



**VENTURA LOCAL AGENCY FORMATION COMMISSION  
STAFF REPORT**

Meeting Date: September 18, 2024

**TO:** LAFCo Commissioners  
**FROM:** Kai Luoma, Executive Officer   
**SUBJECT:** Contract for Professional Audit Services

**Recommendation:**

Approve and direct the Chair to execute an audit services contract with Eide Bailly LLP for the fiscal year ended June 30, 2024, in an amount not to exceed \$14,000.

**Background:**

Beginning in 2010, Commissioner’s Handbook Policy Section 2.3.6.1 (Attachment 1) provides for annual audits of the LAFCo financial statements by an independent accounting firm. In accordance with this policy, staff began the auditor selection process by issuing a request for proposals (RFP) for auditing services (with options to extend the service for two additional years) in 2010, 2013, and 2016. Vavrinek, Trine, Day & Co, LLP (VTD) was selected following each RFP process. In July 2019, staff issued a RFP for an outside audit of the LAFCo financial statements for the fiscal year ended June 30, 2019, with an option for extension for the fiscal years ending June 30, 2020, and June 30, 2021. After reviewing the two proposals that were submitted, staff selected Eide Bailly LLP (formerly doing business as VTD) to perform the audits.

**Discussion:**

In August 2022, staff issued a RFP for an outside audit of the LAFCo financial statements for the fiscal year ended June 30, 2022, with an option for extension for the fiscal years ending June 30, 2023, and June 30, 2024. The RFP was sent to over 20 qualified public accounting firms, only one of which, Eide Bailly LLP, submitted a proposal.

In an engagement letter (Agreement) dated August 20, 2024, Eide Bailly LLP proposes to audit the LAFCo 2023-24 financial statements at a cost not to exceed \$14,000 (Exhibit A of Attachment 2). Work is scheduled to begin in November and final reports would be issued in January 2025. Commissioner’s Handbook Section 2.5.4 provides that any contract or

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agreement greater than \$5,000 shall be presented to the Commission for approval and execution (Attachment 1).

The Agreement has been reviewed by the Ventura County Auditor-Controller's staff, which has agreed to prepare the LAFCo financial statements, and by LAFCo legal counsel. In accordance with the Handbook policies, staff is recommending that the Commission adopt the attached resolution (Attachment 2) authorizing the Agreement.

Attachments:

1. Commissioner's Handbook Policy Section 2.3.6.1 – Independent Audit Role  
Commissioner's Handbook Section 2.5.4 – Contract Approval and Execution
2. Resolution to Authorize and Execute a Professional Service Agreement – Eide Bailly LLP