

VILLAGE OF NORTH RIVERSIDE,
ILLINOIS

MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED
APRIL 30, 2020



January 26, 2021

The Honorable Village President
Members of the Board of Trustees
Village of North Riverside, Illinois

In planning and performing our audit of the financial statements of the Village of North Riverside (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 Board of Trustees, management, and others within the Village of North Riverside, 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

LAUTERBACH & AMEN, LLP

PRIOR RECOMMENDATIONS

1. COLLATERALIZATION OF DEPOSITS

Comment

Previously, at April 30, 2019 the bank balances were \$2,304,290, of which only \$2,108,776 were insured or collateralized. There was a balance of \$195,514 which was not insured or collateralized.

Recommendation

Consideration should be given to having all bank deposits insured or collateralized.

Status

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

2. FUND NOT IN COMPLIANCE WITH FUND BALANCE POLICY

Comment

Previously, we noted the following fund with net position that was not in compliance with the Board approved fund balance/net position policy:

	Per 2019 Budget	Unrestricted Fund Balance per CAFR	Amount Not In Compliance
Health Insurance Fund			
Minimum			
Budgeted Operating Expenditures			
X's 3/12 per Policy	\$ 725,750	180,992	544,758

Recommendation

We recommended the Village investigate the net position and adopt future budgets to address these items not in compliance.

Status

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