

**TOMALES VILLAGE
COMMUNITY SERVICES DISTRICT**

**REPORT ON ACCOUNTING CONTROLS
AND PROCEDURES**

June 30, 2022

ROBERT W. JOHNSON
Certified Public Accountant



Robert W. Johnson
an accountancy corporation

6234 Birdcage Street, Citrus Heights, California 95610 | robertwjohsoncpagroup@gmail.com | 916.723.2555
www.bob-johnson-cpa.com

September 1, 2022

To the Board of Directors
Tomales Village Community Services District
Tomales, California

In planning and performing our audit of the financial statements of Tomales Village Community Services District as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered Tomales Village Community Services District's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We have enclosed other recommendations for your consideration.

This communication is intended solely for the information and use of management and Board of Directors, and others within the District, and is not intended to be, and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Robert W. Johnson, An Accountancy Corporation". The signature is written in a cursive, flowing style.

Robert W. Johnson, An Accountancy Corporation
Citrus Heights, California
September 1, 2022

1. Review of Operations – Government-Wide (Sewer and Parks):

	<u>Sewer</u>		<u>Park</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Operating revenues	\$ 185,199	\$ 196,146	\$ 2,137	\$ 52
Operating expenses	<u>281,180</u>	<u>221,106</u>	<u>29,203</u>	<u>25,604</u>
Operating loss	(95,981)	(24,960)	(27,066)	(25,552)
Non-operating revenues/ (expenses)	<u>17,781</u>	<u>17,385</u>	<u>41,999</u>	<u>36,740</u>
Income (loss) before contributions	(78,200)	(7,575)	14,933	11,188
Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss)	<u><u>\$ (78,200)</u></u>	<u><u>\$ (7,575)</u></u>	<u><u>\$ 14,933</u></u>	<u><u>\$ 11,188</u></u>
Cash	<u><u>\$ 159,219</u></u>	<u><u>\$ 236,166</u></u>	<u><u>\$ 124,835</u></u>	<u><u>\$ 99,181</u></u>

Observations:

Operating results comparison:

Sewer	\$(70,625)
Park	<u>3,745</u>
Overall decrease in net income	<u><u>\$(66,880)</u></u>

Cash comparison:

Sewer	\$(76,947)
Park	<u>25,654</u>
Overall decrease in cash	<u><u>\$(51,293)</u></u>

2. Prior Year Recommendation:

a. Data Backup:

Observation and Recommendation:

The District's accounting is currently being backed up on contract Controller's external drive. There is currently no cloud backup of accounting data.

Recommend that they secure a cloud backup system. Cloud backup enables your organization to send a copy of your cloud data to another location so that if your data is compromised, you can restore information, ensure business continuity, and defend against devastating IT crises – such as data corruption, malicious attack (virus or malware), accidental deletion of data or natural disaster.

Follow-up:

The District is in the process of securing a provider to have all data on a cloud backup system.

