

Les Baugh
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Larry Farr
City Member

Stan Neutze
City Member

Francie Sullivan
City Member Alternate

Irwin Fust
Special District Member

Mary Rickert
County Member Alternate

Brenda Haynes
Special District Member



Dick Fyten
Public Member

David Kehoe
County Member

Patricia A. Clarke
Special District Alternate

Bob Richardson
Public Member Alternate

George Williamson
Executive Officer

James M. Underwood
General Counsel

Kathy Bull
Office Manager

Agenda Item: 8.d.

Meeting Date: August 3, 2017

From: George Williamson, Executive Officer & Kathy Bull, Office Manager

Subject: Full Audit for Fiscal Year 2016/2017

BACKGROUND:

According to Shasta LAFCO Policy 2.3.3 (f), "An outside financial audit will be conducted following the close of each fiscal year (or every other fiscal year if so determined by the Commission) and presented to the Commission when complete".

DISCUSSION:

Shasta LAFCO staff budgeted \$7,500 for Fiscal Year 2017/2018 to provide a full audit for Fiscal Year 2016/2017. A full audit typically involves the auditing firm's thorough examination and verification of financial statements, accounting records including supporting documents, and internal controls.

In keeping with the LAFCO policy, a full audit is required for Fiscal Year 2016/2017. Usually, a Request for Proposal (RFP) is sent to various accounting firms, however, staff has found there are no known new auditing firms in the immediate area, and previous RFP's have not generated enough interest.

Donald R. Reynolds, CPA has provided audit services to Shasta LAFCO for a few years and has expressed interest in continuing to provide services to Shasta LAFCO. The Executive Committee and staff are in agreement to continue utilizing his services, which will provide a more controlled compilation audit on the years a full audit is not completed.

RECOMMENDATION:

Staff seeks the Commission's authorization to obtain the services of Donald R. Reynolds, CPA for purposes of providing full audit services to Shasta LAFCO's Fiscal Year ending June 30, 2017, or provide further direction to staff.

Attachment: Letter of Understanding with Donald R. Reynolds, CPA