

Les Baugh
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City Member
Francie Sullivan
City Member
Larry Farr
City Member Alternate

Irwin Fust
Special District Member
Pam Giacomini
County Member Alternate
Brenda Haynes
Special District Member



Dick Fyten
Public Member
David Kehoe
County Member
Stephen Morgan
Special District Alternate

Bob Richardson
Public Member Alternate
George Williamson
Executive Officer
James M. Underwood
General Counsel
Kathy Bull
Office Manager

Agenda Item: 9.a.

Meeting Date: December 1, 2016

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

Subject: Fiscal Audit FY 2014/2015

Background:

Per Shasta LAFCO Policy & Procedures Chapter 2, Section 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.* Don Reynolds, CPA had been selected by the Commission to complete a full audit for Fiscal Year 2014/2015 which is attached.

Discussion:

At the October 6, 2016 Commission Meeting, there were questions from the Commission regarding the inability of the Auditor to provide an opinion. The Auditor could not provide an opinion for previous year as a full audit was not completed. For the 2014-15 fiscal year however, there is the ability to provide an opinion as a full audit will be completed. This opinion is expressed on page 4 of the audit.

It was noted at the Commission Meeting the Audit Report discloses "going concern". The Auditor has explained the statement was due to the previous concerns and notes the organization actual results indicate Fiscal Year 2015/2016 will have a surplus for that time period.

Staff will continue to work with Don Reynolds in order to afford a sufficient basis for an opinion in the upcoming audit period of Fiscal Year 2015/2016.

Recommendation:

Staff and Fiscal Committee recommends the Commission ask any remaining questions of Mr. Reynolds, who is scheduled to be available by phone during the meeting, and approve the Fiscal Year 2014/2015 full audit once questions are answered to the Commission's satisfaction.

Attachment: Draft Fiscal Audit FY 2014/2015