

January 28, 2016

Washington State Auditor's Office
Attn: Taylor Kenny, Team Olympia
P.O. Box 40031
Olympia, WA 98504-0031

To the Washington State Auditor's Office:

We are providing this letter in connection with your audit of Chehalis River Basin Flood Control Authority for the period from January 1, 2012 through December 31, 2014. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

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 a weakness, omission or misstatement of information that, in the light of surrounding circumstances, make it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the weakness, omission or misstatement.

We confirm, to the best of our knowledge and belief, having made appropriate inquiries to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

General Representations:

1. We have provided you with unrestricted access to people you wished to speak with and made available requested and relevant information of which we are aware, including:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Other internal or external audits, examinations, investigations or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
 - d. Communications from regulatory agencies, government representatives or others concerning possible material noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
 - e. Related party relationships and transactions.
 - f. Results of our internal assessment of business risks and risks related to financial reporting, compliance and fraud.

2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information, such as HIPAA requirements, and have notified

you whenever records or data containing information subject to any confidentiality requirements were made available.

3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.
4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
5. We have complied with all material aspects of laws, regulations, contracts and grant agreements.
6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud.
7. Except as discussed with you, we have established adequate procedures and controls to safeguard public resources and ensure compliance with applicable laws and regulations.
8. We have no knowledge of any fraud, allegations of fraud or suspected fraud involving management, employees or others.
9. All material transactions have been properly recorded in the financial records.

Lee Napier
Director of Community Development

Donna Olson
Office Manager, Community Development