

**SOUTHWEST HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING**

SEPTEMBER 15, 2022

**DREAM WEAVER RANCH
10960 STEINHOFF ROAD
FRAZIER PARK ,CA**

MINUTES

1. Call to Order 6:50 P. M.
2. Pledge of Allegiance
3. Roll Call of Directors Milista Brennan, Cheryl Bert, Iris Lapple, Tanya Long, Patricia Maillis
4. Public Comments (limited to 5 Min. each person) None
5. Board members initiatives or ideas. Cheryl stated what is the status of placement for storage of Historical Files. Milista stated that per our last board meeting on 8/18/22 The Board agreed to store the files at 10960 Steinhoff Rd, Frazier Park CA, in protective storage containers. Cheryl and Milista stated that we need to make arrangements to do the required training certification for Ethic and Sexual Harrarsemnt every 2 years per AB 1234. Patty stated she would get information regarding needed training and have it ready for the next Board meeting on 10/13/22 for discussion and review. Iris voiced concern regarding Kern County Fund and the Board discussed that we needed to know that The State Controller's Office Special Analyst Martin Raygoza did in fact receive the June 2021 Y /E Audit which was submitted by RAMS Associates Account Tirumala Chettu on Sept 2, 2022 to Martin Raygoza. Patty is to contact Martin Raygoza for confirmation and inform the board of status. The Board also discussed that we need to contact Brown Armstrong CPA to do our June 2022 Audit. Iris stated she would do so.
6. Adjustments to Agenda NONE

OLD BUSINESS

7. Approve Minutes of August 18, 2022

MOTION BY Tanya 2ND Milista AYES 4 NAYS 0 ABSTAIN 1 Patty

8. Treasurer's Report:

Treasurer's Report Month August Day 31 Year 2022

CBT \$ 87,817.00 CITY FUND \$ 249,626.00

MOTION BY Miista 2ND Patty AYES 4 NAYS 0 ABSTAIN 1 Iris

OLD BUSINESS: Continued

PAY BILLS :

1. Tri-Canyon Insurance Directors Liability \$ 2,155.00

MOTION BY Iris 2ND Tanya AYES 5 NAYS 0 ABSTAIN 0

2. Patty Reimbursement for work on historical Files Inv. submitted \$ 1,100.00

MOTION BY Tanya 2ND Milista AYES 4 NAYS 0 ABSTAIN 1 Patty

3. Cheryl Reimbursement Inv. submitted for work on Historical Files \$140.00

MOTION BY Iris 2ND Tanya AYES 4 NAYS 0 ABSTAIN 1 Cheryl

9. Directors Report: None

10. Secretary's Report See attached

NEW BUSINESS

11. Guests: None

12. Any other Business: Streamline

13. Set Agenda for next Meeting on October 13, 2022

14. Time 5:30 P. M. Place Brennan's Dream Weaver Ranch
10960 Steinhoff Rd. Frazier Park, CA

15. Adjourn at 7:56 P. M. MOTION BY Tanya 2ND Milista AYES 5

Minutes of September 15, 2022 Approved on October 13, 2022 Board Meeting :

Cheryl Bert

Signature / Director

10-13-2022

Date

Patricia Maillis

Patricia Maillis/Secretary Board
Submitted By

10/13/22

Date

PATRICIA MAILLIS
SECRETARY'S REPORT
SOUTHWEST HEALTH CARE DISTRICT BOARD MEETING
SEPT. 15, 2022

1. The Audited Financials for the period ending June 30, 2021 have been completed by RAMS ASSOCIATES Senior Accountant Tirumala Chettu. He was also going to upload to State Controller's the FTR (Financial Transaction Report) VIA SCO website the Audited Financials. Our Completed Packet was sent to our P O Box and was received on Sept. 8, 2022.
2. The Audited financials were sent to Martin Raygoza /Special Districts Accounting Analyst Office of State Controller Via Email by Tirumala Chettu on Sept. 2, 2022, which I have a copy of that Email from T. Chettu to M Raygoza . The response from Mr. Raygoza on his Email was Out of office till Sept. 6, 2022.
3. I am diligently working on the documentation, reorganization of SWHCD historical files in order to comply with our Special Districts State Requirement of proper File Retention.
4. I was not able to contact Streamline regarding our website. I will definitely have information for our next Board Meeting.
5. The Audit for the period ending June 30, 2022 is coming due to the State Controller's Office by January 2023. And so it begins again but at least we are ahead of the game this period because of all that was accomplished and learned from the June 2021 Financial Audit we just went through.



3240 E State Street Ext, Hamilton, NJ 08619 | Off:+1-609-631-9552/53 Extn: 1022 | Fax:+1 888-319-8898 | Email:tirumala.c@ramassociates.us

Web: www.ramassociates.cpa

-Email Disclaimer-

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Please consider the environment before printing this e-mail.

From: Raygoza, Martin <MRaygoza@sco.ca.gov>

Sent: Friday, June 3, 2022 8:57 PM

To: Tirumala Chetu <tirumala.c@RamAssociates.us>

Cc: PK Ramachandran <PKRam@RamAssociates.us>; Saji Mathew <Saji@RamAssociates.us>

Subject: ALERT LETTER: FY 2021 FTR - Southwest Healthcare District

Hi Tirumala,

I have attached the following for Southwest Healthcare District:

- FY 2020+21 Alert Letter
- Reminder List - possible errors to avoid (reminder list)
- Site Visit is scheduled for July (field audit)
 - It would be best to submit the FTR before the end of June

- Ab#12141502400
- Password to log in on the 1st link above - your ID # / password defaults back to the password within the alert letter if the password had been changed by Edward when submitting the prior FTR.
 - Just click on Cancel and keep the same password
- I did try the two links listed above and they should work

From: Tirumala Chettu <tirumala.c@RamAssociates.us>
Sent: Friday, June 3, 2022 5:28 PM
To: Raygoza, Martin <MRaygoza@sco.ca.gov>
Cc: PK Ramachandran <PKRam@RamAssociates.us>; Saji Mathew <Saji@RamAssociates.us>
Subject: RE: FY 2021 FTR - Southwest Healthcare District

CAUTION:

This email originated from outside of the organization.

Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Hi Sir,

Thank you.

Regards,

Tirumala Chettu

Senior Accountant

If you have any questions or require any assistance, let me know.

Thanks.

Martin Raygoza / Special Districts Accounting Analyst

Office of State Controller Betty T. Yee

Local Government Programs and Services Division

3301 C Street, Suite 740

Sacramento, CA 95816 | (916) 327-1748

Pursuant to **GC section 53895**, failure to file your report before the **field audit-on-site visit date**, will result in a forfeiture ranging from \$1,000 to \$5,000, based on your prior-year total revenue. In addition, GC section 12464 provides SCO with authority to investigate and to obtain required information if there is reason to believe that a report is false, incomplete, or incorrect. Any costs incurred by SCO in compiling the report shall be borne by your agency pursuant to GC section 12464(b).

The alert letter goes out in November and I have provided a copy of the letter sent out in 2021:

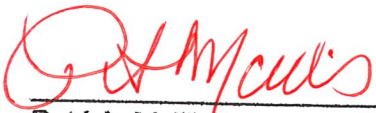
- <https://igrsonline.sco.ca.gov/account/login>
 - Log in website
 - Website is ready
- If assistance is required, let me know

Southwest Healthcare District

Patricia Maillis Time Sheet

File Retention Work
Southwest Health Care District
July 19, 2022 to Sept. 11, 2022

7/19/22	4.30
7/20/22	5.45
7/21/22	6.00
8/02/22	7.50
8/09/22	4.50
8/14/22	3.00
8/15/22	4.00
8/16/22	2.50
8/31/22	2.50
9/03/22	2.50
9/10/22	6.00
9/11/22	<u>4.50</u>
<u>Total</u>	<u>55.00 Hours</u>



Patricia Maillis Sept. 12, 2022

Patricia Maillis/Board Secretary
P O Box 1572
Lebec, CA 93243-1572
661-248-6228
email: pmaillis8@gmail.com
Invoice

Invoice for
Southwest Health Care District
P O Box 717
Frazier Park, CA 93225

Payable to
Patricia Maillis
Invoice #
91522-1

Description	Hours	Rate \$ 20.00 per Hour	Total price
organize historical documents and records for record retention purpose	55	\$20.00	\$1,100.00
			\$0.00

Submitted for approval by Southwest Health Care District Board at Regular Board Meeting Sept. 15, 2022 \$1,100.00

Motion By I 2nd By M Ayes 4 Nays ___ Abstain 1 Party

SOUTHWEST HEALTH CARE DISTRICT
P O BOX 717
FRAZIER PARK, CA 93225-0717

September 1, 2022

Ram Associates
3240 East State Street Ext
Hamilton, NJ 08619

This representation letter is provided in connection with your audit of the financial statements of Southwest Health Care District ("District"), which comprise the respective financial position of the governmental activities, as of June 30, 2021, and the respective changes in financial position for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 1, 2022, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 12, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the District, California, Frazier park, Kern County, is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District, from whom you determined it necessary to obtain audit evidence.
 - d) All Minutes of the meetings of the District, for the period from July 1, 2020 to the date of this representation letter.
- 1) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - 2) We have no knowledge of any fraud or suspected fraud that affects the District, and involves
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
 - 3) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
 - 4) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

- 5) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 6) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

- 7) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 8) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 9) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 10) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 11) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 12) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance. The District's budgetary information was not provided to you, since the District is not legally required to adopt a budget for the General revenue fund, eliminating the requirement for presentation of budgetary comparison information, which otherwise is required to be presented as required supplementary information along with the basic financial statements according to GASBS No.34.
- 13) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 14) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 15) The financial statements include all fiduciary activities required by .
- 16) The financial statements properly classify all funds and activities in accordance with , as amended.
- 17) All funds that meet the quantitative criteria in and for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

(Continued)

- 18) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 19) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 20) Provisions for uncollectible receivables have been properly identified and recorded.
- 21) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 22) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 23) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 24) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 25) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 26) We have appropriately disclosed the District's, policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 27) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 28) We acknowledge our responsibility for the required supplementary information (RSI). We have omitted to present the management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. We understand that such missing information, 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.

Signature: Cheryl Best
09-01-2022

Title: President

Signature: Luise Lippel 9/1/2022

Title: Treasurer