

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

916



FROM: County Auditor-Controller

SUBMITTAL DATE:
March 20, 2013

SUBJECT: Internal Auditor's Report 2012-602: Elsinore-Murrieta-Anza Resource Conservation District

RECOMMENDED MOTION: Receive and file Internal Auditor's Report 2012-602: Elsinore-Murrieta-Anza Resource Conservation District.

BACKGROUND: The Internal Audit Division of the Auditor-Controller's Office was engaged to conduct an audit of the Elsinore-Murrieta-Anza Resource Conservation District (the District), as promulgated by Government Code §26909 (a) (1). However, we encountered significant scope limitations—that is, client imposed restriction(s) where the auditor did not receive all information and explanations necessary for the completion of the audit—which precluded the auditor's work in obtaining evidence and performing procedures to conduct the audit.

The District has not published nor submitted audited financial statements to the Auditor-Controller's Office since FY2000 as required by Government Code §26909 (a) (2).

The field auditor encountered significant scope limitations since the District did not provide adequate records to conduct the audit. Having conducted our due diligence and lacking the cooperation of the District, the Auditor-Controller believes it is imperative to advise the governing authorities of the breach and noncompliance of the Government Code by the District.

Paul Angulo

Paul Angulo, CPA, M.A.
County Auditor-Controller

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A
SOURCE OF FUNDS: N/A				Positions To Be Deleted Per A-30 <input type="checkbox"/>
				Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Karen L. Johnson*
Karen L. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended and IT WAS FURTHER ORDERED that the Elsinore-Murrieta-Anza Resource Conservation District provide an audited report to the Auditor Controller within 60 days and that the Auditor-Controller return to the Board with recommendations.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: April 30, 2013
xc: Auditor, District

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: **ATTACHMENTS FILED WITH THE CLERK OF THE BOARD** **District:** ALL **Agenda Number:**

2-10

Dept's Recomm.: ☒ Consent ☐ Policy
Per Exec. Ofc.: ☒ Consent ☐ Policy

Departmental Concurrence



MEMORANDUM

RIVERSIDE COUNTY COUNSEL

DATE: April 25, 2013

TO: Kecia Harper-Ihem, Clerk of the Board

FROM: Pamela J. Walls, County Counsel *PJW*

RE: Report Back on Options - Elsinore-Murrieta-Anza Resource Conservation District

During the April 2, 2013 Board of Supervisors' meeting, the Board directed County Counsel to report back on options concerning the removal and appointment of the Elsinore-Murrieta-Anza Resource Conservation District Directors and the dissolution of that District.

The District Directors are generally appointed by the Board of Supervisors to four-year terms in accordance with Public Resources Code section 9514(a) & (b) and Ordinance No. 662, sections 3 & 4. Once appointed, the District Directors may not be removed by the Board of Supervisors during their term without statutory authorization. The Registrar of Voters and Clerk of the Board have not reported that the terms of any District Board members have expired and are currently available for appointment by the Board of Supervisors.

The Board of Supervisors can submit a resolution of application to dissolve a special district to the Local Agency Formation Commission.

PJW:ay

cc: Board of Supervisors
Jay Orr, County Executive Officer
Kari Verjil, Registrar of Voters

04-03-2013
2-10



County of Riverside

INTERNAL AUDITOR'S REPORT

2012-602

Elsinore-Murrieta-Anza Resource Conservation District

March 20, 2013

Office of
Paul Angulo, CPA, M.A.
County Auditor-Controller

4080 Lemon Street
P.O. Box 1326
Riverside, CA 92502-1326



COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(951) 955-3800
Fax (951) 955-3802

ACC AUDITOR
CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, M.A.
AUDITOR-CONTROLLER

March 20, 2013

Board of Directors
Elsinore-Murrieta-Anza Resource Conservation District
21535 Palomar Road, Suite A
Wildomar, CA 92595-0066

Subject: Internal Auditor's Report 2012-602: Elsinore-Murrieta-Anza Resource Conservation District

The Internal Audit Division of the Auditor-Controller's Office was engaged to conduct an audit of the Elsinore-Murrieta-Anza Resource Conservation District (the District), as promulgated by Government Code §26909 (a) (1), "The county auditor shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided." However, we encountered significant scope limitations—that is, client imposed restriction(s) where the auditor did not receive all information and explanations necessary for the completion of the audit—which precluded the auditor's work in obtaining evidence and performing procedures to conduct the audit.

The District has not published nor submitted audited financial statements to the Auditor-Controller's Office since FY2000 as required by Government Code §26909 (a) (2). The Government Code directs an audited financial report be filed annually with the state controller and with the county auditor of the county in which the special district is located. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

For the past 11 years, the Auditor-Controller's Office has continuously requested audited financial statements via letter, phone calls, and personal visits to the District without success. The present Auditor-Controller believes it is imperative to fulfill our oversight responsibility and it is the District's responsibility to abide by the laws and regulations governing special districts in California.

In April 2012, the Auditor-Controller Internal Audit Division notified the District we were exercising our authority under Government Code §26909 (a) (1) and attempted to conduct fieldwork on multiple occasions. The field auditor encountered significant scope limitations since the District did not provide adequate records to conduct the audit. Having conducted our due diligence and lacking the cooperation of the District, the Auditor-Controller believes it is imperative to advise the governing authorities of the breach and noncompliance of the Government Code by the District.

Sincerely,

Paul Angulo, CPA, M.A.
County Auditor-Controller

Cc: Grand Jury
District Attorney
California State Controller

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



2-3

On motion of Supervisor Stone, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Auditor-Controller regarding Receive and File Internal Auditor's Report 2012-602: Elsinore-Murrieta-Anza Resource Conservation District is continued to Tuesday, April 30, 2013 at 9:00 a.m.

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on April 2, 2013 of Supervisors Minutes.

WITNESS my hand and the seal of the Board of Supervisors
Dated: April 2, 2013
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

(seal)

By: Karen [Signature] Deputy

AGENDA NO.
2-3

xc: Auditor, COB

History of EMARCD audit

- In 2000 the Riverside County Board of Supervisors voted to perform audits for Elsinore Murrieta Anza Resource Conservation District(EMARCD)
- Since then no audits have been performed by the County
- The EMARCD receives no tax payers dollars the district operates at no cost to the County or State
- The EMARCD Board of Directors raises money by donating work hours and money from personal finances.
- The District has had a few hundred dollars in the bank up until 2007
- In 2007 the District started to work with Developers on their Mitigation required by Federal Fish & Wildlife, Army Corp. and Calif. Fish & Wildlife (Lennar, Shea Homes and DR Horton)
- The EMARCD holds easements with specials requirements and without the help from the District the Developers would have a difficult, in some cases impossible time trying to mitigate with the agencies.
- In 2010 the Auditor Controllers office and EMARCD manager had correspondence and some financial information was given
- In 2012 Mr. Russell Dominski from Auditor's office visited the EMARCD office to look through the files and reviewed minutes and financial documents. Mr. Dominski took copies of everything he wanted that day.
- In 2012 Mr. Jerry Grau visited TRS and took copies of all of EMARCD Financial records.
- In November of 2012 EMARCD received an engagement letter from Rachel Roman for an audit to be performed by the auditor for 11,435.00
- EMARCD general fund was 6,543.41
- EMARCD has selected a qualified CPA firm to due an audit

Submitted by

Vicki Long

4/30/13
(date)

Item 2-10



FROM: Auditor-Controller

SUBMITTAL DATE: August 1, 2000

SUBJECT: Professional Audit Services For Elsinore-Murrieta-Anza Resource Conservation District

RECOMMENDED MOTION: That the Board of Supervisors: (1) receive and file notice of the purchase of audit services, in the amount of \$10,500 and authorize the Purchasing Agent on behalf of the County to issue a purchase order to the CPA firm of Thomas, Bigbie and Smith and (2) decision to change the District's audit frequency from a biennial to a five-year audit cycle be deferred until the completion of the above three two-year audits.

BACKGROUND:

1. Since our June 13, 2000 submission of the Elsinore-Murrieta-Anza-Resource Conservation District Form 11, we have solicited price proposals from six Certified Public Accounting (CPA) Firms to perform either a five-year (for the period ended June 30, 1999) or three two-year (for the two years ended June 30, 1996, 1998 and 2000) audits.
2. Two price quotations were received from the CPA Firms with \$3,500 and \$9,000 being quoted as the lowest bids for a two and five-year audit, respectively. (Three two-year audits will be required for a total cost of \$10,500).
3. We believe the three two-year audits will be more economical for the county since the additional \$1,500 cost will provide six rather than five years of audit coverage. In addition, current audited financial data will be available through June 30, 2000.

Anthony J. Bellanca
ANTHONY J. BELLANCA
Auditor-Controller

FINANCIAL DATA:

CURRENT YEAR COST: \$ 10,500
NET COUNTY COST: \$ 10,500

ANNUAL COST: \$ -0-
IN CURRENT BUDGET: YES\ X NO\
BUDGET ADJUSTMENT: YES\ NO\ X FOR FY: 99/00

SOURCE OF FUNDS: Auditor-Controller's General Fund Budget \$10,500 (1001-130-210-2-2504)

C.E.O. RECOMMENDATIONS:**APPROVE**County Executive Officer Signature: *Brona King***MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Wilson, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Venable, Wilson and Mullen
Noes: None
Absent: None
Date: August 1, 2000
xc: Auditor, District, Purchasing

Gerald A. Maloney
Clerk of the Board
By: *[Signature]*

Deputy

Prev.Agn.ref.

Dist.

AGENDA NO.
3.6

ATTACHMENTS FILED



April 16, 2013

Vicki Long
Elsinore-Murrieta-Anza Resource Conservation District (District)
21535 Palomar Road
Wildomar, CA 92595

Dear Vicki,

As requested, this letter summarizes the information and documents I provided to Riverside County personnel (Jerry Grau) while at my former CPA firm, Teaman, Ramirez & Smith, Inc. (TRS). I was the Partner in charge of providing accounting services to the District while at TRS and assisted the County in obtaining accounting records in order to perform audits.

It should be noted the information in this letter is based on my recollection of events that occurred a few months ago, while still at TRS. As you are aware, in March of 2013, I resigned from my position at TRS and have started a new CPA firm.

I received a call from Jerry Grau while I was still at TRS, informing me that they needed to conduct audits of the District, for the fiscal years ended June 30, 2009, 2010, and 2011. Jerry had been informed that TRS was in possession of the District's accounting records. I told him that TRS had the accounting records on Quickbooks and that I would provide him with as much information as possible. Jerry scheduled a visit to my office to obtain copies of applicable records. I believe it was either December 2012 or January 2013 that he visited my office at TRS.

At that time, I provided him with copies of the District's general ledger, trial balances, and available bank reconciliations for the above periods subject to audit. He also requested copies of the State Controllers Reports TRS had prepared for the District. I do not recall exactly which State Controller's Reports I ultimately provided, but I gave Jerry copies of all reports available at TRS. I also mentioned to him that supporting documentation for transactions recorded in the general ledger would be located at the District's offices.

I also recall receiving subsequent phone calls and/or emails from Jerry to which I promptly responded. From what I remember, he was satisfied with everything I had provided.

Subsequent to those events, I was notified by the District that they were going to go out to bid for audit services, rather than pay the County to perform the required audits.

Sincerely,

Greg Fankhanel, CPA

Van Lant & Fankhanel, LLP
25901 Kellogg Street
Loma Linda, CA 92354

909.856.6879

From: GFankhanel@trscpas.com
To: vickiglong@aol.com
Sent: 1/25/2013 2:25:08 P.M. Pacific Standard Time
Subj: FW: EMA RCD AUDIT

See the County's email below - they are not taking a stand, but instead, referring to the State requirements.

I have attached the State's Audit requirements for Special Districts - see **page 9** of the document. There are some exceptions to an annual audit, but I'm not sure if you've satisfied any of them. So you may need annual audits for the three years the County was looking at, and for future years, including 6-30-12.

If you send out an RFP, you may want to request a 5-year bid from the proposers.

Greg Fankhanel, CPA, CFE

Teaman, Ramirez & Smith, Inc.

4201 Brockton Avenue, Suite 100

Riverside, California 92501

(951) 274-9500

fax: (951) 274-7828

From: Grau, Jerry [mailto:jgrau@co.riverside.ca.us]
Sent: Thursday, January 24, 2013 5:00 PM
To: Greg Fankhanel
Subject: EMA RCD AUDIT

Greg, I'm e-mailing you because I had a cold for the last 3 days and my voice is terrible. I spoke with Russell, and to us it does not matter how you present the audit. I guess you should consider how the State would want it. Since the report will be sent to the State and they have a few minimum requirements.

I will call you on Monday to make sure you got this email.

Thank you for help and time

Jerry Grau

Senior Internal Auditor

Audits & Specialized Accounting Division

Riverside County Auditor-Controller

Mail Stop 1051

Tel 951-955-3362 / Fax 951-955-8133

jgrau@co.riverside.ca.us

www.auditorcontroller.org

The County Administrative Center is closed every Friday per order of the Board of Supervisors.

This email message, including any attachments, is intended for the sole viewing and use of the individual or entity to which it is addressed, and may contain confidential and privileged information, which is prohibited from disclosure. Any unauthorized review, use, disclosure, distribution, or the taking of any action in reliance on the information contained in this email, including attachments, is prohibited. If you are not the intended recipient, you are hereby notified that any dissemination or copy of this message, or an attachments, is strictly prohibited. If you have received a copy of this email in error, please notify the sender by reply email immediately, and remove all copies of the original message, including attachments, from your computer.

From: GFankhanel@trscpas.com
To: vickiglong@aol.com
Sent: 1/24/2013 3:21:51 P.M. Pacific Standard Time
Subj: County requirements

I called the County - they are not 100% sure about the 3 year audit requirements and will get back to me.

Based on our conversation, I'm guessing the audit will cover only one set of financial statements for the 3-year period ended June 30, 2011, rather than auditing 3 sets of financial statements (one for each year).

Greg Fankhanel, CPA, CFE

Teaman, Ramirez & Smith, Inc.

4201 Brockton Avenue, Suite 100

Riverside, California 92501

(951) 274-9500

fax: (951) 274-7828

From: GFankhanel@trscpas.com
To: vickiglong@aol.com
Sent: 1/24/2013 3:21:51 P.M. Pacific Standard Time
Subj: County requirements

I called the County - they are not 100% sure about the 3 year audit requirements and will get back to me.

Based on our conversation, I'm guessing the audit will cover only one set of financial statements for the 3-year period ended June 30, 2011, rather than auditing 3 sets of financial statements (one for each year).

Greg Fankhanel, CPA, CFE

Teaman, Ramirez & Smith, Inc.

4201 Brockton Avenue, Suite 100

Riverside, California 92501

(951) 274-9500

fax: (951) 274-7828



Elsinore - Murrieta - Anza Resource Conservation District

Riverside Auditor Controller's Office
Rachelle Roman

Re; EMA RCD Audit for 2009-2011

Dear Rachelle,

The EMARCD will be doing an independent for the years 2009-2011. The EMARCD cannot afford the cost of an audit with your office. I have spoken with Mr. Jerry Grau to make him aware of the Districts intentions. We should have the audit completed by March 2013 and will be sending a copy to your office.

Please contact me with questions or for additional information.

Sincerely,

Vicki Long
EMARCD President
vickiglong@Aol.com
951-698-9366



**COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER**

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(951) 955-3800
Fax (951) 955-3802

**ACC AUDITOR
CONTROLLER
COUNTY OF RIVERSIDE**

**Paul Angulo, CPA, MA-Mgmt
AUDITOR-CONTROLLER**

November 27, 2012

Vicki Long
Elsinore-Murrieta-Anza RCD
21335 Palomar St # A
Wildomar, Ca 92595

RE: Engagement Letter

Dear Ms. Vicki Long:

The purpose of this engagement letter is to confirm our understanding of the arrangements for the mandated audits of the Elsinore-Murrieta-Anza RCD for each fiscal year ended starting from June 30, 2009 through June 30, 2011. These annual financial statement audits are required by California Government Code sections 26909 and 6505, respectively.

The Internal Audits Section of the Auditor-Controller's Office will audit the District's financial transactions for the year ending June 30, 2009 through those ending in June 30, 2011 using the California State Controller minimum audit requirements. For the purpose of expressing an opinion on the fairness with which they present, in all material respects, results of operations and cash flows. The audit reports will be prepared in accordance with the California State Controller minimum reporting guidelines.

We will conduct our audit in accordance with minimum audit requirements as outlined by the California State Controller which require that we plan and perform the audit to obtain reasonable assurance about whether the financial information as reported to the California State Controller's Office are free of material misstatement, whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect error or fraud that is immaterial to the financial information. Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial information. An audit includes examining, on a test basis, evidence that supports the amounts included in the financial information reported to the California State Controller. Our audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, the auditor is responsible for ensuring that those charged with governance are aware of any significant deficiencies that come to his or her attention.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation of the financial information that they provide. Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information.

Management responsibilities include correcting material misstatements and confirming to us in the 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 information taken as a whole. Management is 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 or illegal acts. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws and regulations. At the conclusion of our audit, we will require a letter from management that confirms certain representations made about the financial information and related matters during the audit.

We estimate that fieldwork will begin during the month of December 2012, and our report will be delivered by January 31, 2013. If during the course of our examination, it becomes apparent that we will not meet this deadline, you will be promptly notified. If you intend to hire your own CPA to conduct this audit, we ask you to please notify us, otherwise we will proceed.

We estimate a minimum of 150 hours to complete this audit at an hourly of \$76.23. See attachment A for an estimate of the total billable amount. We will notify you if actual hours exceed estimates due to changes in the Districts' operations.

We also requested in our initial meeting a confirmation letter from your financial institution of the bank accounts that you currently have open. Please have them addressed to Rachelle Roman and sent to the address below:

Riverside County Auditor Controller's Office
P.O. Box 1326
4080 Lemon Street
Riverside Ca. 92501

Please indicate your agreement with the arrangements discussed in this letter by signing and returning one copy to me.

Respectfully,



Rachelle Román, MPA
Chief Internal Auditor

Vicki Long
President

**Riverside County
Elsinore-Murrieta-Anza Resource Conservation District
Internal Audit Section
2012**

FUND DEPT.	HOURS	RATE	TOTAL \$
EMARCD Schedule	150	76.28	11,435
TOTAL	150	\$	11,435

Basic Business Checking® Public Funds

Account number: [REDACTED] ■ November 1, 2012 - November 30, 2012 ■ Page 1 of 3

WELLS
FARGO

EMA/RCD
21535 PALOMAR ST STE A
WILDOMAR CA 92595-7763

Questions?

Available by phone 24 hours a day, 7 days a week:

1-800-CALL-WELLS (1-800-225-5935)

TTY: 1-800-877-4833

En español: 1-877-337-7454

Online: wellsfargo.com/biz

Write: Wells Fargo Bank, N.A. (114)

P.O. Box 6995

Portland, OR 97228-6995

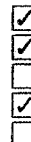
Your Business and Wells Fargo

It's a great time to talk with a banker about how Wells Fargo's business accounts and services can help you stay competitive by saving you time and money. To find out how we can help, stop by any Wells Fargo location or call us at the number at the top of your statement.

Account options

A check mark in the box indicates you have these convenient services with your account. Go to wellsfargo.com/biz or call the number above if you have questions or if you would like to add new services.

Business Online Banking
Online Statements
Business Bill Pay
Business Spending Report
Overdraft Protection



Activity summary

Beginning balance on 11/1	\$8,839.41
Deposits/Credits	0.00
Withdrawals/Debits	- 2,296.00
Ending balance on 11/30	\$6,543.41
Average ledger balance this period	\$7,226.99

Account number: [REDACTED]

EMA/RCD

California account terms and conditions apply

For Direct Deposit and Automatic Payments use

Routing Number (RTN): 121042882

For Wire Transfers use

Routing Number (RTN): 121000248

Transaction history

Date	Check Number	Description	Deposits/ Credits	Withdrawals/ Debits	Ending daily balance
11/1	1241	Check		30.54	8,808.87
11/2	1240	Check		123.44	8,685.43





Elsinore - Murrieta - Anza
Resource Conservation District

**GENERAL FUND 2011-2012
APPROVED BUDGET**

REVENUE

Housing allowance from SAWA	\$10,800
Donations	4,035
Total Income	<u>\$ 14,835</u>

EXPENDITURES

Office Rent	\$ 7,300
Utilities	1,800
Accounting	3,500
Membership Dues	600
Office Supplies	25
Insurance	1,610
Total Expenditures	<u>\$ 14,835</u>

APPROVED BY BOARD OF DIRECTORS July 9,2011



Elsinore - Murrieta - Anza
Resource Conservation District

**GENERAL FUND 2010 2011
APPROVED BUDGET**

REVENUE

Housing allowance from SAWA	\$10,800
Donations	4,035
Total Income	<u>\$ 14,835</u>

EXPENDITURES

Office Rent	\$ 7,300
Utilities	1,800
Accounting	3,500
Membership Dues	600
Office Supplies	25
Insurance	1,610
Total Expenditures	<u>\$ 14,835</u>

APPROVED BY BOARD OF DIRECTORS July 9,2010

Elsinore Murrieta Anza
Resource Conservation District
Budget 2012-2013

Income

Contributions	2000.00
Interest	2000.00
General Income	8500.00
SAWA	18,000.00
Total Income	<u>30,500.00</u>

Expenses

General & Administration	15000.00
Membership Dues	600.00
Bank Fees	250.00
Insurance	1500.00
Rent	8500.00
Utilities	2200.00
Lafco Fees	170.00
Consulting Fees	1780.00
Total Expenses	<u>30500.00</u>

From: John B. Rogers, P.E. [emarcd@verizon.net]
Sent: Friday, April 30, 2010 5:54 PM
To: 'Laurie K. Marscher'
Cc: Vicki G. Long (vickiglong@aol.com)
Subject: FW: Request for financial data
Attachments: 2008 Financial Balance Net Assets.jpg; 2008 Financial cover letter.jpg; 2008 Financial Rev Exp.jpg

Hi Laurie,

Mr. Dominski called yesterday; I told him that we did not have an independent audit, but that our monthly accounting had been done by Nigro, Nigro and White until June 2008, and by TRS since then. His response was this e-mail.

I have a Compiled Financial Statement from NN&W dated June 30, 2008 (copy enclosed), and I have, of course, your monthly reports since then. Will these, plus your June 2009 reports suffice, or is he looking for the entire two years?

I sent requests for audit proposals to McLean, Rotherham & Co. in Temecula, and to Terry Shea at Rogers, Anderson, Malody and Scott. I have one ready for Leaf and Cole in San Diego, but want to talk with their principal, Mike Zizzi, first. They have audited De Luz CSD for many years. I told both firms that we have no money, and have less than the \$100,000 threshold quoted in the Government Code, so we'll see what they recommend.

John B. Rogers, P.E.
General Manager
Elsinore-Murrieta-Anza Resource Conservation District
21535 Palomar Road, Suite A
Wildomar, CA 92595
(951) 609-0066

From: Dominski, Russell [mailto:rdominski@co.riverside.ca.us]
Sent: Thursday, April 29, 2010 4:01 PM
To: emarcd@verizon.net
Subject: Request for financial data

John,

After our telephone conversation, of April 29, 2010, I discussed the issue of EMARCD's noncompliance with California Government Code Section 26909 with the Deputy Auditor-Controller. As a result of the meeting, please forward a copy of your financials for Fiscal Years ending June 30, 2008 and 2009 at your earliest convenience. Please send the requested information to:

Riverside County Auditor-Controller
Audits and Specialized Accounting Division
P.O. Box 1326
4080 Lemon Street, 11th Floor
Riverside, CA 92502-1326

If you or Terry have any questions please feel free to call me.

Sincerely,

Russ

Russell S. Dominski
Principal Accountant, Specialized Accounting
Audit and Specialized Accounting Division
Riverside County Auditor-Controller
Mail Stop 1051
Tel (951) 955-8136 / Fax (951) 955-8133
rdominski@co.riverside.ca.us
www.auditorcontroller.org

PLEASE NOTE: The Auditor-Controller's Office is closed every Friday beginning August 14, 2009, and ending June 30, 2010, per order of the Board of Supervisors on July 21, 2009. Our regular office hours are now Monday through Thursday from 8 a.m. to 5 p.m.

Financial Audit Notes

April 9, 2010 At Board meeting, discussed lack of audit with Board. Directed to obtain quotes for audit for consideration at next Board meeting. Audit to take place after end of fiscal year.

Laurie Marscher recommends Rogers, Anderson, Malody and Scott in San Bernardino.

4/29/10 Called RAMS: referred to terry Shea. Send letter and financial statement, he will prepare proposal. May qualify for review letter because less than \$100K budget.

Called Leaf and Cole in San Diego, left msg. Called Betty Jo Benner and McLean, Rotherham, Murrieta.

Betty Jo Benner: send financial info & budget, she will prepare budget.

Call from Russell Dominski at County Auditor's office asking for audit. Told him situation, no audit's for ten years, soliciting proposals now. May qualify for waiver. Phone 955-8136. rdominski@co.riverside.ca.us.



**Elsinore - Murrieta - Anza
Resource Conservation District**

April 29, 2010

Mr. Terry P. Shea
Rogers, Anderson, Malody & Scott, LLP
290 North "D" Street, Suite 300
San Bernardino, CA 92401-1709

Re: Audit Requirements for
Elsinore-Murrieta-Anza Resource Conservation District

Dear Mr. Shea,

During our telephone conversation this morning we discussed the task that I have been given by our Board, to provide recommendations to comply with the audit requirements for Resource Conservation Districts set forth in the California Resources and Government codes. As I told you, the last audit on file was in 2002 for the year 2000. You mentioned that there may be some relief from the audit requirement for very small agencies; a "Review" may be provided in lieu of a full audit, subject to approval by the County Board of Supervisors.

Enclosed as you requested are copies of the most recent monthly financial statements prepared by our Accounting firm, Teaman, Ramirez and Smith, Inc., along with a copy of our current annual budget.

We would appreciate any information or assistance that you may be able to offer.

Sincerely yours,

John B. Rogers, P.E.
Manager
**Elsinore-Murrieta-Anza
Resource Conservation District**

Enclosures: Financial Statement March 2010
Annual Budget 2009-2010

cc: Laurie K. Marscher, CPA
EMARCD Board of Directors

From: Terry Shea [tshea@Ramscpa.net]
Sent: Friday, June 18, 2010 12:48 PM
To: John B. Rogers, P.E.
Subject: Re: EMARCD Audit Proposal

Thanks for the opportunity and the update. Good luck. Terry

Sent from my iPhone

On Jun 18, 2010, at 12:49 PM, "John B. Rogers, P.E." <emarcd@verizon.net> wrote:

Dear Mr. Shea,

I received your May 12 proposal for a 2010 audit; it was discussed at the June 11 meeting of our Board of Directors.

Based upon our very limited finances, the Board decided to have our current accountants Teaman, Ramirez and Smith prepare a compiled statement for the year, instead of having a formal audit prepared. We believe that the County Auditor will accept this approach.

We do appreciate the effort you put into preparing the proposal for us, and look forward to the possibility that future years may find us with enough resources to justify an audit.

John B. Rogers, P.E.
General Manager
Elsinore-Murrieta-Anza Resource Conservation District
21535 Palomar Road, Suite A
Wildomar, CA 92595
(951) 609-0066



Elsinore - Murrieta - Anza Resource Conservation District

April 29, 2010

Ms. Bette Jo Benner, CPA
McLean, Rotherham & Co.
38760 Sky Canyon Drive, Suite C
Murrieta, California 92563-2562

Re: Audit Requirements for
Elsinore-Murrieta-Anza Resource Conservation District

Dear Ms Benner,

During our telephone conversation this afternoon we discussed the task that I have been given by our Board, to provide recommendations to comply with the audit requirements for Resource Conservation Districts set forth in the California Resources and Government codes. As I told you, the last audit on file was in 2002 for the year 2000. There may be some relief from the audit requirement for very small agencies; a "Review" may be provided in lieu of a full audit, subject to approval by the County Board of Supervisors.

Enclosed are copies of the most recent monthly financial statements prepared by our Accounting firm, Teaman, Ramirez and Smith, Inc., along with a copy of our current annual budget.

We would appreciate any information or assistance that you may be able to offer.

Sincerely yours,

John B. Rogers, P.E.
Manager
**Elsinore-Murrieta-Anza
Resource Conservation District**

Enclosures: Financial Statement March 2010
Annual Budget 2009-2010

cc: Laurie K. Marscher, CPA
EMARCD Board of Directors



**Elsinore - Murrieta - Anza
Resource Conservation District**

April 29, 2010

Mr. Michael J. Zizzi, CPA
Leaf & Cole, LLP
2810 Camino Del Rio South, Suite 200

San Diego, California 92108

Re: Audit Requirements for
Elsinore-Murrieta-Anza Resource Conservation District

Dear Mr. Zizzi,

During our telephone conversation this morning we discussed the task that I have been given by our Board, to provide recommendations to comply with the audit requirements for Resource Conservation Districts set forth in the California Resources and Government codes. As I told you, the last audit on file was in 2002 for the year 2000. You mentioned that there may be some relief from the audit requirement for very small agencies; a "Review" may be provided in lieu of a full audit, subject to approval by the County Board of Supervisors.

Enclosed as you requested are copies of the most recent monthly financial statements prepared by our Accounting firm, Teaman, Ramirez and Smith, Inc., along with a copy of our current annual budget.

We would appreciate any information or assistance that you may be able to offer.

Sincerely yours,

John B. Rogers, P.E.
Manager
**Elsinore-Murrieta-Anza
Resource Conservation District**

Enclosures: Financial Statement March 2010
Annual Budget 2009-2010

cc: Laurie K. Marscher, CPA

**Riverside County Board of Supervisors
Request to Speak**

①

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: Vicki Long
EMARCO

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: 4-30-13 **Agenda #** 2.10

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

 Support **Oppose** **Neutral**

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

 Support **Oppose** **Neutral**

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. ***Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.***

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.

**Riverside County Board of Supervisors
Request to Speak**

②

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: Pam Nelson

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: 4/30/13 **Agenda #** 2.10

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

_____ **Support** _____ **Oppose** _____ **Neutral**

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

_____ **Support** _____ **Oppose** _____ **Neutral**

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. ***Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.***

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.

**Riverside County Board of Supervisors
Request to Speak**

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: Kelhi Head

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: 4/30/13 **Agenda #** 2-10

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

Support ~~Oppose~~ Neutral

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

Support Oppose Neutral

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. ***Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.***

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.

**Riverside County Board of Supervisors
Request to Speak**

③

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: Gary Thomasian

Address: _____
(only if follow-up mail response requested)

City: _____ **Zip:** _____

Phone #: _____

Date: 4-30-13 **Agenda #** 2-10

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

_____ **Support** _____ **Oppose** _____ **Neutral**

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

_____ **Support** _____ **Oppose** _____ **Neutral**

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. ***Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.***

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.