



## Cheyenne Downtown Development Authority

(307) 433-9730 • [www.downtowncheyenne.com](http://www.downtowncheyenne.com) • 2101 O'Neil Ave., Room 202, Cheyenne, WY 82001

### MEMO

To: Downtown Development Authority Board of Directors  
From: Sophia Maes, DDA Executive Director  
Date: June 18, 2026  
Subject: FY2026 Audit Engagement Letter Authorization

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#### RECOMMENDED MOTION:

Move to authorize acceptance of the engagement letter from Porter, Muirhead, Cornia & Howard (PMCH) as presented.

#### BACKGROUND:

In conjunction with the City of Cheyenne's annual audit, starting in July 2026, the Downtown Development Authority (DDA) is required to conduct an independent audit of its financial statements for FY2026. The DDA Board voted to approve Porter, Muirhead, Cornia & Howard (PMCH) of Casper, Wyoming to complete its audits for FY2026 at the May 21, 2026 Regular Board Meeting, and must next approve the Engagement Letter attached.

The Engagement Letter from PMCH, dated June 11, 2026, outlines the scope, standards, schedule, and responsibilities associated with the FY2026 audit. The audit will be conducted in accordance with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards and is scheduled to begin in July 2026, with audit reports issued by the end of November 2026.

#### STAFF RECOMMENDATION:

Staff recommends the DDA Board move to authorize acceptance of the engagement letter from Porter, Muirhead, Cornia & Howard (PMCH) as presented.

#### ATTACHMENTS:

1. 2026 PMCH Government Engagement Letter
2. PMCH Peer Review Report 2025

June 11, 2026

Cheyenne Downtown Development Authority  
2101 O'Neil Ave.  
Cheyenne, WY 82001

You have requested that we audit the financial statements of the governmental activities and the major fund of Cheyenne Downtown Development Authority, a component unit of the City of Cheyenne, Wyoming, as of June 30, 2026, and for the year then ended, and the related notes to the financial statements, which collectively comprise Cheyenne Downtown Development Authority's basic financial statements as listed in the table of contents. We are pleased to confirm our understanding of this audit engagement by means of this letter.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements, if applicable, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's discussion and analysis
- Budgetary comparison information – general fund



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## **Audit of the Financial Statements**

We will conduct our audits in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and, if applicable, in accordance with any state or regulatory audit requirements. As part of an audit of financial statements in accordance with GAAS, in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements, if applicable, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of the system of internal control in order to design 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. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cheyenne Downtown Development Authority's ability to continue as a going concern for a reasonable period of time.

Although we are currently in the planning stage of our audit, we have identified the following significant risks during our audit to date that require special audit consideration:

- Improper revenue recognition is considered an inherent risk according to GAAS
- Management override of controls is considered an inherent risk according to GAAS

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America and, if applicable, in accordance with any state or regulatory audit requirements. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Cheyenne Downtown Development Authority's basic financial statements. Our report will be addressed to the governing body of Cheyenne Downtown Development Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Compliance with Laws and Regulations**

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of Cheyenne Downtown Development Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Management's Responsibilities**

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
4. For taking prompt action when instances of noncompliance are identified;
5. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
6. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
7. To provide us with:
  - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures such as records, documentation, and other matters;

- b. Additional information that we may request from management for the purpose of the audit;
  - c. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;
8. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
  9. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
  10. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
  11. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in the system of internal control and others where fraud could have a material effect on the financials and compliance;
  12. For the accuracy and completeness of all information provided;
  13. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information;
  14. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter;
  15. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
  16. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform, we agree to perform the following;

- Draft the financial statements, related footnotes, and RSI from the information provided by you.
- Post Cheyenne Downtown Development Authority's journal entries to be reviewed and approved by management to convert the budgetary basis trial balance to modified accrual and full accrual for presentation in the financial statements. DDA will provide information necessary to post the necessary accrual basis adjustments.
- Assisting with preparation of reconciliations and/or schedules for Cheyenne Downtown Development Authority, as necessary.
- Assisting with the implementation of new accounting standards, as necessary.

We will not assume management responsibilities on behalf of Cheyenne Downtown Development Authority. However, we will provide advice and recommendation to assist management of Cheyenne Downtown Development Authority in performing its responsibilities.

Cheyenne Downtown Development Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedures or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise Cheyenne Downtown Development Authority with regard to accounting standards, but Cheyenne Downtown Development Authority must make all decisions with regard to those matters.

*Government Auditing Standards* require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

## **Other**

We understand that your personnel will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. If applicable, we have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

During the course of the engagement, we will only provide confidential engagement documentation to you via PMCH’s secure portal or other secure methods and require that you use that same or similar tools in providing information to us. Should you choose not to utilize secure communication applications, you acknowledge that such communication contains a risk of the information being made available to unintended third parties. Similarly, we may communicate with you or your personnel via e-mail or other electronic methods, and you acknowledge that communication in those mediums contains a risk of misdirected or intercepted communications.

Should you provide us with remote access to your information technology environment, including but not limited to your financial reporting system, you agree to (1) assign unique usernames and passwords for use by our personnel in accessing the system and to provide this information in a secure manner; (2) limit access to “read only” to prevent any unintentional deletion or alteration of your data; (3) limit access to the areas of your technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to us upon the completion of procedures for which access was provided. We agree to only access your technology environment to the extent necessary to perform the identified procedures.

**Provisions of Engagement Administration, Timing and Fees**

The estimated timing of our audit will be scheduled for performance and completion as follows:

	<i>Begin</i>	<i>Complete</i>
Mail confirmations	July 1, 2026	July 17, 2026
Perform year-end audit procedures	September 21, 2026	October 30, 2026
Issue audit report	November 1, 2026	November 30, 2026

Cindy Kretzer is the engagement partner for the audit services specified in this letter. The engagement partner’s responsibilities include supervising Porter, Muirhead, Cornia, & Howard’s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our base audit fee assumes that an audit of federal awards in accordance with Uniform Guidance will not be required. It is Cheyenne Downtown Development Authority’s responsibility to properly identify federal funds received and expended, and to indicate the proper type of compliance audit required.

We estimate that our fee for the audit will be \$21,500. We will notify you immediately of any circumstances we encounter that could significantly affect the initial fee estimate. Whenever possible, we will attempt to use Cheyenne Downtown Development Authority personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

- All confirmations prepared and mailed to PMCH by July 10, 2026.
- All modified accrual, accrual (conversion for government-wide financial statements) journal entries, and trial balances for CDDA are provided by September 7, 2026.
- All requested workpapers and schedules for CDDA, as identified in Suralink, completely and accurately prepared by your staff according to the timeline outlines on the Suralink.
- Minimal (less than 5) year-end corrections and/or passed journal entries.
- No unanticipated issues which would change the scope of our work, (i.e., new major funds, new complex accounting issues, no new GAAP departures, change in accounting methods or practices, poor financial results which would cause a going concern issue to be addressed, no change in key accounting personnel, etc.).
- No changes to the anticipated audit timeline.

The ability to perform and complete our engagement consistent with the estimated fee included above depends upon the quality of your underlying accounting records and the timeliness of your personnel in providing information and responding to our requests. To assist with this process, we will provide you with a Prepared-by-Client (PBC) request list that identifies the information we will require to perform our engagement, as well as a planned timeline for the engagement. A failure to provide this information in an accurate and timely manner may result in an increase in our fees and/or a delay in the completion of our engagement.

The audit documentation for this engagement is the property of Porter, Muirhead, Cornia, & Howard and constitutes confidential information. However, we may be requested to make certain audit documentation available to state and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Porter, Muirhead, Cornia, & Howard's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,



Porter, Muirhead, Cornia, & Howard  
Certified Public Accountants

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RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Cheyenne Downtown Development Authority by:

\_\_\_\_\_

Title: \_\_\_\_\_

## REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

May 30, 2025

To the Shareholders of  
Porter Muirhead Cornia & Howard  
and the Peer Review Committee of the Nevada Society  
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Porter Muirhead Cornia & Howard (the firm) in effect for the year ended December 31, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### **Required Selections and Considerations**

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Porter Muirhead Cornia & Howard in effect for the year ended December 31, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Porter Muirhead Cornia & Howard has received a peer review rating of *pass*.



Brady Martz and Associates, P.C.