

WEBER COUNTY CORPORATION

**Government Auditing Standards,
OMB Circular A-133 and Other Required Reports**

December 31, 2010

(With Independent Auditors' Report Thereon)

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of the County Commission:
Weber County

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Weber County, as of and for the year ended December 31, 2010, which collectively comprise Weber County's basic financial statements and have issued our report thereon dated June 27, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Weber County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Weber County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Weber County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weber County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, County Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Schmitt, Griffiths, Smith & Co.

June 27, 2011



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Members of the County Commission
Weber County

Compliance

We have audited Weber County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Weber County's major federal programs for the year ended December 31, 2010. Weber County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Weber County's management. Our responsibility is to express an opinion on Weber County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Weber County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Weber County's compliance with those requirements.

In our opinion, Weber County, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control over Compliance

Management of Weber County, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Weber County's internal control over compliance with the requirements that could have a direct and

material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Weber County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Weber County as of and for the year ended December 31, 2010, and have issued our report thereon dated June 27, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Weber County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Schmitt, Griffiths, Smith & Co.

June 27, 2011

WEBER COUNTY CORPORATION
Schedule of Expenditures of Federal Awards
December 31, 2010

Title	Federal CFDA Number	Pass-Through Grantor's Number	Award Amount	Beginning Balance Jan. 1, 2010	Revenue Recognized	Actual Expenditures	Ending Balance Dec. 31, 2010
U.S. Department of Agriculture passed through							
Utah State Department of Health							
WIC-Administration	10.557	10-0929	\$ 1,126,433	\$ -	\$ 911,911	\$ 911,911	\$ -
WIC-Food	10.557	10-0929	N/A	-	N/A	N/A	-
WIC-Administration	10.557	11-0990	1,093,240	-	234,044	234,044	-
WIC-Food	10.557	11-0990	3,859,572	-	3,859,572	3,859,572	-
Total U.S. Department of Agriculture			6,079,245	-	5,005,527	5,005,527	-
U.S. Department of Health and Human Services							
Health Resources and Services Administration							
Health Care and Other Facilities	93.887	C76HF15637	188,100	-	104,858	104,858	-
U.S. Department of Health and Human Services passed through							
Utah State Department of Health							
Summer Food Service	10.559	09-2221	100	-	100	100	-
Summer Food Service	10.559	11-0013	100	-	100	100	-
Highway Safety	20.600	CP10-02-03	34,000	-	28,290	28,290	-
Highway Safety	20.600	CP11-02-03	46,000	-	5,358	5,358	-
TB Elimination	93.116	10-1979	9,305	-	9,305	9,305	-
Immunizations	93.268	10-1979	62,132	-	62,132	62,132	-
ARRA Immunizations	93.268	11-0647	11,250	-	11,250	11,250	-
Bio-terrorism	93.283	10-1127	296,738	-	127,558	127,558	-
Bio-terrorism	93.283	11-1229	300,092	-	107,704	107,704	-
Core Capacity-Tobacco	93.283	10-0257	61,283	-	27,980	27,980	-
Core Capacity-Tobacco	93.283	11-0143	65,283	-	46,275	46,275	-
Regional Epidemiologist	93.283	08-2669	2,744	-	-	-	-
Regional Epidemiologist	93.283	10-2159	15,255	-	11,655	11,655	-
Regional Epidemiologist	93.283	11-1229	45,288	-	26,900	26,900	-
CHEC	93.778	10-0103	45,524	-	22,747	22,747	-
CHEC	93.778	11-1107	45,524	-	32,313	32,313	-
Medicaid Home Visit.	93.778	10-0103	678,000	-	94,829	94,829	-
Cancer Control	93.283	10-0257	26,700	-	15,350	15,350	-
Cancer Control	93.283	11-0143	51,050	-	14,072	14,072	-
AIDS	93.940	10-1979	9,900	-	9,900	9,900	-
STD-CSPS	93.977	10-1979	5,750	-	5,750	5,750	-
Basic Inj. Prev.	93.991	10-0257	5,649	-	-	-	-
Basic Inj. Prev.	93.991	11-0143	5,649	-	4,681	4,681	-
CASH	93.994	10-0254	38,400	-	2,197	2,197	-
CASH	93.994	11-0413	38,400	-	28,004	28,004	-
Community Inj. Prev.	93.994	10-0257	22,314	-	9,080	9,080	-
Community Inj. Prev.	93.994	11-0143	22,314	-	19,036	19,036	-
MCH Block Grant	93.994	10-0254	117,630	-	58,815	58,815	-
MCH Block Grant	93.994	11-0413	117,630	-	58,815	58,815	-
MRC	93.283	10-1127	10,000	-	8,160	8,160	-
MRC	93.283	11-1124	10,000	-	7,042	7,042	-
CBAE	93.010	90AE0168/03	570,993	-	453,151	453,151	-
Mass Clinics - Phase I	93.069	10-1261	331,479	-	92,275	92,275	-
Mass Clinics - Phase III	93.069	10-1369	622,997	-	481,584	481,584	-
PANO	93.991	10-0257	38,698	-	16,699	16,699	-
PANO	93.991	11-0143	38,698	-	35,697	35,697	-
PANO - Obesity	93.991	11-1631	59,551	-	-	-	-
Total U.S. Department of Health and Human Services			4,050,520	-	2,039,662	2,039,662	-

WEBER COUNTY CORPORATION
Schedule of Expenditures of Federal Awards, Continued
December 31, 2010

Title	Federal CFDA Number	Pass-Through Grantor's Number	Award Amount	Beginning Balance Jan. 1, 2010	Revenue Recognized	Actual Expenditures	Ending Balance Dec. 31, 2010
U.S. Department of Justice passed through							
Utah State Crime Victim Reparations							
VOCA Victim/Witness Program	16.575	09-VOCA-78	15,764	-	7,638	7,638	-
VOCA Victim/Witness Program	16.575	10-VOCA-78	16,652	-	7,393	7,393	-
			<u>32,416</u>	<u>-</u>	<u>15,031</u>	<u>15,031</u>	<u>-</u>
U.S. Department of Justice, Bureau of Justice Assistance							
SCAAP Grant FY09	16.606	2009APBX0664	56,447	39,109	-	39,109	-
SCAAP Grant FY10	16.606	2010APBX0096	38,516	-	38,516	-	38,516
FY09 Recovery Stimulus Justice Assistance Grant	16.804	2009SBB91435	53,123	35,357	2,544	2,544	32,813
FY09 Justice Assistance Grant	16.580	2009DJBX027010	12,684	12,684	1,019	1,019	11,665
2008 COPS Technology	16.710	2008CKWX0414	350,738	38,911	31,536	31,536	7,374
			<u>511,508</u>	<u>126,061</u>	<u>73,615</u>	<u>74,208</u>	<u>90,368</u>
U.S. Department of Justice passed through							
Utah Council on Criminal and Juvenile Justice (UCCJJ)							
Weber/Morgan Narcotics Strike Force 2010 HIDTA	95.001	G10RM0043A	71,000	-	71,000	71,000	-
U.S. Department of Justice, Office of Juvenile Justice passed through							
Utah Department of Public Safety, Highway Safety Office							
09 Highway Safety (Party Patrol)	16.727	JJP2008 J815	25,000	18,857	16,290	16,290	2,567
Total U.S. Department of Justice			<u>639,924</u>	<u>144,918</u>	<u>175,936</u>	<u>176,529</u>	<u>92,935</u>
U.S. Department of Housing and Urban Development passed through							
Utah Department of Community and Culture							
Downpayment Assistance	14.228	B-10-CD-49-0001	250,000	-	135,252	135,252	-
Total U.S. Department of Housing and Urban Development			<u>250,000</u>	<u>-</u>	<u>135,252</u>	<u>135,252</u>	<u>-</u>
U.S. Department of Homeland Security passed through							
Utah Division of Emergency Management							
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG-2009-HLS-029	50,000	-	50,000	50,000	-
09 EMPG Proj # 3 - Regional IMT Project	97.042	EMPG-2009-HLS-PROJECT-12	20,000	18,630	18,630	18,630	-
EMPG Proj # 1 - MCI & Heavy Rescue Project	97.042	EMPG-2010-HLS-090	10,000	-	10,000	10,000	-
EMPG Proj # 2 - Small City Project	97.042	EMPG-2010-HLS-090	25,000	-	5,982	5,982	19,018
EMPG Proj # 3 - Regional IMT Project	97.042	EMPG-2010-HLS-090	25,000	-	25,000	25,000	-
2010 LEPC - HMEP	97.042	HLS 2010-LEPC-Weber County	4,147	-	4,147	4,147	-
Homeland Security 2008 SHSP	97.067	DES-2008-SHSP-001	370,000	290,145	175,708	220,635	-
Homeland Security 2008 SHSP (Utah Bomb Squad)	97.067	07-SHSP-REG8-Project 1	-	-	414	414	-
Homeland Security 2009 SHSP	97.067	DES-2009-SHSP-001	126,000	106,000	21,332	21,332	84,668
Homeland Security 2010 SHSP	97.067	DES-2010-SHSP-001	1,127,186	-	13,500	13,500	-
CERT	97.067	DES-2009-CERT-SHSP-001	-	-	2,644	2,644	-
Total U.S. Department of Homeland Security			<u>1,757,333</u>	<u>414,775</u>	<u>327,357</u>	<u>372,284</u>	<u>103,686</u>
Department of Commerce passed through							
Utah Department of Public Safety							
Public Safety Interoperable Communications Grant	11.555	FY07 PSIC	500,000	-	204,825	204,825	-
Total U.S. Department of Commerce			<u>500,000</u>	<u>-</u>	<u>204,825</u>	<u>204,825</u>	<u>-</u>
TOTAL WEBER COUNTY CORPORATION			<u>\$ 13,277,022</u>	<u>\$ 559,693</u>	<u>\$ 7,888,559</u>	<u>\$ 7,934,079</u>	<u>\$ 196,621</u>

WEBER COUNTY CORPORATION
Notes to Schedule of Expenditures of Federal Awards
December 31, 2010

Note 1 – Purpose of the Schedule

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is required by the *U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with OMB Circular A-133. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

OMB Circular A-133 requires the Schedule to show the total expenditures for each of the entity's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the CFDA is assigned a five-digit program identification number (CFDA number).

Major Programs

OMB Circular A-133 establishes a risk-based approach to determining which federal programs are major programs. The federal awards tested as a major programs were that with a CFDA number of 10.557, 93.069, and 93.010.

Matching Costs

The Schedule does not include matching expenditures.

WEBER COUNTY CORPORATION
Schedule of Findings and Questioned Costs
December 31, 2010

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued – *Unqualified*

Internal control over financial reporting:

- Material weakness identified _____ yes X no
- Significant deficiency identified _____ yes X no
- Noncompliance material to financial statements _____ yes X no

Noncompliance material to financial statements noted? _____ yes X no

Internal control over major programs:

- Material weakness identified _____ yes X no
- Significant deficiency identified _____ yes X no

Type of auditors’ report issued on Compliance for major programs – *Unqualified*

Audit findings disclosed that are Required to be reported in accordance with section 410(a) of Circular A-133 – *None*

Federal programs tested as major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.557	WIC
93.069	Mass Clinics
93.010	CBAE

Dollar threshold used to distinguish Between Type A and Type B programs: \$300,000

Auditee qualification as high or low risk: Low

Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with Government Auditing Standards

No matters were reported.

WEBER COUNTY CORPORATION
Schedule of Findings and Questioned Costs, Continued
December 31, 2010

Section III – Federal and Questioned Costs Related to Federal Awards Required to be Reported in Accordance with OMB Circular A-133

No matters were reported.

WEBER COUNTY CORPORATION
Summary Schedule of Prior Audit
Findings and Questioned Costs
December 31, 2010

There were no findings in the prior year.

WEBER COUNTY CORPORATION
Corrective Action Plan
December 31, 2010

There were no findings in the current year.



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
 WITH STATE LEGAL COMPLIANCE REQUIREMENTS**

**To the Members of the County Commission
 Weber County**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Weber County (the County) for the year ended December 31, 2010, and have issued our report thereon dated June 27, 2011. As part of our audit, we have audited the County's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions as applicable to each of its major State assistance programs as required by the State of Utah Legal Compliance Audit Guide for the year ended December 31, 2010. The County received the following major assistance programs from the State of Utah:

- B and C Road Funds (Department of Transportation)
- Liquor Law Enforcement (State Tax Commission)
- Public Health Services (Department of Health)
- Children's Justice Center (State of Utah Attorney General's Office)

The County also received the following nonmajor grants, which are not required to be audited for specific compliance requirements: (However, these programs were subject to testwork as part of the audit of the County's financial statements.)

Department of Health

- EMS Grant
- Indoor Clean Air Act
- Immunization Vaccine
- TB Medication
- Utah Cancer Control
- Child Health Evaluation and Care Outreach
- Food Service
- Tobacco Free Utah
- Division of Substance Abuse Comprehensive Tobacco
- Gold Medal Schools
- Primary Care Grant
- General Block Grant

Other Departments

- Forest Reserve Grant
- Emergency Services
- Public Library Development
- Victim/Witness Grant
- Local Emergency Planning Committee Grant
- Northern Utah Internet Crimes Against Children
- DCFS Hair Analysis
- Children's Justice Center General Operating
- Children's Justice Center Medical Reimbursement
- Western States Presidential Primary Election
- State and Local All Hazards Operations Planning
- Community Development Block Grant

Department of Environmental Health

- Local Health Department Environmental Services

Our audit also included testwork on the County's compliance with the following general compliance requirements identified in the State of Utah Legal Compliance Audit Guide:

Public Debt	Liquor Law Enforcement
Cash Management	B and C Road Funds
Purchasing Requirements	Justice Courts Compliance
Budgetary Compliance	URS Compliance
Other General Issues	Transient Room Tax
Uniform Building Code Standards	Impact Fees
Truth in Taxation and Property Tax Limitations	Statement of Taxes Charged, Collected and Disbursed
Assessing and Collecting of Property Taxes	

The management of the County is responsible for the County's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

Our audit does not provide a legal determination on the County's compliance with these requirements.

The results of our audit procedures disclosed immaterial instances of noncompliance with requirements referred to above, which are described in the accompanying state compliance schedule of findings. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the County, complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2010.

The County's written response to the findings identified in our audit is described in the accompanying state compliance schedule of findings. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Commission, audit committee and management of Weber County, and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

Schmitt, Griffiths, Smith & Co.

June 27, 2011

WEBER COUNTY CORPORATION
State Legal Compliance Requirements Findings
December 31, 2010

10-1 Receipt Tracking (repeat finding)

Condition: For certain receipts the County did not maintain sufficient documentation to demonstrate when funds were received. Therefore, it could not be determined whether the funds were deposited within the proper timeframe as required by state law.

Criteria: The State of Utah requires that all public funds be deposited daily, whenever practicable, but not later than three business days after receipt.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should implement a system of controls to ensure that public funds are deposited at least every three business days. Maintaining records of when funds are received is a key control of the overall system of controls.

Administrative response: The County will provide additional training to all departments on the proper handling of checks that come in the mail to ensure those checks are logged and date-stamped on the date they are received.

10-2 Budgetary Compliance

Condition: The expenditures for the public defender and property management departments exceeded the budget.

Criteria: The County shall not incur expenditures in excess of the total appropriation for any department or fund.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should monitor the budget more closely to ensure that the expenditures do not exceed the budget.

Administrative response: The County will monitor departments' expenditures more closely and make appropriate budget adjustments before year-end as needed to ensure departments do not exceed their budgeted appropriations.

WEBER COUNTY CORPORATION
State Legal Compliance Requirements Findings, Continued
December 31, 2010

10-3 Fund Balance

Condition: The fund balances for the municipal services and animal shelter funds had deficit balances at December 31, 2010.

Criteria: Utah State Law requires fund balances be in the positive position.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should develop a plan to ensure that these fund balances are in the positive position.

Administrative response: The Municipal Services Fund's deficit balance is a result of declining sales tax revenues that have suffered as a result of the recent economic recession, as well as much lower court fine revenues due to closing the County's justice court in April 2010. Management is exploring options to restore long-term structural balance to revenues and expenditures of the Municipal Services Fund, including revenue increases and service reductions.

The Animal Shelter Fund's deficit balance represents only two months of operations, since the expanded shelter opened in November 2010. The County has partnered with several cities through an interlocal agreement wherein all participants will share the "net operating costs" based on the pro-rata share of animals that comes from each entity. The County is currently working with those cities to establish a proper rate schedule that adequately covers the full costs of operations, including debt service on the bonds that were issued to pay for the facility's expansion. Therefore, the County expects the deficit to be eliminated through future revenues.