



Independent Accountant’s Report on Applying Agreed-Upon Procedures

Skyline Mountain Special Service District
 2201 SMR
 Fairview, Utah 84629

We have performed the procedures included in the *Guide for Agreed-Upon Procedures Engagements for Local Government*, issued by the Office of the Utah State Auditor, and enumerated below on the Skyline Mountain Special Service District’s (the District) financial survey, accounting records, and compliance with applicable state laws for the year ended December 31, 2022. The District’s management is responsible for its financial survey, accounting records, and compliance with applicable state laws.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the District’s financial survey, accounting records, and compliance with applicable state laws for the year ended December 31, 2022. Additionally, the Office of the Utah State Auditor has agreed to and acknowledged that the procedures performed are appropriate to meet for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

Procedures	Findings
Financial Survey	
General	
1. We obtained a copy of the entity’s Financial Survey which was completed by the entity.	<i>We noted no exceptions as a result of these procedures.</i>
2. We agreed amounts reported on the Financial Survey to the entity’s general ledger.	<i>We noted no exceptions as a result of these procedures.</i>
Revenues	
3. We compared each revenue account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total revenues and 10% of the individual line item from the prior year, we inquired of management and reviewed applicable supporting documentation and determined whether the entity’s explanation for the change was in accordance with the entity’s policies and procedures, GAAP, and State and/or Federal policies as applicable.	<i>There were no changes over the specified amounts which were unexplained.</i>

Procedures	Findings
<p>Disbursements</p> <p>4. We compared each expense account on the Financial Survey to the corresponding prior period amounts. For changes greater than 5% of total expenses and 10% of the individual line item from the prior year, we inquired of management and reviewed applicable supporting documentation to determine whether the entity's explanation for the change was in accordance with the entity's policies and procedures, GAAP, and State and/or federal policies as applicable.</p>	<p><i>There were no changes over the specified amounts which were unexplained.</i></p>
<p>Accounting Records</p>	
<p>General</p> <p>5. We inquired with those charged with governance, the chief administrative officer, and the chief financial officer (as designated in UCA 11-50-202) of any instances of fraud, illegal acts, or noncompliance.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>Disbursements</p> <p>6. We determined whether financial reports were prepared monthly or quarterly as required and reviewed by the governing body. We selected one financial report and (1) scanned the general ledger and determined that all funds were included in the report, and (2) agreed the lesser of 10% or 15 line items from the report to the general ledger.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>7. We inquired with the chief administrative officer and the chief financial officer whether there were disbursements to related parties. We also scanned disbursement records for disbursements to related parties and determined who has credit cards or purchasing cards issued by the entity. We selected the lesser of 25 disbursements or 10% of disbursements ensuring that the selection includes disbursements to related parties as well as credit card or purchase card disbursements made by members of the governing body and executive level of management.</p> <p>For each transaction selected, we determined whether the disbursement:</p> <p>a. Was consistent with the entity's purpose.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>b. Agreed to the receipt or invoice supporting the amount and payee.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>c. Was authorized consistent with the entity's policies and procedures.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>

Procedures	Findings
d. Was in compliance with the entity's purchasing policy (bids, quotes, etc.).	<i>We noted no exceptions as a result of these procedures.</i>
e. Was classified and recorded in accordance with the entity's chart of accounts and policies and procedures, GAAP, and State/Federal policies as applicable.	<i>We noted no exceptions as a result of these procedures.</i>
8. For each credit or purchasing card used, we selected one month during the period and determined whether card purchases were reconciled to receipts monthly by someone other than the card holder.	<i>We noted no exceptions as a result of these procedures.</i>
9. Through inquiry with management and scanning receipt records, we determined what restricted revenue was received by the entity and selected the lesser of 10% or 5 disbursements from restricted funds and determined whether the disbursements were in compliance with restrictions placed on the funds.	<i>The District received no restricted revenues in 2022.</i>
Cash 10. For each depository account, we obtained the year-end bank reconciliation and one additional month's bank reconciliation and performed the following:	
a. Traced the bank balance on the reconciliation to the balance per the bank statement.	<i>We noted no exceptions as a result of these procedures.</i>
b. Traced the reconciled book balance to the general ledger and the amount reported on the Financial Survey.	<i>We noted no exceptions as a result of these procedures.</i>
c. Tested the clerical accuracy of the reconciliation.	<i>We noted no exceptions as a result of these procedures.</i>
d. For reconciling items greater than 5% of annual revenues, inquired of management and reviewed applicable supporting documentation to determine that the items were consistent with the entity's policies and procedures, GAAP, and State/Federal policies. Traced the lesser of 10% or five reconciling items to a subsequent bank statement.	<i>We noted no exceptions as a result of these procedures.</i>
e. Traced the lesser of 10% or five deposit transactions and 10% or five disbursement transactions to the general ledger.	<i>We noted no exceptions as a result of these procedures.</i>
11. For each depository bank reconciliation selected above, through inquiry of management and review of the reconciliation, we determined whether the bank reconciliation was performed by someone who does not have access to receipts or disbursements (including direct access to perform withdrawals/transfers in the bank accounts). If the individual did have access to receipts or disbursements, we determined whether a separate individual reviewed the completed bank reconciliation.	<i>We noted no exceptions as a result of these procedures.</i>

Procedures	Findings
<p>Meetings</p> <p>12. We reviewed the governing board’s meeting minutes for the period applicable to the engagement through the report date of the engagement. For all financial transactions discussed in the minutes exceeding 5% of total revenues, and a selection of the lesser of 10% or 3 less-significant financial transactions discussed, we traced the transactions to the entity’s accounting records and determined whether the transactions were recorded and reported in accordance with the entity’s policies and procedures, GAAP, and State and/or Federal policies, as applicable.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>Compliance</p>	
<p>Meetings</p> <p>13. We selected and obtained the agenda and meeting minutes for two public meetings held during the engagement year and performed the following:</p> <p>a. We determined if the entity gave proper notice of the meeting at least 24 hours before each meeting by posting the notice on the Utah Public Notice Website.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>b. We determined if the agenda was reasonably specific to enable lay persons to understand the topics to be discussed.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>c. We determined if the public body took any final actions on a topic in the meeting that was not listed under an agenda item.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>
<p>d. We determined whether the minutes were posted to the Utah Public Notice Website within three days of the minutes being approved. (Exception: Charter schools are required only to make the meeting minutes available to the public within three days of being approved.)</p>	<p><i>The District is not required to post minutes to Utah’s public notice website.</i></p>
<p>e. If a portion of the meeting was closed to the public, we determined that 1) before the meeting was closed, the reason for holding the closed meeting was documented in the meeting minutes and a roll call vote was taken, 2) the reason for closing the meeting was permitted under UCA 52-4-205, and 3) an audio recording of the closed meeting was made, or in the case of meetings closed to discuss Section 52-4-205(1)(a)(i)(f) or (2), the presiding person had executed a sworn statement that the sole purpose of the closed meeting was to discuss those issued.</p>	<p><i>The District did not close any portion of their meetings to the public.</i></p>
<p>Budget</p> <p>14. We determined if a budget was approved before the start of the budget year and if the budget presented to the public and governing body contained the required financial information.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>

Procedures	Findings
15. We determined if the entity provided the required 7-day notice for its original and final budget adoption hearing.	<i>We noted no exceptions as a result of these procedures.</i>
16. We examined the entity's records and financial reports and determined whether the total expenditures stayed within the amounts appropriated in the final adopted budget.	<i>The District's total expenditures were over the final adopted budget by \$575.</i>
Fund Balances 17. Deficit Fund Balances: For any fund that had a deficit fund balance at year under review, we determined whether the entity included in the subsequent budget year an appropriation to retire the deficit of an amount equal to or greater than 5% of the fund's total actual revenue for the year under review.	<i>The District has a positive unrestricted net position.</i>
18. General Fund Balance Limitations: We determined whether the entity's unrestricted (committed, assigned, and unassigned) general fund balance did not exceed 25% for cities or 100% for towns of the total revenue of the general fund for the engagement year.	<i>The District operates as an enterprise fund and does not have a general fund.</i>
Training 19. Through inquiry with officials of the entity and observation of meeting agendas, certificates or other relevant evidence, we determined whether the following training had occurred as applicable: <ol style="list-style-type: none"> a. Annual training on the requirements of the Open and Public Meetings Act. 	<i>We noted no exceptions as a result of these procedures.</i>
<ol style="list-style-type: none"> b. Annual online training by the entity's designated records officer on the requirements of GRAMA. 	<i>We noted no exceptions as a result of these procedures.</i>
GRAMA (Government Records Access Management Act) 20. If the entity charges fees for GRAMA requests, we verified that the entity has adopted a uniform fee structure.	<i>The District does not charge fees for GRAMA requests.</i>
Fraud Risk Assessment 21. Review the Fraud Risk Assessment and verify that it was completed, signed by the CAO and CFO of the organization and discussed in the minutes of the entity.	<i>We noted no exceptions as a result of these procedures.</i>
Public Treasurer's Bond 22. We determined whether the Treasurer was bonded in accordance with Money Management Council Rule R628-4-4.	<i>We noted no exceptions as a result of these procedures.</i>

Procedures	Findings
<p>Government Fees</p> <p>23. We determined that Government Fees collected by the entity were approved, tracked, and reasonable according to the prescribed criteria.</p>	<p><i>We noted no exceptions as a result of these procedures.</i></p>

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objectives of which would be the expression of an opinion or conclusion, respectively, on the District's financial survey, accounting records, and compliance with state laws. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of our testing of the financial survey, accounting records, and compliance with applicable state laws and the results of that testing, and not to provide an opinion or conclusion on the financial survey, the accounting records, or compliance with applicable state laws. Accordingly, this communication is not suitable for any other purpose.

Squire & Company, PC

Orem, Utah
June 29, 2023