

BROWN ARMSTRONG

Certified Public Accountants

To the City Council of
City of Lindsay, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Lindsay, California, (the City) for the year ended June 30, 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 5, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

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. During 2010, the City adopted the Governmental Accounting Standard Board's (GASB) Statement No. 51, "Accounting and Financial Reporting for Intangible Assets." We were unable to verify if all significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the City's financial statements was Depreciation expense:

Management's estimate of the Depreciation is based on estimated useful life of the asset. We evaluated the key factors and assumptions used to develop the Depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole and we were unable to obtain sufficient appropriate audit evidence to provide an opinion.

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

The disclosure of Going Concern in Note 19 to the financial statements was caused by the City's difficulties maintaining operating cash balances and paying for City expenditures and noncompliance with redevelopment laws and debt agreements. As a result of the noncompliance the City is subject to sanctions and repayment of all principal and interest accrued regarding the debt. Current reserves and resources are not sufficient to pay these liabilities. All of these factors have contributed to the City's ability to continue as a going concern.

Difficulties Encountered in Performing the Audit

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

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Certified Public Accountants

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached list of adjusting journal entries and material misstatements were detected as a result of our auditing procedures. These misstatements have been subsequently corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 10, 2011.

Management Consultations with Other Independent Accountants

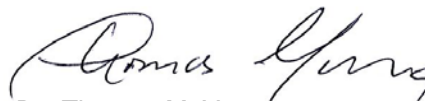
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type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

Other Audit Findings or Issues

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

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



By: Thomas M. Young

Bakersfield, California
September 10, 2011

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		23-1		
To remove 2009 revenue posted to equity and reclassify it to current year revenue due to amounts being immaterial. We will pass on further analysis.				
264-0000-490030	FUND BALANCE		1,316.00	
264-0000-335161	TRANSIT (620) COUNTY			1,316.00
Total			1,316.00	1,316.00
Adjusting Journal Entries JE # 2		RDA		
RDA AJE #1: To correct the booking of the issuance/proceeds of 2009 bonds.				
661-0000-100111	RESERVE ACCOUNT - 2009 BONDS		27,000.00	
661-0000-180190	DEBT ISSUANCE COSTS		96,790.00	
661-0000-220227	BOND PAYABLE		876,210.00	
661-0000-348076	DEBT PROCEEDS			1,000,000.00
Total			1,000,000.00	1,000,000.00
Adjusting Journal Entries JE # 3		RDA		
RDA AJE #2: Transfer land back to the City since the transaction was never completed, we will hit Fund balance for the General Fund as prior year revenue should be reversed.				
101-0000-490030	FUND BALANCE		1,710,000.00	
663-0000-130135	DUE FROM OTHER FUNDS		1,710,000.00	
101-0000-200203	DUE TO OTHER FUNDS			1,710,000.00
663-0000-160161	LAND			1,710,000.00
Total			3,420,000.00	3,420,000.00
Adjusting Journal Entries JE # 4		RDA		
RDA AJE #3: Reclass Capital Outlay as regular expense.				
661-4262-037004	DUES, SUBSCRIPTIONS		445.00	
661-4260-064002	CAP OUTLAY			445.00
Total			445.00	445.00
Adjusting Journal Entries JE # 5		RDA		
RDA AJE #4: To zero out customer deposit that was paid by the General Fund.				
101-0000-100101	CHECKING ACCOUNT-A/P		1,000.00	
661-0000-200207	OTHER DEPOSITS		1,000.00	
101-0000-363030	RENT,MULTI PURPOSE BLDG			1,000.00
661-0000-100101	CHECKING ACCOUNT-A/P			1,000.00
Total			2,000.00	2,000.00
Adjusting Journal Entries JE # 6		LTD		
To fix Sewer outstanding debt, interest payable, and interest expense.				
553-0000-200210	ACCRUED INTEREST PAYABLE		1,772.00	
553-0000-210001	U.S.D.A. LOAN		244,283.00	
553-0000-210002	Short Term Portion Long Term Debt Sewer			130,221.00
553-4553-070003	USDA BOND			115,834.00
Total			246,055.00	246,055.00

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Account	Description	W/P Ref	Debit	Credit
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Adjusting Journal Entries JE # 7

LTD

To fix outstanding debt for the water fund as of June 30, 2010.

552-0000-210001	U.S.D.A. LOAN		51,699.00	
552-0000-220230	NOTES PAYABLE STATE OF CA		20,569.00	
552-0000-200210	ACCRUED INTEREST PAYABLE			12,381.00
552-0000-210002	USDA Loan Short Term Portion			41,826.00
552-0000-220231	State Loan Short Term Portion			8,846.00
552-4552-047001	INTEREST EXPENSE			9,215.00
Total			<u>72,268.00</u>	<u>72,268.00</u>

Adjusting Journal Entries JE # 8

LTD-18-1

To record Hippo Lease as of June 30, 2010.

300-0000-160166	Equipment Hippo Slide		87,400.00	
300-0000-220200	Capital Lease		12,024.00	
300-0000-220200	Capital Lease		13,356.00	
300-4300-069170	HIPPO LEASE		225.00	
300-0000-220000	NOTES PAYABLE			225.00
300-0000-220200	Capital Lease			75,000.00
300-0000-220201	Short Term Portion Hippo Lease			13,356.00
300-4300-069170	HIPPO LEASE			24,424.00
Total			<u>113,005.00</u>	<u>113,005.00</u>

Adjusting Journal Entries JE # 9

DD-01

To record accrued wages for the current year.

101-0000-200205	ACCRUED WAGES PAYABLE		193,484.00	
261-0000-200205	ACCRUED WAGES PAYABLE		723.00	
261-0000-200209	ACCRUED LEAVES PAYABLE		13,204.00	
262-0000-200205	ACCRUED WAGES PAYABLE		16,281.00	
263-4180-010001	SALARIES - FULL TIME		15,512.00	
300-4300-010001	SALARIES - FULL TIME		4,835.00	
400-4400-010001	SALARIES - FULL TIME		2,799.00	
550-0000-200205	ACCRUED WAGES PAYABLE		4,702.00	
550-0000-200209	ACCRUED LEAVES PAYABLE		5,594.00	
552-0000-200205	ACCRUED WAGES PAYABLE		7,603.00	
553-0000-200205	ACCRUED WAGES PAYABLE		1,744.00	
554-4554-010001	SALARIES - FULL TIME		692.00	
556-0000-200205	ACCRUED WAGES PAYABLE		47.00	
603-4603-010001	SALARIES - FULL TIME		4,444.00	
612-4612-010001	SALARIES - FULL TIME		72.00	
661-0000-200205	ACCRUED WAGES PAYABLE		10,055.00	
661-0000-200209	ACCRUED LEAVES PAYABLE		7,289.00	
671-4671-010001	SALARIES - FULL TIME		1,772.00	
681-4681-010001	SALARIES - FULL TIME		220.00	
686-0000-200205	ACCRUED WAGES PAYABLE		152.00	
700-4700-010001	SALARIES - FULL TIME		989.00	
705-4705-010001	SALARIES - FULL TIME		2,626.00	
706-0000-200205	ACCRUED WAGES PAYABLE		813.00	
720-0000-200205	ACCRUED WAGES PAYABLE		2,784.00	
781-0000-200205	ACCRUED WAGES PAYABLE		2,191.00	
800-8800-010001	SALARIES - FULL TIME		12,009.00	

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
867-0000-200205	ACCRUED WAGES PAYABLE		4,565.00	
870-4870-010001	SALARIES - FULL TIME		206.00	
871-0000-200205	ACCRUED WAGES PAYABLE		7,109.00	
101-4040-010001	SALARIES - FULL TIME			1,321.00
101-4050-010001	SALARIES - FULL TIME			3,451.00
101-4070-010001	SALARIES - FULL TIME			1,262.00
101-4110-010001	SALARIES - FULL TIME			115,598.00
101-4120-010001	SALARIES - FULL TIME			7,199.00
101-4130-010001	SALARIES - FULL TIME			5,469.00
101-4210-010001	SALARIES - FULL TIME			2,973.00
101-4220-010001	SALARIES - FULL TIME			36,051.00
101-4221-010200	ASES PROGRAM STAFF WAGES			2,281.00
101-4225-010001	SALARIES - FULL TIME			17,879.00
261-0000-490030	FUND BALANCE			13,204.00
261-4160-010001	SALARIES - FULL TIME			723.00
262-4170-010001	SALARIES - FULL TIME			16,281.00
263-0000-200205	ACCRUED WAGES PAYABLE			15,512.00
300-0000-200205	ACCRUED WAGES PAYABLE			4,835.00
400-0000-200205	ACCRUED WAGES PAYABLE			2,799.00
550-0000-200250	EMPLOYEES FICA/MEDICARE			698.00
550-4115-010001	SALARIES - FULL TIME			4,004.00
550-4115-010001	SALARIES - FULL TIME			5,594.00
552-4552-010001	SALARIES - FULL TIME			7,603.00
553-4553-010001	SALARIES - FULL TIME			1,744.00
554-0000-200205	ACCRUED WAGES PAYABLE			692.00
556-4556-010001	SALARIES - FULL TIME			47.00
603-0000-200205	ACCRUED WAGES PAYABLE			4,444.00
612-0000-200205	ACCRUED WAGES PAYABLE			72.00
661-0000-490030	FUND BALANCE			7,289.00
661-4260-010001	SALARIES - FULL TIME			10,055.00
671-0000-200205	ACCRUED WAGES PAYABLE			1,772.00
681-0000-200205	ACCRUED WAGES PAYABLE			220.00
686-4686-010001	SALARIES - FULL TIME			152.00
700-0000-200205	ACCRUED WAGES PAYABLE			989.00
705-0000-200205	ACCRUED WAGES PAYABLE			2,626.00
706-4706-010001	SALARIES - FULL TIME			813.00
720-4720-010001	SALARIES - FULL TIME			2,784.00
781-4781-010001	SALARIES - FULL TIME			2,191.00
800-0000-200205	ACCRUED WAGES PAYABLE			12,009.00
867-4867-010001	SALARIES - FULL TIME			4,565.00
870-0000-200205	ACCRUED WAGES PAYABLE			206.00
871-4871-010001	SALARIES - FULL TIME			7,109.00
Total			324,516.00	324,516.00

Adjusting Journal Entries JE # 10

C-10-02

To eliminate immaterial credit balance.

779-0000-120127	LOANS RECEIVABLE		45.00	
779-0000-360010	INTEREST EARNINGS			45.00
Total			45.00	45.00

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Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 11		C-10-02		
To reclassify/record Bad Debt to correct account.				
720-0000-033002	BAD DEBT EXPENSE		99,637.00	
799-0000-120127	LOANS RECEIVABLE		99,637.00	
720-0000-120127	LOANS RECEIVABLE			99,637.00
799-4799-033002	BAD DEBT EXPENSE			99,637.00
Total			199,274.00	199,274.00
Adjusting Journal Entries JE # 12		C-10-02		
To reclassify/record Bad Debt to correct account.				
700-0000-03302	BAD DEBT EXPENSE		40,943.00	
790-0000-120127	LOANS RECEIVABLE		40,943.00	
700-0000-120127	LOANS RECEIVABLE			40,943.00
790-4790-033002	BAD DEBT EXPENSE			40,943.00
Total			81,886.00	81,886.00
Adjusting Journal Entries JE # 13		C-10-02		
To record CY Draws/Pmts.				
686-0000-120127	LOANS RECEIVABLE		77,806.00	
686-0000-200208	DEFERRED REVENUES			77,806.00
Total			77,806.00	77,806.00
Adjusting Journal Entries JE # 14		C-10-02		
To record CY Draws/Pmts.				
700-0000-200208	DEFERRED REVENUES		104,360.00	
700-0000-120127	LOANS RECEIVABLE			104,360.00
Total			104,360.00	104,360.00
Adjusting Journal Entries JE # 15		C-10-02		
To record CY Draws/Pmts.				
702-0000-200208	DEFERRED REVENUES		12,243.00	
702-0000-120702	MIXED REVOLVING			12,243.00
Total			12,243.00	12,243.00
Adjusting Journal Entries JE # 16		C-10-02		
To record CY Draws/Pmts.				
706-0000-120127	LOANS RECEIVABLE		145,009.00	
706-0000-200208	DEFERRED REVENUES			145,009.00
Total			145,009.00	145,009.00
Adjusting Journal Entries JE # 17		C-10-02		
To record CY Draws/Pmts.				
720-0000-120127	LOANS RECEIVABLE		7,658.00	
720-0000-200208	DEFERRED REVENUES			7,658.00
Total			7,658.00	7,658.00

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Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 18		C-10-02		
To record CY Draws/Pmts.				
781-0000-200781	DEFERRED LOANS - FUND 781		2,389.00	
781-0000-120781	LOANS RECV - FUND 781			2,389.00
Total			2,389.00	2,389.00
Adjusting Journal Entries JE # 19		C-10-02		
To record CY Draws/Pmts.				
803-0000-200208	DEFERRED REVENUES		7,840.00	
803-0000-120127	LOANS RECEIVABLE			7,840.00
Total			7,840.00	7,840.00
Adjusting Journal Entries JE # 20		C-10-02		
To record CY Draws/Pmts.				
860-0000-120127	LOANS RECEIVABLE		22,901.00	
860-0000-200208	DEFERRED REVENUES			22,901.00
Total			22,901.00	22,901.00
Adjusting Journal Entries JE # 21		C-10-02		
To record CY Draws/Pmts.				
867-0000-120127	LOANS RECEIVABLE		215,489.00	
867-0000-200208	DEFERRED RECEIVABLE			215,489.00
Total			215,489.00	215,489.00
Adjusting Journal Entries JE # 22		C-10-05		
To adjust balance to actual.				
841-0000-200208	DEFERRED REVENUES		2,212.00	
841-0000-120124	ADVANCES-CURB & GUTTER			2,212.00
Total			2,212.00	2,212.00
Adjusting Journal Entries JE # 23		DD-02-4		
To record Compensated Absences for the current year.				
552-4552-010001	SALARIES - FULL TIME		317.00	
553-0000-200209	ACCRUED LEAVES PAYABLE		1,040.00	
554-0000-200209	ACCRUED LEAVES PAYABLE		437.00	
552-0000-200209	ACCRUED LEAVES PAYABLE			317.00
553-4553-010001	SALARIES - FULL TIME			1,040.00
554-4554-010001	SALARIES - FULL TIME			437.00
Total			1,794.00	1,794.00
Adjusting Journal Entries JE # 24				
To remove principal payments from Interest Earnings, and adjust balance to actual.				
669-0000-120127	LOANS RECEIVABLE		3,783.00	
669-0000-200208	DEFERRED REVENUES		19,203.00	
669-0000-360010	INTEREST EARNINGS		19,203.00	
669-0000-120127	LOANS RECEIVABLE			19,203.00

Client: **48005 - City of Lindsay**
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Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
669-0000-360010	INTEREST EARNINGS			3,783.00
669-0001-300999	LOAN PAYMENTS RECEIVED			19,203.00
Total			42,189.00	42,189.00

Adjusting Journal Entries JE # 25
To remove the Bad Debt recorded in 781-120127 and move to 781-120781.

C-10-02

781-0000-120127	LOANS RECEIVABLE		20,000.00	
781-4781-033002	BAD DEBT EXPENSE		20,000.00	
781-0000-120781	LOANS RECV - FUND 781			20,000.00
781-4781-033002	BAD DEBT EXPENSE			20,000.00
Total			40,000.00	40,000.00

Adjusting Journal Entries JE # 26
To eliminate Deferred Revenue that should have been eliminated when the loan was written off by the City.

CC-02

663-0000-200208	DEFERRED REVENUES		15,118.00	
663-0000-490030	FUND BALANCE			15,118.00
Total			15,118.00	15,118.00

Adjusting Journal Entries JE # 27
To adjust Deferred Revenue to actual and to record the Bad Debt.

C-10-02

700-0000-200208	DEFERRED REVENUES		40,943.00	
720-0000-200208	DEFERRED REVENUES		99,637.00	
781-0000-200781	DEFERRED LOANS - FUND 781		20,000.00	
700-0000-033002	BAD DEBT EXPENSE			40,943.00
720-0000-033002	BAD DEBT EXPENSE			99,637.00
781-4781-033002	BAD DEBT EXPENSE			20,000.00
Total			160,580.00	160,580.00

Adjusting Journal Entries JE # 28
To adjust to actual per the Amortization Schedule.

CC-10-03

792-0000-200208	DEFERRED REVENUES		94,336.00	
792-0000-360010	INTEREST EARNINGS		1,122.00	
792-0000-120126	NOTES RECEIVABLE			1,122.00
792-0001-300999	LOAN PROCEEDS			94,336.00
Total			95,458.00	95,458.00

Adjusting Journal Entries JE # 29
PPAJE: To make a PPAJE to reflect the change in the June 30, 2009 balance per the pmt history and C-10-02.

C-10-02

720-0000-120127	LOANS RECEIVABLE		361,500.00	
720-0000-200208	DEFERRED REVENUES			361,500.00
Total			361,500.00	361,500.00

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
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Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 30		C-10-02/C-10-11		
To record Notes Receivable that should have been booked in 2004.				
720-0000-120127	LOANS RECEIVABLE		377,237.00	
720-0000-200208	DEFERRED REVENUES			377,237.00
Total			377,237.00	377,237.00

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 31		BB		
To Reverse Prior year Auditor JE #55 and clients AJE 1063, and 1063B.				
101-0000-100101	CHECKING ACCOUNT-A/P		25,710.00	
101-0000-100101	CHECKING ACCOUNT-A/P		33,983.00	
101-0000-100101	CHECKING ACCOUNT-A/P		73,600.00	
101-0000-100106	CHECKING ACCOUNT-PAYROLL		2,143.00	
101-0000-100106	CHECKING ACCOUNT-PAYROLL		8,274.00	
101-0000-200202	ACCOUNTS PAYABLE		2,242.00	
101-0000-200202	ACCOUNTS PAYABLE		36,859.00	
101-0000-200202	ACCOUNTS PAYABLE		106,125.00	
101-0000-354060	VEHICLE ABATEMENT		1,140.00	
101-4110-016000	DEFERRED COMP BENEFIT		132.00	
261-0000-200202	ACCOUNTS PAYABLE		1,639.00	
261-0000-200202	ACCOUNTS PAYABLE		11,962.00	
262-0000-200202	ACCOUNTS PAYABLE		42,322.00	
262-0000-200202	ACCOUNTS PAYABLE		50,460.00	
263-0000-200202	ACCOUNTS PAYABLE		63,049.00	
300-0000-200202	ACCOUNTS PAYABLE		7,787.00	
300-0000-200202	ACCOUNTS PAYABLE		29,175.00	
300-0000-200202	ACCOUNTS PAYABLE		264,533.00	
400-0000-200202	ACCOUNTS PAYABLE		35,818.00	
550-0000-200202	ACCOUNTS PAYABLE		3,395.00	
550-4115-010001	SALARIES - FULL TIME		883.00	
552-0000-100106	CHECKING ACCOUNT-PAYROLL		375.00	
552-0000-200202	ACCOUNTS PAYABLE		43,050.00	
553-0000-200205	ACCRUED WAGES PAYABLE		5,601.00	
554-0000-200202	ACCOUNTS PAYABLE		117.00	
554-0000-200202	ACCOUNTS PAYABLE		64,186.00	
661-0000-200202	ACCOUNTS PAYABLE		199.00	
661-0000-200202	ACCOUNTS PAYABLE		68,454.00	
699-0000-200202	ACCOUNTS PAYABLE		169.00	
800-0000-200202	ACCOUNTS PAYABLE		7,499.00	
867-0000-200202	ACCOUNTS PAYABLE		1,875.00	
883-0000-200202	ACCOUNTS PAYABLE		80.00	
887-0000-200202	ACCOUNTS PAYABLE		134.00	
888-0000-200202	ACCOUNTS PAYABLE		150.00	
101-0000-100101	CHECKING ACCOUNT-A/P			2,242.00
101-0000-100101	CHECKING ACCOUNT-A/P			106,125.00
101-0000-100106	CHECKING ACCOUNT-PAYROLL			132.00
101-0000-100106	CHECKING ACCOUNT-PAYROLL			1,140.00
101-0000-100106	CHECKING ACCOUNT-PAYROLL			17,382.00
101-0000-200201	ACCOUNTS PAYABLE			8,274.00
101-0000-200201	ACCOUNTS PAYABLE			25,710.00
101-0000-200202	ACCOUNTS PAYABLE			33,983.00

Client: **48005 - City of Lindsay**
 Engagement: **6/30/10 Audit**
 Period Ending: **6/30/2010**
 Trial Balance: **TB - Trial Balance**
 Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
101-0000-200300	MEMBERS PERS - CITY PAID			10,000.00
101-0000-200305	EMPLOYER'S PERS PAYABLE			27,000.00
101-4050-037000	OTHER SERVICES & CHARGES			30.00
101-4110-015000	BENEFITS			592.00
101-4110-015000	BENEFITS			1,522.00
101-4110-015000	BENEFITS			18,217.00
101-4110-039002	CDF DISPATCH			17,378.00
101-4120-031000	PROFESSIONAL SERVICES			2,000.00
101-4210-030001	GOLF COURSE CONTRACT SRVS			1,000.00
101-4227-069123	TECHNOLOGY/ SYSTEMS			17,481.00
261-0000-100101	CHECKING ACCOUNT-A/P			1,639.00
261-0000-100101	CHECKING ACCOUNT-A/P			11,962.00
262-0000-100101	CHECKING ACCOUNT-A/P			42,322.00
262-4170-066057	CONSTRUCTION-DOWNTOWN TEA			50,460.00
263-0000-100101	CHECKING ACCOUNT-A/P			63,049.00
300-0000-100101	CHECKING ACCOUNT-A/P			7,787.00
300-0000-100101	CHECKING ACCOUNT-A/P			264,533.00
300-4300-069092	EQUIPMENT REPAIR / MCD			23,645.00
300-4300-069116	CONCESSIONS SUPPLIES			5,530.00
400-4400-031000	PROFESSIONAL SERVICES			35,818.00
550-0000-100101	CHECKING ACCOUNT-A/P			3,395.00
550-0000-100106	CHECKING ACCOUNT-PAYROLL			883.00
552-0000-100101	CHECKING ACCOUNT-A/P			43,050.00
552-0000-348040	OTHER WATER REVENUES			375.00
553-0000-100101	CHECKING ACCOUNT-A/P			5,601.00
554-0000-100101	CHECKING ACCOUNT-A/P			117.00
554-4554-065004	CONTRACT SERVICE-REFUSE			64,186.00
661-0000-100101	CHECKING ACCOUNT-A/P			199.00
661-0000-301010	CURRENT SECURED			68,454.00
699-0000-100101	CHECKING ACCOUNT-A/P			169.00
800-0000-100101	CHECKING ACCOUNT-A/P			7,499.00
867-0000-100101	CHECKING ACCOUNT-A/P			1,875.00
883-0000-100101	CHECKING ACCOUNT-A/P			80.00
887-0000-100101	CHECKING ACCOUNT-A/P			134.00
888-0000-100101	CHECKING ACCOUNT-A/P			150.00
Total			993,120.00	993,120.00

Adjusting Journal Entries JE # 32

C-02

To record receivable in the correct account and remove the credit balance in 262.

101-0000-100101	CHECKING ACCOUNT-A/P		45,622.00	
262-0000-120121	ACCOUNTS RECEIVABLE -MISC		45,622.00	
101-0000-100101	CHECKING ACCOUNT-A/P			45,622.00
261-0000-120121	ACCOUNTS RECEIVABLE -MISC			45,622.00
Total			91,244.00	91,244.00

Adjusting Journal Entries JE # 33

A-04 Tab

Cash Adjustments to reconcile the June 30, 2010 Balance.

101-0000-305010	BASEBALL CONCESSIONS		230.00	
101-4050-037007	MUNICIPAL ELECTION		793.00	
101-4110-015007	STATE UNEMPLOYMENT BENEFIT		8,134.00	
101-4120-015007	STATE UNEMPLOYMENT BENEFIT		3,019.00	

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
101-4220-015007	STATE UNEMPLOYMENT BENEFIT		1,567.00	
200-0000-365051	PLAN CONTRIBUTIONS		50.00	
300-0000-100900	PAYPAL ACCOUNT		37,609.00	
300-0000-300006	MCDERMONT SPECIAL USE FEE		12,569.00	
300-0000-300010	CONCESSIONS REVENUE-MCD		2,670.00	
300-0000-300104	MCD SPECIAL EVENT REVENUE		8,291.00	
300-0000-305003	NJB BASKETBALL		55.00	
300-0000-305005	SPORTS CAMPS / LEAGUES		500.00	
300-0000-305006	ADULT SPORTS		358.00	
300-0000-305008	MCDERMONT ENTRANCE FEES		7,733.00	
300-0000-305011	OTHER REVENUES		71.00	
300-0000-305015	MCDERMONT CHEER SQUAD REV		21.00	
300-0000-305027	MCDERMONT MEMBERSHIP FEES		87.00	
300-0000-305027	MCDERMONT MEMBERSHIP FEES		1,115.00	
300-0000-305027	MCDERMONT MEMBERSHIP FEES		10,200.00	
300-0000-347040	CAMP MCDERMONT		200.00	
300-4300-015007	STATE UNEMPLOYMENT BENEFIT		1,368.00	
300-4300-037000	OTHER SERVICES & CHARGES		100.00	
779-0000-200351	LHBP IMPOUNDS: TAX/INSRNC		1,035.00	
101-0000-100101	CHECKING ACCOUNT-A/P			13,513.00
101-0000-100500	MCDERMONT MEMBERSHIP ACT			230.00
200-0000-100200	CHECKING-GROUP HEALTH PLN			50.00
300-0000-100101	CHECKING ACCOUNT-A/P			1,368.00
300-0000-100106	CHECKING ACCOUNT -PAYROLL			10,200.00
300-0000-100500	MCDERMONT MEMBERSHIP ACT			188.00
300-0000-100500	MCDERMONT MEMBERSHIP ACT			33,582.00
300-0000-100500	MCDERMONT MEMBERSHIP ACT			37,172.00
300-0000-369400	REBATES/REFUND/REIMBURSMT			437.00
779-0000-100120	LHBP IMPOUNDS: CHKNG ACCT			1,035.00
Total			97,775.00	97,775.00
Adjusting Journal Entries JE # 34		3200-01		
Entry PBC-Tamera.				
101-0000-130133	DUE FROM COUNTY GOVERNMENT		9,651.00	
263-0000-130133	DUE FROM COUNTY GOVERNMENT		488.00	
101-0000-351030	TULARE COUNTY(SLESF)COPS			9,651.00
263-0000-335159	SB-325 TRANSPORTATION TAX			488.00
Total			10,139.00	10,139.00
Adjusting Journal Entries JE # 35		3200-02		
PBC Entry (per Tamera): To remove AR that that improperly recorded as a Receivable.				
101-0000-309090	UTILITY USER TAX		9,104.00	
101-0000-120121	ACCOUNTS RECEIVABLE -MISC			9,104.00
Total			9,104.00	9,104.00
Adjusting Journal Entries JE # 36		D		
To remove credit balance, as the amount is immaterial in the CY in total for the fund.				
101-0000-120128	ACCRUED INTEREST RECEIVABLE		3,096.00	
700-0000-120128	ACCRUED INTEREST RECEIVABLE		8,393.00	

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
720-0000-120128	ACCRUED INTEREST RECEIVABLE		2,270.00	
101-0000-360010	INTEREST EARNINGS			3,096.00
700-0000-360010	INTEREST EARNINGS			8,393.00
720-0000-360010	INTEREST EARNINGS			2,270.00
Total			13,759.00	13,759.00

Adjusting Journal Entries JE # 37

K-GF-04

Per Tamara, they foreclosed on the developer that took out a loan from the City to develop parcels of land. The City foreclosed on the property and sold the parcels. The sale of the parcels were recorded in the incorrect fund, we will post the entry to corre

678-0000-100101	CHECKING ACCOUNT-A/P		353,985.00	
678-0000-120121	ACCOUNTS RECEIVABLE -MISC		177,014.00	
678-0000-120126	NOTES RECEIVABLE		48,482.00	
678-0000-160162	Land Held for Resale		568,412.00	
678-4278-098002	Loss on Sale of Sierra Lots		136,475.00	
678-4278-190199	Transfer Out		13,588.00	
856-0000-160161	Land		13,588.00	
889-0000-348001	SIERRA VISTA LOT SALES		404,986.00	
678-0000-120121	ACCOUNTS RECEIVABLE -MISC			582,000.00
678-0000-160162	Land Held for Resale			538,942.00
678-0000-490030	FUND BALANCE			177,014.00
856-0000-399002	Transfer In			13,588.00
889-0000-100101	CHECKING ACCOUNT-A/P			353,985.00
889-4889-033023	ESCROW EXP/CLOSING COSTS			51,001.00
Total			1,716,530.00	1,716,530.00

Adjusting Journal Entries JE # 38

C-10-02

To record Low/Mod loans into fund 803 which is going to be used by the client to track all Low/Mod loans. See journal entry support at C-10-02 under the BA RDA AJ. tab of the excel.

700-0000-200208	DEFERRED REVENUES		39,612.00	
700-0000-300999	REVENUE-CDBG LOAN PAYMENTS		3,983.00	
720-0000-200208	DEFERRED REVENUES		3,101.00	
803-0000-100106	CHECKING ACCOUNT-PAYROLL		3,983.00	
803-0000-120127	LOANS RECEIVABLE		42,713.00	
700-0000-100106	CHECKING ACCOUNT-PAYROLL			3,983.00
700-0000-120127	LOANS RECEIVABLE			39,612.00
720-0000-120127	LOANS RECEIVABLE			3,101.00
803-0000-200208	DEFERRED REVENUES			42,713.00
803-0000-300999	REVENUE-CDBG LOAN PAYMENTS			3,983.00
Total			93,392.00	93,392.00

Adjusting Journal Entries JE # 39

E

Per Tamara the Animal Control shop has been leased out to the City of Porterville, the City still owns the facility but currently pays the COP to provide animal services to Lindsay. We will write off the Inventory as it is no longer used by the City.

550-0000-323149	ANIMAL CONTROL - MISC		3,113.00	
550-0000-140141	A/C SHOP INVENTORY MATRLS			3,113.00
Total			3,113.00	3,113.00

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
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Adjusting Journal Entries JE # 40

GG-03

To correct Due from other governments, reversing prior year entries posted by auditor.

262-0000-130133	DUE FROM COUNTY GOVERNMENT		137,788.00	
263-0000-100101	CHECKING ACCOUNT-A/P		137,788.00	
263-0000-130133	DUE FROM COUNTY GOVERNMENT		9,961.00	
263-0000-130133	DUE FROM COUNTY GOVERNMENT		107,728.00	
263-0000-130133	DUE FROM COUNTY GOVERNMENT		563,057.00	
263-0000-335159	SB-325 TRANSPORTATION TAX		28,276.00	
262-0000-100101	CHECKING ACCOUNT-A/P			137,788.00
263-0000-130133	DUE FROM COUNTY GOVERNMENT			28,276.00
263-0000-130133	DUE FROM COUNTY GOVERNMENT			137,788.00
263-0000-305020	LOCAL MEASURE R			9,961.00
263-0000-335120	MEASURE C TRANSPORTATION			563,057.00
263-0000-490030	FUND BALANCE			107,728.00
Total			984,598.00	984,598.00

Adjusting Journal Entries JE # 41

G-06

Community Development Due from other Governments corrections.

601-0000-130132	DUE FROM STATE GOVERNMENT		7,650.00	
703-0000-130132	DUE FROM STATE GOVERNMENT		3,500.00	
870-0000-369300	GRANT FUNDS RECEIVED		225,000.00	
601-0000-369300	GRANT FUNDS RECEIVED			7,650.00
703-0000-369300	GRANT FUNDS RECEIVED			3,500.00
870-0000-130132	DUE FROM STATE GOVERNMENT			225,000.00
Total			236,150.00	236,150.00

Adjusting Journal Entries JE # 42

GG-03

To reverse the City's due to/due from entries.

101-0000-100101	CHECKING ACCOUNT-A/P		113,526.00	
200-0000-100101	CHECKING ACCOUNT - A/P		66,549.00	
250-0000-200203	DUE TO OTHER FUNDS		271,087.00	
260-0000-100101	CHECKING ACCOUNT - A/P		105,380.00	
261-0000-200203	DUE TO OTHER FUNDS		245,118.00	
262-0000-100101	CHECKING ACCOUNT-A/P		30,873.00	
263-0000-200203	DUE TO OTHER FUNDS		936,685.00	
264-0000-100101	CHECKING ACCOUNT - A/P		176,286.00	
300-0000-200203	DUE TO OTHER FUNDS		1,307,091.00	
400-0000-100101	CHECKING ACCOUNT-A/P		363,535.00	
450-0000-200203	DUE TO OTHER FUNDS		673,451.00	
471-0000-200203	DUE TO OTHER FUNDS		45,456.00	
550-0000-200203	DUE TO OTHER FUNDS		1,125,233.00	
552-0000-100101	CHECKING ACCOUNT-A/P		873,189.00	
553-0000-100101	CHECKING ACCOUNT-A/P		1,671,822.00	
554-0000-100101	CHECKING ACCOUNT-A/P		213,413.00	
556-0000-200203	DUE TO OTHER FUNDS		367,298.00	
576-0000-100101	CHECKING ACCOUNT - A/P		66,871.00	
601-0000-200203	DUE TO OTHER FUNDS		15,964.00	
603-0000-200203	DUE TO OTHER FUNDS		44,748.00	

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
650-0000-200203	DUE TO OTHER FUNDS		8,451.00	
661-0000-100101	CHECKING ACCOUNT-A/P		2,787,426.00	
663-0000-200203	DUE TO OTHER FUNDS		140,819.00	
669-0000-100101	CHECKING ACCOUNT - A/P		72,240.00	
671-0000-200203	DUE TO OTHER FUNDS		102,571.00	
677-0000-100101	CHECKING ACCOUNT - A/P		1,016,372.00	
678-0000-200203	DUE TO OTHER FUNDS		339,667.00	
686-0000-100101	CHECKING ACCOUNT-A/P		60,913.00	
699-0000-100101	CHECKING ACCOUNT-A/P		166,491.00	
700-0000-200203	DUE TO OTHER FUNDS		333,911.00	
702-0000-100101	CHECKING ACCOUNT - A/P		463.00	
702-0000-200203	DUE TO OTHER FUNDS		101,635.00	
704-0000-200203	DUE TO OTHER FUNDS		30,000.00	
706-0000-200203	DUE TO OTHER FUNDS		613,954.00	
720-0000-100101	CHECKING ACCOUNT-A/P		1,169,333.00	
779-0000-200203	DUE TO OTHER FUNDS		1,284.00	
781-0000-100101	CHECKING ACCOUNT-A/P		61,342.00	
782-0000-100101	CHECKING ACCOUNT-A/P		29,133.00	
792-0000-100101	CHECKING ACCOUNT - A/P		286,860.00	
800-0000-200203	DUE TO OTHER FUNDS		3,317,490.00	
803-0000-200203	DUE TO OTHER FUNDS		4,296.00	
841-0000-100101	CHECKING ACCOUNT-A/P		116,742.00	
856-0000-100101	CHECKING ACCOUNT - A/P		40,428.00	
857-0000-100101	CHECKING ACCOUNT - A/P		2,100.00	
860-0000-200203	DUE TO OTHER FUNDS		2,722.00	
862-0000-100101	CHECKING ACCOUNT-A/P		5,007.00	
865-0000-200203	DUE TO OTHER FUNDS		59,180.00	
867-0000-100101	CHECKING ACCOUNT-A/P		6,365.00	
870-0000-100101	CHECKING ACCOUNT - A/P		216,469.00	
871-0000-200203	DUE TO OTHER FUNDS		10,551.00	
889-0000-100101	CHECKING ACCOUNT-A/P		379,534.00	
101-0000-200203	DUE TO OTHER FUNDS			113,526.00
200-0000-130135	DUE FROM OTHER FUNDS			66,549.00
250-0000-100101	CHECKING ACCOUNT-A/P			271,087.00
260-0000-130135	DUE FROM OTHER FUNDS			105,380.00
261-0000-100101	CHECKING ACCOUNT-A/P			245,118.00
262-0000-130135	DUE FROM OTHER FUNDS			30,873.00
263-0000-100101	CHECKING ACCOUNT-A/P			936,685.00
264-0000-130135	DUE FROM OTHER FUNDS			176,286.00
300-0000-100101	CHECKING ACCOUNT-A/P			1,307,091.00
400-0000-130135	DUE FROM OTHER FUNDS			363,535.00
450-0000-100101	CHECKING ACCOUNT-A/P			673,451.00
471-0000-100101	CHECKING ACCOUNT - A/P			45,456.00
550-0000-100101	CHECKING ACCOUNT-A/P			1,125,233.00
552-0000-130135	DUE FROM OTHER FUNDS			873,189.00
553-0000-130135	DUE FROM OTHER FUNDS			1,671,822.00
554-0000-130135	DUE FROM OTHER FUNDS			213,413.00
556-0000-100101	CHECKING ACCOUNT-A/P			367,298.00
576-0000-130135	DUE FROM OTHER FUNDS			66,871.00
601-0000-100101	CHECKING ACCOUNT-A/P			15,964.00
603-0000-100101	CHECKING ACCOUNT - A/P			44,748.00
650-0000-100101	CHECKING ACCOUNT - A/P			8,451.00
661-0000-130135	DUE FROM OTHER FUNDS			2,787,426.00

Client: **48005 - City of Lindsay**
 Engagement: **6/30/10 Audit**
 Period Ending: **6/30/2010**
 Trial Balance: **TB - Trial Balance**
 Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
663-0000-100101	CHECKING ACCOUNT - A/P			140,819.00
669-0000-130135	DUE FROM OTHER FUNDS			72,240.00
671-0000-100101	CHECKING ACCOUNT-A/P			102,571.00
677-0000-130135	DUE FROM OTHER FUNDS			1,016,372.00
678-0000-100101	CHECKING ACCOUNT-A/P			339,667.00
686-0000-130135	DUE FROM OTHER FUNDS			60,913.00
699-0000-130135	DUE FROM OTHER FUNDS			166,491.00
700-0000-100101	CHECKING ACCOUNT - A/P			333,911.00
702-0000-100101	CHECKING ACCOUNT - A/P			101,635.00
702-0000-130135	DUE FROM OTHER FUNDS			463.00
704-0000-100101	CHECKING ACCOUNT-A/P			30,000.00
706-0000-100101	CHECKING ACCOUNT-A/P			613,954.00
720-0000-130135	DUE FROM OTHER FUNDS			1,169,333.00
779-0000-100101	CHECKING ACCOUNT - A/P			1,284.00
781-0000-130135	DUE FROM OTHER FUNDS			61,342.00
782-0000-130135	DUE FROM OTHER FUNDS			29,133.00
792-0000-130135	DUE FROM OTHER FUNDS			286,860.00
800-0000-100101	CHECKING ACCOUNT-A/P			3,317,490.00
803-0000-100101	CHECKING ACCOUNT - A/P			4,296.00
841-0000-130135	DUE FROM OTHER FUNDS			116,742.00
856-0000-130135	DUE FROM OTHER FUNDS			40,428.00
857-0000-130135	DUE FROM OTHER FUNDS			2,100.00
860-0000-100101	CHECKING ACCOUNT-A/P			2,722.00
862-0000-200203	DUE TO OTHER FUNDS			5,007.00
865-0000-100101	CHECKING ACCOUNT-A/P			59,180.00
867-0000-130135	DUE FROM OTHER FUNDS			6,365.00
870-0000-130135	DUE FROM OTHER FUNDS			216,469.00
871-0000-100101	CHECKING ACCOUNT - A/P			10,551.00
889-0000-130135	DUE FROM OTHER FUNDS			379,534.00
Total			20,197,324.00	20,197,324.00

Adjusting Journal Entries JE # 43
 To Remove Land held for resale that should have been removed in prior years, see additional details at K-GF.

K-GF

101-0000-100101	CHECKING ACCOUNT-A/P		413,524.00	
101-0000-490030	FUND BALANCE		150,734.00	
663-0000-490030	FUND BALANCE		413,524.00	
101-0000-160162	LAND HELD FOR RESALE			564,258.00
663-0000-100101	CHECKING ACCOUNT - A/P			413,524.00
Total			977,782.00	977,782.00

Adjusting Journal Entries JE # 44
 To remove Land held for resale off the City books that cannot be supported/accounted for.

K-CD-01

720-0000-490030	FUND BALANCE		104,799.00	
720-0000-150161	INVESTMENT PROPERTY			104,799.00
Total			104,799.00	104,799.00

Adjusting Journal Entries JE # 45
 To post entry documented at K-RDA-02.

K-RDA-02

661-0000-490030	FUND BALANCE		324,045.00	
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Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
661-0000-160162	LAND HELD FOR RESALE			324,045.00
Total			324,045.00	324,045.00

Adjusting Journal Entries JE # 46

To remove Notes Payable from the Income Fund statement regarding Long Term Debt.

LTD

263-4180-47002	Principal Payments on LTD		51,839.00	
263-0000-210001	U.S.D.A. LOAN			51,839.00
400-0000-210001	U.S.D.A. LOAN			
400-0000-220401	USDA WELLNESS CENTER LOAN			
Total			51,839.00	51,839.00

Adjusting Journal Entries JE # 47

Posting year end journal entry to reconcile due to/from.

GG-05

101-0000-100101	CHECKING ACCOUNT-A/P		709,773.00	
101-0000-130135	DUE FROM OTHER FUNDS		50,000.00	
101-0000-130135	DUE FROM OTHER FUNDS		160,000.00	
101-9000-090200	TRANSFERS OUT		121.00	
101-9000-090200	TRANSFERS OUT		5,568,308.00	
200-9000-090200	TRANSFERS OUT		66,549.00	
234-9000-090200	TRANSFERS OUT		2,525.00	
260-9000-090200	TRANSFERS OUT		71,114.00	
261-0000-100101	CHECKING ACCOUNT-A/P		258,719.00	
262-9000-090200	TRANSFERS OUT		1,538,019.00	
263-0000-100101	CHECKING ACCOUNT-A/P		2,603,406.00	
264-9000-090200	TRANSFERS OUT		176,286.00	
300-0000-100101	CHECKING ACCOUNT-A/P		160,000.00	
300-0000-100106	CHECKING ACCOUNT -PAYROLL		50,000.00	
400-0000-130135	DUE FROM OTHER FUNDS		357,124.00	
550-0000-100101	CHECKING ACCOUNT-A/P		1,128,628.00	
550-0000-100106	CHECKING ACCOUNT-PAYROLL		883.00	
552-0000-130135	DUE FROM OTHER FUNDS		800,000.00	
553-0000-130135	DUE FROM OTHER FUNDS		1,500,000.00	
554-9000-090100	TRANSFERS IN		213,000.00	
661-0000-130135	DUE FROM OTHER FUNDS		2,200,000.00	
661-9000-090200	TRANSFERS OUT		554,343.00	
663-0000-100101	CHECKING ACCOUNT - A/P		554,343.00	
720-0000-130135	DUE FROM OTHER FUNDS		1,100,000.00	
800-0000-100101	CHECKING ACCOUNT-A/P		121.00	
800-0000-100101	CHECKING ACCOUNT-A/P		3,362,091.00	
841-9000-090200	TRANSFERS OUT		100,000.00	
883-9000-090200	TRANSFERS OUT		40,000.00	
887-9000-090200	TRANSFERS OUT		13,000.00	
889-9000-090200	TRANSFERS OUT		30,000.00	
891-9000-090200	TRANSFERS OUT		15,000.00	
101-0000-100101	CHECKING ACCOUNT-A/P			121.00
101-0000-100106	CHECKING ACCOUNT-PAYROLL			883.00
101-0000-100106	CHECKING ACCOUNT-PAYROLL			50,000.00
101-0000-200203	DUE TO OTHER FUNDS			5,957,124.00
101-9000-090100	TRANSFERS IN			480,074.00
200-0000-100101	CHECKING ACCOUNT - A/P			66,549.00
234-0000-100101	CHECKING ACCOUNT-A/P			2,525.00

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
260-0000-100101	CHECKING ACCOUNT - A/P			71,114.00
261-9000-090100	TRANSFERS IN			258,719.00
262-0000-100101	CHECKING ACCOUNT-A/P			1,538,019.00
263-9000-090100	TRANSFERS IN			2,603,406.00
264-0000-100101	CHECKING ACCOUNT - A/P			176,286.00
300-0000-200203	DUE TO OTHER FUNDS			50,000.00
300-0000-200203	DUE TO OTHER FUNDS			160,000.00
400-0000-100101	CHECKING ACCOUNT-A/P			357,124.00
550-9000-090100	TRANSFERS IN			883.00
550-9000-090100	TRANSFERS IN			1,128,628.00
552-0000-100101	CHECKING ACCOUNT-A/P			800,000.00
553-0000-100101	CHECKING ACCOUNT-A/P			1,500,000.00
554-0000-100101	CHECKING ACCOUNT-A/P			213,000.00
661-0000-100101	CHECKING ACCOUNT-A/P			554,343.00
661-0000-100101	CHECKING ACCOUNT-A/P			2,200,000.00
663-9000-090100	TRANSFERS IN			554,343.00
720-0000-100101	CHECKING ACCOUNT-A/P			1,100,000.00
800-9000-090100	TRANSFERS IN			121.00
800-9000-090100	TRANSFERS IN			3,362,091.00
841-0000-100101	CHECKING ACCOUNT-A/P			100,000.00
883-0000-100101	CHECKING ACCOUNT-A/P			40,000.00
887-0000-100101	CHECKING ACCOUNT-A/P			13,000.00
889-0000-100101	CHECKING ACCOUNT-A/P			30,000.00
891-0000-100101	CHECKING ACCOUNT - A/P			15,000.00
Total			23,383,353.00	23,383,353.00
Adjusting Journal Entries JE # 48		RDA-30-2		
RDA JE#10.				
101-4020-033001	COMMUNICATIONS-GTE		2,428.00	
661-0000-130135	DUE FROM OTHER FUNDS		2,428.00	
663-0000-130135	DUE FROM OTHER FUNDS		5,142.00	
678-4278-034002	UDAG LOAN		5,142.00	
101-0000-200203	DUE TO OTHER FUNDS			2,428.00
661-4260-033001	COMMUNICATIONS-GTE			2,428.00
663-4263-096013	LOANS/PROJECT			5,142.00
678-0000-200203	DUE TO OTHER FUNDS			5,142.00
Total			15,140.00	15,140.00
Adjusting Journal Entries JE # 49		RDA Binder		
RDA JE# 5.				
661-0000-220224	OTHER LONG-TERM LIABILITIES		165,224.00	
663-0000-220224	OTHER LONG-TERM LIABILITIES		41,306.00	
661-0000-490030	FUND BALANCE			165,224.00
663-0000-490030	FUND BALANCE			41,306.00
Total			206,530.00	206,530.00
Adjusting Journal Entries JE # 50		AJE #11RDA		
RDA Entry #11.				
661-4260-070001	Debt Service Cost Principal Payment		275,000.00	
661-4260-070000	DEBT SRV-INTEREST ON LOAN			275,000.00
Total			275,000.00	275,000.00

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
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Adjusting Journal Entries JE # 51

H-07-01

To reclassify capital assets for McDermont's enterprise fund.

101-0000-140145	Advances to McDermont		12,871,403.00	
300-0000-160165	CIP McDermont		23,864,579.00	
101-0000-490030	FUND BALANCE			12,871,403.00
300-0000-240245	Advances from General Fund			12,871,403.00
300-0000-490030	FUND BALANCE			10,993,176.00
Total			<u>36,735,982.00</u>	<u>36,735,982.00</u>

Adjusting Journal Entries JE # 52

LTD

To allocate 20% of debt proceeds and insurance costs to the low/moderate income housing fund.

661-0000-348076	DEBT PROCEEDS		200,000.00	
663-0000-130135	DUE FROM OTHER FUNDS		180,642.00	
663-0000-180190	DEBT ISSUANCE COSTS		19,358.00	
661-0000-180190	DEBT ISSUANCE COSTS			19,358.00
661-0000-200203	DUE TO OTHER FUNDS			180,642.00
663-0000-348076	DEBT PROCEEDS			200,000.00
Total			<u>400,000.00</u>	<u>400,000.00</u>

Adjusting Journal Entries JE # 53

LTD

Transfer 20% of principal and interest payments to the Low/Mod fund.

661-0000-130135	DUE FROM OTHER FUNDS		150,872.00	
663-4260-070000	DEBT SRV-INTEREST ON LOAN		112,872.00	
663-4260-070001	DEBT SERVICE - PRINCIPAL PAYMENTS		38,000.00	
661-4260-070000	DEBT SRV-INTEREST ON LOAN			112,872.00
661-4260-070001	Debt Service Cost Principal Payment			38,000.00
663-0000-200203	DUE TO OTHER FUNDS			150,872.00
Total			<u>301,744.00</u>	<u>301,744.00</u>

Adjusting Journal Entries JE # 54

H-03-01/H-04-05

Transfer out current year capital outlay out of general fund and into the McDermont Enterprise Fund, and run unaccounted difference of capital improvements of \$367,214 through fund balance.

101-0000-140145	Advances to McDermont		604,613.00	
300-0000-160165	CIP McDermont		971,827.00	
101-4225-010000	AD'L SALARY:PAGER/FICA/K9			3,802.00
101-4225-010001	SALARIES - FULL TIME			154,435.00
101-4225-010002	SALARIES - PART TIME			28,658.00
101-4225-010003	SALARIES - OVERTIME			2,344.00
101-4225-015000	BENEFITS			833.00
101-4225-015001	TAXABLE FRINGE BENEFITS			132.00
101-4225-015002	FICA/MEDICARE CITY PAID			19,977.00
101-4225-015004	PERS - EPMC			10,565.00
101-4225-015005	PERS - EMPLOYER CONTRIBT			24,457.00
101-4225-015008	HEALTH/LIFE/DISAB INSURNC			31,524.00
101-4225-015018	BOOT ALLOWANCE			2,013.00
101-4225-015510	PW UNIFORM ALLOWANCE-BENE			1,590.00

Client: **48005 - City of Lindsay**
 Engagement: **6/30/10 Audit**
 Period Ending: **6/30/2010**
 Trial Balance: **TB - Trial Balance**
 Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
101-4225-016000	DEFERRED COMP BENEFIT			1,238.00
101-4225-037014	EQUIPMENT RENTALS			9,713.00
101-4225-069013	EMERGENCY EXIT DOORS			1,460.00
101-4225-069018	MISC.CONST.BUILDING A			180.00
101-4225-069029	MISC.CONST.BUILDING B			31.00
101-4227-069117	STEEL BLDG PURCH/ERECTION			30.00
101-4227-069119	FLOW RIDER PREP/INSTALL			125.00
101-4227-069120	ELEVATOR			6,243.00
101-4227-069122	ELECTRICAL / LIGHTING			252,239.00
101-4227-069127	BATHROOMS BUILD. C			1,043.00
101-4227-069129	MECH. (HEATING & COOLING)			7,931.00
101-4227-069130	SPRINKLER SYSTEM - FIRE			1,780.00
101-4227-069131	RAILING FOR CATWALK/MEZ			34.00
101-4227-069132	(B-C) RAMPS			501.00
101-4227-069135	ARTIFICIAL TREES			10.00
101-4227-069143	PAINTING BUID C			2,668.00
101-4227-069147	PROFESSIONAL SERVICES			1,149.00
101-4227-069148	CURB / SIDEWALK			305.00
101-4227-069149	TRAILER/FREEZER/KIOSKS/KI			574.00
101-4227-069153	TOOLS & EQUIP./ RENTALS			13,456.00
101-4227-069154	MISC. SUPPLIES			2,528.00
101-4227-069156	STORM DRAIN/SEWER HOOK UP			2,653.00
101-4227-069160	MISC. BUILDING C			3,600.00
101-4227-069165	INT.DESIGN/SPECTATOR SPAC			1,340.00
101-4227-069172	CHILD CARE CONSTRUCTION			13,452.00
300-0000-240245	Advances from General Fund			604,613.00
300-0000-490030	FUND BALANCE			367,214.00
Total			1,576,440.00	1,576,440.00

Adjusting Journal Entries JE # 55
 To transfer Assets into correct category for McDermont per clients capital asset schedule.

H-04-05

300-0000-160161	Land		971,827.00	
300-0000-160163	Buildings		22,679,704.00	
300-0000-160167	Machinery & Equipment		1,184,875.00	
300-0000-160165	CIP McDermont			24,836,406.00
Total			24,836,406.00	24,836,406.00

Adjusting Journal Entries JE # 56
 To record Depreciation Expense from Clients Capital Asset Schedule.

H-09

300-4300-034001	Depreciation Expense		579,365.00	
550-0000-490030	FUND BALANCE		76,914.00	
550-4550-034001	Depreciation Expense		5,847.00	
552-0000-490030	FUND BALANCE		2,942,791.00	
552-4552-034001	Depreciation Expense		286,276.00	
553-0000-490030	FUND BALANCE		4,617,558.00	
553-4553-034001	Depreciation Expense		354,346.00	
554-4554-034001	Depreciation Expense		351.00	
300-0000-160164	Accumulated Depreciation			579,365.00
550-0000-160199	ACCUMULATED DEPRECIATION			82,761.00
552-0000-160199	ACCUMULATED DEPRECIATION			3,229,067.00

Client: **48005 - City of Lindsay**
 Engagement: **6/30/10 Audit**
 Period Ending: **6/30/2010**
 Trial Balance: **TB - Trial Balance**
 Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
553-0000-160199	ACCUMULATED DEPRECIATION			4,971,904.00
554-0000-160199	ACCUMULATED DEPRECIATION			351.00
Total			8,863,448.00	8,863,448.00

Adjusting Journal Entries JE # 57

H work papers

To add assets for the Water Fund resulting from GASB 34 conversion implemented in the current year we will record the assets per the City's schedule and hit fund balance. See work papers H-02-01, H-04-01, H-05-01, and H-06-01.

552-0000-160161	Land		45,248.00	
552-0000-160162	Infrastructure		8,775,521.00	
552-0000-160165	SITE IMPROVEMENTS		983,915.00	
552-0000-160199	ACCUMULATED DEPRECIATION		81,470.00	
552-0000-160167	MACHINERY & EQUIPMENT			81,470.00
552-0000-490030	FUND BALANCE			45,248.00
552-0000-490030	FUND BALANCE			983,915.00
552-0000-490030	FUND BALANCE			8,775,521.00
Total			9,886,154.00	9,886,154.00

Adjusting Journal Entries JE # 58

H Work papers

To Add assets to the Sewer fund per City's schedule after implementing GASB 34. See H-06-01, H-05-01, H-04-01, and H-02-01.

553-0000-160161	Land		205,697.00	
553-0000-160162	Infrastructure		10,732,224.00	
553-0000-160167	MACHINERY & EQUIPMENT		77,506.00	
553-0000-490030	FUND BALANCE		701,769.00	
553-0000-160165	SITE IMPROVEMENTS			701,769.00
553-0000-490030	FUND BALANCE			77,506.00
553-0000-490030	FUND BALANCE			205,697.00
553-0000-490030	FUND BALANCE			10,732,224.00
Total			11,717,196.00	11,717,196.00

Adjusting Journal Entries JE # 59

H-06-01

Deletion of Assets in the Refuse Fund from prior year schedule, Asset regarding Computers \$15,190, and Crown Victoria \$8,144, fully depreciated.

554-0000-160199	ACCUMULATED DEPRECIATION		23,334.00	
554-0000-160167	MACHINERY & EQUIPMENT			23,334.00
Total			23,334.00	23,334.00

Client: **48005 - City of Lindsay**
Engagement: **6/30/10 Audit**
Period Ending: **6/30/2010**
Trial Balance: **TB - Trial Balance**
Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 60		H-05-01/H-06-01		
To Add capital Assets to the Animal Control fund per GASB 34 report and updated schedules provided by the City.				
550-0000-160165	SITE IMPROVEMENTS		286,717.00	
550-0000-160199	ACCUMULATED DEPRECIATION		146,287.00	
550-0000-160167	MACHINERY & EQUIPMENT			146,287.00
550-0000-490030	FUND BALANCE			286,717.00
Total			433,004.00	433,004.00
Adjusting Journal Entries JE # 61		RDA Binder		
RDA JE #16.				
661-0000-301010	CURRENT SECURED		44,217.00	
663-0000-130135	DUE FROM OTHER FUNDS		44,217.00	
661-0000-200203	DUE TO OTHER FUNDS			44,217.00
663-0000-301010	CURRENT SECURED			44,217.00
Total			88,434.00	88,434.00
Adjusting Journal Entries JE # 62		CC-03-1		
To Accrue TCAG liability for in-eligible cost having to be repaid, see AUP at CC-03-1.				
263-9000-090500	Repayment of Ineligible Cost to TCAG		933,573.00	
263-0000-200204	Due to TCAG			933,573.00
Total			933,573.00	933,573.00
Adjusting Journal Entries JE # 63		LTD-20		
To record Remediation cost for Pond Closure Cost.				
553-0000-490030	FUND BALANCE		2,570,981.00	
553-0000-220223	Accrued Remediation Cost			2,570,981.00
Total			2,570,981.00	2,570,981.00
Adjusting Journal Entries JE # 64		LTD-11-1		
To remove debt proceeds from Debt service and leave it in its own line item as debt proceeds.				
263-4180-47002	Principal Payments on LTD		461.00	
263-0000-348075	LOAN PROCEEDS			461.00
Total			461.00	461.00
Adjusting Journal Entries JE # 65		LTD		
To remove Debt Service Payments from balance sheet and record in income statement for community development fund.				
702-9000-047001	Interest Expense Debt Service		142,126.00	
702-9000-070001	Debt Service Principal payment		109,874.00	
702-0000-220229	DEBT SERVICE INTEREST			252,000.00
Total			252,000.00	252,000.00

Client: **48005 - City of Lindsay**
 Engagement: **6/30/10 Audit**
 Period Ending: **6/30/2010**
 Trial Balance: **TB - Trial Balance**
 Workpaper: **Adjusting Journal Entries Report - 2**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 66		LTD-10-3		
To remove Notes payable from Wellness Center, and record amounts as debt proceeds/debt service on the income statement.				
400-0000-210001	U.S.D.A. LOAN		76,443.00	
400-0000-220401	USDA WELLNESS CENTER LOAN		120,779.00	
400-4400-047001	INTEREST EXPENSE		24,027.00	
400-4400-07001	Principal Debt Service		31,021.00	
400-0000-220401	USDA WELLNESS CENTER LOAN			55,048.00
400-0000-348075	Debt Proceeds			76,443.00
400-0000-348075	Debt Proceeds			120,779.00
Total			252,270.00	252,270.00
Adjusting Journal Entries JE # 67		60-01		
To remove Gas tax internal transfers.				
262-9000-090100	TRANSFERS IN		1,565,198.00	
263-9000-090100	TRANSFERS IN		1,785,419.00	
260-9000-090200	TRANSFERS OUT			71,114.00
262-9000-090200	TRANSFERS OUT			1,538,019.00
263-9000-090200	TRANSFERS OUT			1,565,198.00
264-9000-090200	TRANSFERS OUT			176,286.00
Total			3,350,617.00	3,350,617.00