



# UTAH STATE AUDITOR

April 28, 2014

Mr. Mark Tracy  
918 N Pinecrest Cyn Rd  
Salt Lake City, Utah 84108

Dear Mr. Tracy:

The Office of the Utah State Auditor (Office) has received your complaints questioning the activities of the Emigration Improvement District (District). We appreciate your thoughtful concern about the management of the District and your willingness to bring it to the Office's attention.

After our initial review, we have determined that the Office will perform an investigation of the District. Your complaints included many issues; however, we will investigate only the following issues as related to the District: the internal control environment, the Manager/Treasurer's compensation, the imposition and collection of fees, nepotism and related expenses, election-related expenses, and the land purchase of 20 acres. Based on the results of this testwork, we will consider the need to review issues related to the loan given by the State of Utah to the District.

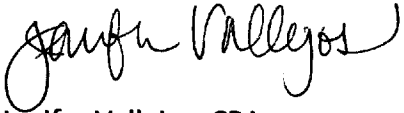
Please note that we have included the above investigation on our statewide list of potential investigations that is prioritized based on several factors, including but not limited to, available staffing resources. Although we currently do not know the timing of this investigation, we will inform you when we begin, and likewise, notify you of our conclusions. Please understand that this process will take time, but be assured that we will investigate your concerns as soon as possible.

Your complaints included other issues which will not be included in our investigation because they are not within the purview of the State Auditor. However, we have referred the alleged public meetings improprieties to the Office of the Attorney General and the alleged election improprieties to the Lieutenant Governor's Office. Your complaint regarding the District's response to the Government Records Access and Management Act request needs to be addressed to the records committee following the protocol required by *Utah Code 63G-2-402*. Last, your complaints regarding decisions to drill new wells and incur debt involve management decisions. While you may not agree with those decisions, those decisions were within the authority of the District's Board of Trustees.

We encourage you and all citizens of the District to continue to participate in the public budget hearing processes and board meetings, as well as trustee elections to make your voices and opinions heard regarding how you want your District's funds spent.

The Office of the Utah State Auditor takes seriously any improper or questionable use of public funds, and we applaud your efforts to hold your District's leadership accountable. If you have any questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Jenifer Vallejos". The signature is written in a cursive style with a large initial "J".

Jenifer Vallejos, CPA  
Special Projects Supervisor  
jvallejos@utah.gov  
801-657-6820