

CITY OF LAKE MILLS, WISCONSIN
INDEPENDENT AUDITORS' REPORTS ON COMMUNICATIONS
WITH THOSE CHARGED WITH GOVERNANCE AND
MANAGEMENT ADVISORY COMMENTS

DECEMBER 31, 2020

CITY OF LAKE MILLS, WISCONSIN
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**INDEPENDENT AUDITORS' REPORT ON
COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE**

To the Common Council
City of Lake Mills, Wisconsin

We have audited the financial statements of the City of Lake Mills as of and for the year ended December 31, 2020, and have issued our report thereon dated June 1, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 10, 2020, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Lake Mills solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding material weaknesses noted during our audit in a separate letter to you dated June 1, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Lake Mills is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements were:

Management's estimate of the useful lives of capital assets is based on lives prescribed by the Public Service Commission and economic lives determined by the asset's manufacturer or vendor.

Management's estimate of vacation and sick pay liabilities are based on prior history.

Management's estimate of the Wisconsin Retirement System pension was calculated by the State of Wisconsin Department of Employee Trust Funds' third-party actuary.

Management's estimate of the Wisconsin Retirement System local retiree life insurance fund was calculated by the State of Wisconsin Department of Employee Trust Funds' third-party actuary.

We evaluated the key factors and assumptions used to develop the estimates listed above in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

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

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, 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. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such attached misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following attached material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: adjusting journal entries 9, 23, 24, 25, 26, 48, 65, 73, 82, 97, and 98.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Lake Mills' financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated June 1, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City of Lake Mills, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Lake Mills' auditors.

This report is intended solely for the information and use of the City Council and management of the City of Lake Mills and is not intended to be and should not be used by anyone other than these specified parties.

HAWKINS ASH CPAS, LLP

Hawkins Ash CPAs, LLP

Manitowoc, Wisconsin

June 1, 2021



INDEPENDENT AUDITORS' REPORT ON MANAGEMENT ADVISORY COMMENTS

To the Common Council
City of Lake Mills, Wisconsin

We have audited the basic financial statements of the City of Lake Mills, Wisconsin as of and for the year ended December 31, 2020, and have issued our report thereon dated June 1, 2021. We have also issued compliance reports and reports on the internal control structure in accordance with *Government Auditing Standards*. These reports disclosed any material instances of noncompliance, material weaknesses and significant deficiencies that were identified during the audit.

Other matters involving the internal control structure and the City's operations which came to our attention during the audit are reported on the following pages as management advisory comments.

We would like to take this opportunity to acknowledge the many courtesies extended to us by the City's personnel during the course of our work. In particular, we would like to note the considerable assistance and cooperation provided to us by Ms. Elizabeth Milbrath and her staff.

We shall be pleased to discuss any of the matters referred to in this letter. Should you desire assistance in implementing any of the following suggestions, we would welcome the opportunity of assisting you with these matters.

HAWKINS ASH CPAS, LLP

A handwritten signature in cursive script that reads 'Hawkins Ash CPAs, LLP'.

Manitowoc, Wisconsin
June 1, 2021

MANAGEMENT ADVISORY COMMENTS

Current Year Comments

None.

Status of Prior Year Findings

New Standard - GASB Statement No. 87 - Leases (12/31/18)

This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this statement.

This statement excludes the following:

- intangible assets (mineral rights, patents, copyrights, licensing contracts for software)
- biological assets (timber, living plants, living animals)
- inventory
- service concession arrangement (GASB Statement No. 60)
- assets financed with conduit debt unless both asset and debt are reported by lessor
- supply contracts (power purchase agreements)
- short-term leases (12 months or less including options to extend)
- contracts that transfer ownership and does not contain termination options
- certain regulated leases (aviation leases)

We recommend all lease contracts that might meet the definition of a lease should be accumulated, identify any contracts that may be excluded based on an exception or materiality, and complete a listing of all the contracts. The listing should include contract description, asset description, term of contract, term extensions, termination clause, payments, and exclusion exception. Please upload the contracts and listing to your portal.

The requirements of this statement are effective for reporting periods beginning after June 15, 2021. Your December 31, 2022 financial statements will be updated for these new reporting requirements.

Status: Unresolved

APPENDIX A

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 5		2405		
2020 - To adjust taxes receivable to actual.				
26107-2500-00-00-130	DUE TO PUBLIC SERVICE ENTERPRISES		34,755.00	
26107-1211-00-00-000	TAXES RECEIVABLE			34,755.00
Total			34,755.00	34,755.00
Adjusting Journal Entries JE # 8		5400s/3401		
2020 - To adjust various beginning unreserved and reserved fund balance and to move electric net pension asset to proper account.				
26100-3310-30-00-000	TIP LINE NON-LAPSING FUND		380.00	
26100-3410-00-00-160	RESERVE FOR L/T ADVANCE TO SEWERAGE UTILITY		38,814.00	
26105-3330-0	RETAINED EARNINGS		1,637.00	
26111-3330-0	RETAINED EARNINGS		26,942.00	
26113-3330-0	RETAINED EARNINGS		22,340.00	
26100-1500-00-00-115	DUE FROM SOLID WASTE SP REV FUND			
26100-3110-00-00-000	GENERAL FUND BALANCE			31,857.00
26100-3110-00-00-000	GENERAL FUND BALANCE			
26100-3110-00-00-000	GENERAL FUND BALANCE			
26100-3111-00-00-000	RESERVE FOR F.D. HOLDING ACCOUNT			5,408.00
26100-3211-00-00-010	RESERVED FUNDS STATE INVEST - FD HOLDING ACCT			
26100-3211-00-00-020	RESERVED FUNDS STATE INVEST - FD HOLDING ACCT			1,929.00
26100-3330-00-00-000	RETAINED EARNINGS			
26100-5310-40-10-589	STREET DEPT - ST.CONSTRUCTION			
26105-2713-50-00-000	CEMETERY PERPETUAL FUNDS			1,637.00
26111-3330-00-00-000	RETAINED EARNINGS			
26111-3410-60-11-000	RESERVE FOR PARK IMPACT FEES			26,942.00
26113-3410-00-00-000	RESERVE FOR LONG-TERM ADVANCE			22,340.00
26114-3400-00-00-000	UNRESERVED/UNRECORDED FUND BAL			
26114-3410-00-00-000	RESERVE FOR LONG-TERM ADVANCE			
Total			90,113.00	90,113.00
Adjusting Journal Entries JE # 9		3258.02/03/04		
2020 - To record contributed assets and capital paid by municipality for water assets and assets paid for by private parties (including the school district).				
2750-343-00-000-00	TRANSMISSION & DISTRIBUTION MAINS		129,027.00	
2750-343-55-000-00	CONTRIBUTED TRANS & DIST MAINS		50,762.00	
2750-343-55-000-00	CONTRIBUTED TRANS & DIST MAINS		74,529.00	
2750-343-55-000-00	CONTRIBUTED TRANS & DIST MAINS		78,211.00	
2750-345-00-000-00	SERVICES		41,817.00	
2750-345-55-000-00	CONTRIBUTED SERVICES		24,154.00	
2750-345-55-000-00	CONTRIBUTED SERVICES		73,875.00	
2750-348-00-000-00	HYDRANTS		8,013.00	
2750-348-55-000-00	CONTRIBUTED HYDRANTS		4,628.00	
2750-348-55-000-00	CONTRIBUTED HYDRANTS		22,907.00	
2750-200-00-000-00	CAPITAL PAID IN MY MUNICIPALITY			178,857.00
2750-417-00-000-00	CONTRIBUTED REVENUE			50,762.00
2750-417-00-000-00	CONTRIBUTED REVENUE			103,311.00
2750-417-00-000-00	CONTRIBUTED REVENUE			174,993.00
Total			507,923.00	507,923.00
Adjusting Journal Entries JE # 23		3252		
2020 - To adjust electric fixed asset accounts and depreciation to actual and to close out transportation depreciation.				
2730-065-00-000-00	A/D OH CONDUCTORS & DEVICES		3,244.00	
2730-068-00-000-00	A/D LINE TRANSFORMERS		1,451.00	
2730-069-00-000-00	A/D SERVICES		368.00	
2730-070-00-000-00	A/D METERS		40,200.00	
2730-110-00-000-00	A/D PLANT IN SERVICE		398,400.00	
2730-110-55-000-00	A/D CONTRIBUTED PLANT IN SERVICE		74,400.00	
2730-154-40-000-00	INVENTORY		53,901.00	
2730-156-00-000-00	MISC MATERIALS & SUPPLIES		2,227.00	
2730-367-55-000-00	CONTRIBUTED OH CONDUCTORS & DEVICES		35,700.00	
2730-368-00-000-00	LINE TRANSFORMERS		87,232.00	
2730-368-55-000-00	Line Transformers// CONTRIBUTED		45,650.00	
2730-370-00-000-00	METERS		43,063.00	
2730-403-00-000-00	DEPRECIATION EXPENSE		312,149.00	
2730-403-55-000-00	DEPRECIATION EXPENSE-CONTRIBUTED		14,030.00	
2730-456-00-000-00	OTHER ELECTRIC REVENUE		81,350.00	
2730-555-00-000-00	PURCHASED POWER		8.00	
2730-593-00-000-00	MAINTENANCE OF OH LINES		15,224.00	
2730-593-00-000-00	MAINTENANCE OF OH LINES		51,664.00	
2730-061-00-000-00	A/D STRUCTURES & IMPROVEMENTS			171,270.00
2730-062-00-000-00	A/D STATION EQUIPMENT			3,172.00
2730-062-55-000-00	A/D CONTRIBUTED STATION EQUIPMENT			32,052.00
2730-064-00-000-00	A/D POLES, TOWERS & FIXTURES			37,555.00
2730-065-00-000-00	A/D OH CONDUCTORS & DEVICES			

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Account	Description	W/P Ref	Debit	Credit
2730-065-00-000-00	A/D OH CONDUCTORS & DEVICES			
2730-065-55-000-00	A/D CONTRIBUTED OH CONDUCTORS & DEVICES			9,885.00
2730-066-00-000-00	A/D UNDERGROUND CONDUIT			9,995.00
2730-066-00-000-00	A/D UNDERGROUND CONDUIT			
2730-066-55-000-00	A/D CONTRIBUTED URD CONDUIT			10,041.00
2730-067-00-000-00	A/D URD CONDUCTORS & DEVICES			194,979.00
2730-067-00-000-00	A/D URD CONDUCTORS & DEVICES			
2730-067-55-000-00	A/D CONTRIBUTED URD CONDUCTORS & DEVICES			23,794.00
2730-068-00-000-00	A/D LINE TRANSFORMERS			86,386.00
2730-068-55-000-00	Acc Dp Line Transformers// CONTRIBUTED			6,279.00
2730-069-00-000-00	A/D SERVICES			51,745.00
2730-069-55-000-00	A/D CONTRIBUTED SERVICES			13,008.00
2730-070-00-000-00	A/D METERS			23,378.00
2730-071-55-000-00	A/D INSTALL ON CUSTOMER PREMISE-CONTRIBUTED			4,957.00
2730-071-55-000-00	A/D INSTALL ON CUSTOMER PREMISE-CONTRIBUTED			
2730-073-00-000-00	A/D STREET LIGHTS & TRAFFIC SIGNALS			21,678.00
2730-073-55-000-00	A/D CONTRIBUTED SL & TRAFFIC SIGNALS			5,987.00
2730-073-55-000-00	A/D CONTRIBUTED SL & TRAFFIC SIGNALS			
2730-090-00-000-00	A/D STRUCTURES & IMPROVEMENTS			69,585.00
2730-091-00-000-00	A/D OFFICE FURNITURE & FIXTURES			4,343.00
2730-092-00-000-00	A/D TRANSPORTATION EQUIPMENT			17,329.00
2730-092-55-000-00	A/D TRANSPORTATION EQUIP-CONTR			11,307.00
2730-092-55-000-00	A/D TRANSPORTATION EQUIP-CONTR			
2730-094-00-000-00	A/D TOOLS, SHOP & GARAGE			7,581.00
2730-154-00-000-00	MATERIALS & SUPPLIES			37,581.00
2730-156-40-000-00	Non Inventory			5,580.00
2730-156-40-000-00	Non Inventory			56,128.00
2730-365-00-000-00	OH CONDUCTORS & DEVICES			
2730-367-00-000-00	URD CONDUCTORS & DEVICES			35,700.00
2730-368-00-000-00	LINE TRANSFORMERS			1,451.00
2730-368-00-000-00	LINE TRANSFORMERS			45,650.00
2730-368-40-000-00	X			81,652.00
2730-369-00-000-00	SERVICES			368.00
2730-370-00-000-00	METERS			40,200.00
2730-370-40-000-00	X			43,063.00
2730-403-00-000-00	DEPRECIATION EXPENSE			
2730-418-00-000-00	CONTRIBUTED REVENUE			81,350.00
2730-593-00-000-00	MAINTENANCE OF OH LINES			8.00
2730-594-00-000-00	Maint of UG Lines DEFAULT			
2730-933-00-000-00	TRANSPORTATION EXPENSE			15,224.00
Total			1,260,261.00	1,260,261.00

Adjusting Journal Entries JE # 24

3252

2020 - To adjust sewer fixed assets and depreciation.

2760-110-00-000-00	A/D UTILITY PLANT IN SERVICE		21,961.00	
2760-312-00-000-00	SEWER LATERALS		249,965.00	
2760-312-00-650-00	X		2,400.00	
2760-313-00-000-00	COLLECTING MAINS		196,778.00	
2760-313-00-650-00	X		7,200.00	
2760-403-00-000-00	DEPRECIATION EXPENSE		155,957.00	
2760-828-00-000-00	TRANSPORTATION EXPENSE		46,181.00	
2760-834-00-000-00	MAINTENANCE OF GENERAL PLANT		377.00	
2760-110-00-000-00	A/D UTILITY PLANT IN SERVICE			133,162.00
2760-200-00-000-00	CAPITAL PD IN MY MUNICIPALITY			113,335.00
2760-232-00-000-00	ACCOUNTS PAYABLE TRADE			71,124.00
2760-233-00-650-00	Payables to Muni \DUE TO/FROM WATER\			22,795.00
2760-312-00-000-00	SEWER LATERALS			2,400.00
2760-312-00-000-00	SEWER LATERALS			6,588.00
2760-313-00-000-00	COLLECTING MAINS			7,200.00
2760-313-00-000-00	COLLECTING MAINS			15,373.00
2760-373-00-000-00	TRANSPORTATION EQUIPMENT			377.00
2760-403-00-000-00	DEPRECIATION EXPENSE			46,181.00
2760-637-00-000-00	REVENUE FROM DEVELOPERS			262,284.00
Total			680,819.00	680,819.00

Adjusting Journal Entries JE # 25

3252

2020 - To adjust water fixed assets and depreciation to actual and to close out transportation costs.

2750-021-55-000-00	Acc Dp /Struct&Imprv/Struct CONTRIBUTED		939.00	
2750-034-00-000-00	A/D Other Water Treatment Equipment		1.00	
2750-043-00-000-00	A/D TRANSMISSION & DISTRIBUTION MAINS		70,121.00	
2750-045-00-000-00	A/D SERVICES		3,175.00	
2750-046-00-000-00	A/D METERS		13,600.00	
2750-048-00-000-00	A/D HYDRANTS		1,120.00	
2750-110-00-000-00	A/D PLANT IN SERVICE		108,000.00	
2750-110-55-000-00	A/D CONTRIBUTED PLANT IN SERVICE		58,800.00	

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 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
2750-145-00-660-00	Accounts Receivable (DUE TO/FROM SEWER)		22,795.00	
2750-345-00-000-00	SERVICES		58,128.00	
2750-348-00-000-00	HYDRANTS		185,378.00	
2750-403-00-000-00	DEPRECIATION EXPENSE		38,410.00	
2750-403-00-000-00	DEPRECIATION EXPENSE		80,593.00	
2750-631-00-000-00	Maintenance of the pumping plant		7,247.00	
2750-673-00-000-00	Maint of Trans and Dist Mains Default		10,878.00	
2750-676-00-000-00	MAINTENANCE OF METERS		2,138.00	
2750-921-00-000-00	OFFICE SUPPLIES & EXPENSE		396.00	
26100-2500-00-00-130	DUE PUBLIC SERVICE ENTERPRISES			
26100-4830-00-00-000	SALE OF CITY PROPERTY			
2750-014-00-000-00	A/D WELLS			4,791.00
2750-014-55-000-00	A/D CONTRIBUTED WELLS			6,228.00
2750-021-00-000-00	A/D STRUCTURES & IMPROVEMENTS			4,610.00
2750-021-55-000-00	Acc Dp /Struct&Imprv/Struct CONTRIBUTED			
2750-023-00-000-00	A/D ELECTRIC PUMPING EQUIPMENT			938.00
2750-023-00-000-00	A/D ELECTRIC PUMPING EQUIPMENT			939.00
2750-023-55-000-00	Acc Dp /Elect Pmp/Oth Pwr Eqp CONTRIBUTED			
2750-025-00-000-00	A/D MISC PUMPING EQUIPMENT			6,801.00
2750-025-55-000-00	A/D CONTRIBUTED MISC PUMPING EQUIPMENT			2,411.00
2750-042-00-000-00	A/D DISTRIBUTION RESERVOIRS			10,295.00
2750-042-55-000-00	A/D CONTRIBUTED DISTR RESERVOIRS			11,419.00
2750-043-00-000-00	A/D TRANSMISSION & DISTRIBUTION MAINS			56,880.00
2750-043-00-000-00	A/D TRANSMISSION & DISTRIBUTION MAINS			
2750-043-55-000-00	A/D CONTRIBUTED TRANS & DISTRIBUTION MAINS			13,592.00
2750-045-00-000-00	A/D SERVICES			35,050.00
2750-045-55-000-00	A/D CONTRIBUTED SERVICES			5,923.00
2750-046-00-000-00	A/D METERS			45,589.00
2750-048-00-000-00	A/D HYDRANTS			11,458.00
2750-048-00-000-00	A/D HYDRANTS			
2750-048-55-000-00	A/D CONTRIBUTED HYDRANTS			3,564.00
2750-090-00-000-00	A/D STRUCTURES & IMPROVEMENTS-OFFICE			39,095.00
2750-091-00-000-00	A/D OFFICE FURNITURE & FIXTURES			1,154.00
2750-092-00-000-00	A/D TRANSPORTATION EQUIPMENT			16,385.00
2750-095-00-000-00	A/D LAB EQUIPMENT			274.00
2750-096-00-000-00	A/D POWER OPERATED EQUIPMENT			
2750-098-00-000-00	A/D SCADA SYSTEM DEFAULT			16,479.00
2750-145-00-100-00	EL A/R - SEWER			
2750-154-00-000-00	MATERIALS & SUPPLIES			205.00
2750-154-40-000-00	Plt Materials & Oper Supplies			3,525.00
2750-156-40-000-00	Oth Materials and Supplies			7,148.00
2750-232-00-000-00	ACCOUNTS PAYABLE TRADE			147,461.00
2750-232-40-000-00	Accounts Payable INVENTORY			
2750-343-00-000-00	TRANSMISSION & DISTRIBUTION MAINS			70,121.00
2750-343-00-000-00	TRANSMISSION & DISTRIBUTION MAINS			96,045.00
2750-343-00-000-00	TRANSMISSION & DISTRIBUTION MAINS			
2750-343-00-000-00	TRANSMISSION & DISTRIBUTION MAINS			
2750-345-00-000-00	SERVICES			3,175.00
2750-346-00-000-00	METERS			13,600.00
2750-346-10-000-00	METERS-LABOR			2,138.00
2750-348-00-000-00	HYDRANTS			1,120.00
2750-348-00-000-00	HYDRANTS			
2750-348-00-000-00	HYDRANTS			
2750-392-00-000-00	TRANSPORTATION EQUIPMENT			396.00
2750-403-00-000-00	DEPRECIATION EXPENSE			
2750-403-55-000-00	CEPRECIATION EXPENSE-CONTRIBUTED			15,663.00
2750-933-00-000-00	TRANSPORTATION EXPENSE			4,921.00
2750-933-10-000-00	TRANSPORTATION EXPENSE-LABOR			2,326.00
Total			661,719.00	661,719.00

Adjusting Journal Entries JE # 26

2800s

2020 - To adjust due to and due from to actual.

26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES		2,605.00	
26100-1500-00-00-160	SEWERAGE UTILITY RECEIVABLE		27,723.00	
26100-5310-40-10-585	STREET DEPT - STREET REPAIR		116.00	
26100-5310-40-10-585	STREET DEPT - STREET REPAIR		1,604.00	
26108-2710-00-00-100	TID #2 ADVANCE FROM GENERAL FUND		2,605.00	
26108-2710-00-00-100	TID #2 ADVANCE FROM GENERAL FUND		100,457.00	
26108-2710-00-00-100	TID #2 ADVANCE FROM GENERAL FUND		289,425.00	
26108-2715-00-00-100	TID #5 ADVANCE FROM GENERAL FUND		87,670.00	
2730-145-00-461-00	CITY TAX ROLL		9,225.00	
2730-233-99-000-00	INTERDEPARTMENTAL PAYABLE		15,453.00	
2730-408-00-711-00	SOCIAL SECURITY TAX EXPENSE		1,644.00	
2730-593-00-000-00	MAINTENANCE OF OH LINES		1,807.00	
2750-408-00-711-00	SOCIAL SECURITY TAX		1,716.00	
2760-131-00-000-00	SEWER CASH		15,453.00	

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
2760-233-00-000-00	PAYABLE TO MUNI		22,212.00	
2760-233-99-000-00	FEES & PERMITS PAYABLE		23,593.00	
2760-827-00-000-00	OPERATING SUPPLIES & EXPENSE		3,550.00	
26100-1500-00-000-00	DUE FROM OTHER FUNDS			116.00
26100-1500-00-00-106	DUE FROM LIBRARY RESERVE FUNDS			
26100-1500-00-00-113	DUE FROM CDBG FUNDS			
26100-1500-00-00-130	LW DEPARTMENT RECEIVABLE			1,604.00
26100-1710-00-00-108	ADVANCE TO TIF FUND			2,605.00
26100-2500-00-00-106	DUE TO LIBRARY ENDOWMENT			
26100-2500-00-00-130	DUE PUBLIC SERVICE ENTERPRISES			27,723.00
26100-4811-00-00-000	INTEREST ON INVESTMENTS			
26100-4811-00-00-100	INTEREST, GENERAL FUND			
26106-1300-55-00-100	DUE FROM GENERAL FUND			
26106-2500-00-00-100	DUE TO GENERAL FUND			
26108-1300-00-00-000	T.I.D.ACCOUNTS RECEIVABLE			2,605.00
26108-2713-00-00-100	TID #3 ADVANCE FROM GENERAL FUND			100,457.00
26108-2714-00-00-100	TID #4 ADVANCE FROM GENERAL FUND			377,095.00
26113-2500-00-00-100	DUE TO GENERAL FUND			
26113-4811-00-00-000	BANK INTEREST			
26115-4642-00-00-000	SANITATION SPECIAL REV.FUND			
2730-131-00-000-00	ELECTRIC CASH			15,453.00
2730-145-00-000-00	RECEIVABLE FROM MUNICIPALITY			8,781.00
2730-233-00-440-00	REFUSE COLLECTION PAYABLE			1.00
2730-233-00-503-00	GROSS PAYROLL PAYABLE			1,643.00
2730-233-99-000-00	INTERDEPARTMENTAL PAYABLE			1,807.00
2730-593-00-000-00	MAINTENANCE OF OH LINES			444.00
2750-233-00-503-00	GROSS PAYROLL PAYABLE			1,716.00
2760-233-00-503-00	GROSS PAYROLL PAYABLE			3,550.00
2760-233-00-503-00	GROSS PAYROLL PAYABLE			23,593.00
2760-233-99-000-00	FEES & PERMITS PAYABLE			15,453.00
2760-827-00-000-00	OPERATING SUPPLIES & EXPENSE			3,000.00
2760-831-00-884-00	MAINTENANCE OF COLLECTION SYSTEM			5,000.00
2760-834-10-000-00	MAINTENANCE OF GENERAL PLANT LABOR			7,212.00
2760-850-10-000-00	ADMIN & GENERAL SALARIES LABOR			7,000.00
Total			606,858.00	606,858.00
Adjusting Journal Entries JE # 27		3250s		
2020 - Adjust joint meter costs and tax equivalent accounts and to adjust for remainder assessment between water and electric. Depreciation was adjusted earlier.				
26100-1500-00-00-130	LW DEPARTMENT RECEIVABLE		18,869.00	
2730-145-00-465-00	Accounts Receivable DUE FROM WATER		1,643.00	
2730-236-00-710-00	LOCAL & SCHOOL TAX		14,526.00	
2730-408-00-000-00	TAX EXPENSE		10,645.00	
2750-145-00-660-00	Accounts Receivable \DUE TO/FROM SEWER\		6,367.00	
2750-145-00-660-00	Accounts Receivable \DUE TO/FROM SEWER\		14,868.00	
2750-408-00-000-00	TAX EXPENSE		1,643.00	
2750-408-00-710-00	LOCAL & SCHOOL TAX		33,395.00	
2760-408-00-000-00	TAX EXPENSE		6,367.00	
2760-833-10-000-00	MAINTENANCE OF PLANT EQUIPMENT LABOR		8,852.00	
2760-856-00-000-00	MISC GENERAL EXPENSE		6,016.00	
26100-4131-00-00-130	TAXES FROM UTILITIES			18,869.00
2730-408-00-000-00	TAX EXPENSE			1,643.00
2730-408-00-710-00	LOCAL & SCHOOL TAX EXPENSE			14,526.00
2730-408-00-711-00	SOCIAL SECURITY TAX EXPENSE			1,209.00
2730-928-00-000-00	REGULATORY COMMISSION EXPENSE			9,436.00
2750-233-99-000-00	INTERDEPARTMENTAL PAYABLE			1,643.00
2750-236-00-710-00	LOCAL & SCHOOL TAX			33,395.00
2750-408-00-710-00	LOCAL & SCHOOL TAX			6,367.00
2750-474-00-000-00	OTHER WATER REVENUE			6,016.00
2750-676-10-000-00	MAINTENANCE OF METERS-LABOR			8,852.00
2760-233-00-650-00	Payables to Muni \DUE TO/FROM WATER\			6,367.00
2760-233-00-650-00	Payables to Muni \DUE TO/FROM WATER\			14,868.00
Total			123,191.00	123,191.00
Adjusting Journal Entries JE # 37		PY FS		
N/A 2020 - To balance funds.				
2750-131-00-000-00	WATER CASH			
Total			0.00	0.00
Adjusting Journal Entries JE # 40		5016		
2020 - To record amortization of regulatory liability.				
2730-253-55-000-00	REGULATORY LIABILITY		18,784.00	
2750-253-55-000-00	REGULATORY LIABILITY		10,565.00	
2730-426-00-000-00	Oth Income Deductions DEFAULT			18,784.00
2750-426-00-000-00	Oth Income Deductions DEFAULT			10,565.00

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Total			29,349.00	29,349.00
Adjusting Journal Entries JE # 41				
2020 - To adjust loan balances, interest expense and accrued interest to actual.				
		5000s		
26108-5810-00-00-000	T.I.D.#2 DEBT SERVICE - PRINCIPAL		1.00	
2730-237-00-407-00	ACCRUED INTEREST-CONSTR FUNDS		2,008.00	
2730-427-00-000-00	Interest on Long-Term Debt DEFAULT		16,526.00	
2750-233-99-000-00	INTERDEPARTMENTAL PAYABLE		16,526.00	
2750-237-00-407-00	ACCRUED INTEREST-CONSTRUCTION FUNDS		1,400.00	
2760-223-00-858-00	Adv's Muni 2019A Sewer Bond		90,000.00	
2760-237-00-416-00	ACCRUED INTEREST CLEAN WATER FUND		1,969.00	
26100-4811-00-00-000	INTEREST ON INVESTMENTS			
26100-5810-00-00-000	DEBT SERVICE - PRINCIPAL			1.00
26100-5820-00-00-000	DEBT SERVICE - INTEREST			
26108-5820-00-00-000	T.I.D.#2 DEBT SERVICE - INTEREST			1.00
2730-145-00-465-00	Accounts Receivable DUE FROM WATER			16,526.00
2730-223-00-441-00	2016-A UTILITY BOND			
2730-427-00-000-00	Interest on Long-Term Debt DEFAULT			2,008.00
2750-223-00-441-00	2016-A UTILITY BOND			
2750-231-00-000-00	Notes Payable, Default			
2750-427-00-000-00	INTEREST ON LONG TERM DEBT			1,400.00
2750-427-00-000-00	INTEREST ON LONG TERM DEBT			16,526.00
2750-427-00-000-00	INTEREST ON LONG TERM DEBT			
2760-224-00-417-00	GENERAL REVENUE LOAN			90,000.00
2760-427-00-000-00	INTEREST ON LONG TERM DEBT			1,969.00
Total			128,430.00	128,430.00
Adjusting Journal Entries JE # 44				
2020 - To reclassify prior year proprietary WRS contributions made prior to the measurement date (January - December of prior year).				
		5012		
2730-926-01-000-00	Electric - Allocated WRS		35,990.00	
2750-926-01-000-00	Water - Allocated WRS		17,995.00	
2760-926-01-000-00	Sewer - Allocated WRS		21,391.00	
2730-186-10-510-00	DEF OUT WRS PEN CONTRIB			35,990.00
2750-186-10-510-00	DEF OUT WRS PEN CONTRIB			17,995.00
2760-186-10-510-00	DEF OUT WRS PEN CONTRIB			21,391.00
Total			75,376.00	75,376.00
Adjusting Journal Entries JE # 46				
2020 - To reclassify proprietary current year WRS contributions made after the measurement date (January - December of current year).				
		5012		
2730-186-10-510-00	DEF OUT WRS PEN CONTRIB		39,672.00	
2750-186-10-510-00	DEF OUT WRS PEN CONTRIB		19,836.00	
2760-186-10-510-00	DEF OUT WRS PEN CONTRIB		23,580.00	
2730-926-01-000-00	Electric - Allocated WRS			39,672.00
2750-926-01-000-00	Water - Allocated WRS			19,836.00
2760-926-01-000-00	Sewer - Allocated WRS			23,580.00
Total			83,088.00	83,088.00
Adjusting Journal Entries JE # 48				
2020 - To record proprietary current year changes in net pension asset.				
		5012		
2730-186-10-509-00	WRS NET PENSION ASSET		111,008.00	
2730-216-00-000-00	Unappropriated Earned Surplus, Default		111,008.00	
2730-242-09-000-00	WRS Net Pension Liability		125,658.00	
2730-253-09-000-00	Deferred Inflow WRS Pension		31,691.00	
2730-926-01-000-00	Electric - Allocated WRS		5,423.00	
2750-186-10-509-00	WRS NET PENSION ASSET		55,504.00	
2750-216-00-000-00	Unappropriated Earned Surplus, Default		55,504.00	
2750-242-09-000-00	WRS Net Pension Liability		62,829.00	
2750-253-09-000-00	Deferred Inflow WRS Pension		15,846.00	
2750-926-01-000-00	Water - Allocated WRS		2,711.00	
2760-186-10-509-00	WRS NET PENSION ASSET		65,980.00	
2760-216-	Unappropriated Earned Surplus		65,980.00	
2760-242-09-000-00	WRS Net Pension Liability		74,686.00	
2760-253-09-000-00	Deferred Inflow WRS Pension		18,831.00	
2760-926-01-000-00	Sewer - Allocated WRS		3,223.00	
2730-186-10-510-00	DEF OUT WRS PEN CONTRIB			273,780.00
2730-215-09-000-00	Restricted for WRS Pension			111,008.00
2750-186-10-510-00	DEF OUT WRS PEN CONTRIB			136,890.00
2750-215-09-000-00	Restricted for WRS Pension			55,504.00
2760-186-10-510-00	DEF OUT WRS PEN CONTRIB			162,720.00
2760-215-09-000-00	Restricted for WRS Pension			65,980.00
Total			805,882.00	805,882.00

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
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Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 49		5006		
NA for 2020 - To adjust various debt accounts to actual-issue costs and premium. Change back to preliminary journal entry for 2020.				
26100-4910-00-00-000	PROCEEDS FROM G.O.BONDS/NOTES			
26100-4930-00-00-000	YEAR END SURPLUS			
26100-5830-00-00-000	DEBT ISSUE COSTS			
2730-223-00-434-00	WATER/2014 BONDS			
2730-223-00-437-00	BOND ISSUE			
2730-223-00-441-00	2016-A UTILITY BOND			
2730-223-00-455-00	2018B Bond			
2730-427-00-000-00	Interest on Long-Term Debt DEFAULT			
2750-131-00-000-00	WATER CASH			
2750-131-00-000-00	WATER CASH			
2750-223-00-441-00	2016-A UTILITY BOND			
2750-223-00-455-00	2018B Water Bond			
2750-223-00-457-00	Advs from Muni 2019A WATER BOND			
2750-233-00-437-00	Payables to Muni 2009 BOND ISSUE			
2750-233-00-437-00	Payables to Muni 2009 BOND ISSUE			
2750-427-00-000-00	INTEREST ON LONG TERM DEBT			
2750-930-00-000-00	Misc General Exp			
2750-934-00-000-00	Debt Issue Costs, Default			
2760-131-00-000-00	SEWER CASH			
2760-223-00-858-00	Advs Muni 2019A Sewer Bond			
2760-427-00-000-00	INTEREST ON LONG TERM DEBT			
2760-856-00-000-00	MISC GENERAL EXPENSE			
2760-934-00-000-00	Debt Issue Costs, Default			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 50		5021		
2020 - To adjust accrued vacation and sick to actual.				
2730-593-00-000-00	MAINTENANCE OF OH LINES		10,447.00	
2750-673-10-000-00	Maint of Trans and Dist Mains LABOR		8,192.00	
2760-831-00-884-00	MAINTENANCE OF COLLECTION SYSTEM		7,712.00	
2730-238-00-504-00	ACCRUED VACATION & SICK LEAVE			10,447.00
2750-238-00-504-00	ACCRUED VACATION & SICK LEAVE			8,192.00
2760-238-00-504-00	ACCRUED VACATION & SICK LEAVE			7,712.00
Total			<u><u>26,351.00</u></u>	<u><u>26,351.00</u></u>
Adjusting Journal Entries JE # 54		2001		
2020 - To adjust cash balances to reflect actual.				
26100-1111-00-00-120	STATE INVESTMENT - DPW REMODEL/DAM REPLACEMENT		262.00	
26100-5310-40-10-583	STREET DEPT - SNOW REMOVAL			262.00
Total			<u><u>262.00</u></u>	<u><u>262.00</u></u>
Adjusting Journal Entries JE # 57		PBC		
2020 - To record client entry recieved after trial balance import.				
26100-1000-00-00-000	GENERAL FUND CHECKING		68,000.00	
26100-1500-00-00-130	LW DEPARTMENT RECEIVABLE		388.00	
26100-1500-00-00-160	SEWERAGE UTILITY RECEIVABLE		194.00	
2730-593-00-000-00	MAINTENANCE OF OH LINES		388.00	
26100-5142-22-10-000	FINANCE - PAYROLL			582.00
26100-5310-40-00-453	STREET DEPT - SALT			68,000.00
2730-233-00-000-00	ACCOUNTS PAYABLE-OLD CHECKS			388.00
Total			<u><u>68,970.00</u></u>	<u><u>68,970.00</u></u>
Adjusting Journal Entries JE # 59		3250s		
N/A 2020 - To record additional sewer mains in correct account. Amounts were originally recorded in the electric utility.				
2730-313-00-308-16	X			
2760-131-00-630-00	DUE TO/FROM ELECTRIC			
2760-313-00-000-00	COLLECTING MAINS			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 62		PBC for PSC report		
2020 - To adjust revenues and reclassify expenses to match client PSC reporting.				
2730-440-60-000-00	RESIDENTIAL SALES		677.00	
2730-464-00-000-00	Oth Sales to Public Author DEFAULT		2,775.00	
2730-905-00-000-00	RFUNDS TO CUSTOMERS		2,004.00	
2750-474-00-000-00	OTHER WATER REVENUE		1,306.00	
2750-631-00-000-00	Maintenance of the pumping plant		138.00	
2750-631-00-000-00	Maintenance of the pumping plant		12,540.00	
2730-443-82-000-00	CP-2 SALES			677.00

Client: **0201493 - City of Lake Mills**
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Account	Description	W/P Ref	Debit	Credit
2730-444-90-000-00	PUBLIC STREET LIGHT SALES			6.00
2730-555-00-000-00	PURCHASED POWER			4,773.00
2750-461-60-000-00	RESIDENTIAL SLAES			1,121.00
2750-464-00-000-00	SALES TO PUBLIC AUTHORITY			185.00
2750-474-00-000-00	OTHER WATER REVENUE			12,540.00
2750-625-00-000-00	Dont use-Expenses transferred account			138.00
2750-640-10-000-00	OPERATIONS LABOR			
Total			19,440.00	19,440.00

Adjusting Journal Entries JE # 65

2420s

2020 - To adjust special assessment accounts to actual.

26100-1263-00-00-121	DEFERRED STREET CONSTRUCTION S/A		579,768.00	
26100-2620-00-00-123	POSTPONED SIDEWALK S/A		2,869.00	
26100-1263-00-00-123	DEFERRED SIDEWALK S/A			2,869.00
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-1500-00-00-114	DUE FROM SPECIAL ASSESSMENT FUNDS			
26100-2620-00-00-124	POSTPONED BLACKTOP S/A			579,768.00
26114-2500-00-00-100	DUE TO GENERAL FUND			
26114-4200-00-00-000	SPECIAL ASSESS. - PRINCIPAL			
26114-4811-00-00-000	SPECIAL ASSESS. - INTEREST			
Total			582,637.00	582,637.00

Adjusting Journal Entries JE # 66

3403

2020 - To record amortization of loss on refunding for the current year.

2730-428-00-000-00	Amort of Debt Disc and Exp DEFAULT		20,755.00	
2750-428-00-000-00	Amort of Debt Disc and Exp DEFAULT		2,706.00	
2730-186-20-000-00	Deferred Loss on Refunding			20,755.00
2750-186-20-000-00	Deferred Loss on Refunding			2,706.00
Total			23,461.00	23,461.00

Adjusting Journal Entries JE # 67

2407/Analytical Review

2020 - To reclassify revenues to proper accounts.

26100-4321-00-00-050	CARES ACT GRANT		5,000.00	
26100-4610-00-00-000	MISCELLANEOUS GENERAL REVENUE			5,000.00
26108-5150-00-00-003	TID #3 EXPENDITURES			
26108-5150-00-00-004	TID #4 EXPENDITURES			
Total			5,000.00	5,000.00

Adjusting Journal Entries JE # 70

3250s

N/A 2020 - To reclassify various revenues to the proper accounts.

2730-421-00-000-00	Misc NonOper Income, Default			
2730-456-00-000-00	OTHER ELECTRIC REVENUE			
2730-456-00-000-00	OTHER ELECTRIC REVENUE			
2730-737-00-000-00	Revenue from Developers, Default			
Total			0.00	0.00

Adjusting Journal Entries JE # 71

2302/2307

N/A 2020 - To adjust miscellaneous accounts receivable to actual.

26100-1111-00-00-120	STATE INVESTMENT - DPW REMODEL/DAM REPLACEMENT			
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-4335-00-00-000	LSL Principle Forgiveness Loan			
Total			0.00	0.00

Adjusting Journal Entries JE # 72

PY 1501 & 2601

N/A 2020 - To reverse prior year prepaid and adjust current year prepaid to actual.

26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-1411-00-00-000	SUBSEQUENT YEAR BUDGET ITEMS			
26100-1411-00-00-000	SUBSEQUENT YEAR BUDGET ITEMS			
26100-1411-00-00-000	SUBSEQUENT YEAR BUDGET ITEMS			
26100-1500-00-00-130	LW DEPARTMENT RECEIVABLE			
26100-1500-00-00-160	SEWERAGE UTILITY RECEIVABLE			
26100-2158-00-00-000	MISC. PAYROLL DEDUCTIONS			
26100-5111-11-24-000	CABLE TV - HEALTH INS			
26100-5130-14-24-000	LEGAL - HEALTH INS			
26100-5141-15-24-000	MANAGER - HEALTH INSURANCE			
26100-5142-16-24-002	CLERK HR - HEALTH INSURANCE			
26100-5142-16-24-003	CLERK-RD-HEALTH			
26100-5142-22-24-000	FINANCE - HEALTH INSURANCE			

Client: **0201493 - City of Lake Mills**
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Account	Description	W/P Ref	Debit	Credit
26100-5144-17-24-000	ELECTION-HEALTH			
26100-5161-20-24-000	FACILITIES MAINT - HEALTH			
26100-5198-00-81-000	PLANNING/ENGINEERING SERVICES			
26100-5210-30-24-000	POLICE DEPT - HEALTH INSURANCE			
26100-5220-35-24-000	FIRE DEPT - HEALTH INS			
26100-5310-40-24-000	STREET DEPT - HEALTH INSURANCE			
26100-5491-50-24-000	CEMETERY - HEALTH INS			
26100-5511-55-24-000	LIBRARY - HEALTH INSURANCE			
26100-5514-19-24-000	COMM CENTER - HEALTH			
26100-5520-60-24-000	PARKS - HEALTH INSURANCE			
26100-5521-61-24-000	PARKS/FORESTRY - HEALTH INS			
26100-5630-00-24-000	WATER SERVICE LINE - HEALTH INSURANCE			
26100-5690-63-24-000	FORESTRY - HEALTH INSURANCE			
Total			0.00	0.00
Adjusting Journal Entries JE # 73			TID WPs	
2020 - To gross up revenue and expenditures in TID #5 for portion of the construction of Mud Lake Road paid for by developer. Originally recorded in the general fund on a net basis in miscellaneous receivables (includes engineering still owed).				
26100-1710-00-00-108	ADVANCE TO TIF FUND		63,686.00	
26108-1300-00-00-000	T.I.D.ACCOUNTS RECEIVABLE		63,686.00	
26108-5150-00-00-005	TID #5 EXPENDITURES		68,624.00	
26108-5150-00-00-005	TID #5 EXPENDITURES		396,167.00	
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			63,686.00
26108-2715-00-00-100	TID #5 ADVANCE FROM GENERAL FUND			63,686.00
26108-4820-00-00-005	RENT TID # 5			68,624.00
26108-4820-00-00-005	RENT TID # 5			396,167.00
Total			592,163.00	592,163.00
Adjusting Journal Entries JE # 74			2801	
N/A for 2020 - To reclassify amounts repaid by the TID and Utilities in December 2018 but not received or deposited by the City until January 2019. REVERSE THIS ENTRY AS OF 1/1/2019.				
26100-1111-00-00-000	GENERAL FUND MONEY MARKET ACCOUNT			
26100-1111-00-00-000	GENERAL FUND MONEY MARKET ACCOUNT			
26100-1500-00-00-130	LW DEPARTMENT RECEIVABLE			
26100-1710-00-00-108	ADVANCE TO TIF FUND			
Total			0.00	0.00
Adjusting Journal Entries JE # 79			5016	
2020 - To reclassify prior year proprietary WRS LRLIF contributions made prior to the measurement date (January - December of prior year).				
2730-926-02-000-00	Electric - Allocated WRS LRLIF Expense		485.00	
2750-926-02-000-00	Water - Allocated WRS LRLIF Expense		243.00	
2760-926-02-000-00	Sewer - Allocated WRS LRLIF Expense		288.00	
2730-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF			485.00
2750-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF			243.00
2760-186-30-510-00	Deferred Debits DEF OUTFLW-WRS LRLIF			288.00
Total			1,016.00	1,016.00
Adjusting Journal Entries JE # 80			5016	
2020 - To reclassify proprietary current year WRS LRLIF contributions made after the measurement date (January - December of current year).				
2730-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF		414.00	
2750-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF		207.00	
2760-186-30-510-00	Deferred Debits DEF OUTFLW-WRS LRLIF		246.00	
2730-926-02-000-00	Electric - Allocated WRS LRLIF Expense			414.00
2750-926-02-000-00	Water - Allocated WRS LRLIF Expense			207.00
2760-926-02-000-00	Sewer - Allocated WRS LRLIF Expense			246.00
Total			867.00	867.00
Adjusting Journal Entries JE # 81			5016	
2020 - To record proprietary current year changes in WRS LRLIF accounts.				
2730-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF		29,795.00	
2730-926-02-000-00	Electric - Allocated WRS LRLIF Expense		6,218.00	
2750-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF		14,898.00	
2750-926-02-000-00	Water - Allocated WRS LRLIF Expense		3,110.00	
2760-186-30-510-00	Deferred Debits DEF OUTFLW-WRS LRLIF		17,709.00	
2760-926-02-000-00	Sewer - Allocated WRS LRLIF Expense		3,698.00	
2730-174-30-510-00	Electric - WRS WRLIF Asset			
2730-215-30-510-00	Electric - Restricted for WRS LRLIF			
2730-216-00-000-00	Unappropriated Earned Surplus, Default			
2730-242-30-510-00	X			32,471.00
2730-253-30-510-00	X			3,542.00
2750-174-30-510-00	Water - WRS LRLIF Asset			
2750-215-30-510-00	Water - Restricted for WRS LRLIF			

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
2750-216-00-000-00	Unappropriated Earned Surplus, Default			
2750-242-30-510-00	X			16,236.00
2750-253-30-510-00	X			1,772.00
2760-174-30-510-00	Sewer - WRS LRLIF Asset			
2760-215-30-510-00	Sewer - Restricted for WRS LRLIF			
2760-216-00-000-00	Unappropriated Earned Surplus, Default			
2760-242-30-510-00	X			19,301.00
2760-253-30-510-00	X			2,106.00
Total			75,428.00	75,428.00

Adjusting Journal Entries JE # 82

2020 - To adjust various accounts to actual based on inquiry of client personnel and other audit procedures.

Analytical rv

26100-4114-00-00-000	MOBILE HOME LOT TAXES		44,921.00	
26100-4335-00-00-000	LSL Principle Forgiveness Loan		4,425.00	
26100-4420-00-00-412	DOG LICENSES		3,200.00	
26100-4420-00-00-413	CAT LICENSES		496.00	
26100-5335-00-00-000	LSL Reimbursements		3,187.00	
26100-5730-40-50-000	PUBLIC WORKS CAPITAL - MISC.IMPROVEMENTS		2,025.00	
26108-3410-00-00-004	TID #4 RESERVE FOR LONG-TERM ADVANCE		110,953.00	
26108-3410-00-00-005	TID #5 RESERVE FOR LONG-TERM ADVANCE		215,233.00	
26108-3410-00-00-006	TID #6 RESERVE FOR LONG-TERM ADVANCE		741,851.00	
26108-3410-00-00-007	TID #7 RESERVE FOR LONG TERM ADVANCE		2,059.00	
26113-2660-00-00-000	CDBG FUND - DEFERRED REVENUE/L-T		137,803.00	
26113-4890-00-00-000	PRINCIPAL REPAYMENT		2,171.00	
2730-145-00-465-00	Accounts Receivable DUE FROM WATER		2,480.00	
2750-216-00-000-00	Unappropriated Earned Surplus, Default		2,470.00	
2750-408-00-000-00	TAX EXPENSE		823.00	
2750-631-00-000-00	Maintenance of the pumping plant		10.00	
2760-233-99-000-00	FEES & PERMITS PAYABLE		2.00	
26100-1111-00-00-120	STATE INVESTMENT - DPW REMODEL/DAM REPLACEMENT			
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			6,450.00
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-1300-00-00-000	MISCELLANEOUS RECEIVABLES			
26100-2190-00-00-430	OTHER ACCTS. DUE JEFFERSON COUNTY			3,696.00
26100-2190-00-00-431	OTHER ACCTS. DUE SCHOOL DISTRICT			44,921.00
26100-4357-00-00-000	STATE GRANTS,			
26100-4675-63-00-416	SANDY BEACH GATEHOUSE FEES			3,187.00
26100-5310-40-10-589	STREET DEPT - ST.CONSTRUCTION			
26100-5730-40-50-000	PUBLIC WORKS CAPITAL - MISC.IMPROVEMENTS			
26108-3330-0	RETAINED EARNINGS			846,807.00
26108-3410-00-00-000	TID #2 RESERVE FOR LONG-TERM ADVANCE			179,966.00
26108-3410-00-00-003	TID #3 RESERVE FOR LONG-TERM ADVANCE			43,323.00
26108-4113-00-00-004	PERSONAL PROPERTY AID TID # 4			
26108-4113-00-00-005	T.I.D., BANK OF LM TAX ACCOUNT			
26108-4113-00-00-006	T.I.D., MUNICIPAL BONDS P&I FUND			
26108-4343-00-00-003	TID #3 EXEMPT COMPUTER AID			
26108-4343-00-00-004	TID #4 EXEMPT COMPUTER AID			
26108-4343-00-00-005	TID #5 EXEMPT COMPUTER AID			
26108-4343-00-00-006	TID #6 EXEMPT COMPUTER AID			
26111-4672-60-11-000	PARK IMPACT FEES			
26111-4850-60-00-000	DONATIONS, PARKS - DONATION EXPENSES			
26113-1720-00-00-000	CDBG FUND - LOAN RECEIVABLE			137,803.00
26113-4811-00-00-429	INTEREST,			2,171.00
2730-216-00-000-00	Unappropriated Earned Surplus, Default			2,480.00
2730-593-00-000-00	MAINTENANCE OF OH LINES			
2730-926-00-000-00	PENSIONS & BENEFITS			
2730-926-15-000-00	HEALTH INSURANCE			
2750-216-00-000-00	Unappropriated Earned Surplus, Default			
2750-233-99-000-00	INTERDEPARTMENTAL PAYABLE			2,480.00
2750-408-00-711-00	SOCIAL SECURITY TAX			823.00
2750-631-00-000-00	Maintenance of the pumping plant			
2760-216-00-000-00	Unappropriated Earned Surplus, Default			2.00
Total			1,274,109.00	1,274,109.00

Adjusting Journal Entries JE # 83

2020 - To reclassify accrued accounts payable.

FS

26100-1111-00-00-120	STATE INVESTMENT - DPW REMODEL/DAM REPLACEMENT		7,161.00	
26100-2150-00-00-000	FEDERAL WITHHOLDING TAXES		10,163.00	
26100-2159-00-00-202	CAFETERIA PLAN DEDUCTIONS		4,118.00	
26100-2151-00-00-000	SOC.SEC./MEDICARE TAX DEDUCTIONS			12,572.00
26100-2152-00-00-000	STATE WITHHOLDING TAXES			2.00
26100-2155-00-00-000	UNION DUES DEDUCTIONS			1.00
26100-2158-00-00-000	MISC. PAYROLL DEDUCTIONS			8,764.00
26100-2158-00-00-130	MISC PAYROLL DEDUCTIONS DEF WATER S/A			103.00
Total			21,442.00	21,442.00

Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 85				
N/A 2020 - To adjust account balance to actual.		TB		
2730-253-09-000-00	Deferred Inflow WRS Pension			
2730-253-30-510-00	X			
2750-253-09-000-00	Deferred Inflow WRS Pension			
2750-253-30-510-00	X			
2760-253-09-000-00	Deferred Inflow WRS Pension			
2760-253-30-510-00	X			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 86				
N/A 2020 - To adjust account balance to actual.		TB		
2750-186-00-000-00	Deferred Debits Default			
2750-186-30-510-00	DEFERRED OUTFLOW WRS LRLIF			
2760-186-00-000-00	Deferred Debits Default			
2760-186-30-510-00	Deferred Debits DEF OUTFLOW-WRS LRLIF			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 87				
N/A 2020 - To adjust account balance to actual.		TB		
2730-242-30-510-00	X			
2750-242-00-000-00	Misc Cur and Accrued Liabil Default			
2750-242-30-510-00	X			
2760-242-00-000-00	Misc Cur and Accrued Liabil Default			
2760-242-30-510-00	X			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 88				
N/A 2020 - To reclass Tax Custodial Fund accounts to reflect actual.		2410, 1235.107		
26107-1111-00-00-000	BANK OF LAKE MILLS TAX ACCOUNT			
26107-1211-00-00-000	TAXES RECEIVABLE			
26107-2190-00-00-430	COUNTY & STATE TAXES			
26107-2190-00-00-431	LOCAL SCHOOL TAXES			
26107-2190-00-00-432	VOCATIONAL SCHOOL TAXES			
26107-2500-00-00-100	DUE TO GENERAL FUND			
Total			<u><u>0.00</u></u>	<u><u>0.00</u></u>
Adjusting Journal Entries JE # 90				
2020 - To zero out unused expense account used for holding.		Prelim JE		
26100-5142-16-81-001	GENERAL FINANCE-PROFESSIONAL SERVICES		5,302.00	
26100-1111-00-00-120	STATE INVESTMENT - DPW REMODEL/DAM REPLACEMENT			5,302.00
Total			<u><u>5,302.00</u></u>	<u><u>5,302.00</u></u>
Adjusting Journal Entries JE # 92				
2020 - To adjust tax fund cash and receivables to actual for advanced tax collections received early.		2003		
26107-1111-00-00-000	BANK OF LAKE MILLS TAX ACCOUNT		22,918.00	
26107-1211-00-00-000	TAXES RECEIVABLE			22,918.00
Total			<u><u>22,918.00</u></u>	<u><u>22,918.00</u></u>
Adjusting Journal Entries JE # 93				
2020 - To record public safety grant in proper account.		2407		
26100-4352-62-00-000	STATE GRANT - CLEAN BOATS/CLEAN WATER		3,994.00	
26100-4352-30-00-000	STATE GRANTS-LAW ENFORCEMENT			3,994.00
Total			<u><u>3,994.00</u></u>	<u><u>3,994.00</u></u>
Adjusting Journal Entries JE # 94				
2020 - To record expense in accounts payable to reflect actual (reverse).		4101, 4104		
26100-5762-62-00-682	PFSB CAP OUTLAY-BOAT LAUNCH/PARKING		26,716.00	
26100-2100-00-00-000	VOUCHERS PAYABLE			26,716.00
Total			<u><u>26,716.00</u></u>	<u><u>26,716.00</u></u>
Adjusting Journal Entries JE # 95				
2020 - To move interest income from tax agency fund to general fund.		1235.107		
26100-4811-00-00-000	INTEREST ON INVESTMENTS		475.00	
26107-1111-00-00-000	BANK OF LAKE MILLS TAX ACCOUNT		475.00	
26100-1111-00-00-005	BANK OF LAKE MILLS TAX ACCOUNT			475.00

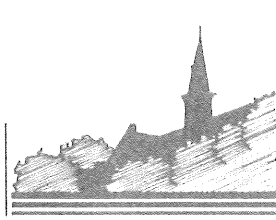
Client: **0201493 - City of Lake Mills**
 Engagement: **20 Audit - City of Lake Mills**
 Period Ending: **12/31/2020**
 Trial Balance: **1401 - Database**
 Workpaper: **1501 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
26107-2500-00-00-130	DUE TO PUBLIC SERVICE ENTERPRISES			475.00
Total			950.00	950.00
Adjusting Journal Entries JE # 97		Database		
2020 - To update AJE 9 and AJE 24 for financial statement purposes. AJE 9 and AJE 24 were recorded to paid by municipality for PSC purposes, but for financial purposes should be contributed revenue.				
2750-200-00-000-00	CAPITAL PAID IN MY MUNICIPALITY		178,857.00	
2760-200-00-000-00	CAPITAL PD IN MY MUNICIPALITY		113,335.00	
2750-417-00-000-00	CONTRIBUTED REVENUE			178,857.00
2760-637-00-000-00	REVENUE FROM DEVELOPERS			113,335.00
Total			292,192.00	292,192.00
Adjusting Journal Entries JE # 98		1244		
2020 - To adjust shared revenue for Form C.				
26100-4341-00-00-000	SHARED REVENUE/EXP.RESTRAINT FUNDS		109,918.00	
26108-4820-00-00-005	RENT TID # 5		464,791.00	
26100-43410-00-00-001	Shared Revenue - Utility Aid			2,880.00
26100-43410-00-00-002	Shared Revenue - Expenditure restraint			107,038.00
26108-4685-00-00-000	TID Economic Development			464,791.00
Total			574,709.00	574,709.00

APPENDIX B

City Of Lake Mills

200D Water Street
Lake Mills, WI 53551
(920) 648-2344
FAX: (920) 648-2347
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June 1, 2021.

Hawkins Ash CPAs, LLP
One East Waldo Blvd., Suite 5
Manitowoc, WI 54220-2912

Dear Hawkins Ash CPAs, LLP,

This representation letter is provided in connection with your audit of the City of Lake Mills as of December 31, 2020, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, and results of operations, of the various opinion units of City of Lake Mills in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

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

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of June 1, 2021.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 10, 2020, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- 2) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 5) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 6) We have a process to track the status of audit findings and recommendations.
- 7) We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- 8) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 9) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 10) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 11) We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
- 12) The effects of the attached uncorrected misstatements and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and the financial statements as a whole.
- 13) We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (FASB Accounting Standards Codification 450, *Contingencies*), and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 14) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- 15) All funds and activities are properly classified.
- 16) All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- 17) All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- 18) Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- 19) All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 20) All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- 21) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 22) Special items and extraordinary items have been properly classified and reported.
- 23) Deposit and investment risks have been properly and fully disclosed.
- 24) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 25) All required supplementary information is measured and presented within the prescribed guidelines.

26) With regard to investments and other instruments reported at fair value:

- The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
- The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
- The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

27) With respect to the nonattest services provided, we have performed the following:

- Made all management decisions and performed all management functions;
- Assigned a competent individual to oversee the services;
- Evaluated the adequacy of the services performed;
- Evaluated and accepted responsibility for the result of the service performed; and
- Established and maintained internal controls, including monitoring ongoing activities.

28) With respect to the supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the supplementary information with U.S. GAAP.
- We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- We acknowledge our responsibility to include the auditors' report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditors' report thereon.

29) With respect to the required supplementary information accompanying the financial statements:

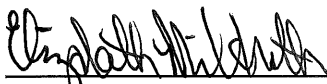
- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

- 30) With respect to the summary financial report:
- We acknowledge our responsibility for the preparation of the summary financial statements in accordance with the applied criteria and believe the applied criteria are acceptable.
 - We have made the audited financial statements readily available to the intended users of the summary financial statements, when the summary financial statements will not be accompanied by the audited financial statements.

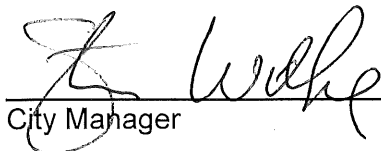
Information Provided

- 31) We have provided you with:
- Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 32) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 33) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 34) We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- 35) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- 36) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 37) We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- 38) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- 39) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 40) The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 41) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
- 42) We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.

- 43) For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- 44) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 45) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 46) There are no:
- Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 47) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 48) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 49) We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.



Treasurer/Finance Director



City Manager