



Tulare Public Cemetery District

900 East Kern Ave Tulare, Ca. 93274
Phone: (559)686-5544 Fax: (559)686-7484
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Email office@tularecemetery.net
This is an Endowment Care Interment

Committee Member
Stephen Presant
Committee Member
Linda Maloy
Committee Member
Xavier Avila

AGENDA

Audit Committee Meeting
Friday, December 30, 2022,
1:00PM

PRELIMINARIES:

- 1.1 Call to Order
- 1.2 Roll Call
- 1.3 Recognition of Visitors

OPEN SESSION:

- 2.1 Approval of December 7, 2022 Minutes
- 2.2 Approval of November 2022 Financials
- 2.3 Review of Annual Audit Responses to RFP
- 2.4 Discussion on excess of CalPERS retirement funds
- 2.5 District Manager's Report

ADJOURNMENT:

OPEN SESSION AGENDA ITEMS
NOTICE TO THE PUBLIC

ALL WRITINGS, MATERIALS AND INFORMATION PROVIDED TO THE BOARD FOR THEIR CONSIDERATION RELATING TO ANY OPEN SESSION AGENDA ITEMS OF THE MEETING ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS MONDAY THROUGH FRIDAY 8:00 AM – 4:00 PM AT THE ADMINISTRATION OFFICE OF THE DISTRICT LOCATED AT 900 E. KERN AVE., TULARE, CA 93274

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU SHOULD NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE BOARD OFFICE AT (559) 686-5544 FORTY-EIGHT (48) HOURS PRIOR TO THIS MEETING.

Tulare Public Cemetery District
Audit Committee Meeting Minutes
December 7, 2022

CALL TO ORDER:

The Tulare Public Cemetery Audit Committee meeting on December 7, 2022, was called to order at 1:01P.M, at 900 E Kern Ave, Tulare, California by Committee Chair Steve Presant and Committee Members Linda Maloy and Xavier Avila were present. District Manager Clara Bernardo was in attendance.

RECOGNITION OF VISITORS: There were two visitors

OPEN SESSION:

- 2.1 – Maloy moved, Avila 2nd to approve October 25, 2022 minutes. Vote (3-0)
- 2.2 – Avila moved, Maloy 2nd to approve October 2022 financials. Vote (3-0).
- 2.3 – There were no Audit RFP Responses to review. Item tabled.
- 2.4 – Manager had nothing to report.

ADJOURNMENT:

Committee Chair Presant adjourned the meeting at 1:34 P.M.

Respectfully Submitted,

Audit Committee Member

Tulare Public Cemetery District Proposal for Auditing Services

Due: December 15, 2022

Submitted by:

Kevin Brejnak, CPA, CFE
PO Box 891724 | Temecula, CA 92589
(760) 793-6353
kevin@cemeterydistrictcpa.com



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December 12, 2022

Clara Bernardo, District Manager
Tulare Public Cemetery District
900 E. Kern Avenue
Tulare, CA 93274

Dear Mrs. Bernardo:

We make it our business to know your business by specializing in you!

I am excited for the opportunity to work with the Tulare Public Cemetery District and provide your audit services for the fiscal year ending 2023 with options for 2024, 2025, 2026 and 2027.

I have dedicated my business to providing accounting and auditing solutions to the cemetery district industry throughout California. This choice was made because specializing enables me to provide a far superior level of service, to truly understand your needs and to work together to make a real impact on your operations. I have made it my business to know your business.

Focus on being timely, responsive, and you-centric!

Being a sole proprietor, a one-person firm, I am uniquely positioned to respond to the needs of each district I work with at a pace unprecedented in the audit industry. What you see, is what you get, and you'll be getting the most experienced audit personnel, the audit partner who has committed to serving this industry, completing all phases of your audit.

We are fundamentally different than the other firms!

I believe you shouldn't have to teach your auditor about health and safety code or the difference between pre-need and endowment or about what non-resident fees and opening/closing fees are. Sadly, traditional CPA firms have a high rate of turnover that makes you feel like you are constantly teaching the auditor how your district operates. You should never feel like you are just another governmental agency to your audit firm who is trying to squeeze you into their busy schedule.

My personal approach to business is to make every district feel like they are my only client. This philosophy is well appreciated by those I work with and allows my audits to be conducted on your timeline expectations and well ahead of the statutory deadlines.

An approach that focuses on adding value!

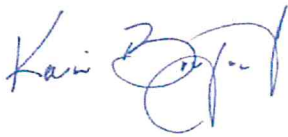
Anyone can identify suggestions regarding a process but understanding the unique needs and staffing configurations at a cemetery district is critical. The more specialized the auditor, the more they understand the necessary involvement of the governing board and how it is incorporated into your internal control structure. The one size fits all standard audit offered by other firms doesn't work with districts like yours. Moreover, we are committed to working with the District Manager and Board Members to provide workable solutions when audit concerns are identified, or questions arise.

My commitment to you!

I am committed to providing an unparalleled level of service by anticipating the needs of your district, communicating regularly, answering technical questions throughout and executing on all deliverables. You deserve to have an auditor that specializes and cares about your district's financial health and operations.

I sincerely appreciate the opportunity to bid on providing your auditing services. If there is any additional information or questions you may have please feel free to contact me.

Respectfully,



Kevin Brejnak, CPA, CFE

DESCRIPTION OF FIRM

Firm Identity & Size:

The Cemetery District CPA is a sole proprietor, which is owned and operated by Kevin Brejnak, CPA, CFE. The firm was established in January 2019 and began operation with the vision to work directly with cemetery districts throughout the state to provide relevant and impactful accounting and auditing solutions. Based on our focused industry experience, we know that we have the right accounting solution for your district!

Location:

We are located in Riverside County, in southern California, but are positioned to provide services throughout the state.

Types of Services Performed

Our practice offers the following accounting services to our cemetery district partners:

Accounting Solutions:

- Bookkeeping – weekly, monthly, quarterly, annually
- Pre-audit financial statement preparation
- Financial transactions report submittal

Audit and Review Solutions:

- Audit, review and compilation engagements
- Agreed-upon procedures

Consulting Solutions:

- Internal control reviews
- Capital asset studies
- Accounting system setup/conversions
- Budget development
- Forensic accounting
- Fraud investigation and prevention

Regardless of the solution implemented, I am dedicated to providing my clients with high-quality, personalized services designed to provide you with the complete and accurate financial picture of your operations.

INDEPENDENCE

Our standards require that we be without bias with respect to your operations. The Firm is independent of Tulare Public Cemetery District (the District), as defined by auditing standards generally accepted in the United State of America and the U.S. General Accounting Office's "Governmental Auditing Standards". Since the Firm is required to follow GAO independence standards, any prior relationships would not constitute any conflicts of interest relative to performing the proposed audits. In addition, the Firm shall give the District written notice of any relevant professional relationships entered into during the period of this agreement.

FIRM QUALIFICATIONS



KEVIN BREJNAK, CPA, CFE
Audit Partner

Certified Public Accountant (CPA)
License # 102309, issued August 2008

Certified Fraud Examiner (CFE)
Certification # 565213, issued August 2009

(Governmental) Advanced Single Audit Certification
Credential ID AICPA-14997832, issued July 2018

Audit services will be performed and completed by Kevin Brejnak, CPA, CFE. The practice was founded in 2019 when Kevin chose to depart his previous governmental audit firm to start a new firm that could provide intuitive and practical solutions directly to cemetery districts.

Kevin Brejnak began his career after obtaining his bachelor's degree in business administration with a concentration in accounting, from California State University San Marcos in May 2007. Kevin has been auditing governmental entities exclusively since his public accounting career began in 2007. After less than six years with his previous firm he was made an audit partner in January 2013. Teaching and providing technical guidance are two of Kevin's most direct ways he contributes to his client's success.

Kevin's personalized approach leverages his years of experience working with cemetery districts and enables him to make impactful recommendations to strength controls throughout the audit process. When he established his own firm, he knew the best way to serve his clients was to fully dedicate his practice to the specialized industry of cemetery districts rather than trying to be everything to all industries.

Industry Memberships and Affiliations:

- Sustaining member of the California Association of Public Cemeteries (CAPC)
- Annual CAPC conference attendee and exhibitor
- CAPC Newsletter Article Contributor

Continuing Education:

- Government Accounting & Auditing Conference (AICPA & CalCPA)
- CAPC Annual Conference
- ACFE Fraud Conference
- Annual Conference presenter

FIRM QUALIFICATIONS (continued)

Recent Experience & References

Kevin has worked hard to build out a robust collection of specialty audit procedures that cater to the varying size and complexity of cemetery districts throughout the state. With over a decade of governmental audit experience, he has worked with resources provided by the Association of International Certified Public Accountants (AICPA) and California Society of CPAs (CalCPA) and tailored them specifically to the cemetery district industry. This thought and attention ensures you receive an industry focused and thorough audit that is done in accordance with applicable professional standards.

Below is a listing of districts that Kevin Brejnak, CPA has worked with during his tenure with Cemetery District CPA. A more extensive listing which includes districts served prior to 2019, while a partner at his previous CPA firm, can be provided upon request.

Alamo-Lafayette Cemetery District

- Patricia Howard, District Manager
- 3285 Mt. Diablo Blvd, Lafayette, CA 94549
- (925) 284-1353
- Years served: FYE 2022, 2020, 2018, 2017, 2016, 2015, 2014

North County Cemetery District

- Edward Serna, General Manager
- 2640 Glenridge Rd, Escondido, CA 92027
- (951) 674-2418
- Years served: 2020, 2021, 2022 Consulting

Barstow Cemetery District

- Melinda Johnson, District Manager
- PO Box 1033, Barstow, CA 92312
- (760) 256-2797
- Years served: FYE 2022, 2021, 2020, 2019, 2018

Pajaro Valley Public Cemetery District

- Elizabeth Lopez, District Manager
- 66 Marin St., Watsonville, CA 95076
- (831) 722-0310
- Years served: FYE 2022, 2021

Byron-Brentwood-Knightsen Union Cemetery District

- Aurora Garcia, District Manager
- PO Box 551, Brentwood, CA 94513
- (925) 284-1353
- Years served: FYE 2022, 2021, 2020, 2019

Tehachapi Public Cemetery District

- Danny Brown, District Manager
- PO Box 248, Tehachapi, CA 93561
- (661) 822-3842
- Years served: FYE 2022

Elsinore Valley Cemetery District

- Stephanie Garcia, District Manager
- 18170 Collier Ave, Lake Elsinore, CA 92530
- (951) 674-2418
- Years served: FYE 2022, 2021, 2020

SCOPE

Services to be performed:

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America. We will also specifically follow the Statement on Auditing Standards, published by the Association of International Certified Public Accountants and all work will be done according to Governmental Auditing Standards.

The primary purpose of the audit specified herein is to express an opinion on the financial statements. To arrive at our opinion, we expect to use normal auditing tests and sampling procedures of the transactions. Our specialization in the cemetery industry has allowed us to create testing procedures that are specifically designed for cemetery district operations.

Audit Segmentation

Our audit is arranged in the following segmentation:

- Initial audit planning
- Internal control consideration, documentation, and assessment
- Preliminary analytical review
- Audit risk assessment, planning and consideration of fraud
- Account balance testing
- Data analysis and final analytical review
- Report generation and communication

The segmentation outlined above is flexible and the specific audit approach is dependent on each districts workflow and situation. Every district we work with is setup differently, with unique systems and requires an entity specific plan be created. Please let us know if you would like to discuss your entity specific approach in more detail.

Hours	Audit Segmentation
16	Initial audit planning
12	Internal control consideration, documentation, and assessment
8	Preliminary analytical review
12	Audit risk assessment, planning and consideration of fraud
20	Account balance testing
12	Data analysis and final analytical review
10	Report generation and communication
90	

We are well versed in auditing financial statements that are kept on a variety of accounting systems including that of the County Treasurer, QuickBooks, Sage/Peachtree and Excel, etc.

We understand the working challenges that you are experiencing as a result of the pandemic and district staffing constraints. We are committed to providing a high level of service while reducing the reliance on in-person when necessary and able. We have the capabilities to transfer and review documents remotely, schedule meetings and conduct audit related interviews via video conferencing options, if desired. We are dedicated to overcoming challenges without sacrificing audit rigor.

COMPENSATION

Fee Schedule:

Professional service fees will be assessed in the following manner:

- Annual Audit FY 2022-23 - \$16,500

Financial Transaction Report (FTR) will be charged at \$600 each year upon completion of the district submission to the State Controller's Office.

Fees for subsequent years rise in line with inflation and are generally 2-5% per year.

Services within the fees above include:

- Assistance with preparation of the government-wide financial statements (cash to accrual conversion) as required.
- Assistance with the preparation of the management discussion and analysis (MD&A)
 - We will utilize our MD&A template which complies with all GASB requirements and tailor it to the district and its operations.
- Our fee includes consultation and advice at no additional charge throughout the year.
 - We want to use our leading industry experience to answer accounting questions, provide feedback on internal control procedures/policies/structures and keep you apprised of the everchanging accounting standards.

Standard billing rates for the last three year are outlined below:

Position	Hourly Rates		
	2022-23	2021-22	2020-21
Clerical	\$ 65	\$ 63	\$ 60
CPA - Auditor	\$ 175	\$ 170	\$ 165

All hours for your districts audit will be performed by a licensed certified public accountant which is unique to our small firm. By contrast, most other firms utilize unlicensed accountants with under 2 years of experience to perform 90% of the audit work. Our firm has dedicated ourselves to working with the cemetery district industry and believe that we provide an in-depth audit that is specially tailor to cemetery districts.

Consideration:

Although we believe that the fees quoted above are directly related to the level of quality, professionalism, and service we provide, if the only thing keeping us from working with you is a minor difference in fees, please give us a call to see what we can do for you!



Report on the Firm's System of Quality Control

August 3, 2022

To Kevin Brejnak, CPA
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Kevin Brejnak, CPA (the firm) in effect for the year ended December 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Kevin Brejnak, CPA in effect for the year ended December 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Kevin Brejnak, CPA, has received a peer review rating of *pass*.

Price Paige & Company

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