

TOWN OF FAIRVIEW

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

SEPTEMBER 30, 2014



February 27, 2015

To the Honorable Mayor, Town Council and Town Manager
Town of Fairview

We have audited the financial statements of the Town of Fairview (the Town) as of and for the year ended September 30, 2014, and have issued our report thereon dated February 27, 2015. 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 September 2, 2014, our responsibility, as described by professional standards, is to form and express an opinion 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 your respective responsibilities.

As part of our audit, we have considered the internal control of the Town. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Town's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of tests was not to provide an opinion on compliance with such provisions.

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 entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Town solely for the purpose of 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 the purpose of 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 Entity'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 Town is included in the Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2014. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) 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:

- Management's estimates of useful lives in calculating depreciation on capital assets - We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable.
- Management's estimate of uncollectible receivables - We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent and clear.

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 trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no significant adjustments made to the financial statements as a result of our audit procedures.

The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

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 Town's financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated February 27, 2015.

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 Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Town's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have provided an "in relation to" opinion on supplementary information accompanying the financial statements. We performed limited procedures on the MD&A and RSI. We did not provide any assurance on this information, however.

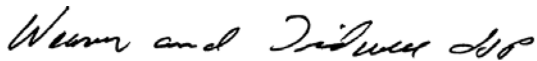
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Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Town Council and management of the Town and is not intended to be and should not be used by anyone other than these specified parties

Yours truly,

A handwritten signature in cursive script that reads "Weaver and Tidwell LLP".

WEAVER AND TIDWELL, L.L.P.

Uncorrected misstatements:

Account	Description	Debit	Credit
Proposed JE # 3001			
To record a PAJE for the amount of building deposit escrow refunds run through current year that was due to prior years.			
10-000-3910-00	FUND BALANCE - UNRESERVED	58,586.00	
10-000-2460-00	DEVELOPER/BUILDER DEP/REFUNDS		58,586.00
Total		58,586.00	58,586.00
Proposed JE # 3002			
To record the effects of negative cash entry in the solid waste fund			
10-00-1270-WT	DUE FROM OTHER FUNDS	29,153.00	
25-000-2100-00	ACCOUNTS PAYABLE	29,153.00	
10-000-1001-00	CLAIM ON CASH		29,153.00
25-000-2170-WT	DUE TO OTHER FUNDS		29,153.00
Total		58,306.00	58,306.00