Proposal to Provide Audit Services
City of Moab, Utah
Submitted by Aycock, Miles & Associates, CPAs, P.C.
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## Additional Documents

<table>
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<td>Peer Review Acceptance Letter</td>
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OUR AUDIT APPROACH

Service to the City of Moab
Our firm’s principal service to the City of Moab will be an examination of the financial statements. We will perform this examination in accordance with generally accepted auditing standards adopted by the American Institute of Certified Public Accountants including tests of accounting data and procedures that we consider necessary in the circumstances.

Audit Plan
Subject to coordination with the accounting personnel of the City of Moab, we have determined that our approach to the June 30 audit would be as follows:

Phase I—Upon being selected as your auditors, we will review the system of internal control, document the various accounting systems and make such tests of the system as we consider necessary in the circumstances. Based on our review and testing, we will prepare a detailed audit plan for the examination of the City of Moab’s financial statements. After preparing this audit plan, we will meet with the appropriate accounting personnel to discuss the audit plan and timetable, and to discuss special audit requirements, if any.

Phase II—In August or early September, we will obtain digital copies of the City’s detail general ledger, trial balance and various files of information provided by the City. We anticipate receiving audit information around August 1st. We will complete numerous preliminary and other audit procedures prior to our onsite test work.

Phase III—During the months of September and October, we will begin final field work and perform onsite audit procedures. We will coordinate our visit with the City’s finance department. During our testing at the City, we will test numerous source documents. We anticipate completion of field work and audit documentation by mid-October. We expect three auditors to be at the City’s office about two days.

Phase IV—We will plan on delivery of the completed audit report and final management letter by October 31. If files are not available to us in a timely manner as noted in Phase II, then delivery of the audit report will be accordingly later.

Description of Firm
Our CPA firm is located in Roosevelt, Utah. We have served government entities in northeastern Utah for over 25 years. Our office has four CPAs and three additional accountants. We audit entities that vary from small, local districts to counties, electric utilities, and a local hospital. Our audit workpapers have been reviewed by the Utah State Auditor’s Office and received a pass rating (their highest rating). We are members of both the American Institute of Certified Public Accountants (AICPA) and the Utah Association of Certified Public Accountants (UACPA). Our Firm is licensed to practice in the State of Utah and we hold current licenses.

Management Letters
During the course of our audit work, we continually identify opportunities for improvements in operating, accounting, and financial management controls. Our findings are grouped according to their significance and functionality and shall be discussed with entity officials to confirm the accuracy of our findings and recommendations. Prior to the issuance of our formal letter, we shall request written responses from the entity officials for each recommendation, which shall be included in the management letter.

Aycock, Miles & Associates, CPAs
Fee Arrangements

Our fee estimates are based on a realistic assessment of the amount of time necessary to achieve fully the audit services and related objectives shared by the City of Moab and our Firm. Fees are normally calculated using standard rate schedules applied to the actual time expended. We estimate approximately 142 hours of audit work based on our experience auditing other communities.

We are prepared to render the professional services described herein not to exceed:

<table>
<thead>
<tr>
<th>Procedures</th>
<th>Hours</th>
<th>Avg Rate</th>
<th>Billing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; preliminary testing</td>
<td>20</td>
<td>$150</td>
<td>$3,000</td>
</tr>
<tr>
<td>Offsite testing</td>
<td>20</td>
<td>150</td>
<td>3,000</td>
</tr>
<tr>
<td>Onsite testing at Moab offices (2 days)</td>
<td>48</td>
<td>150</td>
<td>7,200</td>
</tr>
<tr>
<td>State of Utah compliance testing</td>
<td>6</td>
<td>150</td>
<td>900</td>
</tr>
<tr>
<td>Financial statement preparation</td>
<td>40</td>
<td>150</td>
<td>6,000</td>
</tr>
<tr>
<td>Proposed audit fee</td>
<td>134</td>
<td></td>
<td>$20,100</td>
</tr>
</tbody>
</table>

Single Audit, if applicable             20    $180    $3,600

Meals & lodging at actual cost           estimate $850

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>$20,100</td>
<td>$20,500</td>
<td>$20,900</td>
<td>$21,300</td>
</tr>
<tr>
<td>Single Audit</td>
<td>3,600</td>
<td>3,800</td>
<td>4,000</td>
<td>4,200</td>
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</table>

Any additional charges would result only from, (1) an increase in the anticipated scope of the examination due to new additional State and/or Federal guidelines, (2) work other than those services outlined above, or (3) an increase in the anticipated scope of the examination due to an increase in the level of business activity; all of which will be discussed and authorized by the appropriate authorities in writing before the additional work is performed. The hourly rate for any additional work would be as follows:

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Hourly Rate</th>
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<tbody>
<tr>
<td>Partner</td>
<td>$180</td>
</tr>
<tr>
<td>Manager</td>
<td>120</td>
</tr>
<tr>
<td>Staff</td>
<td>90</td>
</tr>
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Management Advisory Services

We at Aycock, Miles & Associates, CPAs feel that we can provide the City of Moab valuable consulting services in areas such as: cash management, cash flow strategies, internal control, and other assistance.

Non-discrimination Clause

Our firm does not discriminate against any individual because of race, religion, sex, color, age, handicap, or national origin; and these are not a factor in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion or separation.

Aycock, Miles & Associates, CPAs
Independence
All members of our accounting firm are independent of the City of Moab.

Peer Review
Our firm is a member of the AICPA’s Division for CPA Firms. Membership in the Division for CPA Firms requires that we undergo an extensive Peer Review, where another qualified CPA firm reviews the quality of our audit work every three years. We have successfully completed our most recent peer review. Our firm was issued an unqualified opinion by our peer reviewer, Ray Russell of Haynie & Company, CPAs from Littleton, CO. A copy of the peer review opinion is attached.

Recommendations
We feel that probably the best guide you can use to judge the quality of the services that our firm provides is to talk to some of our current audit clients. We have decades of government auditing experience.

Amanda Baum, Controller
Kane County Water Conservancy District
Kanab, Utah (435) 644-3997

JoAnn Evans, County Clerk/Auditor
Duchesne County, Utah
Duchesne, Utah (435) 738-1228

Ryan Snow, CPA, City Manager
Providence City, Utah
Providence, Utah (435) 752-9441

Ryan Clayburn, City Manager
Roosevelt City, Utah
Roosevelt, Utah (435) 722-5001

Kyle Snow, CEO
Uintah Basin Tri-County Mental Health District (Northeastern Counseling Center)
Vernal, Utah (435) 789-6300

Laurie Brummond, Executive Director
Uintah Basin Association of Governments
Roosevelt, Utah (435) 722-4518

John Zilles, CFO
Moon Lake Electric Company
Roosevelt, Utah (435) 722-5400

Other governmental & private audit client references are available upon request.

As our client, we feel that we can provide the City of Moab with more than an annual audit. We have the training and the personnel to assist the City of Moab with all their accounting needs. The following are a few of the reasons why we feel we can be the City of Moab’s auditor:

- We complete our audits in a timely and professional manner.
- Experience in auditing multi-fund governments. Numerous audits that we complete include multiple fund types and component units.
- We audit seven Utah cities.
- We have the time to commit qualified personnel to meet your deadlines.

Aycock, Miles & Associates, CPAs
KEY ENGAGEMENT TEAM

Audit Partner—Mike Miles is the audit partner for our firm. He will be the primary contact and will be responsible for the following.

- Overall planning and coordination of all professional services rendered to you.
- Preparing the detailed engagement plan and budget.
- Determining the overall scope of the examination, audit objectives of the current period and areas requiring special attention.
- Providing direct and frequent communication regarding the progress of the engagement with the appropriate accounting personnel of the City of Moab during the course of the examination.
- Direct participation in the execution of the audit.

Mike graduated from Brigham Young University with a Masters Degree in Accounting and is a Certified Public Accountant. He has governmental and non-profit auditing experience auditing many governmental entities such as Roosevelt City, Northeastern Counseling Center, Duchesne County School District, Duchesne County, Kane County Water Conservancy District, and many other governmental units. Mike has over 25 years of audit experience.

Audit Manager—Cameron Olson will assist in the completion of the audit. Cameron has over 14 years’ experience auditing governmental units. Cameron graduated from Utah State University with a Masters of Business Administration and a Bachelors of Accounting. Cameron is a Certified Public Accountant.

Audit Manager—Clegg Batty will also assist in the completion of the audit. Clegg has about 7 years of experience auditing governmental units. Clegg has a Masters of Accounting degree from Southern Utah University and is a Certified Public Accountant.
Report on the Firm’s System of Quality Control

December 23, 2020

To the Partners of Aycock, Miles & Associates, CPAs and the Peer Review Committee of the Nevada Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Aycock, Miles & Associates, CPAs (the firm) in effect for the year ended June 30, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm’s Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer’s Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm’s compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.
Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Aycock, Miles & Associates, CPAs in effect for the year ended June 30, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Aycock, Miles & Associates, CPAs has received a peer review rating of pass.