City of Los Banos
Finance Department
520 J Street Los Banos, CA 93635

City of Los Banos
At the Crossroads of California

March 31, 2025

RFP – Professional Auditing Services

Response to Questions

1. Is there anything specific you are looking for in the successor auditors?

Response: Collaborative Approach and Scheduling Flexibility

2. How many staff did the audit team consist of for both interim and year-end, and how many weeks did the auditor spend in the field?

Response: The audit team consisted of three members; one week of in the field work.

3. How many audit hours did your current auditors propose under your existing contract?

Response: Hours not identified in contract.

4. What were the prior year's total audit fees, and can you provide the breakdown by components?

Response: Billed in 23-24 $42,943…GASB 68 & 75 – $3,055…GASB 93 – $1,200…
Street Report SCO – $2,580

5. Are there any significant changes in operations expected for FY 2024-25?

Response: No significant changes to operations are expected.

6. Were there any significant events in 2023-24? Will there be any significant events in FY 2024-25?

Response: Received $11M ERF Grant from State of California.

7. Have there been any changes in your accounting system since last year or any planned changes in the future?

Response: The City has recently transitioned its financial software, and is nearing completion of on boarding all modules.

8. Were there any new bond issues in the current year or any planned bond issuances in the coming years?

Response: No new bonds issued in the current year. There are potential projects that the City may seek bonds.

9. How many leases and subscription arrangements does the City have?

Response: 2 leases and 23 subscriptions

10. How many post-closing journal entries did you have for FY 2024? How many were proposed by the auditor?

Response: There were 19 post-closing journal entries; none were proposed by the auditors.

11. Is there any litigation not included in the 2024 Financial Statements?

Response: No.

12. Did the City have any layoffs, retirements, or replacements of key employees in the finance department?

Response: The Finance Department has been operating under the direction of a Financial Consultant for a little more than a year, and are expecting to bring on a Finance Director the beginning of April.

13. Do you currently have vacant or frozen positions within finance?

Response: The Finance Director is expected to start the beginning of April; Finance has a vacancy in the Finance Manager position.

14. Was the FY 2024 audit performed remotely? If so, is the City open to continuing remote audits in the future?

Response: The FY 2024 audit was not entirely performed remotely, and the City would still prefer a hybrid method.

15. Was the prior year auditor invited to bid?

Response: Yes.

16. What were the prior year fees for each engagement (ACFR, GANN, Single Audit, AVA, GASB 68 & 75 reporting), including any change orders?

Response: ACRF - $56,000...Single Audit - $7,000…GANN - $1,200…AVA - $1,800…GASB 68 & 75 - $1,900 for each GASB

17. Are there significant changes to the scope of services referenced in the RFP over what has been provided in prior years?

Response: No

18. How many auditors were needed to complete last year's audit work? How many days of interim and year-end fieldwork?

Response: The audit team consisted of three members; one week of in the field work.

19. How many audit adjustments were proposed by the auditors in last year's audit?

Response: None.

20. How many accounting entries were made after the year-end trial balance was given to the auditor?

City of Los Banos
Finance Department
520 J Street Los Banos, CA 93635

Response: 19 accounting entries.

21. Are there any special qualities or unique characteristics you are looking for in the firm you select?

Response: Collaborative and flexible approach style.

22. What do you like about the service provided by your current auditing firm? What don't you like?

Response: The current auditing firm is very responsive, available, flexible and thorough. The City has been satisfied with the current firm.

23. Please provide a copy of the most recent audit of the AVA program.

Response: Please see attachment A.

24. Did the City have any findings in 2024? (or 2023 if 2024 is not available?) Please provide copies of your most recent SAS 114 governance letter and government auditing standards (Yellow Book) report.

Response: The City had no finding in FY 2023…The 2024 are not available; see Attachment B for SAS 114 letter.

25. Was the City subject to a single audit in 2024? Does the City expect to be subject to a single audit in 2025?

Response: Yes, the City was subject to a single audit and expect to be subject to a single audit in 2025.

26. What is your preference for performing the audit remotely vs. on-site assuming no restrictions? Are you open to a combined approach?

Response: The City is open to a combined approach.

This Addendum forms a part of the Proposal Documents and will be incorporated into the Contract Documents, as applicable. All other conditions of the Contract Documents remain unchanged. The following changes, additions, or deletions as set forth herein shall apply to the Contract Documents and shall be made a part thereof and shall be subject to all the requirements thereof as through originally shown and/or specified.

Proposals shall be submitted in accordance with this Addendum. All consultants MUST acknowledge receipt of this Addendum by signing and returning this Addendum with your Proposal.

City of Los Banos

Sarah Orozco

By: Sarah Orozco
Accountant II

Firm Name: ____________________

By: ____________________

Title: ____________________

Date: ____________________

Exhibit A

CITY OF LOS BANOS
ABANDONED VEHICLE ABATEMENT PROGRAM

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

FOR THE YEARS ENDED
JUNE 30, 2022 AND 2021

CITY OF LOS BANOS
ABANDONED VEHICLE ABATEMENT PROGRAM

FOR THE YEARS ENDED
JUNE 30, 2022 AND 2021

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PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Los Banos, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of revenues and costs (financial statements), of the City of Los Banos, California (the City), Abandoned Vehicle Abatement Program (the Program) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the revenues and costs of the Abandoned Vehicle Abatement Program for the years then ended June 30, 2022 and 2021, on the cash basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the City's Abandoned Vehicle Abatement Program and do not purport to, and do not, present fairly the operations of the City, as of June 30, 2022 and 2021, for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting as described in Note 1; and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Program's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Program's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters as it relates to the Program. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance as it relates to the Program. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Program.

Price Paige & Company

Clovis, California
February 10, 2023

FINANCIAL STATEMENTS

CITY OF LOS BANOS
ABANDONED VEHICLE ABATEMENT PROGRAM
STATEMENTS OF REVENUES AND COSTS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
Revenues received:		
Registration fees	$ 91,459	$ 89,555
Total revenues	91,459	89,555
Costs disbursed:		
Personnel	96,046	90,679
Services and supplies	15,318	14,664
Total costs	111,364	105,343
Net changes in fund balance	(19,905)	(15,788)
Fund balance - beginning	24,859	40,647
Fund balance - ending	$ 4,954	$ 24,859

The accompanying notes are an integral part of this statement.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Description of Reporting Entity

The Abandoned Vehicle Abatement Program (the Program) is a statewide program administered by the California Highway Patrol (CHP). The City administers and operates the local vehicle abatement program pursuant to Section 22710 of the Vehicle Code, Los Banos City Council Resolution 5049, and the Merced County Abandoned Vehicle Service Authority Plan. Section 9250.7 of the Vehicle Code establishes the funding sourced for the abatement of abandoned vehicles by a county-based Service Authority (the Authority), pursuant to the provisions of Section 22710 of the Vehicle Code. The Vehicle Code imposes a service fee of one dollar ($1) on vehicles registered to an owner with an address in the county that established the Authority. This fee is paid to the Department of Motor Vehicles (DMV) at the time of registration or renewal of registration. The DMV, after deducting its administrative costs, at least quarterly transmits the net amount collected to the State Controller's Office (SCO) for deposit in the Abandoned Vehicle Trust Fund. All money in the fund is continuously appropriated to the SCO for allocation to an Authority that has an approved Program pursuant to Section 22710 of the Vehicle Code, and for payment of the administrative costs of the SCO. The Authority, established pursuant to Vehicle Code Section 22710, distributes Program funds to participating entities based on the allocations determined in the Vehicle Abatement Services Agreement. The revenues and costs of the Program are included in the Public Safety Special Revenue Fund of the City's basic financial statements.

The accompanying financial statement is for the Abandoned Vehicle Abatement Program only and is not intended to fairly present the financial position of the City of Los Banos or the results of its operations.

Financial Statement Presentation and Basis of Accounting

The financial statement is prepared on the cash basis of accounting as prescribed by the CHP and AVA Program Handbook. The financial statement presents the information requested by the CHP and, therefore, does not purport to reflect results of operations in accordance with accounting principles generally accepted in the United States of America. The financial statement for the Program is prepared on the cash basis of accounting in which revenue is recognized when distributions are received, and costs are recognized as disbursed and claimed in accordance with AVA Program Guidelines.

PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND THE AVA PROGRAM HANDBOOK

To the Honorable Members of the City Council
City of Los Banos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and certain provisions of the AVA Program Handbook, the statements of revenues and costs of the City of Los Banos, California (the City), Abandoned Vehicle Abatement Program (the Program), as of and for the year ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Program's financial statements, and have issued our report thereon dated February 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit included tests of compliance with provisions of the AVA

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Program Handbook. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance as it relates to the Program. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance as it relates to the Program. Accordingly, this communication is not suitable for any other purpose.

Price Paige & Company

Clovis, California
February 10, 2023

Exhibit B

PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Los Banos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Los Banos, California (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Paige & Company

Clovis, California
May 31, 2024

PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

May 31, 2024

To the Honorable Mayor and Members of the City Council
City of Los Banos, 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 the City of Los Banos, California (the City) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, if applicable, *Government Auditing Standards* and the Uniform Guidance, 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 July 12, 2023. Professional standards also require that we communicate to you the following information related to our audit.

<u>Significant Audit Matters</u>

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. As described in Note 7 to the financial statements, the City changed accounting policies related to Subscription Based Information Technology Arrangements by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 96, *Subscription Based Information Technology Arrangements,* in 2023. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the government-wide financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

> Management's estimate of the net pension liability and related deferrals is based on actuarial valuations. We evaluated the methods, assumptions, and data used to develop the liability and related deferrals in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Other postemployment benefit obligations are determined using terms of various healthcare plans offered, together with relevant actuarial assumptions and healthcare cost trend rates, projected annual rates and discount rates. We evaluated the key factors and assumptions used develop the other postretirement benefit obligation in determining that is it reasonable in relation to the financial statements taken as a whole.

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> Management's estimate of the landfill closure and postclosure care cost is based on various factors including: landfill total estimated capacity, cumulated capacity used, estimated costs to close (adjusted annually for inflation). We evaluated the key factors and assumptions used to develop the landfill closure and post closure care cost 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 disclosure affecting the financial statements was:

> The disclosure of the Deficit Fund Balance/Net Position in Note 2 to the financial statements provides information regarding the City's funds which have liabilities that exceed their assets resulting in a deficit fund balance.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We noted two uncorrected misstatements during our audit in which the City did not recognize leases that meet the criteria for recognition in the financial statements under GASB87, *Leases.* This resulted in an understatement of assets and liabilities for Governmental Activities and the Wastewater Fund in the approximate amount of $48,179 and $55,086, respectively. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, the attached schedule of material misstatements detected as a result of audit procedures were corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 31, 2024.

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.

In our audit engagement letter previously provided to you, we communicated the following significant risks of material misstatement (significant risks) as part of our audit planning:

- Management override of controls
- Improper revenue recognition due to fraud

During the course of the audit, we identified an additional significant risk:

- Implementation of GASB 96

These risks were addressed within our audit procedures and we have no findings to report related to these risks.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, the proportionate share of net pension liability, the schedule of pension contributions, the schedule of changes in net OPEB liability and related ratios, and the schedule of OPEB contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules (supplementary information), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

Price Paige & Company

Client: CITY OF LOS BANOS
Engagement: 6-30-23 Audit
Current Period: 6/30/2023
Workpaper: Corrected Material Audit Adjustments

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
AJE07		**O203**			
JE JN03749 - To reclassify funds from MCAG to intergovernmental revenue for pioneer Rd. Widening					
229-000-390-010	Misc Revenues		290,812.51	0.00	
229-000-330-010	Intergovernmental Revenues		0.00	290,812.51	
229-000-390-010	Misc Revenues		843,333.26	0.00	
229-000-330-010	Intergovernmental Revenues		0.00	843,333.26	
Total			**1,134,145.77**	**1,134,145.77**	**0.00**