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Communication with Those Charged with Governance at the Conclusion of the Audit

September 23, 2025

To the City Council

City of Weed

PO Box 470

Weed, CA 96094

I have audited the financial statements of the governmental activities, the business-type activities, each major fund and the remaining aggregate fund information of the City of Weed ("City") for the year ended June 30, 2024. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my letter to you dated May 1, 2023, as well as an update to this information in the communication to you during planning dated July 31, 2025. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2023-24. I noted no transactions entered into by the City during these years 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. I have evaluated all identified related parties, accounting for related party transactions, if any, and accounting for significant unusual transactions, if any, and required disclosures, and found no further disclosures to you are required.

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 most sensitive estimates affecting the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information's financial statements were:

Management's estimate of the allowance for doubtful accounts from trade accounts (i.e. water, sewer and solid waste) is based on historical utility service revenues, historical loss levels, and an analysis of the collectability of individual accounts. Management's estimate of the allowance for uncollectible receivables from loans is based on historical loss levels and an analysis of the collectability of individual accounts. I evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the useful lives of capital assets is based on experience with the length of usefulness of previously purchased capital assets. I evaluated the key factors and assumptions used to develop the useful lives, as described in Note 1 to the financial statements, in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimates and assumptions required to be used under GASB Statement No. 68, as amended by No. 73, for the calculation of the City's Net Pension Liability, Pension Expense and related Deferred Outflows and Inflows, and GASB Statement No. 75 for the calculation of the City's Total Other Postemployment Benefits (OPEB) Liability and OPEB Expense and related Deferred Outflows and Inflows, as well as the allocation to the various major funds of the City, was based on the work performed by an outside specialist hired by management. The allocation to the various major funds was based on the funds' contributions to CalPERS taken as a percentage of the whole. I evaluated the key factors and assumptions used to develop the year-end balances and adjustments in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allocation of certain general government costs to the City's business-type activities, is based on a historical analysis of trends used to determine the usage of certain general government resources by the business-type activities. I evaluated the key factors and assumptions used to develop the allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the incremental borrowing rate used in computing the net present value of the future lease payments to determine the right-to-use lease asset cost and the corresponding lease liability and interest expense for the operating leases that have been converted to lease financing of the right-to-use the underlying assets. Additionally, management's estimate of the incremental borrowing rate used in computing the net present value of the future subscription-based IT arrangement (SBITA) payments to determine the right-to-use SBITA asset cost and the corresponding SBITA liability and interest expense for the SBITA arrangements that have been converted to SBITA financing of the right-to-use the underlying assets. I evaluated the key factors and assumptions used to develop the balance upon implementation and at year-end in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair market value of investments at year-end. I evaluated the key factors and assumptions used to develop the fair value in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of prior period adjustments in Note 13 to the financial statements.

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

Difficulties Encountered in Performing the Audit

I encountered no difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audits, other than those that are clearly trivial, and communicate them to the appropriate level of management. Please see the list of audit adjustments in **Attachment #2**. Management has reviewed, approved and agreed to post all of the audit adjustments.

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 my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of the audits.

Management Representations

I have requested certain representations from those charged with governance and management that are included in the management representation letter dated September 23, 2025.

(Continued)

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 City’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 me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

In my separate report dated September 23, 2025, on my consideration of the City’s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, I noted a material weakness in internal control, **Finding 2024-001**, a repeat finding, which reports on the material audit adjustments that were required due to a lack of effective internal controls over the financial close and reporting process. The findings, including management's response and corrective action plan, are reported in the Schedule of Findings and Questioned Costs.

Also, during my audit, I noted certain matters involving internal control over financial reporting and its operation, and I made recommendations to management and they agreed with my recommendations. I am required to communicate these matters to Council and they are listed in **Attachment #1**.

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditor. However, these discussions occurred in the normal course of our professional relationship and my responses were not a condition to my retention.

Other Matters

I applied certain limited procedures to the City's Budgetary Comparison Schedules for all major funds and Pension/OPEB Related Schedules, which are required supplementary information (RSI) that supplements the basic financial statements. My procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

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

Very truly yours,



Charles W. Pilon, CPA

Attachment #1

Internal Control Deficiencies

Current Year Matters

NONE

Prior Year Matters

1. Backup support for journal entries made by the finance director was missing in some cases and, in all cases, were not reviewed by other City staff. It is mandatory for effective internal controls for support to be attached to all journal entries and it is a mitigation factor for lack of segregation of duties for the journal entries to be reviewed by someone other than the preparer.
2. During my review of the receipt/deposit process, it was noted that employees who are doing reconciliations and signoff of the process are not keeping the reconciliations noting results and signoff. I recommended this to the appropriate personnel.
3. When reviewing and testing the accounts receivable aging list of utility customers' outstanding balances, it was noted that there are many customers that should be removed from the aging list since they have had final bills issued several years ago and their balances are considered uncollectible. I discussed this with the finance director and recommended cleaning this aging list up to match the adjusted general ledger balance.

(Continued)

ATTACHMENT #2

Client: CITY OF WEED
 Report: Audit Adjustments 23-24

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
1		HH1			
	G68 year-end adjustments				
71-411-621	PERS		69,054.00	0.00	
71-421-621	PERS		128,243.00	0.00	
71-001-257	DEFERRED OUTFLOWS - PENSION		0.00	176,776.00	
71-001-258	DEFERRED INFLOWS - PENSION		150,290.00	0.00	
71-001-259	NET PENSION LIABILITY (ASSET)		0.00	170,811.00	
12-001-258	DEFERRED INFLOWS - PENSION		2,755.00	0.00	
12-001-259	NET PENSION LIABILITY (ASSET)		0.00	131,905.00	
12-001-257	DEFERRED OUTFLOWS - PENSION		42,283.00	0.00	
12-001-521	P.E.R.S.		86,867.00	0.00	
80-001-257	DEFERRED OUTFLOWS - PENSION		0.00	11,324.00	
80-001-521	P.E.R.S.		24,188.00	0.00	
80-001-258	DEFERRED INFLOWS - PENSION		12,961.00	0.00	
80-001-259	NET PENSION LIABILITY (ASSET)		0.00	25,825.00	
Total			<u>516,641.00</u>	<u>516,641.00</u>	<u>(308,352.00)</u>
2		JJ1			
	G75 year-end adjustments				
71-001-252	DEFERRED OUTFLOWS - OPEB		0.00	44,024.00	
71-001-254	NET OPEB OBLIGATION		324,615.00	0.00	
71-411-670	OPEB		0.00	14,910.00	
71-421-670	OPEB		0.00	11,350.00	
71-001-256	DEFERRED INFLOWS - OPEB		0.00	254,331.00	
12-001-252	DEFERRED OUTFLOWS - OPEB		11,538.00	0.00	
12-001-254	NET OPEB OBLIGATION		0.00	15,253.00	
12-001-670	OPEB		63,535.00	0.00	
12-001-256	DEFERRED INFLOWS - OPEB		0.00	59,820.00	
80-001-252	DEFERRED OUTFLOWS - OPEB		0.00	3,120.00	
80-001-254	NET OPEB OBLIGATION		20,416.00	0.00	
80-001-256	DEFERRED INFLOWS - OPEB		0.00	13,337.00	
80-001-670	OPEB		0.00	3,959.00	
Total			<u>420,104.00</u>	<u>420,104.00</u>	<u>(33,316.00)</u>
3		BB2			
	Adjust comp abs pay at year-end				
10-411-501	SALARIES		299.00	0.00	
10-423-501	SALARIES		361.00	0.00	
10-413-501	SALARIES		2,089.00	0.00	
10-422-501	SALARIES		0.00	6,900.00	
10-421-501	SALARIES		16,451.00	0.00	
10-433-501	SALARIES		75.00	0.00	
10-001-230	PAID LEAVE - CURRENT		0.00	12,375.00	
71-001-600	COMP ABS ADJUSTMENT		15,478.00	0.00	
71-001-243	COMPENSATED ABSENCES - LT		0.00	15,478.00	
12-001-501	SALARIES		6,355.00	0.00	

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Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
12-001-241	ACCRUED VACATION LT		0.00	3,092.00	
12-001-242	ACCRUED VACATION		0.00	3,263.00	
80-001-501	SALARIES		5,982.00	0.00	
80-001-241	ACCRUED VACATION LT		0.00	3,155.00	
80-001-242	ACCRUED VACATION		0.00	2,827.00	
Total			47,090.00	47,090.00	(40,190.00)
4		CC1			
Adjust accrued interest payable					
10-417-683	DEBT SERVICE - INTEREST		855.00	0.00	
10-001-225	ACCRUED INTEREST PAYABLE		0.00	855.00	
12-001-683	DEBT SERVICE - INTEREST		3,845.00	0.00	
12-001-225	ACCRUED INTEREST PAYABLE		0.00	3,845.00	
80-001-683	DEBT SERVICE - INTEREST		3,845.00	0.00	
80-001-225	ACCRUED INTEREST PAYABLE		0.00	3,845.00	
Total			8,545.00	8,545.00	(8,545.00)
5		C3			
Adjust allowance doubtful loans					
59-001-133	ALLOWANCE FOR DOUBTFUL LOANS		8,000.00	0.00	
59-001-678	BAD DEBT EXPENSE		0.00	8,000.00	
60-001-133	ALLOWANCE FOR DOUBTFUL LOANS		1,000.00	0.00	
60-001-678	BAD DEBT EXPENSE		0.00	1,000.00	
Total			9,000.00	9,000.00	9,000.00
6		32			
Record prepaid exp					
10-001-126	PREPAID EXPENSES		6,339.60	0.00	
10-419-632	MAINTENANCE/EQUIPMENT		0.00	3,169.80	
10-421-648	SPECIAL DEPT. EXPENSES		0.00	3,169.80	
Total			6,339.60	6,339.60	6,339.60
7		25			
Correct CIP					
12-001-152	CONSTRUCTION IN PROGRESS		66,500.83	0.00	
12-001-648	SPECIAL DEPT. EXPENSES		0.00	7,262.39	
12-001-653	ENGINEERING		0.00	59,238.44	
80-001-152	CONSTRUCTION IN PROGRESS		31,580.14	0.00	
80-001-653	ENGINEERING		0.00	24,317.75	
80-001-648	SPECIAL DEPT. EXPENSES		0.00	7,262.39	
Total			98,080.97	98,080.97	98,080.97
8		AA2			
Record additional AP accruals					
10-414-641	ATTORNEY SERVICES		7,832.85	0.00	

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Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
10-421-648	SPECIAL DEPT. EXPENSES		531.25	0.00	
10-421-675	CAPITAL OUTLAY		8,401.34	0.00	
10-417-653	ENGINEERING		300.00	0.00	
10-001-244	ACCOUNTS PAYABLE		0.00	17,065.44	
12-001-653	ENGINEERING		8,450.25	0.00	
12-001-244	ACCOUNTS PAYABLE		0.00	8,450.25	
10-001-130	DUE FROM OTHER FUNDS		300.00	0.00	
10-417-653	ENGINEERING		0.00	300.00	
37-001-653	ENGINEERING		300.00	0.00	
37-001-246	DUE TO OTHER FUNDS		0.00	300.00	
Total			26,115.69	26,115.69	(25,515.69)
9		BB7			
	Record 23-24 forfeiture fund activity				
25-001-223	FUNDS HELD IN TRUST		73,249.36	0.00	
25-001-430	INTEREST INCOME		0.00	7,888.67	
25-001-468	FORFEITURE FUNDS		0.00	162,411.76	
25-001-706	TRANSFERS IN		97,051.07	0.00	
Total			170,300.43	170,300.43	73,249.36
10		BB7			
	Reverse transfers and record due to GF				
10-428-468	POLICE - FORFEITURE FUNDS		97,051.07	0.00	
10-001-705	TRANSFERS OUT		0.00	97,051.07	
10-001-130	DUE FROM OTHER FUNDS		119,191.91	0.00	
10-428-468	POLICE - FORFEITURE FUNDS		0.00	119,191.91	
25-001-648	SPECIAL DEPT. EXPENSES		119,191.91	0.00	
25-001-246	DUE TO OTHER FUNDS		0.00	119,191.91	
Total			335,434.89	335,434.89	0.00
11		C2			
	Reverse 7/24 interest accrual				
10-001-430	INTEREST		24,740.39	0.00	
10-001-120	ACCOUNTS RECEIVABLE		0.00	24,740.39	
Total			24,740.39	24,740.39	(24,740.39)
12		19			
	Deferred revenue corrections				
10-001-245	UNEARNED REVENUES		70,704.00	0.00	
10-001-490	STATE AND OTHER GRANT REVENUE		0.00	70,704.00	
10-001-456	POLICE/GRANT/USDA RD		15,000.00	0.00	
10-001-245	UNEARNED REVENUES		0.00	15,000.00	
Total			85,704.00	85,704.00	55,704.00
13		FF1			

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Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
Reverse GF def rev - forfeiture fds					
10-001-245	UNEARNED REVENUES		138,211.00	0.00	
10-413-699	SERVICE CHARGE		0.00	138,211.00	
Total			138,211.00	138,211.00	138,211.00
14		26			
Correct coding of engineering invs					
10-417-653	ENGINEERING		0.00	5,237.50	
10-433-653	ENGINEERING		47,520.45	0.00	
10-001-102	CASH IN SAVINGS		0.00	42,282.95	
37-001-653	ENGINEERING		5,237.50	0.00	
37-001-102	CASH IN SAVINGS		42,282.95	0.00	
37-001-653	ENGINEERING		0.00	47,520.45	
37-001-653	ENGINEERING		0.00	18,250.00	
37-001-100	CASH IN COMBINED FUND		18,250.00	0.00	
12-001-100	CASH IN COMBINED FUND		0.00	18,250.00	
12-001-653	ENGINEERING		18,250.00	0.00	
12-001-653	ENGINEERING		1,787.50	0.00	
12-001-222	DUE TO OTHER GOVERNMENTS		0.00	1,787.50	
Total			133,328.40	133,328.40	(1,787.50)
15		25			
Corrections to EF grant accruals					
12-001-399	PRIOR PERIOD ADJUSTMENT		10,629.53	0.00	
12-001-125	GRANTS RECEIVABLE		0.00	10,629.53	
12-001-125	GRANTS RECEIVABLE		59,238.44	0.00	
12-001-489	FEDERAL GRANT REVENUE		0.00	59,238.44	
Total			69,867.97	69,867.97	59,238.44
16		CC1			
Correct error in recording P&I solar loan					
10-416-676	DEBT SERVICE - PRINCIPAL		103.58	0.00	
10-416-683	DEBT SERVICE - INTEREST		0.00	103.58	
80-001-248	NOTE PAYABLE-LT		97.43	0.00	
80-001-683	DEBT SERVICE - INTEREST		0.00	97.43	
Total			201.01	201.01	97.43
17		CC1			
Adjust current portion LTD					
71-001-248	NOTE PAYABLE		415.30	0.00	
71-001-250	NOTE PAYABLE - CURRENT		0.00	415.30	
80-001-248	NOTE PAYABLE-LT		390.66	0.00	
80-001-250	NOTE PAYABLE - CURRENT		0.00	390.66	
71-001-247	CAPITAL LEASE LIABILITY		1,460.21	0.00	
71-001-251	CAPITAL LEASE LIABILITY-CURRENT		0.00	1,460.21	

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Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
71-001-262	LEASE LIABILITY - CURRENT		449.49	0.00	
71-001-261	LEASE LIABILITY - LT		0.00	449.49	
Total			2,715.66	2,715.66	0.00
18		10.2			
	Gross-up DAP refund SCORE				
10-419-628	INS. PROP/EQ-COLL COSTS		12,703.00	0.00	
10-419-463	SCORE RETURN DEPOSIT		0.00	12,703.00	
Total			12,703.00	12,703.00	0.00
19		12			
	Record accrual for collection costs				
10-001-120	ACCOUNTS RECEIVABLE		7,992.45	0.00	
10-421-460	BOOKING FEES/REIMB.		0.00	7,992.45	
Total			7,992.45	7,992.45	7,992.45
20		16			
	Record accrual for HDL fees				
10-413-699	SERVICE CHARGE		2,564.01	0.00	
10-001-244	ACCOUNTS PAYABLE		0.00	2,564.01	
Total			2,564.01	2,564.01	(2,564.01)
21		19			
	Record additional grant accruals				
10-001-125	GRANTS RECEIVABLE		44,181.95	0.00	
10-001-246	DEFERRED REVENUE - UNAVAILABLE		0.00	44,181.95	
10-001-125	GRANTS RECEIVABLE		4,185.50	0.00	
10-001-490	STATE AND OTHER GRANT REVENUE		0.00	4,185.50	
10-001-125	GRANTS RECEIVABLE		2,743.41	0.00	
10-420-489	FEDERAL GRANT REVENUE - SAFER		0.00	2,743.41	
10-001-125	GRANTS RECEIVABLE		20,507.00	0.00	
10-001-246	DEFERRED REVENUE - UNAVAILABLE		0.00	20,507.00	
Total			71,617.86	71,617.86	6,928.91
22		AA1			
	Correct Fund 36 AP				
36-422-675	CAPITAL OUTLAY		40,000.00	0.00	
36-001-657	OUTSIDE SER/CONTR/CONSULT		0.00	20,442.57	
36-001-244	ACCOUNTS PAYABLE		0.00	19,557.43	
Total			40,000.00	40,000.00	(19,557.43)
23		FF			
	Recognize revenue on Library ADA grant				
10-001-245	UNEARNED REVENUES		11,085.00	0.00	
10-427-490	STATE AND OTHER GRANT REVENUE		0.00	11,085.00	

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Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
Total			<u>11,085.00</u>	<u>11,085.00</u>	<u>11,085.00</u>
24		F4			
	Record revenue for 50/50 grant				
10-422-603	COMMUNICATIONS		9,892.50	0.00	
10-422-489	FEDERAL GRANT REVENUE		<u>0.00</u>	<u>9,892.50</u>	
Total			<u>9,892.50</u>	<u>9,892.50</u>	<u>0.00</u>
25		BB3			
	Corrections to health insur exp & pay				
10-411-522	INSURANCE-HEALTH		4,224.19	0.00	
10-413-522	INSURANCE-HEALTH		4,964.06	0.00	
10-416-522	INSURANCE-HEALTH		26.37	0.00	
10-420-522	INSURANCE-HEALTH		285.60	0.00	
10-421-522	INSURANCE-HEALTH		17,877.30	0.00	
10-422-522	INSURANCE-HEALTH		4,570.68	0.00	
10-423-522	INSURANCE-HEALTH		979.68	0.00	
10-425-522	INSURANCE-HEALTH		1,630.93	0.00	
10-427-522	INSURANCE-HEALTH		1,829.64	0.00	
10-432-522	INSURANCE-HEALTH		78.83	0.00	
10-433-522	INSURANCE-HEALTH		1,165.65	0.00	
10-413-699	SERVICE CHARGE		<u>0.00</u>	<u>37,632.93</u>	
Total			<u>37,632.93</u>	<u>37,632.93</u>	<u>0.00</u>
26		BB			
	Correct Fund10 6/28 pension reversal				
10-411-521	P.E.R.S.		877.64	0.00	
10-413-521	P.E.R.S.		705.12	0.00	
10-416-521	P.E.R.S.		6.63	0.00	
10-420-521	P.E.R.S.		208.32	0.00	
10-421-521	P.E.R.S.		4,291.69	0.00	
10-422-521	P.E.R.S.		967.70	0.00	
10-425-521	P.E.R.S.		234.38	0.00	
10-427-521	P.E.R.S.		135.86	0.00	
10-432-521	P.E.R.S.		17.24	0.00	
10-433-521	P.E.R.S.		396.03	0.00	
10-001-218	PERS/RETIREMENT PAYABLE		<u>0.00</u>	<u>7,840.61</u>	
Total			<u>7,840.61</u>	<u>7,840.61</u>	<u>(7,840.61)</u>
27		HH1			
	Record PPA PY AJE 10				
10-001-399	PRIOR PERIOD ADJUSTMENT		7,100.22	0.00	
10-411-521	P.E.R.S.		0.00	786.92	
10-413-521	P.E.R.S.		0.00	581.29	
10-416-521	P.E.R.S.		0.00	105.55	

ATTACHMENT #2

Client: CITY OF WEED
 Report: Audit Adjustments 23-24

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
10-420-521	P.E.R.S.		0.00	3,553.13	
10-421-521	P.E.R.S.		0.00	1,127.88	
10-422-521	P.E.R.S.		0.00	191.68	
10-423-521	P.E.R.S.		0.00	185.34	
10-425-521	P.E.R.S.		0.00	568.43	
Total			7,100.22	7,100.22	7,100.22

28	C5				
Adjust utility AR balances					
12-001-245	UNEARNED REVENUES		0.00	584.88	
12-001-620	CONTRIBUTIONS TO OUTSIDE AGENCIES		6,941.54	0.00	
12-001-478	PENALTIES		17,820.84	0.00	
12-001-678	BAD DEBT EXPENSE		7,417.78	0.00	
12-001-122	A/R - UTILITY BILLINGS		0.00	31,595.28	
80-001-245	UNEARNED REVENUES		0.00	1,355.13	
80-001-620	CONTRIBUTIONS TO OUTSIDE AGENCIES		335.36	0.00	
80-001-472	SEWER CHARGES		557.60	0.00	
80-001-678	BAD DEBT EXPENSE		0.00	879.08	
80-001-124	A/R SEWER		1,341.25	0.00	
11-001-122	A/R - UTILITY BILLINGS		678.75	0.00	
11-001-245	UNEARNED REVENUES		529.26	0.00	
11-001-474	REFUSE COLLECTION		745.93	0.00	
11-001-678	BED DEBT EXPENSE		0.00	1,953.94	
Total			36,368.31	36,368.31	(30,986.03)

29	33				
Correct Gen Gov Allocations					
10-410-417	TRANS IN GEN GOV COSTS		329.00	0.00	
10-411-417	TRANS IN GEN GOV COSTS		3,637.00	0.00	
10-413-417	TRANS IN GEN GOV COSTS		31,900.00	0.00	
10-414-417	TRANS IN GEN GOV COSTS		0.00	1,958.00	
10-416-417	TRANS IN GEN GOV COSTS		107,967.00	0.00	
10-419-417	TRANS IN GEN GOV COSTS		37,481.00	0.00	
10-001-100	CASH IN COMBINED FUND		0.00	179,356.00	
12-001-100	CASH IN COMBINED FUND		224,387.00	0.00	
12-001-627	GENERAL GOVERNMENT COSTS		0.00	224,387.00	
80-001-627	GENERAL GOVERNMENT COSTS		45,031.00	0.00	
80-001-100	CASH IN COMBINED FUND		0.00	45,031.00	
Total			450,732.00	450,732.00	0.00

GW1	CC1				
Record 23-24 G-W LTD activity					
71-001-247	CAPITAL LEASE LIABILITY		48,787.30	0.00	
71-001-248	NOTE PAYABLE		41,423.66	0.00	
71-001-682	DEBT SERVICE-OFFSET		0.00	90,210.96	

ATTACHMENT #2

Client: CITY OF WEED
 Report: Audit Adjustments 23-24

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
Total			<u>90,210.96</u>	<u>90,210.96</u>	<u>90,210.96</u>
GW2		F1-F3			
Record 23-24 G-W capital asset activity					
61-001-155	MACHINERY & EQUIPMENT		8,401.34	0.00	
61-001-675	CAPITAL OUTLAY OFFSET		0.00	8,401.34	
61-001-675	CAPITAL OUTLAY OFFSET		24,875.00	0.00	
61-001-155	MACHINERY & EQUIPMENT		0.00	24,875.00	
61-001-158	LAND		55,456.00	0.00	
61-001-675	CAPITAL OUTLAY OFFSET		0.00	55,456.00	
61-001-675	CAPITAL OUTLAY OFFSET		8,867.00	0.00	
61-001-153	BUILDINGS		0.00	8,867.00	
Total			<u>97,599.34</u>	<u>97,599.34</u>	<u>30,115.34</u>
GW3		F1-F3			
Correct Govt-wide depreciation					
61-432-698	DEPRECIATION		455.00	0.00	
61-421-698	DEPRECIATION		11,495.00	0.00	
61-001-698	DEPRECIATION		0.00	10.00	
61-001-151	ACCUMULATED DEPRECIATION		0.00	11,940.00	
Total			<u>11,950.00</u>	<u>11,950.00</u>	<u>(11,940.00)</u>
GRAND TOTAL			<u>2,987,709.20</u>	<u>2,987,709.20</u>	<u>78,019.02</u>