CITY OF ROCK FALLS, ILLINOIS

AUDITOR'S COMMUNICATION TO THE
CITY COUNCIL

For the Year Ended April 30, 2020

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CITY OF ROCK FALLS, ILLINOIS
AUDITOR'S COMMUNICATION TO THE CITY COUNCIL
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SIKICH.

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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October 29, 2020

The Honorable Mayor
Members of the City Council
City of Rock Falls
603 West 10th Street
Rock Falls, Illinois 61071

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by auditing standards. Our communication at the beginning of our audit process along with our questionnaire regarding consideration of fraud in a financial statement audit was sent to you on May 1, 2020.

In addition, auditing standards require the communication of internal control related matters to those charged with governance. Our communication of these matters as well as a listing of future pronouncements that may affect the City, is enclosed within this document.

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

Very truly yours,

Sikich LLP

Sikich LLP
By: Anthony M. Cervini, CPA, CFE
Partner

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

October 29, 2020

The Honorable Mayor
Members of the City Council
City of Rock Falls, Illinois

Ladies and Gentlemen:

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 Rock Falls, Illinois (the City) for the year ended April 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards 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 June 9, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City of Rock Falls, Illinois are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ending April 30, 2020 , except for the implementation of GASB Statement No. 83, *Asset Retirement Obligations,* and GASB Statement No. 84, *Fiduciary Activities,* and GASB Statement No. 88, *Certain Disclosures Related to Debt*. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

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 are as follows:

Management’s estimate of the liability under the retiree health plan and pension plans are based on plan provisions, plan participants, benefit payments and assumptions made by management about future events. The City retains an actuary to perform a valuation to determine the City’s obligations and cost for the fiscal year. We evaluated the key factors and assumptions used by the actuary to develop the liability under the retiree health plan and pension plans in determining that it is reasonable in relation to the financial statements taken as a whole. We evaluated the key factors and assumptions used to develop these estimates in determining they are reasonable in relation to the financial statements taken as a whole.

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 our audit.

Corrected 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 schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole, with the exception of entry numbers AJE-01, AJE-02, AJE-04, AJE-06 - AJE-10, AJE-12 - AJE-14, AJE-24, AJE-25, AJE-27, AJE-30 and AJE-34, on the attached schedule of adjusting journal entries.

Disagreement 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 October 29, 2020.

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 of Rock Falls, Illinois’ 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 of Rock Falls, Illinois' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) as listed in the table of contents 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 and supplemental information, which accompany the basic financial statements but are not RSI. With respect to this 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 basic financial statements. We compared and reconciled the combining and individual fund financial statements and schedules and supplemental information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

We were not engaged to report on the statistical section, which accompany the basic financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

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

Very truly yours,

Sikich LLP

Sikich LLP
By: Anthony M. Cervini, CPA, CFE
Partner

CORF

Year End: April 30, 2020

Adjusting Journal Entries

Date: 5/1/2019 To 4/30/2020

Account No: AJE#01 To AJE#26

Number	Date	Name	Account No	Debit	Credit
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	19-19-00-2065 DR-19		-59,955.00
AJE#01	4/30/2020	BONDS PAYABLE	19-19-00-2410 DR-19		-85,000.00
AJE#01	4/30/2020	PRINCIPAL	19-19-00-5130 DR-19	85,000.00	
AJE#01	4/30/2020	INTEREST EXPENSE	19-19-00-5338 DR-19	59,955.00	
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	20-20-00-2065 MEF-20		-245,683.33
AJE#01	4/30/2020	INTEREST -EXPENSE	20-20-00-5560 MEF-20	245,683.33	
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	23-23-00-2065 FOBF-T-23		-85,646.04
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	23-23-00-2065 FOBF-T-23	1,988.74	
AJE#01	4/30/2020	Interest Expense	23-23-00-5338 FOBF-T-23	85,646.04	
AJE#01	4/30/2020	Interest Expense	23-23-00-5338 FOBF-T-23		-1,988.74
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	24-24-00-2065 FOBF-TE-24		-77,400.00
AJE#01	4/30/2020	Interest Expense	24-24-00-5338 FOBF-TE-24	77,400.00	
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	30-30-00-2065 MSSF-3		-34,437.50
AJE#01	4/30/2020	DEBT CERT - SEWER PLANT LAND	30-30-00-2410 MSSF-3	75,000.00	
AJE#01	4/30/2020	BONDS PAYABLE	30-30-00-2411 MSSF-3		-75,000.00
AJE#01	4/30/2020	INTEREST EXPENSE	30-38-00-5638 MSSF-3	34,437.50	
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	40-40-00-2065 MWF-40		-36,500.00
AJE#01	4/30/2020	INTEREST PAYABLE/BONDS	40-40-00-2065 MWF-40	125.00	
AJE#01	4/30/2020	INTEREST EXPENSE	40-48-00-5738 MWF-40	36,500.00	
AJE#01	4/30/2020	INTEREST EXPENSE	40-48-00-5738 MWF-40		-125.00
		To record principal and interest paid on bonds in correct line item.			
AJE#02	4/30/2020	2018A Bond Premium	20-20-00-2800 MEF-20		-261,860.25
AJE#02	4/30/2020	FUND BALANCE PRIOR	20-20-00-3800 MEF-20	261,860.25	
AJE#02	4/30/2020	BOND PREMIUM	24-24-00-2800 FOBF-TE-24		-14,206.07
AJE#02	4/30/2020	FUND BALANCE PRIOR	24-24-00-3800 FOBF-TE-24	14,206.07	
AJE#02	4/30/2020	2018C Bond Premium	30-30-00-2800 MSSF-3		-38,611.50
AJE#02	4/30/2020	FUND BALANCE PRIOR	30-30-00-3800 MSSF-3	38,611.50	
AJE#02	4/30/2020	2019 Bond Premium	40-40-00-2800 MWF-40		-37,593.30
AJE#02	4/30/2020	FUND BALANCE PRIOR	40-40-00-3800 MWF-40	37,593.30	
		To agree fund balance to prior year report.			
AJE#03	4/30/2020	2018A Bond Premium	20-20-00-2800 MEF-20	15,403.54	
AJE#03	4/30/2020	BOND PREMIUM	20-20-00-7000 MEF-20		-15,403.54
AJE#03	4/30/2020	BOND PREMIUM	24-24-00-2800 FOBF-TE-24	747.69	
AJE#03	4/30/2020	BOND PREMIUM	24-24-00-7000 FOBF-TE-24		-747.69
AJE#03	4/30/2020	2018C Bond Premium	30-30-00-2800 MSSF-3	3,510.14	
AJE#03	4/30/2020	BOND PREMIUM	30-30-00-7000 MSSF-3		-3,510.14
AJE#03	4/30/2020	2019 Bond Premium	40-40-00-2800 MWF-40	2,506.22	
AJE#03	4/30/2020	BOND PREMIUM	40-40-00-7000 MWF-40		-2,506.22
AJE#03	4/30/2020	BOND PREMIUM	90-90-00-2800 GLTDAG-90	7,794.38	
AJE#03	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-7,794.38
AJE#03	4/30/2020	BOND PREMIUM	90-90-00-7000 GLTDAG-90		-7,794.38
AJE#03	4/30/2020	BOND PREMIUM	90-90-00-7000 GLTDAG-90	7,794.38	
		To record amortization of bond premium.			
AJE#04	4/30/2020	EQUIPMENT	20-20-00-1520 MEF-20		-49,375.00
AJE#04	4/30/2020	LEASE OBLIGATION PAYABLE	20-20-00-2001 MEF-20	47,558.74	
AJE#04	4/30/2020	INTEREST PAYABLE/ALT REF BONDS	20-21-00-2065 MEF-20		-3,056.51
AJE#04	4/30/2020	Interest expense	20-21-00-5560 MEF-20	1,816.26	
AJE#04	4/30/2020	Interest expense	20-21-00-5560 MEF-20	3,056.51	
AJE#04	4/30/2020	IEPA LOAN PAYABLE L17-2650	30-30-00-2400 MSSF-3	769,230.76	
AJE#04	4/30/2020	IEPA LOAN PAYABLE L17-4568	30-30-00-2401 MSSF-3	180,527.78	

Number	Date	Name	Account No	Debit	Credit
AJE#04	4/30/2020	IEPA LOAN PAYABLE L17-3012	30-30-00-2402 MSSF-3	11,646.64	
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2405 MSSF-3		-34,641.34
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3		-769,230.76
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3		-11,646.64
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3		-180,527.78
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3		-758,970.53
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3	281,681.34	
AJE#04	4/30/2020	EPA LOAN PAYABLE	30-30-00-2406 MSSF-3		-653.60
AJE#04	4/30/2020	GRANT FUNDS	30-30-00-4585 MSSF-3	758,970.53	
AJE#04	4/30/2020	GRANT FUNDS	30-30-00-4585 MSSF-3		-281,681.34
AJE#04	4/30/2020	INTERST PAYABLE	30-38-00-2065 MSSF-3		-1,690.72
AJE#04	4/30/2020	INTERST PAYABLE	30-38-00-2065 MSSF-3		-725.39
AJE#04	4/30/2020	INTERST PAYABLE	30-38-00-2065 MSSF-3	257.00	
AJE#04	4/30/2020	INTEREST EXPENSE - IEPA LOANS	30-38-00-5651 MSSF-3	653.60	
AJE#04	4/30/2020	INTEREST EXPENSE - IEPA LOANS	30-38-00-5651 MSSF-3	34,641.34	
AJE#04	4/30/2020	INTEREST EXPENSE - IEPA LOANS	30-38-00-5651 MSSF-3	1,690.72	
AJE#04	4/30/2020	INTEREST EXPENSE - IEPA LOANS	30-38-00-5651 MSSF-3	725.39	
AJE#04	4/30/2020	INTEREST EXPENSE - IEPA LOANS	30-38-00-5651 MSSF-3		-257.00
AJE#04	4/30/2020	INTEREST PAYABLE	40-40-00-2060 MWF-40		-4,872.00
AJE#04	4/30/2020	EPA LOAN PAYABLE	40-40-00-2405 MWF-40		-18,555.16
AJE#04	4/30/2020	EPA LOAN PAYABLE	40-40-00-2405 MWF-40		-36,598.98
AJE#04	4/30/2020	IEPA LOAN PAYABLE L175023	40-40-00-2406 MWF-40	18,555.16	
AJE#04	4/30/2020	IEPA LOAN PAYABLE L175023	40-40-00-2406 MWF-40	36,598.98	
AJE#04	4/30/2020	Interest expense	40-40-00-5560 MWF-40	4,872.00	
AJE#04	4/30/2020	LEASE OBLIGATION PAYABLE	90-90-00-2001 GLTDAG-90	49,666.00	
AJE#04	4/30/2020	LEASE OBLIGATION PAYABLE	90-90-00-2001 GLTDAG-90		-234,825.00
AJE#04	4/30/2020	ACCRUED INTEREST PAYABLE	90-90-00-2200 GLTDAG-90		-16,835.83
AJE#04	4/30/2020	ACCRUED INTEREST PAYABLE	90-90-00-2200 GLTDAG-90	17,450.00	
AJE#04	4/30/2020	BONDS PAYABLE	90-90-00-2410 GLTDAG-90	112,000.00	
AJE#04	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-110,000.00
AJE#04	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-111,000.00
AJE#04	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-75,233.00
AJE#04	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-17,450.00
AJE#04	4/30/2020	PRINCIPAL PAYMENT - MFT BOND	90-90-00-5100 GLTDAG-90		-112,000.00
AJE#04	4/30/2020	PRINCIPAL PAYMENT - MFT BOND	90-90-00-5100 GLTDAG-90	110,000.00	
AJE#04	4/30/2020	PRINCIPAL PAY - 2012 DEBT CERT	90-90-00-5110 GLTDAG-90	111,000.00	
AJE#04	4/30/2020	PRINCPL PAY - ELGIN ST SWEEPER	90-90-00-5200 GLTDAG-90	26,962.00	
AJE#04	4/30/2020	PRINCIPAL PAY-DUMP TRUCK	90-90-00-5230 GLTDAG-90	48,271.00	
AJE#04	4/30/2020	PRINCIPAL PAY-DUMP TRUCK	90-90-00-5230 GLTDAG-90		-49,666.00
AJE#04	4/30/2020	Interest expense	90-90-00-5400 GLTDAG-90	16,835.83	
AJE#04	4/30/2020	PROCEEDS-CAPITAL LEASE	90-90-00-6300 GLTDAG-90	234,825.00	
		To reclassify loan payment into proper account; to reclassify balance of loans payable to agree to debt service schedules; to record loan forgiveness.			
AJE#05	4/30/2020	INTEREST PAYABLE	40-40-00-2060 MWF-40		-8,194.10
AJE#05	4/30/2020	Interest expense	40-40-00-5560 MWF-40	8,194.10	
		To correct interest payable balance.			
AJE#06	4/30/2020	CASH	20-20-00-1014 MEF-20	126,943.88	
AJE#06	4/30/2020	CASH	20-20-00-1014 MEF-20	48,298.01	
AJE#06	4/30/2020	CASH EQUIVALENT	20-20-00-1025 MEF-20	37,991.96	
AJE#06	4/30/2020	INVESTMENTS	20-20-00-1030 MEF-20	21,570.58	
AJE#06	4/30/2020	DUE FROM CUD	20-20-00-1349 MEF-20	425.00	
AJE#06	4/30/2020	ACCOUNTS PAYABLE	20-20-00-2000 MEF-20		-62.93
AJE#06	4/30/2020	CUSTOMER UTILITY DEPOSITS	20-20-00-2100 MEF-20		-115,453.76
AJE#06	4/30/2020	FUND BALANCE PRIOR	20-20-00-3800 MEF-20		-119,712.74
AJE#06	4/30/2020	CASH	30-30-00-1010 MSSF-3	130,384.09	
AJE#06	4/30/2020	CASH	30-30-00-1010 MSSF-3		-55,111.55
AJE#06	4/30/2020	CASH EQUIVALENT	30-30-00-1025 MSSF-3	39,021.55	
AJE#06	4/30/2020	INVESTMENTS	30-30-00-1030 MSSF-3	22,155.15	

Number	Date	Name	Account No	Debit	Credit
AJE#06	4/30/2020	ACCOUNTS PAYABLE	30-30-00-2000 MSSF-3		-64.63
AJE#06	4/30/2020	CUSTOMER UTILITY DEPOSITS	30-30-00-2100 MSSF-3		-118,582.58
AJE#06	4/30/2020	FUND BALANCE PRIOR	30-30-00-3800 MSSF-3		-17,802.03
AJE#06	4/30/2020	CASH	40-40-00-1010 MWF-40	32,918.46	
AJE#06	4/30/2020	CASH	40-40-00-1010 MWF-40	6,210.46	
AJE#06	4/30/2020	CASH EQUIVALENT	40-40-00-1025 MWF-40	9,851.89	
AJE#06	4/30/2020	INVESTMENTS	40-40-00-1030 MWF-40	5,593.58	
AJE#06	4/30/2020	ACCOUNTS PAYABLE	40-40-00-2000 MWF-40		-16.32
AJE#06	4/30/2020	CUSTOMER UTILITY DEPOSITS	40-40-00-2100 MWF-40		-29,938.90
AJE#06	4/30/2020	FUND BALANCE PRIOR	40-40-00-3800 MWF-40		-24,619.17
AJE#06	4/30/2020	CASH	50-50-00-1010 MGF-50	4,005.96	
AJE#06	4/30/2020	CASH	50-50-00-1010 MGF-50	603.08	
AJE#06	4/30/2020	CASH EQUIVALENT	50-50-00-1025 MGF-50	1,198.91	
AJE#06	4/30/2020	INVESTMENTS	50-50-00-1030 MGF-50	680.70	
AJE#06	4/30/2020	ACCOUNTS PAYABLE	50-50-00-2000 MGF-50		-1.99
AJE#06	4/30/2020	CUSTOMER UTILITY DEPOSITS	50-50-00-2100 MGF-50		-3,643.37
AJE#06	4/30/2020	FUND BALANCE PRIOR	50-50-00-3800 MGF-50		-2,843.29
AJE#06	4/30/2020	CASH	75-75-00-1010 CUD-75		-294,252.39
AJE#06	4/30/2020	CASH EQUIVALENT	75-75-00-1025 CUD-75		-88,064.31
AJE#06	4/30/2020	INVESTMENTS	75-75-00-1030 CUD-75		-50,000.00
AJE#06	4/30/2020	ACCOUNTS PAYABLE	75-75-00-2000 CUD-75	145.86	
AJE#06	4/30/2020	CUSTOMER UTILITY DEP-ACTIVE	75-75-00-2100 CUD-75	267,618.61	
AJE#06	4/30/2020	DUE TO ELECTRIC	75-75-00-2350 CUD-75		-425.00
AJE#06	4/30/2020	FUND BALANCE PRIOR	75-75-00-3800 CUD-75	163,057.99	
AJE#06	4/30/2020	FUND BALANCE-CURRENT	75-75-00-3801 CUD-75	1,919.24	
		To record allocation of Fund 75. Micelle does not post this entry for report presentation only.			
AJE#07	4/30/2020	CASH	20-20-00-1014 MEF-20	61,147.07	
AJE#07	4/30/2020	CASH	20-20-00-1014 MEF-20	515,262.24	
AJE#07	4/30/2020	EQUIPMENT	20-20-00-1520 MEF-20	57,053.39	
AJE#07	4/30/2020	EQUIPMENT	20-20-00-1520 MEF-20	3,728.00	
AJE#07	4/30/2020	RES FOR DEPREC-EQUIPMENT	20-20-00-1525 MEF-20		-48,911.09
AJE#07	4/30/2020	ACCOUNTS PAYABLE	20-20-00-2000 MEF-20		-125.19
AJE#07	4/30/2020	ACCRUED WAGES	20-20-00-2040 MEF-20		-3,459.34
AJE#07	4/30/2020	ACCRUED VACATION	20-20-00-2050 MEF-20		-4,144.03
AJE#07	4/30/2020	ACCRUED SICK	20-20-00-2055 MEF-20		-261.33
AJE#07	4/30/2020	FUND BALANCE PRIOR	20-20-00-3800 MEF-20		-487,871.27
AJE#07	4/30/2020	EMPLOYEE HEALTH INSURANCE REIM	20-20-00-4000 MEF-20		-3,406.65
AJE#07	4/30/2020	CREDIT CARD CONVENIENCE FEE	20-20-00-4700 MEF-20		-8,106.22
AJE#07	4/30/2020	SALARY/WAGES	20-20-00-5511 MEF-20	94,430.31	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	20-20-00-5523 MEF-20	64,501.75	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	20-20-00-5523 MEF-20		-3,728.00
AJE#07	4/30/2020	CONTRACTUAL SERVICES TRANSFERRED FROM FUND 51	20-20-00-5524 MEF-20	7,014.50	
AJE#07	4/30/2020	SOCIAL SECURITY TAX EXPENSE	20-20-00-5566 MEF-20	5,710.78	
AJE#07	4/30/2020	IMRF PENSION EXPENSE	20-20-00-5569 MEF-20	7,410.89	
AJE#07	4/30/2020	INSURANCE EXPENSE-EMPLOYEE	20-20-00-5572 MEF-20	18,819.34	
AJE#07	4/30/2020	MEDICARE TAX EXPENSE	20-20-00-5575 MEF-20	1,335.59	
AJE#07	4/30/2020	UTILITY OFFICE EXPENSE	20-20-00-5581 MEF-20		-277,012.92
AJE#07	4/30/2020	DEPRECIATION EXPENSE	20-20-00-5590 MEF-20	612.18	
AJE#07	4/30/2020	CASH	30-30-00-1010 MSSF-3	62,804.17	
AJE#07	4/30/2020	CASH	30-30-00-1010 MSSF-3		-703,707.78
AJE#07	4/30/2020	ACCOUNTS PAYABLE	30-30-00-2000 MSSF-3		-128.58
AJE#07	4/30/2020	FUND BALANCE PRIOR	30-30-00-3800 MSSF-3	525,565.69	
AJE#07	4/30/2020	EMPLOYEE HEALTH INSURANCE REIM	30-30-00-4000 MSSF-3		-3,498.97
AJE#07	4/30/2020	CREDIT CARD CONVENIENCE FEE	30-30-00-4700 MSSF-3		-8,325.90
AJE#07	4/30/2020	ACCRUED WAGES	30-38-00-2040 MSSF-3		-3,553.09
AJE#07	4/30/2020	ACCRUED VACATION	30-38-00-2050 MSSF-3		-4,256.33
AJE#07	4/30/2020	ACCRUED SICK	30-38-00-2055 MSSF-3		-268.41
AJE#07	4/30/2020	SALARY/WAGES	30-38-00-5611 MSSF-3	96,989.40	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	30-38-00-5622 MSSF-3	66,249.76	
AJE#07	4/30/2020	CONTRACTUAL SERVICES TRANSFERRED FROM FUND 51	30-38-00-5624 MSSF-3	7,204.60	

Number	Date	Name	Account No	Debit	Credit
AJE#07	4/30/2020	SOCIAL SECURITY TAX EXPENSE	30-38-00-5666 MSSF-3	5,865.55	
AJE#07	4/30/2020	IMRF PENSION EXPENSE	30-38-00-5669 MSSF-3	7,611.72	
AJE#07	4/30/2020	INSURANCE EXPENSE-EMPLOYEE	30-38-00-5672 MSSF-3	19,329.35	
AJE#07	4/30/2020	MEDICARE TAX EXPENSE	30-38-00-5675 MSSF-3	1,371.78	
AJE#07	4/30/2020	UTILITY OFFICE EXPENSE	30-38-00-5681 MSSF-3		-69,252.96
AJE#07	4/30/2020	CASH	40-40-00-1010 MWF-40	15,856.36	
AJE#07	4/30/2020	CASH	40-40-00-1010 MWF-40	30,728.99	
AJE#07	4/30/2020	ACCOUNTS PAYABLE	40-40-00-2000 MWF-40		-32.46
AJE#07	4/30/2020	FUND BALANCE PRIOR	40-40-00-3800 MWF-40		-23,936.59
AJE#07	4/30/2020	EMPLOYEE HEALTH INSURANCE REIM	40-40-00-4000 MWF-40		-883.40
AJE#07	4/30/2020	CREDIT CARD CONVENIENCE FEE	40-40-00-4700 MWF-40		-2,102.07
AJE#07	4/30/2020	ACCRUED WAGES	40-48-00-2040 MWF-40		-897.06
AJE#07	4/30/2020	ACCRUED VACATION	40-48-00-2050 MWF-40		-1,074.61
AJE#07	4/30/2020	ACCRUED SICK	40-48-00-2055 MWF-40		-67.77
AJE#07	4/30/2020	SALARIES/WAGES	40-48-00-5711 MWF-40	24,487.20	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	40-48-00-5721 MWF-40	16,726.28	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	40-48-00-5721 MWF-40	1,818.97	
AJE#07	4/30/2020	SOCIAL SECURITY TAX EXPENSE	40-48-00-5766 MWF-40	1,480.89	
AJE#07	4/30/2020	IMRF PENSION EXPENSE	40-48-00-5769 MWF-40	1,921.75	
AJE#07	4/30/2020	INSURANCE EXPENSE-EMPLOYEE	40-48-00-5772 MWF-40	4,880.14	
AJE#07	4/30/2020	MEDICARE TAX EXPENSE	40-48-00-5775 MWF-40	346.34	
AJE#07	4/30/2020	UTILITY OFFICE EXPENSE	40-48-00-5781 MWF-40		-69,252.96
AJE#07	4/30/2020	CASH	50-50-00-1010 MGF-50	1,929.62	
AJE#07	4/30/2020	CASH	50-50-00-1010 MGF-50	157,716.56	
AJE#07	4/30/2020	ACCOUNTS PAYABLE	50-50-00-2000 MGF-50		-3.95
AJE#07	4/30/2020	ACCRUED WAGES	50-50-00-2040 MGF-50		-109.17
AJE#07	4/30/2020	ACCRUED VACATION	50-50-00-2050 MGF-50		-130.77
AJE#07	4/30/2020	ACCRUED SICK	50-50-00-2055 MGF-50		-8.25
AJE#07	4/30/2020	FUND BALANCE PRIOR	50-50-00-3800 MGF-50		-119,148.68
AJE#07	4/30/2020	EMPLOYEE HEALTH INSURANCE REIM	50-50-00-4000 MGF-50		-107.50
AJE#07	4/30/2020	CREDIT CARD CONVENIENCE FEE	50-50-00-4700 MGF-50		-255.81
AJE#07	4/30/2020	SALARY/WAGES	50-50-00-5111 MGF-50	2,979.93	
AJE#07	4/30/2020	IMRF PENSION EXPENSE	50-50-00-5169 MGF-50	233.86	
AJE#07	4/30/2020	INSURANCE EXPENSE - EMPLOYEE	50-50-00-5172 MGF-50	593.88	
AJE#07	4/30/2020	MEDICARE TAX EXPENSE	50-50-00-5175 MGF-50	42.15	
AJE#07	4/30/2020	SOCIAL SECURITY TAX EXPENSE	50-50-00-5566 MGF-50	180.21	
AJE#07	4/30/2020	COMMODITIES TRANSFERRED FROM FUND 51	50-50-00-5823 MGF-50	2,035.48	
AJE#07	4/30/2020	CONTRACTUAL SERVICES TRANSFERRED FROM FUND 51	50-50-00-5824 MGF-50	221.36	
AJE#07	4/30/2020	UTILITY OFFICE EXPENSE	50-50-00-5881 MGF-50		-46,168.92
AJE#07	4/30/2020	CASH	51-51-00-1010 CSC-51		-141,737.22
AJE#07	4/30/2020	EQUIPMENT	51-51-00-1500 CSC-51		-57,053.39
AJE#07	4/30/2020	EQUIPMENT	51-51-00-1500 CSC-51		-3,728.00
AJE#07	4/30/2020	RES FOR DEPRECIATION	51-51-00-1525 CSC-51	48,911.09	
AJE#07	4/30/2020	ACCOUNTS PAYABLE	51-51-00-2000 CSC-51	290.19	
AJE#07	4/30/2020	ACCRUED WAGES	51-51-00-2040 CSC-51	8,018.66	
AJE#07	4/30/2020	ACCRUED VACATION	51-51-00-2050 CSC-51	9,605.74	
AJE#07	4/30/2020	ACCRUED SICK	51-51-00-2055 CSC-51	605.75	
AJE#07	4/30/2020	FUND BALANCE - PRIOR	51-51-00-3800 CSC-51	194,854.00	
AJE#07	4/30/2020	FUND BALANCE - CURRENT	51-51-00-3801 CSC-51		-89,463.15
AJE#07	4/30/2020	EMPLOYEE HEALTH INSURANCE REIM	51-51-00-4100 CSC-51	7,896.52	
AJE#07	4/30/2020	CREDIT CARD CONVENIENCE FEE	51-51-00-4700 CSC-51	18,790.00	
AJE#07	4/30/2020	ELECTRIC FUND CONTRIBUTION	51-51-00-4801 CSC-51	277,012.92	
AJE#07	4/30/2020	WATER FUND CONTRIBUTION	51-51-00-4802 CSC-51	69,252.96	
AJE#07	4/30/2020	SEWER FUND CONTRIBUTION	51-51-00-4803 CSC-51	69,252.96	
AJE#07	4/30/2020	GARBAGE FUND CONTRIBUTION	51-51-00-4804 CSC-51	46,168.92	
AJE#07	4/30/2020	OVERTIME	51-51-00-5102 CSC-51		-47.38
AJE#07	4/30/2020	GIS/IT EXPENSE	51-51-00-5103 CSC-51		-7,353.00
AJE#07	4/30/2020	SALARY/WAGES	51-51-00-5111 CSC-51		-211,486.47
AJE#07	4/30/2020	RENT	51-51-00-5113 CSC-51		-48,792.00
AJE#07	4/30/2020	PRINTED MATERIALS	51-51-00-5114 CSC-51		-7,412.53
AJE#07	4/30/2020	OFFICE SUPPLIES	51-51-00-5115 CSC-51		-1,431.77
AJE#07	4/30/2020	POSTAGE	51-51-00-5116 CSC-51		-40,065.90
AJE#07	4/30/2020	NEW EQUIPMENT	51-51-00-5117 CSC-51		-872.50

Number	Date	Name	Account No	Debit	Credit
AJE#07	4/30/2020	NEW EQUIPMENT	51-51-00-5117 CSC-51	3,728.00	
AJE#07	4/30/2020	INFORMATION TECHNOLOGY	51-51-00-5123 CSC-51		-18,329.00
AJE#07	4/30/2020	REHAB UTILITY GRANT	51-51-00-5125 CSC-51		-950.00
AJE#07	4/30/2020	LEASE/RENTAL	51-51-00-5133 CSC-51		-8,550.00
AJE#07	4/30/2020	SCHOOLS/MEETINGS/SEMINARS	51-51-00-5137 CSC-51		-1,329.60
AJE#07	4/30/2020	PHONE SERVICE	51-51-00-5152 CSC-51		-1,767.74
AJE#07	4/30/2020	LEGAL EXPENSES	51-51-00-5155 CSC-51		-6,379.82
AJE#07	4/30/2020	CREDIT CARD BANK FEES	51-51-00-5162 CSC-51		-18,065.97
AJE#07	4/30/2020	PAYMENT SERVICE NETWORK FEES	51-51-00-5163 CSC-51		-6,863.48
AJE#07	4/30/2020	ONLINE INFO SERVICES EXPENSE	51-51-00-5164 CSC-51		-3,610.04
AJE#07	4/30/2020	COLLECTION EXPENSES	51-51-00-5165 CSC-51		-612.18
AJE#07	4/30/2020	SOCIAL SECURITY TAX EXPENSE	51-51-00-5166 CSC-51		-13,237.44
AJE#07	4/30/2020	IMRF EXPENSE	51-51-00-5169 CSC-51		-17,178.23
AJE#07	4/30/2020	INSURANCE EXPENSE - EMPLOYEE	51-51-00-5172 CSC-51		-43,622.71
AJE#07	4/30/2020	MEDICARE TAX EXPENSE	51-51-00-5175 CSC-51		-3,095.85
AJE#07	4/30/2020	MISCELLANEOUS	51-51-00-5188 CSC-51		-1,352.34
		To record allocation of Fund 51. Michelle does not post this entry for report presentation only.			
AJE#08	4/30/2020	PLANT REPLACEMENT - SEWER	30-30-00-1516 MSSF-3	159,890.00	
AJE#08	4/30/2020	Transfer From Other Funds	30-30-00-4499 MSSF-3		-159,890.00
		To properly record transfer per RES 2020-836.			
AJE#09	4/30/2020	UNBILLED ACCOUNTS RECEIVABLE	10-01-00-1152 GF-10	5,551.31	
AJE#09	4/30/2020	CAPITAL COST RECOVERY	10-01-00-4143 GF-10		-5,551.31
AJE#09	4/30/2020	UNBILLED ACCOUTS RECEIVABLE	20-20-00-1152 MEF-20	202,936.55	
AJE#09	4/30/2020	RESIDENTIAL REVENUE	20-20-00-4125 MEF-20		-202,936.55
AJE#09	4/30/2020	UNBILLED ACCOUTS RECEIVABLE	23-23-00-1152 FOBF-T-23	1,761.51	
AJE#09	4/30/2020	RESIDENTIAL SERVICE	23-23-00-4100 FOBF-T-23		-1,761.51
AJE#09	4/30/2020	UNBILLED ACCOUNTS RECEIVABLE	30-30-00-1152 MSSF-3	64,559.89	
AJE#09	4/30/2020	RESIDENTIAL REVENUE	30-30-00-4100 MSSF-3		-64,559.89
AJE#09	4/30/2020	UNBILLED ACCOUTS RECEIVABLE	40-40-00-1152 MWF-40	33,160.47	
AJE#09	4/30/2020	RESIDENTIAL REVENUE	40-40-00-4100 MWF-40		-33,160.47
AJE#09	4/30/2020	UNBILLED ACCOUNTS RECEIVABLE	50-50-00-1152 MGF-50	15,076.30	
AJE#09	4/30/2020	RESIDENTIAL REVENUE	50-50-00-4100 MGF-50		-15,076.30
		To reverse PY unbilled AR and record CY AR.			
AJE#10	4/30/2020	DEFERRED OUTFLOW-IMRF	20-20-00-1480 MEF-20		-404,052.00
AJE#10	4/30/2020	NET PENSION LIABILITY-IMRF	20-20-00-2450 MEF-20	576,136.00	
AJE#10	4/30/2020	DEFERRED INFLOWS-IMRF	20-20-00-2451 MEF-20		-188,663.00
AJE#10	4/30/2020	Pension expense	20-20-00-5700 MEF-20	16,579.00	
AJE#10	4/30/2020	DEFERRED OUTFLOW - IMRF	23-23-00-1480 FOBF-T-23		-71,659.00
AJE#10	4/30/2020	NET PENSION LIABILITY - IMRF	23-23-00-2450 FOBF-T-23	102,179.00	
AJE#10	4/30/2020	DEFERRED INFLOWS - IMRF	23-23-00-2451 FOBF-T-23		-33,460.00
AJE#10	4/30/2020	PENSION EXPENSE	23-23-00-5700 FOBF-T-23	2,940.00	
AJE#10	4/30/2020	DEFERRED OUTFLOWS-IMRF	30-30-00-1480 MSSF-3		-165,123.00
AJE#10	4/30/2020	NET PENSION LIABILITY-IMRF	30-30-00-2450 MSSF-3	235,448.00	
AJE#10	4/30/2020	DEFERRED INFLOWS-IMRF	30-30-00-2451 MSSF-3		-77,101.00
AJE#10	4/30/2020	Pension expense	30-30-00-5700 MSSF-3	6,776.00	
AJE#10	4/30/2020	DEFERRED OUTFLOWS-IMRF	40-40-00-1470 MWF-40		-156,770.00
AJE#10	4/30/2020	NET PENSION LIABILITY-IMRF	40-40-00-2450 MWF-40	223,537.00	
AJE#10	4/30/2020	DEFERRED INFLOW IMRF	40-40-00-2451 MWF-40		-73,200.00
AJE#10	4/30/2020	Pension expense	40-40-00-5700 MWF-40	6,433.00	
AJE#10	4/30/2020	DEFERRED OUTFLOWS-IMRF	50-50-00-1480 MGF-50		-1,103.00
AJE#10	4/30/2020	NET PENSION LIABILITY-IMRF	50-50-00-2450 MGF-50	1,573.00	
AJE#10	4/30/2020	DEFERRED NFLOW OF RESOURCES	50-50-00-2451 MGF-50		-515.00
AJE#10	4/30/2020	Pension expense	50-50-00-5700 MGF-50	45.00	
AJE#10	4/30/2020	DEFERRED OUTFLOWS-IMRF	90-90-00-1480 GLTDAG-90		-338,505.00
AJE#10	4/30/2020	NET PENSION LIABILITY-IMRF	90-90-00-2450 GLTDAG-90	482,672.00	
AJE#10	4/30/2020	DEFERRED INFLOWS-IMRF	90-90-00-2451 GLTDAG-90		-158,057.00

Number	Date	Name	Account No	Debit	Credit
AJE#10	4/30/2020	Change in NPL - General Government	90-90-00-5903 GLTDAG-90	8,611.00	
AJE#10	4/30/2020	Change in NPL - Streets	90-90-00-5904 GLTDAG-90	5,279.00	
		To record GASB68 IMRF Journal Entries.			
AJE#11	4/30/2020	ACCRUED WAGES	05-05-00-2040 TF-05	8,454.28	
AJE#11	4/30/2020	HOTEL/MOTEL TAXES	05-05-00-4020 TF-05		-8,454.28
		To correct posting of Hotel Motel Tax A/R.			
AJE#12	4/30/2020	STATE INCOME TAX RECEIVABLE	10-01-00-1200 GF-10		-93,420.22
AJE#12	4/30/2020	STATE INCOME TAX	10-01-00-4300 GF-10	93,420.22	
		To eliminate State Income Tax A/R which relates to FY21.			
AJE#13	4/30/2020	ACCOUNTS RECEIVABLE	65-65-00-1150 MFT-65		-84,814.70
AJE#13	4/30/2020	MOTOR FUEL TAX ALLOTMENTS	65-65-00-4565 MFT-65	84,814.70	
		To eliminate A/R for rebuild Illinois Funds as they should be reconized on the cash basis of accounting.			
AJE#14	4/30/2020	FIRE PROTECTION RECEIVABLE	10-01-00-1220 GF-10		-246,980.45
AJE#14	4/30/2020	FIRE PROTECTION TAX	10-01-00-4360 GF-10	246,980.45	
		To reverse PY Fire Protection Fees receivable.			
AJE#15	4/30/2020	REVENUE RECEIVABLE	05-05-00-1175 TF-05	3,151.39	
AJE#15	4/30/2020	HOTEL/MOTEL TAXES	05-05-00-4020 TF-05		-3,151.39
		Entry to correct hotel motel tax balance.			
AJE#16	4/30/2020	RESERVE FOR BAD DEBTS	20-20-00-1155 MEF-20	34,980.04	
AJE#16	4/30/2020	BAD DEBT EXPENSE	20-20-00-5563 MEF-20		-34,980.04
AJE#16	4/30/2020	RESERVE FOR BAD DEBT	30-30-00-1155 MSSF-3	13,000.00	
AJE#16	4/30/2020	BAD DEBT EXPENSE	30-38-00-5663 MSSF-3		-13,000.00
AJE#16	4/30/2020	RESERVE FOR BAD DEBTS	50-50-00-1155 MGF-50	2,000.00	
AJE#16	4/30/2020	BAD DEBT EXPENSE	50-50-00-5863 MGF-50		-2,000.00
		To record change in bad debt expense.			
AJE#17	4/30/2020	DEFERRED INCOME - GRANTS	10-12-00-2120 GF-10		-49,120.00
AJE#17	4/30/2020	GRANT FUNDS	10-12-00-4550 GF-10	49,120.00	
AJE#17	4/30/2020	DEFERRED REVENUE - GRANTS	58-58-00-2120 TG-58		-800.10
AJE#17	4/30/2020	TOBACCO ENFORCEMENT GRANT	58-58-00-4391 TG-58	800.10	
		Entry to record deferred revenue for grant expenses not incurred.			
AJE#18	4/30/2020	ACCOUNTS PAYABLE	10-06-00-2000 GF-10		-18,587.74
AJE#18	4/30/2020	ENGINEERING/SALES TAX PROJECT	10-10-00-5159 GF-10	18,587.74	
AJE#18	4/30/2020	JOBS IN PROCESS	40-40-00-1570 MWF-40	3,353.78	
AJE#18	4/30/2020	ACCOUNTS PAYABLE	40-40-00-2000 MWF-40		-3,353.78
		To record addition AP at year end.			
AJE#19	4/30/2020	ACCOUNTS RECEIVABLE	20-20-00-1150 MEF-20	18,756.91	
AJE#19	4/30/2020	RESIDENTIAL REVENUE	20-20-00-4125 MEF-20		-18,756.91
		Entry to record additional AR to agree to the schedule.			
AJE#20	4/30/2020	COMPENSATED ABSENCES	90-90-00-2050 GLTDAG-90		-57,271.77
AJE#20	4/30/2020	COMPENSATED ABSENCES	90-90-00-2050 GLTDAG-90		-3,815.81
AJE#20	4/30/2020	CHANGE IN COMP ABS/GEN GOVT	90-90-00-5601 GLTDAG-90	12,918.22	

Number	Date	Name	Account No	Debit	Credit
AJE#20	4/30/2020	CHANGE IN COMP ABS/GEN GOVT	90-90-00-5601 GLTDAG-90	14,096.13	
AJE#20	4/30/2020	CHANGE IN COMP ABS/PUB SAFETY	90-90-00-5602 GLTDAG-90	36,962.46	
AJE#20	4/30/2020	CHANGE IN COMP ABS/PUB SAFETY	90-90-00-5602 GLTDAG-90		-20,349.14
AJE#20	4/30/2020	CHANGE IN COMP ABS/HIGHWAY STR	90-90-00-5603 GLTDAG-90	7,391.09	
AJE#20	4/30/2020	CHANGE IN COMP ABS/HIGHWAY STR	90-90-00-5603 GLTDAG-90	10,068.82	
		Entry to correct the initial client entries relating to compensated absences.			
AJE#21	4/30/2020	COMPENSATED ABSENCES	90-90-00-2050 GLTDAG-90	10,055.31	
AJE#21	4/30/2020	CHANGE IN COMP ABS/GEN GOVT	90-90-00-5601 GLTDAG-90		-5,097.01
AJE#21	4/30/2020	CHANGE IN COMP ABS/PUB SAFETY	90-90-00-5602 GLTDAG-90		-1,179.64
AJE#21	4/30/2020	CHANGE IN COMP ABS/HIGHWAY STR	90-90-00-5603 GLTDAG-90		-3,778.66
		Entry to tie out compensated absences to the schedule.			
AJE#22	4/30/2020	ACCRUED VACATION	20-20-00-2050 MEF-20	8,928.13	
AJE#22	4/30/2020	ACCRUED SICK	20-20-00-2055 MEF-20	2,033.20	
AJE#22	4/30/2020	SALARY/WAGES	20-20-00-5511 MEF-20		-10,961.33
AJE#22	4/30/2020	ACCRUED VACATION	23-23-00-2050 FOBF-T-23	1,417.26	
AJE#22	4/30/2020	ACCRUED SICK	23-23-00-2055 FOBF-T-23	191.24	
AJE#22	4/30/2020	NETWORK & OPERATIONS/SALARY	23-23-00-5520 FOBF-T-23		-1,608.50
AJE#22	4/30/2020	ACCRUED VACATION	30-38-00-2050 MSSF-3	2,688.06	
AJE#22	4/30/2020	ACCRUED SICK	30-38-00-2055 MSSF-3	406.09	
AJE#22	4/30/2020	SALARY/WAGES	30-38-00-5611 MSSF-3		-3,094.15
AJE#22	4/30/2020	ACCRUED VACATION	40-48-00-2050 MWF-40	2,863.80	
AJE#22	4/30/2020	ACCRUED SICK	40-48-00-2055 MWF-40	573.68	
AJE#22	4/30/2020	SALARIES/WAGES	40-48-00-5711 MWF-40		-3,437.48
		Entry to adjust compensated absences to agree to schedule by enterprise fund.			
AJE#23	4/30/2020	FUND BALANCE-PRIOR	05-05-00-3800 TF-05	12,050.00	
AJE#23	4/30/2020	SPONSORSHIP REVENUE	05-05-00-4700 TF-05		-12,050.00
		To correct beginning fund balance in the tourism fund.			
AJE#24	4/30/2020	NEW EQUIPMENT	10-10-00-5117 GF-10	234,825.00	
AJE#24	4/30/2020	Proceeds from Capital Lease Issuance	10-10-00-6100 GF-10		-234,825.00
AJE#24	4/30/2020	EQUIPMENT	20-20-00-1520 MEF-20		-136,557.00
AJE#24	4/30/2020	EQUIPMENT	20-20-00-1520 MEF-20	508,432.00	
AJE#24	4/30/2020	LEASE OBLIGATION PAYABLE	20-20-00-2001 MEF-20	136,557.00	
AJE#24	4/30/2020	LEASE OBLIGATION PAYABLE	20-20-00-2001 MEF-20		-508,432.00
		To record current year capital lease activity.			
AJE#25	4/30/2020	POLES/CROSS/FIX/TRANS/OHCONDUC	20-20-00-1503 MEF-20		-990.00
AJE#25	4/30/2020	RES FOR DEPREC-OVERHEAD	20-20-00-1513 MEF-20	42.30	
AJE#25	4/30/2020	RES FOR DEPREC-UNDERGROUND	20-20-00-1514 MEF-20		-7.25
AJE#25	4/30/2020	RES FOR DEPREC-PLANT & PROP	20-20-00-1515 MEF-20	1,445.34	
AJE#25	4/30/2020	RES FOR DEPREC-P&P HYDRO	20-20-00-1516 MEF-20	72.60	
AJE#25	4/30/2020	RES FOR DEPREC-EQUIPMENT	20-20-00-1525 MEF-20		-13,643.83
AJE#25	4/30/2020	RES FOR DEPREC-UTIL COMPUTER	20-20-00-1535 MEF-20	9,498.35	
AJE#25	4/30/2020	RES FOR DEPREC-METERING	20-20-00-1545 MEF-20		-9,500.09
AJE#25	4/30/2020	SCADA	20-20-00-1566 MEF-20	990.00	
AJE#25	4/30/2020	DEPRECIATION EXPENSE	20-20-00-5590 MEF-20	12,092.58	
AJE#25	4/30/2020	SANITARY SEWER EXTENSIONS	30-30-00-1509 MSSF-3	47,130.82	
AJE#25	4/30/2020	PLANT & PROPERTY	30-30-00-1510 MSSF-3		-189,839.00
AJE#25	4/30/2020	JOBS IN PROCESS	30-30-00-1570 MSSF-3	2,706.00	
AJE#25	4/30/2020	PLANT & PROPERTY-ENGINEERING	30-30-00-1571 MSSF-3		-49,836.82
AJE#25	4/30/2020	LOSS ON SALE OF ASSET	30-30-00-6000 MSSF-3	189,839.00	
AJE#25	4/30/2020	PLANT & PROPERTY	40-40-00-1510 MWF-40		-13,950.99
AJE#25	4/30/2020	RES FOR DEPREC-PLANT & PROP	40-40-00-1515 MWF-40		-6,447.95

Number	Date	Name	Account No	Debit	Credit
AJE#25	4/30/2020	EQUIPMENT	40-40-00-1520 MWF-40	13,950.99	
AJE#25	4/30/2020	RESERVE FOR DEPREC-EQUIPMENT	40-40-00-1525 MWF-40	5,392.05	
AJE#25	4/30/2020	DISTRIBUTION LINES	40-40-00-1560 MWF-40		-22,963.35
AJE#25	4/30/2020	NEW SERVICES/METERING	40-40-00-1565 MWF-40	22,963.35	
AJE#25	4/30/2020	DEPRECIATION EXPENSE	40-48-00-5790 MWF-40	1,055.90	
AJE#25	4/30/2020	EQUIPMENT	51-51-00-1500 CSC-51	3,728.00	
AJE#25	4/30/2020	NEW EQUIPMENT	51-51-00-5117 CSC-51		-3,728.00
AJE#25	4/30/2020	INFRASTRUCTURE	95-95-00-1510 G-95	155,331.00	
AJE#25	4/30/2020	INFRASTRUCTURE	95-95-00-1510 G-95	13,786.99	
AJE#25	4/30/2020	EQUIPMENT	95-95-00-1520 G-95	8,015.00	
AJE#25	4/30/2020	EQUIPMENT	95-95-00-1520 G-95		-77,724.00
AJE#25	4/30/2020	FUND BALANCE PRIOR	95-95-00-3800 G-95		-13,786.99
AJE#25	4/30/2020	Disposals/Retirements	95-95-00-5600 G-95	77,724.00	
AJE#25	4/30/2020	GFAAG - PUBLIC SAFETY EXPENSE	95-95-00-5801 G-95		-8,015.42
AJE#25	4/30/2020	GFAAG - HIGHWAY & STREET EXP	95-95-00-5802 G-95		-155,330.58
		To correct capital asset classifications and depreciation			
AJE#26	4/30/2020	ACCOUNTS PAYABLE	10-01-00-2000 GF-10		-29,879.66
AJE#26	4/30/2020	MISC EXP/CONSOLIDATE DISPATCH	10-06-00-5257 GF-10	29,879.66	
		To record additional AP.			
AJE#27	4/30/2020	EQUIPMENT	95-95-00-1520 G-95	234,825.00	
AJE#27	4/30/2020	RESERVE FOR DEP - EQUIPMENT	95-95-00-1540 G-95		-13,698.13
AJE#27	4/30/2020	DEPREC EXP - HIGHWAY & STREETS	95-95-00-5406 G-95	13,698.13	
AJE#27	4/30/2020	GFAAG - HIGHWAY & STREET EXP	95-95-00-5802 G-95		-234,825.00
		To record addition and related depreciation of new asset (capital lease)			
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	20-20-00-1484 MEF-20	5,133.99	
AJE#28	4/30/2020	NET OPEB OBLIGATION	20-20-00-2401 MEF-20	5,129.83	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	20-20-00-2454 MEF-20	686.66	
AJE#28	4/30/2020	Pension expense	20-20-00-5700 MEF-20		-10,950.48
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	23-23-00-1484 FOBF-T-23	910.52	
AJE#28	4/30/2020	NET OPEB OBLIGATION	23-23-00-2401 FOBF-T-23	909.78	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	23-23-00-2454 FOBF-T-23	121.78	
AJE#28	4/30/2020	PENSION EXPENSE	23-23-00-5700 FOBF-T-23		-1,942.08
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	30-30-00-1484 MSSF-3	2,098.10	
AJE#28	4/30/2020	NET OPEB LIABILITY	30-30-00-2420 MSSF-3	2,096.40	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	30-30-00-2454 MSSF-3	280.62	
AJE#28	4/30/2020	Pension expense	30-30-00-5700 MSSF-3		-4,475.12
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	40-40-00-1484 MWF-40	1,991.96	
AJE#28	4/30/2020	NET OPEB OBLIGATION	40-40-00-2401 MWF-40	1,990.34	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	40-40-00-2454 MWF-40	266.42	
AJE#28	4/30/2020	Pension expense	40-40-00-5700 MWF-40		-4,248.72
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	50-50-00-1484 MGF-50	14.02	
AJE#28	4/30/2020	NET OPEB OBLIGATION	50-50-00-2401 MGF-50	14.01	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	50-50-00-2454 MGF-50	1.88	
AJE#28	4/30/2020	Pension expense	50-50-00-5700 MGF-50		-29.91
AJE#28	4/30/2020	DEFERRED OUTFLOWS-POLICE PEN	90-90-00-1481 GLTDAG-90	7,372.00	
AJE#28	4/30/2020	DEFERRED OUTFLOW-FIRE PENSION	90-90-00-1482 GLTDAG-90		-182,881.00
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	90-90-00-1484 GLTDAG-90	35,095.88	
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	90-90-00-1484 GLTDAG-90	49,926.41	
AJE#28	4/30/2020	DEFERRED OUTFLOWS - OPEB	90-90-00-1484 GLTDAG-90	4,301.13	
AJE#28	4/30/2020	DEFERRED INFLOWS-POLICE PEN	90-90-00-2452 GLTDAG-90	20,854.00	
AJE#28	4/30/2020	DEFERRED INFLOWS-FIRE PENSION	90-90-00-2453 GLTDAG-90		-38,953.00
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	90-90-00-2454 GLTDAG-90	1,552.70	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	90-90-00-2454 GLTDAG-90	2,208.92	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	90-90-00-2454 GLTDAG-90	190.30	
AJE#28	4/30/2020	DEFERRED INFLOWS - OPEB	90-90-00-2454 GLTDAG-90		-908.21
AJE#28	4/30/2020	NET PENSION LIAB-POLICE PEN	90-90-00-2455 GLTDAG-90	42,841.00	

Number	Date	Name	Account No	Debit	Credit
AJE#28	4/30/2020	NET PENSION LIAB-POLICE PEN	90-90-00-2455 GLTDAG-90		-788,214.00
AJE#28	4/30/2020	NET PENSION LIAB-FIRE PENSION	90-90-00-2456 GLTDAG-90	2,351.00	
AJE#28	4/30/2020	NET PENSION LIAB-FIRE PENSION	90-90-00-2456 GLTDAG-90		-365,037.00
AJE#28	4/30/2020	NET OPEB OBLIGATION	90-90-00-2600 GLTDAG-90		-70,264.00
AJE#28	4/30/2020	NET OPEB OBLIGATION	90-90-00-2600 GLTDAG-90		-96,479.00
AJE#28	4/30/2020	NET OPEB OBLIGATION	90-90-00-2600 GLTDAG-90	4,297.64	
AJE#28	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-42,841.00
AJE#28	4/30/2020	FUND BALANCE PRIOR	90-90-00-3800 GLTDAG-90		-2,351.00
AJE#28	4/30/2020	Change in OPEB - GG	90-90-00-5701 GLTDAG-90		-5,449.22
AJE#28	4/30/2020	Change in OPEB - PS	90-90-00-5702 GLTDAG-90	77,959.09	
AJE#28	4/30/2020	Change in OPEB - PS	90-90-00-5702 GLTDAG-90	908.21	
AJE#28	4/30/2020	Change in OPEB - PW	90-90-00-5703 GLTDAG-90		-3,339.85
AJE#28	4/30/2020	Pension Expense - Public Safety	90-90-00-5905 GLTDAG-90	1,346,859.00	
		To record change in City OPEB obligation and Net Pension Obligations			
AJE#29	4/30/2020	DEFERRED INCOME	10-01-00-2150 GF-10		-4,000.00
AJE#29	4/30/2020	SCHMITT PROPERTY/INCOME	10-12-00-4901 GF-10	4,000.00	
		To adjust property income to deferred revenue as the lease doesn't start until FY21			
AJE#30	4/30/2020	DEFERRED OUTFLOWS - ARO	40-40-00-1475 MWF-40	29,700.00	
AJE#30	4/30/2020	ASSET RETIREMENT OBLIGATION	40-40-00-2475 MWF-40		-30,000.00
AJE#30	4/30/2020	AMORTIZATION EXPENSE	40-480-00-5795 MWF-40	300.00	
		To record the asset retirement obligation in accordance with GASB S-83.			
AJE#31	4/30/2020	CARES Act A/R	10-01-00-1270 GF-10	105,020.00	
AJE#31	4/30/2020	DEFERRED REVENUE - GRANTS	10-10-00-2120 GF-10		-105,020.00
		To record A/R and deferred revenues for CARES Act Funding spent in FY20.			
AJE#32	4/30/2020	FUND BALANCE PRIOR	16-16-00-3800 RR-16		-4,760.24
AJE#32	4/30/2020	FUND BALANCE-CURRENT	16-16-00-3801 RR-16	4,760.24	
AJE#32	4/30/2020	FUND BALANCE PRIOR	61-61-00-3800 MBF-61		-258.29
AJE#32	4/30/2020	FUND BALANCE-CURRENT	61-61-00-3801 MBF-61	258.29	
		To reverse out Fund Balance			
AJE#33	4/30/2020	IMRF-EMPLOYEES SHARE	70-70-00-2044 PCF-70	0.08	
AJE#33	4/30/2020	ASPIRE/EMPLOYEE CONTRIBUTION	70-70-00-2050 PCF-70		-41,388.81
AJE#33	4/30/2020	ICMA PAYABLE	70-70-00-2056 PCF-70	40,816.44	
AJE#33	4/30/2020	MISCELLANEOUS PAYABLE	70-70-00-2098 PCF-70	7,474.31	
AJE#33	4/30/2020	SALARIES	70-70-00-5910 PCF-70		-6,902.02
		To zero out payroll clearing accounts			
AJE#34	4/30/2020	LAND HELD FOR RESALE	10-01-00-1600 GF-10		-3,314,848.88
AJE#34	4/30/2020	DEVELOPMENT EXPENSE - TRANSFER TO GA	10-25-00-5098 GF-10	3,314,848.88	
		To remove land from general fund. Will be reported on the goverment-wide statement of net position.			

PASSED ADJUSTMENTS

City of Rock Falls — (CLIENT)

BUSINESS-TYPE ACTIVITIES — (OPINION UNIT)

For the Year Ended 4/30/2020

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets	(Liabilities)	(Retained Earnings/Fund Balance)	(Profit) Loss
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		$ (14,154)	$ -	$ 14,154	$ -
To account for difference between inventory listing and inventory value located on the general ledger.	**3424**	(44,767)	-	-	44,767
To record additional customer utility deposits not recorded in general ledger.	**3295**	-	(18,842)	-	18,842
Totals		$ (58,921)	$ (18,842)	$ 14,154	$ 63,609

PASSED ADJUSTMENTS

City of Rock Falls (CLIENT)

SEWER (OPINION UNIT)

For the Year Ended 4/30/2020

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets	(Liabilities)	(Retained Earnings/Fund Balance)	(Profit) Loss
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		$ -	$ -	$ -	$ -
To record additional customer utility deposits not recorded in general ledger.	**3295**	-	(9,547)	-	9,547
Totals		$ -	$ (9,547)	$ -	$ 9,547

PASSED ADJUSTMENTS

City of Rock Falls (CLIENT)

ELECTRIC (OPINION UNIT)

For the Year Ended 4/30/2020

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets	(Liabilities)	(Retained Earnings/Fund Balance)	(Profit) Loss
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		$ (14,154)	$ -	$ 14,154	$ -
To account for difference between inventory listing and inventory value located on the general ledger.	**3424**	(44,767)	-	-	44,767
To record additional customer utility deposits not recorded in general ledger.	**3295**	-	(9,295)	-	9,295
Totals		$ (58,921)	$ (9,295)	$ 14,154	$ 54,062

CITY OF ROCK FALLS, ILLINOIS

COMMUNICATION OF DEFICIENCIES
IN INTERNAL CONTROL AND
OTHER COMMENTS TO MANAGEMENT

April 30, 2020

SIKICH®

SIKICH.

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

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630.566.8400

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The Honorable Mayor
Members of the City Council
City of Rock Falls, Illinois

As part of the annual audit, we are required to communicate internal control matters that we classify as significant deficiencies and material weaknesses to those charged with governance. 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 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. 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 City's financial statements will not be prevented, or detected and corrected, on a timely basis.

We have communicated the material weakness identified during our audit to the City Council in our separate correspondence titled "Management Letter."

During our audit, we also identify certain matters which we communicate only to management. While many of these matters are operational in nature, they may include internal control deficiencies that do not meet the definition of a significant deficiency or material weakness. We have chosen to communicate these matters in this communication. As discussed on the following pages, we reviewed the status of the deficiencies dated April 30, 2019. The status of these is included in Appendix A.

The City's written responses to the deficiencies in our audit have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This memorandum is intended solely for the information and use of management and is not intended and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
October 29, 2020

OTHER COMMENTS

Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued a number of pronouncements that will impact the City in the future.

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset and aims to enhance comparability of financial statements among governments. This statement also requires additional notes to the financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The requirements of this statement are effective for the fiscal year ending April 30, 2023. Earlier application is encouraged.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improved required note disclosures. This statement is effective for fiscal year ending April 30, 2023.

GASB Statement No. 92, *Omnibus 2020*, addresses a variety of topics including: The effective date of Statement No. 87 for interim financial reports; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73 to Certain Provisions of GASB Statement Nos. 67 and 68, as amended, and No. 74, as amended, to reporting assets accumulated for postemployment benefits; the applicability of certain requirements of Statement No. 84, to postemployment benefit arrangements; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. The requirements of this Statement are effective for the fiscal years ending April 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The London Interbank Offered Rate (LIBOR), a result of global reference rate reform, is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, *Leases*, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for fiscal year ending April 30, 2022.

OTHER COMMENTS (Continued)

Future Accounting Pronouncements (Continued)

GASB Statement No. 94, ***Public-Private and Public-Public Partnerships and Availability Payment Arrangements***, was issued to address tissues related to accounting and reporting for public-private and public-public partnership arrangements (PPPs). A PPP a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is defined in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement is effective for fiscal year ending April 30, 2024.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, was issued to provide temporary relief to governments and other stakeholders due to the COVID-19 pandemic.

<u>The effective dates of certain provisions contained in the following pronouncements are postponed by one year:</u>

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities.*

<u>The effective dates of the following pronouncements are postponed by 18 months:</u>

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

OTHER COMMENTS (Continued)

Future Accounting Pronouncements (Continued)

GASB Statement No. 96, *Solution-Based Information Technology Arrangements,* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. This Statement establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. This Statement is effective for fiscal year ending April 30, 2024.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84*, and a supersession of GASB Statement No. 32, (1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This Statement is effective for the fiscal year ending April 30, 2021. Earlier application is encouraged if Statement No. 84, as amended, has been implemented.

We will continue to advise the City of any progress made by GASB in developing these and other future pronouncements that may have an impact on the financial position and changes in financial position of the City.

APPENDIX A
STATUS OF PRIOR YEAR COMMENTS
FROM APRIL 30, 2019

DEFICIENCIES

We consider the following to be deficiencies in internal control:

1. Interfund Transactions

During our audit, we noted interfund transactions (GIS IT) which are not completely allocated to individual funds.

We recommend the City completely allocate all such interfund transactions to ensure quasi-interfund transactions are accounted in the individual fund receiving the service or commodity.

Status: This comment is still applicable at April 30, 2020.

Management's Response

Management will implement procedures so that all interfund transactions are completely allocated to the individual funds.

2. Expenditure and Bidding Procedures

We reviewed a sample of purchases made by the City during the fiscal year for compliance with the City's established purchasing and bidding policies and procedures. We noted the following matters:

- The City does not utilize the "Quotation Form" to document verbal and written quotations
- The City does not utilize purchase orders

We recommend the City abide by the adopted purchasing policy or modify the existing policy to reflect the current policies and procedures.

Status: This comment is considered to be partially implemented as of April 30, 2020, as 2 of 25 transactions tested during FY20 were missing a purchase order and quotation form.

Management's Response

The City does currently have a "Quotation Form" provided in the Purchasing Policy for use by Department Heads. In an attempt to correct this issue, Management will institute a stricter policy of assuring that quotation forms are used as required by the Purchasing Policy of the City.

Management will also be reviewing the Purchasing Policy regarding the use of purchase orders and may be modifying that process.

DEFICIENCIES (Continued)

3. Fiber Capital Assets

During our review of capital asset transactions, we noted several new fiber capital assets which were capitalized during the current year. However, we noted the City's capitalization policy does not specifically address the capitalization thresholds and procedures for this unique type of asset.

We recommend the City update their capitalization policy to specifically address the capitalization policies and limits for fiber capital assets.

Status: This comment is still applicable at April 30, 2020.

Management's Response

Management will further review and determine what changes need to be made to the capitalization policies and limits, specifically regarding fiber capital assets.

FIRM PROFILE

ORGANIZATION

Sikich LLP, a leading professional services firm specializing in accounting, technology, investment banking* and advisory services**, has 1,000+ professionals throughout the country. Founded in 1982, Sikich now ranks within the country's top 30 largest Certified Public Accounting firms and is among the top one percent of all enterprise resource planning solution partners in the world. From corporations and not-for-profits to state and local governments, Sikich clients can use a broad spectrum of services and products that help them reach long-term, strategic goals.

INDUSTRIES

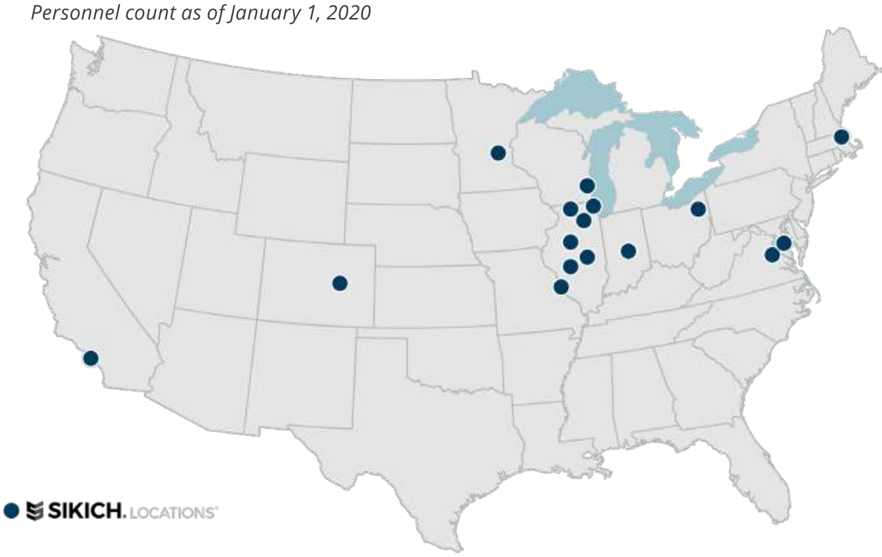
Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

AGRICULTURE	AUTOMOTIVE	CONSTRUCTION & REAL ESTATE
DISTRIBUTION & SUPPLY CHAIN	GOVERNMENT	HIGH-TECH
LIFE SCIENCES	MANUFACTURING	NOT-FOR-PROFIT
PRIVATE EQUITY	PROFESSIONAL SERVICES	

STATISTICS

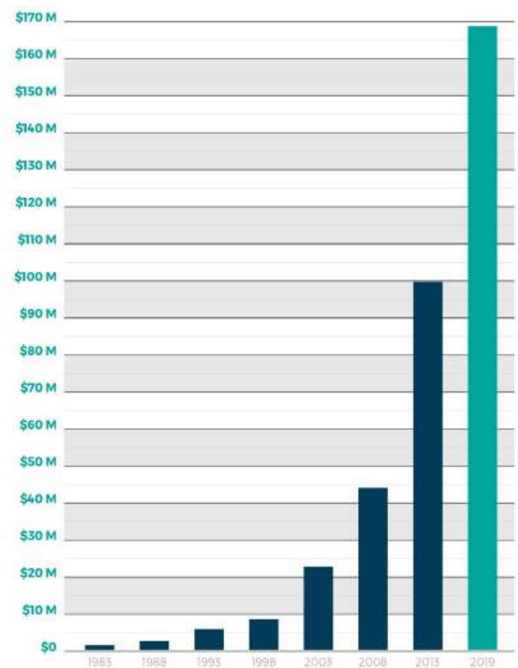
2019 Revenue	$167.4M
Total Partners	100+
Total Personnel	1,000+

Personnel count as of January 1, 2020



Alexandria, VA (703) 836-1350	**Chicago, IL** (312) 648-6666	**Denver, CO** (720) 200-0142	**Milwaukee, WI** (262) 754-9400	**Naperville, IL** (630) 566-8400
Akron, OH (330) 864-6661	**Crofton, MD** (410) 451-5150	**Indianapolis, IN** (317) 842-4466	**Minneapolis, MN** (331) 229-5235	**Springfield, IL** (217) 793-3363
Boston, MA (508) 485-5588	**Decatur, IL** (217) 423-6000	**Los Angeles, CA** (877) 279-1900	**Peoria, IL** (309) 694-4251	**St. Louis, MO** (314) 275-7277

SIKICH TOTAL REVENUE



SERVICES

ACCOUNTING, TAX & ASSURANCE

TECHNOLOGY

- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Security and Compliance
- Digital Transformation Consulting

ADVISORY

- Business Succession Planning
- Insurance Services
- Forensic and Valuation Services
- Human Capital Management & Payroll Consulting
- Investment Banking
- Marketing & Design
- Public Relations
- Retirement Plan Services
- Supply Chain
- Transaction Advisory Services
- Wealth Management

** Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC.*

*** Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.*

FIRM PROFILE

CERTIFICATIONS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center and the Employee Benefit Plan Audit Quality Center. We adhere to the strict requirements of membership which assure we meet the highest standards of audit quality. In 2017 Sikich LLP received its 10th consecutive unmodified ("pass") peer review report, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

AWARDS

2018-2020 AWARDS

- 2020 & 2019 Oracle® NetSuite 5 Star Award
- 2019/2020 & 2018/2019 Inner Circle for Microsoft Dynamics
- *Accounting Today* Top 100 Firms - ranked top 30 nationally
- *Accounting Today* Top 100 Value Added Reseller Stars (VARs) 2020 - ranked #5
- Best Places to Work in Illinois
- Best Places to Work in Indiana
- Milwaukee's Best and Brightest Companies to Work For®
- Chicago's Best and Brightest Companies to Work For®
- Boston's Best and Brightest Companies to Work For®
- Bob Scott's Top 100 VARs 2020 - ranked #5

2017 AWARDS

- Bob Scott's Top 100 (VARs) - ranked #7
- *Accounting Today* Top 100 VARs - ranked #6
- Vault Accounting Top Ranked
- When Work Works Award
- WorldatWork Work-Life Seal of Distinction
- Microsoft Dynamics Inner Circle and President's Club
- Best Places to Work in Illinois
- Milwaukee's 101 Best and Brightest Companies to Work For®
- Best Places to Work in Indiana
- Chicago's 101 Best and Brightest Companies to Work For®
- *Milwaukee Journal Sentinel* Top Workplaces in Milwaukee
- *Chicago Tribune's* Top Workplaces
- *Crain's List* Chicago's Largest Privately Held Companies - ranked #234
- Boston's 101 Best and Brightest Companies to Work For®
- National Best and Brightest in Wellness
- National Best and Brightest Companies to Work For

2019/2020
INNERCIRCLE
for Microsoft Business Applications

SIKICH IS PROUD TO BE PART OF:

PRIMEGLOBAL

PrimeGlobal is one of the top five largest associations of independent accounting firms in the world, providing a wide range of tools and resources to help member firms furnish superior accounting, auditing, and management services to clients around the globe.