



# CRONSTROM & TRBOVICH

CERTIFIED PUBLIC ACCOUNTANTS

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March 1, 2005

Mr. Jesus Rodriquez, Finance Director  
City of Cottonwood  
816 North Main Street  
Cottonwood, Arizona 86326

Dear Rudy:

Enclosed you will find three copies of the HURF Compliance Report for the fiscal year ended June 30, 2004 pursuant to A.R.S. §9-481 (B)(2). We were fully aware of the new audit requirements set forth by the Arizona State Legislature; however, we were unsure of how to report the results as the statute does not specify the specific wording required by the Legislature. Since we did not have any findings related to this compliance testwork, we felt that a separate report was not necessary. We have been in contact with the Auditor General's Office over the past several months in order to determine how to report on this compliance; and, to date have not received any definitive guidance. However, after receiving the email from the League of Cities and Towns, we decided to be safe and issue a separate report regarding the City's compliance with this requirement. A copy of this report was hand-delivered to Michael Stelpstra, Accounting Services Manager, at the Auditor General's Office on Tuesday, February 22, 2005, well in advance of the "early March" deadline mentioned in the League email. We believe this puts this situation to rest. If you have any questions, please do not hesitate to give me a call.

Sincerely,

Sandra L. Cronstrom, CPA