



# City of Reedley

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NICOLE R. ZIEBA  
OFFICE OF THE CITY MANAGER  
1717 Ninth Street  
Reedley, Ca. 93654

March 7, 2016

K. Max Sanborn  
Certified Public Accountant  
Sanborn & Sanborn Accountancy Corporation  
P.O. Box 1057  
Reedley, CA 93654

Dear Mr. Sanborn:

Thank you for providing the City with your cost proposal for extending auditing services for the two additional fiscal years ending June 30, 2016 and 2017, subject to the following additional terms:

1. Audit fee for the normal audit will continue to be \$25,000.
2. Audit fee for the "Single Audit" (audit of federal program expenditures in accordance with OMB A-133), if required, will be an additional \$7,500.
3. If required, the City will prepare the Schedule of Expenditures of Federal Assistance (SEFA) and the Single Audit will not commence until the SEFA has been prepared and submitted to the auditor.

All other terms of the previous audit services contract will remain the same. Please be advised that the City of Reedley mutually agrees to this proposal as outlined in the original contract for auditing services approved by the City Council on May 10, 2011 and signed by both parties on May 11, 2011.

Thank you for your time and cooperation in this matter.

Sincerely,

Nicole R. Zieba  
City Manager