

RESOLUTION NO. 2020-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,
FORMALLY DESIGNATING 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.

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.

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.

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.

WHEREAS, the Agency desires to confirm the appointment of Lance, Soll & Lunghard LLP, an outside and independent accounting firm, to conduct the annual audit of the accounts and records of the Agency.

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 appointed as the Agency’s auditor subject to the terms outlined in the Services Agreement attached hereto as Exhibit “A” and incorporated herein by reference, which Services Agreement is approved by the Agency Board of Directors.

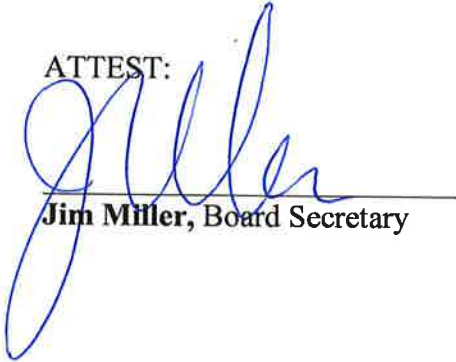
3. The effective date of appointment began on May 7, 2019 and shall be for a term of three years from 2019-2021.

PASSED, APPROVED, AND ADOPTED on June 16, 2020.



Bob Ludecke, Board Chairman

ATTEST:



Jim Miller, Board Secretary



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 16, 2020
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Resolution No. 2020-XX – For the Appointment of Auditors**

Background:

At the May 25, 2017, BVBGSA Board Meeting, the Board collected the Executed Joint Power Agreements (JPA) from the City of Big Bear Lake Department of Water and Power (DWP), Big Bear City Community Services District (BBCCSD), and the Big Bear Municipal Water District (BBMWD) for the formation of a joint powers authority and management of the Bear Valley Groundwater Basin. At the October 18, 2017 BVBGSA Board Meeting, the Board updated the JPA to include the Big Bear Area Regional Wastewater Agency (BBAWRA).

The audit for the fiscal year ended June 30, 2018 was completed by Rogers, Anderson, Malody & Scott, LLP. On March 14, 2019, BVBGSA issued a Request for Proposal (RFP) for Independent Audit Services for fiscal years 2019-2021. At the May 7, 2019 BVBGSA Board Meeting, the Board awarded Lance, Sol and Lunghard with a three-year audit services agreement.

According to the JPA Section 11, “The outside independent certified public accountant selected by the Agency as auditor shall be formally designated by a resolution adopted by the Board of Directors...” As the Board previously selected the audit firm for fiscal year ending June 30, 2019 – June 30, 2021 by motion rather than by resolution, we are asking the Board to adopt a Resolution during this Board meeting, confirming their decision made at the May 7, 2019 BVBGSA Meeting.

Financial Impact:

There is no financial impact.

Recommendation:

Adopt a Resolution No. 2020-XX, confirming the award to Lance, Sol & Lunghard, LLP (LSLCPAs) with a three-year audit services contract.



November 12, 2019

To Reginald Lamson
Bear Valley Basin Groundwater Sustainability Agency
PO Box 1929
Big Bear Lake, CA 92315

You have requested that we prepare the Agencies Financial Transaction Report of the Agency of Bear Valley Basin Groundwater Sustainability Agency (the Agency), which comprise the year-end balance sheets and the schedules of revenues, expenditures, and other related information on a regulatory basis in the form prescribed by the California State Controller for the year ended June 30, 2019. We are pleased to confirm our acceptance and our understanding of this engagement to prepare the Agencies Financial Transaction Report of the Agency by means of this letter.

Our Responsibilities

The objective of our engagement is to prepare Agencies Financial Transaction Report in accordance with regulatory basis in the form prescribed by the California State Controller based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the Agencies Financial Transaction Report.

Our engagement cannot be relied upon to identify or disclose any Agencies Financial Transaction Report misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Agencies Financial Transaction Report in accordance with regulatory basis in the form prescribed by the California State Controller. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your Agencies Financial Transaction Report in accordance with SSARs:

- a. The selection of with regulatory basis in the form prescribed by the California State Controller as the financial reporting framework to be applied in the preparation of the Agencies Financial Transaction Report
- b. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Agencies Financial Transaction Report that are free from material misstatement, whether due to fraud or error
- c. The prevention and detection of fraud
- d. To ensure that the entity complies with the laws and regulations applicable to its activities





Bear Valley Basin Groundwater Sustainability Agency
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- e. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare the Agencies Financial Transaction Report
- f. To provide us with:
 - i. Documentation, and other related information that is relevant to the preparation and presentation of the Agencies Financial Transaction Report,
 - ii. Additional information that may be requested for the purpose of the preparation of the Agencies Financial Transaction Report, and
 - iii. Unrestricted access to persons within the Agency of whom we determine necessary to communicate.

The Agencies Financial Transaction Report will not be accompanied by a report. However, you agree that the Agencies Financial Transaction Report will clearly indicate that no assurance is provided on them.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our engagement to prepare the Agencies Financial Transaction Report described herein, and our respective responsibilities.

Sincerely yours,

Brea, California

Acknowledged and agreed on behalf of the Agency of Bear Valley Basin Groundwater Sustainability Agency by:

Reginald A Lamson

Signature

Reginald A Lamson, GM

Name and Title

12-23-2019

Date



TRANSACTION DETAILS

Reference Number
94EED0A3-001B-457C-8F72-B646EE4D1FA7

Transaction Type
Signature Request

Sent At
12/19/2019 11:42 EST

Executed At
12/23/2019 19:15 EST

Identity Method
email

Distribution Method
email

Signed Checksum
01beb7f2b7b7ddad8c251093b0d604f0ed70bd77af4a610d1dbffcf0c060fca

Signer Sequencing
Disabled

Document Passcode
Disabled

DOCUMENT DETAILS

Document Name
Bear Valley Basin Groundwater Sustainability Agency SCR- Engagement Letter

Filename
bear_valley_basin_groundwater_sustainability_agency_scr_-_engagement_letter.pdf


Pages
2 pages

Content Type
application/pdf

File Size
164 KB

Original Checksum
57d82640af3b7db19de78fc017579f47ace51637419c3a204ff936e001a25817

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Reginald Lamson</p> <p>Email rlamson@bbldwp.com</p> <p>Components 3</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum a2cae820bd44ec7d9bcf1740d89b657e4d7fc59431db130e5e857141c246c0c3</p> <p>IP Address 71.9.127.82</p> <p>Device Chrome via Windows</p> <p>Drawn Signature </p> <p>Signature Reference ID C9713CAA</p> <p>Signature Biometric Count 751</p>	<p>Viewed At 12/23/2019 19:12 EST</p> <p>Identity Authenticated At 12/23/2019 19:15 EST</p> <p>Signed At 12/23/2019 19:15 EST</p>

AUDITS

TIMESTAMP	AUDIT
12/23/2019 19:15 EST	Reginald Lamson (rlamson@bbldwp.com) signed the document on Chrome via Windows from 71.9.127.82.
12/23/2019 19:15 EST	Reginald Lamson (rlamson@bbldwp.com) signed the document on Chrome via Windows from 71.9.127.82.
12/23/2019 19:15 EST	Reginald Lamson (rlamson@bbldwp.com) authenticated via email on Chrome via Windows from 71.9.127.82.
12/23/2019 19:12 EST	Reginald Lamson (rlamson@bbldwp.com) viewed the document on Chrome via Windows from 71.9.127.82.
12/23/2019 18:01 EST	Reginald Lamson (rlamson@bbldwp.com) was emailed a reminder.
12/19/2019 11:42 EST	Reginald Lamson (rlamson@bbldwp.com) was emailed a link to sign.
12/19/2019 11:42 EST	Marissa Northrop (marissa.northrop@lslcpas.com) created document 'bear_valley_basin_groundwater_sustainability_agency_scr_-_engagement_letter.pdf' on Internet Explorer via Windows from 12.52.78.130.