07/01/2022 BALANCE SHEET FOR STOUGHTON CITY

Period Ending 12/31/2022

GL Number	Description	Current Year Beg. Balance	Balance
Fund 248 - REVOLVING LOAN FUND			
*** Assets ***			
248-00000-11100	PRIMARY CHECKING	84,693.42	108,305.31
248-00000-13012	RECEIVABLES-PRIOR YEAR	23,945.16	0.00
248-00000-13501	REV LOAN FUND RECEIVABLE	164,018.22	162,254.26
	Total Assets	272,656.80	270,559.57
*** Liabilities ***			
	Total Liabilities	0.00	0.00
*** Fund Balance ***			
248-00000-39000	FUND BALANCE	272,656.80	272,656.80
	Total Fund Balance	272,656.80	272,656.80
	Beginning Fund Balance		272,656.80
	Net of Revenues VS Expenditures		(2,097.23)
	Ending Fund Balance		270,559.57
	Total Liabilities And Fund Balance		270,559.57

07/01/2022 comments DPE

A. **The fund balance is overstated by $164,018.22.** This is a modified accrual fund, which means that the outstanding receivable should be a deferred inflow in the fund statements and converted to full accrual in the Government-wide Statement of Activities and Statement of Net Position.

B. Because this is a modified accrual basis fund, principal payments should be reflected as revenue in Fund 248 with a corresponding adjustment in the GASB conversion fund.

C. There will not be any adjustments made for how interest income is accounted for.

D. The $10,000 provided to Fund 204 for the Overt Space loan should be classified as a interfund transfer and not an expenditure in Fund 204.

E. The loan listed in Item D above was for $15,000 according to the promissory note. Given that the debtor has been making interest payments only during 2022 it is being assumed that the current balance is lower (i.e. $10,138.90) due to not all draws have been taken on the loan. This should be verified at year end as to whether all draws have been taken.

06/30/2022 journal entries		**Debit**	**Credit**
248-00000-59988	Prior Year correction	164,018.22	
248-00000-26410	Deferred inflow - revolving loan fund		(164,018.22)
910-00000-26410	Deferred inflow - revolving loan fund	164,018.22	
910-00000-59988	Prior Year correction		(164,018.22)
Correct RLF beginning balances			
248-00000-39000	FUND BALANCE	272,656.80	
248-00000-39600	Fund balance restricted		(272,656.80)
Restate for GASB 54 (assumes funds originally were from CDBG grants)			
204-57310-50824	REVOLVING LOAN FUND		(15,000.00)
204-59230-50930	TRANSFER TO OTHER FUND	15,000.00	
248-00000-49204	Intrafund transfer in		(15,000.00)
248-57120-50824	REVOLVING LOAN FUND	15,000.00	
Reclass TIF#4 transfer to RLF			
248-00000-48600	RLF principal payments		(12,334.69)
248-00000-26410	Deferred inflow - revolving loan fund	12,334.69	
910-00000-26410	Deferred inflow - revolving loan fund		(12,334.69)
910-00000-48600	RLF principal payments	12,334.69	
Adjust 1st quarter principal payments			
248-00000-48600	RLF principal payments		(12,402.52)
248-00000-48108	INTEREST - RLF		(1,278.42)
248-00000-11100	Primary Checking	13,680.94	
248-00000-13501	REV LOAN FUND RECEIVABLE		(12,402.52)
248-00000-26410	Deferred inflow - revolving loan fund	12,402.52	

910-00000-26410	Deferred inflow - revolving loan fund		(12,402.52)
910-00000-48600	RLF principal payments	12,402.52	
Record 2nd Qtr WBBIC activity			
248-00000-13501	REV LOAN FUND RECEIVABLE	10,138.90	
248-00000-26410	Deferred inflow - revolving loan fund		(10,138.90)
910-00000-26410	Deferred inflow - revolving loan fund	10,138.90	
910-00000-48600	RLF principal payments		(10,138.90)
Record Overt Space LLC promissory note (partial)			
	Check totals	714,126.40	(714,126.40)