

VILLAGE OF ANTIOCH, ILLINOIS

MANAGEMENT LETTER

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2020**



October 22, 2020

The Honorable Village Mayor
Members of the Board of Trustees
Village of Antioch, Illinois

In planning and performing our audit of the financial statements of the Village of Antioch (Village), Illinois, for the year ended April 30, 2020, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Finance Committee, Board of Trustees, management, and others within the Village of Antioch, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Village personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well-prepared audit package and we appreciate the courtesy and assistance given to us by the entire Village staff.

Lauterbach & Amen, LLP

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CURRENT RECOMMENDATION

1. **ESCROW DEPOSITS**

Comment

During our current year-end audit procedures, we noted that the Village does not reconcile escrow deposits to the general ledger on a monthly basis.

Recommendation

We recommend that the Village reconcile the escrow deposits on a monthly basis.

Management Response

Management reconciles escrow deposits as needed; however, we acknowledge this comment and will work to correct it in the coming year.

PRIOR RECOMMENDATIONS

1. **FUNDS OVER BUDGET**

Comment

Previously and during our current year-end audit procedures, we noted funds with an excess of actual expenditures/expenses over budget for the fiscal year. Funds over budget for April 30, 2019 and April 30, 2020 are as follows:

Fund	4/30/19	4/30/20
Tax Increment Financing	\$ -	9,384
Capital Projects	-	387,568
Drug Seizure	19,000	13,946
Waterworks and Sewerage	54,421	-

Recommendation

We recommended the Village review the over budget funds to determine appropriate future budgeting and the potential need to make supplemental budget amendments for unforeseen transactions.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Funds over budget are related to unanticipated expenses, including a bond refunding in the Capital Projects Fund.

2. **FUNDS WITH DEFICIT FUND BALANCE**

Comment

Previously and during our current year-end audit procedures, we noted the following funds with deficit fund balance:

Fund	4/30/19	4/30/20
Capital Projects	\$ (1,258)	-
Route 83 Redevelopment Tax Increment Financing	(142,835)	(144,706)
East Business District	(3,144)	-
Central Business District	-	(55,200)

Recommendation

We recommended the Village investigate the causes of the deficits and adopt appropriate future funding measures.

PRIOR RECOMMENDATIONS – Continued

2. **FUNDS WITH DEFICIT FUND BALANCE**

Management Response

At the time of this audit, these new funds did not generate sufficient revenues to cover the expenses required to establish the TIF redevelopment area and the Central Business District.