

I have received your request for audit proposals and have a few questions that will allow us to better understand the District and its operations as we prepare our proposal.

1. When does the District have their year-end financial statements ready for audit?

Yearend financial statements are prepared by the auditing firm. General Ledger and Trial Balance information is typically available at the end of July.

2. How many employees does the District have?

The District has approximately 95 full time employees and an additional 8-10 seasonal employees.

3. How many disbursements are made each year (clarification: the approximate number of disbursements for the year that are non-payroll related)?

The District had approximately 100 non-payroll related disbursements during fiscal year 2018.

4. How many audit adjustments were proposed by the auditor in each of the last 2 years?

FY2018: -3-4 FY2017: -3-4

5. Was there a management recommendation letter issued in either of the last 2 years and if so, please forward a copy?

Yes- See Attached

6. What was the audit cost for each the past 3 years?

FY2018: \$18,595

FY2017: \$18,580

FY2016: \$18,211

7. Does the District or the Auditor draft the financial statements and notes to the financial statements?

Auditor prepares.

8. How often does is the District required to have a Single Audit of Federal Expenditures performed?

This is entirely dependent on the amount of Federal Grants received in any given fiscal year. We have required a Single Audit four of the last five years.

9. Do you currently rely on the auditor to compile the audit report?

District personnel prepare the management discussion and analysis. The Auditor prepares the rest of the audit report and finical statements.

10. How significant are the adjusting entries made by the auditor at year end?

We generally have 3-4 adjusts each year. We always have an adjustment from Utah Retirement Systems. The others are miscellaneous items (e.g. a prior period adjustment for a credit against a loan or an adjustment for a large capital project that was paid by another entity)

11. Have there been any significant changes in accounting personnel at the District in the past few years?

Our accountant migrated to another position within the District 3 years ago and another accountant was hired to fill their position. Our CFO retired last year. His financial duties were absorbed into three other positions within the District.

12. What is the timeline for the audit?

We are expecting the proposer to suggest a timeline for the District. We need to present the audit at the final Board meeting of the calendar year and will need to receive a draft report at least a few weeks prior to review and create the MDA. The proposer can suggest an earlier timeline for completing the audit. The presentation of audit to the Board was moved from October to November due to staff timing issues.

13. Should we include our engagement letter in the cost proposal?

If your contract or engagement letter includes pricing and rate information that cannot be removed, you may include it with the cost proposal. However, include a sentence in the RFP that states the contract can be found in the cost proposal.



October 19, 2017

Board of Trustees  
Weber Basin Water Conservancy District  
2837 East Hwy 193  
Layton, UT 84040

We have audited the financial statements of Weber Basin Water Conservancy District for the year ended June 30, 2017, and have issued our report thereon dated October 19, 2017. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 27, 2017, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements approved by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The only estimates affecting the financial statements were estimated useful lives of capital assets.

We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are consistent and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatement*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. All misstatements discovered were communicated to management and were corrected.

*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 19, 2017.

*Other Audit Findings or Issues*

We generally discuss a variety of other matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

As a result of observations made during our audit, we have no recommendations to communicate.

This information is intended solely for the use of the Board of Trustees and management of Weber Basin Water Conservancy District and is not intended to be and should not be used by anyone other than these specified parties.

*Christensen, Palmer & Ambrose P.C.*



**Christensen,  
Palmer & Ambrose**  
Certified Public Accountants  
Business Advisors

Kent R. Christensen, CPA  
Jeffrey L. Ambrose, CPA  
Chuck Palmer, CPA

October 18, 2018

Board of Trustees  
Weber Basin Water Conservancy District  
2837 East Hwy 193  
Layton, UT 84040

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*Christensen, Palmer + Ambrose P.C.*