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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of:
Lake Redstone Protection District
PO Box 313
LaValle, WI 53941

We have performed the procedures enumerated below on the transactions related to the dredging project of Lake Redstone Protection District (LRPD), for the period of May 15, 2019 to December 31, 2021. LRPD's management is responsible for the transactions related to the dredging project.

LRPD has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, which is to review the accuracy of the transactions related to the dredging project. This report may not be suitable for any other purposes. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We have confirmed the loan balance with the bank as of December 31, 2021. We compared the confirmed balances to LRPD's loan records. A summary of the loan balance as of December 31, 2021 was not able to be provided to us. However, additional supporting documentation was provided, which allowed us to compute the loan balance as of December 31, 2021. Procedures were performed to compare all loan payments made to the loan for the dredging project per client records to payment details the bank provided. The loan payments made matched the loan payments the bank has received.
2. We have confirmed the payments made to Kaiyuh Services, Ayres Associates, and LaRowe, Gerlach, LLP for the period of May 15, 2019 to December 31, 2021. We have also confirmed that there are no additional payments owed to any of these companies. The amounts were compared to the accounting records for discrepancies. No discrepancies were noted with payments made to Kaiyuh Service. Findings noted for two vendors are noted below:

Ayres Associates

The summary provided by management for Ayres Associates had total payments made to them of \$82,772.95. Per confirmation from the vendor, they have indicated total payments made to them of \$88,250.44. Per confirmation procedures performed, we have identified a difference of \$5,477.49. Part of the difference is due to a withdrawal on the loan of \$17,500, which was transferred to the LRPD's dredging project savings account. This amount was incorrectly included in management's summary as a payment to Ayres Associates. However, per further procedures performed, we have noted that the funds were in fact pulled from the loan and deposited to the savings account. The rest of the difference of \$22,977.49 was due to payments made to the vendor, which were not included in management's summary of expenses. However, per further procedures, we have noted that those payments were partially made out of the dredging checking account and some out of the LRPD's non-dredging checking account.

LaRowe, Gerlach, LLP

The summary provided by management for LaRowe, Gerlach, LLP had total payments made to them of \$16,291.31. In addition, management has provided copies of each invoice received from LaRowe, Gerlach, LLP. Those invoices totaled \$20,933.56, therefore a difference of \$4,642.25 was noted between the individual invoices and the summary of payments provided by management. Per further procedures performed, we have noted that a payment of \$1,500 was made out of the LRPD's dredging project savings account, but was not properly included in the summary of payments made to this vendor. In addition, it was noted that \$3,142.25 was paid from the LRPD's non-dredging checking account to LaRowe, Gerlach, LLP for services related to the dredging project. The total amount confirmed by the vendor was \$20,933.56.

3. Dredging project loan draws are either used to directly make payments to vendors via a wire transfer or a check, or are deposited to the dredging project savings account. We have traced the dredging project loan draws used to directly make payments to vendors via wire transfers or checks to the payments confirmed by those vendors. No discrepancies noted. We have also traced the dredging project loan draws that were deposited in the dredging project savings account to the bank statements of that account to ensure that the funds were in fact deposited in the dredging project savings account. The balance of the dredging savings account as of December 31, 2021 was confirmed with the bank. No discrepancies noted. Procedures over the activity of the dredging project savings account were performed to verify funds from this account were used to make payments for the dredging project. Those procedures are described in number 4 below.
4. We have obtained the statements for the dredging project savings account directly from the bank. Payments out of this account are made either by check, payment to the loan, or a wire transfer to a vendor. We have traced all wire transfers made to vendors to the payments confirmed by those vendors. No discrepancies noted. We have also traced all checks written to vendors to the supporting invoices to ensure the invoices were for services related to the dredging project. No discrepancies noted. We have also traced the payments to the loan to the loan account statements to ensure that those payments were made to the loan. No discrepancies noted.

We were engaged by Lake Redstone Protection District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the transactions related to the dredging project. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Lake Redstone Protection District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Directors of Lake Redstone Protection District and is not intended to be and should not be used by anyone other than this specified party.

MBE CPAs, LLP

Reedsburg, WI
December 5, 2022