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CHILD RICHARDS
— CPAs & ADVISORS —

December 5, 2019

To the Mayor and City Council
Pleasant View City
520 West Elberta Dr
Pleasant View, UT 84414

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pleasant View City for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 13, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Pleasant View City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Pleasant View City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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 most sensitive estimate affecting the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information's financial statements was:

Management's estimate of the estimated useful life of capital assets is based on historical averages on replacement. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, 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 Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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.

ROYCE J. RICHARDS, J.D., CPA | RYAN R. CHILD, CPA

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 5, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to Pleasant View City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the management’s discussion and analysis, the budgetary comparison for the general fund, the schedule of the proportionate share of the net pension liability, the schedule of contributions and the notes to the required supplementary information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining individual fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Mayor and City Council and management of Pleasant View City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Child Richards CPAs & Advisors

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PLEASANT VIEW CITY
TWO YEAR COMPARATIVE

STORM SEWER

	2018	2017	Difference
Operating Revenues	\$ 399,184	\$ 375,573	\$ 23,611
Operating Expenses	363,466	334,795	28,671
Nonoperating Revenues (Expenses)	222,939	285,317	(62,378)
Capital Contributions	12,396	294,093	(281,697)
Change in Net Position	\$ 271,053	\$ 620,188	\$ (349,135)

SOLID WASTE

	2018	2017	Difference
Operating Revenues	\$ 455,453	\$ 374,016	\$ 81,437
Operating Expenses	448,257	429,840	18,417
Nonoperating Revenues (Expenses)	2,864	3,384	(520)
Capital Contributions	-	-	-
Change in Net Position	\$ 10,060	\$ (52,440)	\$ 62,500

WATER

	2018	2017	Difference
Operating Revenues	\$ 1,003,487	\$ 881,084	\$ 122,403
Operating Expenses	931,064	877,079	53,985
Nonoperating Revenues (Expenses)	101,639	104,601	(2,962)
Capital Contributions	16,070	254,289	(238,219)
Change in Net Position	\$ 190,132	\$ 362,895	\$ (172,763)

SEWER

	2018	2017	Difference
Operating Revenues	\$ 1,022,815	\$ 984,441	\$ 38,374
Operating Expenses	947,713	919,641	28,072
Nonoperating Revenues (Expenses)	87,926	74,397	13,529
Capital Contributions	16,838	293,651	(276,813)
Change in Net Position	\$ 179,866	\$ 432,848	\$ (252,982)