonds (the “Bonds”) in an aggregate face amount of not to exceed \$250,000,000; approval of bonds as required by section 147(f) of the internal revenue code of 1986, as amended; authorizing the Authority to hold a Public Hearing held in accordance with section 147(f) of the internal revenue code of 1986, as amended; authorizing the proper Officers to do all things necessary or advisable; and providing an effective date for this Resolution.

MOTION B:

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida approving a plan of finance involving the issuance by authority of its Single Family Mortgage Revenue Bonds in an aggregate face amount of not to exceed \$250,000,000 in one or more series; approving use of State awarded allocation for Mortgage Credit Certificate programs or multifamily carry forward; authorizing the proper Officers to do all things necessary or advisable; and providing an effective date for this Resolution.

DISCUSSION ITEM

6. Investment Committee

MOTION A:

MOTION TO APPROVE a Financial Institution to provide Brokerage Custody/Bank Safekeeping Services for the Housing Finance Authority of Broward County, Florida.

MOTION B:

MOTION TO DIRECT the Executive Director of the Housing Finance Authority of Broward County, Florida to resubmit for approval to the Board County Board of County Commissioners the Agreement for Brokerage Custody/Bank Safekeeping Services with Wells Fargo.

MOTION C:

MOTION TO DIRECT the Executive Director of the Housing Finance Authority of Broward County, Florida to bring back for approval at the November 15, 2017 Meeting agreements with the financial institution selected to provide Brokerage Custody/Bank Safekeeping Services for the Housing Finance Authority of Broward County, Florida.

MOTION D:

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving the appointment of the Bank of New York Mellon Trust Company, N.A., as safekeeping agent and broker for the Housing Finance Authority investment funds; approving and authorizing the execution of the Custody Agreement between the Housing Finance Authority and the Bank of New York Mellon Trust Company, N.A. ("Agreement"); authorizing the proper Officers of the Housing Finance Authority to execute all other documents and do all things necessary or advisable in connection with entering into the Agreement; providing for severability; and providing for an effective date.

MOTION E:

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving the appointment of TD Bank, N.A., as safekeeping agent and broker for the Housing Finance Authority investment funds; approving and authorizing the execution of the Institutional Agency Agreement between the Housing Finance Authority and TD Bank, N.A. (the "Agreement"); authorizing the proper Officers of the Housing Finance Authority to execute all other documents and do all things necessary or advisable in connection with entering into the Agreement; providing for severability; and providing for an effective date.

UPDATE ITEM

7. Public Entity/Officials Liability Official Management Liability Insurance Coverage for the Housing Finance Authority Board

8. **MATTERS OF HFA MEMBERS**

9. **MATTERS FROM THE FLOOR**

10. **NEXT BOARD MEETING**

November 15, 2017

11. **ADJOURNMENT**

Subject to Change



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www.broward.org/HFA

MINUTES
BOARD MEETING
Wednesday, September 20, 2017

A regular Board Meeting of the Housing Finance Authority (“HFA”) of Broward County was held on Wednesday, September 20, 2017, at 5:30 p.m., in the 2nd Floor Conference Room, located at 110 Northeast 3rd Street, Fort Lauderdale, Florida.

The Chair, Ruth T. Cyrus, called the meeting to order at 5:30 p.m.

CALLING OF THE ROLL

A Roll Call was taken by Ms. Sonia Isme.

Board Members Present

Ruth T. Cyrus – Colleen LaPlant, Secretary – Milette Thurston, Asst. Secretary – John G. Primeau, Member – Jose Lopez, Member – Kirk L. Frohme, Member Daniel D. Reynolds, Member

Board Members Absent

Donna Jarrett-Mays

Staff

Suzanne R. Fejes, Executive Director
Norman Howard, Manager
Sonia Isme, Secretary
Annika Ashton, Assistant County Attorney

Also Present

Deborah Zomermaand, Financial Advisor
Linda Dufresne, Dufresne CPA Services, P.A.
Carlos A. Burneo, TH Real Estate
Mike Gilmartin, TH Real Estate (Phone)

CONSENT AGENDA ITEMS 1 – 3

1. Approval of August 16, 2017, Regular Meeting Minutes
2. Executive Director’s (August) Operational Report
3. Pembroke Villas Apartments

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”), approving and authorizing a Subordination Agreement of existing Land Use Restriction Agreement relating to the Land Use Restriction Agreement dated as of June 1, 2001 executed in connection with the Housing Finance Authority’s \$11,000,000 Multifamily Housing Revenue

Bonds (Pembroke Villas Project), Series 2001A and its \$625,000 Taxable Multifamily Housing Revenue Bonds (Pembroke Villas Project), Series 2001B; approving and authorizing the execution and delivery of certain other documents in connection therewith; and providing an effective date.

MOTION TO APPROVE the Consent Agenda for September 20, 2017

MOTION was made by John G. Primeau, seconded by Kirk L. Frohme, to approve Consent Agenda Items 1 through 3. The motion carried unanimously.

REGULAR AGENDA

4. Financial Reports Monthly Overview – Ms. Linda Dufresne

Ms. Dufresne provided an overview of the Monthly Financial Reports and identified a few changes to the financial statements outlined in attachments 1 and 2 of the balance sheets. The changes were related to Franklin Park to include proceeds from the final two closings and also additional proceeds that would be paid out to the Broward County Board of County Commissioners ('BOCC').

In addition, the Wells Fargo account for Franklin Park would be closed in order to move the \$2.5 million cash funds into the operations account before September 30th.

Mr. Frohme inquired about the Personnel Services expense of the negative \$92K and requested an explanation of the significance in the additional expenses to be brought back to the board at the next meeting.

MOTION TO APPROVE the Housing Finance Authority monthly financial reports for the month of August 31, 2017.

MOTION was made by John G. Primeau, seconded by Jose Lopez, to approve the HFA's Monthly Financial Report for August 31, 2017. The motion carried unanimously.

5. Landings at Coconut Creek Apartments Project

Ms. Zomermaand explained that the item was a new transaction for the HFA and is reflected in the matrix within the Executive Director's report. The borrower (*TH Real Estate*) requested the approval of an inducement resolution; authorization to conduct a Tax Equity and Fiscal Responsibility Act ('TEFRA') public hearing; and a reduction in the good faith deposit from \$165K to \$75K.

With reference to the Good Faith Deposit ('GFD'), the HFA policy states certain requirements. The reason for the reduction was due to the size of the bond issue (\$33 million) as opposed to size of a typical HFA bond issue (\$5 million to \$15 million). As a result of the transaction size, the amount of the GFD deposit would be much higher than the fees payable to the HFA and its professionals, in the event a transaction did not close. The reduction of the good faith deposit will not impact the HFA's fees.

Ms. Thurston inquired as to what situations would result in the GFD not being returned to the developer. Ms. Zomermaand provided information from the HFA's policy in response to Ms. Thurston's inquiry.

(The Good Faith Deposit was discussed in detail between board members, Millette Thurston, Kirk L. Frohme, Colleen LaPlant, John G. Primeau, Jose Lopez, and Financial Advisor, Deborah Zomermaand, Staff and TH Real Estate representatives).

MOTION TO APPROVE Resolution of the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority") declaring its official intent to issue Multifamily Housing Revenue Bonds (the "Bonds") of the Housing Finance Authority to Finance all or a portion of the cost of the acquisition, rehabilitation and equipping of certain multifamily housing facilities (Landings at Coconut Creek) located within Broward County, Florida, and other related purposes; approving the issuance of the bonds, subject to certain further findings and conditions; authorizing the Housing Finance Authority to Publish Notice of and hold a public hearing pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA); authorizing the Housing Finance Authority to reduce the good faith deposit due and payable to the Housing Finance Authority in connection with the proposed issuance of the bonds; and providing an effective date.

MOTION was made by Jose Lopez, seconded by Kirk L. Frohme, to approve the Landings at Coconut Creek Apartments Inducement Resolution and TEFRA public hearing. The motion carried unanimously.

DISCUSSION ITEM

6. Elect a new Vice Chair of the Housing Finance Authority for Year 2017

Ms. Cyrus, the Chair mentioned that Jacqueline Paige Browne, former Vice Chair resigned from the board and as a result the board must reelect a new Vice Chair. The HFA would normally move up individuals next in line into the position.

For example, the Secretary would take the role of the Vice Chair and the Assistant Secretary would take on the role of the Secretary; therefore, a new Assistant Secretary would be elected.

Ms. Cyrus asked Ms. LaPlant would she be interested in the role of the Vice Chair beginning on the first meeting in January 2018. Mr. Howard stated he would first present the matter to the board at the November's meeting, and at that time, the board would then elect the members into the positions as Vice Chair, Secretary, and the Assistant Secretary.

MOTION TO APPROVE to move the Secretary of the HFA to the vacant position as Vice Chair of the HFA for Year 2017.

MOTION was made by John G. Primeau, seconded by Jose Lopez, to approve the move of the Secretary of HFA into the vacant position as Vice Chair of the HFA for Year 2017. The motion carried unanimously.

Mr. Howard added that the current Assistant Secretary, Milette Thurston also has the ability to sign checks as needed. Ms. Thurston replied that she would be willing to sign the checks.

SUPPLEMENTA AGENDA

Wells Fargo, N.A. and Wells Fargo Securities, LLC Agreement

Ms. Fejes informed the board that at the September 14, 2017 BOCC meeting, several commissioners expressed concerns regarding Wells Fargo's consumer banking practices, including car and home loans. Ms. Fejes referred to the hand out with referenced information concerning the Commissioners statements in the Sun Sentinel article.

After further discussion, the County Administrator decided to withdraw the item. The BOCC then approved a motion to withdraw the HFA's request to enter into the various Wells Fargo agreements. The County Administrator recommended that the HFA should reconsider their options, and return to the BOCC at a later date, if necessary.

Ms. Fejes mentioned that Staff requested to bring back the item to the Investment Committee ('IC') for reconsideration and to review other options. For that reason, staff has tentatively scheduled a meeting for October 11th. The outcomes would be presented at the HFA Board meeting on October 18th for final considerations.

Mr. Primeau recommended the IC to meet October 11th prior to the HFA Board meeting on October 18th. Mr. Frohme inquired whether there was any consideration for an RFP that would be part of the process. Ms. Fejes stated that would be the decision of the IC should an RFP becomes relevant to the process.

Ms. LaPlant inquired whether Broward County was also going to make a change from Wells Fargo. Ms. Fejes indicated that during the BOCC meeting it was not discussed and that perhaps the BOCC would look into their banking practices during the next process.

MOTION TO APPROVE Investment Committee to conduct a special meeting on October 11, 2017 prior to the HFA Board meeting on October 18, 2017, for reconsideration and review of investment options.

MOTION was made by John G. Primeau, seconded by Jose Lopez, to approve the Investment Committee to conduct a special meeting on October 11, 2017 prior to the HFA Board meeting on October 18, 2017 at 5:30p.m., for reconsideration and review of investment options. The motion carried unanimously.

MOTION TO APPROVE to refer the matter back to the Investment Committee for review and consideration of additional options.

MOTION was made by Jose Lopez, seconded by Colleen LaPlant, to approve to refer the matter back to the Investment Committee for review and consideration of additional options. The motion carried unanimously.

7. **MATTERS OF HFA MEMBERS**

None.

8. **MATTERS FROM THE FLOOR**

None.

9. **NEXT BOARD MEETING**

October 18, 2017

10. **ADJOURNMENT**

The meeting was adjourned by Ruth T. Cyrus, HFA Chair at 5:50 p.m.

MEMORANDUM

Date: October 5, 2017
To: Housing Finance Authority Board Members
Through: Suzanne Fejes, Executive Director *SEF*
From: Norman L. Howard, Manager *NLH*
Subject: September Operational Report

INVESTMENT COMMITTEE

An Investment Committee (IC) meeting was held on August 16, 2017 Wednesday, at 4:00 p.m., at 110 N.E. 3rd Street, 3rd Floor, Suite 300, and Fort Lauderdale, Florida (Attachment 1).

SINGLE-FAMILY

Information listed below is the foreclosure/bankruptcy report received from CitiMortgage for the months of July 2017 and August 2017. The report for the month of September 2017 has not been received from CitiMortgage to date.

Bankruptcy – July 2017

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
0	\$0	0	0	\$0	\$0

Foreclosure – July 2017

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
5	\$621,483	4	1	\$584,979	\$36,504

Bankruptcy – August 2017

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
0	\$0	0	1	\$0	\$0

Foreclosure – August 2017

Loan Count	Total	1 st Lien	2 nd Lien	1 st Mort./Total	2 nd Mort./Total
7	\$1,205,612	6	1	\$1,169,108	\$36,504

2017 Mortgage Credit Certificate Program (MCC)

At this time, the HFA has thirteen (13) lenders participating in the January 2017 MCC Program. The program totals to date are as follows:

<i>MCC's by Lender</i>	<i>Commitments</i>	<i>Issued</i>	<i>Cancelled/Expired</i>
Academy Mortgage	6	4	0
America's Mortgage Professionals, LLC	0	0	0
Bank of America, N.A.	5	2	0
Banking Mortgage Services Corp	0	0	0
Centennial Bank	0	0	0
CMG Financial, Inc.	0	0	0
Cornerstone Home Lending	1	1	0
Gold Star Mtg. Financial Group	4	1	0
Gulf Atlantic Funding Group, Inc.	0	0	0
HG Mortgage, LLC	18	4	1
Hamilton Funding Group	35	26	2
Paramount Residential Mortgage Group (PRMG)	14	11	0
The Mortgage Firm	2	1	0
Totals	85	54	3
<i>Income to date: \$7,750</i>			

MULTIFAMILY HOUSING BOND TRANSACTIONS

2017 Multifamily housing transactions update for the month of October (Attachment 1).

MULTI-FAMILY

Multifamily compliance monitoring; reporting period July 21, 2017, to August 20, 2017.

Monthly Compliance

Review of this month's bond report shows all properties are in compliance with their respective Land Use Restriction Agreements (LURA's).

Occupancy Report

The HFA Rental Occupancy Report for time period July 21, 2017, to August 20, 2017, is included (Attachment 2).

Annual Management Review and Inspections

There was no reviews or inspections were completed during the reporting period of July 21, 2017 to August 20, 2017.

All of the above listed properties were in compliance with their respective LURAs.

ATTACHMENT 1



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MINUTES
INVESTMENT COMMITTEE MEETING
Wednesday, August 16, 2017

A regular meeting of the Investment Committee (“IC”) of the Housing Finance Authority of Broward County, Florida, was held on Wednesday, August 16, 2017, at 4:00 p.m., located at 110 N.E. 3rd Street, Suite 300, Fort Lauderdale, Florida.

The Vice Chair, Suzanne Fejes, called the meeting to order at 4:05 p.m.

CALLING OF THE ROLL

A Roll Call was taken by Sonia Isme.

IC Members Present

Suzanne Fejes, Vice Chair
Stephen Farmer, Member
John G. Primeau, Member
Debbie Zomermaand, Member

IC Members Absent

Ruth T. Cyrus, Chair

Staff

Sonia Isme, Secretary
Norman Howard, Manager
Annika Ashton, Assistant County Attorney
Lori Fortenberry, Finance & Administrative Services

Also Present

Linda Dufresne, Dufresne CPA
Services, P.A.

CONSENT AGENDA ITEM

1. Approval of June 21, 2017, Investment Committee Meeting Minutes.

MOTION TO APPROVE Consent Agenda, August 16, 2017.

MOTION was made by John G. Primeau, seconded by Stephen Farmer, to approve Consent Agenda Item #1. The motion carried unanimously.

REGULAR AGENDA

Investment Direction

Ms. Zomermaand provided handouts of the Karpus/Unrestricted Cash draft report to members in attendance. She then described the types of changes made to the report. One of the changes identified was the inclusion of line item for projected cash needs.

Mr. Farmer asked would the projected cash needs be reflected for the next two months. Ms. Zomermaand replied that it would be the cash needs were projected through October 31st.

Ms. Fejes mentioned the numbers are operational expenses and some building expenses for improvements. Ms. Fejes asked Mr. Howard to explain what the projected cash need consist through October 31st.

Mr. Howard stated the cash need covers the operational expenses for the County, and other expenses that accumulated throughout the year.

Mr. Primeau inquired about the \$242K disbursement fee identified in the HFA Boards Budget agenda item. Mr. Howard replied the fee would not be an expense to the HFA, but an expense to the County for the lease of the building for the FY2018/2019.

Mr. Primeau asked going forward up to the year 2020, would there be additional numbers added to the report or would it be kept as a live scale. Ms. Zomermaand stated the numbers would continue to roll, unless to the extent the IC desire to make any changes, for example percentages on high interest rates or moving maturities.

Mr. Primeau inquired why the U.S. Bank money market was not included in total cash.

There was a detailed discussion on the reported cash projections specified in the handout between John G. Primeau, Debbie Zomermaand, Stephen Farmer, Norman Howard and Linda Dufresne.

Ms. Zomermaand provided an explanation for cash and cash equivalents, maturities prior to next meeting, additional maturities prior to year-end, and anticipated cash needs of the HFA through October 31, 2017. She cross referenced numbers between the financial statements and the Karpus and Unrestricted Cash draft report.

After review of the report, staff suggested to bring a final report at the October meeting. Ms. Dufresne indicated that the reports should be forwarded to her to ensure that the numbers are balanced as of date.

Ms. Zomermaand then explained that the \$2.7 million would include the cash that would be funded to the HFA from the Franklin Park transaction. After the accounts have closed, a check would be issued to the County from the month's sale proceeds in the amount of \$320K. The remaining funds would be returned to the HFA.

Ms. Zomermaand stated that Mr. Howard would attempt to contact Wells Fargo to gather information on sweeping funds into a money market account. She then indicated that a direction was needed whether to keep the funds in the HFA account or to have the funds swept into a money market account.

Mr. Farmer asked what options were available for the HFA. Ms. Zomermaand explained the HFA has a longstanding bank account with Wells Fargo outside of the safekeeping custody account, and that Mr. Howard would get clarification from Wells Fargo on the capability of using the account to rollover cash into a money market account.

Ms. Zomermaand stated the Wells Fargo safekeeping investment account has not opened, and the only place to keep the funds are in the HFA's bank account. Mr. Farmer suggested the funds should remain operative.

Ms. Zomermaand explained that HFA has restrictions on the bank account due to the fact that HFA does not have the authority to enter into any other agreements. The intent would be to acquire investment options within the HFA's existing operations account when the funds are returned to the HFA.

Mr. Primeau referred back to the lease of the building and asked was the \$242K cash flow reflected in the report. Ms. Zomermaand stated it is not in the report, and the only information provided are the investments and not the full cash flow model.

Mr. Primeau stated the inflow of the \$242K should be specified in the report for the years indicated in the report as 2018, 2019 and 2020 going forth. Ms. Zomermaand stated the report was specifically to provide information on the HFA's investments.

Ms. Zomermaand stated she would usually factor in the cash amount from the financial statements every month. She indicated that a report including the cash needs through December 31st would be provided at the October meeting.

Ms. Zomermaand mentioned not knowing the set-up of the cash forecasting, and asked would the IC prefer to give a negative and positive net number. Mr. Farmer clarified what was suggested by Mr. Primeau was the net of funds would have been captured in the cash balance to make investment decisions from the available funds.

Discussion Items

Parties Authorized to Execute Documents

Ms. Zomermaand mentioned staff recommended the Chair of the HFA, whom would be the Chair of the IC, the second HFA Board Member and the HFA Staff Executive Director as authorized parties to execute documents.

Mr. Primeau asked would the document require one or two signatures. Ms. Zomermaand referred to the Governmental Client Agreement form, a Wells Fargo securities document.

Ms. Zomermaand stated the form would be intended for authorized parties responsible to execute documents; and the HFA may choose to select quite a few individuals as needed. She then recalled that a prior discussion was to have two individuals authorized to make transfers.

Ms. Zomermaand then asked the IC to first determine who would be the authorized parties to execute the documents. Mr. Howard mentioned that any decisions made should be recommended the HFA Board for final decision.

Mr. Farmer agreed to have a minimum of two individuals, one being the Chair and an HFA Board Member. If the documents need to be executed by either the Board or the IC, then there should be an additional person.

Ms. Zomermaand inquired about the process of wire transfers. Mr. Howard responded that he would initiate the wire transfers, then contact a board member advising that board member of the wire transfer to confirm.

Ms. Fejes asked Mr. Howard should he be included as an authorized signer. Mr. Howard confirmed only for purposes of initiating the wire transfers.

In conclusion, the IC recommended the Chair and Vice Chair of the IC to execute documents; and as an additional, the second HFA Board Member of the IC.

The Investment Policy (Section 11, Internal Controls) indicated transfer of funds from the HFA to State Board Administration may be made by wire transfer or EFT by Executive Director or the majority of the Committee serving on the Investment Portfolio Committee, or by check with one signature.

Ms. Ashton advised the IC to contact Wells Fargo for clarification; pursuant to the agreement, the list of individuals are authorized to make such transactions. Mr. Farmer replied Wells Fargo would not be concerned whether it is one or two signatures.

Ms. Ashton stated the IC can have internal procedures to identify the procedures to follow.

Ms. Zomermaand preceded to the next discussion on Electronic Access. At the last meeting, the IC discussed having electronic access; and who would have the access to the online accounts.

Mr. Primeau suggested staff should have access. Ms. Zomermaand recalled in last month meeting, the IC recommended electronic access to the Chair and Vice Chair, and Board members access to review the reports.

Mr. Primeau responded it indicates the Chair (Board Member) would have access. The IC does not want the board members to have access. Mr. Farmer commented that “access” must be defined as “*view only access*” and then the access for staff should be “*transactional access*.”

Mr. Howard suggested staff would be identified as the Executive Director, Assistant Director and the HFA Manager.

Mr. Farmer clarified the motion from the previous meeting to specify Chair and Vice Chair to have view only access for the Investment account; and transactional access to staff, Executive Director, Assistant Director and the HFA Manager.

MOTION was made by Stephen Farmer, seconded by John G. Primeau to amend the previous motion to read as “Chair and Vice Chair to have view only access for the Investment Account. The Executive Director, Assistant Director and HFA Manager to have transactional access to the Investment account. All were in favor and motion carried unanimously.

Ms. Zomermaand recommended deferring the discussion of External Analytics software and Policies and Procedures to the October meeting. She explained the policies and procedures would require deliberate decisions.

Ms. Zomermaand suggested the IC work with the Finance and Administrative Services for guidance in establishing policy procedures.

Mr. Farmer explained the investment relationship the Finance and Administrative Services has with Wells Fargo. The investment policy the County has with Wells Fargo are not procedures. The cash flow and objectives are different from the HFA’s with a frequency of at least once every couple of months.

Mr. Farmer concluded the idea was when the IC have a meeting, we would strategize to be able to have staff execute documents, and these procedures I can assist the IC.

Adjournment

The meeting was adjourned at 4:54p.m. The next meeting is scheduled October 18, 2017 at 4:00p.m.

ATTACHMENT 2

2017 MULTIFAMILY HOUSING BOND TRANSACTIONS – OCTOBER UPDATE

<u>HFA RANKING</u>	1	2	3
<u>PROJECT NAME</u>	<u><i>The Palms of Deerfield Apartments</i></u> WITHDRAWN	<u><i>Emerald Palms Apartments</i></u>	<u><i>The Landings at Coconut Creek</i></u>
<u>PROJECT LOCATION</u>	425 NW 1 st Terrace Deerfield Beach, FL 33441	5331 Southwest 43 rd Terrace Dania Beach, FL 33314	4854 Fisherman’s Dr. Coconut Creek, FL 33063
<u>DEVELOPER</u>	Deerfield Beach Family Empowerment, Inc., an entity affiliated with the “Housing Authority of the City of Deerfield Beach”	MRK Partners Inc.	TH Real Estate
<u>PROFESSIONAL TEAM</u>			
<ul style="list-style-type: none"> • <i>Lead Underwriter</i> • <i>Bond Counsel</i> • <i>Credit Underwriter (“CU”)</i> 	<ul style="list-style-type: none"> • TBD • Nabors, Giblin & Nickerson • AmeriNat 	<ul style="list-style-type: none"> • TBD • Nabors, Giblin & Nickerson • TBD 	<ul style="list-style-type: none"> • RBC • Nabors, Giblin & Nickerson • First Housing
<u>BOND AMOUNTS</u>			
<ul style="list-style-type: none"> • <i>Bond Amount/Original Req.</i> • <i>Revised Request</i> • <i>CU Recommendation</i> 	<ul style="list-style-type: none"> • \$7,250,000 • \$10,000,000 • TBD 	<ul style="list-style-type: none"> • \$38,000,000 • N/A • TBD 	<ul style="list-style-type: none"> • \$33,000,000 • N/A • TBD
<u>TEFRA & Inducement</u>			
<ul style="list-style-type: none"> • <i>TEFRA/Inducement Amount</i> • <i>Date of TEFRA Hearing</i> • <i>Date of HFA Approval</i> • <i>Date of BOCC App. TEFRA</i> • <i>Date of HFA Inducement</i> • <i>Date of BOCC Approval Cust. Agreement (If Applicable)</i> 	<ul style="list-style-type: none"> • \$10,000,000 (TEFRA & Inducement) • February 27, 2017 • TBD • TBD • June 8, 2016 • N/A 	<ul style="list-style-type: none"> • \$38,000,000 (Inducement) • TBD • TBD • TBD • April 19, 2017 • N/A 	<ul style="list-style-type: none"> • \$33,000,000 • October 25, 2017 (Pending) • TBD • TBD • September 20, 2017 • N/A
<u>ALLOCATION</u>			
<ul style="list-style-type: none"> • <i>Allocation Approved by HFA</i> • 	<ul style="list-style-type: none"> • \$10,000,000 	<ul style="list-style-type: none"> • \$38,000,000 	<ul style="list-style-type: none"> • \$33,000,000
<u>TRANSACTION STATUS</u>	<i>See Note #1</i>	<i>See Note #2</i>	<i>See Note #3</i>

Note #1:

Application to fund Palms at Deerfield Beach in the 2016 allocation cycle was submitted to the HFA on October 29, 2015. The TEFRA Hearing was held on February 27, 2017. The financing is expected to fund the acquisition and rehabilitation of 100 units of affordable housing in Deerfield Beach. The HFA approved and induced the project at its board meeting on June 8, 2016, such approval effectively ranked the development to receive tax-exempt bond allocation and/or carryforward in 2016. The project allocation commitment carried over to 2017.

On September 28, 2017 the HFA received a request to refund the good faith deposit as the Deerfield Beach Housing Authority had decided not to proceed with the rehabilitation of the project at this time. The good faith deposit was returned per HFA policy.

Note #2:

Application to fund Emerald Palms Apartments in the 2017 allocation cycle was submitted to the HFA on March 20, 2017. The financing is expected to fund the acquisition and rehabilitation of 318 units of affordable housing in Dania Beach. The HFA approved and induced the project at its board meeting on April 19, 2017, such approval effectively ranked the development to receive tax-exempt bond allocation and/or carryforward in 2017.

Note #3:

Application to fund Landings at Coconut Creek apartments in the 2017 allocation cycle was submitted to the HFA on August 2, 2017. The financing is expected to fund the acquisition and rehabilitation of 268 units of affordable housing in Coconut Creek. The HFA approved and induced the project at its board meeting on September 20, 2017, such approval effectively ranked the development to receive tax-exempt bond allocation and/or carryforward in 2017. The closing is anticipated to occur by year end.

ATTACHMENT 2a

Housing Finance Authority of Broward County
Rental Occupancy Report

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K
Property	Total Number of Units	From Mgmt Number of Units Occupied	% of Units Occupied	Previous month % of Lower Units Occupied July	From Mgmt Low Income Units Occupied	% Occupied by Low Income	LURA Low Income Requirement	Certificate of Compliance rec'd August	Comments	Vacant Units
Banyan Bay	416	381	91.6	46%	171	44.9	20%	9/5/2017		35
Banyan Pointe	300	300	100.0	95%	285	95.0	40%	9/1/2017		0
Chaves Lakes	238	233	97.9	91%	213	91.4	40%	8/31/2017	QP expires 3/2018	5
Colonial Park	160	158	98.8	100%	158	100.0	99%	8/22/2017		2
Cypress Grove/Sandalgrove	814	731	89.8	100%	731	100.0	40%	8/31/2017		83
Emerald Palms	318	317	99.7	89%	278	87.7	40%	8/31/2017	QP expires 5/1/2017	1
Fairlake at Weston	368	332	90.2	36%	114	34.3	20%	8/28/2017	QP expires 12/2016	36
Golden Villas	120	120	100.0	99%	119	99.2	40%	9/13/2017		0
Golf View Gardens	160	157	98.1	100%	157	100.0	100%	9/20/2017		3
Harbour Cove	212	210	99.1	88%	183	87.1	40%	9/5/2017		2
Heron Pointe	200	198	99.0	98%	194	98.0	40%	9/1/2017		2
Laguna Pointe	188	188	100.0	92%	173	92.0	40%	8/30/2017		0
Lake Vista (fka Ashlar/Pier Club)	480	434	90.4	23%	96	22.1	20%	8/30/2017	QP expires 6/1/2021	46
Lauderhill Point (fka Driftwood Terr)	176	174	98.9	100%	174	100.0	100%	9/13/2017		2
Los Prados	444	396	89.2	24%	97	24.5	20%	8/30/2017		48
Mar Lago Village	216	206	95.4	42%	87	42.2	40%	9/13/2017		10
Meridian	160	157	98.1	100%	157	100.0	99%	8/22/2017	QP expires 5/2018	3
Palms of Deerfield	56	56	100.0	100%	56	100.0	100%	9/22/2017		0
Pembroke Gardens	198	196	99.0	89%	173	88.3	40%	8/31/2017	QP expires 12/2015	2
Pembroke Park	244	242	99.2	85%	203	83.9	40%	9/1/2017		2
Pembroke Villas	180	179	99.4	93%	167	93.3	40%	8/31/2017	QP expires 6/2016	1
Pinnacle Village	148	145	98.0	99%	144	99.3	40%	9/6/2017		3
Prospect Park	125	124	99.2	100%	124	100.0	40%	9/5/2017		1
Sailboat Bend	37	37	100.0	100%	37	100.0	100%	9/14/2017		0
San Tropez (fka Pembroke Village)	480	463	96.5	21%	96	20.7	20%	8/24/2017	QP expires 6/26/2019	17
Sanctuary Cove	292	292	100.0	99%	290	99.3	40%	8/29/2017		0
St Croix	246	239	97.2	100%	239	100.0	40%	9/4/2017	QP expires 6/1/2020	7
Summerlake	108	105	97.2	100%	105	100.0	40%	8/18/2017		3
Venice Cove	150	150	100.0	100%	150	100.0	40%	10/3/2017	QP expires 11/2017	0
Woodsdale Oaks	172	167	97.1	100%	167	100.0	70%	8/24/2017		5
Totals	7,406	7,087			5,338					319
* Figures in red show properties that are less than 90% occupied										
Total % rate of occupancy for all properties 96%										
Properties highlighted in yellow have bonds outstanding although the QP has expired										
Bond Report was late due to complications from Hurricane Irma										
Pending New Projects										
Northwest Gardens (new construction/acquisition rehab)										
Stanley Terrace (acquisition rehab)										
Residents at Crystal Lakes (new construction)										

MULTI-FAMILY BOND RENTAL OCCUPANCY REPORT KEY

The Rental Occupancy Report was prepared by staff from Certifications of Continuing Compliance reports received from Multi Family property management.

Column B represents the total number of units the property has.

Column C represents the number of units occupied during the time period.

Column D represents the percentage of units occupied versus the total number.

Column E represents the percentage of total units that were lower income occupied during the month of June, 2017

Column F represents the number of lower income units occupied.

Column G represents the percentage of lower income units occupied versus the total number of units available.

Column H represents the lower income requirement per the Land Use Restriction Agreement.

Column I represents the date the Certificate of Compliance was received by Housing Finance Authority.

Column J represents comments deemed important or necessary such as the qualifying period expiration date or explanation for red numbers on the report.

Column K represents the number of units vacant for each property.

Columns that are blank represent no report was received from property management.

**Housing Finance Authority of Broward County (the “HFA”)
October 18, 2017- Board Meeting**

Broward County External Audit Services Agreement (Agreement)

Motion to ratify the approval of Resolution No 2017-008

Background

On Friday, October 13, 2017, the HFA held a Special Meeting to consider the adoption of a resolution approving the Agreement for External Auditing Services between Broward County, the Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Health Facilities Authority of Broward County, Florida, the HFA, and the RSM US LLP for External Audit Services. The meeting had been advertised on October 9, 2017. The HFA approved Resolution No. 2017-008. Pursuant to Section 30.A of the Broward County Administrative Code (Bylaws of the HFA), “[a]ny action taken at a special meeting or an emergency meeting which has not been advertised at least seven (7) days prior to such meeting shall be subsequently ratified by the HFA at its next scheduled regular meeting.”

Present Situation

Staff requesting the HFA to take action on their special meeting held on October 13, 2017, which was not advertised at least seven (7) days prior to the special meeting (the special meeting was advertised on October 9, 2017).

Recommendation

Approval of Resolution No 2017-008 of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving and authorizing the execution and delivery of the agreement between Broward County, Florida, Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Housing Finance Authority, Health Facilities Authority of Broward County, and RSM US LLP for external audit services ("Agreement"); authorizing certain Officials of the Housing Finance Authority to take all actions necessary in connection with the execution and delivery of the Agreement; providing for severability; and providing for an effective date.

Attachment

1. HFA Resolution (Exhibit A: Broward County Agreement)

Housing Finance Authority of Broward County

Dufresne CPA Services, PA – Overview of the September 30, 2017 Financial Reports

The following are items considered to be of note regarding the financial reports for the month of September, 2017:

1. Balance sheets (Attachments 1 and 2) changes relate primarily to individual cash account activity, including payments to the BOCC for reimbursement of expenses and the receipt and subsequent payment of Franklin Park home sale proceeds to the BOCC, some of which are presented on a line item entitled Due to BOCC – Franklin Park. Please note a disclosure was added to the bottom of the balance sheets that reports the unrealized gain/loss on the US Bank Custody account investments.
2. Profit and loss report indicates the changes that relate primarily to timing of new bond issuances, redemptions and related fees and residuals, fair market value adjustments, Franklin Park, rent income and timing of invoices paid and payments received. Please note that to more accurately reflect the components of interest income certain line descriptions were changed in February's monthly reports and the new descriptions are being used in all months subsequent to February, 2017. (Attachments 3 and 4)
3. Cash Projections report provided by Zomermaand Financial Advisory Services, LLC replaced Franklin Park Transactions job report because it provides additional detail as requested by the HFA Board. (Attachment 8)

Cash vs Accrual Basis for P&L Budget to Actual comparison (Attachment 4)

On a monthly basis the process to prepare the financial statements includes:

- a. Budgetary column – Cumulative 1/12 of the budgeted revenues and expenses are reported
- b. Actual column – Significant known revenue and expense items are accrued
 - a. Authority fees receivable are adjusted to correct accrual basis balance
 - b. Cumulative 1/12 of budgeted Personnel and Other Expenses due to BOCC are adjusted to correct accrual basis balance
 - c. Expenses for all invoices submitted to the HFA prior to month end are paid and recorded in the financial statements.
 - d. Bank and account management fees that are reported on the monthly bank statements are recorded as expense in the applicable month.

Index to Attachments

- Attachment 1, Page 3: Balance Sheet (Flux Report – September, 2017 comparison to August, 2017)
- Attachment 2, Page 4: Balance Sheet (Flux Report – September, 2017 comparison to September, 2016)
- Attachment 3, Page 5: P&L (Flux Report – Current Year-to-Date to Prior Year-to-Date)
- Attachment 4, Page 6: P&L (Flux Report – Budget to Actual)

- Attachment 5, Page 7: Aged Receivables Report
- Attachment 6, Page 8: Wells Fargo Bank Reconciliation Report – Operating
- Attachment 7, Page 9: Wells Fargo Bank Reconciliation Report – Franklin Park
- Attachment 8, Pages 10-11: Franklin Park Transactions – provided by Zomermaand Financial Advisory Services, LLC
- Attachment 9, Page 12: Change in Cash and Investments Analysis

ATTACHMENT 1

RESOLUTION NO. 2017- 008

A special meeting of the Housing Finance Authority of Broward County, Florida, was held at 11:00 a.m. on October 13, 2017 at the offices of the Housing Finance Authority of Broward County, Florida, located at 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Presiding: _____

Members Present: _____

Members Absent: _____

* * * * *

Thereupon, _____, introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA ("HOUSING FINANCE AUTHORITY"), APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE AGREEMENT BETWEEN BROWARD COUNTY, FLORIDA, BROWARD COUNTY PROPERTY APPRAISER, BROWARD COUNTY SHERIFF, BROWARD COUNTY SUPERVISOR OF ELECTIONS, HOUSING FINANCE AUTHORITY, HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, AND RSM US LLP FOR EXTERNAL AUDIT SERVICES ("AGREEMENT"); AUTHORIZING CERTAIN OFFICIALS OF THE HOUSING FINANCE AUTHORITY TO TAKE ALL ACTIONS NECESSARY IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE AGREEMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the HFA desires to procure the services of a certified public accounting firm to provide external auditing services in conjunction with Broward

County, Florida (the "County"), the Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, and Health Facilities Authority of Broward County, Florida; and

WHEREAS, the County advertised a Request for Proposal (RFP #R2112554P2), established and participated in a selection committee process, and selected RSM US LLP ("Auditor") as the provider of the desired services; and

WHEREAS, the Board of the HFA has determined that is it in the best interest of the HFA to enter in the Agreement with the County, the Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Health Facilities Authority of Broward County, Florida, and the Auditor for External Audit Services, NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. The recitals set forth in the preamble to this Resolution are true, accurate, and deemed as being incorporated herein by this reference as though set forth in full hereunder.

Section 2. The Board hereby approves the Agreement, as presented at this meeting and attached hereto as Exhibit "A." The Chair or Vice Chair and Secretary or Assistant Secretary of the HFA are hereby authorized to execute and deliver the Agreement.

Section 3. The officers, agents, and employees of the Housing Finance Authority are hereby authorized and directed to do all acts and things required of them by the Agreement and this Resolution and to execute and deliver any and all additional documents, instruments, certificates and affidavits necessary or advisable to effectuate the foregoing.

Section 4. SEVERABILITY.

If any portion of this Resolution is determined by any Court to be invalid, the invalid portion shall be stricken, and such striking shall not affect the validity of the remainder of this Resolution. If any Court determines that this Resolution, or any portion hereof, cannot be legally applied to any individual(s), group(s), entity(ies), property(ies), or circumstance(s), such determination shall not affect the applicability hereof to any other individual, group, entity, property, or circumstance.

Section 5. EFFECTIVE DATE.

This Resolution shall become effective immediately upon its adoption.

ADOPTED this 13th day of October, 2017.

Upon motion of _____, seconded by _____, the foregoing Resolution was adopted by the following vote:

Ayes: _____

Nays: _____

AEA/dnt
10/10/17
ExternalAuditor-HFAReso
#17-008
#17-123
235241

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, _____, _____ of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the resolution of the Authority adopted at a meeting held on October ____, 2017, as set forth in the official minutes of the Authority, relating to the Agreement for External Audit Services.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Authority, this ____ day of October, 2017.

By: _____
Housing Finance Authority of
Broward County, Florida

(SEAL)

Exhibit "A"

Agreement for External Audit Services

AGREEMENT

Between

BROWARD COUNTY

And

BROWARD COUNTY PROPERTY APPRAISER

And

BROWARD COUNTY SHERIFF

And

SUPERVISOR OF ELECTIONS

And

HOUSING FINANCE AUTHORITY
OF BROWARD COUNTY, FLORIDA

And

HEALTH FACILITIES AUTHORITY
OF BROWARD COUNTY, FLORIDA

And

RSM US LLP

For

EXTERNAL AUDIT SERVICES

RFP # R2112554P2

This Agreement ("Agreement") between BROWARD COUNTY, a political subdivision of the State of Florida ("County"),

AND

The BROWARD COUNTY PROPERTY APPRAISER, a constitutional officer of the state of Florida, his/her successors and assigns ("Property Appraiser"),

AND

The BROWARD COUNTY SHERIFF, a constitutional officer of the State of Florida, his/her successors and assigns ("Sheriff"),

AND

The BROWARD COUNTY SUPERVISOR OF ELECTIONS, a constitutional officer of the State of Florida, his/her successors and assigns ("Supervisor of Elections"),

AND

The HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, Florida, a public body corporate and politic ("HFA"),

AND

The HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, Florida, a public body corporate and politic ("HEFA"),

AND

RSM US LLP, Certified Public Accountants, doing business or authorized to do business in the state of Florida, its successors and assigns ("Auditor"), is entered into effective as of the date of execution of this Agreement by County.

RECITALS:

WHEREAS, the County desires to procure the services of a certified public accounting firm to provide external auditing services; and

WHEREAS, the County advertised a Request for Proposal (RFP # R2112554P2), established and participated in a selection committee process, and selected Auditor as the provider of the desired services; and

WHEREAS, the County, Property Appraiser, Sheriff, Supervisor of Elections, HFA, HEFA, and Auditor (collectively, the “Parties”) wish to enter into this Agreement to formalize the terms and conditions of their arrangement; NOW, THEREFORE

IN CONSIDERATION of the mutual terms, conditions, promises, covenants, and payments hereinafter set forth, the Parties agree as follows:

ARTICLE 1. DEFINITIONS

- 1.1 **Board**. The Board of County Commissioners of Broward County, Florida.
- 1.2 **Contract Administrator**. The County Auditor of Broward County, Florida as defined in Section 1.5 below.
- 1.3 **County Administrator**. The administrative head of County appointed by the Board.
- 1.4 **County Attorney**. The chief legal counsel for County appointed by the Board.
- 1.5 **County Auditor**. The auditor nominated by an independent board and appointed by a majority of the Board pursuant to Section 4.01 of the Charter of Broward County.
- 1.6 **Constitutional Officers**. The Broward County Property Appraiser, Broward County Sheriff, and Broward County Supervisor of Elections.
- 1.7 **County Business Enterprise or “CBE.”** A small business certified as meeting the requirements of Broward County's CBE Program pursuant to Section 1-81, Broward County Code of Ordinances.
- 1.8 **Notice To Proceed**. A written authorization to proceed with the project, phase, or task thereof, issued by the Contract Administrator.
- 1.9 **Services**. All work required by Auditor under this Agreement, including without limitation all deliverables, consulting, training, project management, or other services specified in Exhibit A.
- 1.10 **Financial Statements**. A government-wide Statement of Net Position and Statement of Activities; governmental fund Balance Sheets and Statements of Revenues, Expenditures, and Changes in Fund Balances; proprietary fund Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows; fiduciary fund Statement of Fiduciary Assets and Liabilities; component unit Statement of Net Position and Statement of Activities; budget to actual statements for governmental funds where budgets are adopted; and

accompanying notes, all derived from the accounting records, in accordance with generally accepted accounting principles.

1.11 **Subconsultant** or **Subcontractor**. A firm, partnership, corporation, independent contractor (including 1099 individuals), or combination thereof providing services to County through Auditor for all or any portion of the Services. The term "Subconsultant" shall include all "Subcontractors" and the term "Subcontractor" shall include all "Subconsultants."

ARTICLE 2. SCOPE OF SERVICES

2.1 Auditor shall perform all Services identified in this Agreement including without limitation Exhibit A ("Scope of Services"), attached hereto and made a part hereof. The Scope of Services stated in this Agreement is a description of Auditor's obligations and responsibilities and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Auditor impractical, illogical, or unconscionable.

2.2 Auditor acknowledges that the Contract Administrator has no authority to make changes that would increase, decrease, or otherwise modify the Scope of Services to be provided under this Agreement except as expressly set forth in this Agreement or, to the extent applicable, the Broward County Procurement Code (Chapter 21 of the Broward County Administrative Code). In addition to the Scope of Services, County may, at its sole option, request that Auditor perform additional work ("Additional Services"), which may include, but is not limited to, reviewing and verifying the data used in official statements, reviewing and verifying bond escrow requirements, reviewing and analyzing the efficiency and economy of operations for County programs, and general assistance with any County project. To the extent County decides to exercise its option under this Agreement and arranges for Auditor to perform any Additional Services, the Contract Administrator will execute a Work Authorization (Exhibit B hereto) specifying the type of Additional Services, the amount of Additional Services, the timeframe under which those Additional Services must be performed, and the amount that will be paid by County for such Additional Services. The Contract Administrator may authorize up to \$50,000 of Additional Services per year, in excess of the applicable maximum amount stated in Section 4.1.

2.3 In addition to, and separate and apart from, the \$50,000 yearly authority provided to the Contract Administrator pursuant to Section 2.2 above, the County's Purchasing Director may execute Work Authorizations for which the total cost to the County in the aggregate is within the County's Purchasing Director's Authority. Any Work Authorizations above the County's Purchasing Director's delegated authority shall require Board approval. Subsequent to the full execution of any Work Authorization, the Contract Administrator will issue a Notice to Proceed for those authorized Additional Services. Auditor shall not commence work on any Work Authorization until after receipt of a Notice to Proceed. This Section 2.3 shall supersede any provision to the contrary contained in this Agreement.

ARTICLE 3. TERM AND TIME OF PERFORMANCE

3.1 The term of this Agreement shall begin on the date it is fully executed by the Parties and shall end five (5) years from the date of execution of this Agreement or upon completion of all required Services under this Agreement, whichever occurs later (“Term”). The continuation of this Agreement beyond the end of any County fiscal year is subject to both the appropriation and the availability of funds in accordance with Chapter 129, Florida Statutes.

3.2 Unless otherwise agreed by the Parties in writing, all duties, obligations, and responsibilities of Auditor required by this Agreement shall be completed no later than the dates specified in Exhibit A. Time is of the essence in performing the duties, obligations, and responsibilities required by this Agreement.

3.3 In the event County elects to extend this Agreement beyond the Term, Auditor agrees that it shall continue to provide the Services upon the same terms and conditions as set forth in this Agreement for such extended period, which shall not be more than three (3) months beyond the Term. Auditor shall be compensated for the Services at the rate in effect when the extension was invoked by County. This option, if elected by County, shall be exercised by County's Purchasing Director upon written notice stating the duration of the extended period which notice shall be provided to Auditor at least thirty (30) days prior to the end of the Term.

ARTICLE 4. COMPENSATION

4.1 County will pay Auditor for the Services performed pursuant to this Agreement in accordance with the payment schedule attached hereto as Exhibit C (“Payment Schedule”). Payment will only be made upon completion of the work, which payment shall be accepted by Auditor as full compensation for all such work.

Auditor acknowledges that the amounts set forth in the Payment Schedule are the maximum amounts payable (unless the County and Auditor execute a Work Authorization for Additional Services as specified in Article 2) and constitute a limitation upon County's obligation to compensate Auditor for its work under this Agreement. These maximum amounts, however, do not constitute a limitation of any sort upon Auditor's obligation to perform all items of work required under this Agreement. Unless otherwise expressly stated in this Agreement, Auditor shall not be reimbursed for any expenses it incurs under this Agreement. To the extent there is any material change to the applicable laws, regulations, or generally accepted auditing standards which results in a material increase to the Services being provided under the Scope of Services (“Material Change”), Auditor may, no later than ten (10) days after such Material Change, provide written notice to the County of such Material Change and request that the County assess whether such Material Change should result in an increase to the maximum amounts specified in the Payment Schedule. No later than sixty (60) days after receipt of the Auditor's written notice, the County, in its sole and absolute discretion, shall either: (i) provide Auditor with written notice

rejecting Auditor's request, which shall require Auditor to continue performing the Services at no additional cost; or (ii) provide Auditor with written notice accepting Auditor's request, at which point County shall, in good faith and no later than thirty (30) days after the County's acceptance, meet with Auditor to negotiate a potential increase to the maximum amounts specified in the Payment Schedule. If the County and Auditor are unable, within sixty (60) days after County's acceptance of Auditor's request, to agree upon a change to the maximum amount specified in the Payment Schedule, County, in its sole and absolute discretion, may immediately end negotiations and Auditor shall continue to perform all Services at no additional cost.

4.2 METHOD OF BILLING AND PAYMENT

4.2.1 Auditor may submit invoices for compensation no more often than on a monthly basis, but only after the Services for which the invoices are submitted have been completed. An original invoice plus one copy are due within fifteen (15) days of the end of the month except the final invoice which must be received no later than sixty (60) days after expiration or earlier termination of this Agreement. Invoices shall designate the nature of the Services performed and, as applicable, the personnel, hours, tasks, or other detail as requested by the Contract Administrator. In addition, such invoices must indicate all amounts previously paid to Auditor for the Services performed by Auditor during the current fiscal year. Auditor shall submit with each invoice a Certification of Payments to Subcontractors and Suppliers (Exhibit D). The certification shall be accompanied by a copy of the notification sent to each Subcontractor and supplier listed on the form, explaining the good cause why payment has not been made.

4.2.2 County shall pay Auditor within thirty (30) calendar days of receipt of Auditor's proper invoice, as required under the "Broward County Prompt Payment Ordinance," Section 1-51.6, Broward County Code of Ordinances. To be deemed proper, all invoices must comply with the requirements set forth in this Agreement and must be submitted on the form and pursuant to instructions prescribed by the Contract Administrator. Payment may be withheld for failure of Auditor to comply with a term, condition, or requirement of this Agreement.

4.2.3 Auditor shall pay its Subcontractors and suppliers within fifteen (15) days following receipt of payment from County for such subcontracted work or supplies. Auditor agrees that if it withholds an amount as retainage from Subcontractors or suppliers, it will release such retainage and pay same within fifteen (15) days following receipt of payment of retained amounts from County. Failure to pay a Subcontractor or supplier in accordance with this subsection shall be a material breach of this Agreement, unless Auditor demonstrates that such failure to pay results from a bona fide dispute with the Subcontractor or supplier.

4.3 Subcontractors. Auditor shall invoice all Subcontractor fees, whether paid on a “lump sum” or other basis, to County with no markup. Such invoices shall designate the nature of the Services performed by the Subcontractor and, as applicable, the personnel, hours, tasks, or other detail as requested by the Contract Administrator. All Subcontractor fees shall be billed in the actual amount paid by Auditor.

4.4 Notwithstanding any provision of this Agreement to the contrary, County may withhold, in whole or in part, payment to the extent necessary to protect itself from loss on account of inadequate or deficient Services which have not been remedied, resolved, or properly performed in a manner satisfactory to the Contract Administrator or as the result of Auditor’s failure to comply with any provision of this Agreement. The amount withheld shall not be subject to payment of interest by County.

4.5 Payment shall be made to Auditor at the address designated in the Notices Section.

ARTICLE 5. INDEMNIFICATION

Auditor shall at all times hereafter indemnify, hold harmless and defend County and all of County's current and former officers, agents, servants, and employees (collectively, “Indemnified Party”) from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorneys' fees, court costs, and expenses (collectively, a “Claim”), raised or asserted by any person or entity not a party to this Agreement, which Claim is caused or alleged to be caused, in whole or in part, by any intentional, reckless or negligent act or omission of Auditor, its current or former officers, employees, agents, or servants, arising from, relating to, or in connection with this Agreement. In the event any Claim is brought against an Indemnified Party, Auditor shall, upon written notice from County, defend each Indemnified Party against each such Claim by counsel satisfactory to County or, at County's option, pay all reasonable fees and costs for an attorney selected by the County Attorney to defend the Indemnified Party. The obligations of this Section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the Contract Administrator and the County Attorney, any sums due Auditor under this Agreement may be retained by County until all of County's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved. Any amount withheld shall not be subject to payment of interest by County.

ARTICLE 6. INSURANCE

6.1 For purposes of this Article, the term “County” shall include Broward County and its members, officials, officers, and employees.

6.2 Auditor shall maintain, at its sole expense and at all times during the term of this

Agreement (unless a different time period is otherwise stated herein), at least the minimum limits of insurance coverage designated in Exhibit E (inclusive of any amount provided by an umbrella or excess policy) in accordance with the terms and conditions stated in this Article. All required insurance shall apply on a primary basis, and shall not require contribution from, any other insurance or self-insurance maintained by County. Any insurance, or self-insurance, maintained by County shall be in excess of, and shall not contribute with, the insurance provided by Auditor.

6.3 Insurers providing the insurance required by this Agreement must either be: (1) authorized by a current certificate of authority issued by the State of Florida to transact insurance in the State of Florida, or (2) except with respect to coverage for the liability imposed by the Florida Workers' Compensation Act, an eligible surplus lines insurer under Florida law. In addition, each such insurer shall have and maintain throughout the period for which coverage is required, a minimum A. M. Best Company Rating of "A-" and a minimum Financial Size Category of "VII." All insurance policies providing coverage as required by this Article 6 and Exhibit E, shall comply with the following:

6.3.1 Commercial General Liability Insurance. Policy shall be no more restrictive than that provided by the latest edition of the standard Commercial General Liability Form (Form CG 00 01) as filed for use in the State of Florida by the Insurance Services Office (ISO), with the exception of endorsements specifically required by ISO or the State of Florida, and liability arising out of:

Terrorism

Sexual molestation

Architects and engineers professional liability, unless coverage for professional liability is specifically required by this Agreement.

County shall be included on the policy (and any excess or umbrella policy) as an "Additional Insured" on a form no more restrictive than ISO form CG 20 10 (Additional Insured – Owners, Lessees, or Contractor). The policy (and any excess or umbrella policy) must be endorsed to waive the insurer's right to subrogate against County.

6.3.2 Business Automobile Liability Insurance. Policy shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of the standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of work under this Agreement. County shall be included on the policy (and any excess or umbrella policy) as an "Additional Insured." The policy (and any excess or umbrella policy) must be endorsed to waive the insurer's right to subrogate against County.

6.3.3 Workers' Compensation/Employer's Liability Insurance. Such insurance shall be no more restrictive than that provided by the latest edition of the standard Workers' Compensation Policy, as filed for use in Florida by the National Council on Compensation Insurance (NCCI), with the exception of endorsements required by NCCI or the State of Florida. The policy must be endorsed to waive the insurer's right to subrogate against County in the manner which would result from the attachment of the NCCI form "Waiver of our Right to Recover from Others Endorsement" (Advisory Form WC 00 03 13) with County scheduled thereon. Where appropriate, coverage shall be included for any applicable Federal or State employer's liability laws including, but not limited to, the Federal Employer's Liability Act, the Jones Act, and the Longshoreman and Harbor Workers' Compensation Act.

6.3.4 Professional Liability Insurance. Such insurance shall cover Auditor for those sources of liability arising out of the rendering of, or failure to render, professional services as required in this Agreement. If the policy provides coverage on a claims-made basis, such coverage must respond to all claims reported within at least three (3) years following the period for which coverage is required, unless a longer period is indicated in Exhibit E.

6.4 Within fifteen (15) days after the full execution of this Agreement or notification of award, whichever is earlier, Auditor shall provide to County satisfactory evidence of the insurance required in this Agreement. With respect to the Workers' Compensation/Employer's Liability Insurance, Professional Liability, and Business Automobile Liability Insurance, an appropriate Certificate of Insurance identifying the project and signed by an authorized representative of the insurer shall be satisfactory evidence of insurance. With respect to the Commercial General Liability, an appropriate Certificate of Insurance identifying the Agreement, signed by an authorized representative of the insurer, and copies of the actual additional insured endorsements as issued on the policy(ies) shall be satisfactory evidence of such insurance.

6.5 Coverage is not to cease and is to remain in force until County determines all performance required of Auditor is completed. If any of the insurance coverage will expire prior to the completion of the Services, proof of insurance renewal shall be provided to County prior to the policy's expiration. County, to the extent there is a renewal of or amendment to this Agreement, reserves the right to review and revise any insurance requirements contained or referenced in this Article 6 including, but not limited to, deductibles, limits, coverage, and endorsements, based on any changes in market conditions or changes to the Services being provided by Auditor.

6.6 Auditor shall provide County thirty (30) days' advance notice of any cancellation of the policy except in cases of cancellation for non-payment for which County shall be given ten (10) days' advance notice.

6.7 Auditor shall provide, within thirty (30) days after receipt of a written request from

County, a copy of the policies providing the coverage required by this Agreement. Auditor may redact portions of the policies that are not relevant to the insurance required by this Agreement.

6.8 County and Auditor, each for itself and on behalf of its insurers, to the fullest extent permitted by law without voiding the insurance required hereunder, waive all rights against the other party and any of the other party's contractors, subcontractors, agents, and employees for damages or loss to the extent covered and paid for by any insurance maintained by the other party.

6.9 If Auditor uses a Subcontractor, Auditor shall require each Subcontractor to endorse County as an "Additional Insured" on the Subcontractor's Commercial General Liability policy.

ARTICLE 7. TERMINATION

7.1 This Agreement may be terminated for cause by the aggrieved party if the party in breach has not corrected the breach within ten (10) days after receipt of written notice from the aggrieved party identifying the breach. This Agreement may also be terminated for convenience by the Board. Termination for convenience by the Board shall be effective on the termination date stated in written notice provided by County, which termination date shall be not less than thirty (30) days after the date of such written notice. This Agreement may also be terminated by the County Administrator upon such notice as the County Administrator deems appropriate under the circumstances in the event the County Administrator determines that termination is necessary to protect the public health, safety, or welfare. If County erroneously, improperly, or unjustifiably terminates for cause, such termination shall, at County's sole election, be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided.

7.2 This Agreement may be terminated for cause for reasons including, but not limited to, Auditor's repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to suitably perform the work, or failure to continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement. This Agreement may also be terminated for cause if Auditor is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List created pursuant to Section 215.473, Florida Statutes, or if Auditor provides a false certification submitted pursuant to Section 287.135, Florida Statutes. This Agreement may also be terminated by the Board:

7.2.1 Upon the disqualification of Auditor as a CBE by County's Director of Office of Economic and Small Business Development ("OESBD") if Auditor's status as a CBE was a factor in the award of this Agreement and such status was misrepresented by Auditor;

**Housing Finance Authority of Broward County (the “HFA”)
October 18, 2017- Board Meeting**

Broward County External Audit Services Agreement (Agreement)

Motion to ratify the approval of Resolution No 2017-008

Background

On Friday, October 13, 2017, the HFA held a Special Meeting to consider the adoption of a resolution approving the Agreement for External Auditing Services between Broward County, the Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Health Facilities Authority of Broward County, Florida, the HFA, and the RSM US LLP for External Audit Services. The meeting had been advertised on October 9, 2017. The HFA approved Resolution No. 2017-008. Pursuant to Section 30.A of the Broward County Administrative Code (Bylaws of the HFA), “[a]ny action taken at a special meeting or an emergency meeting which has not been advertised at least seven (7) days prior to such meeting shall be subsequently ratified by the HFA at its next scheduled regular meeting.”

Present Situation

Staff requesting the HFA to take action on their special meeting held on October 13, 2017, which was not advertised at least seven (7) days prior to the special meeting (the special meeting was advertised on October 9, 2017).

Recommendation

Approval of Resolution No 2017-008 of the Housing Finance Authority of Broward County, Florida ("Housing Finance Authority"), approving and authorizing the execution and delivery of the agreement between Broward County, Florida, Broward County Property Appraiser, Broward County Sheriff, Broward County Supervisor of Elections, Housing Finance Authority, Health Facilities Authority of Broward County, and RSM US LLP for external audit services ("Agreement"); authorizing certain Officials of the Housing Finance Authority to take all actions necessary in connection with the execution and delivery of the Agreement; providing for severability; and providing for an effective date.

Attachment

1. HFA Resolution (Exhibit A: Broward County Agreement)

7.2.2 Upon the disqualification of Auditor by County's Director of OESBD due to fraud, misrepresentation, or material misstatement by Auditor in the course of obtaining this Agreement or attempting to meet the CBE contractual obligations;

7.2.3 Upon the disqualification of one or more of Auditor's CBE participants by County's Director of the OESBD if any such participant's status as a CBE firm was a factor in the award of this Agreement and such status was misrepresented by Auditor or such participant;

7.2.4 Upon the disqualification of one or more of Auditor's CBE participants by County's Director of the OESBD if such CBE participant attempted to meet its CBE contractual obligations through fraud, misrepresentation, or material misstatement; or

7.2.5 If Auditor is determined by County's Director of the OESBD to have been knowingly involved in any fraud, misrepresentation, or material misstatement concerning the CBE status of its disqualified CBE participant.

7.3 Notice of termination shall be provided in accordance with the "Notices" Section of this Agreement except that notice of termination by the County Administrator, which the County Administrator deems necessary to protect the public health, safety, or welfare may be verbal notice that shall be promptly confirmed in writing in accordance with the "Notices" Section of this Agreement.

7.4 In the event this Agreement is terminated for convenience by County, Auditor shall be paid for any Services properly performed under this Agreement through the termination date specified in the written notice of termination. Auditor acknowledges that it has received good, valuable and sufficient consideration from County, the receipt and adequacy of which are, hereby acknowledged by Auditor, for County's right to terminate this Agreement for convenience.

7.5 In the event this Agreement is terminated for any reason, any amounts due Auditor shall be withheld by County until all documents are provided to County pursuant to Section 9.1.

ARTICLE 8. EQUAL EMPLOYMENT OPPORTUNITY AND CBE COMPLIANCE

8.1 No party to this Agreement may discriminate on the basis of race, color, sex, religion, national origin, disability, age, marital status, political affiliation, sexual orientation, pregnancy, or gender identity and expression in the performance of this Agreement. Auditor shall comply with all applicable requirements of County's CBE Program, as established by Broward County Business Opportunity Act of 2012, Section 1-81, Broward County Code of Ordinances (the "Act"), in the award and administration of this Agreement.

Auditor shall include the foregoing or similar language in its contracts with any Subcontractors,

except that any project assisted by the U.S. Department of Transportation funds shall comply with the non-discrimination requirements in 49 C.F.R. Parts 23 and 26.

Failure by Auditor to carry out any of the requirements of this Section shall constitute a material breach of this Agreement, which shall permit County to terminate this Agreement or to exercise any other remedy provided under this Agreement, Broward County Code of Ordinances, Broward County Administrative Code, or under other applicable law, all such remedies being cumulative.

8.2 Auditor acknowledges that the Board, acting through the OESBD, may make minor administrative modifications to the CBE Program which shall become applicable to this Agreement if the administrative modifications are not unreasonable. Written notice of any such modification shall be provided to Auditor and shall include a deadline for Auditor to notify County if Auditor concludes that the modification exceeds the authority under this Section. Failure of Auditor to timely notify County of its conclusion that the modification exceeds such authority shall be deemed acceptance of the modification by Auditor.

County may add or increase the required participation of CBE firms under this Agreement in connection with any amendment, extension, modification, or change order to this Agreement that, by itself or aggregated with previous amendments, extensions, modifications, or change orders, increases the Agreement price by ten percent (10%) of the initial value of the Agreement, or Fifty Thousand Dollars (\$50,000), whichever is less. Auditor shall make a good faith effort to include CBE firms in work resulting from any such amendment, extension, modification, or change order and shall report such efforts, along with evidence thereof, to the OESBD.

8.3 Auditor will meet the following CBE participation goal by utilizing the CBE firms for the following percentage of Services under this Agreement:

CBE participation goal	25%
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Auditor stipulates that each CBE firm utilized to meet the CBE participation goal must be certified by the OESBD. Auditor shall inform County immediately when a CBE firm is not able to perform or if Auditor believes the CBE firm should be replaced for any other reason, so that the OESBD may review and verify the good faith efforts of Auditor to substitute the CBE firm with another CBE firm. Whenever a CBE firm is terminated for any reason, including cause, Auditor shall provide written notice to the OESBD and shall substitute another CBE firm in order to maintain the level of CBE participation required herein, unless otherwise provided herein or agreed in writing by the Parties. Such substitution shall not be required in the event the termination results from County modifying the Scope of Services and there is no available CBE to perform the new Scope of Services, in which event Auditor shall notify County and the OESBD may adjust the CBE participation goal by written notice to Auditor. Auditor may not terminate a CBE firm for convenience without County's prior written consent, which consent shall not be unreasonably withheld.

8.4 In performing the Services, the Parties hereby incorporate the list of Auditor's participating CBE firms, addresses, scope of work, and the percentage of work amounts identified on each Letter of Intent into this Agreement (Exhibit F). Promptly upon execution of this Agreement by County, Auditor shall enter into a formal contract with the CBE firms listed in Exhibit F and, within five days after the County's request, shall provide copies of the contracts to the Contract Administrator and the OESBD.

8.5 Auditor shall provide written monthly reports to the Contract Administrator attesting to Auditor's compliance with the CBE participation goals stated in this Article 8. In addition, Auditor shall allow County to engage in on-site reviews to monitor Auditor's progress in achieving and maintaining its contractual and CBE Program obligations. Such review and monitoring shall be by the Contract Administrator in conjunction with the OESBD, unless otherwise determined by the County Administrator. County shall have access, without limitation, to Auditor's books and records, including payroll records, tax returns and records, and books of account, on five (5) business days' notice, except that access to Auditor workpapers shall be limited to the Office of the County Auditor.

8.6 In the event of Auditor's noncompliance with its CBE participation goal (including without limitation the unexcused reduction of a CBE firm's participation), the affected CBE firm shall have the right to exercise any remedies as may be available as between the CBE firm and Auditor.

8.7 The Contract Administrator may, at its option, withhold progress payments unless and until Auditor demonstrates timely payments of sums due to all Subcontractors and suppliers. The presence of a "pay when paid" provision in Auditor's contract with a CBE firm shall not preclude County or its representatives from inquiring into allegations of nonpayment.

8.8 By execution of this Agreement, Auditor represents that it has not been placed on the discriminatory vendor list as provided in Section 287.134, Florida Statutes. County hereby materially relies on such representation in entering into this Agreement. An untrue representation of the foregoing shall entitle County to terminate this Agreement and recover from Auditor all monies paid by County pursuant to this Agreement, and may result in Auditor's debarment from County's competitive procurement activities.

ARTICLE 9. MISCELLANEOUS

9.1 Rights in Documents and Work. Except for Auditor workpapers, any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of County, and, if a copyright is claimed, Auditor grants to County a non-exclusive license to use the copyrighted item(s) indefinitely, to prepare derivative works, and to make and distribute copies to the public. In the event of termination of this Agreement, any reports, photographs, surveys, and other data and documents (except for

Auditor workpapers) prepared by Auditor, whether finished or unfinished, shall become the property of County and shall be delivered by Auditor to the Contract Administrator within seven (7) days of termination of this Agreement. Any compensation due to Auditor shall be withheld until all documents are received as provided herein. Auditor shall ensure that the requirements of this Section are included in all agreements with its Subcontractor(s).

9.2 Public Records. To the extent Auditor is acting on behalf of County as stated in Section 119.0701, Florida Statutes, Auditor shall:

a. Keep and maintain public records required by County to perform the services under this Agreement;

b. Upon request from County, provide County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time and at a cost that does not exceed that provided in Chapter 119, Florida Statutes, or as otherwise provided by law;

c. Ensure that public records that are exempt or confidential and exempt from public record requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion or termination of this Agreement if the records are not transferred to County; and

d. Upon completion or termination of this Agreement, transfer to County, at no cost, all public records in possession of Auditor or keep and maintain public records required by County to perform the services under this Agreement. If Auditor transfers the records to County, Auditor shall destroy any duplicate public records that are exempt or confidential and exempt. If Auditor keeps and maintains public records, Auditor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to County upon request in a format that is compatible with the information technology systems of County.

The failure of Auditor to comply with the provisions of this Section shall constitute a material breach of this Agreement entitling County to exercise any remedy provided in this Agreement or under applicable law.

A request for public records regarding this Agreement must be made directly to County, who will be responsible for responding to any such public records request. Auditor will provide any requested records to County to enable County to timely respond to the public records request.

Any material submitted to County that Auditor contends constitutes or contains trade secrets or is otherwise exempt from production under Florida public records laws (including Florida Statutes Chapter 119) ("Trade Secret Materials") must be separately submitted and conspicuously labeled "EXEMPT FROM PUBLIC RECORD PRODUCT – TRADE SECRET." In addition, Auditor must,

simultaneous with the submission of any Trade Secret Materials, provide a sworn affidavit from a person with personal knowledge attesting that the Trade Secret Materials constitute trade secrets under Florida Statutes Section 812.081 and stating the factual basis for same. In the event that a third party submits a request to County for records designated by Auditor as Trade Secret Materials, County shall refrain from disclosing the Trade Secret Materials, unless otherwise ordered by a court of competent jurisdiction or authorized in writing by Auditor. Auditor shall indemnify and defend County and its employees and agents from any and all claims, causes of action, losses, fines, penalties, damages, judgments and liabilities of any kind, including attorneys' fees, litigation expenses, and court costs, relating to the non-disclosure of any Trade Secret Materials in response to a records request by a third party.

IF AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF FLORIDA STATUTES CHAPTER 119 TO AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (954) 357-5500, SCAMPBELL@broward.org, 115 S. ANDREWS AVE., SUITE 501, FORT LAUDERDALE, FLORIDA 33301.

9.3 Audit Rights, and Retention of Records. County shall have the right to audit the books, records, and accounts of Auditor and its Subcontractors that are related to this Agreement. Auditor and its Subcontractors shall keep such books, records, and accounts as may be necessary in order to record complete and correct entries related to this Agreement and performance thereunder. All books, records, and accounts of Auditor and its Subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, Auditor or its Subcontractor, as applicable, shall make same available at no cost to County in written form.

Auditor and its Subcontractors shall preserve and make available, at reasonable times within Broward County for examination and audit by County, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for a minimum period of three (3) years after expiration or termination of this Agreement or until resolution of any audit findings, whichever is longer. County audits and inspections pursuant to this Section may be performed by any County representative (including any outside representative engaged by County). County reserves the right to conduct such audit or review at Auditor's place of business, if deemed appropriate by County, with seventy-two (72) hours' advance notice.

Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for County's disallowance and recovery of any payment made on the basis of such entry. If an audit or inspection in accordance with this Section discloses overpricing or overcharges to County of

any nature by the Auditor in excess of five percent (5%) of the total contract billings reviewed by County, the reasonable actual cost of County's audit shall be reimbursed to the County by the Auditor in addition to making adjustments for the overcharges. Any adjustments and/or payments due to County as a result of such audit or inspection shall be made within thirty (30) days from presentation of County's findings to Auditor.

Auditor shall ensure that the requirements of this Section are included in all agreements with its Subcontractor(s).

9.4 Truth-In-Negotiation Representation. Auditor's compensation under this Agreement is based upon representations supplied to County by Auditor, and Auditor certifies that the wage rates, factual unit costs, and other information supplied to substantiate Auditor's compensation, including without limitation in the negotiation of this Agreement, are accurate, complete, and current at the time of contracting. County shall be entitled to recover any damages it incurs to the extent any such representation is untrue or inaccurate.

9.5 Public Entity Crime Act. Auditor represents that it is familiar with the requirements and prohibitions under the Public Entity Crime Act, Section 287.133, Florida Statutes, and represents that its entry into this Agreement will not violate that Act. In addition to the foregoing, Auditor further represents that there has been no determination that it committed a "public entity crime" as defined by Section 287.133, Florida Statutes, and that it has not been formally charged with committing an act defined as a "public entity crime" regardless of the amount of money involved or whether Auditor has been placed on the convicted vendor list. Notwithstanding any provision in this Agreement to the contrary, if any representation stated in or in connection with this Section is false, County shall have the right to immediately terminate this Agreement and recover all sums paid to Auditor under this Agreement.

9.6 Independent Contractor. Auditor is an independent contractor under this Agreement. In providing Services under this Agreement, neither Auditor nor its agents shall act as officers, employees, or agents of County. Auditor shall not have the right to bind County to any obligation not expressly undertaken by County under this Agreement.

9.7 Third Party Beneficiaries. Neither Auditor nor County intends to directly or substantially benefit a third party by this Agreement. Therefore, the Parties acknowledge that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a right or claim against either of them based upon this Agreement.

9.8 Notices. In order for a notice to a party to be effective under this Agreement, notice must be sent via U.S. first-class mail with a contemporaneous copy via e-mail to the addresses listed below and shall be effective upon mailing. The addresses for notice shall remain as set forth herein unless and until changed by providing notice of such change in accordance with the provisions of this Section.

FOR COUNTY:

Broward County Auditor
Attn: Bob Melton
Governmental Center, Room 520
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Email address: bmelton@broward.org

FOR AUDITOR:

RSM US LLP
Attn: Bob Feldmann & Brett Friedman
100 NE Third Avenue Suite 300
Fort Lauderdale, Florida 33301
Email address: Brett.Friedman@rsmus.com

9.9 Assignment and Performance. Except for subcontracting approved in writing by County at the time of its execution of this Agreement or any written amendment hereto, neither this Agreement nor any right or interest herein may be assigned, transferred, subcontracted, or encumbered by Auditor without the prior written consent of County. If Auditor violates this provision, County shall have the right to immediately terminate this Agreement. Auditor represents that each person and entity that will provide Services under this Agreement is duly qualified to perform such Services by all appropriate governmental authorities, where required, and is sufficiently experienced and skilled in the area(s) for which such person or entity will render Services. Auditor agrees that all Services under this Agreement shall be performed in a skillful and respectful manner, and that the quality of all such Services shall equal or exceed prevailing industry standards for the provision of such Services.

9.10 Conflicts. Neither Auditor nor its employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with Auditor's loyal and conscientious exercise of judgment and care related to its performance under this Agreement. None of Auditor's officers or employees shall, during the term of this Agreement, serve as an expert witness against County in any legal or administrative proceeding in which he, she, or Auditor is not a party, unless compelled by court process. Further, such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of County in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this Section shall not preclude Auditor or any persons in any way from representing themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding. In the event Auditor is permitted pursuant to this Agreement to utilize Subcontractors to perform any Services required by this Agreement,

Auditor shall require such Subcontractors, by written contract, to comply with the provisions of this Section to the same extent as Auditor.

9.11 Materiality and Waiver of Breach. Each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the Parties. Each requirement, duty, and obligation set forth herein is substantial and important to the formation of this Agreement, and each is, therefore, a material term hereof. County's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

9.12 Compliance with Laws. Auditor shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing its duties, responsibilities, and obligations pursuant to this Agreement.

9.13 Severability. In the event any part of this Agreement is found to be unenforceable by any court of competent jurisdiction, that part shall be deemed severed from this Agreement and the balance of this Agreement shall remain in full force and effect.

9.14 Joint Preparation. This Agreement has been jointly prepared by the Parties hereto, and shall not be construed more strictly against either Party.

9.15 Interpretation. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement. All personal pronouns used in this Agreement shall include the other gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein," "hereof," "hereunder," and "hereinafter" refer to this Agreement as a whole and not to any particular sentence, paragraph, or Section where they appear, unless the context otherwise requires. Whenever reference is made to a Section or Article of this Agreement, such reference is to the Section or Article as a whole, including all of the subsections of such Section, unless the reference is made to a particular subsection or subparagraph of such Section or Article.

9.16 Priority of Provisions. If there is a conflict or inconsistency between any term, statement, requirement, or provision of any document or exhibit attached hereto or referenced or incorporated herein and any provision of Articles 1 through 9 of this Agreement, the provisions contained in Articles 1 through 9 shall prevail and be given effect.

9.17 Law, Jurisdiction, Venue, Waiver of Jury Trial. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. The exclusive venue for any lawsuit arising from, related to, or in connection with this Agreement shall be in the state courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. If any

claim arising from, related to, or in connection with this Agreement must be litigated in federal court, the exclusive venue for any such lawsuit shall be in the United States District Court or United States Bankruptcy Court for the Southern District of Florida. **BY ENTERING INTO THIS AGREEMENT, AUDITOR AND COUNTY HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS AGREEMENT. IF A PARTY FAILS TO WITHDRAW A REQUEST FOR A JURY TRIAL IN A LAWSUIT ARISING OUT OF THIS AGREEMENT AFTER WRITTEN NOTICE BY THE OTHER PARTY OF VIOLATION OF THIS SECTION, THE PARTY MAKING THE REQUEST FOR JURY TRIAL SHALL BE LIABLE FOR THE REASONABLE ATTORNEYS' FEES AND COSTS OF THE OTHER PARTY IN CONTESTING THE REQUEST FOR JURY TRIAL, AND SUCH AMOUNTS SHALL BE AWARDED BY THE COURT IN ADJUDICATING THE MOTION.**

9.18 Force Majeure. If the performance of this Agreement, or any obligation hereunder is prevented by reason of hurricane, earthquake, or other casualty caused by nature, or by labor strike, war, or by a law, order, proclamation, regulation, ordinance of any governmental agency, the party so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, provided that the party so affected shall first have taken reasonable steps to avoid and remove such cause of non-performance and shall continue to take reasonable steps to avoid and remove such cause, and shall promptly notify the other party in writing and resume performance hereunder whenever such causes are removed; provided, however, that if such non-performance exceeds sixty (60) days, the party that is not prevented from performance by the force majeure event shall have the right to terminate this Agreement upon written notice to the party so affected. This Section shall not supersede or prevent the exercise of any right the Parties may otherwise have to terminate this Agreement.

9.19 Amendments. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the Board and Auditor or others delegated authority or otherwise authorized to execute same on their behalf.

9.20 Prior Agreements. This Agreement represents the final and complete understanding of the Parties regarding the subject matter hereof and supersedes all prior and contemporaneous negotiations and discussions regarding that subject matter. There is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document.

9.21 HIPAA Compliance. It is expressly understood by the Parties that County personnel or their agents have access to protected health information (hereinafter known as "PHI") that is subject to the requirements of 45 C.F.R. Parts 160, 162, and 164 and related regulations. Auditor and its Subcontractors are required to comply with the Health Insurance Portability and Accountability Act of 1996 (hereinafter known as "HIPAA"). Auditor and its Subcontractors shall fully protect individually identifiable health information as required by HIPAA and shall, prior to

the execution of this Agreement, execute a Business Associate Agreement in the form attached hereto as Exhibit G for the purpose of complying with HIPAA. Where required, Auditor and its Subcontractors shall handle and secure such PHI in compliance with HIPAA and its related regulations and, if required by HIPAA or other laws, include in its "Notice of Privacy Practices" notice of Auditor's, Subcontractor's, and County's uses of client's PHI. The requirement to comply with this provision and HIPAA shall survive the expiration or earlier termination of this Agreement. County hereby authorizes the County Administrator to sign Business Associate Agreements on its behalf. Auditor shall ensure that the requirements of this Section are included in all agreements with its Subcontractors.

9.22 Payable Interest

9.21.1 Payment of Interest. County shall not be liable to pay any interest to Auditor for any reason, whether as prejudgment interest or for any other purpose, and in furtherance thereof Auditor waives, rejects, disclaims and surrenders any and all entitlement it has or may have to receive interest in connection with a dispute or claim arising from, related to, or in connection with this Agreement. This subsection shall not apply to any claim for interest, including for post-judgment interest, if such application would be contrary to applicable law.

9.21.2 Rate of Interest. If the preceding subsection is inapplicable or is determined to be invalid or unenforceable by a court of competent jurisdiction, the annual rate of interest payable by County under this Agreement, whether as prejudgment interest or for any other purpose, shall be, to the full extent permissible under applicable law, 0.25% (one quarter of one percent) simple interest (uncompounded).

9.23 Incorporation by Reference. Any and all Recital clauses stated above are true and correct and are incorporated herein by reference. The attached Exhibits are incorporated into and made a part of this Agreement.

9.24 Representation of Authority. Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

9.25 Counterparts and Multiple Originals. This Agreement may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

9.26 Domestic Partnership Requirement. Unless this Agreement is exempt from the provisions of Section 16½-157 of the Broward County Code of Ordinances, which requires County

contractors to provide benefits to domestic partners of their employees, Auditor agrees to fully comply with Section 16½-157 during the entire term of this Agreement. If Auditor fails to fully comply with that Section, such failure shall constitute a material breach which shall allow County to exercise any remedy available under this Agreement, under applicable law, or under Section 16½-157. For that purpose, the contract language referenced in Section 16½-157 is incorporated herein as though fully set forth in this Section.

9.27 Drug-Free Workplace. It is a requirement of County that it enter into contracts only with firms that certify the establishment of a drug-free workplace in accordance with Section 21.31(a)(2) of the Broward County Code of Ordinances. Execution of this Agreement by Auditor shall serve as Auditor's required certification that it has a drug-free workplace program in accordance with Section 287.087, Florida Statutes, and Section 21.31(a)(2) of the Broward County Code of Ordinances, and that it will maintain such drug-free workplace program for the full term of this Agreement.

9.28 Contingency Fee. Auditor represents that it has not paid or agreed to pay any person or entity, other than a bona fide employee working solely for Auditor, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. If County learns that this representation is false, County shall have the right to terminate this Agreement without any further liability to Auditor. Alternatively, if such representation is false, County, at its sole discretion, may deduct from the compensation due Auditor under this Agreement the full amount of such fee, commission, percentage, gift, or consideration.

9.29 Living Wage Requirement. If Auditor is a "covered employer" within the meaning of the Broward County Living Wage Ordinance, Sections 26-100 et seq. of the Broward County Code of Ordinances, Auditor agrees to and shall pay to all of its employees providing "covered services," as defined therein, a living wage as required by such ordinance, and Auditor shall fully comply with the requirements of such ordinance. Auditor shall be responsible for and shall ensure that all of its Subcontractors that qualify as "covered employers" fully comply with the requirements of such ordinance.

9.30 Use of County Logo. Auditor shall not use County's name, logo, or otherwise refer to this Agreement in any marketing or publicity materials without the prior written consent of County.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Parties hereto have made and executed this AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES on the respective dates under each signature:

Broward County, through its Board of County Commissioners, signing by and through its Mayor or Vice-Mayor, authorized to execute same by Board action on the _____ day of _____, 20____.

COUNTY

ATTEST:

BROWARD COUNTY, by and through its Board of County Commissioners

Broward County Administrator, as
Ex-officio Clerk of the Broward County
Board of County Commissioners

By: _____
_____ day of _____, 20____

Insurance requirements approved by
Broward County Risk Management Division:

Approved as to form by
Andrew J. Meyers
Broward County Attorney
Governmental Center, Suite 423
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641

By: _____

Name: _____

Title: _____

By: _____
Israel Fajardo (Date)
Assistant County Attorney

By: _____
Annika Ashton (Date)
Assistant County Attorney

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES.

Broward County Property Appraiser, signing by and through _____, duly authorized to execute same.

PROPERTY APPRAISER

WITNESSES:

Signature

Print/Type Name

Signature

Print/Type Name

By: _____

(Print/Type Name)

___ day of _____, 20__.

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES.

Broward County Sheriff, signing by and through _____, duly authorized to execute same

WITNESSES:

SHERIFF

Signature

By: _____

Print/Type Name

(Print/Type Name)

Signature

____ day of _____, 20____.

Print/Type Name

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES.

Broward County Supervisor of Elections, signing by and through _____, duly authorized to execute same

WITNESSES:

SUPERVISOR OF ELECTIONS

Signature

By: _____

Print/Type Name

(Print/Type Name)

Signature

___ day of _____, 20__.

Print/Type Name

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES.

Housing Finance Authority of Broward County, Florida, signing by and through its Chair or Vice Chair, duly authorized to execute same

ATTEST:

HOUSING FINANCE AUTHORITY
OF BROWARD COUNTY, FLORIDA

Secretary

By: _____
Chair

Print/Type Name

(Print/Type Name)

___ day of _____, 20__.

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES.

Health Facilities Authority of Broward County, Florida, signing by and through _____, duly authorized to execute same

ATTEST:

HEALTH FACILITIES AUTHORITY
OF BROWARD COUNTY, FLORIDA

Secretary

By: _____

Print/Type Name

(Print/Type Name)

___ day of _____, 20___.

AGREEMENT BETWEEN BROWARD COUNTY AND BROWARD COUNTY PROPERTY APPRAISER AND BROWARD COUNTY SHERIFF AND BROWARD COUNTY SUPERVISOR OF ELECTIONS AND HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AND HEALTH FACILITIES AUTHORITY OF BROWARD COUNTY, FLORIDA AND RSM US LLP, FOR EXTERNAL AUDIT SERVICES

RSM US LLP signing by and through its _____, duly authorized to execute same.

RSM US LLP, a Florida
Limited Liability Partnership authorized
to do business in the State of Florida

ATTEST:

Secretary

By _____
Printed Name: _____
Title: _____

(SEAL)

_____ day of _____, 20____.

OR

WITNESSES:

Signature

Print/Type Name

Signature

Print/Type Name

Exhibit A

SCOPE OF SERVICES

I. SCOPE AND REPORTING

A. Financial Statements

AUDITOR shall perform a financial and compliance audit in accordance with Chapter 11.45, Florida Statutes, Section 218.39, Florida Statutes, Chapter 10.550, Rules of the Auditor General, and Title 2 Code of Federal Regulations, Part 200, Grants and Agreements in order to express an opinion on the financial statements of the County, the Constitutional Officers (except the Clerk), and the Component Units of the County. While subject to change in any fiscal year, these financial statements are expected to include the following opinion units in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34:

- Governmental Activities
- Business-type Activities
- Each Major Fund:
 - General Fund
 - Sheriff Contractual Services Fund (special revenue fund)
 - Capital Outlay Reserve Fund (capital projects fund)
 - Aviation Fund (enterprise fund)
 - Port Everglades Fund (enterprise fund)
 - Water and Wastewater Fund (enterprise fund)
- Aggregate Remaining Fund Information (internal service funds, agency funds, nonmajor enterprise funds, and nonmajor governmental funds)
- Aggregate Discretely Presented Component Units

The Scope of Services shall apply to each fiscal year audited. The fiscal years to be audited will be the years ending September 30, 2017, 2018, 2019, 2020, and 2021. The examination should be to the extent necessary for AUDITOR to express an opinion on the fairness with which the financial statements present the financial position, results of operations, and changes in financial position, in conformity with generally accepted accounting principles, including, but not limited to, the requirements of the Title 2 Code of Federal Regulations, Part 200, Grants and Agreements, and the Florida Single Audit Act.

To this effect, AUDITOR shall familiarize itself with the compliance requirements of any and all federal, state, and county rules and regulations, ordinances, codes, charters, and bond covenants. Rules and regulations that may pertain to the work required pursuant to this Agreement, include, but shall not be limited to, the following:

- Chapter 11.45, Florida Statutes and Chapter 10.550, Rules of the Auditor General

- American Institute of Certified Public Accountants (AICPA) Audits of State and Local Governments
- Comptroller General of the U.S.'s Governmental Auditing Standards
- Title 2 Code of Federal Regulations, Part 200, Grants and Agreements and
- Florida Single Audit Act
- Federal and State Grant Contract Requirements

The statements to be audited will be prepared by the County's Finance and Administrative Services Department, appropriate Constitutional Officer, or Component Unit. AUDITOR will submit any proposed adjusting journal entries to the Finance and Administrative Services Department, appropriate Constitutional Officer, or Component Unit for approval in a timely manner.

COUNTY understands and agrees that the underlying books and records of account must be properly closed as required by Florida Statutes to maintain the independence of AUDITOR and to allow AUDITOR reasonable time to meet the completion deadlines.

B. Review of Internal Control

An evaluation is to be made of the system of internal control to assess the extent to which it can be relied upon to ensure accurate information, compliance with laws and regulations, and to provide for efficient and effective operations. The review of internal control should include:

1. Review of processes, which is primarily obtaining an understanding of the organization and its prescribed procedures to serve as the basis for tests of compliance and evaluation of the internal controls.
2. Test of controls, which are made to provide reasonable assurance that accounting control procedures are being applied as prescribed.

C. Information Systems Controls Review

A review of information technology general controls and application controls relevant to COUNTY'S internal control over financial reporting, based on an evaluation of significant accounts, disclosures, and relevant assertions.

D. Audit Reports

The audit reports are to include the AUDITOR's opinion and any and all audited financial statements and management letters. The AUDITOR shall, upon the request of COUNTY, perform an oral presentation summarizing the results of the audits.

1. Opinion-Comprehensive Annual Financial Report (CAFR)

This report shall contain an opinion for each opinion unit, as defined by GASB Statement No. 34, comprising the basic financial statements of the County, Constitutional Officers, and Component Units. AUDITOR shall provide one signed original of the opinion letter.

2. Opinion - Aviation, Port and WWS

3. Report on Federal and State Grants

The scope of the examination shall include grant audits required by State and Federal authorities, including, but not limited to, the Florida Single Audit Act, Title 2 of the Code of Federal Regulations, Part 200 Grants and Agreements, and the Rules of the Auditor General. AUDITOR shall provide 50 bound copies of the report.

4. Reports in Accordance with Government Auditing Standards and Chapter 10.550, Rules of the Auditor General

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes County.
- Independent Accountant's Report on Compliance with Section 365.173, Florida Statutes

5. Management Letters

AUDITOR shall prepare management letters for each audited entity in accordance with the Rules of the Auditor General which shall contain all audit findings and, at a minimum, address each of the following:

- Whether errors or irregularities reported in the preceding audit report have been corrected;
- Whether recommendations made in the preceding audit report have been implemented;
- Recommendations to improve management, accounting procedures, internal controls, and increase efficiency;
- Violation of any laws, rules, and regulations discovered within the scope of the audit;
- Illegal expenditures discovered within the scope of the audit;
- Improper or inadequate accounting procedures;
- Failure to properly record financial transactions; and

- Other inaccuracies, irregularities, shortages, and defalcations discovered by the AUDITOR

The drafts of the management letter for the County and each Enterprise Fund that has a separately issued financial statement are to be discussed with the County Administrator, Director of Finance and Administrative Services, Director of Accounting, and County Auditor before issuance in final form. The draft management letter for each Constitutional Officer and each Component Unit will be discussed with their designated representative before issuance in final form. The final management letters for the County, Enterprise Funds, Constitutional Officers, and Component Units shall be presented to the Board.

E. Other Considerations

Except as may be otherwise required by Federal or State Grantors, all grant audits will be performed within the scope and parameters of the Federal Single Audit Act Florida Single Audit Act, and the Rules of the Auditor General.

In addition to the audits identified above, there are a number of audit requirements of the County's various bonded debt obligations. It is the express intent of the Board and the Constitutional Officers that duplication of effort during the audit engagements be avoided and that all audit requirements be encompassed by the county-wide audit to the fullest extent possible.

The audits described herein shall include procedures designed to detect errors and irregularities which would have a material effect on the financial statements. To the extent that the AUDITOR detects such material errors or irregularities, AUDITOR shall promptly report such matters, in writing, to the County Auditor, County Administrator, appropriate Constitutional Officer, or higher level Officer, if appropriate.

COUNTY expressly permits AUDITOR to consult with the Auditor General of the State of Florida and the federally designated "Cognizant Agency" on any matter pertaining to the audit which in the judgment of the AUDITOR would be important to the conduct of its examination or its report on the results thereof.

In meeting the 25% CBE goal, AUDITOR shall assign the CBE firm(s) responsibility for issuing Audit Opinion(s) for Reports identified in the Scope of Services in Sections D, F and G commensurate with the professional abilities and capabilities of the CBE firm(s).

Financial reporting divisions and offices for the following major funds are separate and apart from the County's Finance and Administrative Services Department:

- Aviation Fund (enterprise fund)
- Port Everglades Fund (enterprise fund)
- Water and Wastewater Fund (enterprise fund)

Certain financial reporting processes and record keeping are performed separately by these offices. In addition, the Constitutional Officers and Component Units may maintain their own, independent accounting system and records.

The Clerk is presented in the County's financial statements as a discretely presented component unit. The Clerk is expected to be audited by other auditors and the scope of services contemplated in this Request for Proposal does not anticipate an examination of their financial statements. However, the successful firm will be responsible for providing the Clerk's financial statements for inclusion into the Broward County Comprehensive Annual Financial Report (CAFR).

F. Other Services to be Provided

In addition to the audit of the COUNTY'S financial statements and incorporation of financial statements audited by other Auditors (if applicable), AUDITOR will issue separate audit reports for the following:

1. Constitutional Officers

- Sheriff's Office – 15 bound copies and 1 electronic copy.
- Supervisor of Elections – 15 bound copies and 1 electronic copy.
- Property Appraiser – 15 bound copies and 1 electronic copy.

2. Discretely Presented Component Units

- Housing Finance Authority – 15 bound copies and 1 electronic copy.
- Health Facilities Authority – 15 bound copies and 1 electronic copy.

3. Special Reports

- Broward County, Florida Statement of County Funded Court-Related Functions, Section 29.0085 Florida Statutes. Examination of Arithmetical Accuracy and Compliance of Sections 29.008 and 29.0085, Florida Statutes by Independent Auditors – 10 bound copies and 1 electronic copy.
- Broward County Aviation Department Reports on Passenger Facility Charge Program in Accordance with Passenger Facility Audit Guide for Public Agencies – 25 bound copies and 1 electronic copy.
- Independent Accountants' Report on Applying Agreed-Upon Procedures on the Federal Funding Allocation Statistics form (FFA-10 form) of the Transit Division of Broward County, Florida's annual National Transit Database (NTD) – 20 bound copies and 1 electronic copy.
- North Regional Transmission, Treatment and Disposal System of Broward County, Florida Schedules of Large User Reserve Capacity and Debt Service Allocation

and Schedule of Large User Annual Adjustments – 15 bound copies and 1 electronic copy.

- Regional Raw Water System of Broward County, Florida Schedule of Large User Annual Adjustments – 15 bound copies and 1 electronic copy.
- Broward County, Florida Landfill Management Escrow Account Schedule of Activity – 15 bound copies and 1 electronic copy.

G. Enterprise Fund Financial Statements

- Aviation Department – 10 bound copies and 1 electronic copy,
- Port Everglades Department – 10 bound copies and 1 electronic copy,
- Water and Wastewater Department – 10 bound copies and 1 electronic copy

II. ADDITIONAL SERVICES

If during the contractual period covered by the Agreement, additional services, including, but not limited to, grant audits (above the requirements of the 2 CFR Part 200, Grants and Agreements or the Florida Single Audit Act), operational audits, or management advisory services are required, the County may, at its option, arrange for AUDITOR to perform such additional services pursuant to the terms of the Agreement.

III. SCHEDULE

A. Field Work

For the first year of the engagement, planning of the audit field work should commence immediately after the execution of the Agreement between COUNTY and AUDITOR. Field work should be scheduled in a manner that will allow for completion and submittal of the final reports in accordance with the deadline dates.

B. Audit Report Deadline and Distribution

Report deadlines for each year are as follows:

• Audit Report - County	March 15
• Report on Federal and State Grants	May 31
• Auditor General's Reports in Accordance with Government Auditing Standards and Chapter 10.550, Rules of the Auditor General	March 15
• Final Management Letter with Management Responses – County	March 15

• Audit Report and Management Letter-Aviation, Port and WWS	February 15
• Audit Report - Sheriff's Office	January 15
• Audit Report - Supervisor of Elections	January 15
• Audit Report - Property Appraiser	January 15
• Audit Report - Housing Finance Authority	February 15
• Audit Report - Health Facilities Authority	January 15
• Broward County, Florida Statement of County Funded Court-Related Functions, Section 29.0085 Florida Statutes. Examination of Arithmetical Accuracy and Compliance of Sections 29.008 and 29.0085, Florida Statutes by Independent Auditors	January 31
• Broward County, Florida Landfill Management Escrow Account Schedule of Activity	January 31
• Broward County Aviation Department Reports on Passenger Facility Charge Program in Accordance with Passenger Facility Audit Guide for Public Agencies	February 15
• North Regional Transmission, Treatment and Disposal System of Broward County, Florida Schedules of Large User Reserve Capacity and Debt Service Allocation and Schedule of Large User Annual Adjustments •	February 15
• Regional Raw Water System of Broward County, Florida Schedule of Large User Annual Adjustments	February 15
• Independent Accountants' Report on Applying Agreed-Upon Procedures on the Federal Funding Allocation Statistics form (FFA-10 form) of the Transit Division of Broward County, Florida's annual National Transit Database (NTD)	January 31

The audits must be completed in the time frame set forth above. Extensions of time for completion may be allowed for good cause by COUNTY only if extensions are allowed by Florida Statutes.

AUDITOR understands and agrees that COUNTY may include the audited financial statements with AUDITOR'S opinion in the County's Official Statements.

AUDITOR understands and agrees that COUNTY has the right to publish financials as COUNTY sees fit, including but not limited to, making the financials available on-line.

Separate audit exit conferences for discussion of audit findings will be held with the County Auditor, County Administrator, the Director of Finance and Administrative Services, and the Director of Accounting, for management letter comments pertaining to County

operations, and with each Constitutional Officer or Component Unit for comments relating to their respective offices, prior to submission of the final management letters. All printing and reproduction costs incurred shall be borne by AUDITOR.

C. Work Papers

For a period of three (3) years after completion of any work provided herein, AUDITOR'S working papers shall be retained. The Office of the County Auditor shall be entitled, at any time during such three (3) year period, to inspect and reproduce such documents deemed necessary.

IV. CONTINUING PROFESSIONAL EDUCATION

AUDITOR will conduct or arrange for Continuing Professional Education (CPE) Programs by providing twenty-four (24) hours of CPE credit, 16 hours of which has to be Governmental Accounting & Auditing CPE in each year of the Agreement including renewal periods. No CPE program fees will be charged to County employees attending such sessions. These CPE Programs shall be provided within the Tri-County area.

EXHIBIT B
WORK AUTHORIZATION FOR AGREEMENT _____

Contract Number: _____
 Work Authorization No. _____

This Work Authorization is between Broward County and _____ (“Auditor”) pursuant to the Agreement, executed on _____. In the event of any inconsistency between this Work Authorization and the Agreement, the provisions of the Agreement shall govern and control.

Services to be provided: [DESCRIBE IN DETAIL]

Agreement at issue is ___ Lump Sum/ ___ Not-to-Exceed for amount: \$ _____

The time period for this Work Authorization will be from the date of complete execution until ____ (___) days after County’s Notice to Proceed for the Services to be provided under this Work Authorization, unless otherwise extended or terminated by the Contract Administrator.

Fee Determination: Payment for services under this Work Authorization is as follows:

Professional Services	\$ _____
General Services	\$ _____
Goods/Equipment	\$ _____
Total Cost of this Work Authorization	\$ _____

The foregoing amounts shall be invoiced by Auditor upon written acceptance by County of all goods and services provided under this Work Authorization.

County

	Contract Administrator	Date
Project Manager	Date	Board and/or Designee
		Date

Auditor

	Signed	Date
Attest	Typed Name	
	Title	

EXHIBIT C – PAYMENT SCHEDULE

ANNUAL PAYMENT

Year 1	FY 2016-17	\$ 839,638
Year 2	FY 2017-18	\$ 839,638
Year 3	FY 2018-19	\$ 839,638
Year 4	FY 2019-20	\$ 839,638
Year 5	FY 2020-21	\$ 839,638
TOTAL		\$ 4,198,190

HOURLY RATES

PARTNER		\$ 350
SENIOR MANAGER		\$ 290
MANAGER		\$ 250
SUPERVISORS AND SENIORS		\$ 170
STAFF		\$ 120

*This payment amount includes the cost of all Services specified in the Agreement, including Exhibit A of the Agreement.

EXHIBIT D
CERTIFICATION OF PAYMENTS TO SUBCONTRACTORS AND SUPPLIERS

RFP No. _____

Project Title _____

Auditor hereby swears under penalty of perjury that:

1. Auditor has paid all subcontractors and suppliers all undisputed contract obligations for labor, services, or materials provided on this project in accordance with Section 4.2.1 of the Agreement, except as provided in paragraph 2 below.
2. The following subcontractors and suppliers have not been paid because of disputed contractual obligations; a copy of the notification sent to each, explaining in reasonably specific detail the good cause why payment has not been made, is attached to this form:

Subcontractor or supplier's name and address	Date of disputed invoice	Amount in dispute

3. The undersigned is authorized to execute this Certification on behalf of Auditor.

Dated _____, 20__

Auditor

By _____
(Signature)

By _____
(Name and Title)

STATE OF)
) SS
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, _____, by _____ who is personally known to me or who has produced _____ as identification and who did/did not take an oath.

WITNESS my hand and official seal, this ____ day of _____, 20__.

(NOTARY SEAL)

(Signature of person taking acknowledgment)

(Name of officer taking acknowledgment; printed/typed/stamped)My

commission expires:

EXHIBIT E Minimum Insurance Requirements

Insurance Requirement

The following coverage is deemed the minimum insurance required for this project. The selected firm must be prepared to provide proof of insurance commensurate with or in excess of this requirement. Any deviation is subject to the approval of Risk Management.

TYPE OF INSURANCE	MINIMUM LIABILITY LIMITS		
		Each Occurrence	Aggregate
COMMERCIAL GENERAL LIABILITY Broad form or equivalent <i>With no exclusions or limitations for:</i> <input checked="" type="checkbox"/> Premises-Operations <input type="checkbox"/> Explosion, Collapse, Underground Hazards <input checked="" type="checkbox"/> Products/Completed Operations Hazard <input checked="" type="checkbox"/> Contractual Insurance <input checked="" type="checkbox"/> Independent Contractors <input checked="" type="checkbox"/> Personal Injury <input type="checkbox"/> Other:	Bodily Injury		
	Property Damage		
	Combined single limit Bodily Injury & Property Damage	\$ 1 mil	\$ 2 mil
	Personal Injury		
BUSINESS AUTO LIABILITY* COMPREHENSIVE FORM <input checked="" type="checkbox"/> Owned *May be waived <input checked="" type="checkbox"/> Hired if no driving will be <input checked="" type="checkbox"/> Non-owned done in performance <input checked="" type="checkbox"/> Scheduled of services. <input checked="" type="checkbox"/> Any Auto	Bodily Injury (each person)		
	Bodily Injury (each accident)		
	Property Damage		
	Combined single limit Bodily Injury & Property Damage	\$ 1 mil	
EXCESS/UMBRELLA LIABILITY <i>May be used to supplement minimum liability coverage requirements.</i>	Follow form basis or Add'l insd endorse- ment is required		
<input checked="" type="checkbox"/> WORKERS' COMPENSATION	Chapter 440 FS	STATUTORY	U.S. Longshoremen & Harbor Workers' Act & Jones Act is required for any activities on or about navigable water
<input checked="" type="checkbox"/> EMPLOYERS' LIABILITY	(each accident)	\$ 1 mil	
<input checked="" type="checkbox"/> PROFESSIONAL LIABILITY ~ E&O	(each accident)	\$ 1 mil	
	Extended reporting period	3 years	
<input type="checkbox"/> BUILDER'S RISK (PROPERTY) "ALL RISK" WITH WIND AND FLOOD Coverage must remain in force until written final acceptance by County.	Maximum Deductible: \$10 k DED for WIND or WIND & FLOOD not to exceed 5% of completed value CONTRACTOR IS RESPONSIBLE FOR DEDUCTIBLE		Completed Value form
<input type="checkbox"/> Installation floater Coverage must be "All Risk", completed value. Coverage must remain in force until written final acceptance by County.	Maximum Deductible: \$10 k CONTRACTOR IS RESPONSIBLE FOR DEDUCTIBLE		Completed Value form
<small>DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES</small> BROWARD COUNTY IS LISTED AS AN ADDITIONAL INSURED ON THE GENERAL LIABILITY POLICY REFERENCE: External Audit Services			

CERTIFICATE HOLDER:
Broward County
 115 South Andrews Avenue
 Fort Lauderdale, FL 33301
Attn: Office of the County Auditor

ELIZABETH PLASKA
 dc=city, dc=broward,
 dc=bc, ou=Organization,
 ou=BC, ou=HR, ou=Users,
 cn=ELIZABETH PLASKA
 2016.04.21 14:55:18 -0400

Risk Management Division

Revised 2015

EXHIBIT F
LETTERS OF INTENT

Auditor represents that the CBE participants referenced in the attached Letters of Intent have agreed by written subcontract to perform the percentage of work amounts set forth and that the following information regarding participating Subcontractors is true and correct to the best of his/her knowledge.

2. Vendor shall comply with all applicable requirements of the Broward County Small Business Development Program in the award and administration of this contract. Failure by Vendor to carry out any of these requirements shall constitute a material breach of this contract, which shall permit County to terminate this contract or to exercise any other remedy provided under this contract, under the Broward County Code of Ordinances, or Administrative Code, or under applicable law, with all of such remedies being cumulative.
3. Vendor shall pay its CBE subcontractors and suppliers, within fifteen (15) days following receipt of payment from County for such subcontracted work and pay all other subcontractors and suppliers within thirty (30) days following receipt of payment from County for such subcontracted work or supplies. If Vendor withholds an amount from CBE subcontractors or suppliers as retainage, such retainage shall be released and paid within fifteen (15) days following receipt of payment of retained amounts from County. For all other subcontractors or suppliers, if Vendor withholds an amount as retainage, such retainage shall be released and paid within thirty (30) days following receipt of payment of retained amounts from County.
4. Vendor understands that the County will monitor compliance with the CBE requirements. Vendor must report monthly on its CBE participation commitment with its pay requests and is required as a condition of payment.

**LETTER OF INTENT BETWEEN BIDDER/OFFEROR AND COUNTY BUSINESS ENTERPRISE
(CBE) SUBCONTRACTOR/SUPPLIER**

This form(s) should be returned with the Vendor's submittal. If not provided with solicitation submittal, the Vendor must supply information within three business days of County's request. This form is to be completed and signed for each CBE firm. Vendor should scan and upload the completed, signed form(s) in BidSync.

Solicitation Number: R2112554P2

Project Title: External Audit Services

Bidder/Offeror Name: RSM US LLP

Address: 100 NE Third Avenue, Suite 300 City: Fort Lauderdale State: FL Zip: 33301

Authorized Representative: Brett Friedman Phone: 954.356.5721

CBE Name: Subcontractor/Supplier C Borders-Byrd CPA LLC

Address: 3800 Inverrary Blvd, Suite 408F City: Lauderhill State: FL Zip: 33319

Authorized Representative: Cynthia Borders-Byrd Phone: 954 742 7997

- A. This is a letter of intent between the bidder/offeror on this project and a CBE firm for the CBE to perform subcontracting work on this project.
- B. By signing below, the bidder/offeror is committing to utilize the above-named CBE to perform the work described below.
- C. By signing below, the above-named CBE is committing to perform the work described below.
- D. By signing below, the bidder/offeror and CBE affirm that if the CBE subcontracts any of the work described below, it may only subcontract that work to another CBE.

Work to be performed by CBE Firm			
Description	NAICS	CBE Contract Amount	CBE Percentage of Total Project Value
Assist prime auditor with County audit and responsible for the issuance of reports required for the Supervisor of Election's audit.	541211	\$220,957.50	5%

AFFIRMATION: I hereby affirm that the information above is true and correct.

CBE Subcontractor/Supplier Authorized Representative

Cynthia Borders Boyd Partner 4/24/17
(Signature) (Title) (Date)

Bidder/Offeror Authorized Representative

Brian Fik Partner 4/24/17
(Signature) (Title) (Date)

* Visit <http://www.census.gov/eos/www/naics/> to search. Match type of work with NAICS code as closely as possible.

† To be provided only when the solicitation requires that bidder/offer include a dollar amount in its bid-offer.

In the event the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

**APPLICATION FOR EVALUATION OF GOOD FAITH EFFORT
PURSUANT TO BUSINESS OPPORTUNITY ACT OF 2012, Sec. 1-81.5(e)**

If applicable, this form and supporting documentation should be returned with the Vendor's submittal. If not provided with solicitation submittal, the Vendor must supply information within three business days of County's request. Vendor should scan and upload the supporting documentation in BidSync.

SOLCITATION NO.: R2112554P2 PROJECT NAME: External Audit Services

RSM US LLP
PRIME CONTRACTOR

100 NE Third Avenue, Suite 300 Fort Lauderdale, FL 33301 954.356.5721
ADDRESS TELEPHONE

The undersigned representative of the prime contractor represents that his/her firm has contacted County Business Enterprise (CBE) certified firms in a good faith effort to meet the CBE goal for this solicitation but has not been able to meet the goal. Consistent with the

2. Vendor shall comply with all applicable requirements of the Broward County Small Business Development Program in the award and administration of this contract. Failure by Vendor to carry out any of these requirements shall constitute a material breach of this contract, which shall permit County to terminate this contract or to exercise any other remedy provided under this contract, under the Broward County Code of Ordinances, or Administrative Code, or under applicable law, with all of such remedies being cumulative.
3. Vendor shall pay its CBE subcontractors and suppliers, within fifteen (15) days following receipt of payment from County for such subcontracted work and pay all other subcontractors and suppliers within thirty (30) days following receipt of payment from County for such subcontracted work or supplies. If Vendor withholds an amount from CBE subcontractors or suppliers as retainage, such retainage shall be released and paid within fifteen (15) days following receipt of payment of retained amounts from County. For all other subcontractors or suppliers, if Vendor withholds an amount as retainage, such retainage shall be released and paid within thirty (30) days following receipt of payment of retained amounts from County.
4. Vendor understands that the County will monitor compliance with the CBE requirements. Vendor must report monthly on its CBE participation commitment with its pay requests and is required as a condition of payment.

**LETTER OF INTENT BETWEEN BIDDER/OFFEROR AND COUNTY BUSINESS ENTERPRISE
(CBE) SUBCONTRACTOR/SUPPLIER**

This form(s) should be returned with the Vendor's submittal. If not provided with solicitation submittal, the Vendor must supply information within three business days of County's request. This form is to be completed and signed for each CBE firm. Vendor should scan and upload the completed, signed form(s) in BidSync.

Solicitation Number: R2112554P2

Project Title: External Audit Services

Bidder/Offeror Name: RSM US LLP

Address: 100 NE Third Avenue, Suite 300 City: Fort Lauderdale State: FL Zip: 33301

Authorized Representative: Brett Friedman Phone: 954.356.5721

CBE Name: **Subcontractor/Supplier** Anthony Brunson P.A.

Address: 333 Las Olas Way CU4 City: Ft. Lauderdale State: FL Zip: 33301

Authorized Representative: Anthony Brunson Phone: 954.361.6571

- A. This is a letter of intent between the bidder/offeror on this project and a CBE firm for the CBE to perform subcontracting work on this project.
- B. By signing below, the bidder/offeror is committing to utilize the above-named CBE to perform the work described below.
- C. By signing below, the above-named CBE is committing to perform the work described below.
- D. By signing below, the bidder/offeror and CBE affirm that if the CBE subcontracts any of the work described below, it may only subcontract that work to another CBE.

EXHIBIT G
BUSINESS ASSOCIATE AGREEMENT BETWEEN
BROWARD COUNTY, FLORIDA AND [REDACTED]

This BUSINESS ASSOCIATE AGREEMENT (“BAA”) is entered into by and between Broward County, Florida (“County”), and [REDACTED], a [REDACTED] corporation authorized to do business in the State of Florida with its principal office located at [REDACTED] (“Business Associate”) in connection with the [REDACTED] (the “Agreement”).

RECITALS

1. Business Associate provides services related to the operation of certain activities/programs that involve the use or disclosure of Protected Health Information (“PHI”);
2. The operation of such activities/programs is subject to the federal Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act (“HITECH”);
3. HIPAA and HITECH mandate that certain responsibilities of contractors with access to PHI be documented through a written agreement; and
4. The County and Business Associate desire to comply with the requirements of HIPAA and HITECH and acknowledge their respective responsibilities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1: Definitions

- 1.1 All terms used in this BAA not otherwise defined herein shall have the meanings stated in the Privacy and Security Rules, 45 C.F.R. Parts 160, 162, 164, and 42 U.S.C. § 17921.
- 1.2 “HIPAA Laws” mean collectively HIPAA, HITECH, 42 C.F.R. Part 2 (if applicable), and the related regulations and amendments.
- 1.3 When the term “PHI” is used in this BAA, it includes the term “Electronic Protected Health Information” or “EPHI.”
- 1.4 Penalties as used in Section 3.18 below are defined as civil penalties that may be applied to the Business Associate and its workforce members by the Secretary of Health and Human Services (HHS). The amount of the penalties range depending on the type of violation. In determining penalties, the Secretary may take into account:
 - a. the nature and extent of the violation;

- b. the nature and extent of harm resulting from such violation;
- c. the degree of culpability of the covered entity or business associate;
- d. the history of prior compliance with the administrative simplification provision including violations by the covered entity or business associate;
- e. the financial condition of the covered entity or business associate, and
- f. such other matters as justice may require.

Section 2: Confidentiality

- 2.1 County and Business Associate shall comply with all federal and state laws governing the privacy and security of PHI.
- 2.2 If this box is checked, the County and Business Associate are required to comply with 42 C.F.R. Part 2 with respect to patient identifying information concerning alcohol and substance abuse treatment.

Section 3: Obligations and Activities of the Business Associate

Use and Disclosure of PHI

- 3.1 The Business Associate shall not use or disclose PHI other than as permitted or required by this BAA or as required by law. Business Associate may:
 - a. Use and disclose PHI only as necessary to perform its obligations under the Agreement, provided that such use or disclosure would not violate HIPAA Laws if done by the County;
 - b. Use the PHI received in its capacity as a Business Associate of the County for its proper management and administration and to fulfill any legal responsibilities of Business Associate;
 - c. Disclose PHI in its possession to a third party for the proper management and administration of Business Associate, or to fulfill any legal responsibilities of Business Associate, provided that the disclosure would not violate HIPAA Laws if made by the County, or is required by law, and Business Associate has received from the third party written assurances that (i) the information will be kept confidential and used or further disclosed only for the purposes for which it was disclosed to the third party or as required by law; (ii) the third party will notify Business Associate of any instances of which it becomes aware in which the confidentiality of the information may have been breached; and (iii) the third

party has agreed to implement reasonable and appropriate steps to safeguard the information;

- d. Use PHI to provide data aggregation activities relating to the operations of the County; and
 - e. De-identify any and all PHI created or received by Business Associate under the Agreement, provided that the de-identification conforms to the requirements of the HIPAA Laws.
- 3.2 Business Associate shall limit its use and disclosure of, and request for PHI when practical or as required by law, to the information making up a Limited Data Set, as defined by HIPAA, and in all other cases subject to the requirements of 45 C.F.R. 164.502(b), to the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure, or request.
- 3.3 Business Associate is prohibited from selling PHI, using PHI for marketing purposes, or attempting to re-identify any PHI information in violation of HIPAA Laws.

Administrative, Physical, and Technical Safeguards

- 3.4 Business Associate shall implement administrative, physical, and technical safeguards that protect the confidentiality, integrity and availability of PHI that it creates, receives, maintains, or transmits on behalf of the County. The safeguards shall include written policies, procedures, a security risk assessment, training of Business Associate employees, and sanctions that are in compliance with HIPAA Laws.
- 3.5 Business Associate shall require all of its subcontractors, agents, and other third parties that receive, use, transmit, maintain, store, or have access to PHI to agree, in writing, to the same restrictions and conditions that apply to Business Associate pursuant to this BAA, including implementation of administrative, physical, and technical safeguards.

Access of Information; Amendment of Information; Accounting of Disclosures

- 3.6 Business Associate shall make available to the County all PHI in Designated Record Sets within ten (10) days of the County's request for the County to meet the requirements under 45 C.F.R. § 164.524.
- 3.7 Business Associate shall make any amendments to PHI in a Designated Record Set as directed or agreed to by the County pursuant to 45 C.F.R. § 164.526 in the time and manner reasonably designated by the County.

- 3.8 Business Associate shall timely document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528. Further, Business Associate shall provide to the County an accounting of all disclosure of PHI during the term of this BAA within ten (10) days of termination of this BAA, or sooner if reasonably requested by the County for purposes of any monitoring/auditing of the County for compliance with HIPAA Laws.
- 3.9 Business Associate shall provide the County, or an individual under procedures approved by the County, information and documentation collected in accordance with the preceding paragraph to respond to an individual requesting an accounting for disclosures as provided under 45 C.F.R. § 164.528 and HIPAA Laws.

Mitigation

- 3.10 Business Associate shall mitigate, to the extent possible and at its own expense, any harmful effect that is known to Business Associate of a use or disclosure of PHI by the Business Associate in violation of the requirements of this BAA or applicable law.
- 3.11 Business Associate shall take appropriate disciplinary action against any members of its workforce who use or disclose PHI in any manner not authorized by this BAA or applicable law.

Reporting of Breaches and Mitigation of Breach

- 3.12 Business Associate shall notify the County's HIPAA Privacy Official at (954) 357-6500 of any impermissible access, acquisition, use or disclosure of any unsecured PHI within twenty-four (24) hours of Business Associate becoming aware of such access, acquisition, use or disclosure. Unsecured PHI shall refer to such PHI that is not secured through use of a technology or methodology specified by the Secretary of HHS that renders such PHI unusable, unreadable, or indecipherable to unauthorized individuals. A breach of unsecured PHI shall be treated as discovered by Business Associate as of the first day on which such breach is known to the Business Associate or, by exercising reasonable diligence, would have been known to Business Associate, including any employee, officer, contractor, subcontractor, or other agent of Business Associate.
- 3.13 Business Associate shall submit a written report of a breach to the County within ten (10) business days after initial notification, and shall document the following:
- a. The identification of each individual whose PHI has been, or is reasonably believed by Business Associate, to have been accessed, acquired, used, or disclosed during the breach;

- b. A brief description of what occurred, including the date of the breach and the date of the discovery of the breach, if known;
 - c. A description of the types of PHI that are involved in the breach (such as full name, social security number, date of birth, home address, account number, diagnosis, etc.)
 - d. A description of what is being done to investigate the breach, to mitigate harm to individuals, and the reasonable and appropriate safeguards being taken to protect against future breaches;
 - e. Any steps the County or the individual impacted by the breach should take to protect himself or herself from potential harm resulting from the breach;
 - f. Contact procedures for the Business Associate to enable individuals to ask questions or learn additional information, which may include, in the discretion of the County, a toll-free telephone number, e-mail address, website, or postal address, depending upon the available contact information that the Business Associate has for the affected individuals; and
 - g. Any other reasonable information requested by the County.
- 3.14 In the event of a breach, Business Associate shall, in consultation with and at the direction of the County, assist the County in conducting a risk assessment of the breach and mitigate, to the extent practicable, any harmful effect of such breach known to Business Associate.
- 3.15 The County, in its sole discretion, will determine whether the County or Business Associate shall be responsible to provide notification to individuals whose unsecured PHI has been disclosed, as well as to the Secretary of HHS and the media.
- a. Notification will be by first-class mail, or by electronic mail, if the individual has specified notice in the manner as a preference.
 - b. Information may be posted on the County and Business Associate's website where the Business Associate experienced, or is reasonably believed to have experienced, an impermissible use or disclosure of unsecured PHI that compromised the security or privacy of more than ten (10) individuals when no other current information is available to inform such individuals.

- c. Notice shall be provided to prominent media outlets with information on an incident where the Business Associate experienced an impermissible use and disclosure of unsecured PHI that compromised the security or privacy of more than five hundred (500) individuals within the same state or jurisdiction during the incident.
 - d. The County may report, at least annually, any impermissible use and disclosure of unsecured PHI by the Business Associate to the Secretary of HHS as required by HIPAA Laws.
- 3.16 Business Associate agrees to pay the costs for notification to the County, individuals, and their representatives of any security or privacy breach that should be reported by Business Associate to the County. Business Associate also agrees to pay the costs for mitigating damages, including, but not limited to, the expenses for credit monitoring, if the County determines that the breach warrants such measures.
- 3.17 Business Associate agrees to have established procedures to investigate a breach, mitigate losses, and protect against any future breaches, and to provide such procedures and any specific findings of the investigation to the County in the time and manner reasonably requested by the County.
- 3.18 Business Associate is liable to the County for any civil penalties imposed on the County under the HIPAA laws in the event of a violation of the HIPAA Laws as a result of any practice, behavior, or conduct of Business Associate.

Available Books and Records

- 3.19 Business Associate shall make its internal practices and books, related to the Agreement and the BAA, including all policies and procedures required by HIPAA Laws, available to the County Contract Grants Administrator within five (5) business days of the Agreement.
- 3.20 Business Associate shall make its internal practices, books, and records, including all policies and procedures required by HIPAA Laws and PHI, relating to the use and disclosure of PHI received from the County or created or received on behalf of the County available to the County or to the Secretary of HHS or its designee within five (5) business days of request for the purposes of determining the Business Associate's compliance with HIPAA Laws.

Section 4: Obligations of the County

- 4.1 The County shall notify Business Associate of any limitations in its notice of privacy practices in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect the Business Associate's use of PHI.

- 4.2 The County shall notify Business Associate of any changes in, or revocation of, permission by an individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use of PHI.
- 4.3 The County shall notify Business Associate of any restriction to the use or disclosure of PHI to which the County has agreed in accordance with 45 C.F.R. § 164.522, to the extent that such changes may affect Business Associate's use of PHI.
- 4.4 The County shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Laws if done by the County.

Section 5: Term and Termination

Term

- 5.1 The term of this BAA shall be effective upon execution by all Parties, and shall terminate upon the latter of termination or expiration of the Agreement, or the return or destruction of all PHI within the possession or control of the Business Associate as a result of the Agreement.

Termination

- 5.2 Upon the County's knowledge of a material breach of this BAA by Business Associate, the County shall either:
 - a. Provide an opportunity for Business Associate to cure the breach or terminate this BAA and the Agreement if the Business Associate does not cure the breach within the time specified by the County;
 - b. Immediately terminate this BAA and the Agreement if Business Associate has breached a material term of this BAA and a cure is not possible; or
 - c. If neither termination nor cure is feasible, the County's HIPAA Privacy Official shall report the violation to the Secretary of HHS.

Effect of Termination

- 5.3 Upon completion or termination of the Agreement, Business Associate agrees, at County's option, to return to the County or destroy all PHI gathered, created, received or processed pursuant to the Agreement. No PHI related to the Agreement will be retained by Business Associate, or a contractor, subcontractor, or other agent of Business

Associate, unless retention is required by law and specifically permitted in writing by the County.

- 5.4 In the event that returning or destroying PHI is infeasible, Business Associate shall provide to the County a written statement that it is infeasible to return or destroy the PHI and describe the conditions that make return or destruction of the PHI infeasible. Under that circumstance, Business Associate shall extend the protections of this BAA to the PHI retained and limit further uses and disclosures of such PHI to those purposes that make return or destruction infeasible, for so long as Business Associate maintains the PHI, in which case Business Associate's obligations under this Section shall survive termination of this BAA.

Section 6: Miscellaneous

- 6.1 Amendment. The County and Business Associate shall take such action as is necessary to amend this BAA for the County to comply with the requirements of HIPAA Laws or other applicable law.
- 6.2 Interpretation. Any ambiguity in this BAA shall be resolved to permit the County to comply with HIPAA Laws.

(The remainder of this page is intentionally left blank.)

BUSINESS ASSOCIATE AGREEMENT TO EXISTING AGREEMENT BETWEEN BROWARD COUNTY, FLORIDA AND BUSINESS ASSOCIATE, ENUMERATING THE RESPONSIBILITIES OF EACH REGARDING COMPLIANCE WITH HIPAA LAWS.

WHEREAS, the Parties have made and executed this Business Associate Agreement between BROWARD COUNTY and BUSINESS ASSOCIATE, on the respective dates under each signature: BROWARD COUNTY through its County Administrator, authorized to execute same, and BUSINESS ASSOCIATE signing by and through its [REDACTED], duly authorized to execute same.

COUNTY

BROWARD COUNTY, through its
County Administrator

BY _____

____ day of _____, 20__.

Approved as to form by

Office of the County Attorney
Andrew J. Meyers,
Broward County Attorney
115 South Andrews Avenue, Suite 423
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641

By _____
Assistant County Attorney (Date)

Housing Finance Authority of Broward County

Dufresne CPA Services, PA – Overview of the September 30, 2017 Financial Reports

The following are items considered to be of note regarding the financial reports for the month of September, 2017:

1. Balance sheets (Attachments 1 and 2) changes relate primarily to individual cash account activity, including payments to the BOCC for reimbursement of expenses and the receipt and subsequent payment of Franklin Park home sale proceeds to the BOCC, some of which are presented on a line item entitled Due to BOCC – Franklin Park. Please note a disclosure was added to the bottom of the balance sheets that reports the unrealized gain/loss on the US Bank Custody account investments.
2. Profit and loss report indicates the changes that relate primarily to timing of new bond issuances, redemptions and related fees and residuals, fair market value adjustments, Franklin Park, rent income and timing of invoices paid and payments received. Please note that to more accurately reflect the components of interest income certain line descriptions were changed in February's monthly reports and the new descriptions are being used in all months subsequent to February, 2017. (Attachments 3 and 4)
3. Cash Projections report provided by Zomermaand Financial Advisory Services, LLC replaced Franklin Park Transactions job report because it provides additional detail as requested by the HFA Board. (Attachment 8)

Cash vs Accrual Basis for P&L Budget to Actual comparison (Attachment 4)

On a monthly basis the process to prepare the financial statements includes:

- a. Budgetary column – Cumulative 1/12 of the budgeted revenues and expenses are reported
- b. Actual column – Significant known revenue and expense items are accrued
 - a. Authority fees receivable are adjusted to correct accrual basis balance
 - b. Cumulative 1/12 of budgeted Personnel and Other Expenses due to BOCC are adjusted to correct accrual basis balance
 - c. Expenses for all invoices submitted to the HFA prior to month end are paid and recorded in the financial statements.
 - d. Bank and account management fees that are reported on the monthly bank statements are recorded as expense in the applicable month.

Index to Attachments

- Attachment 1, Page 3: Balance Sheet (Flux Report – September, 2017 comparison to August, 2017)
- Attachment 2, Page 4: Balance Sheet (Flux Report – September, 2017 comparison to September, 2016)
- Attachment 3, Page 5: P&L (Flux Report – Current Year-to-Date to Prior Year-to-Date)
- Attachment 4, Page 6: P&L (Flux Report – Budget to Actual)

- Attachment 5, Page 7: Aged Receivables Report
- Attachment 6, Page 8: Wells Fargo Bank Reconciliation Report – Operating
- Attachment 7, Page 9: Wells Fargo Bank Reconciliation Report – Franklin Park
- Attachment 8, Pages 10-11: Franklin Park Transactions – provided by Zomermaand Financial Advisory Services, LLC
- Attachment 9, Page 12: Change in Cash and Investments Analysis

ATTACHMENT(S)

Attachment 1
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Balance Sheet (Flux Report)
9/30/2017

	September	August	\$ Difference	% Difference	Explanation (See criteria below)
Assets					
Cash-Wells Fargo	\$ 2,417,546	\$ 175,970	2,241,576	93%	1
Cash-Wells Fargo - Franklin Park	153	2,531,833	(2,531,680)	-1654693%	1
Cash- LOC	6,122	6,117	5	0.1%	
Indemnification Fund -BNY	331,469	331,291	178	0.1%	
Total Cash	<u>\$ 2,755,290</u>	<u>\$ 3,045,211</u>			
US Bank Custody Acct*	\$ 8,897,383	\$ 8,905,119	(7,736)	-0.1%	
Note Receivable-DPA	387,125	387,125	-	NA	
Authority Fees Receivable	-	23,289	(23,289)	-100%	
Interest Receivable	25,273	18,648	6,625	26%	2
Notes Receivable-CDC	200,000	200,000	-	NA	
Notes Receivable - Mt. Olive	241,156	241,156	-	NA	
HFA Mortgage Receivables	9,650	9,682	(32)	-0.3%	
Due from Artspace	503,729	503,729	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	698,164	698,164	-	NA	
HFA Land Inventory For Homes	31,400	31,400	-	NA	
HFA Buildings	1,036,000	1,036,000	-	NA	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(126,954)	(126,954)	-	NA	
Accumulated Depreciation, HFA	(617,838)	(617,838)	-	NA	
Total Assets	<u>\$ 14,260,037</u>	<u>\$ 14,574,390</u>			
Liabilities					
Accrued Sick/Vacation, ST	\$ 50,000	\$ 50,000	-	NA	
Due to BOCC - Exp reimb	62,873	-	62,873	100%	
Due to BOCC - Artspace project	428,070	428,070	-	0%	
Due to BOCC - Artspace Interest	75,659	75,659	-	NA	
Due to BOCC - Franklin Park	-	339,243	(339,243)	-100%	
Good Faith Deposits	43,000	43,000	-	NA	
Accrued Sick/Vacation, LT	39,000	39,000	-	NA	
Total Liabilities	<u>\$ 698,602</u>	<u>\$ 974,972</u>			
Equity					
Beginning of year	\$ 13,533,205	\$ 13,533,205			
Prior Period Adjustment	382,279	476,694	(94,415)	-25%	3
Current Year Earnings	(354,050)	(410,482)			
Total Equity	<u>13,561,435</u>	<u>13,599,418</u>			
Total Liability and Equity	<u>\$ 14,260,037</u>	<u>\$ 14,574,390</u>			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior month

100% No activity in prior month

-100% No activity in current month

1 Franklin Park proceeds transferred from Cash-Wells Fargo - Franklin Park to Cash-Wells Fargo during current month

2 Change in accrued income - US Bank

3 Audit adjustments recorded based on current BOCC reports

* Market Value-US Bank	\$ 8,922,657
Unrealized Gain/Loss-US Bank	372,825
Cost Basis-US Bank	\$ 8,549,832

Attachment 2
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Balance Sheet (Flux Report)
9/30/2017

	Sep-17	Sep-16	\$ Difference	% Difference	Explanation (See criteria below)
Assets					
Cash-Wells Fargo	\$ 2,417,546	\$ 801,787	\$ 1,615,759	202%	1
Cash-Wells Fargo - Franklin Park	153	69,363	(69,210)	-99.8%	
Cash- LOC	6,122	6,059	63	1%	
Indemnification Fund -BNY	331,469	287,527	43,942	15%	
Cash-BOCC Pooled equity	-	18,616	(18,616)	-100%	
Total Cash	<u>\$ 2,755,290</u>	<u>\$ 1,183,352</u>			
US Bank Custody Acct*	\$ 8,897,383	\$ 8,952,872	\$ (55,489)	-1%	
Note Receivable-DPA	387,125	407,125	(20,000)	-5%	
Audit Fees Receivable	-	12,000	(12,000)	-100%	
Interest Receivable	25,273	-	25,273	100%	
Notes Receivable-CDC	200,000	200,000	-	NA	
Notes Receivable - Mt. Olive	241,156	251,156	(10,000)	-4%	
HFA Mortgage Receivables	9,650	10,022	(372)	-4%	
Due from Artspace	503,729	503,729	-	NA	
Utility Deposit	1,925	1,925	-	NA	
HFA Land	698,164	693,289	4,875	1%	
HFA Land Inventory For Homes	31,400	31,400	-	NA	
HFA Buildings	1,036,000	1,115,000	(79,000)	-7%	
Equipment	90,258	90,258	-	NA	
Capital Assets BOCC (Tagged)	127,474	127,474	-	NA	
Accumulated Depreciation -BOCC	(126,954)	(126,954)	-	NA	
Accumulated Depreciation, HFA	(617,838)	(657,338)	39,500	-6%	
Total Assets	<u>\$ 14,260,037</u>	<u>\$ 12,795,310</u>			
Liabilities					
Accrued Sick/Vacation, ST	\$ 50,000	\$ 50,000	-	NA	
Due to BOCC - Exp reimb	62,873	208,794	(145,921)	-70%	3
Due to BOCC-Artspace project	428,070	428,070	-	NA	
Due to BOCC-Artspace Interest	75,659	75,659	-	NA	
Good Faith Deposits	43,000	-	43,000	100%	
Accrued Sick/Vacation, LT	39,000	39,000	-	NA	
Total Liabilities	<u>\$ 698,602</u>	<u>\$ 801,523</u>			
Equity					
Beginning of year	\$ 13,533,205	\$ 12,981,681			
Prior Period Adjustment	382,279	247,527	134,752	54%	2
Current Year Earnings	(354,050)	(1,235,421)			
Total Equity	<u>13,561,435</u>	<u>11,993,787</u>			
Total Liability and Equity	<u>\$ 14,260,037</u>	<u>\$ 12,795,310</u>			

Criteria to determine if explanations are required:

Cash account fluctuation explanations provided for >=\$100,000 variance

Remaining items explanations are provided for >=10% and >=\$5,000 variance

NA No change as compared to prior year

100% No activity in prior year

-100% No activity in current year

1 Franklin Park proceeds transferred from Cash-Wells Fargo - Franklin Park to Cash-Wells Fargo during current month

2 Change in treatment of Franklin Park transactions between current and prior fiscal years

3 Audit adjustments recorded based on current BOCC reports

*Market Value-US Bank	\$ 8,922,657
Unrealized Gain/Loss-US Bank	372,825
Cost Basis-US Bank	<u>\$ 8,549,832</u>

Attachment 3
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Profit & Loss (Flux Report) Current Year-to-Date to Prior Year-to-Date
Year to Date As of September 2017

	Sep-17	Sep-16	\$ Difference	% Difference to PY	*Explanation
Income					
Bond Authority Fees	\$ 434,446	\$ 526,132	\$ (91,686)	-17%	4
Bond redemption & other income	79,859	346,040	(266,181)	-77%	4
Compliance Monitoring Fees	12,000	38,000	(26,000)	-68%	2
Application, TEFRA and Closing Fees	11,500	16,005	(4,505)	-28%	
MCC and Lender Program Income	26,596	30,000	(3,404)	-11%	
Interest Income, Mortgages	670	37,960	(37,290)	-98%	11
Interest Income, Wells Fargo	1,463	93	1,370	1473%	
* Interest Income, US Bank	121,090	134,436	(13,346)	-10%	
* Net Change in Investment Value, US Bank	(67,602)	-	(67,602)	100%	3
* Realized Gain/Loss On Investment, US Bank	(2,852)	(50,382)	47,530	-94%	3
* Interest Income, FHLB LOC	57	-	57	100%	
* Interest Income, BNY	867	-	867	100%	
FP Sales Proceeds Income	2,182	-	2,182	100%	
Other Income	-	5,425	(5,425)	100%	8
Rent Income	121,044	121,819	(775)	100%	
Parking Rent Income	9,040	-	9,040	100%	7
Total Income	\$ 750,360	\$ 1,205,528	\$ (455,168)		
Expenses					
Personnel Services, Broward Co	\$ 556,030	\$ 416,081	(139,949)	-34%	4
Other Expenses, Broward County	180,574	120,975	(59,599)	-49%	4
Cost of Bond Issuance	-	209	209	100%	
Professional Fees	189,862	195,352	5,490	3%	
Bank Management Fees	49,216	65,438	16,222	25%	9
Advertising/Marketing	1,269	4,273	3,004	70%	
Dues and Membership Fees	12,290	3,290	(9,000)	-274%	10
Conference and Travel Expense	24,189	14,386	(9,803)	-68%	1
Building/Land Maintenance	57,017	61,487	4,470	7%	
Utilities	20,376	21,690	1,314	6%	
Franklin Park Homes Construction	-	1,537,768	1,537,768	100%	5
Capital Outlay Expense	13,586	-	13,586	100%	6
Total Expenses	\$ 1,104,410	\$ 2,440,949	\$ 1,363,712		
Net Profit/(Loss)	\$ (354,050)	\$ (1,235,421)	\$ (1,818,880)		

Explanations provided for >=10% and >= \$5,000 variance

- 1** Timing of services and billings
- 2** Timing of new bond financings
- 3** Gain/Loss related to current market conditions
- 4** Timing of receipts/payments and accruals based on budget
- 5** Accumulated FP expenses booked as receivable
- 6** New expense account for fiscal 2017 to report costs related to additional parking lot development
- 7** New income account for fiscal 2017 to track parking rent paid to HFA
- 8** Account not used in fiscal 2017
- 9** Termination of Karpus contract in fiscal 2017
- 10** Donations to Sadowski Education Effort in fiscal 2017
- 11** Interest received for Gulfstream payoff in fiscal 2016

* Please note that to more accurately reflect the components of interest income certain line descriptions were changed

"%Actual to Budget" Column Legend

NA - No amount reported in either of the two years
0% - Current year actual is equal to PY actual amount
100% - No amount in one of the two years presented

Attachment 4
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301
Profit & Loss (Flux Report) Budget to Actual
Year to Date As of September 2017

	Selected Period	Budgeted	\$ Difference	% Difference to budget	*Explanation
Income					
Bond Authority Fees	\$ 434,446	\$ 444,960	\$ (10,514)	-2%	
Bond redemption & other income	79,859	192,589	(112,730)	-59%	2
Compliance Monitoring Fees	12,000	-	12,000	NA	
Application and Closing Fees	11,500	-	11,500	NA	
MCC and Lender Program Income	26,596	45,000	(18,404)	-41%	1
Interest Income, Mortgages	670	-	670	NA	
Interest Income, Wells Fargo	1,463	-	1,463	NA	
Interest Income, US Bank	121,090	159,000	(37,910)	-24%	3
Net Change in Investment Value, US Bank	(67,602)	-	(67,602)	NA	
Realized Gain/Loss On Investment, US Bank	(2,852)	-	(2,852)	NA	
Interest Income, FHLB LOC	57	-	57	NA	
Interest Income, BNY	867	-	867	NA	
Interest Income - FP Construction Loan Receivable	2,182	-	2,182	NA	
Rent Income	121,044	121,050	(6)	-0.005%	
Parking Rent Income	9,040	-	9,040	NA	
Liquidation of Investments	-	200,000	200,000	100%	
Total Income	<u>\$ 750,360</u>	<u>\$ 1,162,599</u>			
Expenses					
Personnel Services, Broward Co	\$ 556,029	\$ 556,029	\$ (0)	0%	
Other Expenses, Broward County	180,575	181,070	496	0%	
Professional Fees	189,862	191,000	1,138	1%	
Audit Expense (BOCC)	-	13,200	13,200	100%	
Bank Management Fees	49,216	70,000	20,784	30%	4
Advertising/Marketing	1,269	7,000	5,731	82%	1
Dues and Membership Fees	12,290	5,500	(6,790)	-123%	5
Conference and Travel Expense	24,189	25,000	811	3%	
Postage/FedEx	-	300	300	100%	
Liab Insurance/HFA Board	-	9,000	9,000	100%	1
Building/Land Maintenance	57,017	62,000	4,983	8%	
Utilities	20,376	25,000	4,624	18%	
Capital Outlay Expense	13,586	17,500	3,914	22%	
Total Expenses	<u>\$ 1,104,410</u>	<u>\$ 1,162,599</u>			
Net Profit/(Loss)	<u>\$ (354,050)</u>	<u>\$ -</u>			

* Explanations provided for >=10% and >= \$5,000 variance

- 1** Timing of invoices and payments
- 2** Praxis at Deerfield Beach good faith deposit returned to developer
- 3** A lower balance is maintained current year, resulting in less interest earned
- 4** Termination of Karpus contract in fiscal 2017
- 5** Donations to Sadowski Education Effort in fiscal 2017

NA - No Budget amount

100% - Actual is zero

Attachment 5
The Housing Finance Authority of Broward County
110 NE Third Street, #300
Fort Lauderdale, FL 33301

Aged Receivables
9/30/2017

Authority fee receivable	Total Due	0 - 30	31 - 60	61 - 90	90+
Total Authority Fee Receivable	-	-	-	-	-

Housing Finance Authority

110 NE Third Street, #300
Fort Lauderdale, FL 33301

Attachment 6

Reconciliation Report

10/2/2017
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Page 1

ID#	Date	Memo/Payee	Deposit	Withdrawal
Checking Account: 1-1000 Cash-Wells Fargo				
Date of Bank Statement: 9/30/2017				
Last Reconciled: 8/31/2017				
Last Reconciled Balance: \$222,442.07				
 Cleared Checks				
4786	8/11/2017	Dufresne and Associates		\$1,426.00
4788	8/28/2017	Zomermaand Financial Advisor		\$5,915.83
4789	8/28/2017	S. Davis & Associates, P.A.		\$7,500.00
4790	8/28/2017	Nabors Giblin & Nickerson P.A		\$25,000.00
4791	8/28/2017	Sadowski Education Effort		\$5,000.00
4792	8/28/2017	Daniel D. Reynolds		\$1,295.04
4793	8/28/2017	Holmes Lawn Service, Inc		\$335.00
GJ002179	9/1/2017	utility autopay		\$317.31
4794	9/20/2017	Dufresne CPA Services, PA		\$1,552.00
4795	9/20/2017	TECO Peoples Gas		\$45.71
4796	9/20/2017	Megawattage, LLC		\$1,249.98
4797	9/20/2017	Sun-Sentinel		\$201.75
4798	9/20/2017	L&B Janitorial Services		\$4,044.00
GJ002184	9/28/2017	utility autopays		\$1,764.74
SC093017	9/30/2017	WF Main Acct Srvc Chrg Sept		\$401.87
Total:			\$0.00	\$56,049.23

Cleared Deposits

GJ002180	9/5/2017	Parking Rent and 1 MCC	\$1,175.00	
GJ002181	9/8/2017	Lee County	\$1,965.65	
CR000957	9/8/2017	Payment; 1998 PROSPECT P	\$3,633.75	
CR000958	9/8/2017	Payment; 2001 EMERALD PA	\$7,784.38	
CR000959	9/8/2017	Payment; 2004 PINNACLE VIL	\$5,310.00	
CR000960	9/8/2017	Payment; 2006 Palms of Deerfi	\$6,561.00	
CR000961	9/8/2017	Payment; 2004 CYPRESS GR	\$32,040.00	
GJ002182	9/18/2017	2nd Mtg	\$86.84	
GJ002183	9/26/2017	MCC's	\$350.00	
TR000004	9/26/2017	Money Transfer	\$2,192,202.37	
IE093017	9/30/2017	WF Main Acct Bank Int Sept 2	\$44.62	
Total:			\$2,251,153.61	\$0.00

Reconciliation

AccountEdge Pro Balance on 9/30/2017:	\$2,417,546.45
Add: Outstanding Checks:	\$0.00
Subtotal:	\$2,417,546.45
Deduct: Outstanding Deposits:	\$0.00
Expected Balance on Statement:	<u>\$2,417,546.45</u>

Housing Finance Authority

110 NE Third Street, #300
Fort Lauderdale, FL 33301

Attachment 7

Reconciliation Report

10/2/2017
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Page 1

ID#	Date	Memo/Payee	Deposit	Withdrawal
Checking Account: 1-1005 WF Franklin Park Estates				
Date of Bank Statement: 9/30/2017				
Last Reconciled: 8/31/2017				
Last Reconciled Balance: \$2,532,526.05				

Cleared Checks

10069	8/30/2017	Dufresne and Associates		\$693.00
SC093017	9/11/2017	WF FP Srvs Chrg Sept 2017		\$388.37
10071	9/20/2017	Broward County Board of Coun		\$339,242.31
TR000004	9/26/2017	Money Transfer		\$2,192,202.37
Total:			\$0.00	\$2,532,526.05

Cleared Deposits

IE093017	9/30/2017	WF FP Bank Int Sept 2017	\$152.74	
Total:			\$152.74	\$0.00

Reconciliation

AccountEdge Pro Balance on 9/30/2017:	\$152.74
Add: Outstanding Checks:	\$0.00
Subtotal:	\$152.74
Deduct: Outstanding Deposits:	\$0.00
Expected Balance on Statement:	\$152.74

Interest Accrual Spreadsheet

Attachment 8

		Basis		Rate		Actual		365		4.00%											
Date	Desc.	Reference	Deposit	Withdrawal	Frank. Park Bank Account Balance	Bank Reconciliation	No. of Days in Accrual	Const. Loan Principal Balance	Interest - Accrual - Period	Cumulative Interest	P&I	Const. Draw	Arch., FPL, FI Eng. Testing & Stoner Fees	Bank Fees	BOCC	Prof. Fees	Interest	Other	Total Due HFA	Balancing	
3/4/2015	Architecture Fees	4502		(10,500.00)	(10,500.00)		58	(10,500.00)	(66.74)	(66.74)	(10,566.74)		(10,500.00)				(66.74)		(10,566.74)	-	
5/1/2015	Credit Underwriting	4514		(6,075.00)	(16,575.00)		5	(16,575.00)	(9.08)	(75.82)	(16,650.82)					(6,075.00)	(9.08)		(16,650.82)	-	
5/6/2015	Deposit -	GI001844	100,000.00	-	83,425.00		0	-	-	-	(16,650.82)								(16,650.82)	-	
5/6/2015	Check - Octavio Santurio	10001		(15,300.00)	68,125.00		5	(31,875.00)	(17.47)	(93.29)	(31,968.29)		(15,300.00)					(17.47)	(31,968.29)	-	
5/11/2015	Deposit -	GI001843	400,000.00	-	468,125.00		0	-	-	-	(31,968.29)								(31,968.29)	-	
5/11/2015	Bank Fees	GI001843		(159.75)	467,965.25		2	(32,034.75)	(7.02)	(100.31)	(32,135.06)			(159.75)			(7.02)		(32,135.06)	-	
5/13/2015	Prof. Fees	10002		(677.25)	467,288.00		14	(32,712.00)	(50.19)	(150.50)	(32,862.50)					(677.25)	(50.19)		(32,862.50)	-	
5/27/2015	Prof. Fees	10003		(5,000.00)	462,288.00		9	(37,712.00)	(37.20)	(187.69)	(37,899.69)					(5,000.00)	(37.20)		(37,899.69)	-	
5/31/2015	Interest Income	GI001853	5.26	-	462,293.26	R	0	-	-	-	(37,899.69)								(37,899.69)	-	
6/3/2015	BOCC - Voided	10004		-	462,293.26		0	(37,712.00)	-	(187.69)	(37,899.69)								(37,899.69)	-	
6/5/2015	BOCC	10005		(700.00)	461,593.26		4	(38,412.00)	(16.84)	(204.53)	(38,616.53)			(700.00)			(16.84)		(38,616.53)	-	
6/9/2015	Prof. Fees	10006		(677.25)	460,916.01		0	-	-	-	(38,616.53)								(38,616.53)	-	
6/9/2015	Access Builders - Canceled Ck	10007		-	460,858.15		2	(39,089.25)	(8.57)	(213.10)	(39,302.35)					(677.25)	(8.57)		(39,302.35)	-	
6/11/2015	Bank Fees	GI001868		(217.61)	460,698.40		0	-	-	-	(39,302.35)								(39,302.35)	-	
6/11/2015	Bank Fees	GI001868		159.75	460,858.15		1	(39,147.11)	(4.29)	(217.39)	(39,364.50)			(57.86)			(4.29)		(39,364.50)	-	
6/12/2015	Access Builders	10008		(69,943.54)	390,914.61		0	-	-	-	(39,364.50)								(39,364.50)	-	
6/12/2015	BOCC	10009		(12,900.22)	378,014.39		10	(121,990.87)	(133.69)	(351.08)	(122,341.95)	(69,943.54)			(12,900.22)		(133.69)		(122,341.95)	-	
6/22/2015	Stoner & Assoc	10010		(5,466.70)	372,547.69		1	(127,457.57)	(13.97)	(365.04)	(127,822.61)		(5,466.70)				(13.97)		(127,822.61)	-	
6/23/2015	BOCC	10011		(42,638.41)	329,909.28		0	-	-	-	(127,822.61)								(127,822.61)	-	
6/23/2015	Architecture Fees	10012		(18,921.20)	310,988.08		7	(189,017.18)	(145.00)	(510.04)	(189,527.22)	(18,921.20)		(42,638.41)			(145.00)		(189,527.22)	-	
6/30/2015	FP&L	10013		(2,420.00)	308,568.08		7	(191,437.18)	(146.86)	(656.90)	(192,094.08)		(2,420.00)				(146.86)		(192,094.08)	-	
6/30/2015	Interest Income	GI001869	6.63	-	308,574.71	R	0	-	-	-	(192,094.08)								(192,094.08)	-	
7/7/2015	Access Builders	10014		(219,856.06)	88,718.65		1	(411,293.24)	(45.07)	(701.97)	(411,995.21)	(219,856.06)					(45.07)		(411,995.21)	-	
7/8/2015	Deposit -		400,000.00	-	488,718.65		0	-	-	-	(411,995.21)								(411,995.21)	-	
7/8/2015	Access Builders - CC #10007	10015		(88,156.65)	400,562.00		4	(499,449.89)	(218.94)	(920.91)	(500,370.80)	(88,156.65)					(218.94)		(500,370.80)	-	
7/12/2015	BOCC	10016		(155.80)	400,406.20		1	(499,605.69)	(54.75)	(975.66)	(500,581.35)		(155.80)				(54.75)		(500,581.35)	-	
7/13/2015	Bank Fee			(100.59)	400,305.61		7	(499,706.28)	(383.34)	(1,359.00)	(501,065.28)		(100.59)				(383.34)		(501,065.28)	-	
7/20/2015	BOCC	10017		(5,750.88)	394,554.73		3	(505,457.16)	(166.18)	(1,525.18)	(506,982.34)			(5,750.88)			(166.18)		(506,982.34)	-	
7/23/2015	Prof. Fees	10018		(441.00)	394,113.73		0	-	-	-	(506,982.34)								(506,982.34)	-	
7/23/2015	Stoner & Assoc.	10019		(400.00)	393,713.73		2	(506,298.16)	(110.97)	(1,636.15)	(507,934.31)		(400.00)			(441.00)	(110.97)		(507,934.31)	-	
7/25/2015		10020		(7,650.00)	386,063.73		9	(513,948.16)	(506.91)	(2,143.05)	(516,091.21)		(7,650.00)				(506.91)		(516,091.21)	-	
7/31/2015	Intrest Income		6.21	-	386,069.94	R	0	-	-	-	(516,091.21)								(516,091.21)	-	
8/3/2015	Florida Engineering & Testing	10021		(1,944.44)	384,125.50		7	(515,892.60)	(395.75)	(2,538.81)	(518,431.41)	(1,944.44)					(395.75)		(518,431.41)	-	
8/7/2015	BOCC - Void Replace 10023	10022		-	384,125.50		0	-	-	-	(518,431.41)								(518,431.41)	-	
8/10/2015	BOCC	10023		(2,374.62)	381,750.88		1	(518,267.22)	(56.80)	(2,595.60)	(520,862.82)			(2,374.62)			(56.80)		(520,862.82)	-	
8/11/2015	Bank Fee			(101.56)	381,649.32		15	(518,368.78)	(852.11)	(3,447.72)	(521,816.50)			(101.56)			(852.11)		(521,816.50)	-	
8/24/2015	Deposit -		200,000.00	-	581,649.32		0	-	-	-	(521,816.50)								(521,816.50)	-	
8/26/2015	Prof. Fees	10024		(567.00)	581,082.32		0	-	-	-	(521,816.50)								(521,816.50)	-	
8/26/2015	Access Builders	10025		(155,265.83)	425,816.49		16	(674,201.61)	(1,182.16)	(4,629.88)	(678,831.49)	(155,265.83)				(567.00)	(1,182.16)		(678,831.49)	-	
8/31/2015	Interest Income		6.34	-	425,822.83	R	0	-	-	-	(678,831.49)								(678,831.49)	-	
9/11/2015	Bank Fee			(86.88)	425,735.95		5	(674,288.49)	(369.47)	(4,999.35)	(679,287.84)			(86.88)			(369.47)		(679,287.84)	-	
9/16/2015	Access Builders	10026		(98,781.04)	326,954.91		14	(773,069.53)	(1,186.08)	(6,185.43)	(779,254.96)	(98,781.04)					(1,186.08)		(779,254.96)	-	
9/30/2015	Prof.Fees	10027		(283.50)	326,671.41		13	(773,353.03)	(1,101.76)	(7,287.19)	(780,640.22)					(283.50)	(1,101.76)		(780,640.22)	-	
9/30/2015	Interest Income		5.86	-	326,677.27	R	0	-	-	-	(780,640.22)								(780,640.22)	-	
10/13/2015	Access Builders	10028		(289,545.33)	37,131.94		0	-	-	-	(780,640.22)								(780,640.22)	-	
10/13/2015	Bank Fee			(79.83)	37,052.11		6	(1,062,978.19)	(698.94)	(7,986.14)	(1,070,964.33)	(289,545.33)		(79.83)			(698.94)		(1,070,964.33)	-	
10/14/2015	Deposit -		200,000.00	-	237,052.11		0	-	-	-	(1,070,964.33)								(1,070,964.33)	-	
10/19/2015	Access Builders	10029		(9,415.15)	227,636.96		0	-	-	-	(1,070,964.33)								(1,070,964.33)	-	
10/19/2015	Access Builders	10030		(16,357.50)	211,279.46		2	(1,088,750.84)	(238.63)	(8,224.77)	(1,096,975.61)	(25,772.65)					(238.63)		(1,096,975.61)	-	
10/21/2015	Prof. Fees	10031		(17,921.25)	193,358.21		20	(1,106,672.09)	(2,425.58)	(10,650.35)	(1,117,322.44)					(17,921.25)	(2,425.58)		(1,117,322.44)	-	
10/31/2015	Interest Income		4.41	-	193,362.62		0	-	-	-	(1,117,322.44)								(1,117,322.44)	-	
11/10/2015	Prof. Fees	10032		(913.50)	192,449.12		2	(1,107,585.59)	(242.76)	(10,893.11)	(1,118,478.70)					(913.50)	(242.76)		(1,118,478.70)	-	
11/12/2015	Bank Fee			(70.76)	192,378.36		11	(1,107,656.35)	(1,335.26)	(12,228.37)	(1,119,884.72)			(70.76)			(1,335.26)		(1,119,884.72)	-	
11/23/2015	Deposit -		355,726.58	-	548,104.94		2	(751,929.77)	(164.81)	(12,393.17)	(764,322.94)	355,726.58							(164.81)	-	
11/25/2015	Access Builders	10033		(216,036.97)	332,067.97		15	(967,966.74)	(1,591.18)	(13,984.35)	(981,951.09)	(216,036.97)					(1,591.18)		(981,951.09)	-	
11/30/2015	Interest Income		4.10	-	332,072.07		0	-	-	-	(981,951.09)								(981,951.09)	-	
12/10/2015	Access Builders	10034		(79,081.77)	252,990.30		0	-	-	-	(981,951.09)								(981,951.09)	-	
12/10/2015	Access Builders	10035		(161,646.27)	91,344.03		1	(1,208,694.78)	(132.46)	(14,116.81)	(1,222,811.59)	(240,728.04)					(132.46)		(1,222,811.59)	-	
12/11/2015	Bank Fee			(66.80)	91,277.23		10	(1,208,761.58)	(1,324.67)	(15,441.48)	(1,224,203.06)			(66.80)			(1,324.67)		(1,224,203.06)	-	
12/11/2015	Deposit -</																				

3/11/2016	Bank Fees		(65.83)	264,947.07		31	(1,535,105.58)	(5,215.15)	(32,792.52)	(1,567,898.10)		(65.83)	(5,215.15)	(1,567,898.10)	-			
3/31/2016	Interest Income	4.05	-	264,951.12	264,951.12													
4/11/2016	Bank Fees		(67.95)	264,883.17		1	(1,535,173.53)	(168.24)	(32,960.76)	(1,568,134.29)		(67.95)	(168.24)	(1,567,898.10)	-			
4/12/2016	Prof. Fees	10045	(645.75)	264,237.42														
4/12/2016	Access Builders	10046	(152,289.63)	111,947.79		22	(1,688,108.91)	(4,069.96)	(37,030.72)	(1,725,139.63)	(152,289.63)	(645.75)	(4,069.96)	(1,568,134.29)	-			
4/30/2016	Interest Income			111,950.42	111,950.42													
5/4/2016	Access Builders	10047	(26,705.67)	85,244.75		2	(1,714,814.58)	(375.85)	(37,406.57)	(1,752,221.15)	(26,705.67)		(375.85)	(1,752,221.15)	-			
5/6/2016	Access Builders	10048	(58,953.18)	26,291.57		5	(1,773,767.76)	(971.93)	(38,378.50)	(1,812,146.26)	(58,953.18)		(971.93)	(1,812,146.26)	-			
5/5/2016	Deposit -			276,291.57														
5/11/2016	Prof. Fees	10049	(346.50)	275,945.07														
5/11/2016	Bank Fees		(56.86)	275,888.21		28	(1,774,171.12)	(5,444.03)	(43,822.53)	(1,817,993.65)		(56.86)	(346.50)	(1,817,993.65)	-			
5/31/2016	Interest Income			275,892.25	275,892.25													
6/8/2016	Access Builders	10050	(97,502.91)	178,389.34														
6/8/2016	Fl. Eng. & Testing	10051	(1,555.56)	176,833.78														
6/8/2016	Prof. Fees	10052	(425.25)	176,408.53		5	(1,873,654.84)	(1,026.66)	(44,849.19)	(1,918,504.03)	(97,502.91)	(1,555.56)	(425.25)	(1,918,504.03)	-			
6/13/2016	Bank Fees		(72.55)	176,335.98		28	(1,873,727.39)	(5,749.52)	(50,598.71)	(1,924,326.10)			(72.55)	(1,924,326.10)	-			
6/30/2016	Interest Income			176,339.18	176,339.18													
7/11/2016	Bank Fees		(61.85)	176,277.33		18	(1,873,789.24)	(3,696.24)	(54,294.95)	(1,928,084.19)			(61.85)	(1,928,084.19)	-			
7/29/2016	Prof. Fees	10053	(378.00)	175,899.33		14	(1,874,167.24)	(2,875.43)	(57,170.39)	(1,931,337.63)			(378.00)	(1,931,337.63)	-			
7/29/2016	Interest Income			175,902.01	175,902.01													
8/1/2016	Publication Expense		(621.00)	175,281.01		11	(1,874,788.24)	(2,260.02)	(59,430.41)	(1,934,218.65)				(2,260.02)	(621.00)			
8/12/2016	Bank Fees		(56.28)	175,224.73		5	(1,874,844.52)	(1,027.31)	(60,457.72)	(1,935,302.24)			(56.28)	(1,935,302.24)	-			
8/17/2016	Prof. Fees	10054	(330.75)	174,893.98		26	(1,875,175.27)	(5,342.97)	(65,800.68)	(1,940,975.95)			(330.75)	(1,940,975.95)	-			
8/31/2016	Interest Income			174,896.67	175,517.67													
9/12/2016	Bank Fees		(56.56)	174,840.11		1	(1,875,231.83)	(205.50)	(66,006.19)	(1,941,238.02)			(56.56)	(1,941,238.02)	-			
9/13/2016	Prof. Fees	10056	(346.50)	174,493.61		7	(1,875,578.33)	(1,438.80)	(67,444.99)	(1,943,023.32)			(346.50)	(1,943,023.32)	-			
9/13/2016	Voided Check	10055		174,493.61														
9/20/2016	Access Builders	10057	(105,438.94)	69,054.67		10	(1,981,017.27)	(2,170.98)	(69,615.96)	(2,050,633.23)	(105,438.94)			(2,170.98)				
9/30/2016	Prof. Fees	10058	(315.00)	68,739.67		11	(1,981,332.27)	(2,388.46)	(72,004.42)	(2,053,336.69)	(315.00)			(2,388.46)				
9/30/2016	Interest Income			68,741.79	70,024.29	14												
10/11/2016	Bank Fees		(52.30)	68,689.49		3	(1,981,384.57)	(651.41)	(72,655.83)	(2,054,040.40)			(52.30)	(2,054,040.40)	-			
10/14/2016	Access Builders	10059	(18,027.82)	50,661.67		11	(1,999,412.39)	(2,410.25)	(75,066.08)	(2,074,478.47)	(18,027.82)			(2,410.25)				
10/24/2016	Deposit -	0	50,000.00	100,661.67														
10/25/2016	Access Builders	10060	(75,011.88)	25,649.79		20	(2,074,424.27)	(4,546.68)	(79,612.77)	(2,154,037.04)	(75,011.88)			(4,546.68)				
10/31/2016	Interest Income			25,650.82	26,271.82													
11/14/2016	Bank Fees		(47.49)	25,603.33		22	(2,074,471.76)	(5,001.47)	(84,614.23)	(2,159,085.99)			(47.49)	(2,159,085.99)	-			
11/30/2016	Intrest Income			25,603.71	26,224.71													
12/6/2016	Sales Proceeds		689,088.00	714,691.71		6	(1,385,383.76)	(910.94)	(85,525.17)	(1,470,908.93)	689,088.00			(910.94)				
12/12/2016	Bank Fees		(37.15)	714,654.56		11	(1,385,420.91)	(1,670.10)	(87,195.27)	(1,472,616.18)			(37.15)	(1,472,616.18)	-			
12/23/2016	Sales Proceeds		511,816.00	1,226,470.56		5	(873,604.91)	(478.69)	(87,673.96)	(961,278.87)	511,816.00			(478.69)				
12/28/2016	Prof. Fees	10061	(661.50)	1,225,809.06		3	(874,266.41)	(287.43)	(87,961.39)	(962,227.80)			(661.50)	(962,227.80)	-			
12/31/2016	Interest Income			1,225,819.19	1,226,440.19													
1/9/2017	Sales Proceeds		331,799.57	1,557,618.76		2	(542,466.84)	(118.90)	(88,080.28)	(630,547.12)	331,799.57			(118.90)				
1/11/2017	Bank Fees		(133.44)	1,557,485.32		6	(542,600.28)	(356.78)	(88,437.06)	(631,037.34)			(133.44)	(631,037.34)	-			
1/17/2017	Sales Proceeds		176,345.71	1,733,831.03														
1/17/2017	Access Builders	10062	(65,918.92)	1,667,912.11	1,668,533.11	10	(432,173.49)	(473.61)	(88,910.68)	(521,084.17)	(65,918.92)			(473.61)				
1/27/2017	Sales Proceeds		176,011.69	1,843,923.80	1,843,980.08	3	(256,161.80)	(84.22)	(88,994.89)	(345,156.69)	176,011.69			(84.22)				
1/30/2017	Access Builders	10063	(201,779.45)	1,642,144.35	1,642,475.10	14	(457,941.25)	(702.59)	(89,697.49)	(547,638.74)	(201,779.45)			(702.59)				
1/31/2017	Interest Income			1,642,168.33	1,844,568.78													
2/13/2017	Bank Fees		(243.39)	1,641,924.94		29	(458,184.64)	(1,456.15)	(91,153.64)	(549,338.28)			(243.39)	(549,338.28)	-			
2/28/2017	Interest Income			1,641,947.72	1,642,568.72													
3/13/2017	Bank Fees		(244.32)	1,641,703.40														
3/14/2017	Prof. Fees	10064	(1,134.00)	1,640,569.40			(459,318.64)		(91,153.64)	(550,472.28)			(1,134.00)	(550,472.28)	-			
3/14/2017	Sales Proceeds		496,889.49	2,137,458.89		0	-	37,570.85	(53,582.79)	(53,582.79)	289,030.74	64,313.70	1,699.67	64,364.13	39,289.40	37,570.85	621.00	0.00
3/30/2017	Prof. Fees	10065	(378.00)	2,137,080.89		0	-	(378.00)	(53,960.79)	(53,960.79)	-	-	-	(378.00)	-	-	-	0.00
3/31/2017	Interest Income			2,137,122.81	2,138,121.81	0	-	-	(53,960.79)	(53,960.79)	-	-	-	-	-	-	-	0.00
4/7/2017	Bank Fees		(319.41)	2,136,803.40		0	(319.41)	-	(53,960.79)	(54,280.20)	-	-	(319.41)	-	-	-	-	0.00
4/27/2017	Sales Proceeds		167,272.00	2,304,075.40		0	-	-	(53,960.79)	(54,280.20)	-	-	319.41	-	378.00	53,582.79	112,991.80	167,272.00
4/30/2017	Interest Income			2,304,234.77	2,304,855.77	0	-	-	(53,960.79)	(54,280.20)	-	-	-	-	-	-	-	112,991.80
5/2/2017	Sales Proceeds		167,272.00	2,471,506.77														
5/11/2017	Bank Fees		(346.46)	2,471,160.31														
5/24/2017	Prof. Fees	10066	(567.00)	2,470,593.31														
5/31/2017	Interest Income			2,470,781.43	2,471,402.43													
6/12/2017	Retainage Release	10067	(41,696.48)	2,429,084.95										(41,696.48)		237,653.86	Due to BOCC	6/6/2017
6/12/2017	Bank Fees		(385.53)	2,428,699.42														
6/30/2017	Interest Income	10068	(230,000.00)	2,428,880.27	2,429,501.27									(230,385.53)		7,268.33	Due to BOCC	6/30/2017
7/5/2017	BOCC Distribution		(345.67)	2,198,880.27														
7/11/2017	Bank Fees			2,198,534.60														
7/24/2017	Bank Fee Refund		5.00	2,198,539.60														
7/31/2017	Interest Income	170.38		2,198,709.98	2,199,330.98									(340.67)		6,927.66	Due to BOCC	7/31/2017
8/4/2017	Sales Proceeds		166,722.00	2,365,431.98														
8/9/2017	Sales Proceeds		166,603.80	2,532,035.78														
8/10/2017	Bank Fees		(318.15)	2,531,717.63														
8/28/2017	Prof. Fees	10069	(693.00)	2,531,024.63											332,314.65		339,242.31	Due to BOCC
8/31/2017	Interest Income			2,531,212.05	2,532,526.05													
9/11/2017	Bank Fees		(388.37)	2,530,823.68														
9/22/2017	BOCC Return of Excess Sales Procee	10071	(339,242.31)	2,191,581.37														
9/26/2017	Distribution to HFA		(2,192,202.37)	(621.00)														
9/30/2017	Interest Income			(468.26)	152.74													

Attachment 9
 Change in Cash and Investments Analysis
 April 30, 2015 - September 30, 2017

	<u>4/30/2015</u>	<u>9/30/2017</u>	<u>Difference</u>
Total Cash	858,476	2,755,290	1,896,814
US Bank Custody Acct	<u>11,179,484</u>	<u>8,897,383</u>	<u>(2,282,101)</u>
	<u>12,037,960</u>	<u>11,652,673</u>	<u>(385,287)</u>
		Total Cash Difference	<u>(385,287)</u>

Explanation of Cash Difference - Franklin Park proceeds paid to the Broward County Board of County Commissioners

**Housing Finance Authority of Broward County
October 18, 2017 – Board Meeting**

Single Family (Bond Allocation) – Action Item

Request authorization for Staff to: 1) take any action necessary to carry forward 2017 Private Activity Bond (“PAB”) allocation as multifamily allocation and/or single-family allocation, 2) publish a TEFRA Notice and hold a TEFRA Hearing, and 3) request 2018 PAB allocation from the State.

Background

1. Annually PAB allocation is available based on a statutory calculation. The Housing Finance Authority (“HFA”/the “Authority”) received PAB allocation in 2017 totaling \$90,372,999. The 2017 PAB allocation was distributed as follows: multifamily \$0 - and single-family - \$90,372,999. It is anticipated that 2018 available PAB allocation will be approximately \$90,000,000.
2. Per Chapter 159, Part VI, Florida Statutes, bonds must generally be issued within 155 days from the date an allocation is granted.
3. At its June 12, 2013 meeting the Board was provided additional direction from the prior bond counsel regarding allocation procedures for any project in an amount of \$50 million or more. Specifically, the HFA was advised that allocation requests in excess of \$50 million do not expire and there is nothing for the HFA to do until the allocation is carried forward at the end of the year. (Attachment 1) Current bond counsel has reviewed this procedure and agrees with the position of the prior bond counsel.
4. The Authority annually requests PAB allocation from the State for financing single family or multifamily transactions.
5. Presently the Authority has \$90,372,999 in available single-family allocation. The Authority has \$176,447,127 in multifamily allocation, of which \$0 will expire on December 31, 2017 if not used for an existing transaction. (Attachment 2)

Present Situation

1. The Authority’s single-family allocation may be used to issue tax exempt bonds (“Bonds”) to finance mortgages or issue mortgage credit certificates (“MCC”) to qualifying households. The Authority’s current MCC program will expire on December 31, 2018.
2. The Authority has two pending multifamily applications one of which is expected to close this year. The applications have requested allocation totaling \$71,000,000. The Authority has received inquiries regarding additional multifamily transactions. As carry forward allocation is not project specific, multifamily carry forward must be used on a first come first served basis for approved transactions.

Remaining multifamily allocation adjusted for the pending transactions and expiring allocation equals \$105,447,127.

3. On January 1 of each year, a designated percentage of the State's allocation is allocated to a "regional pool" consisting of seventeen (17) geographic regions of which Broward County is one. Certain steps must be taken for the Authority to obtain allocation from the Broward regional pool ("Region 10 PAB").
4. The current single family TEFRA expires on February 15, 2018. Staff requests authorization to publish any required notices and to hold a TEFRA Hearing prior to the expiration of the current TEFRA. The TEFRA Notice will specify an amount not to exceed \$250,000,000 and will be used in conjunction with the Authority's Plan of Finance for single family transactions (including Bonds and MCCs) over a three (3) year period. (Attachment 3)
5. TEFRA Hearings for multifamily transactions are project specific and are held once the applicant has submitted an application, paid all applicable fees and the transaction has been approved by the Board with notice to the appropriate local government contacts.
6. Authority Staff and financial advisor recommend carrying forward the \$90,372,999 2017 PAB allocation as multifamily allocation and/or single family allocation in such amounts as determined necessary by the Executive Director of the Authority.
7. The cost of the TEFRA Notice, which will be published in the Sun-Sentinel, is not expected to exceed \$500.00.
8. The HFA Resolution will provide Staff authorization to: 1) carry forward 2017 multifamily allocation as multifamily and/or single-family allocation, 2) publish required notices and hold a TEFRA Hearing and 3) request 2018 allocation. (Attachment 4)
9. The procedures to carry forward 2017 allocation and request 2018 allocation from the State are an administrative function of the Authority therefore BOCC authorization is not required for these actions.

Recommendation

Request authorization for Staff to:

- 1) Take any action necessary to carry forward 2017 Private Activity Bond allocation as multifamily allocation and single-family,
- 2) Publish a TEFRA Notice,
- 3) Hold a TEFRA Hearing, and
- 4) Request 2018 allocation from the State.


Attachments

1. Prior Bond Counsel Memorandum – June 5, 2013
2. Allocation Matrix
3. Resolution 2017-009 - Plan of Finance
4. HFA Resolution No. 2017 -010

ATTACHMENT 1

MEMORANDUM

TO: Ralph Stone, Executive Director
Housing Finance Authority of Broward County, Florida

FROM: JoLinda Herring 
Bryant Miller Olive P.A.

DATE: June 5, 2013

RE: Allocation Procedures for Private Activity Bonds

Staff has asked Bryant Miller Olive P.A. to provide a Memorandum to the Housing Finance Authority of Broward County, Florida (the "Authority") outlining the allocation procedures. We have reviewed the Florida Statutes and the previous memorandum provided to the Authority by Morris G. (Skip) Miller on September 26, 2005. We believe that Mr. Miller's memorandum is still applicable, however a different procedure is applicable to projects of \$50 million or more.

Chapter 159, Part VI, Florida Statutes outlines the procedures for obtaining allocations, requirements and issuance reports. Generally, pursuant to Section 159.805(2), Florida Statutes, after the written confirmation of allocation has been received, bonds must be issued within 155 calendar days after the date the confirmation was issued or December 29th, whichever occurs first. If the Authority determines that the allocation is no longer necessary or no bonds have been issued, the Authority should notify the Division of Bond Finance (the "Division") upon expiration of the confirmation or not later than the 160th calendar day after the date that the confirmation was issued. However, such timelines are tolled during the pendency of a validation proceeding pursuant to Chapter 75, Florida Statutes, if written notice of the pendency of the validation is provided to the Division prior to the expiration of the confirmation.

Further, Section 159.95(4), Florida Statutes provides that "the time limits established by this section do not apply to any written confirmation for a priority project or for any project in an amount of \$50 million or more." Although, the Division's practice has been to put the 155 day expiration date on written confirmation as a matter of course, even when the project is over \$50 million, we spoke with Donna Biggins, a Division Attorney, on April 12, 2013 and she confirmed that the allocation does not expire and there is nothing for the Authority to do until it the allocation is carried forward at the end of the year.

ATTACHMENT 2

ATTACHMENT 2a

RESOLUTION 2017-009

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 p.m. on October 18, 2017, at 110 Northeast Third Street, Suite 201, Fort Lauderdale, Florida.

Present: _____.

Absent: _____.

Thereupon, _____ introduced the following resolution:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA AUTHORIZING STAFF TO CARRY FORWARD 2017 ALLOCATION; AUTHORIZING THE REQUEST FOR 2018 ALLOCATION; APPROVING A PLAN OF FINANCING INVOLVING THE ISSUANCE BY THE AUTHORITY OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS (THE "BONDS") IN AN AGGREGATE FACE AMOUNT OF NOT TO EXCEED \$250,000,000; APPROVAL OF BONDS AS REQUIRED BY SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING THE AUTHORITY TO HOLD A PUBLIC HEARING HELD IN ACCORDANCE WITH SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING THE PROPER OFFICERS TO DO ALL THINGS NECESSARY OR ADVISABLE; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the "Authority") intends to issue its single family mortgage revenue bonds (the "Single Family Bonds"), in one or more series, in an aggregate principal amount of not to exceed \$250,000,000, to refund certain outstanding obligations of the Authority and/or to purchase federally insured or guaranteed mortgage loans originated by participating local lending institutions to finance or

refinance the purchase of new or existing owner-occupied single-family residences situated within Broward County, Florida and by persons or families of low, moderate or middle income, to purchase securities from a master servicer evidencing interests in or backed by a pool of such mortgage loans, including, without limitation, securities issued by the federal government or agencies thereof, all of which was previously approved by a resolution adopted on September 14, 2016 which constitutes the plan of financing (the "Plan of Financing") within the meaning of Section 147(f)(2)(C) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Code limits the amount of "private activity bonds" that can be issued in the State of Florida (the "State") in any year; and

WHEREAS, the Single Family Bonds constitute "private activity bonds" and therefore are subject to the State's allocation procedure governing the issuance of such "private activity bonds"; and

WHEREAS, the State's allocation procedure requires that a public hearing be held with respect to the Single Family Bonds and that the issuance of the Single Family Bonds be approved by the Board of County Commissioners of Broward County, Florida (the "Board") for purposes of Section 147(f) of the Code prior to requesting allocation for said Single Family Bonds; and

WHEREAS, a public hearing was held with respect to the Current Plan of Financing and the issuance of the Single Family Bonds on February 15, 2017, and the Board approved the public hearing and the issuance of Single Family Bonds for purposes of Section 147(f) of the Code on March 28, 2017 (the "Current TEFRA"); and

WHEREAS, the Authority hereby desires to re-adopt the existing plan of financing (the “Plan of Financing”) within the meaning of Section 147(f)(2)(C) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, a public hearing will be held with respect to the Plan of Financing and the issuance of the Single Family Bonds on or about February 8, 2018, and it is anticipated that the Board will approve the public hearing and the issuance of Single Family Bonds for purposes of Section 147(f) of the Code on or about March 2018; and

WHEREAS, the Authority should take all action to carry forward the unused portion of the allocation received from the State in 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. Carry forward Allocation. The Authority hereby authorizes staff to take all action required to carry forward allocation for the Single Family Bonds, which was allocated to Broward County for 2017 by the Division of Bond Finance, as allocation for multifamily bonds and/or single family bonds, in such amounts as determined necessary by the Executive Director of the Authority. The Authority hereby approves the execution by the Chairman, Vice Chairman, any member of the Authority or the Executive Director of the Authority of all documents required to enable the Authority to carry forward allocation received in 2017.

Section 2. Execution of Allocation Request. The Authority hereby approves the execution by the Chairman, Vice Chairman, any member of the Authority or the Executive Director of the Authority of one or more requests for allocation for the Single Family Bonds in an amount up to the amount allocated to Broward County for 2018 by the Division of Bond Finance

using the Current TEFRA. Such requests shall be made on the forms promulgated by the Division of Bond Finance.

Section 3. Approval of Plan of Financing and Issuance of the Bonds for Purposes of Section 147(f) of the Code. For purposes of Section 147(f) of the Code, the Authority hereby re-adopts the Plan of Financing and the issuance by the Authority of the Single Family Bonds in an aggregate face amount of not to exceed \$250,000,000 pursuant thereto for the purposes stated within Resolution 2017-____. The Authority's approval of the Plan of Financing and the issuance of the Single Family Bonds by the Authority shall not be construed to obligate Broward County, Florida to incur any liability, pecuniary or otherwise, in connection with the issuance of the Single Family Bonds or the Plan of Financing.

Section 3. Approval of Authority to hold a Public Hearing. The Executive Director or his designee is hereby authorized to hold the public hearing on or about February 8, 2018 with respect to the Plan of Financing and the proposed issuance of the Bonds in accordance with the Code.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

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Upon motion of _____ seconded by
_____, the foregoing Resolution was adopted by the following
votes:

AYES: _____

NAYS: _____

STATE OF FLORIDA)
)ss:
COUNTY OF BROWARD)

I, MILETTE THURSTON, Assistant Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on October 18, 2017, as set forth in the official minutes of the Housing Finance Authority, related in any way to approval of certain actions to be taken in connection with the proposed issuance of Single Family Mortgage Revenue Bonds of the Housing Finance Authority of Broward County, Florida.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority of Broward County, Florida, this 18th day of October, 2017.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
MILETTE THURSTON, Assistant Secretary

(SEAL)

ATTACHMENT 3

RESOLUTION 2017 - 010

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 p.m. on October 18, 2017, at 110 Northeast Third Street, Suite 201, Fort Lauderdale, Florida.

Present: _____

Absent: _____

Thereupon, _____ introduced the following resolution:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA APPROVING A PLAN OF FINANCE INVOLVING THE ISSUANCE BY AUTHORITY OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS IN AN AGGREGATE FACE AMOUNT OF NOT TO EXCEED \$250,000,000 IN ONE OR MORE SERIES; APPROVING USE OF STATE AWARDED ALLOCATION FOR MORTGAGE CREDIT CERTIFICATE PROGRAMS OR MULTIFAMILY CARRY FORWARD; AUTHORIZING THE PROPER OFFICERS TO DO ALL THINGS NECESSARY OR ADVISABLE; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the "Authority") intends to issue its single family mortgage revenue bonds (the "Single Family Bonds"), in one or more series, in an aggregate principal amount of not to exceed \$250,000,000, to refund certain outstanding obligations of the Authority and/or to purchase

federally insured or guaranteed mortgage loans originated by participating local lending institutions to finance or refinance the purchase of new or existing owner-occupied single-family residences situated within Broward County, Florida and by persons or families of low, moderate or middle income, to purchase securities from a master servicer evidencing interests in or backed by a pool of such mortgage loans, including, without limitation, securities issued by the federal government or agencies thereof; and

WHEREAS, the State's allocation procedure requires that a public hearing be held with respect to the Single Family Bonds and that the issuance of the Single Family Bonds be approved by the Board of County Commissioners of Broward County, Florida (the "Board") for purposes of Section 147(f) of the Code prior to requesting allocation for said Single Family Bonds; and

WHEREAS, the Authority desires to continue providing mortgage credit certificates for the benefit of the citizens of Broward County, Florida and wishes to exchange allocation awarded by the State for single family mortgage revenue bonds for allocation applicable to mortgage credit certificate authority; and

WHEREAS, the Authority may elect to carry forward any unused single family allocation awarded by the State for use with either a single family revenue bond or a multifamily revenue bond; and

WHEREAS, the Authority hereby desires to adopt a plan of financing within the meaning of Section 147(f)(2)(C) of the Internal Revenue Code of 1986, as amended (the "Code").

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. Approval of Plan of Financing and Issuance of the Bonds. The Authority hereby authorizes the issuance of the Single Family Bonds in an aggregate face amount of not to exceed \$250,000,000 pursuant thereto for the purposes stated herein. The Authority hereby approves a plan of financing consisting of the issuance of one or more series of Single Family Bonds at one or more times and from time to time, to provide funds to refinance previously issued bonds that financed mortgages for first time homebuyers or which provides funds to originate new mortgages for first time home buyers within the meaning of section 143 of the Internal Revenue Code (the "Plan of Finance"). The Authority's approval of the Plan of Finance and the issuance of the Single Family Bonds by the Authority shall not be construed to obligate Broward County, Florida to incur any liability, pecuniary or otherwise, in connection with the issuance of the Single Family Bonds or the Plan of Finance.

Section 2. Approval of Use of Single Family Bond Allocation. The Authority hereby authorizes the allocation for single family revenue bonds for use with mortgage credit certificate authority or multifamily revenue bonds. The Executive Director is hereby authorized to determine (i) if such allocation will be carryforward and/or (ii) if such allocation will be converted for use with mortgage credit certificates or multifamily revenue bonds.

Section 3. Approval of Authority to hold a Public Hearing. The Executive Director or his designee is hereby authorized to hold a public hearing, at such time or times that he determines in consultation with the Authority's Financial Advisor, with respect to the Plan of Finance and the proposed issuance of the Single Family Bonds in accordance with the Code.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

Upon motion of _____, seconded by _____

the foregoing Resolution was adopted by the following votes:

AYES: _____

NAYS: _____

STATE OF FLORIDA)
)ss:
COUNTY OF BROWARD)

I, MILETTE THURSTON, Assistant Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on October 18, 2017, as set forth in the official minutes of the Housing Finance Authority, related in any way to approval of certain actions to be taken in connection with the proposed issuance of Single Family Mortgage Revenue Bonds of the Housing Finance Authority.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority, this 18th day of October, 2017.

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

By: MILETTE THURSTON,
Assistant Secretary

(SEAL)

**Housing Finance Authority of Broward County
October 18, 2017 – Board Meeting**

Investment Committee (Bank Safekeeping Fee Quotes)

Authorize staff to procure a Brokerage Custody /Bank Safekeeping Agreement.

Background

1. On August 16, 2017, the HFA approved Resolution 2017-004 authorizing: (i) the appointment of Wells Fargo Bank, N.A. as Safekeeping Agent for the HFA investments funds and securities, (ii) the appointment of Wells Fargo Securities, LLC as broker for the HFA funds, (iii) execution of the: (a) Safekeeping Agency Agreement, (b) Governmental Client Agreement, and (c) Commercial Electronic Office portal online Access Agreement, (iv) officers of the HFA to do all things necessary or advisable in connection with entering into the agreements, and (v) the providing of an effective date.
2. On September 14, 2017, at the Broward County Commission meeting, several commissioners expressed concerns regarding Wells Fargo's consumer banking practices, including car and home loans. After further discussion, the County Administrator withdrew the item as describe in Background #1 from consideration.
3. On September 20, 2017, the HFA reviewed the BOCC action to withdraw the Wells Fargo agenda item and referred the safekeeping and custody matter back to the Investment Portfolio Committee (the committee) for review and consideration of additional options.

Present Situation

At the October 11, 2017 meeting, the Investment Portfolio Committee (the Committee) reviewed and ranked several additional financial institutions, to secure and hold HFA funds and securities that will be managed by the Committee. The Committee determined that of the seven (7) banks contacted, two were non-responsive.

Recommendation

The Committee ranked the top three based upon lowest cost quotes identified below for the HFA board review and selection.

BANK	Quotes	RANKING
Wells Fargo	\$1,056	1
Bank of New York Mellon	\$3,000	2
TD Bank	\$5,000	3

ATTACHMENT 1

RESOLUTION NO. 2017-011

A regular meeting of the Housing Finance Authority of Broward County, Florida, was held at 5:30 p.m. on October 18, 2017, at the offices of the Housing Finance Authority of Broward County, Florida, located at 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Presiding: _____

Members Present: _____

Members Absent: _____

* * * * *

Thereupon, _____, introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA ("HOUSING FINANCE AUTHORITY"), APPROVING THE APPOINTMENT OF THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS SAFEKEEPING AGENT AND BROKER FOR THE HOUSING FINANCE AUTHORITY INVESTMENT FUNDS; APPROVING AND AUTHORIZING THE EXECUTION OF THE CUSTODY AGREEMENT BETWEEN THE HOUSING FINANCE AUTHORITY AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. ("AGREEMENT"); AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO EXECUTE ALL OTHER DOCUMENTS AND DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH ENTERING INTO THE AGREEMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on May 17, 2017, the Housing Finance Authority of Broward County, Florida ("HFA") established a committee to manage HFA funds and investments (the "Investment Committee"); and

WHEREAS, the HFA desires to engage an institution to hold the funds and securities to be managed by the Investment Committee; and

WHEREAS, the HFA desires to engage a broker to execute the decisions of the Investment Committee with respect to the HFA funds and investments;

WHEREAS, the Board of the HFA has determined that is it in the best interest of the HFA to utilize safekeeping and brokerage arrangements through The Bank of New York Mellon Trust Company, N.A. ("BNYM"), NOW THEREFORE,

BE IT RESOLVED BY THE BOARD OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. The recitals set forth in the preamble to this Resolution are true, accurate, and deemed as being incorporated herein by this reference as though set forth in full hereunder.

Section 2. The Board hereby approves the appointment of BNYM as safekeeping agent and broker for HFA funds and investments to be managed by the Investment Committee.

Section 3. The Board hereby approves and authorizes the execution of the Custody Agreement ("Agreement") between the HFA and BNYM by the Chair or Vice-Chair of the HFA as presented at this meeting and attached hereto as Exhibit A.

Section 4. The officers, agents and employees of the Housing Finance Authority are hereby authorized and directed to do all acts and things required of them by the Agreement and this Resolution and to execute and deliver any and all additional documents, instruments, certificates and affidavits necessary or advisable to effectuate the foregoing.

Section 5. SEVERABILITY.

If any portion of this Resolution is determined by any Court to be invalid, the invalid portion shall be stricken, and such striking shall not affect the validity of the remainder of this Resolution. If any Court determines that this Resolution, or any portion hereof, cannot be legally applied to any individual(s), group(s), entity(ies), property(ies), or circumstance(s), such determination shall not affect the applicability hereof to any other individual, group, entity, property, or circumstance.

Section 6. EFFECTIVE DATE.

This Resolution shall become effective immediately upon its adoption.

ADOPTED this ___ day of October, 2017.

Upon motion of _____, seconded by _____, the foregoing Resolution was adopted by the following vote:

Ayes: _____

Nays: _____

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, _____, _____ of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the resolution of the Authority adopted at a meeting held on October ____, 2017, as set forth in the official minutes of the Authority, relating to the Custody Agreement between HFA and Bank of New York Mellon Trust Company.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Authority, this ____ day of October, 2017.

By: _____
Housing Finance Authority of
Broward County, Florida

(SEAL)

Exhibit A
Custody Agreement



THE BANK OF NEW YORK MELLON

CUSTODY AGREEMENT

(Public Finance)

AGREEMENT, dated as of _____, between _____ ("Customer") and The Bank of New York Mellon Trust Company, N.A., as custodian ("Custodian").

ARTICLE I DEFINITIONS

Whenever used in this Agreement, the following words shall have the meanings set forth below:

1. **"Authorized Person"** shall be any person, whether or not an officer or employee of Customer, duly authorized by Customer to give Written Instructions on behalf of Customer with respect to one or more accounts, such persons to be designated in a Certificate of Authorized Persons which contains a specimen signature of such person.
2. **"BNYM Affiliate"** shall mean any office, branch or subsidiary of The Bank of New York Mellon Corporation.
3. **"Book Entry System"** shall mean the Federal Reserve/Treasury book entry system for receiving and delivering securities, its successors and nominees.
4. **"Business Day"** shall mean any day on which Custodian and relevant Depositories are open for business.
5. **"Depository"** shall include the Book-Entry System, the Depository Trust Company, and any other book-entry system, securities depository or clearing agency (and their respective successors and nominees) authorized to act as a book-entry system, securities depository or clearing agency pursuant to applicable law and identified to Customer from time to time.
6. **"Electronic Means"** shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Custodian, or another method or system specified by the Custodian as available for use in connection with its services hereunder.
7. **"Securities"** shall include, without limitation, common stock and other equity securities, mutual funds, bonds, debentures and other debt securities, notes, mortgages or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein (whether represented by a certificate or held in a Depository or on the books of the issuer).
8. **"Written Instructions"** shall mean written communications actually received by Custodian by letter or Electronic Means.

**ARTICLE II
APPOINTMENT OF CUSTODIAN; ACCOUNTS;
REPRESENTATION AND WARRANTIES**

1. Customer hereby appoints Custodian as custodian of all Securities and cash at any time delivered to Custodian during the term of this Agreement, and authorizes Custodian to hold Securities in registered form in its name or the name of its nominees. Custodian hereby accepts such appointment and agrees to establish and maintain one or more securities accounts and cash accounts in the name of Customer in which it will hold Securities and cash as provided herein. Such accounts (each, an "Account"; collectively, the "Accounts") shall be in the name of Customer.

2. Customer hereby represents and warrants, which representations and warranties shall be continuing and shall be deemed to be reaffirmed upon Written Instruction given by Customer, that:(a) Customer is duly organized and existing under the laws of the jurisdiction of its organization, with full power to carry on its business as now conducted, to enter into this Agreement and to perform its obligations hereunder;

(b) This Agreement has been duly authorized, executed and delivered by Customer, constitutes a valid and legally binding obligation of Customer, enforceable in accordance with its terms, and no statute, regulation, rule, order, judgment or contract binding on Customer prohibits Customer's execution or performance of this Agreement; and

(c) Either Customer owns the Securities in the Account free and clear of all liens, claims, security interests and encumbrances (except those granted herein) or, if the Securities are owned beneficially by others, Customer has the right to pledge such Securities to the extent necessary to secure Customer's obligations hereunder, free of any right of redemption or prior claim by the beneficial owner. Custodian's security interest pursuant to Article V hereof shall be a first lien and security interest subject to no setoffs, counterclaims or other liens prior to or on a parity with it in favor of any other party (other than specific liens granted preferred status by statute), and Customer shall take any and all additional steps which are required to assure Custodian of such priority and status, including (i) notifying third parties or obtaining their consent to Custodian's security interest, (ii) prohibiting transfer of any interest in a Security from the nominee name in which such investment is registered without the express written consent of Custodian and (iii) insuring it does not take any other action that would cause Custodian's first lien and security interest hereunder to be adversely affected.

**ARTICLE III
CUSTODY AND RELATED SERVICES**

1. Subject to the terms hereof, Customer hereby authorizes Custodian to hold any Securities received by it from time to time for Customer's account. Custodian shall be entitled to utilize Depositories to the extent possible in connection with its performance hereunder. Securities and cash deposited by Custodian in a Depository will be held subject to the rules, terms and conditions of such Depository.

2. Custodian shall furnish Customer with a monthly summary of all account transfers and activity. Although Customer recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, Customer hereby agrees that confirmations of investments are not required to be issued by Custodian for each month in which a monthly statement is rendered. No statement need be rendered for an Account if no activity occurred in such Account during such month. Customer may elect to receive advices, confirmations, reports or statements electronically through the Internet to an e-mail address specified by it for such purpose. By electing to use the Internet for this purpose, Customer acknowledges that such transmissions are not encrypted and therefore are insecure. Customer further acknowledges that there are other risks inherent in communicating through the Internet such as the possibility of virus contamination and disruptions in service, and agrees that Custodian shall not be responsible

for any loss, damage or expense suffered or incurred by Customer or any person claiming by or through Customer as a result of the use of such methods.

3. With respect to all Securities held in an Account, Custodian shall, unless otherwise instructed to the contrary:

(a) Receive all income and other payments and advise Customer as promptly as practicable of any such amounts due but not paid;

(b) Present for payment and receive the amount paid upon all Securities which may mature and advise Customer as promptly as practicable of any such amounts due but not paid;

(c) Forward to Customer all information or documents that it may receive from an issuer of Securities which, in the opinion of Custodian, are intended for the beneficial owners of U.S. Securities;

(d) Execute, as custodian, any certificates of ownership, affidavits, declarations or other certificates under any tax laws now or hereafter in effect in connection with the collection of bond and note coupons;

(e) Hold directly, or through a Depository, all rights and similar Securities issued with respect to any Securities credited to an Account hereunder; and

(f) Endorse for collection checks, drafts or other negotiable instruments.

4. (a) Custodian shall notify Customer of such rights or discretionary actions or of the date or dates by when such rights must be exercised or such action must be taken provided that Custodian has received, from the issuer or the relevant Depository or a nationally or internationally recognized bond or corporate action service to which Custodian subscribes, timely notice of such rights or discretionary corporate action or of the date or dates such rights must be exercised or such action must be taken. Absent actual receipt of such notice, Custodian shall have no liability for failing to so notify Customer and Custodian shall follow timely directions received in writing through one of the Communication processes so specified by the Custodian.

(b) Whenever Securities (including, but not limited to, warrants, options, tenders, options to tender or non-mandatory puts or calls) confer optional rights on Customer or provide for discretionary action or alternative courses of action by Customer, Customer shall be responsible for making any decisions relating thereto and for directing Custodian to act. In order for Custodian to act, it must receive Customer's Written Instructions at Custodian's offices, addressed as Custodian may from time to time request, not later than noon (Florida time) at least two (2) Business Days prior to the last scheduled date to act with respect to such Securities (or such earlier date or time as Custodian may notify Customer). Absent Custodian's timely receipt of such Written Instructions, Custodian shall not be liable for failure to take any action relating to or to exercise any rights conferred by such U.S. Securities.

5. Custodian will make available to Customer proxy voting services upon the request of, and for the jurisdictions selected by, Customer in accordance with terms and conditions to be mutually agreed upon by Custodian and Customer.

6. Custodian shall promptly advise Customer upon its notification of the partial redemption, partial payment or other action affecting less than all Securities of the relevant class. If Custodian or Depository holds any such Securities in which Customer has an interest as part of a fungible mass, Custodian, such Depository may select the Securities to participate in such partial redemption, partial payment or other action in any non-discriminatory manner that it customarily uses to make such selection.

7. Custodian shall not under any circumstances accept bearer interest coupons which have been stripped from United States federal, state or local government or agency securities unless explicitly agreed to by Custodian in writing.

8. Customer shall be liable for all taxes, assessments, duties and other governmental charges, including any interest or penalty with respect thereto ("Taxes"), with respect to any cash or Securities held on behalf of Customer or any transaction related thereto. Customer shall indemnify Custodian for the amount of any Tax that Custodian or any other withholding agent is required under applicable laws (whether by assessment or otherwise) to pay on behalf of, or in respect of income earned by or payments or distributions made to or for the account of Customer (including any payment of Tax required by reason of an earlier failure to withhold). Custodian shall withhold the amount of any Tax which is required to be withheld under applicable law upon collection of any dividend, interest or other distribution made with respect to any Security and any proceeds or income from the sale, loan or other transfer of any Security. In the event that Custodian is required under applicable law to pay any Tax on behalf of Customer, Custodian is hereby authorized to withdraw cash from any cash account in the amount required to pay such Tax and to use such cash for the timely payment of such Tax in the manner required by applicable law. If the aggregate amount of cash in all cash accounts is not sufficient to pay such Tax, Custodian shall promptly notify Customer of the additional amount of cash (in the appropriate currency) required, and Customer shall directly deposit such additional amount in the appropriate cash account promptly after receipt of such notice, for use by Custodian as specified herein. In the event that Custodian reasonably believes that Customer is eligible, pursuant to applicable law or to the provisions of any tax treaty, for a reduced rate of, or exemption from, any Tax which is otherwise required to be withheld or paid on behalf of Customer under any applicable law, Custodian shall either withhold or pay such Tax at such reduced rate or refrain from withholding or paying such Tax, as appropriate; provided that Custodian shall have received from Customer all documentary evidence of residence or other qualification for such reduced rate or exemption required to be received under such applicable law or treaty. In the event that Custodian reasonably believes that a reduced rate of, or exemption from, any Tax is obtainable only by means of an application for refund, Custodian shall have no responsibility for the accuracy or validity of any forms or documentation provided by Customer to Custodian hereunder. Customer hereby agrees to indemnify and hold harmless Custodian in respect of any liability arising from any underwithholding or underpayment of any Tax which results from the inaccuracy or invalidity of any such forms or other documentation, and such obligation to indemnify shall be a continuing obligation of Customer, its successors and assigns, notwithstanding the termination of this Agreement.

9. (a) For the purpose of settling Securities and foreign exchange transactions, Customer shall provide Custodian with sufficient immediately available funds for all transactions by such time and date as conditions in the relevant market dictate. As used herein, "sufficient immediately available funds" shall mean either (i) sufficient cash denominated in the currency of Customer's home jurisdiction to purchase the necessary foreign currency, or (ii) sufficient applicable foreign currency to settle the transaction. Custodian shall provide Customer with immediately available funds each day which result from the actual settlement of all sale transactions, based upon advices received by Custodian from its Depositories. Such funds shall be in the currency of Customer's home jurisdiction or such other currency as Customer may specify to Custodian.

10. Any foreign exchange transaction effected by Custodian in connection with this Agreement may be entered with Custodian or a BNY Affiliate acting as principal or otherwise through customary banking channels. Customer may issue standing Written Instructions with respect to foreign exchange transactions but Custodian may establish rules or limitations concerning any foreign exchange facility made available to Customer. Customer shall bear all risks of holding cash denominated in a foreign currency. Without limiting the foregoing, Customer shall bear the risks that rules or procedures imposed by Depositories, exchange controls, asset freezes or other laws, rules, regulations or orders shall prohibit or impose burdens or costs on the transfer to, by or for the account of Customer of property held outside Customer's jurisdiction or denominated in a currency other than its home jurisdiction or the conversion of cash from one currency into another currency. Custodian shall not be obligated to substitute another currency for a currency whose transferability, convertibility or availability has been affected by such law, regulation, rule or procedure. Custodian shall not be liable to Customer for any loss resulting from any of the foregoing events.

11. To the extent that Custodian has agreed to provide pricing or other information services in connection with this Agreement, Custodian is authorized to utilize any vendor (including brokers and dealers of Securities) reasonably believed by Custodian to be reliable to provide such information. Customer understands

that certain pricing information with respect to complex financial instruments (e.g., derivatives) may be based on calculated amounts rather than actual market transactions and may not reflect actual market values, and that the variance between such calculated amounts and actual market values may or may not be material. Where vendors do not provide information for particular Securities or other property, an Authorized Person may advise Custodian regarding the fair market value of, or provide other information with respect to, such Securities or property as determined by it in good faith. Custodian shall not be liable for any loss, damage or expense incurred as a result of errors or omissions with respect to any pricing or other information utilized by Custodian hereunder.

12. As an accommodation to Customer, Custodian may provide consolidated recordkeeping services pursuant to which Custodian reflects on Account statements Securities not held in Custodian's vault or for which Custodian or its nominee is not the registered owner ("Non-Custody Securities"). Non-Custody Securities shall be designated on Custodian's books as "shares not held" or by other similar characterization. Customer acknowledges and agrees that it shall have no security entitlement against Custodian with respect to Non-Custody Securities, that Custodian shall rely, without independent verification, on information provided by Customer regarding Non-Custody Securities (including but not limited to positions and market valuations) and that Custodian shall have no responsibility whatsoever with respect to Non-Custody Securities or the accuracy of any information maintained on Custodian's books or set forth on account statements concerning Non-Custody Securities.

13. With respect to Securities issued in the United States, the Shareholders Communications Act of 1985 (the "Act") requires Custodian to disclose to the issuers, upon their request, the name, address and securities position of its customers who are (a) the "beneficial owners" (as defined in the Act) of the issuer's Securities, if the beneficial owner does not object to such disclosure, or (b) acting as a "respondent bank" (as defined in the Act) with respect to the Securities. (Under the Act, "respondent banks" do not have the option of objecting to such disclosure upon the issuers' request.) The Act defines a "beneficial owner" as any person who has, or shares, the power to vote a security (pursuant to an agreement or otherwise), or who directs the voting of a security. The Act defines a "respondent bank" as any bank, association or other entity that exercises fiduciary powers which holds securities on behalf of beneficial owners and deposits such securities for safekeeping with a bank, such as Custodian. Under the Act, Customer is either the "beneficial owner" or a "respondent bank."

Customer is the "beneficial owner," as defined in the Act, of the Securities to be held by Custodian hereunder.

Customer is not the beneficial owner of the Securities to be held by Custodian, but is acting as a "respondent bank," as defined in the Act, with respect to the Securities to be held by Custodian hereunder.

IF NO BOX IS CHECKED, CUSTODIAN SHALL ASSUME THAT CUSTOMER IS THE BENEFICIAL OWNER OF THE SECURITIES.

For beneficial owners of the Securities only:

Customer objects

Customer does not object

to the disclosure of its name, address and securities position to any issuer which requests such information pursuant to the Act for the specific purpose of direct communications between such issuer and Customer.

IF NO BOX IS CHECKED, CUSTODIAN SHALL RELEASE SUCH INFORMATION UNTIL IT RECEIVES A CONTRARY WRITTEN INSTRUCTION FROM CUSTOMER.

14. The Bank of New York Mellon Corporation is a global financial organization that operates in and provides services and products to clients through its affiliates and subsidiaries located in multiple jurisdictions (the "BNY Mellon Group"). The BNY Mellon Group may (i) centralize in one or more affiliates and subsidiaries

certain activities (the "Centralized Functions"), including audit, accounting, administration, risk management, legal, compliance, sales, product communication, relationship management, and the compilation and analysis of information and data regarding Customer (which, for purposes of this provision, includes the name and business contact information for the Customer's employees and representatives) and the accounts established pursuant to the Transaction Documents ("Customer Information") and (ii) use third party service providers to store, maintain and process Customer's Information ("Outsourced Functions"). Notwithstanding anything to the contrary contained elsewhere in this Fee Schedule or the Transaction Documents and solely in connection with the Centralized Functions and/or Outsourced Functions, Customer consents to the disclosure of, and authorize BNY Mellon to disclose, Customer's Information to (i) other members of the BNY Mellon Group (and their respective officers, directors and employees) and to (ii) third-party service providers (but solely in connection with Outsourced Functions) who are required to maintain the confidentiality of Customer's Information. In addition, the BNY Mellon Group may aggregate Customer Information with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies Customer Information with Customer specifically. Customer represents that Customer is authorized to consent to the foregoing and that the disclosure of Customer's Information in connection with the Centralized Functions and/or Outsourced Functions does not violate any relevant data protection legislation. Customer also consents to the disclosure of Customer's Information to governmental and regulatory authorities in jurisdictions where the BNY Mellon Group operates and otherwise as required by law.

**ARTICLE IV
PURCHASE AND SALE OF U.S. SECURITIES;
CREDITS TO ACCOUNT**

1. Promptly after each purchase or sale of Securities by Customer, an Authorized Person shall deliver to Custodian Written Instructions specifying all information necessary for Custodian to settle such purchase or sale. Custodian shall account for all purchases and sales of Securities on the actual settlement date unless otherwise agreed by Custodian.

2. Customer understands that when Custodian is instructed to deliver Securities against payment, delivery of such Securities and receipt of payment therefore may not be completed simultaneously. Customer assumes full responsibility for all credit risks involved in connection with Custodian's delivery of Securities pursuant to instructions of Customer.

3. Custodian may, as a matter of bookkeeping convenience or by separate agreement with Customer, credit the Account with the proceeds from the sale, redemption or other disposition of Securities or interest, dividends or other distributions payable on Securities prior to its actual receipt of final payment therefore. All such credits shall be conditional until Custodian's actual receipt of final payment and may be reversed by Custodian to the extent that final payment is not received. Payment with respect to a transaction will not be "final" until Custodian shall have received immediately available funds which under applicable law or rule are irreversible and not subject to any security interest, levy or other encumbrance, and which are specifically applicable to such transaction.

**ARTICLE V
OVERDRAFTS OR INDEBTEDNESS**

1. If Custodian in its sole discretion advances funds to Customer or there shall arise for whatever reason an overdraft in the Account (including, without limitation, overdrafts incurred in connection with the settlement of securities transactions or funds transfers) or if Customer is for any other reason indebted to Custodian, Customer agrees to repay Custodian on demand the amount of the advance, overdraft or indebtedness plus accrued interest at a rate ordinarily charged by Custodian to its institutional custody customers.

2. In order to secure repayment of Customer's obligations to Custodian hereunder, Customer hereby pledges and grant to Custodian a continuing lien and security interest in, and right of set-off against, all of Customer's right, title and interest in and to the Accounts and the Securities, money and other property now or hereafter held in the Accounts (including proceeds thereof), and any other property at any time held by it for the account of Customer. In this regard, Custodian shall be entitled to all the rights and remedies of a pledgee and secured creditor under applicable laws, rules or regulations as then in effect.

ARTICLE VI CONCERNING CUSTODIAN

1. (a) Except as otherwise expressly provided herein, Custodian shall not be liable for any costs, expenses, damages, liabilities or claims, including attorneys' and accountants' fees (collectively, "Losses"), incurred by or asserted against Customer, except those Losses arising out of the negligence or willful misconduct of Custodian. Custodian shall have no liability whatsoever for the action or inaction of any Depository or issuer of Securities. In no event shall Custodian be liable to Customer or any third party for special, indirect or consequential damages, or lost profits or loss of business, arising in connection with this Agreement.

(b) Custodian may enter into subcontracts, agreements and understandings with any BNYM Affiliate, whenever and on such terms and conditions as it deems necessary or appropriate to perform its services hereunder. No such subcontract, agreement or understanding shall discharge Custodian from its obligations hereunder.

(c) Customer agrees to indemnify, save and hold Custodian harmless from and against any and all Losses sustained or incurred by or asserted against Custodian by reason of or as a result of any action or inaction, or arising out of Custodian's performance hereunder, including reasonable fees and expenses of counsel incurred by Custodian in a successful defense of claims by Customer; provided, that Customer shall not indemnify Custodian for those Losses arising out of Custodian's negligence or willful misconduct. This indemnity shall be a continuing obligation of Customer, its successors and assigns, notwithstanding the termination of this Agreement.

2. Without limiting the generality of the foregoing, Custodian shall be under no obligation to inquire into, and shall not be liable for, any losses incurred by Customer or any other person as a result of the receipt or acceptance of fraudulent, forged or invalid U.S. Securities, or Securities which are otherwise not freely transferable or deliverable without encumbrance.

3. Custodian may, with respect to questions of law specifically regarding the Account, obtain the advice of counsel and shall be fully protected with respect to anything done or omitted by it in good faith in conformity with such advice.

4. Custodian shall be under no obligation to take action to collect any amount payable on Securities in default, or if payment is refused after due demand and presentment.

5. Custodian shall have no duty or responsibility to inquire into, make recommendations, supervise, or determine the suitability of any transactions affecting any Account.

6. Customer shall pay to Custodian the fees and charges as may be specifically agreed upon from time to time and such other fees and charges at Custodian's standard rates for such services as may be applicable. Customer shall reimburse Custodian for all costs associated with the conversion of Customer's Securities hereunder and the transfer of Securities and records kept in connection with this Agreement. Customer shall also reimburse Custodian for out of pocket expenses which are a normal incident of the services provided hereunder. Custodian may debit the Account for amounts payable hereunder which remain in arrears for over 60 days.

7. In addition to the rights of Custodian under applicable law and other agreements, at any time when Customer shall not have honored any and all of its obligations to Custodian, whether or not relating to or arising under this Agreement, Custodian shall have the right without notice to Customer to retain or set-off, against such obligations of Customer, any Securities or cash Custodian or a BNY Affiliate may directly or indirectly hold for the account of Customer, and any obligations (whether matured or unmatured) that Custodian or a BNY Affiliate may have to Customer. Any such asset of, or obligation to, Customer may be transferred to Custodian and any BNY Affiliate in order to effect the above rights.

8. (a) Subject to the terms below, Custodian shall be entitled to rely upon any Written Instructions actually received by Custodian and reasonably believed by Custodian to be duly authorized and delivered.

(b) If Custodian receives Written Instructions which appear on their face to have been transmitted by an Authorized Person via (Electronic Means, Customer understands and agrees that Custodian cannot determine the identity of the actual sender of such Written Instructions and that Custodian shall conclusively presume that such Written Instructions have been sent by an Authorized Person. Customer shall be responsible for ensuring that only Authorized Persons transmit such Written Instructions to Custodian and that all Authorized Persons treat applicable user and authorization codes, passwords and/or authentication keys with extreme care. The Custodian shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the Customer shall provide to the Custodian an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Persons") and containing specimen signatures of such Authorized Persons, which incumbency certificate shall be amended by the Corporation whenever a person is to be added or deleted from the listing. If the Customer elects to give the Custodian Instructions using Electronic Means and the Custodian in its discretion elects to act upon such Instructions, the Custodian's understanding of such Instructions shall be deemed controlling. The Customer understands and agrees that the Custodian cannot determine the identity of the actual sender of such Instructions and that the Custodian shall conclusively presume that directions that purport to have been sent by an Authorized Person listed on the incumbency certificate provided to the Custodian have been sent by such Authorized Person. The Customer shall be responsible for ensuring that only Authorized Persons transmit such Instructions to the Custodian and that the Customer and all Authorized Persons are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Customer. The Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from the Custodian's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Customer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Custodian and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Customer; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Custodian immediately upon learning of any compromise or unauthorized use of the security procedures.

(c) Customer acknowledges and agrees that it is fully informed of the protections and risks associated with the various methods of transmitting Written Instructions to Custodian and that there may be more secure methods of transmitting Written Instructions than the method(s) selected by Customer. Customer agrees that the security procedures (if any) to be followed in connection with its transmission of Written Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

(d) If Customer elects to transmit Written Instructions through an on-line communication system offered by Custodian, Customer's use thereof shall be subject to any terms and conditions contained in a separate written agreement. If Customer elects (with Custodian's prior consent) to transmit Written Instructions through an on-line communications service owned or operated by a third party, Customer agrees that Custodian shall not be responsible or liable for the reliability or availability of any such service.

9. Upon reasonable request and provided Custodian shall suffer no significant disruption of its normal activities, Customer shall have access to Custodian's books and records relating to the Account during Custodian's normal business hours. Upon reasonable request, copies of any such books and records shall be provided to Customer at Customer's expense.

10. It is understood that Custodian is authorized to supply any information regarding the Account which is required by any law, regulation or rule now or hereafter in effect.

11. Custodian shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; it being understood that Custodian shall use its best efforts to resume performance as soon as practicable under the circumstances.

12. Custodian shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement, and no covenant or obligation shall be implied against Custodian in connection with this Agreement.

ARTICLE VII TERMINATION

Either party may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be not less than ninety (90) days after the date of such notice. Upon termination hereof, Customer shall pay to Custodian such compensation as may be due to Custodian, and shall likewise reimburse Custodian for other amounts payable or reimbursable to Custodian hereunder. Custodian shall follow such reasonable Written Instructions concerning the transfer of custody of records, Securities and other items as Customer shall give; provided, that (a) Custodian shall have no liability for shipping and insurance costs associated therewith, and (b) full payment shall have been made to Custodian of its compensation, costs, expenses and other amounts to which it is entitled hereunder. If any Securities or cash remain in the Account, Custodian may deliver to Customer such Securities and cash. Upon termination of this Agreement, except as otherwise provided herein, all obligations of the parties to each other hereunder shall cease.

ARTICLE VIII MISCELLANEOUS

1. Customer agrees to furnish to Custodian a new Certificate of Authorized Persons in the event of any change in the then present Authorized Persons. Until such new Certificate is received, Custodian shall be fully protected in acting upon Written Instructions of such present Authorized Persons.

2. Any notice or other instrument in writing, authorized or required by this Agreement to be given to Custodian, shall be sufficiently given if addressed to Custodian and received by it at its offices at 10161 Centurion Parkway, Jacksonville, Florida 32256 or at such other place as Custodian may from time to time designate in writing.

3. Any notice or other instrument in writing, authorized or required by this Agreement to be given to Customer shall be sufficiently given if addressed to Customer and received by it at its offices at _____ or at such other place as Customer may from time to time designate in writing.

4. Each and every right granted to either party hereunder or under any other document delivered hereunder or in connection herewith, or allowed it by law or equity, shall be cumulative and may be exercised from time to time. No failure on the part of either party to exercise, and no delay in exercising, any right will operate as a waiver thereof, nor will any single or partial exercise by either party of any right preclude any other or future exercise thereof or the exercise of any other right.

5. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations shall not in any way be affected thereby. This Agreement may not be amended or modified in any manner except by a written agreement executed by both parties. This Agreement shall extend to and shall be binding upon the parties hereto, and their respective successors and assigns; provided however, that this Agreement shall not be assignable by either party without the written consent of the other.

6. (a) This Agreement shall be construed in accordance with the substantive laws of the State of Florida, without regard to conflicts of laws principles thereof. Customer and Custodian hereby consent to the jurisdiction of a state or federal court situated in Florida in connection with any dispute arising hereunder. To the extent that in any jurisdiction Customer may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, Customer irrevocably agrees not to claim, and it hereby waives, such immunity. Customer and Custodian each hereby irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement.

(b) The parties hereto agree that the establishment and maintenance of the Account, and all interests, duties and obligations with respect thereto, shall be governed by the laws of the State of Florida.

(c) **For Governmental Entities:** To the extent that in any jurisdiction Customer may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, Customer irrevocably agrees not to claim, and it hereby waives, such immunity, to the extent permitted by applicable law.

7. The parties hereto agree that in performing hereunder, Custodian is acting solely on behalf of Customer and no contractual or service relationship shall be deemed to be established hereby between Custodian and any other person.

8. Customer hereby acknowledges that Custodian is subject to federal laws, including the Customer Identification Program (CIP) requirements under the USA PATRIOT Act and its implementing regulations, pursuant to which Custodian must obtain, verify and record information that allows Custodian to identify Customer. Accordingly, prior to opening an Account hereunder Custodian will ask Customer to provide certain information including, but not limited to, Customer's name, physical address, tax identification number and other information that will help Custodian to identify and verify Customer's identity such as organizational documents, certificate of good standing, license to do business, or other pertinent identifying information. Customer agrees that Custodian cannot open an Account hereunder unless and until the Custodian verifies the Customer's identity in accordance with its CIP. If Customer is a hedge fund or other type of collective investment vehicle (i) Customer has established and presently maintains an anti-money laundering program (the "Program") reasonably designed to prevent Customer from being used as a conduit for money laundering or other illicit purposes or the financing of terrorist activities, (ii) it is in compliance with the Program and all anti-money laundering laws, regulations and rules now or hereafter in effect that are applicable to it, (iii) it has verified the identity of each of its investors and documented the origin of the assets funding each investor's account with Customer, (iv) it can represent and warrant that, to the best of its knowledge, no investor has invested in Customer for money laundering or other illicit purposes; and (v) it shall promptly notify Custodian in writing if any of the foregoing representations and warranties are no longer true.

9. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.

IN WITNESS WHEREOF, Customer and Custodian have caused this Agreement to be executed by their respective officers, thereunto duly authorized, as of the day and year first above written.

Customer Name

Authorized Signature

Title

Date

Fiscal Year End _____

Tax Identification No.: ____ - _____

The Bank of New York Mellon Trust Company, N.A.

Authorized Signature

Title

Date

**CERTIFICATE OF AUTHORIZED PERSONS
(Customer - Written Instructions)**

The undersigned hereby certifies that he/she is the duly elected and acting _____ of _____ (the "Corporation"), and further certifies that the following officers or employees of the Corporation have been duly authorized in conformity with the Corporation's Articles of Incorporation and By-Laws to deliver Written Instructions to The Bank of New York Mellon Trust Company, N.A. ("BNYM") pursuant to the Custody Agreement between the Corporation and BNYM dated _____, and that the signatures appearing opposite their names are true and correct:

_____ Name	_____ Title	_____ Signature	_____ Phone Number
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_____ Name	_____ Title	_____ Signature	_____ Phone Number
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_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

_____ Name	_____ Title	_____ Signature	_____ Phone Number
---------------	----------------	--------------------	-----------------------

This certificate supersedes any certificate of authorized individuals you may currently have on file.

[corporate
seal]

Name:
Title:
Date:

ATTACHMENT 2

RESOLUTION NO. 2017-011

A regular meeting of the Housing Finance Authority of Broward County, Florida, was held at 5:30 p.m. on October 18, 2017, at the offices of the Housing Finance Authority of Broward County, Florida, located at 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Presiding: _____

Members Present: _____

Members Absent: _____

* * * * *

Thereupon, _____, introduced the following resolution which was read:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA ("HOUSING FINANCE AUTHORITY"), APPROVING THE APPOINTMENT OF TD BANK, N.A., AS SAFEKEEPING AGENT AND BROKER FOR THE HOUSING FINANCE AUTHORITY INVESTMENT FUNDS; APPROVING AND AUTHORIZING THE EXECUTION OF THE INSTITUTIONAL AGENCY AGREEMENT BETWEEN THE HOUSING FINANCE AUTHORITY AND TD BANK, N.A. (THE "AGREEMENT"); AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO EXECUTE ALL OTHER DOCUMENTS AND DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH ENTERING INTO THE AGREEMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on May 17, 2017, the Housing Finance Authority of Broward County, Florida ("HFA") established a committee to manage HFA funds and investments (the "Investment Committee"); and

WHEREAS, the HFA desires to engage an institution to hold the funds and securities to be managed by the Investment Committee; and

WHEREAS, the HFA desires to engage a broker to execute the decisions of the Investment Committee with respect to the HFA funds and investments;

WHEREAS, the Board of the HFA has determined that is it in the best interest of the HFA to utilize safekeeping and brokerage arrangements through TD Bank, N.A.,
NOW THEREFORE,

BE IT RESOLVED BY THE BOARD OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. The recitals set forth in the preamble to this Resolution are true, accurate, and deemed as being incorporated herein by this reference as though set forth in full hereunder.

Section 2. The Board hereby approves the appointment of TD Bank, N.A. as safekeeping agent and broker for HFA funds and investments to be managed by the Investment Committee.

Section 3. The Board hereby approves and authorizes the execution of the Institutional Investment Agreement between the HFA and TD Bank, N.A. by the Chair or Vice-Chair of the HFA as presented at this meeting and attached hereto as Exhibit A.

Section 4. The officers, agents and employees of the Housing Finance Authority are hereby authorized and directed to do all acts and things required of them by the Institutional Agency Agreement and this Resolution and to execute and deliver any and all additional documents, instruments, certificates and affidavits necessary or advisable to effectuate the foregoing.

Section 5. SEVERABILITY.

If any portion of this Resolution is determined by any Court to be invalid, the invalid portion shall be stricken, and such striking shall not affect the validity of the remainder of this Resolution. If any Court determines that this Resolution, or any portion hereof, cannot be legally applied to any individual(s), group(s), entity(ies), property(ies), or circumstance(s), such determination shall not affect the applicability hereof to any other individual, group, entity, property, or circumstance.

Section 6. EFFECTIVE DATE.

This Resolution shall become effective immediately upon its adoption.

ADOPTED this ___ day of October, 2017.

Upon motion of _____, seconded by _____, the foregoing Resolution was adopted by the following vote:

Ayes: _____

Nays: _____

AEA/dnt
10/13/17
TD Bank Custodian Agreement
#17-008
#17-123
236977

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

I, _____, _____ of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the resolution of the Authority adopted at a meeting held on October ____, 2017, as set forth in the official minutes of the Authority, relating to the Custody Agreement between HFA and TD Bank, N.A.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Authority, this ____ day of October, 2017.

By: _____
Housing Finance Authority of
Broward County, Florida

(SEAL)

Exhibit A

Institutional Agency Agreement



A. Account Information

Account Information

Legal Name: _____

Legal Address: _____

Telephone #: _____

Tax Year End Date (mm/dd/yyyy): _____

These questions are essential for us to learn about your business, so that we may provide you with the appropriate services and advice. We respect your privacy and are committed to safeguarding your personal information. This information will be used and disclosed only in accordance with applicable law and our privacy policies.

B. Investment Responsibility & Objective

1.0 Investment Responsibility:

[] MANAGED'- From time to time, the Bank will make such investment changes that will, in the Bank's judgment, meet the Owner's investment objectives.

[] CUSTODY'- The Owner will instruct the Bank on all investment changes, and the Bank will not provide any advice on investments or changes. The Bank has no obligation to take action on the assets in the Account in the absence of instructions from the Owner.

1.1 Investment Objective: My Primary investment objective is: (Select One) ?

- [] A. Fixed Income 0% E / 90-100% FI / 0-10% C
[] B. Income 5-35% E / 60-90% FI / 0-10% C
[] C. Inc/Growth 20-50% E / 45-75% FI / 0-10% C
[] D. Balanced 35-65% E / 30-60% FI / 0-10% C
[] E. Growth/Inc 50-80% E / 15-45% FI / 0-10% C
[] F. Growth 65-95% E / 0-30% FI / 0-10% C
[] G. Equity 90-100% E / 0% FI / 0-10% C
[] H. Special - Any asset allocation not included above and specified by the client
[] I. Cash

2.0 Toronto-Dominion Bank (TD) or Affiliate Securities: I acknowledge that it is the Bank's policy not to acquire or retain TD or affiliate securities in accounts unless specifically authorized by the governing instrument or court order, or unless so directed by the account's principal, grantor or other authorized person. In addition, the Bank will not render investment advice with regard to any TD or affiliate security held in accounts under management. By initialing below, I authorize and direct the Bank to retain any shares of TD or any affiliate security deposited to my account, and I confirm that I understand that the Bank will not provide investment advice with regard to the TD or affiliate holding.

_____ (Client Initials)

C. ID Authentication

The following information is requested to aid in customer identification during future transaction requests.

Client Name: _____

Client Name: _____

Personal Identifier: _____

Personal Identifier: _____

[Complete 2 of the following questions]

[Complete 2 of the following questions]

Place of Birth: _____

Place of Birth: _____

Grandmother's Maiden Name: _____

Grandmother's Maiden Name: _____

Father's Middle Name: _____

Father's Middle Name: _____

Number of Siblings: _____

Number of Siblings: _____

Father's Place of Birth: _____

Father's Place of Birth: _____

Mother's Place of Birth: _____

Mother's Place of Birth: _____

SECURITIES AND INSURANCE
NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

D. List of Assets & Additional Instructions

List of Assets & Additional Instructions

Please provide in Section E - Additional Instruction: Any Third Party Investment Advisor Information as well as Tax Preparer Information

A) List of Assets funding this account, or attach applicable financial institution statement

B) Additional Instructions:

E. Online Access

The Bank offers its clients access to their account through the internet.

Are you interested in this service? (Please select response) YES NO

If Yes, would you like to receive your account statements via Online? (Please select response) YES NO

Client Name and Email Address: _____

Client Name and Email Address: _____

Client Name and Email Address: _____

Client Name and Email Address: _____

Client Agreement

- 1.0 The Owner hereby authorizes TD Wealth® (the "Bank") to open and maintain an account (the "Account") and to act as the Owner's agent to perform the following duties with respect to securities or cash which the Owner may cause to be delivered to the Bank for the Account:
 - 1.1 Receive and protect the property deposited in the Account (as indicated in Section D) and to keep such property separate from all other property held by, or owned by the Bank.
 - 1.2 Collect all income coming due on the property and, after deducting the Bank's fee, to distribute it as instructed by me.
 - 1.3 Surrender for redemption or exchange all securities maturing or called for exchange.
 - 1.4 Keep accurate records of all transactions in the Account and furnish the Owner with monthly statements of assets, income and principal transactions. The Owner acknowledges and agrees that such statements shall be provided (electronically, if elected by the Owner) in the Bank's customary form, as it may be amended from time to time, and that the Owner has the right to receive additional notification of transactions upon request and without additional charge pursuant to 12 CFR 12.
 - 1.5 Receive and deliver assets, and purchase and sell securities in accordance with the investment authority as indicated in 1.0 of Section B.
 - 1.6 The Owner hereby authorizes and appoints the Bank his/her attorney-in-fact to sign the name of the Owner to any stock certificate, bond, security, evidence of indebtedness, or other property, or documents relating thereto, in order to purchase, sell, exchange, or otherwise deal with such property for the Account of the Owner. The appointment shall not be affected by the disability of the Owner.
 - 1.7 To hold securities in the name of the Bank's nominee and to use a clearing corporation and a custodian for Account assets.
 - 1.8 To follow any instructions from the Owner or from any authorized representative of the Owner.
 - 1.9 The Owner retains legal ownership of the assets of the Account, with the privileges and responsibilities of ownership, except as to responsibilities specifically delegated to the Bank herein.
 - 1.10 The Bank will provide annual tax information summaries to the Owner for his/her use in preparing the Owner's Federal and State income tax returns, and will maintain appropriate records therefore.

- 1.11 The Bank is under no obligation to pursue in court any claim against third party for money or property due to the Owner.
- 1.12 The Owner agrees to defend, indemnify and hold the Bank harmless from any and all actions, claims, liabilities, damages and expenses, including without limitation costs of defense and reasonable attorneys' fees, (collectively, "Claims") which the Bank may suffer, incur or be caused to pay arising out of the Bank's performance pursuant to this Agreement, except to the sole extent that any such Claim arises from the Bank's bad faith, willful misconduct or breach of this Agreement. If the Bank shall sustain any such Claim, it may recover therefore from funds held by it in the Account.
- 1.13 Except in the case of its own bad faith, willful misconduct or breach of this Agreement, the Bank will not be held liable for any damages, injuries or expenses incurred by the Owner or any third party in connection with the Account, including without limitation any losses sustained on investments held in the Account. However, if governing law mandates a threshold for liability on the Bank's part that is lower than that described above, then the Bank shall be subject to the highest liability threshold permissible pursuant to such governing law. Owner acknowledges that the Account is and shall be subject to market fluctuations, and the Bank does not warrant or represent any level of performance or return for the Account.
- 1.14 This Agreement may be modified by mutual written consent and may be terminated by either party without advance notice. The Owner may remove any property held in the Account and may add property to it at any time. If the Account is terminated, the Bank will have a reasonable time in which to re-register the property and to deliver it to the Owner or his/her designee.
- 1.15 Except as otherwise set forth in this Agreement, the Owner may communicate instructions to the Bank orally, in writing, or via electronic means including facsimile or electronic mail transmitted via the internet ("E-Mail"). The Bank may require that any specific instructions be made or confirmed in writing, and may further require delivery to the Bank of written instructions or confirmation before any action is taken based on the instructions.

IN WITNESS WHEREOF, _____ the Owner/Company, and TD Bank, N.A., Agent, have hereunto set their hands, this _____ day of _____, 20 ____ and we acknowledge receipt of the current fee schedule, privacy notice and account disclosures.

by: _____
 Name: _____ Title: _____

by: _____
 Name: _____ Title: _____

by: _____
 Name: _____ Title: _____

TD BANK, N.A. by: _____
 Name: _____ Title: _____

⁴ Securities and other investment and insurance products are: not a deposit; not FDIC insured; not insured by any federal government agency; not guaranteed by TD Bank, N.A. or any of its affiliates; and, may be subject to investment risk, including possible loss of value.

**Housing Finance Authority of Broward County
October 18, 2017- Board Meeting**

Public Entity/Officials Liability Insurance Coverage for the HFA

Broward County Administrative Code Chapter 18 (Operational Policy, Board of County Commissioners), Part II, 18.4 - Representation and Reimbursement of Elected Officials, Employees, and Appointees in the Defense of Civil Litigation and Complaints.

Background

The HFA and its Members are exposed to various liability risks in the performance of their official duties. There is protection against some of these risks by virtue of the indemnification obligations of the professionals who provide services to the HFA. Additional risk protection is provided by the limited waiver of sovereign immunity under Florida law, which caps liability in tort at \$200,000 per person per claim, and \$300,000 aggregate per occurrence. When indemnification is not available, the existence of public entity/officials liability insurance is the first line of protection and provides “dollar-one” coverage.

At the May 11, 2016 meeting, Staff stated that the Broward County Risk Management Division received three quotes from Arthur J. Gallagher Risk Management Services, Inc. (AJG) for public entity/officials liability insurance for the HFA. AJG has been Broward County’s insurance broker since January 11, 2011.

The quotes are listed below:

1. ACE American Insurance Company (ACE), Public Entity Liability Policy, with limits of \$1,000,000 for each claim and aggregate, at an annual premium of \$4,047 with a \$10,000 deductible.

This insurance covers losses for errors, omissions, misstatements, misleading statements, neglect or breach of duty, subject to the exclusions listed on pages 8 to 10 of the policy.

2. All Allied World Surplus Lines Insurance Company (ALLIED), Public Officials Liability, with limits of \$1,000,000 for each claim and aggregate, at an annual premium of \$4,904 with a \$5,000 deductible.
3. ALLIED, Public Officials Liability, with limits of \$5,000,000 for each claim and aggregate, at an annual premium \$8,162 with a \$5,000 deductible.

The ALLIED insurance referenced in paragraphs #2 and #3 above covers losses for errors, omissions, misstatements, misleading statements, breach of

duty, including personal injury, subject to the exclusions listed on pages 11 to 15 of the policy.

4. The HFA board directed Staff to meet with Broward County Risk Management Division to pursue potential coverage for the HFA Board as an entity and also for the HFA members as individuals.

Present Situation

The County Attorney has reviewed Broward County Administrative Code Chapter 18, Part II, 18.45 – Representation and Reimbursement of Elected Officials, Employees, and *Appointees* in the Defense of Civil Litigation and Complaints (Attachment 1).

Recommendation

Staff's recommendation based on Broward County Administrative Code Chapter 18 (Operational Policy, Board of County Commissioners), Part II, 18.45.

Attachment

1. Broward County Administrative Code 18.45

ATTACHMENT 1

Chapter 18

OPERATIONAL POLICY, BOARD OF COUNTY COMMISSIONERS

Part I. Rules of Procedure of County Commission

- 18.1. Governing Rules; Suspension.
- 18.2. Officers.
- 18.3. Meetings.
- 18.4. Committees.
- 18.5. Conduct of Meetings; Agenda.
- 18.6. Public Participation.
- 18.7. Rules of Debate.
- 18.8. Electronic Communications During Public Meetings.
- 18.9—18.27. Reserved.

Part II. Board Policies, General

- 18.28. Board Policies; General.
- 18.29. Legislative.
- 18.30. County Commissioner Travel.
- 18.31. Reserved.
- 18.32. Special Assessments.
- 18.33. Supervisor of Elections.
- 18.34. Reserved.
- 18.35. Advisory Boards.
- 18.36. Dedication Plaques.
- 18.37. Required Financial Disclosure Statements from Members of, and Nominees to, Nonadvisory Boards.
- 18.38. Designation of Smoking and Nonsmoking Areas.
- 18.39. Statement of Policy of Providing Free Parking for Broward County Employees.
- 18.40. Operation of Correctional Facilities.
- 18.41. Voting Conflicts Policy Applicable to Certain County Board Members.
- 18.42. Procedures for Review of Boards, Authorities, and Agencies Pursuant to Section 2.09, Broward County Charter.
- 18.43. Naming Broward County-owned Property, Buildings, Structures, and Facilities.
- 18.44. Statement of Policy for Appointing Members to Legal Aid Service of Broward County, Inc.
- 18.45. Representation and Reimbursement of Elected Officials, Employees, and Appointees in the Defense of Civil Litigation and Ethics Complaints.
- 18.46. Authorization of Other Commissioners to Sign on Behalf of County When Mayor and Vice-Mayor are Both Unavailable.
- 18.47—18.60. Reserved.

Part III. Board Policies, Fiscal

- 18.61. Independent Annual Audit.
- 18.62. Industrial Development Revenue Bonds for Manufacturing Facilities and Exempt Facilities; Guidelines and Procedures.
- 18.63. Donations.
- 18.64. Attendance at Closings of Bond Issues.
- 18.65—18.80. Reserved.

Part IV. Board Policies, Other

- 18.81. Notification Policy.
- 18.82. Reimbursement to Broward County for the Cost of Work

BROWARD COUNTY ADMINISTRATIVE CODE

Performed by the Public Works Department for another Governmental Entity.

- 18.83. Board Policies; County Seat.
- 18.84. Renewal of Existing Agricultural Property Classifications.
- 18.85. Amendments to the Percentage Split of Local Option Gas Taxes.
- 18.86. Creation of a Municipal Community Redevelopment Agency.
- 18.87. Requirements for a Municipal Community Redevelopment Agency.
- 18.88. Conflicts of Interest Policy for Outside legal Counsel.
- 18.89—18.103. Reserved.

Part V. Reserved

4. Individuals making significant, non-financial, humanitarian contributions on a local, state, national, or global level of significance. The priority of this consideration shall be in the following order:
 - (a) First priority: local level;
 - (b) Second priority: state level;
 - (c) Third priority: national level; and
 - (d) Fourth priority: global level.
 5. Individuals, corporations, or other entities making significant financial contributions that benefit the mission of Broward County government.
- g. If the property, building, structure, or facility is a road, the current name of the road shall be retained as a secondary designation.
 - h. Any proposal to name property, a building, a structure, or a facility after a person must be placed on the County Commission's printed agenda at least a month before it is presented for approval.
 - i. Community response is to be solicited early in the process and the agenda item should include correspondence with a minimum of three local Cities, Homeowners Associations or other appropriate community groups to advise the local community of the proposal and solicit their input.
 - j. This policy shall not apply if the naming rights have been sold or transferred by agreement of the Board of County Commissioners.

(1998-1002, 9-28-98; 1998-1072, 10-27-98; 2004-491, 5-25-04; 2004-692, 8-10-04)

18.44. Statement of Policy for Appointing Members to Legal Aid Service of Broward County, Inc.

The Board of County Commissioners has determined that having the whole Board make appointments to the Board of Directors of Legal Aid Service of Broward County, Inc., rather than having such appointments made from the at-large

rotation list, is appropriate at this time. Therefore, all prospective appointments to the Board of Directors of Legal Aid Service of Broward County, Inc. henceforth shall be chosen by the whole Board of County Commissioners.
(2005-022, 1-11-05)

18.45. Representation and Reimbursement of Elected Officials, Employees, and Appointees in the Defense of Civil Litigation and Ethics Complaints.

a. Definitions. As used in this section, the following terms mean as indicated:

1. *Appointee* shall mean any person appointed by the Board to any County board, committee, authority, or agency.
2. *Elected Official* shall mean all members of the Board and the County's elected constitutional officers.
3. *Employee* shall mean any person employed full-time or part-time by the County.
4. *Legal Expenses* shall mean reasonable attorney's fees and reasonable costs incurred in defending an Elected Official, Employee, or Appointee in accordance with this section.
5. *Outside Counsel* shall mean an attorney, other than an attorney employed by the Office of the County Attorney, retained by the Elected Official, Employee, or Appointee for the purpose of providing a defense in accordance with this section.

b. Defense of Elected Officials, Employees, and Appointees in Civil Litigation, Claims, Proceedings or Actions.

1. Upon the written request of an Elected Official, Employee, or Appointee, the County shall provide for the legal defense of such person in any civil litigation, claim, proceeding, or action brought against such person that asserts liability resulting from actions such person took in the course and scope of such person's service to the County. This section shall not apply to any matter

- brought or initiated by the County against the Elected Official, Employee, or Appointee.
2. Providing such legal defense shall be contingent upon the execution of a reservation of rights by the person requesting the legal defense, as provided in subsection (g).
 3. The legal defense shall, as determined by the County Attorney after an investigation of the allegations, be provided:
 - (a) By the Office of the County Attorney if, upon investigation, there is no apparent conflict of interest; or
 - (b) If the investigation reveals an apparent conflict of interest or, if at any subsequent time the Office of the County Attorney determines there is an apparent conflict of interest, by advancing the Legal Expenses charged by Outside Counsel retained by the Elected Official, Employee, or Appointee.
 4. The County's obligation to provide a legal defense under this subsection b. (whether directly or by paying Legal Expenses) shall cease upon the earlier of the conclusion of the litigation or the Office of the County Attorney determining that there is a substantial likelihood the Elected Official, Employee, or Appointee will be found personally liable.
- c. Representation of Elected Officials, Employees, and Appointees in Certain Matters Pending Before the Florida Commission on Ethics.
1. Upon the written request of an Elected Official, Employee, or Appointee, the County shall provide for the legal defense of such person in matters pending before the Florida Commission on Ethics that arose directly from such person's service to the County.
 2. This legal defense may be provided by the Office of the County Attorney only if:
 - (a) The Elected Official, Employee, or Appointee requests such representation by the Office of the County Attorney;
 - (b) Both the person requesting the legal defense and the County, through the County Administrator, give informed consent, confirmed in writing, to the representation; and
 - (c) The Office of the County Attorney can readily determine that the allegations in the ethics complaint are frivolous and unfounded.
 3. Representation by the Office of the County Attorney shall cease at the earlier of a dismissal of the ethics complaint based on legal insufficiency or a probable cause determination.
 4. If any factor in subsection c.2. above is absent:
 - (a) The County shall pay the Legal Expenses charged by Outside Counsel until the complaint is dismissed for legal insufficiency or a probable cause determination is made, whichever occurs first;
 - (b) The County shall continue to pay the Legal Expenses charged by Outside Counsel for the legal defense provided subsequent to a probable cause determination if, in the determination of the Office of the County Attorney, the underlying conduct upon which the ethics complaint was based arose out of or in connection with the performance of official duties and served a public purpose; and
 - (c) If the County does not provide payment for Legal Expenses subsequent to a probable cause determination, the County shall reimburse such Legal Expenses when the complaint is ultimately dismissed or there is a finding of no violation, provided, consistent with the requirements of law, there is a finding that the underlying conduct upon which the ethics complaint was based arose out of or in connection with the performance of official duties and served a public purpose.

d. Payment of Certain Judgments or Settlements. To the full extent allowed under applicable law, the County:

1. Shall pay (or reimburse an Elected Official, Employee, or Appointee for) any final judgment, including for damages, costs, and attorney's fees, entered against an Elected Official, Employee, or Appointee arising from any act or omission in the course and scope of such person's service to the County except for acts of intentional misconduct; and
2. May pay (or reimburse an Elected Official, Employee, or Appointee for) any settlement, including for damages, costs, and attorney's fees, arising from any act or omission in the course and scope of an Elected Official's, Employee's, or Appointee's service to the County except for acts of intentional misconduct.

e. Preservation of Immunities. Nothing in this section shall be construed, or shall in any way operate, as a waiver by the County or by an Elected Official, Employee, or Appointee of any immunity, including but not limited to sovereign immunity, that is or may be applicable to any action, claim, demand, or circumstance.

f. Authorization. The County Administrator is hereby authorized to expend County funds in accordance with this section. The expenditure of County funds shall be paid from a specific County account established in the County budget for the purposes of this section or from the undesignated general fund. The expenditure of County funds in accordance with this section shall be contingent upon the Office of the County Attorney reviewing and approving the bills for Legal Expenses submitted by Outside Counsel.

g. Reservation of Rights. The provision of any legal defense and any obligation to pay or reimburse Legal Expenses hereunder shall be contingent upon the person requesting the defense executing a reservation of rights recognizing the following:

1. Any obligation to pay or reimburse Legal Expenses is limited to the fees and costs described in subsection a.4. above. The

person requesting the legal defense shall be solely responsible for paying any fees and costs in excess of such described fees and expenses;

2. The County has the right, at any time, to stop providing, paying for, or reimbursing any legal defense if the Office of the County Attorney determines granting or continuing such defense, payment, or reimbursement would be inconsistent with the purposes of this section, would violate applicable law, or if the person requesting the defense fails to fully cooperate in the defense.
3. In accordance with Section 111.07, Florida Statutes, if the person requesting the defense is ultimately found to be personally liable by:
 - i. Acting outside the scope of his or her employment or service;
 - ii. Acting in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property; or
 - iii. In the context of a civil rights action, by being determined in the final judgment to have caused the harm intentionally,

the County has the right to seek to recover from such person any and all Legal Expenses paid or reimbursed in defense of such person.

4. With regard to matters pending before the Florida Ethics Commission, the person requesting such legal defense shall be obligated to reimburse the County for any Legal Expenses paid by the County to Outside Counsel in connection with such defense if the Florida Ethics Commission ultimately determines the ethics provision was violated and such determination is affirmed in any subsequent appeal, or if it is determined by a judicial or administrative tribunal that the underlying conduct upon which the ethics complaint was based did not arise out of or in connection