



PREPARED BY
LSL, LLP
Certified Public Accountants
License Number 2584

City of Needles

Professional Auditing Services

Date of Submission: July 14, 2025 Valid
for 90 Days

Authorized by:
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Section 1 – Executive Summary

July 14, 2025

Jill Taura
Finance Director - Interim
City of Needles
817 Third Street
Needles, CA 92363

Dear Ms. Taura,

LSL, LLP (“LSL”, “LSL CPAs”) is pleased to present our proposal for Professional Auditing Services, and we value the opportunity to demonstrate our professional qualifications and commitment to excellence to the City of Needles (“City”).

This proposal details our understanding of the scope of work discussed with you during our introductory phone call on July 8, 2025, and showcases our firm’s experience, knowledge, and creative problem-solving capabilities in governmental auditing. With our extensive government experience, we are confident that LSL is the best-qualified accounting firm for the City.

We understand that the City of Needles is seeking a qualified firm to conduct the annual independent audit of the City’s financial transactions for a contract period of three years, beginning with the fiscal year ending June 30, 2025, through 2027, with the option to extend for two years, extending through 2029. This includes expressing an opinion on the fairness of the City’s financial statements; conducting component unit audits for Needles Public Utility, Housing Authority of the City of Needles, and the Needles Public Financing Authority; performing agreed-upon procedures on the Gann Appropriations Limit; as well as assisting the City in preparing its annual Street Report, State Controller’s Report, and financial statements.

At LSL, we specialize in high-quality governmental audits aligned with GAAS and current GASB pronouncements. With our extensive experience in local government audits, we prioritize accuracy and thoroughness while ensuring timely report delivery. Our commitment to effective collaboration and transparency with the City ensures the integrity of its financial reporting and compliance with all regulatory requirements.

License to Practice in California

LSL is a public accounting firm licensed by the State of California Department of Consumer Affairs as a Public Accounting Partnership. Additionally, we are members of the American Institute of Certified Public Accountants (AICPA) and the California Society of Certified Public Accountants (CalCPA). All key members assigned to this engagement are licensed or are in the process of obtaining their license as Certified Public Accountants by the State of California.

Independence

LSL meets the independence requirements set forth by the *Government Auditing Standards*. Our partners have no ownership in any other business organization that currently or will potentially provide services, supplies, materials, or equipment to the City. We annually distribute a listing of our firm's clients to all employees to ensure that any possible independence threats are properly documented and reviewed.

Business License

LSL affirms that we will obtain and maintain active business licensure with the City of Needles upon award of contract, if required to do so.

Authorized Representative

Ryan Domino is the designated Engagement Partner who will serve as the primary point of contact for this proposal. He is authorized to make representations on behalf of our firm and can be reached directly by phone at (714) 592-1814 or by email at Ryan.Domino@lslcpas.com. Please contact Ryan for any clarification or contract negotiations related to this proposal.

Our proposal is a firm and irrevocable offer for ninety (90) calendar days following the closing date of the receipt of proposals. We welcome the opportunity to discuss any aspect of our proposal to ensure your complete satisfaction.

Sincerely,



Ryan Domino, CPA, Partner
LSL, LLP
500 Technology Drive
Suite 350
Irvine, CA 92618
(949) 829 - 8299

Section 2 – Firm Profile

HISTORY & SIZE

LSL, LLP (“LSL”) is a limited liability partnership and is not a wholly owned subsidiary of a parent company.

LSL was established in 1929 and has grown as a leader in the government sector. Our full-service accounting firm is headquartered in Irvine, California, with a dynamic team of 14 partners, 2 principals, and 150 employees. We provide auditing, accounting, and consulting services to over 100 municipal clients, including counties, cities, water and electric utility districts, and special-purpose government agencies. Our government sector services encompass a broad range of specialties, including attestation, compliance, consulting, outsourced accounting and reporting, year-end close assistance, interim staffing, strategic planning, and tax services.

LOCATION

Our Offices

Irvine, CA - Headquarters

500 Technology Drive, Suite 350
Irvine, CA 92618
Phone: (949) 829-8299

Sacramento, CA

2151 River Plaza Dr., Suite 150
Sacramento, CA 95833
Phone: (916) 503-9691

The Woodlands, TX

21 Waterway Avenue, Suite 30089
The Woodlands, TX 77380
Phone: (936) 828-4587

LSL’s virtual footprint of our government team spans across the United States. At LSL, we regularly share staff and resources across our offices, providing you with access to our entire governmental team. This approach ensures that you receive the highest level of service and expertise possible, allowing us to deliver optimal results. LSL has no upcoming changes to the structure of our company or key personnel to report.

LSL’S GOVERNMENT TEAM RESOURCES

Our governmental audit staff consists of three (3) Partners, one (1) Director, four (4) Senior Managers, five (5) Managers, eleven (11) Supervisors, and twenty (20) Professional Staff.

LSL will not be subcontracting any portion of the City’s audit. All staff assigned to the audit portion of the engagement will be employed by LSL on a full-time basis and have extensive experience providing auditing services for cities, counties, and special-purpose government agencies. However, LSL does collaborate with a third-party for the preparation of the SCO (State Controller's Office) reports to ensure that the reports are prepared and filed correctly and timely by experts in those reports.

Our educational programs are designed to provide our team members with the knowledge and skills necessary to deliver high-quality services to our clients. We offer a variety of training opportunities, including those provided by CalCPA, AICPA, Government Audit Quality Center, and Government Finance Officers Association (GFOA).

GOVERNMENT AUDITING STANDARDS

LSL understands its responsibilities to perform audits and issue opinions on the City's financial statements as well as its fair presentation. Our financial audits are performed in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, and our Single Audits are performed in accordance with the requirements of the Uniform Guidance. We will also evaluate the City's internal control system and provide recommendations for growth and improvement.

DESK REVIEW / DISCIPLINARY ACTION

There have been no disciplinary actions against our organization since its inception. There have been no litigations against our firm in the past three years. Our Single Audit reports are desk reviewed either by the federal cognizant agency or the State Controller's Office acting as the Oversight Agency. LSL has never had a report rejected by any of these agencies and is highly regarded and recognized by the staff of the State Controller's Office for top-quality reports.

PEER REVIEW

Our firm has participated in the AICPA Peer Review Program since its inception. All our peer reviews have covered governmental engagements and have received *pass* ratings. Our most recent peer review conducted by Spafford and Landry CPAs is provided on the following pages.



HERE TO MAKE THE COMPLEX SIMPLE.

Patrick D. Spafford, CPA
Todd C. Landry, CPA

Licensed by the California Board of Accountancy
Member: American Institute of Certified Public Accountants

Report on the Firm's System of Quality Control

To Lance, Soll & Lunghard, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of the applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and employee benefit plan audits.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)*, or *fail*. Lance, Soll & Lunghard, LLP has received a peer review rating of *pass*.

Spafford & Landry, Inc.

March 30, 2023

Section 3 – Firm Qualifications

A current list of municipal clients can be found in **Appendix A**, which includes LSL’s most significant engagements conducted within the last three (3) years that are similar to the engagement described in this request for proposal.

GFOA AWARD PROGRAM

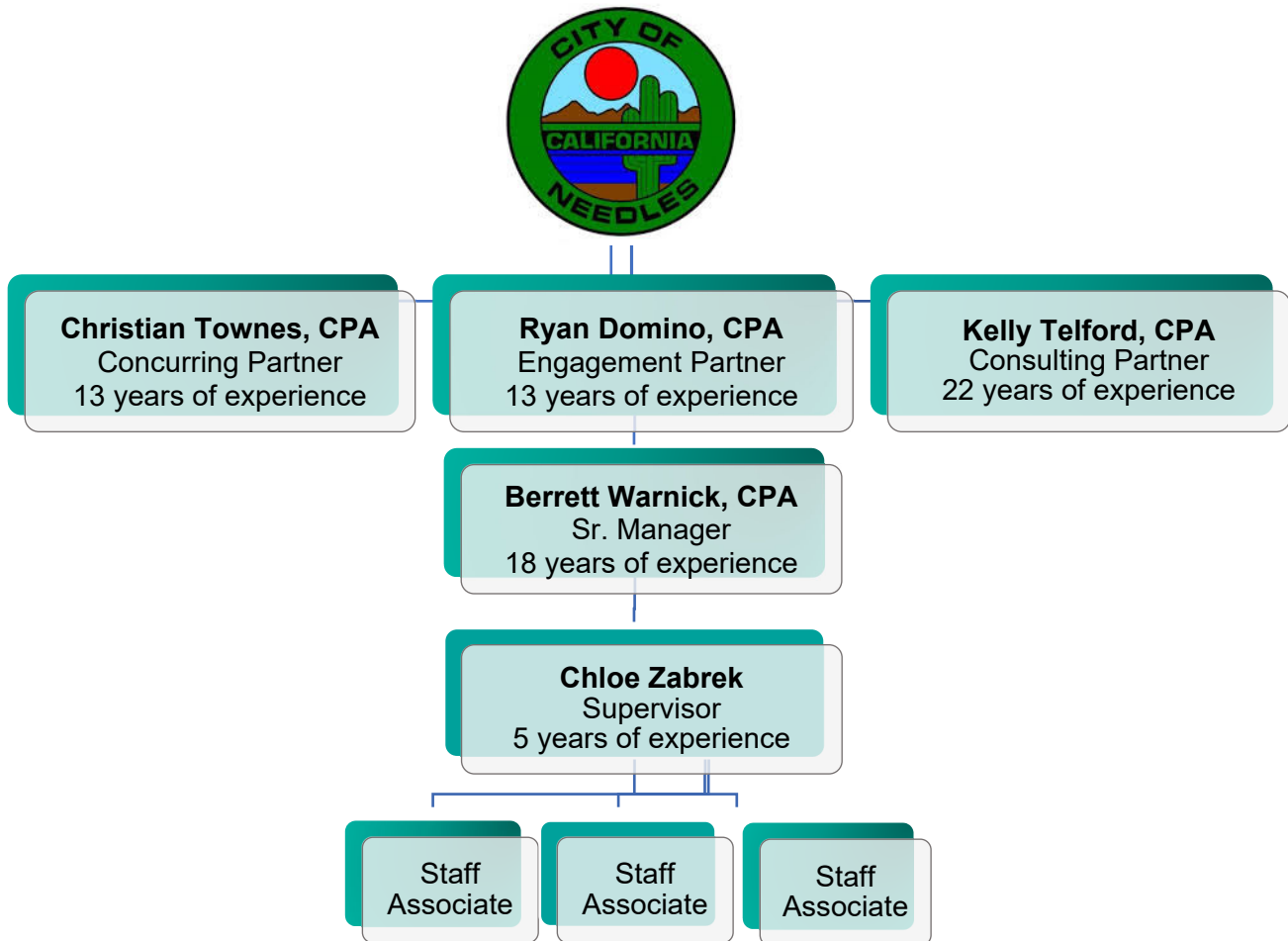
LSL understands the significance of obtaining and maintaining the Certificate of Excellence in Financial Reporting from the GFOA. We have prepared financial statements and footnote disclosures for many of our local government clients who have received this award. Our governmental partners, managers, and seniors are closely involved in the preparation of these reports. Clients currently receiving the GFOA award are also noted in **Appendix A**.

SINGLE AUDIT EXPERIENCE

Our firm has extensive experience in performing Single Audits for local government agencies under the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements of Federal Awards (Uniform Guidance), and the United States Office of Management and Budget (OMB). **Appendix A** also includes a list of government audit clients for which a Single Audit has been performed in the last fiscal year. Additionally, the table below highlights recent examples of federal programs audited by LSL.

Federal Granting Agency	AL #	Name of Program
U.S. Department of Agriculture	10.557	Special Supplemental Nutrition Program for Women, Infant, and Children
U.S. Department of Housing & Urban Development	14.195	Section 8 Housing Assistance Payment Program
U.S. Department of Housing & Urban Development	14.218	Community Development Block Grants/Entitlement Grants
U.S. Department of Housing & Urban Development	14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
U.S. Department of Housing & Urban Development	14.239	HOME Investment Partnerships Program
U.S. Department of Housing & Urban Development	14.856	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
U.S. Department of Housing & Urban Development	14.871	Section 8 Housing Choice Vouchers
U.S. Department of Transportation	20.106	Airport Improvement Program
U.S. Department of Transportation	20.205	Highway Planning and Construction
U.S. Department of Transportation	20.507	Federal Transit Formula Grants
U.S. Department of Treasury	21.019	Coronavirus Relief Fund (CRF)
U.S. Department of Treasury	21.027	Coronavirus State and Local Fiscal Recovery Funds (SLFRF)
U.S. Environmental Protection Agency	66.458	Capitalization Grants for Clean Water State Revolving Funds
U.S. Department of Health and Human Services	93.563	Child Support Enforcement
U.S. Department of Health and Human Services	93.667	Social Services Block Grant
U.S. Department of Health and Human Services	93.676	Unaccompanied Alien Children Program
U.S. Department of Health and Human Services	93.778	Medical Assistant Program - Medicaid Cluster
U.S. Department of Homeland Security	97.036	Disaster Grants- Public Assistance (Presidentially Declared Disasters)
U.S. Department of Homeland Security	97.067	Homeland Security Grant Program

ORGANIZATIONAL CHART



Ryan Domino, CPA
Engagement Partner

Ryan Domino has a strong technical focus and specializes in governmental accounting and auditing. He currently serves as a technical reviewer for the Government Finance Officers Association (GFOA) and regularly presents at our firm's annual GASB Update and at CSMFO's chapter meetings where he presents and trains on the latest GASB pronouncements. Ryan is an expert on Single Audit planning and execution and holds advanced certification from the AICPA. Ryan provides our clients with a competitive advantage as a member of GFOA's Special Review Committee for the Award for Excellence in Financial Reporting and able to provide valuable insights and recommendations to help organizations achieve excellence in financial reporting.



Christian Townes, CPA
Concurring Partner

Christian has dedicated over 12 years to public accounting, with a focus on governmental services and auditing, including federal grant compliance. She has a strong background in navigating the complexities of GASB regulations, ensuring compliance and accuracy in financial processes. Additionally, Christian specializes in Single Audit planning and execution, along with a strategic approach to audit processes. She excels in evaluating and performing Single Audit-specific requirements, including major program determination, audit sampling, and reporting on the compliance of internal controls. As a Partner in LSL's Government Services, Christian takes the initiative to work closely with her clients, troubleshooting their difficulties and developing the best processes that fit their needs.



ENGAGEMENT TEAM RESUMES

Team resumes are available in **Appendix B**, which details the position of each team member in the firm, their educational background, and their years and types of experience. The resumes also provide information on relevant continuing education completed by the team members during the past three years. Proposed team members will be available for ninety (90) days from the proposal due date. LSL will promptly notify the City of any changes in key personnel prior to award.

Staff Continuity

To ensure the quality of our staffing, we have established firm policies that prioritize the continuity of engagement teams, except in cases where an employee has left the firm or has been promoted. In the event of any changes in staffing at the Manager position and above, LSL will first seek written permission from the City.

Quality of Staff Assurance

LSL is committed to providing the City with a stable and experienced team that is dedicated to delivering a high-quality audit and exceptional service. We understand the importance of maintaining a strong and reliable team throughout the engagement, and we will work closely with the City to ensure that any staffing changes are handled with minimal disruption to the continuity of the engagement.

Continuing Education

At LSL, we strongly emphasize professional development and continuing education to ensure that our team members are up to date on the latest developments in governmental accounting and auditing. As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period.

ADDITIONAL RESOURCES

The LSL team is comprised of top talent within the industry with comprehensive experience beyond governmental audit, accounting, and advisory services. When you partner with LSL, you gain access to the experience, knowledge, and resources of our entire team, including our consulting and technology teams. We are committed to helping finance departments thrive by providing the guidance, tools, and services that foster lifelong success for your finance team. We encourage our clients to tap into our full professional team of industry and product experts for your full-service consulting, staffing, and financial report automation solutions.



Financial & Compliance
Audits



Consulting, Staffing &
Training



Technology & RPA



Kelly Telford, CPA
Consulting Partner

Kelly is a respected leader in public finance and is known for being a change agent and thought leader in organizational strategy. She has developed her expertise in public and local government accounting and auditing, financial forecasting, budget development, public utilities, investment management, grant management, human resources, and information technology. She has taught classes for GFOA and CSMFO and has presented at annual conferences for GFOA, CSMFO and GFOAA. She has previously served as Finance Director for the cities of Costa Mesa and Seal Beach as well as the Los Angeles Community Development Agency. Kelly has a proven track record of helping agencies identify operating inefficiencies assisted in departmental reorganizations, identify internal control challenges, completing year-end close procedures, and serving as an outsourced Finance Director. Her practical recommendations are instrumental in helping our team and our clients achieve a high-quality and efficient audit while providing valuable feedback for organizational improvements.

TRAINING & SEMINARS

LSL regularly leads training courses and seminars on introductory governmental accounting, financial reporting, internal control risk assessments, and all GASB updates and best practices. These resources are available to our clients for additional information and continued support. These will be opportunities made available through our firm to the City for training or continuing professional education credits on current issues in governmental auditing and accounting.

Section 4 – Work Plan & Audit Schedule

OUR UNDERSTANDING OF THE SCOPE OF WORK

LSL understands that the City of Needles is seeking a qualified firm to perform the City's financial audit and related services, consisting of the following final financial and compliance reports:

- City's Basic Financial Audit in accordance with *Government Auditing Standards*
- Single Audit (if applicable thresholds are met)
- Needles Public Utility Authority Component Unit Financial Audit
- Housing Authority of the City of Needles Component Unit Financial and Compliance Audits
- Needles Public Financing Authority Financial Audit
- Financial Transactions Report for the State Controller's Office
- Street Report
- Financial Statement (ACFR) Preparation Assistance
- Other required letters and communications

PROJECT MANAGEMENT METHODOLOGY

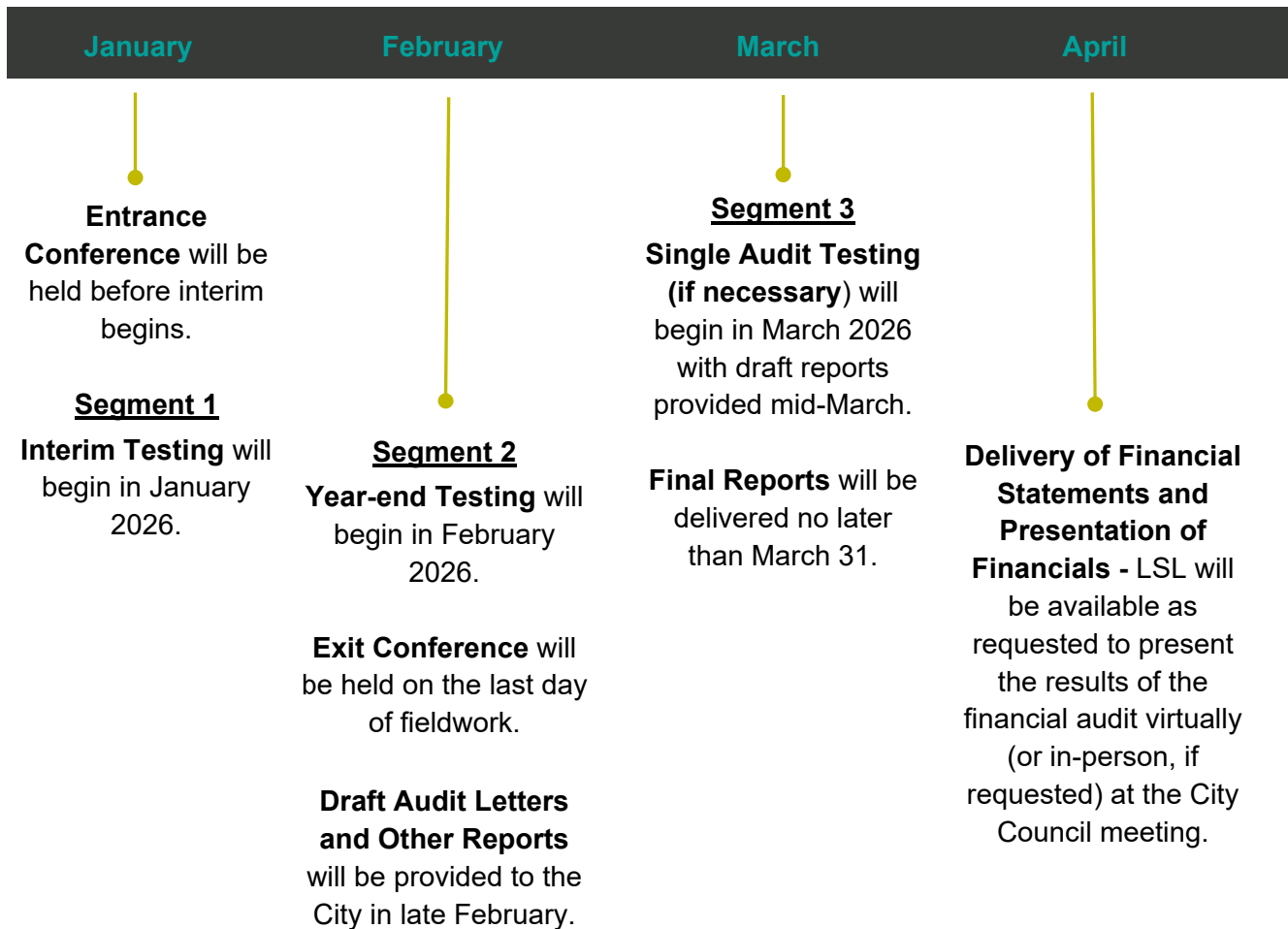
The LSL team holds itself to a high standard for timely delivery and effective communication of key milestones. We understand the importance of being responsive and communicative with our clients, and we are committed to being available on a day-to-day basis to address any questions or concerns that may arise throughout the engagement. Areas of concern and potential findings will be communicated to the City as soon as they are discovered to mitigate any surprises throughout the audit.

At the beginning of the engagement, we will hold a planning meeting with you to determine the timeline, expectations, and desired outcome of the agreement on the issuance of financial statements. Throughout the process, we will have periodic meetings with you to provide updates and discuss progress. Upon award of contract and per the City's requested timeline, LSL will work closely with the City to develop an audit plan and timeline to ensure compliance and timely deliverables.

As part of the Scope of Work and time requirements, we assume that the City will provide all necessary information needed to complete the financial statement and single audits. We will proactively identify and communicate any pending information from the City that could hinder our ability to complete the objectives of the engagement in a timely manner.

PROJECT SCHEDULE

LSL assumes under the time requirements that the City will have closed its books and will present the LSL team with general ledger balances that are auditable prior to the start of fieldwork. The proposed timeline is provided on the following page displaying the key stages of the audit and the deliverables. This timeline assumes that the City's 2024 financial audit is concluded by December 31, 2025. In future years, this timeline may be adjusted to accommodate earlier issuances if the City elects to move up its audit dates. Any future movements are contingent upon the readiness of the City for earlier audit, and mutual agreement of the movement by the City and LSL.



PROPOSED WORK PLAN

At LSL, we use a governmental audit program that will be tailored to the City's operations to accommodate its specific circumstances and organizational structure. LSL's audit programs are organized by financial statement category, which we believe is the most effective and efficient approach to substantially reduce the risk of omitting important procedures. Our approach is designed to increase audit efficiency by linking financial statement assertions, audit objectives, and procedures that are basic to most governmental audit engagements.

PROPOSED SEGMENTATION

Our audit services will be divided into the three succeeding segments:

- Pre-Audit Onboarding and Advisory Meeting
- Segment 1 – Planning and Obtaining an Understanding
- Segment 2 – Financial Audit Testing
- Segment 3 – Conclusion
- Post-Audit and Ongoing Advisory Meetings

Pre-Audit Onboarding and Advisory Meeting

Prior to commencing audit fieldwork, LSL will schedule the Pre-Audit Onboarding and Advisory Meeting to introduce the City to our secure, cloud-based file sharing software, ensuring they are comfortable organizing, uploading, and accessing requested documents throughout the audit engagement. The session will outline the entire audit process—from planning and risk assessment to financial audit testing and conclusion—to set expectations for the City and LSL. We will provide an overview of our financial statement reporting process, including timelines for draft and final report review, and establish a mutual understanding of the client's year-end financial closing process to support a smooth and efficient audit. In addition, we will deliver targeted training on any new GASB pronouncements applicable to the audit year, helping the client understand and implement the latest accounting standards. The goal of this meeting is to ensure the City is well informed about the upcoming audit, understands how feedback and process improvements will be communicated, and is equipped to navigate both the audit process and evolving changes in the accounting industry.

Segment 1 – Planning and Obtaining an Understanding

LSL will provide an annual audit communication letter, engagement letter, and Government Audit Quality Center Information letter. The audit communication letter is to be provided to the City Council and/or Board of Directors and can be communicated orally to those charged with governance, if requested, where we will discuss planning stages, responsibilities of the City Council, Auditors, and Management, and provide an opportunity to communicate with us as the auditors.

A trial balance is requested for our planning meeting to assist the LSL team in obtaining knowledge of economic conditions, industry elements, and new standards that may affect the City. We will compile a list of PBC items based on our review of the prior year's financial statements and the gathered information that will be provided to the City one month prior to testing or earlier if requested. We operate on a paperless software system and provide a secured cloud-based portal for all clients. The City will have a separate folder that can be customized to organize, and upload requested schedules, support documents, etc.

For the first year of the contract, LSL performs extensive testing and review of the City's internal control policies and procedures to identify not only possible control deficiencies but also areas of improvement based on industry best practices. After interim testing, we will hold an exit meeting to discuss potential weaknesses, if any, and provide feedback for improvements or valuable information gathered from any outside clientele that would benefit the City. The goal of this testing is to provide valuable insights to the City on how to better safeguard their assets, maintain operational integrity, and operate efficiently. Future years' Segment 1 testing is less substantial, and is a follow up of the extensive documentation of year one, with certain financial reporting processes randomly selected for more extensive testing.

Segment 2 – Financial Audit Testing

Based on the information gathered thus far, we will utilize a customized audit program based on the risk assessment developed during our assessment of the City's internal controls and *Government Auditing Standards*. The primary benefit of a tailored program is a focused set of procedures to address relevant areas. We believe that this approach is both effective and efficient and is critical to compliance with other material laws and regulations.

We will annually compile another customized PBC list for the year-end testing provided at least one month prior or earlier if requested. We will request trial balances from the City for our analytical review to be provided one week before testing is scheduled to commence. Year-end testing will include testing of the balance sheet, revenue and expenditures accounts, confirmation of selected balances, analytical procedures, evaluation of the internal controls, and preparation of reports and letters.

Segment 3 – Conclusion

Based on our year-end exit meeting we will discuss a plan to finalize the financial statements according to the timetable of the City. We will schedule dates for the initial and final drafts including time for LSL's and the City's review and approval of the financial statements. This period will also account for review by the engagement partner and quality assurance partner. After the review and receipt of the signed Representation Letter from the City, LSL will provide a final report by March 31st of each year.

Post-Audit and Ongoing Advisory Meetings

Throughout the year, LSL will schedule monthly or quarterly meetings, depending on the City's frequency preference. These meetings are held to maintain touch points with the City outside of the audit weeks and discuss events occurring at the City throughout the year. The goals of these meetings are to keep LSL informed of any significant transactions or events that occur during the year which may impact the audit, but also to provide the City with valuable feedback or advice on these matters.

LEVEL OF STAFF ASSIGNED AND NUMBER OF HOURS TO BE ASSIGNED

TOTAL PROPOSED HOURS						
Segment/Task	Partners	Senior Manager	Supervisor	Staff	Clerical	Total
City Audit in Accordance with GAS						
Interim test work	0	0	20	30	0	50
Year-End test work	0	0	40	100	0	140
Report/Review/Supervision	10	40	0	0	10	60
Subtotal	10	40	60	130	10	250
Single Audit *						
Test work	0	0	10	20	0	30
Report/Review/Supervision	2	6	0	0	2	10
Subtotal	2	6	10	20	2	40
Needles Public Utility Authority Audit						
Test work	0	0	8	14	0	22
Report/Review/Supervision	2	4	0	0	2	8
Subtotal	2	4	8	14	2	30
Housing Authority Audit						
Test work	0	0	8	14	0	22
Report/Review/Supervision	2	4	0	0	2	8
Subtotal	2	4	8	14	2	30
Needles Public Financing Authority Audit						
Test work	0	0	5	10	0	15
Report/Review/Supervision	1	3	0	0	1	5
Subtotal	1	3	5	10	1	20
Gann Limit Agreed-Upon Procedures						
Test work	0	0	0	2	0	2
Report/Review/Supervision	0	1	1	0	1	3
Subtotal	0	1	1	2	1	5
Financial Statement Preparation Assistance						
Test work	0	0	30	0	0	30
Report/Review/Supervision	8	10	0	0	2	20
Subtotal	8	10	30	0	2	50
Optional - ACFR Add-on **						
Test work	0	0	20	0	0	20
Report/Review/Supervision	0	0	0	0	5	5
Subtotal	0	0	20	0	5	25
TOTAL PROPOSED HOURS:	25	68	142	190	25	450

Hours proposed are for one (1) major program.

AUDIT SAMPLING

For tests of controls, we use audit sampling. Tests of controls are procedures directed towards determining the effectiveness of the design or operation of an internal structure policy or procedures. Audit sampling is typically used for tests of controls and compliance that involve the inspection of documents and reports indicating the performance of the applicable policy or procedures and compliance with the applicable laws and regulations. Sample sizes vary based on the population and risk-based calculations.

TYPE AND EXTENT OF ANALYTICAL PROCEDURES

For the audits of the financial statements, we will use analytical procedures as an overall review of the financial information in the preliminary and final stages of the audits. These procedures are designed to assist us in planning our audits and in assessing the propriety of the conclusions reached and evaluating the overall financial statement presentation.

The procedures to be utilized consist of determining expectations for changes to significant revenue, expenditure, and balance sheet accounts, reading the financial statements and related notes, reviewing the budget and related material, and focusing on overall relationships within the financial statements.

Once determined, these are reviewed to evaluate if the changes appear reasonable or require further analysis. For all significant differences, explanations are obtained as to why the situation occurred and additional substantive procedures may be applied, and related evidence is gathered to resolve concerns and questions.

ELECTRONIC DATA PROCESSING SOFTWARE & AI TECHNOLOGY

LSL is always at the forefront of technology and finding ways to increase efficiency in our audits. Our goal is to effectively streamline the audit process to make the burden of an audit easier on our clients and ease any technical disagreements.

Caseware

At LSL, we partner with and utilize **Caseware** to perform our audits and retain electronic workpapers and supporting documentation in a fully cloud-based platform. During our preparation of the ACFR, all financial statements and schedules are linked to Caseware and audit documentation, ensuring accuracy and consistency with City records and eliminating the risk of manual errors.

LSL Caseware Cloud Portal

Our web-based portal system provides clients with the ability to securely share information in a user-friendly platform. Integrated with **Caseware OnPoint Collaborate**, this state-of-the-art tool enhances collaboration in accounting and auditing. It enables direct communication with clients throughout the audit process for feedback exchange and tracks activities such as audit requests, client uploads, and progress. Access to the secure hub can be restricted to relevant individuals. This tool eliminates the necessity of sending sensitive documents via email, enhancing efficiency. Client dashboards are customizable to meet specific needs.

Data Extraction & Audit Analytics

We believe software is only as effective as those who know how to use it. That's why we train all our staff and incorporate the use of **Caseware Analytics AI** and **IDEA** into our audit approach. These two complement each other to create a risk-based transaction analysis tool. We utilize them to scan transaction sets, identify exceptions warranting further investigation, and provide additional assurances to our clients. These tools offer users a high-level summary and reduce time spent in transaction analysis by automatically performing multiple tests on the entire transaction set. They assist in identifying duplicate payments, high-risk journal entries, and developing expectations for analytical procedures used during the audit.

Experience With ERP Systems

Many of our clients have updated their system software with new Enterprise Resource Planning (ERP) systems over the years. We make ourselves available for questions and recommendations, including assistance with the vendor selection process. Our clients' transition to more sophisticated ERP systems has allowed us to gain a better understanding of each system and its unique capabilities. We often obtain read-only access to our clients' software and can work directly within the system. This allows us to provide useful observations and recommendations regarding internal controls and facilitates efficient audit test work. Some of the ERP and Property Tax Systems we have extensive experience with include **Tyler Technologies (Munis, New World, Eden, Incode)**, **One Solution**, **Oracle**, **SAP**, **Infor**, **Megabyte**, and more.

DETERMINING LAWS AND REGULATIONS SUBJECT TO AUDIT TEST WORK

The Laws and Regulations that will be subject to audit test work are determined by the applicable laws, regulations, contracts, and grant agreements which we identify through the understanding we obtain of the City and our extensive experience with other governmental entities.

DRAWING AUDIT SAMPLES FOR COMPLIANCE

The sampling procedures test the operating effectiveness of an internal control structure policy or procedure by determining how the policy or procedure was applied, the consistency with which it was applied during the audit period, and by whom it was applied. We will draw samples for disbursements, receipts, and payroll when applicable. Each document selected will be tested for various attributes that are designed to verify compliance with different aspects of internal controls and applicable laws and regulations. Additionally, each sample item will be tested for coding to the proper accounts and posting to the general ledger.

LSL'S APPROACH TO UNDERSTANDING THE CITY'S INTERNAL CONTROL STRUCTURE

LSL will perform procedures as required by SAS 122-125 to obtain an understanding of the City and its environment along with assessing the risks of material misstatements in order to gain insight into the internal control structure over the financial statements. Our review will encompass various areas such as financial reporting, cash, revenues and receivables, utility billing, expenses, accounts payable, payroll, capital assets, long-term debt, and grant reporting. We will issue a management letter (SAS 115 Letter) that identifies any significant deficiencies and/or material weaknesses found as required by the Government Auditing Standards.

Our process is to obtain and review the City's annual budget book, organizational charts, standard operations procedures, manuals, policies, or other written documentation to identify processes and controls for critical transaction cycles. As much as is possible, we attempt to gather the data from the City's publicly available documents prior to beginning the audit to reduce the workload of the City's audit staff. Additionally, during Segment 1 of the audit, LSL will conduct interviews with the management of finance and responsible parties of each audit section to understand the processes and controls through observation and discussions. We will also perform sampling transactions as part of a "walk-through" process to verify that the system of control is functioning as per the policies and procedures.

ANTICIPATION OF POTENTIAL AUDIT PROBLEMS, ROLES & RESPONSIBILITIES OF THE CITY

Outside of the complexities that arise with the implementation of GASB pronouncements, LSL does not anticipate any audit problems or conflicts in the performance of the services requested in this RFP. Our approach is to partner with our clients to provide information, training, and the resources necessary to successfully implement any new changes in accounting principles.

As mentioned previously, LSL assumes that the City will provide all necessary information to complete the financial statement and single audits. The LSL assigned to this engagement will help identify and communicate any pending information needed from the City that may hinder the engagement's objectives and timely completion. Additionally, LSL assumes that the City will have closed its books and present auditable general ledger balances.

WORKING PAPER RETENTION AND ACCESS

All working papers and reports will be retained at LSL's expense for a minimum of five (5) years unless otherwise notified in writing by the City of the need to extend that retention period. Upon written request, we will make working papers available to parties designated by the City. Furthermore, we will respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Section 5 – Cost Proposal

ALL-INCLUSIVE MAXIMUM PRICE

All-Inclusive Maximum Price by Report						
Requested Scope of Work	2024-25	2025-26	2026-27	Optional 2027-28	Optional 2028-29	Total
City Audit in Accordance with GAS	\$42,750	\$42,750	\$42,750	\$43,610	\$44,480	\$216,340
Single Audit (if required) *	\$6,900	\$6,900	\$6,900	\$7,040	\$7,180	\$34,920
Needles Public Utility Authority Audit	\$5,230	\$5,230	\$5,230	\$5,330	\$5,440	\$26,460
Housing Authority Audit	\$5,230	\$5,230	\$5,230	\$5,330	\$5,440	\$26,460
Needles Public Financing Authority Audit	\$3,450	\$3,450	\$3,450	\$3,520	\$3,590	\$17,460
Gann Limit Agreed-Upon Procedures	\$810	\$810	\$810	\$830	\$850	\$4,110
State Controller's Report	\$5,000	\$5,000	\$5,000	\$5,100	\$5,200	\$25,300
Street Report	\$2,000	\$2,000	\$2,000	\$2,040	\$2,080	\$10,120
Financial Statement Preparation Assistance	\$11,310	\$5,660	\$5,660	\$5,770	\$5,890	\$34,290
New Client Onboarding Fee **	\$4,270	\$0	\$0	\$0	\$0	\$4,270
SUBTOTAL FOR FISCAL YEAR	\$86,950	\$77,030	\$77,030	\$78,570	\$80,150	\$399,730
Optional Services						
ACFR Add-on ***	\$4,320	\$4,410	\$4,500	\$4,590	\$4,680	\$22,500
Travel Costs for In-Person Meetings (if requested)	\$1,500	\$1,530	\$1,560	\$1,590	\$1,620	\$7,800
Total for Fiscal Year With Optional Items (Not-to-Exceed)	\$92,770	\$82,970	\$83,090	\$84,750	\$86,450	\$430,030

* Price includes one (1) major program. Each additional program is \$2,760.

** LSL charges a one-time new client onboarding fee equal to 10% of the base audit fee. This is due to an estimated 10% increase in audit hours incurred during the first year of the engagement.

*** At the City's request, we will assist in enhancing the basic financial statements to meet the Government Finance Officers Association's Annual Comprehensive Financial Report requirements for the Award in Excellence in Financial Reporting. Additional hours are necessary to compile and review this enhanced report.

LSL'S STANDARD HOURLY BILLING RATES

Auditor's Standard Billing Rates	2024-25	2025-26	2026-27	Optional 2027-28	Optional 2028-29
Partner	\$351	\$351	\$351	\$359	\$367
Director	\$320	\$320	\$320	\$327	\$334
Senior Manager	\$261	\$261	\$261	\$267	\$273
Manager	\$225	\$225	\$225	\$230	\$235
Supervisor	\$189	\$189	\$189	\$193	\$197
Senior Accountant	\$171	\$171	\$171	\$175	\$179
Experienced Staff	\$144	\$144	\$144	\$147	\$150
Staff Accountant	\$126	\$126	\$126	\$129	\$132
Clerical	\$108	\$108	\$108	\$111	\$114

ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the City of Needles to request LSL to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in a written addendum to the contract between the City and LSL. Any such additional work agreed to between the City and LSL shall be performed at the same rates set forth in LSL's Standard Hourly Rates provided in this cost bid.

MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month. The final ten percent (10%) of the total all-inclusive maximum price will be paid upon delivery of the firm's final reports.

Section 6 – References

The following references highlight our experience in providing professional auditing services to other governmental organizations with similar size and scope as the City of Needles including two with municipal utility component units. We invite you to contact them to gain insight into our working relationships and quality of service.

City of Barstow	
Contact	Heidi Riley, Administrative Services Manager
Email Address	hriley@barstowca.org
Address	City Hall, 220 E. Mountain View Street, Suite A, Barstow, CA 92311
Telephone	(760) 255-5151
Dates of Service	2020 - Present
Scope of Work	Audit of the City's ACFR which receives the GFOA Award; component unit audits of the Barstow Fire District and Odessa Water District; Single Audit; various agreed-upon procedures; and preparation of the City's and component units' State Controller's Reports and Street Report.

City of Big Bear Lake	
Contact	Kelly Ent, Deputy City Manager/CFO
Email Address	kent@citybigbearlake.com
Address	39707 Big Bear Blvd., Big Bear Lake, CA 92315
Telephone	(909) 866-5831 ext. 119
Dates of Service	2014 - Present
Scope of Work	Audit of the City's ACFR which receives the GFOA Award; component unit audit of the Big Bear Lake Fire Protection District; Single Audit; various agreed-upon procedures; and preparation of the City's and component units' State Controller's Reports and Street Report.

City of Burbank	
Contact	Craig Wood, Deputy Finance Director
Email Address	cwood@burbankca.gov
Address	301 E Olive Ave., Burbank, CA 91502
Telephone	(818) 238-5500
Dates of Service	2012 - Present
Scope of Work	Audit of the City's ACFR which receives the GFOA Award; component unit audit of Burbank Water and Power; Housing Successor audit; AQMD Fund compliance audit; Single Audit; various agreed-upon procedures; and preparation of the City's and component units' State Controller's Reports and Street Report.

City of Pasadena	
Contact	Matthew E. Hawkesworth, Director of Finance
Email Address	mhawkesworth@cityofpasadena.net
Address	100 N. Garfield Ave., Pasadena, CA 91101
Telephone	(626) 744-4355
Dates of Service	2015 – 2019; 2023 – Present
Scope of Work	Audit of the City's ACFR which receives the GFOA Award; component unit audits of Pasadena Water and Power and other operating companies; Housing Successor audit; AQMD Fund compliance audit; Single Audit; and various agreed-upon procedures.

Section 7 – Insurance

LSL confirms that we will maintain the minimum insurance requirements throughout the entire term of this engagement. We have provided evidence of coverage with the submission of our proposal in **Appendix C**, and the actual insurance form will be provided upon the award of contract.

Section 8 – Benefits of Working with LSL

LSL is a multi-location firm with formidable resources that provides a personal feel and hands-on client experience.



Ranked #17 on the
Orange County
Business Journal's
CPA Firm Book of Lists



Established in 1929



14 Partners



150 employees
(and growing!)

ACCOUNTING TODAY REGIONAL LEADER

LSL CPAs has again been recognized as an Accounting Today Regional Leader in 2025. The list ranks the top CPA firms that have shown exceptional growth, embraced technology, and who 'think outside the box' when providing solutions.



OUR CORE VALUES

As we continue to grow and evolve, we recognize our core values needed to grow and change with us. Our values weren't decided on by management and handed down, every member of the LSL team worked together to share what values matter most to us. From there, we came up with the following five core values that embody how we approach each other, our work, and our clients.



PURSUE EXCELLENCE



LOVE WHAT YOU DO



LEAD WITH INTEGRITY



ACCOMPLISH MORE
TOGETHER



FORWARD THINKING

BEST OF ACCOUNTING AWARD

LSL CPAs delivers high-quality service and has consistently secured the ClearlyRated *Best of Accounting* award. This exclusive program awards accounting firms who demonstrate high-level service of excellence within the accounting industry and solely leverages statistically validated survey responses from our clients.



4.7 based on 646 ratings

Appendix A – Current List of Municipal Clients

Current List of Municipal Clients					
Client	Contact Person	Services	Years	Phone	
* Agoura Hills	Mr. D. Ibanez, Director of Finance	F, S	8	818-597-7312	
* Barstow	Ms. H. Riley, Admin Services Manager	F, S	3	760-255-5115	
* Big Bear Lake	Ms. K. Ent, Director of Government Services	F, S	25	909-866-5831	
* Burbank	Mr. C. Wood, Deputy Finance Director	C, F, S	12	818-238-5487	
Canyon Lake	Mr. C. Mann, City Manager	F	28	909-244-2955	
* Carlsbad	Mr. Z. Korach, Finance Director	F, S	2	442-339-2127	
* Cathedral City	Mr. K. Biersack, Financial Services Director	F, S	13	760-770-0378	
* Chino Hills	Ms. C. Buhaglar, Finance Director	F, S	26	909-364-2600	
* Chula Vista	Ms. S. Schoen, Director of Finance	F, S	9	619-409-3818	
* Citrus Heights	Mr. A. Preciado, Accounting Manager	F, S	4	916-727-4705	
* Citrus Heights Water District	Ms. A. Liu, Director of Admin Services	F, U	2	916-735-7703	
* Cypress	Ms. D. Mullaly, Assistant Finance Director	F, S	6	714-229-6700	
* Diamond Bar	Mr. J. Jacobsen, Finance Director	F, S	13	909-839-7051	
* Dixon	Ms. K. Zawadzki, Director of Finance	F, S	9	707-678-7000	
* Downey	Mr. S. Hannah, Finance Director	F, S	8	562-904-7265	
* East Bay Municipal Utility District	Ms. S. Skoda, Director of Finance	F, U	5	510-847-0018	
* Eastern Municipal Water District	Ms. W. Garriz, Controller	F, S, U	2	951-928-3777	
* Fullerton	Ms. T. Smart, Fiscal Services Manager	C, F, S	12	714-738-3139	
* Galt	Mr. M. Boring, Finance Director	F, S	6	209-366-7140	
Georgetown Divide Public Utility District	Ms. J. Buckle, Accounting Manager	C, F, S, U	6	530-333-4356	
Grand Terrace	Ms. C. Clayton, Senior Accountant	F	9	909-824-6621	
* Indio	Ms. S. Lopez, Finance Manager	F, S	7	760-541-4237	
Inglewood	Ms. L. Gomez, Accounting Manager	F, S	8	310-412-5127	
* Inland Empire	Mr. K. Borhani, Finance Director/City Treasurer	F	28	626-430-2221	
Livingston	Mr. H. Balms, Senior Accountant	F, S	2	209-394-5550	
* Lodi	Ms. M. Munoz, Accounting Manager	F, S	1	209-333-6700	
* Lompoc	Ms. C. Donnelly, Management Services Director	F, S	2	805-875-8283	
* Malibu	Ms. R. Feldman, City Manager	F, S	19	310-456-2489	
* Manhattan Beach	Mr. S. Charelian, Finance Director	F, S	18	310-802-5553	
* Monrovia	Ms. B. Bullis, Director of Administrative Services	F, S	22	626-932-5510	
* Monterey One Water	Mr. F. Marsh, Chief Financial Officer	F, S, U	9	831-645-4623	
Monterey Peninsula Airport District	Mr. M. Wilson, Controller	F, S	5	831-648-7000 x201	
* Moorpark	Ms. Y. Cunniff, Director of Finance	F, S	5	805-517-6213	
* Newark	Ms. K. Lee, Finance Director	F	5	510-578-4288	
* Oceanside	Ms. J. Moya, Financial Services Director	F, S	14	760-435-3887	
Ontario International Airport	Ms. K. Snow, Finance Manager	F, S	6	714-415-9636	
* Orange	Ms. T. Nguyen, Director of Finance	F, S	2	714-744-5500	
* Orange County Fire Authority	Ms. G. Cheung, Accounting Manager	F, S	4	714-573-6000	
* Orange County Water District	Mr. R. Flick, CFO/Treasurer	F, S, U	2	714-378-3200	
Orchard Dale Water District	Mr. R. Richard, Finance Manager	F, U	4	562-941-0114	
* Palm Desert	Ms. V. Chavez, Finance Director	F, S	6	760-346-0611	
* Pleasanton	Ms. D. Punzo, Financial Services Manager	F, S	3	925-931-5402	
* Rainbow Municipal Water District	Ms. R. Poole, Accounting Supervisor	F, S, U	3	760-728-1178	
* Rancho Cucamonga	Mr. N. Daniels, Finance Director	F, S	45	909-989-1851	
* Redondo Beach	Ms. W. Collazo, Chief Deputy City Treasurer	F, S	6	310-372-1171 x2428	
* Rialto	Ms. K. Stevens, Deputy Director of Finance	F, S	2	909-421-7242	
* Riverside	Ms. N. Garcia, Controller	F, S, U	4	951-826-5466	
Rolling Hills	Mr. R. Samario, Interim Finance Director	F	14	310-377-1521	
* Rosemead	Mr. B. Chua, Director of Finance	F, S	5	626-569-2146	

Client	Contact Person	Services	Years	Phone
* Roseville	Mr. D. Kautman, Assistant City Manager/CFO	F, S	2	916-774-5314
* San Bernardino Municipal Water Dept.	Ms. C. Mouser, Director of Finance	F, S, U	4	909-453-6010
* San Clemente	Mr. J. Rahn, Finance Director	F, S	5	949-361-8360
* San Joaquin Council of Governments	Ms. G. Orocco, Manager of Finance	F, S	4	209-235-0454
* San Juan Capistrano	Mr. K. Al-Ham, Chief Financial Officer	F, S	2	949-443-6301
* San Marino	Mr. M. Siegfried, Controller	F	29	626-300-0700
* Santa Clarita Valley Water Agency	Ms. A. Aguer, Controller	F, U	4	661-513-1237
* Santa Monica	Mr. S. Gomez, Financial Operations Manager	F, S	7	310-458-8281
Shafter	Mr. R. Sanchez, Administrative Services Director	F, S	2	661-746-5043
Sonoma County Fair & Exposition, Inc.	Mr. M. Margetts, Fair Financial Officer	F	5	707-573-9342
Sutter County	Mr. N. Black, Auditor-Controller	F, S	4	530-822-7439
* Three Valleys Water District	Mr. J. Velasquez, Chief Financial Officer	F, U	15	909-621-5568
* United Water Conservation District	Mr. B. Zahn, Chief Financial Officer	F, S, U	1	805-695-3870
* Vacaville	Mr. K. Matsumiya, Director of Finance	F, S	3	707-449-5688
* Vallejo	Ms. F. Cruz, Assistant Director, Finance	F, S	4	707-648-5542
* West Sacramento	Ms. B. Robertson, Finance Manager	F, S	1	916-617-4584
* Yolo County	Mr. T. Haynes, Chief Financial Officer	F, S	4	530-666-8050
* Yorba Linda Water District	Ms. D. Lugo, Finance Manager	F	2	714-701-3040

Service Codes:

F - Financial Audit

S - Single Audit

I - Internal Audit

C - Consulting

U - Utility Agency

* Participated in the GFOA Award Programs and has received or anticipates receiving outstanding awards

Appendix B – Engagement Team Resumes



Ryan Domino, CPA

ENGAGEMENT PARTNER

ACHIEVEMENTS

Ryan currently serves as a technical reviewer for the Government Finance Officers Association (GFOA), and has been a presenter for CSMFO's annual conference and various chapter meetings. He has been involved with teaching current audit and accounting-related material at LSL's in-house training seminars, and annual GASB Update.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Ryan meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

Ryan has over 11 years of experience in governmental auditing including financial statement audits, preparation of Annual Comprehensive Financial Reports, Housing Successor compliance audits, TDA compliance audits, Single Audits, Federal Student Financial Aid audits, and various consulting and agreed-upon procedures projects.

Ryan is one of the firm's leaders in ensuring audit quality control and Government Practice training for staff. He is a regular presenter at the firm's annual GASB Update where he has presented training to our clients on the latest GASB pronouncements and has been a presenter for CSMFO's chapter meetings and the annual CSFMO Conference.

Some of his presentations have covered:

- General auditing in accordance with GAGAS
- Accounting for capital assets
- GASB Statement Nos. 89, 90, 91, 94, 100, 101, and 102
- Fraud risks and internal controls

MEMBERSHIPS

AICPA, CalCPA, CSMFO, GFOA, GFOAT

EDUCATION

Bachelor of Arts Degree in Business Administration, with an emphasis in Accounting – California State University, Fullerton

LICENSES

Certified Public Accountant
California
Texas

AUDIT ENGAGEMENTS

City of Agoura Hills, CA
City of Big Bear Lake, CA
City of Brea, CA
City of Burbank, CA
City of Carlsbad, CA
City of Cathedral City, CA
City of Chino Hills, CA
City of Dana Point, CA
City of Kress, TX
City of La Quinta, CA
City of Lompoc, CA
City of Monrovia, CA
City of Moorpark, CA
City of Oceanside, CA
City of Orange, CA
City of Palm Desert, CA
City of Rialto, CA
City of Rosemead, CA
City of San Clemente, CA
City of San Juan Capistrano, CA
City of Santa Monica, CA
Monterey Peninsula Airport District
Orange County Water District
Orchard Dale Water District
Rainbow Municipal Water District
San Bernardino Muni. Water Dept.
Three Valleys Muni. Water District
United Water Conservation District
Yorba Linda Water District



Christian Townes, CPA

CONCURRING PARTNER

ACHIEVEMENTS

With over 12 years of experience in public accounting, Christian brings a strong focus on governmental services and auditing, including federal grant compliance. She has a strong background in navigating the complexities of GASB regulations, ensuring compliance and accuracy in financial processes. Additionally, she specializes in Single Audit planning and execution and excels in evaluating requirements, including major program determination, audit sampling, and internal control compliance.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Christian meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

She has performed all phases of our government audits, including special districts, ACFR audits, and Single Audits.

Her work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report
- Performing analytical and substantive audit procedures on account balances
- Planning the nature, timing, and extent of procedures involved in the audit process audits in accordance with the provisions of Government Auditing Standards and the provisions of the Single Audit Act and the Uniform Guidance
- Assisting clients with the preparation and review of GASB related journal entries, including implementation of GASB 87 and 96.

MEMBERSHIPS

AICPA, GFOA, CSMFO

EDUCATION

Bachelor of Science in Accounting with a minor in Economics –
The College at Brockport, State University of New York

A.S. in Business Administration – Genesee Community College

LICENSE

Certified Public Accountant
New York
California

ENGAGEMENTS

Bay Area Clean Water Agencies
City of Citrus Heights
City of Diamond Bar
City of Dixon
City of Escalon, TDA
City of Galt
City of Inglewood
City of Lathrop, TDA
City of Lodi
City of Lodi, TDA
City of Manhattan Beach
City of Ripon, TDA
City of Shafter
City of Stockton, TDA
City of Tracy, TDA
City of Vacaville
City of Vallejo
County of Butte
County of El Dorado
County of Nevada
County of Placer
County of Sutter
DSRSD-EBMUD Recycled Water
Authority
East Bay Municipal Utility District
Freeport Regional Water Project
Monterey One Water
Sacramento Transportation Authority
San Joaquin COG
San Joaquin Rail Commission, TDA
San Joaquin Transit District, TDA
San Joaquin County, TDA
Stanislaus Council of Governments
Sutter County
Upper Mokelumne River Watershed
Authority



LICENSE

Certified Public Accountant:
California
Texas

CONSULTING ENGAGEMENTS

City of Manteca, CA
City of Marfa, TX
City of Moses Lake, WA
City of Rancho Cucamonga, CA
City of Redondo Beach, CA
City of Tustin, CA
City of Winters, CA
County of Hidalgo, TX
County of San Bernardino, CA
Georgetown Divide Public Utilities
District, CA
Pomona Valley Transportation
Authority, CA
Puente Hills Habitat Preservation
Authority, CA
Yolo County Public Agency Risk
Management Insurance Auth., CA

AUDIT ENGAGEMENTS

City of Barstow
City of Downey
City of Inglewood
City of Irwindale
City of Lake Elsinore
City of Manhattan Beach
City of Palm Desert
City of Redondo Beach
City of Shafter
Mesa Water District
Ontario International Airport Auth.

Kelly A. Telford, CPA

CONSULTING PARTNER

ACHIEVEMENTS

Kelly has developed her expertise in accounting and auditing, financial forecasting, budget development, public utilities, investment management, grant management, human resources, and information technology. She has taught classes for GFOA and has presented at annual conferences for CSMFO and GFOA. She is a respected leader in public finance and known for being a change agent and thought leader in organizational strategy.

CONTINUING EDUCATION

130 total hours over the last three years, 104 of which were in governmental accounting and auditing subjects. Kelly meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

Kelly has over 20 years of experience working both in and with government agencies including counties, cities, successor agencies, special districts, and native american tribes and tribal casinos. She served as a Director of Finance/City Treasurer for the cities of Seal Beach and Costa Mesa and has served as the Director of Financial Management for the Los Angeles County Community Development Agency. She has also been an auditor and consultant for 14 years specializing in the audits of government agencies.

Her work has entailed:

- Implementation of month-end and year-end close procedures for numerous organizations.
- The preparation of the ACFR for submission for the GFOA award.
- Implementation of new ERP systems, including PeopleSoft, Incode and QuickBooks.
- Audit review and technical assistance throughout the year to deliver the most up-to-date information with current GASB pronouncements
- Presentations to City Councils, Board of Supervisors, Boards of Directors, and Audit Committees
- Currently serves as a technical reviewer for the Government Finance Officers Association (GFOA) Certificate of Excellence in Financial Reporting and the Distinguished Budget Presentation Award Program
- Serves on the CSMFO Professional Standards Committee

MEMBERSHIPS

AICPA, CalCPA, CSMFO, GFOA, TML (Texas Municipal League), GFOA-T (GFOA of Texas)

EDUCATION

Bachelor of Arts, Accounting – California State University, Fullerton



Steven "Berrett" Warnick, CPA

SENIOR MANAGER

ACHIEVEMENTS

Berrett dove headfirst into the world of accounting in 2007 and never looked back. He's been a licensed CPA since 2011 and has honed his specialty in helping state and local governments tackle major challenges, including the implementation of new GASB standards such as revenue recognition, leases and fiduciary activities.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Steven meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

Berrett has over 18 years of experience in governmental auditing including financial statement audits, preparation of Annual Comprehensive Financial Reports, TDA compliance audits, Single Audits, and various consulting and agreed-upon procedures projects.

Although new to LSL, Steven has already contributed to the firm's webinars helping to educate staff and clients. His passion for solving complex challenges with calm confidence translates into his ability to explain common industry issues with simplified, understandable solutions.

His work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report
- Assisting clients with obtaining the GFOA award of excellence for the first time.
- Presentation of audit results to Audit Committees or other charged with governance.
- Planning the nature, timing, and extent of procedures involved in the audit process audits in accordance with the provisions of Government Auditing Standards and the provisions of the Single Audit Act and the Uniform Guidance
- Risk assessment and evaluation of internal controls with COSO and Federal Green Book.
- Assisting clients with the implementation of new GASB pronouncements including GASB 68, 75, 84, 87, 96 and 100.

MEMBERSHIPS

AICPA, CalCPA

EDUCATION

Bachelor of Science Degree in Accounting, Minor in Information Systems - Brigham Young University, Idaho

LICENSE

Certified Public Accountant
California

AUDIT ENGAGEMENTS

Alpine County, CA
Amador County, CA
Butte County, CA
Calaveras County, CA
El Dorado County, CA
Inyo County, CA
Kern County, CA
Lake County, CA
Marin County, CA
Mendocino County, CA
Mono County, CA
Monterey County, CA
Napa County, CA
Nevada County, CA
Placer County, CA
San Bernardino County, CA
San Joaquin County, CA
San Luis Obispo County, CA
Sierra County, CA
Sutter County, CA
Tehama County, CA



Chloe Zabrek

SUPERVISOR

ACHIEVEMENTS

Chloe is a skilled and dedicated senior auditor with a comprehensive understanding of all audit procedures and the ability to identify and resolve complex issues. As an experienced auditor, Chloe plays a crucial role in ensuring accuracy and compliance with both regulatory and professional standards, while focusing on the quality and effectiveness of the audit engagement.

CONTINUING EDUCATION

120 total hours over the last three years, 100 of which were in governmental accounting and auditing subjects. Chloe meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

With 5 years of experience in governmental auditing, Chloe has honed her expertise in all phases of government audits, including ACFR audits, housing authority audits, Transportation Development Act audits, Air Pollution Districts, State department audit, and Single Audits.

Her work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report (ACFR)
- Performing analytical and substantive audit procedures on account balances
- Planning the nature, timing and extent of procedures involved in the audit process
- Assisting clients with the preparation and review of GASB 68, 75, 87, and 96 journal entries
- Review of capital asset, debt service, federal and state award schedules

EDUCATION

Bachelor of Arts in Business Administration
with an emphasis in Accounting – Seattle University

Master of Professional Accountancy – University of California, Davis

LICENSE

CPA: CA Licensure Pending

ENGAGEMENTS

County of Butte
County of El Dorado
City of Diamond Bar
City of Rancho Cucamonga
City of Redondo Beach
City of Roseville
City of San Juan Capistrano
City of Vallejo
South Coast Air Quality District

Engagements at CLA
County of Butte
County of Calaveras
County of El Dorado
County of Glenn
County of Humboldt
County of Kern
County of Lake
County of Mendocino
County of Monterey
County of Placer
County of San Bernadino
County of San Joaquin
County of San Luis Obispo
County of Shasta
County of Stanislaus
County of Tehama
County of Trinity
County of Yuba
City of Benicia
City of Porterville
City of Redding
California Housing Finance Agency
California Infrastructure and Economic
Development Bank
California Cannabis Authority
Eastern Sierra Transit Authority
Sacramento Law Library
San Luis Obispo APCD

Appendix C – COI Evidence of Coverage



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/1/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Affinity Insurance Services, Inc. 1100 Virginia Drive, Suite 250 Fort Washington, PA 19034	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL: ADDRESS:		FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE INSURER A: Continental Casualty Company		NAIC # 20443
INSURED LSL, LLP 500 Technology Drive, Suite 350 Irvine, CA 92681	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability		APL-275513554	10/12/2024	10/12/2025	Per Claim/Aggregate \$1,000,000/\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

LSL, LLP 500 Technology Drive, Suite 350 Irvine, CA 92681	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Affinity Insurance Services, Inc.
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/10/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Liberty Company Insurance Brokers Lic #0D79653 5955 De Soto Ave, Ste 250 Woodland Hills CA 91367		CONTACT NAME: Lindsey Jamall PHONE (A/C, No, Ext): (888) 918-3960 FAX (A/C, No): E-MAIL ADDRESS: ljamall@libertycompany.com	
INSURED LSL, LLP 500 Technology Drive Suite 350 Irvine CA 92618		INSURER(S) AFFORDING COVERAGE INSURER A: Hartford Underwriters Insurance Company INSURER B: Sentinel Insurance Co. & others, see Form WC660440 INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 30104 11000	

COVERAGES CERTIFICATE NUMBER: 24-25 BOP/UMB/WC REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			57SBABE9C78	10/12/2024	10/12/2025	EACH OCCURRENCE \$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 2,000,000
							GENERAL AGGREGATE \$ 4,000,000
							PRODUCTS - COM/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			57SBABE9C78	10/12/2024	10/12/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			57SBABE9C78	10/12/2024	10/12/2025	EACH OCCURRENCE \$ 1,000,000
							AGGREGATE \$ 1,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y	N/A	57WECAZ7TWB	10/12/2024	10/12/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
							E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Operations of the Named Insured.
 All below provisions apply to the Certificate Holder per Terms of Written Contract with the Named Insured.
 Form SL 90 13 10 18: 30 days Notice of Cancellation to Certificate Holder (All Policies)
 Form SL 30 32 06 21: Blanket Additional Insured (General and Auto Liability)
 Form SL 00 00 10 18: Primary & Non-Contributory + Waiver of Subrogation (General and Auto Liability)
 Form WC 99 03 03 B: Waiver of Subrogation (Workers Compensation)

CERTIFICATE HOLDER 	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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