

RESOLUTION NO. 2021-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,
EXTENDING APPOINTMENT OF AUDITOR**

WHEREAS, Government Code § 6505 requires the Bear Valley Basin Groundwater Sustainability Agency (“Agency”) to make an annual audit of the accounts and records of the Agency, unless the Member Agencies elect to conduct the audit for a two (2) year period, and

WHEREAS, the minimum requirements of the audit shall be those proscribed by the State Controller for special districts pursuant to Government Code § 26909 and shall conform to generally accepted accounting principles, and

WHEREAS, Section 11 of the Joint Powers Agreement establishing the Agency requires the use of an outside, independent certified public accountant to make the annual audit of the accounts and records of the Agency, and

WHEREAS, the outside independent certified public accountant selected by the Agency as auditor is required to be formally designated by a resolution adopted by the Board of Directors stating the effective date of the appointment and the term of the appointment, and

WHEREAS, the Agency appointed Lance, Soll & Lunghard LLP, an outside and independent accounting firm, to conduct the annual audit of the accounts and records of the Agency effective May 7, 2019, and

WHEREAS, the Agency wishes to continue to retain the services of Lance, Soll & Lunghard LLP as its outside and independent accounting firm, to conduct the annual audit of the accounts for an additional three years.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY as follows:

1. The Agency finds and declares the foregoing recitals to be true and correct.
2. Lance, Soll & Lunghard LLP is hereby reappointed as the Agency’s auditor subject to the terms outlined in the Services Agreement executed on November 12, 2019, and incorporated herein by reference, which Services Agreement was approved by the Agency Board of Directors, as amended by the quote attached as Exhibit “A”.
3. The effective date of appointment is June 22, 2021, and shall be for a term of three years for the fiscal years ending June 30, 2022 – June 30, 2024.

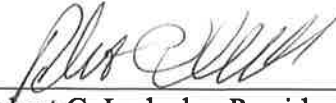
PASSED, APPROVED, and ADOPTED this 22nd day of June, 2021

AYES: Green, Hjorth, Ludecke, Miller

NOES:

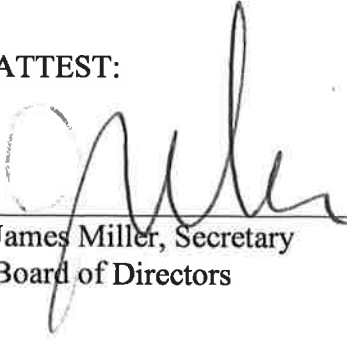
ABSTAIN:

ABSENT:



Robert C. Ludecke, President,
Board of Directors

ATTEST:



James Miller, Secretary
Board of Directors



June 3, 2021

Bear Valley Basin Groundwater Sustainability Agency
c/o Mr. Reginald Lamson, General Manager
City of Big Bear Lake Department of Water and Power

Dear Mr. Lamson,

Thank you for the opportunity to provide a quote to Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) for auditing services for an additional three fiscal years beginning with June 30, 2022. This quote for services is provided to describe the scope of work and fees for each service to be provided to the BVBGSA within that scope. As in the prior contract, we would propose to perform the following scope of work:

1. A financial audit, in accordance with *Government Auditing Standards*, of the BVBGSA's Annual Financial Report and assist BVBGSA staff in the preparation of that report.
2. A Single Audit, if necessary, in accordance with Title 2, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).
3. Preparation of the Financial Transactions Report required by the State Controller's Office.

We will make it an *absolute priority* to provide the BVBGSA with the same level of care and service that we have provided in the past. Since LSL specializes in the audits of local governments and has an extensive government services staff, we provide experienced, knowledgeable staff on the engagement so that the BVBGSA will continue receive a thorough look at its system and records.

Please see the attached Appendix A for our proposed fees for the next year. The fees are based on our standard billing rates with no changes to estimated hours from our original contract. The services to be performed, fee structure and billing methods would remain unchanged from our original agreement.

Again, LSL CPAs looks forward to providing quality services to the BVBGSA. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the BVBGSA have additional questions regarding this agreement, please do not hesitate to contact Bryan Gruber, Managing Partner, at (714) 672-0022.

Very truly yours,

A handwritten signature in black ink that reads "Lance, Soll & Lunghard, LLP". The signature is written in a cursive, flowing style.

Signature

Date



BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

LSL CPAs – Quote for Audit Services

Appendix A

SERVICE	ANNUAL FEES
BVBGSA Audit and Related Reports	\$3,200
BVBGSA Single Audit, if applicable *	\$2,000
BVBGSA State Controller's Report	\$1,060
Annual Total	\$6,260
Three-Year Total	\$18,780

* Single Audit becomes applicable if BVBGSA expends more than \$750,000 in federal grant awards during a given fiscal year.

Should the BVBGSA request additional services not included within the scope of services of this quote, the following billing rates will be used in the calculation of the fees for additional services:

LEVEL	HOURLY RATE
Partner	\$290
Senior Manager	\$200
Manager	\$165
Supervisor	\$140
Senior Accountant	\$120
Experienced Staff Accountant	\$120
Staff Accountant	\$90
Clerical	\$75