



## **VILLAGE OF HUNTLEY, ILLINOIS**

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AUDITOR'S COMMUNICATION TO THE  
BOARD OF TRUSTEES

For the Year Ended December 31, 2019



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**VILLAGE OF HUNTLEY, ILLINOIS**  
**AUDITOR’S COMMUNICATION TO THE**  
**BOARD OF TRUSTEES**  
**TABLE OF CONTENTS**

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	<u>Page(s)</u>
COVER LETTER .....	1
REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE .....	2-7
• Adjusting Journal Entries	
MANAGEMENT LETTER.....	8-13
FIRM PROFILE	

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

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May 20, 2020

The Honorable President  
Members of the Board of Trustees  
Village of Huntley  
10987 East Main Street  
Huntley, Illinois 60142

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 January 10, 2020.

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

This information is intended solely for the use of the President, Board of Trustees and management of the Village of Huntley and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

*Sikich LLP*

Sikich LLP  
Frederick G. Lantz, CPA  
Partner-in-Charge, Government Services

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

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May 20, 2020

The Honorable Village President  
Members of the Board of Trustees  
Village of Huntley, 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 Village of Huntley, Illinois (the Village) for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government 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 December 4, 2019. 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. The significant accounting policies used by the Village 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 year ended December 31, 2019, except for the implementation for GASB Statement No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. We noted no transactions entered into by the Village 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. We noted no particularly sensitive estimates made by management during our audit of the basic financial statements except for the actuarial assumptions used to calculate the total pension and OPEB liabilities and the repayment of the interfund loan by the Downtown TIF fund.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We noted no particularly sensitive disclosures during the audit of our financial statements. The financial statement disclosures are neutral, consistent, and clear.

## **Difficulties Encountered in Performing the Audit**

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

## **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. 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 each opinion unit's financial statements taken as a whole, except for AJE#07.

## **Disagreements with Management**

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

## **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated May 20, 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 Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village's 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 Management's Discussion and Analysis and the other Required Supplementary Information which is 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, as listed in the table of contents, which accompany the basic financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary 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 Introductory Section and Statistical Sections of the CAFR, which accompany the 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 Board of Trustees and the management of the Village, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

*Sikich LLP*

Sikich LLP

By: Frederick G. Lantz, CPA

Partner-in-Charge, Government Services

**VILLAGE OF HUNTLEY-00**

Year End: December 31, 2019

**Adjusting Journal Entries**

Date: 1/1/2019 To 12/31/2019

Account No: AJE#01 To AJE#13

Number	Date	Name	Account No	Amount
AJE#01	12/31/2019	Change in Accrued Interest	920-00-00-2068 LTD-920	1,687.00
AJE#01	12/31/2019	Restricted Net Position	920-00-00-3035 LTD-920	(1,687.00)
		To adjust change in accrued interest from FY18		
AJE#02	12/31/2019	Deferred Outflows - ARO	510-00-00-1501 WO-510	518,470.93
AJE#02	12/31/2019	Asset Retirement Obligation	510-00-00-2226 WO-510	(525,000.00)
AJE#02	12/31/2019	Amortization Expense	510-60-65-8911 WO-510	6,529.07
		To book Assest Retirement Obligation		
AJE#03	12/31/2019	OPEB Expense	510-60-65-5501 WO-510	52,910.00
AJE#03	12/31/2019	Other Post Employment Benefits Payable	510-00-00-2070 WO-510	(52,910.00)
AJE#03	12/31/2019	OPEB Expense	520-60-65-5501 SO-520	20,947.00
AJE#03	12/31/2019	Other Post Employment Benefits Payable	520-00-00-2070 SO-520	(20,947.00)
AJE#03	12/31/2019	OPEB Expense-General Government	920-00-00-5240 LTD-920	44,065.00
AJE#03	12/31/2019	OPEB Expense-Public Safety	920-50-00-5245 LTD-920	121,025.00
AJE#03	12/31/2019	OPEB Expense-Highways & Streets	920-50-00-5250 LTD-920	43,445.00
AJE#03	12/31/2019	Other Post Employment Benefits Payable	920-00-00-2070 LTD-920	(208,535.00)
		To adjust OPEB		
AJE#04	12/31/2019	Deferred Inflow Police Pension	920-00-00-2004 LTD-920	94,898.00
AJE#04	12/31/2019	Deferred Outflow Police Pension	920-00-00-1510 LTD-920	(195,408.00)
AJE#04	12/31/2019	Net Pension Liability Police Pension	920-00-00-2230 LTD-920	(290,261.00)
AJE#04	12/31/2019	Pension Expense - Public Safety	920-50-00-5275 LTD-920	390,771.00
		To adjust for GASB 68 for Police Pension		
AJE#05	12/31/2019	Deferred Inflow IMRF	510-00-00-2009 WO-510	118,082.00
AJE#05	12/31/2019	Deferred Outflow IMRF	510-00-00-1500 WO-510	183,531.00
AJE#05	12/31/2019	Net Pension Liability IMRF	510-00-00-2225 WO-510	(360,927.00)
AJE#05	12/31/2019	Pension Expense- IMRF	510-60-65-5500 WO-510	59,314.00
AJE#05	12/31/2019	Deferred Inflow IMRF	520-00-00-2009 SO-520	107,336.00
AJE#05	12/31/2019	Deferred Outflow IMRF	520-00-00-1500 SO-520	224,172.00
AJE#05	12/31/2019	Net Pension Liability IMRF	520-00-00-2225 SO-520	(420,512.00)
AJE#05	12/31/2019	Pension Expense- IMRF	520-60-65-5500 SO-520	89,004.00
AJE#05	12/31/2019	Deferred Inflow IMRF	920-00-00-2009 LTD-920	321,413.00
AJE#05	12/31/2019	Deferred Outflow IMRF	920-00-00-1500 LTD-920	585,534.00
AJE#05	12/31/2019	Net Pension Liability IMRF	920-00-00-2225 LTD-920	(1,121,001.00)
AJE#05	12/31/2019	Pension Expense - General Government	920-00-00-5270 LTD-920	111,062.00
AJE#05	12/31/2019	Pension Expense - Public Safety	920-50-00-5275 LTD-920	25,098.00
AJE#05	12/31/2019	Pension Expense - Highway and Streets	920-60-00-5280 LTD-920	77,894.00
		To adjust for IMRF for GASB 68		

Number	Date	Name	Account No	Amount
AJE#06	12/31/2019	Accounts Payable	510-00-00-2010 WO-510	(12,275.90)
AJE#06	12/31/2019	Electricity	510-60-65-6480 WO-510	12,275.90
AJE#06	12/31/2019	Accounts Payable	520-00-00-2010 SO-520	(16,977.96)
AJE#06	12/31/2019	Electricity	520-60-66-6480 SO-520	16,977.96
		To record accounts payable for December Direct Energy invoice		
AJE#07	12/31/2019	Depreciation Expense - General Government	520-60-66-8910 SO-520	717,788.00
AJE#07	12/31/2019	Accumulated Depreciation - Infrastructure	520-00-00-1890 SO-520	(717,788.00)
		To adjust Wastewater Depreciation		
AJE#08	12/31/2019	Salaries Payable	100-00-00-2011 GF-100	24,278.94
AJE#08	12/31/2019	Full-Time Salaries	100-20-10-5010 GF-100	(1,473.36)
AJE#08	12/31/2019	Full-Time Salaries	100-20-21-5010 GF-100	(198.35)
AJE#08	12/31/2019	Full-Time Salaries	100-20-22-5010 GF-100	(178.27)
AJE#08	12/31/2019	Full-Time Salaries	100-30-00-5010 GF-100	(940.53)
AJE#08	12/31/2019	Overtime	100-30-00-5030 GF-100	(8.79)
AJE#08	12/31/2019	Full-Time Salaries	100-50-00-5010 GF-100	(14,355.84)
AJE#08	12/31/2019	Overtime	100-50-00-5030 GF-100	(747.78)
AJE#08	12/31/2019	Full-Time Salaries	100-60-10-5010 GF-100	(678.15)
AJE#08	12/31/2019	Full-Time Salaries	100-60-61-5010 GF-100	(2,363.29)
AJE#08	12/31/2019	Overtime	100-60-61-5030 GF-100	(225.46)
AJE#08	12/31/2019	Full-Time Salaries	100-60-62-5010 GF-100	(674.34)
AJE#08	12/31/2019	Full-Time Salaries	100-70-00-5010 GF-100	(2,434.78)
AJE#08	12/31/2019	Salaries Payable	510-00-00-2011 WO-510	3,560.00
AJE#08	12/31/2019	Full-Time Salaries	510-60-65-5010 WO-510	(3,353.56)
AJE#08	12/31/2019	Overtime	510-60-65-5030 WO-510	(206.44)
AJE#08	12/31/2019	Salaries Payable	520-00-00-2011 SO-520	3,467.05
AJE#08	12/31/2019	Full-Time Salaries	520-60-66-5010 SO-520	(3,263.18)
AJE#08	12/31/2019	Overtime	520-60-66-5030 SO-520	(203.87)
		To reverse 2018 accrued payroll		
AJE#09	12/31/2019	Depreciation Expense - General Government	510-60-65-8910 WO-510	(61,521.00)
AJE#09	12/31/2019	Gain/Loss on Sale of Asset	510-60-66-8915 WO-510	61,521.00
		To record loss on disposal of "Well #10 Removal & Replacement"		
AJE#10	12/31/2019	Accounts Receivable - Water and Sewer	515-00-00-1218 WCD-515	10,267.00
AJE#10	12/31/2019	Infrastructure Maintenance Fee	515-00-00-4618 WCD-515	(10,267.00)
		To record increase in water Infrastructure Capital A/R		
AJE#11	12/31/2019	Property Tax Receivable	760-00-00-1230 SSA-760	397,001.00
AJE#11	12/31/2019	Deferred Property Taxes	760-00-00-2006 SSA-760	(397,001.00)
AJE#11	12/31/2019	Property Tax Receivable	770-00-00-1230 SSA-770	329,000.00
AJE#11	12/31/2019	Deferred Property Taxes	770-00-00-2006 SSA-770	(329,000.00)
AJE#11	12/31/2019	Property Tax Receivable	780-00-00-1230 SSA-780	378,003.00
AJE#11	12/31/2019	Deferred Property Taxes	780-00-00-2006 SSA-780	(378,003.00)



Number	Date	Name	Account No	Amount
AJE#11	12/31/2019	Property Tax Receivable	790-00-00-1230 SSA-790	955,000.00
AJE#11	12/31/2019	Deferred Property Taxes	790-00-00-2006 SSA-790	(955,000.00)
AJE#11	12/31/2019	Property Tax Receivable	710-00-00-1230 SSA-710	534,998.00
AJE#11	12/31/2019	Deferred Propety Taxes	710-00-00-2006 SSA-710	(534,998.00)
		To record SSA Receivable and Deferred Revenue		
AJE#12	12/31/2019	Accounts Payable	440-00-00-2010 DTF-440	5,111.90
AJE#12	12/31/2019	Downtown Improvements	440-00-00-8007 DTF-440	(5,111.90)
AJE#12	12/31/2019	Engineering Services	100-60-10-6120 GF-100	5,111.90
AJE#12	12/31/2019	Accounts Payable	100-00-00-2010 GF-100	(5,111.90)
		To move costs for FY20 project		
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	100-00-00-1020 GF-100	4,981.60
AJE#13	12/31/2019	Police Fines & Fees	100-00-00-4515 GF-100	(4,981.60)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	100-00-00-1020 GF-100	4,900.15
AJE#13	12/31/2019	Building Permits	100-00-00-4310 GF-100	(4,900.15)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	100-00-00-1020 GF-100	2,854.24
AJE#13	12/31/2019	Miscellaneous Revenue	100-00-00-4790 GF-100	(2,854.24)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	510-00-00-1020 WO-510	11,000.00
AJE#13	12/31/2019	Water Use Charges	510-00-00-4610 WO-510	(11,000.00)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	520-00-00-1020 SO-520	10,637.75
AJE#13	12/31/2019	Wastewater Use Charges	520-00-00-4620 SO-520	(10,637.75)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	510-00-00-1020 WO-510	1,000.00
AJE#13	12/31/2019	Water Use Charges	510-00-00-4610 WO-510	(1,000.00)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	520-00-00-1020 SO-520	1,235.06
AJE#13	12/31/2019	Wastewater Use Charges	520-00-00-4620 SO-520	(1,235.06)
AJE#13	12/31/2019	Cash - BMO Harris Bank Corporate	100-00-00-1020 GF-100	1,296.15
AJE#13	12/31/2019	Unrealized Gain/Loss Investment	100-00-00-4709 GF-100	(1,296.15)
		To reconcile BMO Harris cash		

**VILLAGE OF HUNTLEY, ILLINOIS**

**MANAGEMENT LETTER**

December 31, 2019

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

**SIKICH.COM**

The Honorable Village President  
Members of the Board of Trustees  
Village of Huntley, Illinois

Ladies and Gentlemen,

In planning and performing our audit of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Huntley, Illinois (the Village), as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified certain matters that are opportunities for strengthening internal controls and operating efficiency, of which management should be aware. In addition, we reviewed the status of the management letter comments for the period ended December 31, 2018.

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

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

This report is intended solely for the information and use of the President, the Board of Trustees and management and should not be used by anyone other than these specified parties.

*Sikich LLP*

Naperville, Illinois  
May 20, 2020

## **DEFICIENCY**

### **Escrow Recapture Fund Balance**

During the implementation of GASB 84, the Village was required to reclassify the Escrow Recapture fund from an Agency fund, where no net position is reported, to a Governmental fund. As a result, the balance of \$102,828 that was reported as a liability is now reported as fund balance assigned for future capital projects. We recommend that the Village investigate the source of the fund balance to determine how it can be used.

### **Management Response**

Staff is currently analyzing this dollar amount to determine what it can be budgeted for during the FY2021 budget process.

## **OTHER COMMENTS**

### **Future Accounting Pronouncements**

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 December 31, 2020. 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 December 31, 2021.

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; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; 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 December 31, 2021 and thereafter, except for the requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.

## **OTHER COMMENTS (Continued)**

### **Future Accounting Pronouncements (Continued)**

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 reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* was issued to address issues related to accounting and reporting for public-private and public-public partnership arrangements (PPPs). 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 also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement is effective for fiscal year ending December 30, 2023.

## APPENDIX A

### STATUS OF COMMENTS FROM DECEMBER 31, 2018

#### DEFICIENCIES

##### 1. Journal Entry Review and Approval

During our documentation of internal controls we noted that, due in part to system limitations, there are no controls in place to have someone review a journal entry before it is posted. The person who creates the journal entry also posts the journal entry. We recommend that compensating controls continue to be put in place including review and approval of interim reports and financial statements. In addition, we recommend that the list of journal entries posted be printed out, reviewed and saved on a monthly basis after each month end close process.

**Status:** Comment has been implemented for the year ended December 31, 2019.

##### 2. User Access Controls

We reviewed user access levels and noted that both the Finance Director and Assistant Finance Director have system administrator access and are also the primary finance employees. System administrator access should be controlled by an employee outside of Finance. In addition, we noted that five employees have access to enter and post journal entries in addition to the Finance Director and Accounting Supervisor.

We recommend that the Village review employees who have the ability to enter and post entries.

**Status:** Comment has been implemented for the year ended December 31, 2019 with the new system and the management response below.

#### Management Response

In the New World System Security, users cannot be deleted, only inactivated, ensuring that the user's work activity remains in the system and is never deleted, therefore providing a secure audit trail. The New World software does not allow for the deletion of payroll or accounts payable checks. This is true in all Financial Management New World modules.

Revenue Collection codes - cannot be deleted only inactivated

Vendors - cannot be deleted only inactivated

Employees - cannot be deleted - only inactivated

Hours codes - cannot be deleted only inactivated

All user and system administrator changes in all activities are time stamped.

# 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

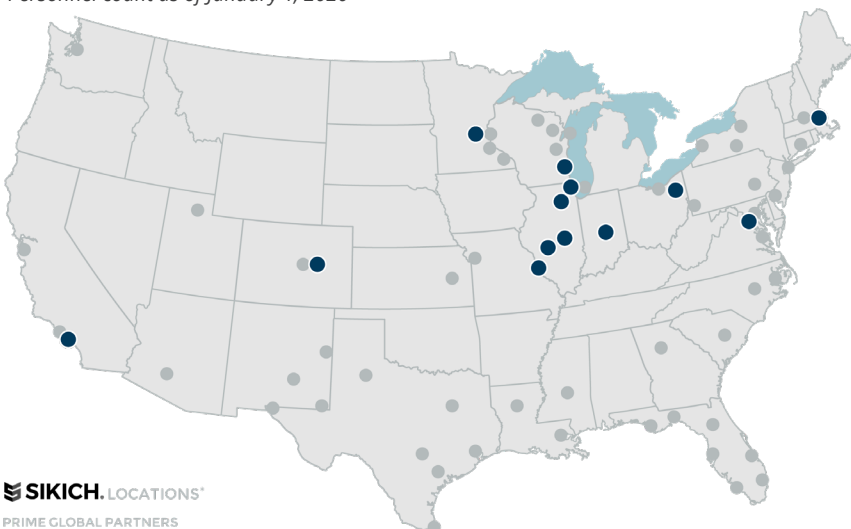
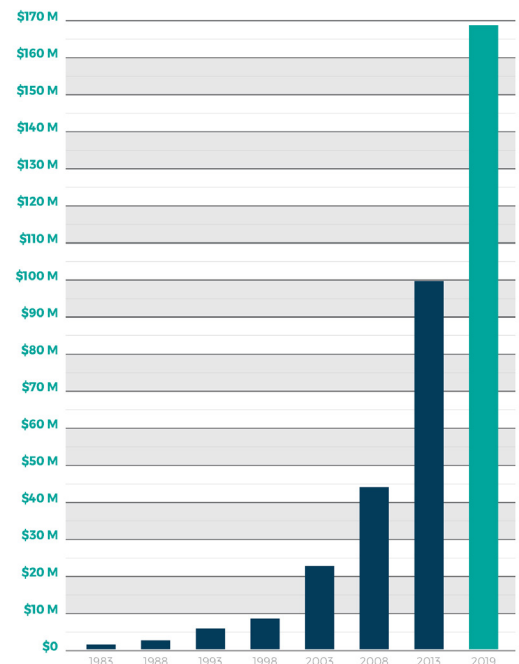
Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

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

## SIKICH TOTAL REVENUE



● SIKICH LOCATIONS\*  
 ● PRIME GLOBAL PARTNERS

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

## 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.



## 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
- 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 Value Added Reseller Stars (VARs)-ranked #8

### 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.

