September 30, 2014

To the Board of Directors
Irvine Community Land Trust
Irvine, California

We have audited the financial statements of the governmental activities and general fund of the Irvine Community Land Trust (Land Trust), a component unit of the City of Irvine, California, for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 2, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practice

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Land Trust are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2014. We noted no transactions entered into by the Land Trust during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s 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 significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No misstatements were found.
To the Board of Directors  
Irvine Community Land Trust  
Irvine, California

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 30, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Land Trust's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2013-2014 audit:

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities - The Land Trust early implemented this pronouncement in fiscal year 2012-13.

GASB Statement No. 66, Technical Corrections – The Land Trust properly implemented this pronouncement.

GASB Statement No. 67, Financial Reporting for Pension Plans – An Amendment of GASB of GASB Statement No. 25 - The Land Trust was not affected by this pronouncement at this time.

GASB Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees - The Land Trust was not affected by this pronouncement at this time.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in your next fiscal year 2014-2015 audit and should be reviewed for proper implementation by management:

GASB Statement No. 68, Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement no. 27.
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GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date*.

**Restriction on Use**

This information is intended solely for the use of Board of Directors and management of the Land Trust and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

[Signature]

Brea, California