

## M E M O R A N D U M

**TO:** Board of Trustees

**FROM:** Audit Committee

**SUBJECT:** Review, discuss, and possibly approve the designation of Audit Firm for Audit Services for Fiscal Year Ending June 30, 2020 – Eide Bailly, LLP at a cost of \$58,500 (the last year of a five year contractual obligation)

**DATE:** November 15, 2019

---

### **I. RECOMMENDATION**

The Audit Committee is recommending that the Board of Trustees designate Eide Bailly, LLP as the District's audit firm for the fiscal year ending June 30, 2020, under their multiyear contract as outlined under the financial section.

### **II. BACKGROUND**

The Audit Committee met December 11, 2019 to ratify the selection of the District's auditor. On the assumption that meeting finds it in order to recommend Eide Bailly, LLP, this memo has been prepared to document the designation. The Engagement Letter, when provided by the auditor, will be sent to the Audit Committee Chair for signature.

District Staff will notify the State Department of Taxation of our designation before March 31, 2020. As required by Nevada Revised Statute 354.624 and Nevada Administrative Code 354.705, each local government is required to designate an auditor or firm annually, not later than three months before the close of the fiscal year for which the audit is to be made.

At the direction of the Audit Committee, staff prepared and sent out a request for audit services in 2016 that resulted in Eide Bailly, LLP's selection under a multiyear engagement plan to control fee increases. The Audit Committee agreed that the multiple year fee schedule presented in the Eide Bailly, LLP audit proposal presented an opportunity for cost savings over time and it would be prudent to consider this option and incorporate it into its award recommendation. The District has engaged Eide Bailly, LLP for four years under the multiyear proposal.

Review, discuss, and possibly approve the -2-  
designation of Audit Firm for Audit Services for Fiscal  
Year Ending June 30, 2020 – Eide Bailly, LLP at a cost  
of \$58,500 (the last year of a five year contractual obligation)

November 15, 2019

### **III. FINANCIAL IMPACT AND BUDGET**

The following fee information was presented by Eide Bailly, LLP. and was accepted by the Audit Committee:

<b>Fiscal Year Ending</b>	<b>Annual Fee</b>
June 30, 2016	\$ 52,500
June 30, 2017	\$ 54,000
June 30, 2018	\$ 55,500
June 30, 2019	\$ 57,000
June 30, 2020	\$ 58,500

### **IV. COMMENTS**

District staff expects an engagement letter will be received sometime in April each year. Staff has discussed a tentative set of dates. We anticipate interim work in May or June, while conducting fieldwork later in August and September with a delivery of the Audit Report in time to meet statutory requirements November 30. Acceptance by the Board of Trustees would follow in December. This item is placed on the Consent Calendar as it is a routine matter, within budget, and part of a long term contractual commitment.