



CALIFORNIA CITIES FOR SELF RELIANCE JOINT POWERS AUTHORITY
REGULAR SCHEDULED MEETING

THIS MEETING WILL BE CONDUCTED IN PERSON, TELEPHONICALLY AND ELECTRONICALLY AT THE FOLLOWING:

**CITY OF HAWAIIAN GARDENS
CITY HALL CONFERENCE ROOM
21815 PIONEER BOULEVARD
HAWAIIAN GARDENS, CA 90716**

TELECONFERENCE PHONE NUMBER: (669) 900-6833, 6476620089#

ELECTRONICALLY AT ZOOM MEETING ID: 647 662 0089

WEDNESDAY, MAY 17, 2023

10:00 A.M.

A G E N D A

CALL TO ORDER & ROLL CALL

Board Members: Alejandra Cortez, Vice Chair - *Bell Gardens*
 Hugo Argumedo, Chair – *Commerce*
 Emma Sharif, Treasurer – *Compton*
 Martin Fuentes, Member – *Cudahy*
 Victor Farfan, Secretary – *Hawaiian Gardens*

PUBLIC PARTICIPATION

Public participation is now open. The members of the audience now have the right to speak on agenda items and any item under the jurisdiction of the Authority. This

period will be limited to thirty minutes, with no more than three minutes for each speaker. Anyone desiring to speak during the public comment period must submit an email request juan@sixheron.com, or to the Authority Secretary via Zoom prior to the close of public participation. Due to policy and Brown Act requirements, action will not be taken on any issues not on the Agenda.

Please state your name and address clearly.

NEW BUSINESS – OPEN SESSION

1. Welcome – City of Hawaiian Gardens.
2. Consideration and possible action to approve the Minutes of the April 19, 2023 Regular Meeting of the Board.
3. Consideration and possible action to receive and file Financial Summary and Warrant Register dated May 17, 2023.
4. Status update & report from California Advocacy, LLC with respect to legislative matters.
5. Consideration and possible adoption of a resolution acknowledging the California Cities for Self-Reliance Joint Powers Authority's past administrative transition in 2019 and 2020.
6. Consideration and request for approval of contract between the California Cities for Self-Reliance Joint Powers Authority and Gruber & Lopez, Inc for Financial Statements Auditing Services (As of and for the Years Ended June 30, 2021, 2022 and 2023).
7. Consideration and possible action regarding FY 2023-2024 Annual Budget.
8. Report of General Counsel

Pursuant to Government Code § 54954.2 (a)(3) – A report to the Board of Directors and the public on General Counsel's activities, including compliance efforts, approval of contracts as to form, receipt of notices, and requests to place matters on subsequent agendas (excluding any matters qualifying for closed session consideration).
9. Executive Director Report/Summary

NEW BUSINESS - CLOSED SESSION

10. None

CHAIRMAN AND BOARD MEMBER REPORTS

This is the time and place for the Chairman and Board Members to report on any other items of interest. Upon request by an individual Board Member, the Authority may choose to take action on any of the subject matters listed below.

Vice Chair Cortez (Bell Gardens)

Chair Argumedo (Commerce)

Treasurer Sharif (Compton)

Member Fuentes (Cudahy)

Secretary Farfan (Hawaiian Gardens)

ADJOURN

The next regular meeting of the California Cities for Self-Reliance Joint Powers Authority will be held at 10:00 a.m. on Wednesday, June 21, 2023, in the City of Bell Gardens.



**CALIFORNIA CITIES FOR SELF-RELIANCE JOINT POWERS AUTHORITY
REGULAR SCHEDULED MEETING**

**CITY OF CUDAHY
COUNCIL CHAMBERS / BEDWELL HALL
5240 SANTA ANA STREET
CUDAHY, CA 90201**

TELECONFERENCE PHONE NUMBER: (669) 900-6833, 6476620089#

ELECTRONICALLY AT ZOOM MEETING ID: 647 662 0089

WEDNESDAY, APRIL 19, 2023

10:10 AM

MINUTES

ROLL CALL

Board Members Present:

Hugo Argumedo, *Chair – Commerce*
Alejandra Cortez, *Vice Chair – Bell Gardens*
Victor Farfan, *Secretary – Hawaiian Gardens*
Emma Sharif, *Treasurer – Compton* **(Arrived 10:19 AM)**
Martin Fuentes, *Member – Cudahy*

PUBLIC ATTENDING MEETING

Linda Hollinsworth, Francois McGinnis, Marvin Pineda, Richard Iglesias, Victor Ponto,
Juan Garza

PUBLIC PARTICIPATION

None.

NEW BUSINESS – OPEN SESSION

Welcome – City of Cudahy

Member Martin Fuentes of the City of Cudahy welcomed the JPA Board and staff to the City.

1. Consideration and possible action to approve the Minutes of the March 15, 2023 Regular Meeting of the Board.

Secretary Farfan moved and Member Fuentes seconded to approve the Minutes.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Absent
Cudahy	Yes
Hawaiian Gardens	Yes

2. Consideration and possible action to receive and file Financial Summary and Warrant Register dated April 19, 2023.

Executive Director Garza & Finance Director Hollinsworth provided an update on the Authority's current financial position.

All revenues from member cities are trending to meet budget targets by end of fiscal year but cardroom voluntary revenues are forecasted to be below budget targets due to the unanticipated non-participation of the Bicycle Casino this fiscal year, as previously reported to the Board in July 2022.

All expense lines of business are trending to end below target except with the exceptions of Lobbying (will meet target) and communications (resulting above target), due to unanticipated increases in service rates from the JPA's communications consultant.

Overall, the JPA's budget is forecast to end with a surplus opportunity to add funds to its reserves.

Vice Chair Cortez moved and Secretary Farfan seconded to receive and file Financial Summary and Warrant Register.

The motion was approved by the following vote:

Bell Gardens	Yes
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Commerce	Yes
Compton	Absent
Cudahy	Yes
Hawaiian Gardens	Yes

3. Consideration and possible action to receive and file California Cities for Self-Reliance Joint Powers Authority Audited Financial Statements (As of and for the Years Ended June 30, 2020, and 2019) Report.

Executive Director Garza, Finance Director Hollinsworth & General Counsel Ponto provided a comprehensive background report & summary of the findings in the audited financial statements.

Specifically, the audited statements reflect a time of transition for the JPA during the audited years. Prior JPA administration was relieved of duty in the middle of FY 2019-2020, and upon their departure failed to transfer any and all documents of the JPA despite numerous efforts of current JPA administration & general counsel to take possession of them, including agendas and minutes. Due to this fact, the final audit report indicates, as its sole finding, that it could not account for higher than budgeted expenses related to board compensation during that FY. Staff reported that it believes that occurred due to the numerous meetings held that FY by the board in response to potential & unanticipated actions of concerns by then-Attorney General Xavier Becerra related to player-rotation rules on cardrooms throughout California.

Aside from this finding, the audits reported nothing of concern or out of the ordinary regarding the JPA's financial statements or actions.

JPA staff did report that delay in these reports were due to the auditor's extensive and unusual insistence that documentation being held by the prior administration be provided to them before finalizing their findings. Due to this delay and in an effort to eliminate future delays in audited statements and reports, JPA staff will be soliciting new auditors.

Vice Chair Cortez moved and Treasurer Sharif seconded to receive and file the reports, and directed staff to bring back to the board a resolution acknowledging the JPA's past administrative transition and related failure of its past administration to supply the JPA its material effects.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes

Cudahy	Yes
Hawaiian Gardens	Yes

4. Consideration and possible action regarding FY 2023-2024 Annual Budget.

A full report from staff will be presented at the May 17, 2023, Board meeting.

Vice Chair Cortez moved and Secretary Farfan seconded to continue to the May 17, 2023 Board Meeting.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

5. Status update & report from California Advocacy, LLC with respect to legislative matters.

Mr, Marvin Pineda provided a comprehensive report on Moratorium Legislation and potential Bureau of Gambling Control Regulations.

Vice Chair Cortez moved and Secretary Farfan seconded to receive and file the report.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

6. Report of General Counsel

No report.

7. Executive Director Report/Summary

Executive Director Garza reported on:

- 1) COVID-19 Status in CA & LA County
- 2) Statewide Cardroom Moratorium AB 341 – To be heard next Tuesday, April 25
- 3) Recent Cardroom Event – Supervisor Hahn
- 4) Annual Form 700 Reports submitted – Thank You

Treasurer Sharif moved and Secretary Farfan seconded to receive and file the report.

The motion was approved by the following vote:

Bell Gardens	Yes
Commerce	Yes
Compton	Yes
Cudahy	Yes
Hawaiian Gardens	Yes

NEW BUSINESS - CLOSED SESSION

8. None

CHAIRMAN AND BOARD MEMBER REPORTS

This is the time and place for the Chairman and Board Members to report on any other items of interest. Upon request by an individual Board Member, the Authority may choose to take action on any of the subject matters listed below.

Member Fuentes (Cudahy)

Secretary Farfan (Hawaiian Gardens)

Treasurer Sharif (Compton)

Vice Chair Cortez (Bell Gardens)

Chair Argumedo (Commerce)

ADJOURN (11:01 AM)

The next regular meeting of the California Cities for Self-Reliance Joint Powers Authority will be held at 10:00 am on Wednesday, May 17, 2023, in the City of Hawaiian Gardens.

Hugo Argumedo, Chair

ATTEST:

Victor Farfan, Secretary



**CALIFORNIA CITIES FOR SELF-RELIANCE
JOINT POWERS AUTHORITY**

**WARRANT REPORT AND FINANCIAL
SUMMARY – APRIL 2023**

WEDNESDAY, MAY 17, 2023.

BALANCE SHEET

05/17/2023 JPA MEETING

Page: 1

5/10/2023

5:00 pm

City of Hawaiian Gardens

As of: 4/30/2023

Balances

Fund: 50 - CA CITIES FOR SELF RELIANCE

Assets

1000.0000 CASH

106,682.41

Total Assets

106,682.41

Liabilities

2100.0000 ACCOUNTS PAYABLE

15,216.75

2182.0000 UNEARNED REVENUE

0.01

Total Liabilities

15,216.76

Reserves/Balances

2900.0000 FUND BALANCE-UNASSIGNED

73,542.25

2920.0000 CHANGE IN FUND BALANCE

17,923.40

Total Reserves/Balances

91,465.65

Total Liabilities & Balances

106,682.41

Edit List of Invoices - Summary

05/17/2023 JPA MEETING

Date: 05/10/2023

Time: 5:01 pm

Page: 1

City of Hawaiian Gardens

Ref. No.	Vendor Name	Invoice No.	Posting Date	PONumber	Invoice Date	Invoice Description	Invoice Amount	
171017	HUGO ARGUMEDO	2023-04-19	04/19/2023		04/19/2023	04.19.23 MTG STIPEND	250.00	
						Vendor Total:	<u>250.00</u>	
171018	ALEJANDRA CORTEZ	2023-04-19	04/19/2023		04/19/2023	04.19.23 MTG STIPEND	250.00	
						Vendor Total:	<u>250.00</u>	
171019	VICTOR FARFAN	2023-04-19	04/19/2023		04/19/2023	04.19.23 MTG STIPEND	250.00	
						Vendor Total:	<u>250.00</u>	
171020	MARTIN U FUENTES	2023-04-19	04/19/2023		04/19/2023	04.19.23 MTG STIPEND	250.00	
						Vendor Total:	<u>250.00</u>	
171021	CHRISTOPHER GARCIA	CRJPAMI1226	04/30/2023		05/01/2023	APR 2023 SVCS	1,200.00	
						Vendor Total:	<u>1,200.00</u>	
171022	JUAN GARZA	2023-04-30	04/30/2023		04/30/2023	APR 2023 SALARY	5,000.00	
						Vendor Total:	<u>5,000.00</u>	
171023	OLIVAREZ MADRUGA LAW	22032	04/30/2023		04/30/2023	APR 2023 SVCS - GENERAL	1,100.75	
						Vendor Total:	<u>1,100.75</u>	
171024	EVELYN PINEDA	2023-05-02	04/30/2023		05/02/2023	APR 2023 SVCS	6,666.00	
						Vendor Total:	<u>6,666.00</u>	
171025	EMMA SHARIF	2023-04-19	04/19/2023		04/19/2023	04.19.23 MTG STIPEND	250.00	
						Vendor Total:	<u>250.00</u>	
							Grand Total:	15,216.75
							Less Credit Memos:	<u>0.00</u>
							Net Total:	15,216.75
							Less Hand Check Total:	<u>0.00</u>
							Outstanding Invoice Total:	15,216.75
Total Invoices: 9								

REVENUE/EXPENDITURE REPORT
05/17/2023 JPA MEETING

City of Hawaiian Gardens

For the Period: 7/1/2022 to 4/30/2023	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: SR SPECIAL REVENUE FUNDS							
Fund: 50 - CA CITIES FOR SELF RELIANCE							
Revenues							
Function:							
Dept: 0000 ASSETS							
Acct Class: REV REVENUE							
3742.0050 JPA MEMBERSHIP FUNDING	135,000.00	135,000.00	105,000.00	0.00	0.00	30,000.00	77.8
3742.0052 CASINO DONATIONS	100,000.00	100,000.00	62,500.00	10,000.00	0.00	37,500.00	62.5
REVENUE	235,000.00	235,000.00	167,500.00	10,000.00	0.00	67,500.00	71.3
ASSETS	235,000.00	235,000.00	167,500.00	10,000.00	0.00	67,500.00	71.3
Function:	235,000.00	235,000.00	167,500.00	10,000.00	0.00	67,500.00	71.3
Revenues	235,000.00	235,000.00	167,500.00	10,000.00	0.00	67,500.00	71.3
Expenditures							
Function:							
Dept: 4908 JOINT POWERS AUTHORITY							
Acct Class: OPER OPERATING COSTS							
4200.0050 CONTRACT SVC-EX DIR JPA	80,925.00	80,925.00	50,000.00	5,000.00	0.00	30,925.00	61.8
4200.0052 COMMUNICATIONS	10,200.00	10,200.00	12,000.00	1,200.00	0.00	-1,800.00	117.6
4202.0000 AUDIT SERVICES	8,000.00	8,000.00	700.00	0.00	0.00	7,300.00	8.8
4211.0000 MEETING STIPENDS	16,875.00	16,875.00	10,750.00	1,250.00	0.00	6,125.00	63.7
4213.0000 OTHER OPERATING COSTS	9,000.00	9,000.00	54.85	0.00	0.00	8,945.15	0.6
4250.0001 LEGISLATIVE ADVOCATE/JPA	80,000.00	80,000.00	66,660.00	6,666.00	0.00	13,340.00	83.3
4252.0000 SPECIAL COUNSEL - CONTRACT	30,000.00	30,000.00	9,411.75	1,100.75	0.00	20,588.25	31.4
OPERATING COSTS	235,000.00	235,000.00	149,576.60	15,216.75	0.00	85,423.40	63.6
JOINT POWERS AUTHORITY	235,000.00	235,000.00	149,576.60	15,216.75	0.00	85,423.40	63.6
Function:	235,000.00	235,000.00	149,576.60	15,216.75	0.00	85,423.40	63.6
Expenditures	235,000.00	235,000.00	149,576.60	15,216.75	0.00	85,423.40	63.6
Net Effect for CA CITIES FOR SELF RELIANCE	0.00	0.00	17,923.40	-5,216.75	0.00	-17,923.40	0.0
Change in Fund Balance:			17,923.40				
Net Effect for SPECIAL REVENUE FUNDS	0.00	0.00	17,923.40	-5,216.75	0.00	-17,923.40	
Grand Total Net Effect:	0.00	0.00	17,923.40	-5,216.75	0.00	-17,923.40	

ITEM 4

1107 9th Street, Suite 420,

Sacramento, CA 95814

Phone:(916) 869-3685

www.CaliforniaAdvocacy.com



May 17, 2023

California Update: Agenda

1. AB 341 (Ramos) – Gambling Moratorium
2. Bureau of Gambling Control Regulations
3. Private right of Action Legislation



TO: Honorable Chair and Members of the Governing Board
FROM: Victor Ponto, General Counsel
SUBJECT: **Consideration and Adoption of a Resolution of the California Cities for Self-Reliance Joint Powers Authority Acknowledging the Relief of Duty of the Previous Administration of the Authority During the 2019-2020 Fiscal Year and the Previous Administration’s Failure to Transfer Any and All Documents as Requested by the Current Administration of the Authority for Accurate Record Keeping Purposes**
DATE: May 17, 2023

RECOMMENDATION

The Members of the Authority are recommended to adopt the attached Resolution of the California Cities for Self-Reliance Joint Powers Authority acknowledging the relief of duty of the previous administration of the Authority during the 2019-2020 fiscal year and the previous administration’s failure to transfer any and all documents as requested by the current administration of the Authority for accurate record keeping purposes.

BACKGROUND/JUSTIFICATION OF RECOMMENDED ACTION

Section 8 (Governing Board) of the Seventh Restated and Amended California Cities for Self-Reliance Joint Powers Authority (“Authority”) Agreement, each Member of the Authority “shall receive such compensation for their services and reimbursement of expenses as may be determined by Ordinance of the Authority from time to time.”

At the Regular Board Meeting on April 19, 2023, the Board for the Authority (“Board”) received the Authority’s Audited Financial Statements (As of and for the Years Ended June 30, 2020, and 2019) Report (“Audit Report”). The Audit Report reflects a time of transition for the Authority in 2019 and 2020. The previous administration of the Authority was relieved of duty in the middle

of fiscal year 2019-2020, and upon their departure failed to transfer any and all documents of the Authority despite numerous efforts of the current administration and general counsel to take possession of them. Among the documents that were not transferred to the current administration, included agenda and minutes identifying how many meetings there were during the 2019-2020 fiscal year.

The missing documentation from the previous administration resulted in the current Audit Report indicating as its sole finding, that it could not account for higher than budgeted expenses related to the board compensation during Fiscal Year 2019-2020. The Audit Report noted no additional concern with regard to the Authority's financial statements or actions.

FISCAL IMPACT

There is currently no fiscal impact on the Authority's budget.

RECOMMENDATION

Accordingly, it is recommended that the Authority approve the attached Resolution acknowledging the relief of duty of the previous administration of the Authority during the 2019-2020 fiscal year and the previous administration's failure to transfer any and all documents as requested by the current administration of the Authority for accurate record keeping purposes.

ATTACHMENT

1. Resolution Number 23-03

RESOLUTION NO. 23-03

A RESOLUTION OF THE CALIFORNIA CITIES FOR SELF-RELIANCE JOINT POWERS AUTHORITY ACKNOWLEDGING THE RELIEF OF DUTY OF THE PREVIOUS ADMINISTRATION OF THE AUTHORITY DURING THE 2019-2020 FISCAL YEAR AND THE PREVIOUS ADMINISTRATION'S FAILURE TO TRANSFER ANY AND ALL DOCUMENTS AS REQUESTED BY THE CURRENT ADMINISTRATION OF THE AUTHORITY

WHEREAS, pursuant to Section 8 (Governing Board) of the Seventh Restated and Amended California Cities for Self-Reliance Joint Powers Authority ("Authority") Agreement, each Member of the Authority "shall receive such compensation for their services and reimbursement of expenses as may be determined by Ordinance of the Authority from time to time";

WHEREAS, at the Regular Board Meeting on April 19, 2023, the Board for the Authority ("Board") received the Authority's Audited Financial Statements (As of and for the Years Ended June 30, 2020, and 2019) Report ("Audit Report");

WHEREAS, the Audit Report reflects a time of transition for the Authority in 2019 and 2020;

WHEREAS, the previous administration of the Authority was relieved of duty in the middle of fiscal year 2019-2020, and upon their departure failed to transfer any and all documents of the Authority despite numerous efforts of the current administration and general counsel to take possession of them;

WHEREAS, among the documents that were not transferred to the current administration, included agenda and minutes identifying how many meetings there were during the 2019-2020 fiscal year;

WHEREAS, the missing documentation from the previous administration resulted in the current Audit Report indicating as its sole finding, that it could not account for higher than budgeted expenses related to the board compensation during Fiscal Year 2019-2020;

WHEREAS, the Audit Report noted no additional concern with regard to the Authority's financial statements or actions.

NOW, THEREFORE, BE IT RESOLVED by the California Cities for Self-Reliance Joint Powers Authority as follows:

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The Joint Powers Authority hereby acknowledges the relief of duty of the previous administration of the Authority during the 2019-2020 fiscal year and the previous administration's failure to transfer any and all documents as requested by the current administration of the Authority for accurate record keeping purposes.

SECTION 3. The Chair or designee of the Joint Powers Authority are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the Joint Powers Authority adopts a resolution voiding the current action.

SECTION 5. All portions of this Resolution are severable. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.

SECTION 6. That the Chair shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

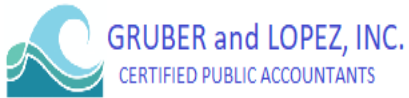
PASSED, APPROVED and ADOPTED this 17th day of May 2023.

**CALIFORNIA CITIES FOR SELF-
RELIANCE JOINT POWERS
AUTHORITY**

Hugo Argumedo, Chair

APPROVED AS TO FORM:

Victor Ponto, General Counsel



May 3, 2023

To the Members
California Cities for Self-Reliance Joint Powers Authority
Hawaiian Gardens, CA

Dear Members of the Board, and Council Management:

We are pleased to confirm our understanding of the services we are to provide **California Cities for Self-Reliance Joint Powers Authority** as of and for the years ended **June 30, 2022 and 2021**.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information, and disclosures, which collectively comprise the basic financial statements of **California Cities for Self-Reliance Joint Powers Authority** as of and for the years ended **June 30, 2022 and 2021**. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement **High Desert Corridor Joint Powers Authority's** basic financial statements. Management has chosen not to present Management's Discussion and Analysis that, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements will not be affected by this missing information.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

California Cities for Self-Reliance Joint Powers Authority

May 3, 2023

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Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of your accounting records of **California Cities for Self-Reliance Joint Powers Authority** and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

California Cities for Self-Reliance Joint Powers Authority

May 3, 2023

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We have identified the following significant risk(s) of material misstatement as part of our audit planning:

1. Revenue Recognition
2. Management override

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of **California Cities for Self-Reliance Joint Powers Authority**' compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

California Cities for Self-Reliance Joint Powers Authority

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Other Services

We will also assist in preparing the financial statements and related notes of **California Cities for Self-Reliance Joint Powers Authority** in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3)

California Cities for Self-Reliance Joint Powers Authority

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others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

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Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

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The audit documentation for this engagement is the property of Gruber and Lopez, Inc. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to U.S. Oversight or Cognizant Agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gruber and Lopez, Inc. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the U.S. Oversight or Cognizant Agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Matt Lenton, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately mid November 2023.

Our fee for these services will be at our standard hourly rates including out-of-pocket costs will not exceed \$13,000 for the years ended June 30, 2022 and 2021.

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Invoices shall be issued with a net sixty (60) day payment term with corresponding purchase order number stated on the invoice.

Our cost estimates also takes into account assistance that we anticipate receiving from you and your staff to provide the information requested and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

California Cities for Self-Reliance Joint Powers Authority

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Reporting

We will issue a written report upon completion of our audit of **California Cities for Self-Reliance Joint Powers Authority**' financial statements. Our report will be addressed to "management and those charged with governance (Board of Directors)" of **California Cities for Self-Reliance Joint Powers Authority**. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that **California Cities for Self-Reliance Joint Powers Authority** is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

Most Recent External Quality Control Review

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2020 peer review report accompanies this letter.

Other Disclosures

Electronic Communication:

In the interest of facilitating our services to you, we may communicate by facsimile transmission or by sending electronic mail over the Internet. Such communications may include information that is confidential to you. Our firm employs measures in the use of facsimile machines and computer technology designed to maintain data security. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, we have no control over the unauthorized interception of these communications once they have been sent.

California Cities for Self-Reliance Joint Powers Authority

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Termination of Engagement:

California Cities for Self-Reliance Joint Powers Authority for its convenience may terminate this Agreement in whole or in part upon thirty (30) calendar day's written notice. Such adjustment shall provide for payment to our Firm for services rendered and expenses incurred prior to the effective date of termination. Upon receipt of termination notice the firm shall properly discontinue services unless the notice directs otherwise. The Firm shall deliver promptly to **California Cities for Self-Reliance Joint Powers Authority** and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports. The Firm also reserves the right to withdraw from the engagement at any time because of unpaid fees, the guidance of our Professional Standards, or for any other reason. We will notify you in advance of any decision by us to withdraw as your accountants, and we will take all reasonable steps to assist in the orderly transfer of your accounting services.

Electronic Dissemination of Financial Statements:

With regard to the electronic dissemination of financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Dispute Resolution:

In the event California Cities for Self-Reliance Joint Powers Authority firm and/or Irvine determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to the Agreement or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

If any dispute, controversy or claim arises in connection with the performance or breach of this agreement, either party may, upon written notice to the other party, request that the matter be mediated. Such mediation will be conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association or such other neutral facilitator acceptable to both parties. Both parties will exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute or controversy.

Each party may disclose any facts to the other party or to the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the mediator will keep confidential all information disclosed during negotiations. The mediator may not act as a witness for either party in any subsequent arbitration between the parties.

The mediation proceedings will conclude within sixty days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

California Cities for Self-Reliance Joint Powers Authority

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We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

GRUBER AND LOPEZ, INC.

Ron Lopez

**Ron Lopez, CPA
Managing Partner**

RESPONSE:

This letter correctly sets forth the understanding of **California Cities for Self-Reliance Joint Powers Authority**:

Executive Director Signature: _____

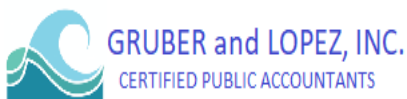
Title: _____

Date: _____

Chair Member Signature (Boardmember): _____

Title: _____

Date: _____



May 4, 2023

To the Members
California Cities for Self-Reliance Joint Powers Authority
Hawaiian Gardens, CA

Dear Members of the Board, and Council Management:

We are pleased to confirm our understanding of the services we are to provide **California Cities for Self-Reliance Joint Powers Authority** as of and for the year ended **June 30, 2023**.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information, and disclosures, which collectively comprise the basic financial statements of **California Cities for Self-Reliance Joint Powers Authority** as of and for the year ended **June 30, 2023**. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement **High Desert Corridor Joint Powers Authority's** basic financial statements. Management has chosen not to present Management's Discussion and Analysis that, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements will not be affected by this missing information.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

California Cities for Self-Reliance Joint Powers Authority

May 3, 2023

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Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of your accounting records of **California Cities for Self-Reliance Joint Powers Authority** and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

California Cities for Self-Reliance Joint Powers Authority

May 3, 2023

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We have identified the following significant risk(s) of material misstatement as part of our audit planning:

1. Revenue Recognition
2. Management override

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of **California Cities for Self-Reliance Joint Powers Authority**' compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

California Cities for Self-Reliance Joint Powers Authority

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Other Services

We will also assist in preparing the financial statements and related notes of **California Cities for Self-Reliance Joint Powers Authority** in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards.

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You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3)

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California Cities for Self-Reliance Joint Powers Authority

May 3, 2023

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Most Recent External Quality Control Review

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Other Disclosures

Electronic Communication:

In the interest of facilitating our services to you, we may communicate by facsimile transmission or by sending electronic mail over the Internet. Such communications may include information that is confidential to you. Our firm employs measures in the use of facsimile machines and computer technology designed to maintain data security. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, we have no control over the unauthorized interception of these communications once they have been sent.

California Cities for Self-Reliance Joint Powers Authority

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Termination of Engagement:

California Cities for Self-Reliance Joint Powers Authority for its convenience may terminate this Agreement in whole or in part upon thirty (30) calendar day's written notice. Such adjustment shall provide for payment to our Firm for services rendered and expenses incurred prior to the effective date of termination. Upon receipt of termination notice the firm shall properly discontinue services unless the notice directs otherwise. The Firm shall deliver promptly to **California Cities for Self-Reliance Joint Powers Authority** and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports. The Firm also reserves the right to withdraw from the engagement at any time because of unpaid fees, the guidance of our Professional Standards, or for any other reason. We will notify you in advance of any decision by us to withdraw as your accountants, and we will take all reasonable steps to assist in the orderly transfer of your accounting services.

Electronic Dissemination of Financial Statements:

With regard to the electronic dissemination of financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Dispute Resolution:

In the event California Cities for Self-Reliance Joint Powers Authority firm and/or Irvine determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to the Agreement or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

If any dispute, controversy or claim arises in connection with the performance or breach of this agreement, either party may, upon written notice to the other party, request that the matter be mediated. Such mediation will be conducted by a mediator appointed by and pursuant to the Rules of the American Arbitration Association or such other neutral facilitator acceptable to both parties. Both parties will exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute or controversy.

Each party may disclose any facts to the other party or to the mediator which it, in good faith, considers necessary to resolve the matter. All such discussions, however, will be for the purpose of assisting in settlement efforts and will not be admissible in any subsequent litigation against the disclosing party. Except as agreed by both parties, the mediator will keep confidential all information disclosed during negotiations. The mediator may not act as a witness for either party in any subsequent arbitration between the parties.

The mediation proceedings will conclude within sixty days from receipt of the written notice unless extended or terminated sooner by mutual consent. Each party will be responsible for its own expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

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We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

GRUBER AND LOPEZ, INC.

Ron Lopez

**Ron Lopez, CPA
Managing Partner**

RESPONSE:

This letter correctly sets forth the understanding of **California Cities for Self-Reliance Joint Powers Authority**:

Executive Director Signature: _____

Title: _____

Date: _____

Chair Member Signature (Boardmember): _____

Title: _____

Date: _____

ITEM 7

California Cities for Self-Reliance Budget Presentation DRAFT

ADOPTED Budget FY 2022-23		PROPOSED Budget FY 2023-24
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Revenues:

Annual Funding 2021-22 - Bell Gardens	\$30,000	\$35,000
Annual Funding 2021-22 – Commerce	\$30,000	\$35,000
Annual Funding 2021-22 – Compton	\$30,000	\$35,000
Annual Funding 2021-22 – Cudahy	\$15,000	\$17,500
Annual Funding 2021-22 – Hawaiian Gardens	\$30,000	\$35,000
Annual Funding 2021-22 – Cardrooms	\$100,000	\$70,000
Annual Funding 2021-22 – Additional Cities	\$0.00	\$0.00
Total Revenues	\$235,000	\$227,500

Expenses:

FY 2022-23 Budget		FY 2023-24 Budget
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Board of Director's Stipend (15 meetings)	\$16,875	\$17,250
Executive Director	\$80,925	\$80,925
Operational Expenses	\$9,000	\$9,000
Legal Services	\$30,000	\$19,425
Financial Services	\$8,000	\$6,500
Legislative Lobbying	\$80,000	\$80,000
Communications	\$10,200	\$14,400
Contingency	\$0.00	\$0.00
Total Expenses	\$235,000	\$227,500



TO: Honorable Chair and Members of the Governing Board

FROM: Juan Garza, Executive Director

SUBJECT: **Executive Director Report/Summary**

DATE: May 17, 2023

- 1) COVID-19 Status in CA & LA County
- 2) Statewide Cardroom Moratorium AB 341 – Recent Changes / Governor Signature
- 3) Player Rotation Preparation