

TOWN OF ELMORE, VT

Special Select Board Meeting

Meeting Minutes – prepared by G. Schwartz
Status: Approved

Meeting Date: November 15, 2022

Start Time: 11:30am **Adjourn:** 12:30 pm

Meeting Attendees: Glenn Schwartz, Warren West, Caroline DeVore, John Mudgett and Sharon Draper

1. SPECIAL TOPICS

a. DISCUSSION: Review of the Town Audit

- The Select Board met to review the Town audit (copy attached) as prepared by Mudgett, Jennett & Krough-Wisner P.C.
- John Mudgett walked us through the document. No major issues were discovered. A few very minor accounting issues were recommended.

TOWN OF ELMORE, VERMONT
PROPOSAL FOR AUDIT SERVICES
FOR THE YEAR ENDED JUNE 30, 2022

June 1, 2022

MUDGETT, JENNETT & KROGH-WISNER, P.C.
Certified Public Accountants

Person to Contact:
John H. Mudgett, CPA

141 Main Street • P.O. Box 937
Montpelier, VT 05601-0937
(802) 229-9193

Mudgett
Jennett &
Krogh-Wisner, P.C.
Certified Public Accountants

June 1, 2022

Sharon Draper, Treasurer
Members of the Selectboard
Town of Elmore, Vermont
P.O. Box 123
Lake Elmore, VT 05657

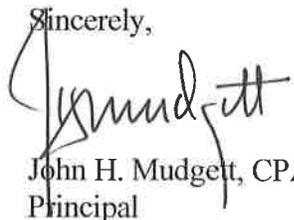
We appreciate the opportunity to submit a proposal for audit services for the Town of Elmore. Our audit will be conducted in accordance with *Government Auditing Standards*. We will include reports on compliance and internal control in accordance with those standards. We will discuss any recommendations resulting from our work with management and will also be available to meet with the Selectboard to review results of the audit.

We can bring an experienced audit team and will coordinate with you to develop a schedule for our work that will provide for an efficient audit and a timely completion of the audit process. Team members are available to you throughout the year for consultation on accounting matters, subject only to our need to maintain independence.

I have proposed a fee limit for the financial statement audit of \$11,000 and will not exceed that limit unless additional services are requested. The proposed fee limit is based on historical data for our recent audits of other similar towns.

Please let me know if I may provide any additional information. We appreciate the opportunity to be of service.

Sincerely,



John H. Mudgett, CPA
Principal

TOWN OF ELMORE
PROPOSAL FOR AUDIT SERVICES

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INTRODUCTION

Mudgett, Jennett & Krogh-Wisner, P.C. (MJK) was incorporated in 1993 by the majority of our current professionals, all of whom were affiliated with the Montpelier office of Smith, Batchelder & Rugg. MJK provides audit, accounting, tax and management consulting services to a variety of clients. We have made a major commitment to meeting the special needs and requirements of governmental and non-profit clients. We have performed numerous audits in accordance with *Government Auditing Standards* and have a significant amount of experience with the design and implementation of accounting systems and audit tests in that environment.

The senior members of MJK have served the Vermont area in a professional capacity for many years as indicated on our resumes (Appendix A). The largest segment of our practice is auditing, primarily of government and non-profit clients. We also serve corporations, partnerships, and individuals.

Our firm is currently composed of ten members, five of whom are Certified Public Accountants. This core group is frequently supplemented through arrangements with our network firms to provide additional staffing for audit teams or other projects. All of our auditors receive substantial training for working under *Government Auditing Standards*. Senior members of our firm participate annually in National Governmental Audit and Accounting Conferences. All firm members also receive significant other training and experience in audit, accounting and tax issues of governments, not-for-profits and their programs.

QUALIFICATIONS

All of our auditors are currently qualified to perform financial and financial related audits under *Government Auditing Standards*. In particular, the senior firm members described below have extensive experience with recent governmental audits, including planning, documentation of control structures and tests of controls and compliance, evaluation of computer-based systems, supervision of other auditors, coordination with clients and network affiliates to accomplish team objectives, timely execution of audit procedures, and reporting of results. We understand that the Town will not exceed the audit threshold for expenditure of federal awards (now \$750,000) and has not requested the additional audit procedures required by the U.S. Office of Management & Budget (OMB) Circulars for the year ended June 30, 2022. If needed for subsequent years, our firm is qualified to perform audits under these federal requirements. All of our auditors have participated in many audits of not-for-profit and governmental organizations and are experienced and familiar with their software and accounting procedures. A Principal of our firm, John Mudgett, will have oversight responsibility for your audits.

John H. Mudgett, CPA - As the lead governmental auditor of this firm, John has been involved with the development and management of our governmental practice since 1993. He will be responsible for ensuring timely, responsive and professional service to you. His involvement includes oversight of the audit approach, assignment of staff, review of audit results and reporting matters. He has been associated with each of the audits listed in the reference section of this proposal.

All audit work will be under the technical supervision of John Mudgett, who is our senior governmental audit and accounting specialist. For the 2022 audit of the financial statements, we plan to use a two-person audit team. The planned audit team also includes Tyler Kimberley.

Tyler B. Kimberley - Tyler is the senior auditor for several audit projects each year and will be the lead field auditor on this year's Elmore team. He has been part of our audit teams for several previous town audits. He graduated with a degree in accounting from Champlain College in 2008. As a senior auditor he has been the lead auditor for various entities including Barre Unified Union School District, Town of Hartland, Shelburne Farms, Mad River Glen, Vermont Association of Snow Travelers, Windham Solid Waste Management District, and the Town/Village of Woodstock.

Other professionals available to support the basic team include:

Bonnie A. Dow - Bonnie is an audit manager whose focus is primarily governmental audits. She coordinates that segment of our practice, conducts many audits as a team leader, and provides technical support for changes in governmental accounting or auditing requirements, including the additional requirements for auditing of federal funds. She has eighteen years of public accounting experience with our firm. She graduated from Champlain College in May of 2003 and was also employed by Cota, CPA, P.C. for two years during her college years. Bonnie has conducted many governmental audits, including the Towns of Dorset, Guilford, Hartford, Lyndon, Sharon, Springfield, and Windsor, the St. Johnsbury School District, and the school districts in the Windham Southwest Supervisory Union.

Leslie Krogh-Wisner, CPA - Leslie helped to form this corporation in 1993, but prior to that time was an audit senior with Smith, Batchelder & Rugg and a client manager at Hull, Fothergill & Segale. She has participated in the planning and execution of many audits involving documentation of internal control structures and testing of selected costs for compliance with regulations. Her experience includes supervisory roles on our audits of the Vermont Municipal Bond Bank, New Hampshire School Health Care Coalition, the Vermont Youth Conservation Corps, the Vermont Housing and Conservation Board, and the Vermont State Employees Association. Prior to her career in public accounting, Leslie was employed as a public information officer in the offices of Governors Snelling and Kunin.

Erin Packie, CPA - Erin worked with us from 2007 to 2014 as a senior accountant in both the audit and tax practice. She left us to work as a senior accountant for an insurance company, but then recognized that she preferred public accounting and returned to MJK in 2016. Erin graduated from Clemson University in 1997 with a Bachelor of Science (cum laude) in management and also obtained a professional certificate in advanced accounting from Champlain College. Her primary role at MJK is manager in our tax practice, but she is also available to assist with audits. She has much experience with audits of government and not-for-profit clients, including the Towns of Lyndon, Randolph, and Windsor.

Linda R. Milne, CPA - Linda is a local CPA who is not a firm member, but regularly works for MJK as a team member on specific projects. She has assisted MJK with vendor monitoring and other agreed-upon procedures for the Vermont Agency of Transportation under our contract with VTrans. Linda has also performed significant portions of our audits of the Vermont Municipal Bond Bank, and the Washington Northwest and Caledonia Central Supervisory Unions.

Brian Chick, CPA - Brian worked with us full time from 2017 to 2019, and has continued to work with us on specific projects on an as needed basis. Brian has demonstrated his experience with audits of governments and not-for-profit organizations. Before his relocation from Maine he worked in public accounting for several years with both small and large firms. He has assisted MJK with several audits including Mad River Glen, Child Care Resource, Windham Solid Waste Management District, the Towns of Hartford and Hartland, the St. Johnsbury School District and several school districts in the Caledonia Central, and Windham Southwest Supervisory Unions.

Karen Paul, CPA - Karen joined MJK in 2019 after working for two Burlington based firms. In addition to your District, she has assisted with audits of the Barre Unified Union School District, Caledonia Central Supervisory Union, Windham Southwest Supervisory Union, Shelburne Farms, and the Windham Solid Waste Management District.

Our engagement team will include other professionals as necessary to complete the assigned work promptly. Resumes of senior members are attached as Appendix A to this proposal.

MJK is independent of the Town of Elmore as defined by generally accepted auditing standards and *Government Auditing Standards*. We are properly licensed to practice in Vermont; our firm's license number is 092-0000435. MJK is fully insured for professional and general liability, workers compensation, and errors & omissions.

MJK does not discriminate against any individual because of race, religion, sex, color, age, handicap or nation of origin, and these shall not be a factor in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion or separation.

QUALITY CONTROL

Among the most important criteria for your selection of an auditing firm is the commitment of that firm to professional development and quality control. Our profession and the federal government have both established standards requiring peer review of auditing firms' systems of quality control for their audit and accounting practices.

Our firm sets high standards for our professional performance and our principals have actively participated in the American Institute of Certified Public Accountant's (AICPA) peer review program. Our memberships in the AICPA's Private Companies Practice Section and Government Audit Quality Center require that we conduct our accounting and auditing practice in accordance with a strictly defined system of quality control. Conformance with this system in our practice assures our clients that they are receiving the highest level of audit services available.

Our system of quality control is monitored by a peer review team on a triennial basis. Our 2019 peer review resulted in an unqualified opinion, which is attached as Appendix B.

We believe our commitment to the professional development of our staff is a significant factor in our quality control structure. All of our professionals participate each year in continuing education programs which exceed the requirements of the AICPA and the *Government Auditing Standards*.

REFERENCES

As indicated above, we currently serve a wide range of clients in the governmental area including local governments, school districts and agencies/departments of state government in Vermont, and have performed numerous audits in accordance with government auditing standards and the Single Audit Act. Recent audit clients include:

- Town of Hartford
Gail Ostrout, Finance Director
(802) 295-3002
- Town of Lyndon and Village
of Lyndonville
Dawn Dwyer, Town Clerk/Treasurer
(802) 626-5785
- Town and Village of Woodstock
William Kerbin, Manager
(802) 457-3456
- Town of Windsor
Tom Marsh, Manager
(802) 674-6786
- Barre Supervisory Union
Lisa Perreault, Business Manager
(802) 476-5011
- Vermont Municipal Bond Bank
Michael Gaughan, Executive Director
(802) 654-7377
- Town of Hartland
Dave Ormiston, Manager
(802) 828-5071
- Town of West Windsor
Cathy Archibald, Treasurer
(802) 484-7212
- Town of Guilford
Peder Rude, Administrator
(802) 254-6857
- Town of Springfield
Cathy Sohngen, Finance Manager
(802) 885-2104
- Town of Dorset
Rob Gaiotti, Manager
(802) 362-4571
- Town of Sharon
Deborah Jones, Finance Manager
(802) 763-8268

The towns and villages listed above are similar to the proposed Elmore audits. The other clients are examples of the various governmental or not-for-profit audits performed by MJK. We encourage you to discuss our performance with any of these individuals.

SCOPE OF SERVICES

We will audit the financial statements of the Town of Elmore as of and for the year ended June 30, 2022. Our audit will be made in accordance with generally accepted auditing standards of the American Institute of Certified Public Accountants (AICPA) and in accordance with the U.S. General Accounting Office's *Government Auditing Standards*. We will render opinions on the financial statements and determine whether they present fairly the financial position of the Town at year end and the results of its operations for the year then ended in conformity with generally accepted accounting principles (GAAP) for local governmental units, as set forth by the Governmental Accounting Standards Board.

A report on compliance and internal control in accordance with *Government Auditing Standards* will be issued as well as any findings and recommendations. All matters to be included in such findings will be reviewed with appropriate individuals during the audit and management responses will be requested for any reportable conditions or other findings.

We will also communicate any recommendations or observations that we have noted during our audit of the financial statements. Those recommendations for improvements will be discussed as they arise and reviewed with the appropriate personnel prior to issuance of our management letter.

Effective two-way communication between our firm and those charged with governance of the Town is important to understanding matters related to the audit and in developing a constructive working relationship. We are available to meet with your Board to review the audit plan or test results in addition to our published Auditor's Reports. Our proposed audit adjustments will be provided to you along with draft reports and any findings at the conclusion of each audit. We will request that management accept any proposed audit adjustments, approve drafts of financial statements, and provide responses or corrective action plans for any audit findings.

WORK PLAN

Procedures are scheduled so as to build on previous work and achieve results in the most efficient manner. As requested, we have included a tentative 2022 schedule within which final dates will be assigned to be compatible with the Town's staff availability.

	<u>Target Completion</u>
A. Planning - 8 hours	
• Engagement letter	06/30/22
• Pre-audit conference, identify data to be provided by client, etc.	06/30/22
• Coordinate schedules of audit and client staff	06/30/22
• Develop audit strategies and prepare audit program	06/30/22
B. Control Structure Evaluation - 12 hours	
• Study and document systems and procedures	07/30/22
• Assess audit risk by area and identify controls	07/30/22
• Design and conduct tests of controls	07/30/22

- | | |
|---|----------|
| C. Other Interim procedures - 12 hours | |
| • Preliminary analytical procedures | 07/30/22 |
| • Obtain and review minutes and contracts | 07/30/22 |
| • Confirm year-end balances where appropriate | 07/30/22 |
| D. Final audit tests and documentation - 48 hours | |
| • Perform analytical and other substantive audit procedures on year-end balances | 09/15/22 |
| • Compliance tests – regulations, contracts, grants | 09/15/22 |
| • Propose adjustments to account balances;
Provide adjusted trial balances to client | 09/15/22 |
| • Exit conference; review results with management | 09/30/22 |
| E. Reports - 24 hours | |
| • Prepare and review draft reports | 09/30/22 |
| • Obtain client acceptance of draft reports | 10/15/22 |
| • Final reports and management letter | 10/30/22 |

We normally like to complete our audit planning and preliminary work either before or shortly after the close of your fiscal year with year-end field work to be scheduled in a single block of time shortly after Town accounting is complete and ready for audit. We will coordinate scheduling with you and expect to provide draft reports within 60 days following commencement of year-end audit procedures. MJK retains all work papers for more than five years and provides them upon request for auditor succession, peer review, and any other appropriate use under the supervision of MJK audit personnel.

HOURS AND FEES

Our fees are based on the time required by the individuals assigned to the engagement to complete their tasks, plus direct expenses. Individual hourly rates, which presently range from \$100 to \$180, vary according to the degree of responsibility involved and the skill required.

Prior experience with comparable audits indicates our audit of your financial statements should require between 90 and 110 hours including planning, testing, documentation, and reporting.

<u>Classification</u>	<u>Hours</u>	<u>Range of Hourly Rates</u>	<u>Quoted Hourly Rate</u>	<u>Total</u>
Principal/Manager	24	\$ 140 - 180	\$ 140	\$ 3,360
Senior Auditor	40	120 - 140	120	4,800
Staff Accountant	40	100 - 120	100	<u>4,000</u>
Computed hours/fees	<u>104</u>			12,160
Less - planned discount				<u>1,160</u>
Not-to-exceed fee for 2022				<u>\$ 11,000</u>

Our standard fees for audit services described in this proposal would fall in a range of \$10,000 to \$12,000. However, we will not exceed our proposed fee limit unless the scope of the engagement is changed, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. For example, if federal funds auditing is required due to the expenditure of federal awards in excess of \$750,000, we will adjust our audit fee limit to reflect the revised scope of service. We have proposed "not-to-exceed" fee limits instead of a "fixed price" for our work. If our effort is less than anticipated, we will charge accordingly. Interim billings are normally submitted as work progresses and as expenses are incurred.

JOHN H. MUDGETT, CPA

EDUCATION: University of Vermont, 1970 - B.S.
(Business Administration and Accounting)

Governmental Accounting and Auditing Certificate
of Educational Achievement Program

EXPERIENCE:

1993 to present MUDGETT, JENNETT & KROGH-WISNER, P.C.
Principal

1984 to 1993 SMITH, BATCHELDER & RUGG
Principal, Audit and Accounting

1982 to 1983 SUGARBUSH VALLEY, INC.
Controller

1976 to 1982 DUBOIS & KING, INC.
Vice President of Finance

1970 to 1976 SMITH, BATCHELDER & RUGG
Senior Accountant

1966 to 1970 MERCHANTS NATIONAL BANK
Branch Manager, Loan Officer

SPECIALTIES: Audit and Accounting Governmental
Not-for-profits • State and local entities
Technical Review • School Districts
Taxation • Grant reporting

PROFESSIONAL American Institute of Certified Public Accountants
ACTIVITIES: Vermont Society of Certified Public Accountants

ADMITTED TO Vermont
PRACTICE: New Hampshire

LESLIE KROGH-WISNER, CPA

EDUCATION: University of Vermont, 1980
(B.S. in Natural Resources)

Governmental Accounting and Auditing Certificate
of Educational Achievement Program

EXPERIENCE:

1993 to present MUDGETT, JENNETT & KROGH-WISNER, P.C.
Manager

1992 to 1993 SMITH, BATCHELDER & RUGG
Audit Senior

1989 to 1992 HULL, FOTHERGILL & SEGALE
Client Manager

1987 to 1989 SMITH, BATCHELDER & RUGG
Staff Accountant

1986 to 1987 FOSTER & BRIDGMAN
Staff Accountant

1983 to 1986 OFFICES OF GOVERNORS SNELLING AND KUNIN
Public Information Officer

SPECIALTIES: Audit and Accounting
Governmental Compliance Audits
Municipalities
Financial planning

Not-for-profits
Utilities
Hospitals
HUD

PROFESSIONAL
ACTIVITIES: American Institute of Certified Public Accountants
Vermont Society of Certified Public Accountants

ADMITTED TO
PRACTICE: Vermont
New Hampshire

BONNIE A. DOW

EDUCATION: Champlain College, Burlington, Vermont - 2003 - BS
(Professional Accountancy)

EXPERIENCE:

2003 to present MUDGETT, JENNETT & KROGH-WISNER, P.C.
Audit Manager

2001 to 2003 COTA CPA, P.C.
Staff Accountant

2000 to 2001 TRAVELODGE
Front Desk Representative

1998 to 2000 NADEAU DRUG
Evening Manager

SPECIALTIES: Audit and Accounting
Governmental Compliance Audits
Municipalities

Not-for-profits
Utilities

ERIN J. PACKIE, CPA

EDUCATION: Clemson University, Clemson, SC - B.S. 1997
 (Textile Management)

 Champlain College, Burlington, VT
 Professional Certificate in Advanced Accounting - 2008

EXPERIENCE:

2007 to 2014 MUDGETT, JENNETT & KROGH-WISNER, P.C.
 and Audit Senior
2016 to present Tax Manager

2014 to 2015 NATIONAL LIFE INSURANCE - Senior Accountant

2005 to 2007 LAUGHING MOON CHOCOLATES, LLC
 General Manager

2003 to 2005 THE VILLAGE KITCHEN, LLC
 Co-owner, Office Manager

2002 to 2003 STOWEHOF INN & RESORT
 Wedding Captain, Waitress & Reservationist

1999 to 2002 VERMONT PUBLIC POWER SUPPLY AUTHORITY
 Power Analyst

1998 to 1999 SCHERING-PLOUGH HCP
 Management Information Systems Project Administrator

1997 to 1998 COLLINS & AIKMAN PRODUCTS CO.
 Management Trainee and Jacquard Weave Room Supervisor

SPECIALTIES: Audit and Accounting
 State and Local Governments
 Taxation
 Not-for-profits

PROFESSIONAL American Institute of Certified Public Accountants
ACTIVITIES: Vermont Society of Certified Public Accountants

ADMITTED TO
PRACTICE: Vermont

LINDA R. MILNE, CPA

EDUCATION: Trinity and Champlain Colleges, Accounting Studies 1993
Dickinson College, 1978 - B.A.
(Political Science)

EXPERIENCE:

1995 to present LINDA R MILNE, CPA
Auditor/ Accountant

1994 to 1995 DAVID ANGOLANO, CPA, P.C.
Senior Staff Accountant

1987 to 1992 AMERICAN BANKERS ASSOCIATION
Tax Representative

1984 to 1987 WINE AND SPIRITS WHOLESALERS ASSOCIATION
Director of Government Relations – Tax Issues

1983 to 1984 NATIONAL BEER WHOLESALERS ASSOCIATION
Assistant Director Government Relations

1979 to 1983 PETROLEUM MARKETERS ASSOCIATION
Legislative Assistant

SPECIALTIES: Audit and Accounting Governmental
Agreed-Upon Procedures Engagements Taxation
Internal Audit Tax Research

PROFESSIONAL
ACTIVITIES: American Institute of Certified Public Accountants
Vermont Society of Certified Public Accountants
Institute of Internal Auditors, Green Mountain Chapter

CIVIC
ACTIVITIES: Montpelier Rotary

ADMITTED TO
PRACTICE: Vermont

TYLER B. KIMBERLEY

EDUCATION: Champlain College, Burlington, VT 2008 - B.S.
(Accounting)

EXPERIENCE:

2008 to present MUDGETT, JENNETT & KROGH-WISNER, P.C.
Senior Accountant

Summer 2007 & MUDGETT, JENNETT & KROGH-WISNER, P.C.
Summer 2006 Staff Assistant

SPECIALTIES:

Audit and Accounting
Governmental Compliance Audits
Municipalities

Not-for-profits
Utilities

BRIAN R. CHICK, CPA, MSA

EDUCATION: University of Southern Maine, 2011 - M.S.
(Master's of Science in Accounting)

EXPERIENCE:

August, 2017 to present	MUDGETT, JENNETT & KROGH-WISNER, P.C. Auditor / Accountant
2015 to 2017	MACPAGE, LLP Senior Associate
2014 to 2014	DAWSON, SMITH, PURVIS & BASSETT, P.A. Staff Accountant
2013 to 2014	RON L. BEAULIEU & COMPANY Staff Accountant
2013 to 2013	WILLIAM H. BREWER, CPA Staff Accountant
2011-2012	RICK L. HUG, CPA, PC Staff Accountant
2005-2010	ADMINISTRATIVE OFFICE OF THE COURTS, PORTLAND ME Accounting Clerk I

SPECIALTIES: Audit and Accounting Governmental
Not-for-profits • State and local entities
Taxation • School Districts

PROFESSIONAL
ACTIVITIES: American Institute of Certified Public Accountants

ADMITTED TO
PRACTICE: Vermont
Maine

KAREN S. PAUL, CPA, CFP®

EDUCATION: University of Vermont, 2012 - M.S.
(Master's in Public Administration)

Mount Holyoke College
(A.B. in Political Science and Economics)

EXPERIENCE:

June, 2019 to present MUDGETT, JENNETT & KROGH-WISNER, P.C.
Auditor / Accountant

Winter 2019 GRIPPIN, DONLAN, PINKHAM
Auditor / Tax Preparation / Accountant

2016 to 2017 McSOLEY, McCOY & COMPANY
CPA / Accountant

2000 to 2016 PAUL FINANCIAL SERVICES, INC.
President

1990 to 2000 PAUL FINANCIAL SERVICES, INC.
President, Chief Executive Officer and Portfolio Manager

SPECIALTIES: Audit and Accounting Governmental
Not-for-profits • State and local entities
Taxation • School Districts

PROFESSIONAL ACTIVITIES: American Institute of Certified Public Accountants
Vermont Society of Certified Public Accountants

ADMITTED TO PRACTICE: Vermont

Report on the Firm's System of Quality Control

June 21, 2019

To the Owners of Mudgett, Jennett & Krogh-Wisner, P. C.
and the Peer Review Committee of the New England Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Mudgett, Jennett & Krogh-Wisner, P. C. (the firm) in effect for the year ended October 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Mudgett, Jennett & Krogh-Wisner, P. C. in effect for the year ended October 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Mudgett, Jennett & Krogh-Wisner, P. C. has received a peer review rating of *pass*.

Love, Cody & Company, CPAs, P.C.

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