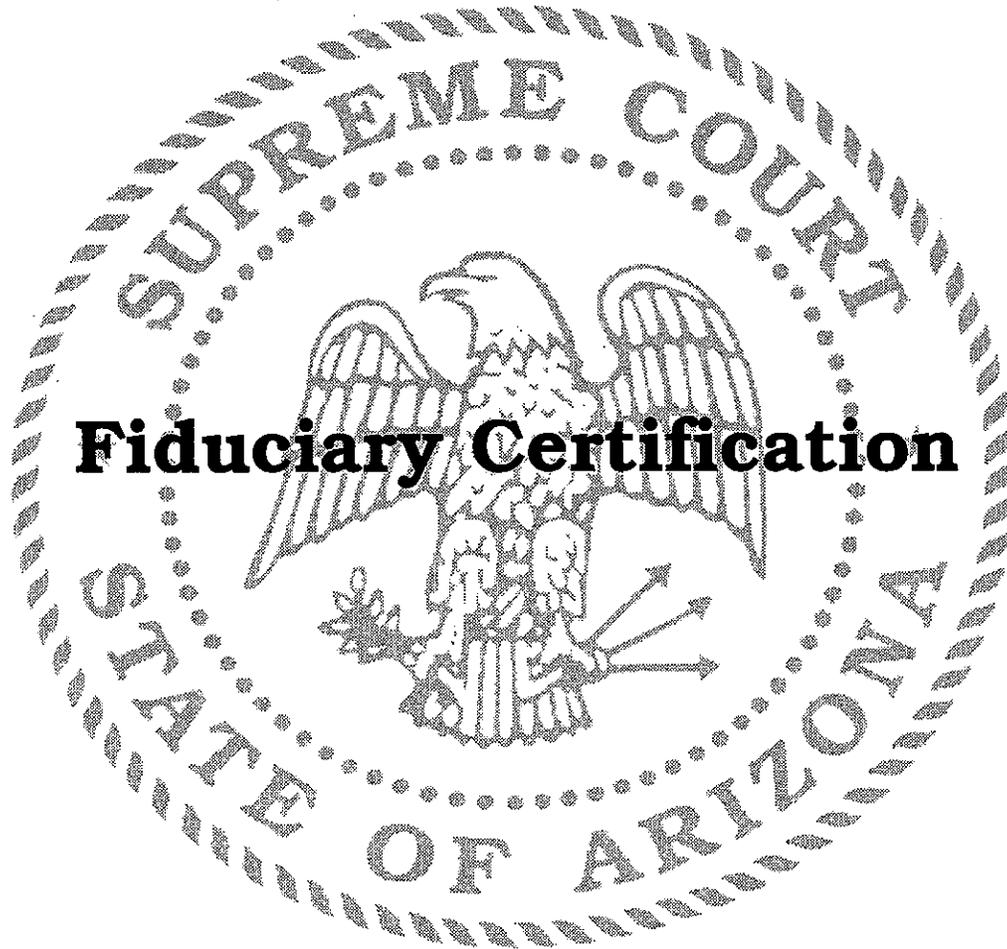


Arizona Supreme Court  
Administrative Office of the Courts



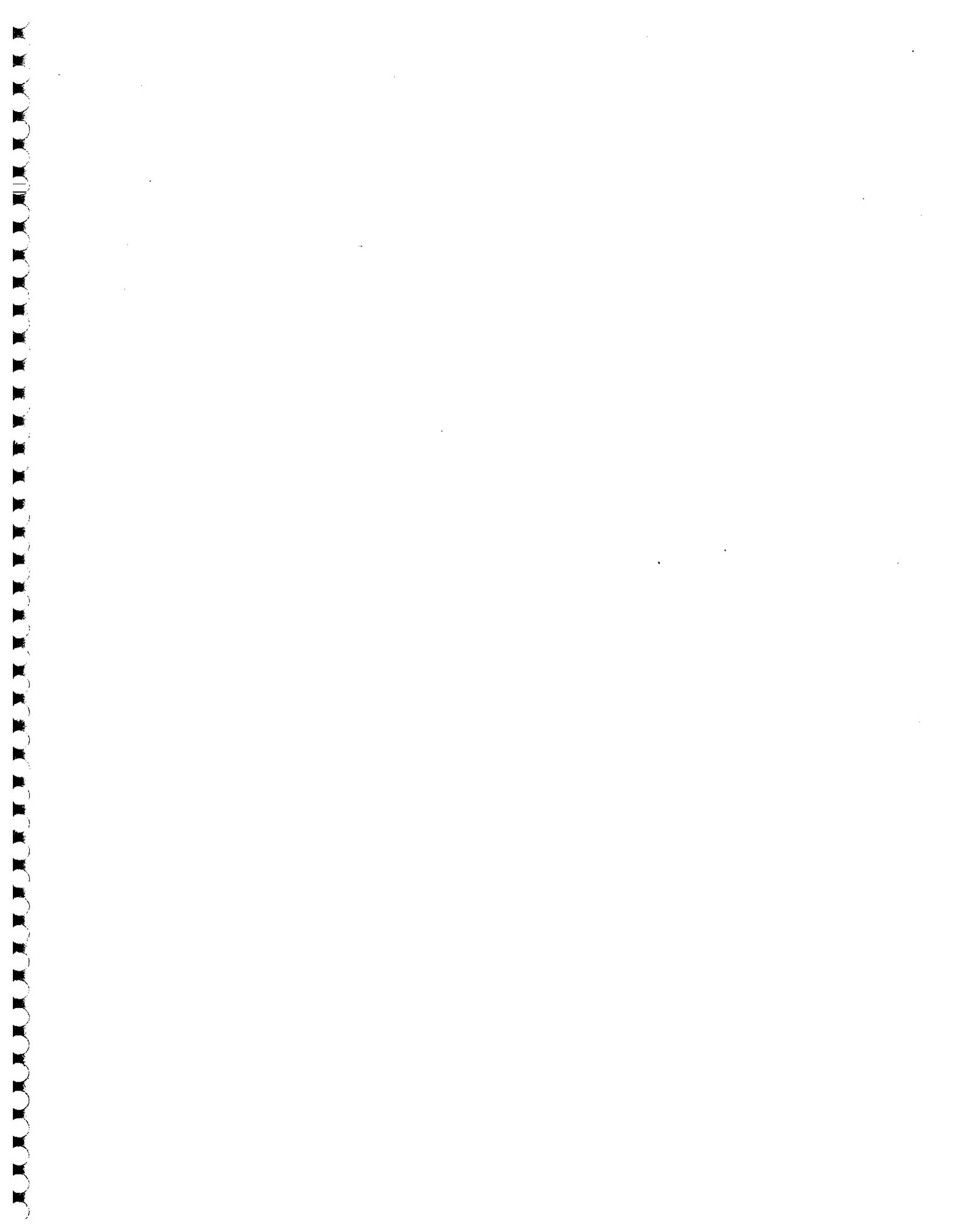
# **Fiduciary Certification**

*Compliance Audit*

***La Paz County Public Fiduciary***

*June, 2009*

Arizona Supreme Court  
CLD, Compliance





# Supreme Court

STATE OF ARIZONA  
ADMINISTRATIVE OFFICE OF THE COURTS

Rebecca White Berch  
Chief Justice

David K. Byers  
Administrative Director  
of the Courts

July 2, 2009

Linda Bachtel  
La Paz County Public Fiduciary  
1105 14<sup>th</sup> Street  
Parker, AZ 85344

**RE: Fiduciary Compliance Audit**

Dear Ms. Bachtel:

Enclosed is the final compliance audit report for La Paz County Public Fiduciary.

Thank you for the cooperation and assistance during the compliance audit process exhibited by you and your staff. Their hard work throughout the audit process has been appreciated. To the extent the fiduciary audit process will assist the court to ensure the safety, health and welfare of individuals and estates entrusted by the court to your management, we have benefited from our audit of La Paz County Public Fiduciary. I hope you and your clients will equally benefit.

If you have any questions, please let me know at (602) 364-2378.

Sincerely,

A handwritten signature in black ink that reads "Nancy Swetnam".

Nancy Swetnam, Director  
Certification and Licensing Division

Enclosures

c. Honorable Michael Burke, Presiding Judge, Superior Court in La Paz County  
Sheri Newman, Clerk of the Court, Superior Court in La Paz County

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### *Disclaimer*

*This final report represents the information and conditions encountered at the point in time of the audit and does not purport to represent conditions prior to or subsequent to the performed audit. The information presented does not represent an endorsement or denunciation of the audited fiduciary or business.*

*After this report is distributed to the audited fiduciary, presiding judge of the county and, if a public fiduciary, the county supervisors, it becomes public record.*

# **EXECUTIVE SUMMARY**

**Executive Summary**  
**La Paz County Public Fiduciary**  
**Compliance Audit Report**

The Arizona Supreme Court, Fiduciary Certification Program conducted a compliance audit of La Paz County Fiduciary, pursuant to Arizona Revised Statutes § 14-5651 and Arizona Supreme Court Administrative Order 2003-31. During the period of February 13, 2009 through March 13, 2009 the Compliance Unit audited the fiduciary activities of La Paz County Public Fiduciary and employees. The following is a summary of the audit findings.

***Finding # 1 – Certification Number***

*La Paz County Public Fiduciary submitted documents to the Superior Court without the fiduciary's certification number.*

La Paz County Public Fiduciary agrees with the finding and stated they have amended the court documents.

***Finding # 2 – Late Filings***

*Statutorily required report of a fiduciary client was submitted to the court after the due date.*

La Paz County Public Fiduciary agreed with the finding.

***Finding # 3 – Accuracy***

*Required court reports were inaccurately prepared and/or documented.*

La Paz County Public Fiduciary agrees with this finding.

***Finding # 4 – Documentation***

*La Paz County Public Fiduciary did not keep suitable records of the administration of client cases and exhibit those records upon request.*

La Paz County Public Fiduciary agrees with this finding.

## Executive Summary

### ***Finding # 5 – Inventory***

*La Paz County Public Fiduciary did not list in reasonable detail and indicate the market value of estates as of the date of appointment for each item to be listed on an inventory.*

La Paz County Public Fiduciary disagrees with the finding.

Finding Dismissed.

### ***Finding # 6 – Notice***

*La Paz County Public Fiduciary did not notice creditors.*

La Paz County Public Fiduciary disagrees with the finding.

Finding Dismissed.

### ***Finding # 7 – Diligence***

*A fiduciary must exercise extreme care and diligence when making medical and financial decisions on behalf of a ward or protected person.*

La Paz County Public Fiduciary agrees with the finding.

# **FINAL REPORT**

## La Paz County Public Fiduciary Compliance Audit Report

<p><b>Objective</b></p>          <p><b>Methodology</b></p>	<p>The compliance audit of the La Paz County Public Fiduciary was conducted pursuant to the Fiduciary Program's responsibilities as set forth in A.R.S. § 14-5651, Arizona Supreme Court Administrative Order No. 2003-31 and the Arizona Code of Judicial Administration ("ACJA") § 7-201: General Requirements and § 7-202: Fiduciaries<sup>1</sup>.</p> <p>The objective of the compliance audit was to determine compliance with applicable statutes, Arizona Supreme Court orders and rules and ACJA § 7-201 and § 7-202.</p> <p>In preparation for the compliance audit, preliminary survey questions were requested and responded to by the La Paz County Public Fiduciary ("LPCF"). The responses were reviewed and compiled to assist in the development of case file samples. In addition, information was requested from the Superior Court in La Paz County to verify court appointment information.</p> <p>In order to test for compliance, the program has developed and currently utilizes a set of fiduciary compliance attributes consisting of Arizona statutes, Arizona Supreme Court rules and ACJA § 7-201 and § 7-202. Compliance with these requirements was tested by staff interviews, observation and reviewing samples of client case files.</p> <p>A stratified sampling approach was used. The selected samples of court appointed client case files were designed to provide conclusions about the accuracy, validity and timeliness of transactions, internal controls and compliance with the fiduciary attributes utilizing a cross-section of samples of court appointment types. Client case files were selected by type of appointment, length of appointment, type of required client protection and initiation or termination of appointment during the review time frame.</p> <p>Beginning March 2, 2009 and prior to beginning the onsite fieldwork, the auditor reviewed the selected client court files from the Superior Court in La Paz County and conducted internal controls interviews with LPCF staff.</p>
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<sup>1</sup> Arizona Codes of Judicial Administration, General Requirements & Fiduciaries, January 1, 2007

# La Paz County Public Fiduciary Compliance Audit Report

During the period of March 10, 2009 through March 13, 2009 the Compliance Unit of the Certification and Licensing Division of the Administrative Office of the Courts, Arizona Supreme Court, conducted the onsite compliance portion of the audit of the LPCF office. The onsite compliance audit consists primarily of fiduciary client case file review. The audit also included the fiduciary activities of the principal, certified and uncertified staff. There are two certified fiduciaries in the LPCF office.

## *Scope*

LPCF was the court appointed fiduciary on 11 guardian, conservator, combination guardian/conservator, trusts and personal representative cases as of March 2, 2009. LPCF have approximately \$194,700 in client assets under their management.

## *Summary*

The compliance audit team reviewed a selected stratified sample of five (5) client case files of court appointments and terminations, focusing on the internal controls, processes, timeliness, accuracy, statutory and ACJA requirements of client case administration.

LPCF staff extended professional courtesies and cooperation to the audit team during the course of the audit. There were minimal findings in the audit. The staff is to be commended; they have created a thorough policy and procedure manual.

The compliance audit found non-compliance in seven (7) key areas. The non-compliance was found in the areas of late filings, accuracy, documentation and inventory. These findings are discussed as follows:

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 1</i></b></p> <p>➤ <b><u>Certification Number</u></b></p> <p><i>Related Attributes:</i></p> <p><i>Arizona Code of Judicial Administration § 7-202 (F)(3)</i></p> <p><b><i>Requirement</i></b></p>	<p>Documents filed with the Superior Court in Yuma County must include both the fiduciary and the business certificate number on the-court documents.</p> <ul style="list-style-type: none"> <li>• Court documents filed for clients were missing the certification number (one or both fiduciary's certification numbers) – Clients # 1 &amp; 5</li> </ul> <p>LPCF must include the required certification numbers, the individual's and the office, on all documents submitted to the superior court.</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary agrees with the finding #1. We understand and are aware that all court documents filed with the Superior Court in La Paz County must include both the fiduciary and the business certificate number.”</i></p>
<p><b><i>Corrective Action</i></b></p>	<p><i>“Effective immediately all court documents filed with the Superior Court in La Paz County will include both the fiduciary and the business certificate number. The court documents for client's #1 &amp; #5 have been amended to show both the fiduciary and the business certificate number and filed with La Paz County Superior Court.”</i></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b>Finding # 2</b></p> <p>➤ <u>Late filings</u></p> <p><u>Related Attributes:</u></p> <p>ARS § 14-5418(A), Arizona</p> <p>Code of Judicial Administration § 7-202 (J)(2)(e)</p> <p><b>Requirement</b></p>	<p>The statutorily required court report was submitted to the court after the due date.</p> <ul style="list-style-type: none"> <li>• Late Inventory and Appraisement – Client # 2</li> </ul> <p>LPCF must submit the inventory and appraisement, annual accountings, guardianship reports, and/or proof of restriction on or before the statutorily required due date or court ordered due date for each client.</p>
<p><b>Auditee's Response</b></p>	<p><i>“La Paz County Public Fiduciary agrees with finding #2. We understand and are aware that inventories and appraisements, annual accountings, guardianship reports, and/or proof of restriction must be submitted on or before the statutorily required due date or court ordered due date for each client. On client #2, the inventory was completed and filed on July 2, 2008 as soon we discovered that inventory was not filed within the statutory required due date. Our explanation for failing to file the inventory has been documented and is in the client’s file. (Copy attached) A corrected inventory was filed on July 17, 2008 when it was discovered that the original inventory contained an error in our accounting figures.”</i></p>
<p><b>Corrective Action</b></p>	<p><i>“Effective immediately The La Paz County Public Fiduciary will make a diligent effort to ensure that inventories and appraisements, annual accountings, guardianship reports, and/or proof of restriction are filed on or before the statutorily required due date or court ordered due date for each client.”</i></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 3</i></b></p> <p>➤ <b><i>Accuracy</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(j)</i></p> <p><b><i>Requirement</i></b></p>	<p>The inventory and appraisalment, annual accounting and annual guardianship reports required by the court were inaccurately prepared and/or documented in the sampled cases:</p> <ul style="list-style-type: none"> <li>• Property was not included on the 1<sup>st</sup> &amp; Final Accounting – Client # 2</li> <li>• Beginning balance of fourth accounting did not match the ending balance from the third accounting – Client # 4</li> <li>• Beginning balance of the fifth accounting did not match the ending balance of the fourth accounting – Client # 3</li> </ul> <p>LPCF must ensure any document filed with the Superior Court is complete, accurate and understandable.</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary disagree the following finding in #3.</i></p> <ul style="list-style-type: none"> <li>• <i>For client #2 the property was included in the 1<sup>st</sup> and Final Accounting (one in the same). The property was listed in Exhibit “D” the Scheduled of Distribution, which was part of the Petition for Final Account of Guardian and Conservator and Decree of Settlement and Distribution of Estate.”</i></li> </ul> <p><b>AUDITOR’S NOTE:</b> Above example of the finding is dismissed.</p> <p><i>“La Paz County Public Fiduciary agrees with following finding in #3.</i></p> <ul style="list-style-type: none"> <li>• <i>On client #4; the beginning balance of the fourth accounting does not match the ending balance of the third accounting. In reviewing the accounting there is a discrepancy of \$151.60 which is the amount of fees and expenses that were taken out of client’s account after the annual accounting was approved, but due to our old accounting system the amount was not accounted for in the next accounting period.”</i></li> </ul>

## La Paz County Public Fiduciary Compliance Audit Report

	<ul style="list-style-type: none"><li>• <i>“On Client #3; the beginning balance of the fifth accounting does not match the fourth accounting. The accounting period was back in 1991 through 1993 prior to the current certified fiduciary being appointed and the new accounting system only goes as far back as 1994. Since being appointed the Public Fiduciary has made a diligent effort to ensure that all accountings are consistent with the previous accounting period.”</i></li></ul>
<b><i>Corrective Action</i></b>	<p><i>“Effective immediately the La Paz County Public Fiduciary will make a diligent effort to ensure that all documents filed with the Superior Court are complete, accurate and understandable, and that all accountings are consistent with the previous accounting period.”</i></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 4</i></b></p> <p>➤ <b><i>Documentation</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>ARS § 14-5418(B)</i></p> <p><b><i>Requirement</i></b></p>	<p>By statute a fiduciary must keep suitable records of the administration of client cases and exhibit those records upon request. Suitable records include conformed copies of client court documents; and, documentation which includes decision-making and tracks the disposition, storage, disbursement and appreciation of items in a client's estate. Examples of missing documentation are:</p> <ul style="list-style-type: none"> <li>• Amount paid on bill was not specified – Client # 1</li> <li>• Paid Wal-Mart bill was not supported with Wal-Mart receipts but with receipts from care home – Client # 1</li> <li>• First accounting is not in file – Client # 4</li> <li>• No documentation of vehicle, disposition or proceeds from sale – Client # 5</li> </ul> <p>LPCF must develop a systematic process for marshalling, securing and documenting the administration of a client's estate and/or care to include all assets, transactions, activities and decision-making for each court appointed client.</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary disagrees with the following findings in #4.</i></p> <ul style="list-style-type: none"> <li>• <i>Client #1; the bill in question is not a “bill”. The statement the auditors are referring to is a petty cash accounting of the money that was deposited into the client's trust account while she was a resident at Affectionate Care Home. (Copy attached). The deposited amounts are specified.”</i></li> </ul> <hr/> <p><b>AUDITOR'S NOTE:</b> Above example of the finding is dismissed.</p> <hr/> <ul style="list-style-type: none"> <li>• <i>“Client #1; Again this is the petty cash statement of client's trust account. We would send money to be deposited into client trust account to be used for personal items such as haircuts, perms medications etc...unfortunately the majority of client's money was used for Depends that the care home purchased at Wal-Mart. Our office did request</i></li> </ul>

## La Paz County Public Fiduciary Compliance Audit Report

	<p><i>the Wal-mart receipts on many occasions as we were attempting to work with Bridgeway (provider of ALTC) to utilized the member benefit allotted for incontinent supplies. Our office never received Wall-mart receipts or bills. Client #1 has since been moved to a nursing home where incontinent supplies are included as part of their service."</i></p> <ul style="list-style-type: none"> <li>• <i>"Client # 5; Client passed away on December 15, 2007 The Public Fiduciary's office was appointed on April 10, 2008. Regarding the vehicle in question, since according to the police report there was a co-owner listed on the registration. The Public Fiduciary's office did not pursue locating the vehicle as the Sheriff's Department had notified the co-owner of the death of client and the vehicle would have become the property and responsibility of the co-owner not the Public Fiduciary's office."</i></li> </ul> <p><i>"La Paz County Public Fiduciary's office agrees with the following finding of # 4.</i></p> <ul style="list-style-type: none"> <li>• <i>Client # 4; the first accounting is now in client's file. (copy attached)"</i></li> </ul>
<p><b><i>Corrective Action</i></b></p>	<p><i>"Effective immediately La Paz County Public Fiduciary's office will ensure that all accounting are filed in all clients' files."</i></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 5</i></b></p> <p>➤ <b><i>Inventory</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>ARS § 14-5418 (A)</i></p> <p><b><i>Requirement</i></b></p>	<p>By Arizona statute a fiduciary must list with reasonable detail and indicate the fair market value of the estate as of the date of appointment of each item listed.</p> <ul style="list-style-type: none"> <li>• Inventory is not listed with reasonable detail -- Client # 2</li> </ul> <p>“The fiduciary must provide detail on an inventory, even if it is of nominal value, to avoid giving erroneous or misleading information to either the court and/or interested parties.”</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary’s office disagrees with finding #5.</i></p> <p><i>The Inventory is listed with reasonable detail. There are two items listed on the inventory, the cash on hand at that time, amount was \$8910.42. The other item listed is the Wenden Property with the listed value of \$74,051.00 the figure was taken from the 2007 Property Tax Notice. (Copies attached)”</i></p>
<p><b><i>Corrective Action</i></b></p>	<p><b>AUDITOR’S NOTE: Finding Dismissed</b></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 6</i></b></p> <p>➤ <b><i>Notice</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>ARS § 14-3801(A)&amp;(B)</i></p> <p><b><i>Requirement</i></b></p>	<p>By Arizona statute a fiduciary must publish notice to all creditors in the local paper once a week for three successive weeks.</p> <ul style="list-style-type: none"> <li>• Notice to creditors was not given – Client # 5</li> </ul> <p>LPCF must make their appointment of Personal Representative known to all creditors by printing a notice in a circulating paper once a week for three continuous weeks to satisfy <i>ARS § 14-3801(A)&amp;(B)</i>.</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary’s office disagrees with Finding #6</i></p> <p><i>Client # 5 was an unattended death. We were ordered to administrator the estate which is under \$2500.00. We were not appointed as the Personal Representative therefore we do not believe we were required to give or public notice to creditors pursuant to ARS 14-3801 (A) &amp; (B).”</i></p>
<p><b><i>Corrective Action</i></b></p>	<p><b>AUDITOR’S NOTE: Finding Dismissed; Relevant statutes are ARS § 14-5605 Governing “Statements of Administration.”</b></p>

## La Paz County Public Fiduciary Compliance Audit Report

<p><b><i>Finding # 7</i></b></p> <p>➤ <b><i>Diligence</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(5)(d)</i></p> <p><b><i>Requirement</i></b></p>	<p>The fiduciary must exercise extreme care and diligence when making medical and financial decisions on behalf of a ward or protected person.</p> <ul style="list-style-type: none"> <li>• Bank account was not mentioned in inventory and was not documented anywhere as existing or closed – Client # 5</li> </ul> <p>Diligence equates to the competent management of the property and income of a client’s estate.</p>
<p><b><i>Auditee's Response</i></b></p>	<p><i>“La Paz County Public Fiduciary’s agrees with finding #7.</i></p> <p><i>On client #5; there was only one old bank statement from a bank in Oregon and we did not pursue bank account information. We have since contacted bank and were informed that the bank account was closed on April 30, 2007. (Letter from bank attached and in file)”</i></p>
<p><b><i>Corrective Action</i></b></p>	<p><i>“Effective immediately La Paz County Public Fiduciary’s office will ensure that all any bank information obtained on all clients, wards and decedents will be pursued for its validity.”</i></p>

# **APPENDIX A**

## **RESPONSE TO FINAL REPORT**



## **LA PAZ COUNTY PUBLIC FIDUCIARY**

1105 14TH STREET  
PARKER, ARIZONA 85344  
(928) 669-6163  
(928) 669-8713 FAX

VIVIAN HARTLESS  
FIDUCIARY  
MARION SHONTZ  
DEPUTY

April 17, 2009

Kitty Boots  
Compliance Unit Manger  
Certification and Licensing Division  
Arizona Supreme Court  
1501 West Washington Street  
Phoenix Arizona 85007-3231

**RE: Fiduciary Compliance Audit**

Dear Kitty,

Attached are our responses to the findings of the draft report of the Fiduciary Compliance Audit. We appreciate the learning opportunity that the audit process provided to our office and thank you for being available to answer our questions.

Sincerely,

Vivian Hartless  
La Paz County Public Fiduciary

CERTIFICATION & LICENSING  
2009 APR 23 PM 1:21

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Finding # 1</i></b></p> <p>➤ <b><u>Certification Number</u></b></p> <p><i>Related Attributes:</i></p> <p><i>Arizona Code of Judicial Administration § 7-202 (F)(3)</i></p> <p><b><i>Requirement</i></b></p>	<p>Documents filed with the Superior Court in Yuma County must include both the fiduciary and the business certificate number on the court documents.</p> <ul style="list-style-type: none"> <li>• Court documents filed for clients were missing the certification number (one or both fiduciary's certification numbers) – Clients # 1 &amp; 5</li> </ul> <p>LPCF must include the required certification numbers, the individual's and the office, on all documents submitted to the superior court.</p>
<p><b><i>Auditee's Response</i></b></p>	<p>La Paz County Public Fiduciary agrees with finding #1. We understand and are aware that all court documents filed with the Superior Court in La Paz County must include both the fiduciary and the business certificate number.</p>
<p><b><i>Corrective Action</i></b></p>	<p>Effective immediately all court documents filed with the Superior Court in La Paz County will include both the fiduciary and the business certification number. The court documents for client's #1 &amp; # 5 have been amended to show both the fiduciary and the business certificate number and filed with La Paz County Superior Court.</p>

LA PAZ COUNTY PUBLIC FIDUCIARY #20197  
1105 W. 14<sup>TH</sup> STREET  
PARKER, AZ. 85344  
(928) 669-6163

*ML*  
SHERI NEWMAN CLERK  
ARIZONA SUPERIOR COURT  
LA PAZ COUNTY

2009 APR 13 PM 3:02

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
IN AND FOR THE COUNTY OF LA PAZ

In the Matter of the Guardianship and )  
Conservatorship of: )  
)  
)  
)  
An Adult Protected Person )

NOTICE OF CHANGE  
OF ADDRESS  
(Amended)

Notice is hereby given that effective February 18, 2009 the  
residence address for  
has changed to:

Respectfully submitted this 26<sup>th</sup> of February, 2009.

  
Linda L. Bachtel # 20246, for  
La Paz County Public Fiduciary



3. Summary of Schedule A:

1. Bank account at Bank \$5154.00

Property	Inv. No.	Separate Property			Community Property			Total Equity
		FMV	Liens	Equity	FMV	Liens	Equity	
<b>Real</b>								
Personal	1.	5154.00		5154.00				5154.00
<b>Totals</b>								5154.00

La Paz County Attorney  
Attorney Name

Dated: April 13, 2009 By

*Sinda S. Buckett* #20246  
For La Paz County Public Fiduciary

**La Paz County Public Fiduciary  
Draft Compliance Audit Report**

<p><b><i>Finding # 2</i></b></p> <p>➤ <b><i><u>Late filings</u></i></b></p> <p><b><i><u>Related Attributes:</u></i></b></p> <p><i>ARS § 14-5418(A), Arizona</i></p> <p><i>Code of Judicial Administration</i> <i>§ 7-202 (J)(2)(e)</i></p> <p><b><i>Requirement</i></b></p> <p><b><i>Auditee's Response</i></b></p>	<p>The statutorily required court report was submitted to the court after the due date.</p> <ul style="list-style-type: none"><li>• Late Inventory and Appraisalment – Client # 2</li></ul> <p>LPCF must submit the inventory and appraisalment, annual accountings, guardianship reports, and/or proof of restriction on or before the statutorily required due date or court ordered due date for each client.</p> <p>La Paz County Public Fiduciary agrees with finding #2. We understand and are aware that inventories and appraisements, annual accountings, guardianship reports, and/or proof of restriction must be submitted on or before the statutorily required due date or court ordered due date for each client. On client # 2, the inventory was completed and filed on July 2, 2008 as soon we discovered that inventory was not filed within the statutory required due date. Our explanation for failing to file the inventory has been documented and is in the client's file. (Copy attached) A corrected inventory was filed on July 17, 2008 when it was discovered that the original inventory contained an error in our accounting figures.</p>
<p><b><i>Corrective Action</i></b></p>	<p>Effective immediately The La Paz County Public Fiduciary will make a diligent effort to ensure that inventories and appraisements, annual accountings, guardianship reports, and/or proof of restriction are filed on or before the statutorily required due date or court ordered due date for each client.</p>

Re:

I was appointed as temporary guardian and conservator on Sept. 25, 2007. On that day I went to her bank, transferred the balance of her savings account (4533.60) to her checking account, making the balance in the checking account a total of \$8810.42. I purchased a cashiers check in the amount of \$7000.00 payable to leaving a balance of \$1910.82, which is below the \$2000.00 maximum cash, a requirement for eligibility by ALTCS had been a private pay resident of Havasu Nursing Home and owed more than the \$7000.00, but they had agreed to accept a partial payment of \$7000.00 until her property sold. niece, informed me that she had spoken to a realtor at Century 21 in Wickenburg regarding listing property in Wenden. She said that the family had agreed on a price, \$129,000.00, and asked that I sign the listing paperwork for Century 21 for the price they wanted. I agreed and called the agent. I began preparing the permanent Guardian and Conservator pleadings, filed them and got a hearing date of Nov. 14, 2008.

I was appointed Permanent Guardian and Conservator on Nov. 14, 2008. had direct deposit from Social Security into her account. She also had several automatic debits being taken out of her account, such as Arizona Public Service, TDS Telecom and several small insurance policies, such as hospital accident insurance. She also had a Medicare supplement insurance policy, but it was not an automatic debit. I was instructed by the ALTCS caseworker to cancel the insurance policies, including the Medicare supplement, as ALTCS will take care of paying her nursing home charges, other than her Share of Cost. I sent letters to TDS, to cancel her telephone. Also sent a letter to Arizona Public Service to cancel the Equalizer payment program, in which she had a credit. I used the account to pay her Share of Cost to Havasu Nursing for September, October and November as her Social Security check was still going into that account on direct deposit. I was notified by Social Security that we would start receiving her SSA check on December 3, so I decided to start to close out the Bank of America account and transfer all funds to my Main Trust account, which is the account I use for most of my clients' deposits and bills. On Dec. 11, I wrote a check for \$800.00 from the account and deposited it to account in my Main Trust so I could begin using that account for her Share of Cost and other small bills. I left \$142.41 in the account in case any of the automatic debits came through, to avoid an overdraft condition in the account. On Jan. 10, 2008, I wrote a check from the Bank of America account for the balance in the account of \$142.41 and deposited it to the Main Trust account. The bank charged a \$6.50 service charge on the next statement, but when I called them, they agreed to reverse that charge.

I neglected to file an Inventory within 90 days of appointment. There is no excuse for this. I believe the reason the inventory didn't get done in the allotted time is because early in October my secretary gave two weeks notice and moved. She was a certified fiduciary, and I depended on her assisting me as there were just the two of us in the office. When she left, I was the only one in the office for several weeks while I did both

my job and the secretary's job. I advertised for a replacement secretary, interviewed and finally hired someone. I then had to train the new person.

I didn't discover that the inventory had not been filed until July 2, 2008. At that time I was training my replacement and asked to prepare the inventory with my assistance. We inadvertently picked up the incorrect beginning cash figure for the inventory. The amount that we picked up was \$9888.46, plus the assessors value of the Wenden property. The correct cash amount I received on the date of appointment, Sept. 25, 2007, was \$8910.42, so I filed a corrected copy of the inventory on July 17, 2008.

Our IT department representative installed an updated version of the Quicken program I used on our computer on July 1, 2008. On July 2<sup>nd</sup> we received Ms. death certificates, so I prepared the Final Accounting in the same format as I have always prepared accountings and filed it with the Court. Unfortunately the new Quicken update did not print the same information as the previous system and I didn't check it closely enough, so the copy I sent out was not clear. I also noticed after the fact that my previous secretary had included some expenditures from the Bank of America account from early in September, before I was appointed. The figures she included was a beginning balance of \$22.45 under the income section of the final accounting, and 3 automatic debits for insurance - \$12.95, \$4.45 and \$5.05 for a total of \$22.45. These figures should not have been included because those transactions happened before I was appointed.

Since preparing the final accounting on July 2 and realizing that the format was different, I have worked with the new system and know how to make a report show more information than the one I originally prepared on July 2<sup>nd</sup>. I have prepared new reports and have attached them to this letter of explanation. The difference in the amount remaining in the account for distribution is \$30.52, which was what it cost to mail out the Final Accountings on July 3<sup>rd</sup>. The balance remaining to be distributed is \$708.39.

I realize that the inventory should have been filed within 90 days of the date of appointment, and this is the first time in 9 years that I have failed to meet this deadline. I should have been more attentive to the report I printed out, but anything was done incorrectly did not affect the balances in the accounts.

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b>Finding # 3</b></p> <p>➤ <i>Accuracy</i></p> <p><u>Related Attributes:</u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(4)(i)</i></p> <p><b>Requirement</b></p>	<p>The inventory and appraisal, annual accounting and annual guardianship reports required by the court were inaccurately prepared and/or documented in the sampled cases:</p> <ul style="list-style-type: none"> <li>• Property was not included on the 1<sup>st</sup> &amp; Final Accounting – Client # 2</li> <li>• Beginning balance of fourth accounting did not match the ending balance from the third accounting – Client # 4</li> <li>• Beginning balance of the fifth accounting did not match the ending balance of the fourth accounting – Client # 3</li> </ul> <p>LPCF must ensure any document filed with the Superior Court is complete, accurate and understandable.</p>
<p><b>Auditee's Response</b></p>	<p>La Paz County Public Fiduciary disagree the following finding in # 3.</p> <ul style="list-style-type: none"> <li>• For client #2 the property was included in the 1<sup>st</sup> and Final Accounting (one in the same). The property was listed in Exhibit "D" the Scheduled of Distribution, which was part of the Petition for Final Account of Guardian and Conservator and Decree of Settlement and Distribution of Estate.</li> </ul> <p>La Paz County Public Fiduciary agrees with following finding in #3.</p> <ul style="list-style-type: none"> <li>• On client #4; the beginning balance of the fourth accounting does not match the ending balance of the third accounting. In reviewing the accounting there is a discrepancy of \$151.60 which is the amount of fees and expenses that were taken out of client's account after the annual accounting was approved, but due to our old accounting system the amount was not accounted for in the next accounting period.</li> <li>• On Client # 3; the beginning balance of the fifth accounting does not match the fourth accounting. The accounting period was back in 1991 through 1993 prior to the current certified fiduciary being appointed and the new accounting system only goes as far back as 1994. Since being appointed the Public Fiduciary has made a diligent effort to ensure that all accountings are consistent with the previous accounting period.</li> </ul>

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Corrective Action</i></b></p>	<p>Effective immediately The La Paz County Public Fiduciary will make a diligent effort to ensure that all documents filed with the Superior Court are complete, accurate and understandable, and that all accountings are consistent with the previous accounting period.</p>
--	--

LA PAZ COUNTY PUBLIC FIDUCIARY  
1105 14<sup>th</sup> STREET  
PARKER, ARIZONA 85344  
(928) 669-6163

Martin Brannan  
Attorney for Petitioner/Fiduciary  
State Bar #017151

SHERI NEWMAN CLERK  
ARIZONA SUPERIOR COURT  
LA PAZ COUNTY

2008 JUL -2 AM 10:05

**IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**

**IN AND FOR THE COUNTY OF LA PAZ**

In the Matter of the Guardianship )  
and/or Estate of )  
)  
)  
)  
)  
Deceased )

**PETITION FOR APPROVAL OF FINAL  
ACCOUNT OF GUARDIAN AND  
CONSERVATOR AND FOR DECREE  
OF SETTLEMENT AND  
DISTRIBUTION OF ESTATE**

Petitioner alleges that:

1. Petitioner was appointed Guardian and Conservator on November 14, 2007 and thereafter qualified and accepted.
2. The Guardianship and Conservatorship has terminated as a result of the death of \_\_\_\_\_ as evidenced by a copy of death certificate attached hereto as Exhibit A.
3. Attached hereto as Exhibit B is Petitioner's final account showing all sums received and disbursed in connection with the administration of Ward/Protected Person's estate during the period of Sept. 25, 2007 to July 2, 2008 as well as the property on hand at the end of such time period.

4. Attached hereto as Exhibit C are Fiduciary's Fees and Expenses. Said fees and Expenses were incurred in the performance of the duties of the guardian and conservator of the incapacitated person.

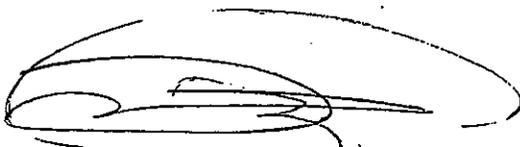
5. Attached hereto as Exhibit D is the Schedule of Distribution for the estate.

Accordingly, Petitioner requests, after notice and hearing, as required by law, the Court issue a judicial order which:

- A. Terminates the Guardianship/Conservatorship;
- B. Approves and settles Conservator's final account for the period of Sept. 25, 2007 to July 2, 2008;
- C. Decree the distribution of the property in accordance with the Schedule of Distribution.
- D. Approve Conservator's fiduciary fees and expenses as presented;
- E. Enter such other orders as the Court deems appropriate under the circumstances.

Respectfully submitted this 2<sup>nd</sup> day of July, 2008.

  
Linda L. Bachtel, #20246  
For La Paz County Public Fiduciary

  
Martin Brannan  
La Paz County Attorney



## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Finding # 4</i></b></p> <p>➤ <b><i>Documentation</i></b></p> <p><u>Related Attributes:</u></p> <p>ARS § 14-5418(B)</p> <p><b><i>Requirement</i></b></p>	<p>By statute a fiduciary must keep suitable records of the administration of client cases and exhibit those records upon request. Suitable records include conformed copies of client court documents; and, documentation which includes decision-making and tracks the disposition, storage, disbursement and appreciation of items in a client's estate. Examples of missing documentation are:</p> <ul style="list-style-type: none"> <li>• Amount paid on bill was not specified – Client # 1</li> <li>• Paid Wal-Mart bill was not supported with Wal-Mart receipts but with receipts from care home – Client # 1</li> <li>• First accounting is not in file – Client # 4</li> <li>• No documentation of vehicle, it disposition or proceeds from sale – Client # 5</li> </ul> <p>LPCF must develop a systematic process for marshalling, securing and documenting the administration of a client's estate and/or care to include all assets, transactions, activities and decision-making for each court appointed client.</p>
<p><b><i>Auditee's Response</i></b></p>	<p>La Paz County Public Fiduciary disagrees with the following findings in # 4.</p> <ul style="list-style-type: none"> <li>• Client # 1; the bill in question is <b>not</b> a "bill". The statement the auditors are referring to is a petty cash accounting of the money that was deposited into the client's trust account while she was a resident at Affectionate Care Home. (Copy attached). The deposited amounts are specified.</li> <li>• Client #1; Again this is the petty cash statement of client's trust account. We would send money to be deposited into client trust account to be used for personal items such as haircuts, perms medications etc...unfortunately the majority of client's money was used for Depends that the care home purchased at Wal-Mart. Our office did request the Wal-mart receipts on many occasions as we were attempting to work with Bridgeway (provider of ALTC) to utilized the member benefit allotted for incontinent supplies. Our office never received Wal-mart receipts or bills. Client #1 has since been moved to a nursing home where incontinent supplies are included as part of their service.</li> </ul>

## La Paz County Public Fiduciary Draft Compliance Audit Report

- Client # 5; Client passed away on December 15, 2007 The Public Fiduciary's office was appointed on April 10, 2008. Regarding the vehicle in question, since according to the police report there was a co-owner listed on the registration. The Public Fiduciary's office did not pursue locating the vehicle as the Sheriff's Department had notified the co-owner of the death of client and the vehicle would have become the property and responsibility of the co-owner not the Public Fiduciary's office.

La Paz County Public Fiduciary's office agrees with the following finding of # 4.

- Client # 4; the first accounting is now in client's file. (copy attached)

***Corrective Action***

Effective immediately La Paz County Public Fiduciary's office will ensure that all accountings are filed in all clients' files.

# Petty Cash

2007-2008

National Brand 45-803 Eye-Ease® 2-Pack Made in USA

Prepared By: \_\_\_\_\_  
 Approved By: \_\_\_\_\_

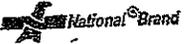
Page 2

		Credit	Debit	Balance
			17.00	- 261.22
6/9/08	Walmart - Pullups		11.00	- 272.22
6-12/08	Walmart - Pull ups		11.00	- 283.22
6-14/08	Walmart - Pull-ups		45.00	- 328.22
3/11/08	Becky Hair cut Form - tip			60.00
				150.00
			11.00	139.00
6/17/08	Walmart Pull ups		11.00	128.00
6/20/08	Walmart Pull ups		17.00	111.00
6/25/08	Walmart Pull ups		11.00	100.00
6/27/08	Walmart Pull ups		11.00	89.00
7/5/08	Walmart Pull ups		11.00	78.00
7/9/08	Walmart Pull-ups		11.00	67.00
7/14/08	Walmart Pull-ups		11.00	56.00
7/21/08	Walmart Pull-ups		11.00	45.00
7/23/08	Walmart Pull-ups		11.00	34.00
7/27/08	Walmart Pull-ups		11.00	23.00
8/1/08	Walmart Pull-ups XL #16		45.00	- 16.00
7/30/08	Hair cut - Form SUSZ		324	- 1924
7/26/08	ASA - 81mg		11.00	- 3024
8/7/08	Pullups XL #16		11.00	- 4124
8/11/08	Pull-ups XL #16		11.00	- 5224
8/16/08	Pull-ups XL #16		11.00	- 6324
8/20/08	Pull-ups XL #16		11.00	- 7424
8/23/08	Pull-ups XL #16		208	- 7632
8/25/08	Frys Pharmacy CA + D 600 #60		11.00	- 8732
8/26/08	XL Pullups #16		11.00	- 9832
9/3/08	Pull ups XL #16		11.00	- 10932
9/16/08	Pull-ups XL #16		11.00	- 12032
9/19/08	Pull-ups XL #16		11.00	- 13132
9/20/08	Pullups XL #16		208	- 13340
9/21/08	Frys Pharmacy		11.00	- 14440
9/25/08	Pull-ups XL #16		11.00	- 15540
9/30/08	Pull-ups XL #16		11.00	- 16640
10/4/08	Pull-ups XL #16		11.00	- 17740
10/8/08	Pull-ups XL #16		11.00	- 18840
10/12/08	Pull-ups XL #16		11.00	- 19940
10/15/08	Pull-ups XL #16		11.00	- 21040
10/19/08	Pull-ups XL #16		11.00	- 22140
10/23/08	Pull-ups XL #16		11.00	- 23240
10/25/08	Pull-ups XL #16			- 23240

Net credit  
 378.22  
 150.00

Out of Order

# Petty Cash



45-609 Eye-Ease®  
45-303 2-Peck  
Made in USA

Prepared By	Initials	Date
Approved By		

2008 - 2009

		1	2	3
		Credit	Debit	Balance
				- 232.40
	Balance Forward		11.00	- 243.40
11/29/08	XL Pull-ups #16		11.00	- 254.40
11/2/08	XL Pull-ups #16		11.00	- 265.40
11/7/08	XL Pull-ups #16		11.00	- 276.40
11/11/08	XL Pull-ups #16		11.00	- 287.40
11/16/08	XL Pull-ups #16		11.00	- 298.40
11/19/08	XL Pull-ups #16		11.00	- 309.40
11/22/08	XL Pull-ups #16		11.00	- 320.40
11/25/08	XL Pull-ups #16		11.00	- 331.40
11/29/08	XL Pull-ups #16		13.24	- 344.64
11/30/08	ASA Stone #120		11.00	- 355.64
12/2/08	XL Pull-ups #16	150.00		- 195.64
10/8	CK	250.00		54.36
12/1/08	CK 4005		11.00	43.36
12/5/08	XL Pull-ups #16 XL		11.00	32.36
12/7/08	XL Pull-ups #16		11.00	21.36
12/8/08	XL Pull-ups #16		11.00	10.36
12/13/08	XL Pull-ups #16		11.00	- .64
12/15/08	XL Pull-ups #16		11.00	- 11.64
12/19/08	XL Pull-ups #16		11.00	- 22.64
12/22/08	XL Pull-ups #16		11.00	- 33.64
12/24/08	XL Pull-ups #16		11.00	- 44.64
12/28/08	XL Pull-ups #16		11.00	- 55.64
1/1/09	XL Pull-ups #16		11.00	- 66.64
1/3/09	XL Pull-ups #16		11.00	- 77.64
1/5/09	XL Pull-ups #16		11.00	- 88.64
1/16/09	XL Pull-ups #16		11.00	- 99.64
1/19/09	XL Pull-ups #16		11.00	- 110.64
1/14/09	XL Pull-ups #16		11.00	- 121.64
1/18/09	XL Pull-ups #16		11.00	- 132.64
1/21/09	XL Pull-ups #16		11.00	- 143.64
1/23/09	CALCULUM 600+D 60CT	208		- 134.72
1/23/09	XL Pull-ups #16		11.00	- 145.72
1/23/09	XL Pull-ups #16		11.00	- 156.72
1/31/09	XL Pull-ups #16		11.00	- 167.72
1/29/09	XL Pull-ups #16		11.00	- 178.72
2/5/09	XL Pull-ups #16		11.00	- 189.72
2/7/09	XL Pull-ups #16		11.00	- 189.72

MARCY  
DUBS

out of order

# Petty Cash

2008

National Brand 45-603 Eye-Ease®  
45-303 2-Pack  
Made in USA

	Initials	Date
Prepared By		
Approved By		

		Credit	Debit	Balance
	Page 3			
	[REDACTED]			
1	Balance Forward			- 232.40
2	11/29/08 XL Pull-ups #16		11.00	- 243.40
3	11/2/08 XL Pull-ups #16		11.00	- 254.40
4	11/7/08 XL Pull-ups #16		11.00	- 265.40
5	11/11/08 XL Pull-ups #16		11.00	- 276.40
6	11/16/08 XL Pull-ups #16		11.00	- 287.40
7	11/19/08 XL Pull-ups #16		11.00	- 298.40
8	11/27/08 XL Pull-ups #16		11.00	- 309.40
9	11/25/08 XL Pull-ups #16		11.00	- 320.40
10	11/29/08 XL Pull-ups #16		11.00	- 331.40
11	11/30/08 ASA Bling #120		3.24	- 334.64
12	12/2/08 XL Pull-ups #16		11.00	- 345.64
13				Amount owed
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95 JUN 24 AM 8:03

MARY L. EGENBERGER  
LA PAZ COUNTY PUBLIC FIDUCIARY  
1316 KOFA AVENUE  
PARKER, ARIZONA 85344  
(520) 669-6163

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
IN AND FOR THE COUNTY OF LA PAZ

In the Matter of the Guardianship )  
and/or Conservatorship of, )  
)  
)  
)  
)  
AN INCAPACITATED AND PROTECTED )  
PERSON. )

PETITION FOR APPROVAL OF  
ACCOUNT OF GUARDIAN OF AND  
CONSERVATOR OF AN ADULT  
  
(Amended)

Petitioner, MARY L. EGENBERGER, Conservator for  
an incapacitated and protected person, hereby accounts to the Court  
as follows:

- 1) Petitioner was appointed Conservator of said person on 28 July 1997, by Court Appointment and thereafter accepted.
- 2) Attached hereto is Exhibit "A", reflecting receipts and disbursements during the account period from 28 July 1997 to 30 June 1998, and all property on hand at the end of the period. Note that in the original Petition filed herein on the 23rd of June, 1998 the Exhibit "A" was not filed, thus the filing of this Amended Petition.

Petitioner requests:

- 1) A time and place to be fixed for the hearing of this account; and,
- 2) Upon said hearing, the account be approved and settled.

Dated this 24<sup>th</sup> day of June, 1998.

Mary L. Egenberger  
Mary L. Egenberger

Annual Account, PB97000048  
7/28/97 Through 6/30/98

/23/98

Date	Num	Description	Memo	Category	Clr Amount
<b>INCOME/EXPENSE</b>					
<b>INCOME</b>					
		Medicare Pay.			
2/26/98		Medical Diagnostic		Medicare Pay.	26.22
		Total Medicare Pay.			26.22
<b>Returns &amp; Allowances</b>					
12/ 3/97	MO	-De 67125198688	Returns		41.29
		Total Returns & Allowances			41.29
<b>Social Security</b>					
9/ 3/97	SSA	SSA-Deposit		SSA	753.00
9/26/97	177		August 1997	SSA	700.00
10/ 3/97	SSA	SSA-Deposit-Sep		SSA	753.00
11/ 3/97	SSA	SSA-Deposit-Oct		SSA	753.00
12/ 3/97	SSA	SSA-Deposit-Nov		SSA	753.00
1/ 6/98	SSA	SSA-Deposit-Dec		SSA	769.00
2/ 3/98	SSA	SSA-Deposit-Jan		SSA	769.00
3/ 3/98	SSA	SSA-Deposit-Feb		SSA	769.00
4/ 3/98	SSA	SSA-Deposit-Mar		SSA	769.00
5/ 1/98	SSA	SSA-Deposit-Apr		SSA	769.00
6/ 3/98	SSA	SSA-Deposit-May		SSA	769.00
		Total Social Security			8,326.00
		<b>TOTAL INCOME</b>			<b>8,393.51</b>
<b>EXPENSES</b>					
<b>Clothing</b>					
11/ 5/97	78025		Winter Clothi	Clothing	-100.00
3/ 6/98	88168		Me Tennis Shoes	Clothing	-30.00
4/ 7/98	88201		Summer Clothi	Clothing	-59.35
		Total Clothing			-189.35
<b>Court Approved</b>					
12/10/97	78065			Fid. Fee & Exp	-9.00
		Total Court Approved			-9.00
<b>Dental Expense</b>					
9/26/97	77942	Ahwatukee Oral & M	6 of	Dentist	-150.75

Annual Account,  
7/28/97 Through 6/30/98

5/23/98

Date	Num	Description	Memo	Category	Clr Amount
10/20/97	77987	Ahwatukee Oral & M	#61300	Dentist	-150.75
1/19/97	78032	Ahwatukee Oral & M	#61300	Dentist	-50.25
Total Dental Expense					-351.75
Estate Expense					
8/21/97	77882	ForeThought Life I		Ju Ins. Premium	-137.38
9/17/97	77933	ForeThought Life I		-Se Ins. Premium	-68.69
10/20/97	77986	ForeThought Life I		-Oc Ins. Premium	-68.69
1/ 4/97	78006	ForeThought Life I		-No Ins. Premium	-68.69
2/ 3/97	78045	ForeThought Life I		-De Ins. Premium	-68.69
1/ 1/98	88075	ForeThought Life I		Ins. Premium	-68.69
2/ 3/98	88115	ForeThought Life I		Ins. Premium	-68.69
3/ 9/98	88169	ForeThought Life I		Ins. Premium	-68.69
4/ 3/98	88182	ForeThought Life I		Ins. Premium	-68.69
5/ 4/98	88209	ForeThought Life I		Ins. Premium	-68.69
6/ 3/98	88233	ForeThought Life I		Ins. Premium	-68.69
Total Estate Expense					-824.28
Fiduciary Exp.					
9/29/97	77943			Attorney Fees	-37.50
Total Fiduciary Exp.					-37.50
Share of Costs					
9/11/97	77926	Central Arizona Me	July	Share of Costs	-680.40
9/11/97	77927	Central Arizona Me	August	Share of Costs	-680.40
9/11/97	77928	Central Arizona Me	Arrearage 199	Share of Costs	-20.00
9/26/97	77941	Central Arizona Me	Bal owing thr	Share of Costs	-61.90
10/ 2/97	77960	Central Arizona Me	Oct	Share of Costs	-680.40
11/ 4/97	78005	Central Arizona Me	Nov	Share of Costs	-680.40
12/ 3/97	78044	Central Arizona Me	Dec	Share of Costs	-680.40
12/10/97	78066	Central Arizona Me	Sep	Share of Costs	-680.40
1/ 1/98	88074	Central Arizona Me	Jan	Share of Costs	-680.40
2/ 3/98	88131	Central Arizona Me	Feb	Share of Costs	-437.46
3/ 3/98	88148	Central Arizona Me	Mar	Share of Costs	-642.59
4/ 3/98	88181	Central Arizona Me	Apr	Share of Costs	-694.90
5/ 4/98	88208	Central Arizona Me	May	Share of Costs	-694.90
6/ 3/98	88232	Central Arizona Me		Share of Costs	-694.90
Total Share of Costs					-8,009.45
TOTAL EXPENSES					-9,421.33
TOTAL INCOME/EXPENSE					-1,027.82

Annual Account, PB97000048  
 7/28/97 Through 6/30/98

Robert

/23/98

Date	Num	Description	Memo	Category	Clr Amount
BALANCE FORWARD					
7/28/97			Inventory		994.64
11/19/97	178		, Inventory		44.00
6/30/98	Inv.	ForeThought Life I	Burial Policy		2,813.00
Total					3,851.64
TOTAL BALANCE FORWARD					3,851.64
OVERALL TOTAL					2,823.82

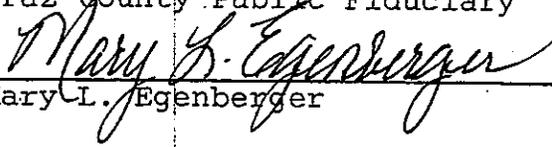
6/23/98

Category Description	
-----	
INCOME/EXPENSE	
INCOME	
Medicare Pay.	26.22
Returns & Allowances	41.29
Social Security	8,326.00
-----	
TOTAL INCOME	8,393.51
EXPENSES	
Clothing	189.35
Court Approved	9.00
Dental Expense	351.75
Estate Expense	824.28
Fiduciary Exp.	37.50
Share of Costs	8,009.45
-----	
TOTAL EXPENSES	9,421.33
-----	
TOTAL INCOME/EXPENSE	-1,027.82
BALANCE FORWARD	
	3,851.64
-----	
TOTAL BALANCE FORWARD:	3,851.64
-----	
OVERALL TOTAL	2,823.82
=====	

RESPECTFULLY SUBMITTED this 23rd day of June, 1998.

La Paz County Public Fiduciary

By

  
Mary L. Egenberger

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Finding # 5</i></b></p> <p>➤ <b><i>Inventory</i></b></p> <p><u>Related Attributes:</u> ARS § 14-5418 (A)</p> <p><b><i>Requirement</i></b></p>	<p>By AZ statute a fiduciary must list with reasonable detail and indicate the fair market value of the estate as of the date of appointment of each item listed.</p> <ul style="list-style-type: none"> <li>• Inventory is not listed with reasonable detail -- Client # 2</li> </ul> <p>The fiduciary must provide detail on an inventory, even if it is of nominal value, to avoid giving erroneous or misleading information to either the court and/or interested parties.</p>
<p><b><i>Auditee's Response</i></b></p>	<p>La Paz County Public Fiduciary's office disagrees with finding # 5.</p> <p>The Inventory is listed with reasonable detail. There are two items listed on the inventory, the cash on hand at that time, amount was \$8910.42. The other item listed is the Wenden Property with the listed value of \$74,051.00 the figure was taken from the 2007 Property Tax Notice. (Copies attached)</p>
<p><b><i>Corrective Action</i></b></p>	<p><i>(Left blank intentionally)</i></p>

**ARIZONA SUPERIOR COURT  
LA PAZ COUNTY**

SHERI NEWMAN, CLERK  
ARIZONA SUPERIOR COURT  
LA PAZ COUNTY

2008 JUL 17 AM 9:18

**In the Matter of the Estate of:**

**CIVIL ACTION NO:**

**INVENTORY AND APPRAISEMENT  
OF ESTATE PROPERTY**

Deceased    Conservatorship    Guardianship    Original Inventory    Supplemental Inventory <sup>CORRECTED</sup>

1. The inventory annexed as Schedule A (Property of Estate with Appraisals Designated) contains a true statement of all the property owned by decedent or protected person as of the date indicated, which has come to my knowledge; indicates the fair market value of the property as of the date indicated and its nature as separate or community property; and discloses the type and amount of all encumbrances relating to each item. **ARS 14-3706, 14-3708**

2. No appraisers have been appointed for the reason that no reasonable doubt exists as to the appraised value of the property in this estate. **ARS 14-3707**

3. The names and addresses of the appraisers and the items appraised by each are as follows:

Inventory Item Nos.	Name	Address
1	La Paz Co. Public Fiduciary	Parker, Az.
2	La Paz Co. Treasurers Office	Parker, Az

4. Summary of Schedule A:

1. Cash - \$8910.42
2. Real Property Wenden Az., Parcel Number 308-09-129D- \$74,051.00

Property	Inv. No.	Separate Property			Community Property			Total Equity
		FMV	Liens	Equity	FMV	Liens	Equity	
Real	-2-	74,051	-0-	74,051				\$74,051
Personal	1			8910.42				\$ 8910.42
<b>Totals</b>				<b>82,961.42</b>				<b>\$82961.42</b>

La Paz Co. Attorney    Dated: July 17, 2008

By *Danda D. Bachtel*  
for La Paz Co. Public Fiduciary



**ARIZONA**

**2007 PROPERTY TAX NOTICE**

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	PRIMARY PROPERTY TAX																																																						
308	09 123D 6	9.1227	2.9016	383.33																																																						
<table border="1"> <thead> <tr> <th>VALUE IN DOLLARS</th> <th>ASST %</th> <th>ASSESSED VALUE</th> <th>EXEMPTIONS</th> <th>TAX RATE</th> <th>TAX</th> </tr> </thead> <tbody> <tr> <td>73,862</td> <td>10.0</td> <td>7,386</td> <td>3,183</td> <td>9.1227</td> <td>383.33</td> </tr> <tr> <td>0</td> <td>0.0</td> <td>0</td> <td>0</td> <td>0.0000</td> <td>0.00</td> </tr> <tr> <td>73,862</td> <td>10.0</td> <td>7,386</td> <td>3,183</td> <td>2.9016</td> <td>383.33</td> </tr> <tr> <td>10,288</td> <td>10.0</td> <td>1,028</td> <td>2,741</td> <td>2.9016</td> <td>17.06</td> </tr> <tr> <td>63,763</td> <td>10.0</td> <td>6,376</td> <td>0</td> <td>0.0000</td> <td>106.47</td> </tr> <tr> <td>0</td> <td>0.0</td> <td>0</td> <td>0</td> <td>0.0000</td> <td>0.00</td> </tr> <tr> <td>74,061</td> <td>0.0</td> <td>7,406</td> <td>3,183</td> <td>0.0000</td> <td>122.52</td> </tr> <tr> <td colspan="5"><b>FULL CASH TOTALS</b></td> <td><b>484.18</b></td> </tr> </tbody> </table>					VALUE IN DOLLARS	ASST %	ASSESSED VALUE	EXEMPTIONS	TAX RATE	TAX	73,862	10.0	7,386	3,183	9.1227	383.33	0	0.0	0	0	0.0000	0.00	73,862	10.0	7,386	3,183	2.9016	383.33	10,288	10.0	1,028	2,741	2.9016	17.06	63,763	10.0	6,376	0	0.0000	106.47	0	0.0	0	0	0.0000	0.00	74,061	0.0	7,406	3,183	0.0000	122.52	<b>FULL CASH TOTALS</b>					<b>484.18</b>
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2007 TAXES	2006 TAXES	TOTALS
88.49	80.28	607.44
183.39	186.09	484.18
48.91	44.18	
51.55	87.98	
76.96	92.72	
11.66	3.87	
	13.21	

**JURISDICTION**

LA PAZ COUNTY  
WENDEN SD #16  
BICENTENNIAL UHS  
COMMUNITY COLLEGE  
MC MULLEN VALLEY FD  
FIRE DISTRICT ASSIST  
WENDEN SLID

02000  
05019  
08104  
08150  
11201  
11900  
13819

0010284  
SITUS ADDRESS:  
71118 HIGHWAY 60

LEGAL DESCRIPTION:  
WENDEN TMS LOTS 12, TRU 16, INC. A E 6' OF LOT 17, BLK 18, INC./DISPOSITION OF ABANDONED ALLEY PER OK 1921 PG. 188, 2007 WIDOWS EXEMPTION APPLIED

Notice you will receive

1112 Jashnik Ave  
Suite 203  
Parker, AZ 85344-6766

**THIS IS A CALENDAR YEAR TAX NOTICE**

\*\*\*\*\* 12 \*\*AUTO T6 2 0800 85357-020707

**PAYMENT INSTRUCTIONS**

To pay the 1st half installment and tax notices under \$100, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2008. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.

**Make your check payable to and mail to:**

Ellen Solper  
La Paz County Treasurer  
1112 Joshua Ave., Ste 203  
Parker AZ 85344-6766

PLEASE INCLUDE YOUR PARCEL NUMBER ON YOUR CHECK.

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Finding # 6</i></b></p> <p>➤ <b><i>Notice</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>ARS § 14-3801(A)&amp;(B)</i></p> <p><b><i>Requirement</i></b></p>	<p>By AZ statute a fiduciary must publish notice to all creditors in local paper once a week for three successive weeks to all creditors.</p> <ul style="list-style-type: none"> <li>• Notice to creditors was not given – Client # 5</li> </ul> <p>LPCF must make their appointment of Personal Representative known to all creditors by printing a notice in a circulating paper once a week for three continuous weeks to satisfy <i>ARS § 14-3801(A)&amp;(B)</i>.</p>
<p><b><i>Auditee's Response</i></b></p>	<p>La Paz County Public Fiduciary's office disagrees with Finding # 6.</p> <p>Client # 5 was an unattended death. We were ordered to administrator the estate which is under \$2500.00. We were not appointed as the Personal Representative therefore we do not believe we were required to give or publish notice to creditors pursuant to ARS 14-3801 (A) &amp; (B).</p>
<p><b><i>Corrective Action</i></b></p>	<p><i>(Left blank intentionally)</i></p>

## La Paz County Public Fiduciary Draft Compliance Audit Report

<p><b><i>Finding # 7</i></b></p> <p>➤ <b><i>Diligence</i></b></p> <p><u><i>Related Attributes:</i></u></p> <p><i>Arizona Code of Judicial Administration § 7-202 (J)(5)(d)</i></p> <p><b><i>Requirement</i></b></p>	<p>The fiduciary must exercise extreme care and diligence when making medical and financial decisions on behalf of a ward or protected person.</p> <ul style="list-style-type: none"> <li>• Bank account was not accounted for in inventory and was not documented as existing or closed – Client # 5</li> </ul> <p>Diligence equates to the competent management of the property and income of a client’s estate.</p>
<p><b><i>Auditee's Response</i></b></p>	<p>La Paz County Public Fiduciary’s agrees with finding #7.</p> <p>On client # 5; there was only one old bank statement from a bank in Oregon and we did not pursue bank account information. We have since contacted bank and were informed that the bank account was closed on April 30, 2007. (Letter from bank attached and in file)</p>
<p><b><i>Corrective Action</i></b></p>	<p>Effective immediately La Paz County Public Fiduciary’s office will ensure that all any bank information obtained on all clients, wards and decedents will be pursued for its validity.</p>



April 10, 2009

Linda L. Bachtel  
1105 14<sup>th</sup> Street  
Parker Arizona 85344

Re: - Account No

Dear Linda,

We are writing this letter to let you know that account No:  
has been closed since April 30, 2007.  
We hope this information is of use to your office.

for Mrs

Sincerely,

A handwritten signature in black ink, appearing to read "Carla C. Lowe", written over a horizontal line.

Carla C. Lowe  
Customer Service Representative

