

9a | Commission
Discussion

REGULAR MEMBERS

CHAIR
Donald P. Wagner
County Member

VICE CHAIR
Wendy Bucknum
City Member

IMMEDIATE PAST CHAIR
Douglass Davert
Special District Member

James Fisler
Special District Member

Peggy Huang
City Member

Derek J. McGregor
Public Member

VACANT
County Member

ALTERNATES

Kathryn Freshley
Special District Member

Carol Moore
City Member

Lou Penrose
Public Member

VACANT
County Member

STAFF

Carolyn Emery
Executive Officer

Scott Smith
General Counsel

MEETING DATE: January 8, 2025

TO: Local Agency Formation Commission
of Orange County

FROM: Executive Officer

SUBJECT: OC LAFCO Professional Services Agreement Update
and One-Year Extension of Agreement with Davis
Farr LLP

BACKGROUND

OC LAFCO utilizes private sector firms to complement staff resources for a variety of professional services, such as accounting, auditing, legal counsel, project facilitation, and other services. In accordance with local policy, each year the Commission receives a report on the agency's current professional services agreements. Some of the agreements are for services that are ongoing or as needed, whereas others are for one-time projects.

DISCUSSION

The comprehensive list, referenced as Attachment 1 to this report, includes agreements approved by the Commission and within the signature authority of the Executive Officer. In accordance with OC LAFCO's Accounting and Financial Policies, the Commission delegates authority to the Executive Officer for: (1) the purchase of goods and materials for office use not exceeding \$10,000, and (2) the approval and execution of agreements not exceeding \$10,000.

One of the items listed in Attachment 1 is an extension of the agreement with Davis Farr LLP to perform annual auditing services for the fiscal year ending on June 30, 2025. The original agreement approved by the Commission in 2021, in part to a competitive process conducted by five of the southern region LAFCOs (Imperial, Los Angeles, Orange, Riverside, and San Bernardino), included a four-year term with an option to extend the agreement for an additional year. Staff and Davis Farr representatives met recently to discuss joint interest in extending the agreement and a proposed adjustment to total costs for the extension period of \$7,920 to \$11,700. The increase of \$3,780 is proposed for the firm to provide adequate auditing services relative to the ongoing GASB and other accounting requirements. Based on the information provided by Davis

Farr, staff recommends approval of the increase of the total amount of the agreement for the single year.

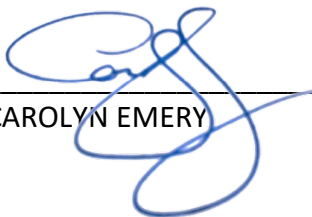
Additionally, staff has been informed that other southern region LAFCOs involved in this process will be recommending to their Commission approval of the option to extend the term of the agreement with Davis Farr for an additional year. In line with OC LAFCO's local policy, if the Commission approves the one-year extension, staff will conduct a joint competitive bidding process with other southern region LAFCOs for providing auditing services beginning with the fiscal year ending June 30, 2026.

RECOMMENDED ACTION

Staff recommends the Commission:

1. Receive and file the annual update on professional services agreements.
2. Approve the one-year extension with Davis Farr LLP and authorize the Executive Officer to execute the extension.

Respectfully submitted,



CAROLYN EMERY

Attachments:

1. FY 23-24 OC LAFCO Professional Services Agreements Summary
2. Form to First Amendment to Agreement for Professional Services Between OC LAFCO and Davis Farr LLP
3. Professional Consultant Services Agreement with Davis Farr LLP

Orange County LAFCO Professional Services Agreements Fiscal Year 2024-25

OC LAFCO Consultant	Primary Responsibilities	Agreement Status/Amount	Comments
Berkson Associates	Preparation of Fiscal Indicators for the 4 th Cycle MSRs and updates to fiscal indicators.	Current/ not to exceed \$20K per fiscal year	Assist with fiscal analyses and preparation of fiscal indicators for MSRs and website.
Best Best & Krieger LLP	Legal Services	Current/Budgeted at \$60K per fiscal year	Ongoing agreement for Commission legal services; some costs reimbursable by applicants.
CSUF/Center for Demographic Research	Specialized Demographic Data and Reports	Current/not to exceed \$20K for FYs 2024-25	Three-year MOU for FYs 2023-2026 to provide annual updates on specialized demographic data, prepare an annual countywide annexation boundary change report, and mapping of Orange County's disadvantaged unincorporated communities.
Davis Farr LLP	Annual Audit Services	Proposed Budget at \$11,700 for FY 2024-25 (final year)	Four-year agreement for auditing services through 2024, with option for one-year extension through 2025.
Eide Baily	Accounting, Budgeting and Bookkeeping	Current/ not to exceed \$49,216 per fiscal year	Ongoing agreement for accounting, bookkeeping and budget services awarded through a competitive quote process.
Paycor	Commissioner Payroll Processing	Current/not to exceed \$1,700 per fiscal year	Ongoing agreement for processing of Commissioner stipends, mileage reimbursements, and W-2s awarded through a competitive process.
Respond Tech	Information Technology Support Services	Current/ not to exceed \$10K per fiscal year	Ongoing agreement for information technology services awarded through a competitive quote process.
RSG Inc.	Central MSR and SOI Reviews	Current/ not to exceed \$95,645	One time agreement for preparation of municipal service reviews and SOI reviews for the Central Region.

**FIRST AMENDMENT
TO AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION
AND DAVIS FARR LLP**

This First Amendment to Agreement for Professional Services (“First Amendment”) is made and entered into as of ____, 2025 (“Effective Date”) by and between ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as “LAFCO”), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 *et seq.* and Davis Farr, LLP, a California limited liability company and qualified independent Certified Public Accounting firm (hereinafter referred to as “Consultant”). LAFCO and Consultant may be hereinafter referred to individually as the Party or collectively as the Parties.

RECITALS

A. The Parties entered into that certain Agreement for Professional Services effective July 1, 2021 for the provision of professional audit services for the fiscal years ending on June 30, 2021, June 30, 2022, June 30, 2023 and June 30, 2024 (“Agreement”).

B. The Agreement provides that amendments or modifications to the Agreement be made in writing and signed by the Parties.

C. The Parties now desire to amend the Agreement in order to increase the total compensation under the Agreement and extend the term of the Agreement.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Compensation. Section 2(a) of the Agreement is amended in its entirety to read as follows:

“The total amount paid for services rendered by Consultant pursuant to Exhibit “A” for the audit of the fiscal year ending on June 30, 2021 shall not exceed \$7,405 without prior written approval by LAFCO. For the fiscal years ending on June 30, 2022, and June 30, 2023, and June 30, 2024, the total annual amount paid for services shall not exceed \$7,485, \$7,635, and \$7,765. The total compensation paid for services rendered by Consultant for audit services for the fiscal year ending on June 30, 2025 shall not exceed \$11,700 without prior written approval by LAFCO. Periodic payments shall be made within 30 days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.”

2. Term and Time of Performance. Section 5 of the Agreement is hereby amended in its entirety to read as follows:

“The term of this Agreement shall be from July 1, 2021 to June 30, 2025 unless earlier terminated as provided herein. Any extension of the term of the Agreement shall be approved in writing by the LAFCO Commission. Consultant shall perform its services hereunder in a prompt and timely manner, in accordance with the Activity Schedule shown in Exhibit “C” and shall commence performance upon the execution of this Agreement.”

3. Remaining Provisions. Except as specifically set forth in this First Amendment, the remaining provisions of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**ORANGE COUNTY LOCAL AGENCY
FORMATION COMMISSION**

DAVIS FARR, LLP

By: _____
Carolyn Emery, Executive Officer

By: _____
Jennifer Farr, Partner

Approved as to Form:

General Counsel
Orange County Local Agency
Formation Commission

**AGREEMENT FOR SERVICES BETWEEN
ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION
AND
DAVIS FARR LLP**

This Agreement is made and entered into as of July 1, 2021 (“Effective Date”) by and between ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as “LAFCO”), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 *et seq.* Davis Farr LLP (hereinafter referred to as “Consultant”).

RECITALS

A. LAFCO is a public agency of the State of California and is in need of the following professional services: Audit Services for the fiscal years ending on June 30, 2021, June 30, 2022, June 30, 2023 and June 30, 2024, as more particularly described herein (hereinafter referred to as “the Project”).

B. Consultant is a qualified independent Certified Public Accounting firm.

C. The parties desire by this Agreement to establish the terms for LAFCO to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide LAFCO with the services described in the Scope of Services attached hereto as Exhibit “A.” Should LAFCO determine, in its sole discretion, to exercise its option to renew this Agreement for an additional year as set forth in Section 5 of this Agreement, such renewed services shall be performed as described in the Scope of Services attached hereto as Exhibit “A.”

2. Compensation.

a. The total amount paid for services rendered by Consultant pursuant to Exhibit “A” for the audit of the fiscal year ending on June 30, 2021 shall not exceed \$7,405 without prior written approval by LAFCO. For the fiscal years ending on June 30, 2022, and June 30, 2023, and June 30, 2024, the total annual amount paid for services shall not exceed \$7,485, \$7,635, and \$7,765 respectively without prior written approval by LAFCO. Should LAFCO, in its sole discretion, exercise its option to renew this Agreement for an additional year as set forth in Section 5 of this Agreement, the total amount paid for services rendered by Consultant for audit services

for the fiscal year ending on June 30, 2025 shall not exceed \$7,920 without prior written approval by LAFCO. Periodic payments shall be made within 30 days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

b. Subject to paragraph 2(a) above, LAFCO shall pay for additional consulting services in accordance with the Schedule of Additional Charges set forth in Exhibit “B.”

c. LAFCO shall reimburse costs advanced by Consultant on LAFCO’s behalf, as well as other expenses, in addition to the amount billed for fees. These currently include, but are not limited to, automobile mileage and actual expenses away from Consultant’s offices on LAFCO business, extraordinary photocopy charges and any costs of producing or reproducing photographs, documents and other things necessary for the preparation or presentation of LAFCO business. All costs will be itemized on LAFCO’s monthly statement. LAFCO shall not pay fees for travel to or from LAFCO’s offices in the ordinary course of business or reimburse mileage to Consultant.

3. Additional Work.

If changes in the work seems merited by Consultant or LAFCO, and informal consultations with the other party indicate that a change is warranted, it shall be processed by LAFCO in the following manner: a letter outlining the changes shall be forwarded to LAFCO by Consultant with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by LAFCO and executed by both parties before performance of such services or LAFCO will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for seven (7) years from the date of final payment under the contract for inspection by LAFCO or any government agencies included in the audit of federal grants.

5. Term and Time of Performance.

The term of this Agreement shall be from July 1, 2021 to June 30, 2024. In its sole discretion, LAFCO may extend the Services required hereunder to include audit services related to the fiscal year ending on June 30, 2025, in writing providing notice to Consultant that such Services shall be extended for an additional year. Consultant shall perform its services hereunder in a prompt and timely manner, in accordance with the Activity Schedule shown in Exhibit “C” and shall commence performance upon the execution of this Agreement.

6. Delays in Performance.

Neither LAFCO nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns and other labor disturbances; sabotage or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.

b. Consultant shall assist LAFCO in obtaining and maintaining all permits required of Consultant by Federal, State and local regulatory agencies.

c. Consultant certifies by executing this Agreement that, on the Effective Date and for the duration of this Agreement, neither Consultant nor its employees assigned to perform services hereunder shall have any prohibited conflict of interest as defined under the California Political Reform Act or conflicting financial interest in this Agreement as defined under California Government Code Section 1090.

d. Consultant agrees that in the event an administrative agency or court of competent jurisdiction finds this Agreement to have been executed or administered in violation of Government Code Section 1090 or any other applicable law, that disgorgement of profits or anything received by Consultant may be required as a consequence of both civil and criminal liability. In such a case, payments made by LAFCO to the Consultant must be returned to LAFCO by the Consultant and no claim for future payments under this Agreement may be made, and LAFCO shall be entitled to retain any benefits which it receives under this Agreement.

8. Standard of Care.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant.

Consultant shall not assign, sublet or transfer this Agreement or any rights under or interest in this Agreement without the written consent of LAFCO, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor.

Consultant is retained as an independent contractor and is not an employee of LAFCO. No employee or agent of Consultant shall become an employee of LAFCO. The work to be performed shall be in accordance with the work described in Exhibit "A," subject to such directions and amendments from LAFCO as herein provided.

11. Integration.

This Agreement represents the entire understanding of LAFCO and Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

12. Insurance.

a. Commercial General Liability

(1) Consultant shall maintain occurrence version Commercial General Liability Insurance or equivalent form with a combined single limit of not less than \$1,000,000 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than twice the occurrence limit.

(2) All such policies shall name Orange County Local Agency Formation Commission, the Commission and each member of the Commission, its officers, employees, agents and LAFCO designated volunteers as Additional Insureds under the policy.

(3) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by LAFCO.

b. Automobile Liability

(1) At all times during the performance of the work under this Agreement the Consultant shall maintain Automobile Liability Insurance for bodily injury and

property damage including coverage for non-owned and hired vehicles, in a form and with insurance companies acceptable to LAFCO.

(2) Coverage for Automobile Liability Insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1.

(3) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by LAFCO.

(4) All such policies shall name LAFCO, the Commission and each member of the Commission, its officers, employees, agents and designated volunteers as Additional Insureds under the policies.

c. Workers' Compensation/Employer's Liability

(1) At all times during the performance of the work under this Agreement and for 24 months following the date of Project completion and acceptance by LAFCO, the Consultant shall maintain workers' compensation in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts indicated herein.

(2) Such insurance shall include an insurer's Waiver of Subrogation in favor of LAFCO and will be in a form and with insurance companies acceptable to LAFCO

(3) If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by LAFCO.

(4) Before beginning work, the Consultant shall furnish to LAFCO satisfactory proof that Consultant has taken out, for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by Consultant to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof. Consultant shall require all subconsultants to obtain and maintain, for the period covered by the work under this Agreement, workers' compensation of the same type and limits as specified in this Section.

d. Professional Liability (Errors and Omissions).

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability insurance, in a form and with insurance companies acceptable to LAFCO and in an amount indicated herein.

e. Minimum Policy Limits Required

(1) The following insurance limits are required for the Contract:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/aggregate for bodily injury, personal injury and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability (errors and omissions)	\$1,000,000 per claim and aggregate

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with LAFCO evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (ACORD Form 25-S or equivalent). All evidence of insurance shall be signed by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies and the expiration date of such insurance.

g. Policy Provisions Required

(1) All policies shall contain a provision for 30 days advance written notice by the insurer(s) to LAFCO of any cancellation. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates.

(2) All policies shall contain a provision stating that the Consultant's policies are primary insurance and that the insurance of LAFCO or any Additional Insured shall not be called upon to contribute to any loss.

h. Additional Insurance Provisions

(1) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by LAFCO, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise

assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(2) If at any time during the life of the Agreement the Consultant fails to maintain in full force any insurance required by the Agreement documents, LAFCO may terminate the Agreement.

(3) The Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.

(4) LAFCO may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(5) Neither LAFCO nor the Commission, nor any member of the Commission, nor any of the directors, officers, employees, agents or volunteers of LAFCO or the Commission shall be personally responsible for any liability arising under or by virtue of this Agreement.

13. Indemnification.

Consultant agrees to protect, save, defend and hold harmless LAFCO and its Commission and each member of the Commission, officers, agents and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of or in any way connected with the alleged acts, errors or omissions or willful misconduct by Consultant, Consultant's agents, officers, employees, subconsultants or independent consultants hired by Consultant under this Agreement. This hold harmless Agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification, etc. to be provided by Consultant.

14. Laws, Venue and Attorneys' Fees.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Orange, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorneys' fees, as determined by the court.

15. Termination or Abandonment.

a. LAFCO has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, LAFCO shall be immediately given title and possession to all original field notes, drawings and

specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. LAFCO shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by LAFCO and Consultant of the portion of such task completed but not paid prior to said termination. LAFCO shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to LAFCO only in the event of substantial failure by LAFCO to perform in accordance with the terms of this Agreement through no fault of Consultant.

16. Organization.

Consultant shall assign Jamie Gardner as the Audit Manager. The Audit Manager shall not be removed from the Project or reassigned without the prior written consent of LAFCO.

17. Notice.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

LAFCO:
2677 North Main Suite 1050
Santa Ana, CA 92705
Attn: Executive Officer

Consultant:
Davis Farr LLP
2301 DuPont Drive, Suite 200
Irvine, CA 92612
Attn: Shannon Ayala

and shall be effective upon receipt thereof.

18. Third Party Rights.

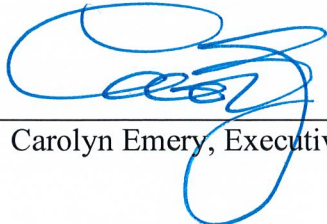
Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than LAFCO and the Consultant.

19. Severability.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

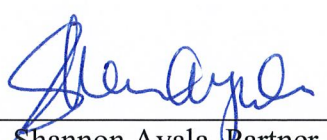
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**ORANGE COUNTY LOCAL AGENCY
FORMATION COMMISSION**

By: 


Carolyn Emery, Executive Officer

DAVIS FARR, LLP

By: 

Shannon Ayala, Partner

Approved as to Form:



General Counsel
Orange County Local Agency
Formation Commission

EXHIBIT A**Scope of Services****Consultant shall provide the following services:**

1) Audit

- a) Consultant will perform an independent audit of all funds of LAFCO. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States.
- b) The Commission's Basic Financial Statements will be prepared and word-processed by the Consultant in full compliance with generally accepted accounting principles.
- c) The Consultant will render their auditors' report on the Basic Financial Statements that will include both Government-Wide Financial Statements and Fund Financial Statements.
- d) The Consultant will also apply limited audit procedures to Management's Discussion and Analysis ("MD&A"), consisting of the control environment, accounting systems and control procedures, and required supplementary information pertaining to the General Fund and each major fund of the Commission.

2) Management Letter

- a) The Consultant will issue a separate "management letter" that includes recommendations to the governing board for improvements in internal control that are considered to be nonreportable conditions.

LAFCO will provide the following services:

The LAFCO staff will provide normal cooperation and assistance during the audit including typing of confirmation requests, referral to the appropriate person and/or department for supporting documents and reconciliations of major asset and liability balances. LAFCO staff will prepare the MD&A based on a template supplied by the Consultant. All other information and financial statements are the responsibility of the Consultant. All working papers and reports are to be retained at the Consultant's sole expense for a minimum of seven (7) years. Consultant will be responsible for making working papers available to LAFCO or any other appropriate government agency.

EXHIBIT B**Schedule of Additional Charges/Payments**

Fee Schedule
for
DAVIS FARR, LLP.

The following fee schedule shall apply for additional consulting services over the term of the Agreement:

Professional Services Classification	Hourly Rates
Partners	\$165
Managers	\$130
Senior (in-Charge) Auditors	\$105
Staff Auditor	\$95

Consultant shall bill LAFCO only for the actual hours incurred in performing the services required under this Agreement, in accordance with the fee schedule set forth above, and subject to the provisions of Section 2 of this Agreement.

EXHIBIT C**Activity Schedule**

Timetable of Audit Work and Deliverable Reports to be performed for the Fiscal Years ending on June 30, 2021, June 30, 2022, June 30, 2023, June 30, 2024 and June 30, 2025, if LAFCO exercises its option to renew the Agreement :

Consultant shall be responsible for performing the audit at the end of each fiscal year over the term of the Agreement in accordance with Exhibit "A" and preparation and word processing of the following financial statements:

<u>Report Description</u>	<u>Number of Copies</u>	<u>Due Date of Each Audit Year</u>
Basic Financial Statements	1 photo ready 3 hard copies (Final audit)	Timeline established by LAFCO for the audit of each fiscal year.

A draft copy of the Basic Financial Statements should be delivered to the LAFCO Executive Officer for review approximately 10 days prior to the deadline noted above.

The audit shall begin no earlier than August 1 of each year and be completed in time to meet the deadline established by LAFCO for the audit of each fiscal year.