



# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

March 28, 2017

Mr. Phil Thornburg, Director of Parks and Recreation  
**City of Fort Lauderdale Parks and Recreation Department**  
1350 W. Broward Boulevard  
Fort Lauderdale, FL 33312

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for City of Fort Lauderdale Parks and Recreation Department.

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by senior management members of the City of Fort Lauderdale's Parks Department and the City's Cemetery Liaison (City's Cemetery Liaisons) on Carriage Funeral Services, Inc.'s Contract compliance with the financial components of its Agreement with the City of Fort Lauderdale (Carriage Management Services Agreement) as of and for the periods ended September 30, 2016 and 2015. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of the City's Cemetery Liaisons and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached addendum either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached addendum do not constitute an examination or review, we will not express an opinion or conclusion on the Carriage Management Services Agreement. In addition, we have no obligation to perform any procedures beyond those listed in the attached addendum.

## Fort Lauderdale Office

333 Las Olas Way | CU 4  
Fort Lauderdale, FL 33301  
T: (954) 361-6571



CLIENT FOCUSED: SOLUTION DRIVEN

E: [info@abcpasolutions.com](mailto:info@abcpasolutions.com)

CAM 18-0099

Exhibit 3

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## Miami Office

801 Brickell Avenue | Suite 900  
Miami, FL 33131  
T: (305) 789-6673

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to name Mr. Phil Thornburg, Director of Parks and Recreation. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of City's Cemetery Liaisons and Carriage Funeral Services, Inc. and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Carriage Management Services Agreement that come to our attention. In addition, if in connection with this engagement, matters come to our attention that contradicts the Carriage Management Services Agreement, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You are responsible for the Carriage Management Services Agreement and that it is in accordance with City of Fort Lauderdale Code of Ordinances-section 10.47 and the cemetery rules and regulations-6.2 and 10.0; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about Carriage Management Services Agreement. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

Anthony Brunson, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on the week of April 17, 2017 and, unless unforeseeable problems are encountered, the engagement should be completed by May 31, 2017. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for Carriage Management Services Agreement in accordance with City of Fort Lauderdale Code of Ordinances-section 10.47 and the cemetery rules and regulations-6.2 and 10.0.



We estimate that our fees for these services will be **\$18,000** including out of pocket expenses. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered semi- monthly as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Very truly yours,

**ANTHONY BRUNSON P.A.**



Anthony Brunson

**RESPONSE:** This letter correctly sets forth the understanding of ***City of Fort Lauderdale Parks and Recreation Department.***

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CARRIAGE MANAGEMENT SERVICES AGREEMENT**  
**AGREED UPON PROCEDURES ADDENDUM**  
**CONTRACT COMPLIANCE WITH FINANCIAL COMPONENTS OF AGREEMENT**

**Objective**

To determine if Carriage Funeral Services, Inc. has complied with the financial components of its Cemetery Management Services Agreement with the City of Fort Lauderdale, Florida.

**Procedures**

- 1 Obtain and read solicitation 785-9854, Cemetery Management Services Agreement with the City of Fort Lauderdale with special emphasis on sections:
  - a. Part IV-Scope of services:
    - i. Section 06-Compensation to City
    - ii. Section 07-records,accounts and statements
- 2 Obtain and read City of Fort Lauderdale Code of Ordinances with special emphasis on sections:
  - a. Rules and Regulations:
    - i. Section 6.2-Maximum interment rights
- 3 Obtain Perpetual Care Trust Fund financial statements as of and for the period ended September 30, 2016 and 2015 to determine revenue recognized and/or forwarded by Carriage.
- 4 Obtain annual audit reports performed pursuant to the Cemetery Management Services Agreement as of and for the period ended September 30, 2016 and 2015.
  - a. Ensure audits were conducted for all four cemeteries;
    - i. Woodlawn;
    - ii. Evergreen;
    - iii. Sunset Memorial Gardens; and
    - iv. Lauderdale Memorial Park.
  - b. Perform review of auditor's working papers assessing scope of services performed.
- 5 Obtain and review Florida statute chapter 497

- 6 As a result of background attained in steps 1 through 5, test compliance of Carriage adherence to the Agreement's rules, regulations and/or procedures relating to revenue sharing with the Trust via examination its detail financial records, general ledgers and subsidiary schedules.
  - a. Special emphasis shall be placed upon its monthly payments of gross receipts and related supporting documents.
  - b. Reconciliation of monthly receipts to annual reports submitted to the city as well as auditor reports.
- 7 Report findings and provide recommendations based upon procedures performed in items 1 through 6.