

**MERCED SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
RESOLUTION NO. 2018-02**

**RESOLUTION OF THE MERCED SUBBASIN GROUNDWATER SUSTAINABILITY
AGENCY AUTHORIZING FIVE-YEAR AUDITS**

WHEREAS, the Merced Subbasin Groundwater Sustainability Agency (GSA) was formed by a joint powers agreement under Division 7 of the California Government Code on January 2, 2017; and

WHEREAS, Government Code Section 26909 requires special districts to conduct annual audits of its books, accounts and financial records; and

WHEREAS, California Government Code Section 26909 also provides that a special district may, by unanimous request of the governing board of the special district and with unanimous approval of the local board of supervisors, replace its required annual audit with a five-year audit if the special district's annual revenues do not exceed an amount specified by the board of supervisors; and

WHEREAS, an annual audit would be financially burdensome during the initial start-up of the GSA and a five-year audit will reduce the GSA's expenses in connection with its required audit; and

WHEREAS, the GSA's Governing Board desires to adopt a five-year audit for the five year period starting on July 1, 2016 and ending on June 30, 2021 and for every five-year period thereafter.

NOW, THEREFORE BE IT RESOLVED that the Governing Board hereby adopts a five-year audit as of the five-year period ending June 30, 2021 and every five years thereafter; and

BE IT FUTHER RESOLVED that the Governing Board requests concurrence and approval from the Merced County Board of Supervisors to adopt a five-year audit; and

BE IT FURTHER RESOLVED that the Governing Board hereby authorizes the Chair of the Merced Subbasin GSA to execute all documents and take any other action necessary or advisable to carry out the purpose of the foregoing resolution.

PASSED AND ADOPTED at a special meeting of the Governing Board at Merced, California on this 29th day of March, 2018 by the following vote:

AYES: Espinoza, Farmer, Kelley, Marchini, Park

NOES: None

ABSENT: None

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ABSTAINING: None

MERCED SUBBASIN GROUNDWATER
SUSTAINABILITY AGENCY

By: Robert D. Kelley
Chair

ATTEST:

John J. Kelly
Secretary