



Board of Trustees
Greater Salt Lake Municipal Services District

We have audited the financial statements of the governmental activities, aggregate discretely presented component units, and each major fund of Greater Salt Lake Municipal Services District (the District) as of and for the year ended December 31, 2021, and related notes to the basic financial statements, and have issued our report thereon dated June 16, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated December 16, 2021, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the District's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements.

There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2021. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are 1) depreciation of capitalized assets, 2) the allocation of program revenue to functions and activities, 3) the allocation of costs to programs and activities, and 4) net pension liabilities (assets).

Management's estimate of the depreciation and amortization is based on expected useful lives of assets and allocating the cost of those assets over their estimated useful lives using the straight-line method. Management's estimate of the allocation of program revenue to function and activities is based on program costs by function. Management's estimate of allocating costs to programs and activities is based on where employees worked (for payroll and benefit costs) and on asset usage (for equipment, space, and supply costs). Management's estimate of net pension liabilities (assets) are based on information provided from Utah Retirement Systems. We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the financial statements as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to governmental fund financial statements, net pension liabilities (assets), and long-term obligations.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are clearly inconsequential, and communicate them to the appropriate level of management.

A summary of audit adjustments and reclassifications is attached to this letter. This summary includes misstatements (material or otherwise) that we identified because of our audit procedures; these were brought to the attention of, and corrected by, management.

Disagreements with Management

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

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated June 16, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the District, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Trustees, and management of Greater Salt Lake Municipal Services District and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



Orem, Utah
June 16, 2022

Attachments:

Copy of management's written representations

June 16, 2022

Squire & Company, PC
1329 South 800 East
Orem, Utah 84097

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, discretely presented component units, each major fund, and the aggregate remaining fund information of Greater Salt Lake Municipal Services District (the District) as of and for the year ended December 31, 2021 and the related notes to the basic financial statements, for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, of the various opinion units of the District in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of June 16, 2022:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 16, 2021, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. We have reviewed, approved, and taken responsibility for adjusting, reclassifying, eliminating, and converting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
6. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
7. We have a process to track the status of audit findings and recommendations.
8. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
9. We have provided views on your reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

10. With regards to nonattest services performed by you, we acknowledge our responsibility to:
 - a. Assume all management responsibilities;
 - b. Designate an individual who possesses suitable skill, knowledge, or experience to oversee the services;
 - c. Evaluate the adequacy and results of the services performed; and
 - d. Accept responsibility for the results of the services.
11. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
12. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
13. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
14. The effects of uncorrected misstatements summarized and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statements as a whole.
15. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
16. All component units are included and related organizations are properly disclosed.
17. All funds and activities are properly classified.
18. All funds that meet the quantitative criteria in U.S. GAAP for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
19. All components of net position and classifications of fund balance are properly reported and, if applicable, approved.
20. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
21. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
22. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
23. All interfund and intra-entity transactions and balances have been properly classified and reported.
24. Special items and extraordinary items have been properly classified and reported.
25. Deposit and investment risks have been properly and fully disclosed.
26. Capital assets are properly capitalized, reported, and if applicable, depreciated.
27. All required supplementary information is measured and presented within the prescribed guidelines.
28. Regarding investments and other instruments reported at fair value:

- a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
29. With respect to the required supplementary information (RSI) accompanying the financial statements:
- a. We acknowledge our responsibility for the presentation of the RSI in accordance with the Governmental Accounting Standards Board.
 - b. We believe the RSI, including its form and content, is measured and fairly presented in accordance with prescribed guidelines.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the RSI, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
30. Arrangements with financial institutions involving restrictions on cash balances have been properly disclosed.

Information Provided

31. We have provided you with:
- a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, minutes of the meetings of Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared, communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
32. All transactions have been recorded in the accounting records and are reflected in the financial statements.
33. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
34. We have provided to you our analysis of the District's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
35. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
- a. Management;
 - b. Employees who have significant roles in internal control; or

- c. Others where the fraud could have a material effect on the financial statements.
36. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the District's financial statements communicated by employees, former employees, vendors, regulators, or others.
 37. We have identified and disclosed to you all known instances that have occurred or are likely to have occurred of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
 38. We have identified and disclosed to you all information that we are aware of regarding instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
 39. We have disclosed to you all known litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
 40. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.
 41. We have disclosed to you all communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
 42. The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
 43. We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
 44. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with U.S. GAAP. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
 45. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
 46. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with U.S. GAAP.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by U.S. GAAP.
 47. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.

48. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

State Compliance Audit

49. With respect to state compliance requirements:
- a. We are responsible for understanding and complying with and have complied with state compliance requirements.
 - b. We are responsible for establishing and maintaining controls that provide reasonable assurance that we are administering our state compliance requirements in accordance with Office of the Utah State Auditor requirements and state grantor agency guidelines.
 - c. We have identified and disclosed to you all of our activities subject to state compliance requirements.
 - d. We have made available to you all contracts and agreements, including amendments, if any, and any other correspondence relevant to activities subject to state compliance requirements.
 - e. We are not aware of any instances of noncompliance with state compliance requirements.
 - f. We believe the District has complied with state compliance requirements.
 - g. We have made available to you all documentation related to state compliance requirements, including information related to state program financial reports and claims for reimbursements.
 - h. We have provided to you our interpretations of any compliance requirements that have varying interpretations.
 - i. Claims for reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with state grantor agency guidelines).
 - j. We have properly classified amounts claimed or used for matching in accordance with state grantor agency guidelines.
 - k. We have charged costs to programs in accordance with applicable cost principles.
 - l. We have disclosed to you any communications from the Office of the Utah State Auditor, state grantor agencies, and pass-through entities concerning possible noncompliance with state compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of our report.
 - m. We have disclosed to you the findings received and related corrective actions taken from previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
 - n. We are not aware of any known noncompliance with state compliance requirements after the period covered by your report on state compliance.
 - o. We are responsible for taking corrective action on audit findings of the compliance audit.

Signature: *Marla Howard*
[Marla Howard \(Jun 16, 2022 09:25 MDT\)](#)

Marla Howard, General Manager