BKD
CPAs & Advisors

1901 S. Meyers Road, Suite 500 | Oakbrook Terrace, IL 60181-5209
630.282.9500 | Fax 630.282.9495 | bkd.com

Board of Trustees and Management
Village of La Grange Park
La Grange Park, Illinois

As part of our audit of the financial statements of the Village of La Grange Park as of and for the year ended April 30, 2019, we wish to communicate the following to you.

AUDIT SCOPE AND RESULTS

Auditor's Responsibility Under Auditing Standards Generally Accepted in the United States of America and the Standards Applicable to Financial Audits Contained in Government Auditing Standards *Issued by the Comptroller General of the United States*

An audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States is designed to obtain reasonable, rather than absolute, assurance about the financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the opinion unit being audited. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the financial statements does not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Qualitative Aspects of Significant Accounting Policies and Practices

Significant Accounting Policies

The Village's significant accounting policies are described in Note 1 of the audited financial statements.

As discussed in Note 11 of the audited financial statements, for 2019 the Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

Alternative Accounting Treatments

We had no discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices for material items, including recognition, measurement and disclosure considerations related to the accounting for specific transactions as well as general accounting policies.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. The following areas involve significant estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates:

- Pension and other postemployment benefit costs and liabilities are based on actuarial assumptions and are subject to uncertainties of future events.

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Long-term debt obligations of the Village, including future maturities
- Other post-employment benefits and pension benefits under Illinois Municipal Retirement Fund and the Village's Police Pension Fund.
- Restatement due to adoption of accounting standard

Audit Adjustments

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments which, in its judgment, are required to prevent the financial statements from being materially misstated. Some adjustments proposed were not recorded because their aggregate effect is not currently material; however, they involve areas in which adjustments in the future could be material, individually or in the aggregate.

Proposed Audit Adjustments Recorded

- None

Proposed Audit Adjustments Not Recorded

- In the current year, the Village noted that the Net Investment Income as reported by IMRF in their CAFR was different from the Net Investment Income per the actuarial valuation. This difference would have an impact in the Net Pension Liability, Deferred Outflows for Pensions and Pension expense line items. The Village chose to record the Net Pension Liability, Deferred Outflows for Pensions and Pension expense based on the actuarial valuation. The proposed entries as, had the amounts been recorded based on IMRF's CAFR, have been attached to this letter within the summary of uncorrected misstatements we aggregated during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements as a whole.

Auditor's Judgments About the Quality of the Village's Accounting Principles

During the course of the audit, we made the following observations regarding the Village's application of accounting principles:

- No matters are reportable.

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (attached)

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements of the Village of La Grange Park as of and for the year ended April 30, 2019, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or 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.

We observed the following matter that we consider to be a significant deficiency.

Significant Deficiency

Strategic IT Plan and IT Policy

Comments: As in previous audits, we considered the processes and controls that were in place related to Information Technology (IT). The Village does not have a strategic IT plan and a comprehensive IT policy that deals with the following areas:

- Security and access to server room
- Back-up process and disaster recovery plan

We noted the following deficiency in the areas of security, back-up process and disaster recovery plan.

- The Village servers are located in an unlocked room. It is visible and can be accessed by the regular Village employees and visitors.
- The Village conducts daily back up of Village data and transactions into two servers that mirror each other that are located in the same location. The Village does not have a remote back-up location and does not have a formal and tested disaster recovery plan.

Recommendations: We recommend that the Village confer with its IT consultant to document and adopt a Strategic IT Plan and a comprehensive IT Policy that is suitable to the Village operation. The formal Strategic IT Plan and IT Policy should address the issue of security, back up and operational continuity.

Management Response: Village management recognizes the importance of maintaining the security of the Village's IT systems. As with all internal control programs, the costs of the controls must be weighed against the added benefits. Village management has consulted with the Village auditors and the Village's IT service provider and is in the process of determining how to best implement these recommendations within the constraints of the Village's financial and staffing resources. The Village is currently completing the installation of a fiber based network between Village facilities that will increase backup capabilities.

OTHER MATTERS

Although not considered material weaknesses, significant deficiencies or deficiencies in internal control over financial reporting, we observed the following matters and offer these comments and suggestions with respect to matters which came to our attention during the course of the audit of the financial statements. Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist. However, these matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving financial and administrative practices and procedures. We can discuss these matters further at your convenience and may provide implementation assistance for changes or improvements.

New Accounting Pronouncements

GASB Statement No. 83, **Certain Asset Retirement Obligations** *(GASB 83)*

GASB 83 addresses accounting and financial reporting for certain asset retirement obligations (ARO). This statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. This statement requires that recognition occurs when the liability is both incurred and reasonably estimable, and it also requires the measurement of an ARO be based on the best estimate of the current value of outlays expected to be incurred. This statement also requires disclosure about the nature of a government's AROs, the methods and assumptions used for the estimated of the liabilities, and the estimated remaining useful life of the associated tangible capital asset.

The provisions of this statement are effective for financial statements for the Village's fiscal year ending April 30, 2020.

GASB Statement No. 84, **Fiduciary Activities** *(GASB 84)*

GASB 84 establishes criteria for identifying fiduciary activities. It presents separate criteria for evaluating component units, pension and other postemployment benefit arrangements and other fiduciary activities. The focus is on a government controlling the assets of the fiduciary activity and identification of the beneficiaries of those assets. Fiduciary activities are reported in one of four types of funds: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds or custodial funds. Custodial funds are used to report fiduciary activities that are not held in a trust. The agency fund designation will no longer be used. GASB 84 also provides guidance on fiduciary fund statements and timing of recognition of a liability to beneficiaries.

GASB 84 is effective for financial statements for fiscal years beginning after December 15, 2018. Earlier application is encouraged.

GASB Statement No. 87, **Leases** *(GASB 87)*

In June 2017, GASB published Statement No. 87, *Leases*. The standard was the result of a multi-year project to reexamine the accounting and financial reporting for leases. The new standard establishes a single model for lease accounting based on the principle that leases represent the financing of the right to use an underlying asset. Specifically, GASB 87 includes the following accounting guidance for lessees and lessors:

Lessee Accounting **-** A lessee will recognize a liability measured at the present value of payments expected to be made for the lease term and an intangible asset measured at the amount of the initial lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. A lessee will reduce the liability as payments are made and recognize an outflow of resources for interest on the liability. The asset will be amortized by the lessee over the shorter of the lease term or the useful life of the asset.

Lessor Accounting **-** A lessor will recognize a receivable measured at the present value of the lease payments expected for the lease term and a deferred inflow of resources measured at the value of the lease receivable plus any payments received at or prior to the beginning of the lease that relate to future periods. The lessor will reduce the receivable as payments are received and recognize an inflow of resources from the deferred inflow of resources in a systematic and rational manner over the term of the lease. A lessor will not derecognize the asset underlying the lease. There is an exception for regulated leases for which certain criteria are met, such as airport-aeronautical agreements.

The lease term used to measure the asset or liability is based on the period in which the lessee has the noncancelable right to use the underlying asset. The lease term also contemplates any lease extension or termination option that is reasonably certain of being exercised.

GASB 87 does not apply to leases for intangible assets, biological assets (*i.e.*, timber and living plants and animals), service concession agreements or leases in which the underlying asset is financed with conduit debt that is reported by the lessor. Additionally, leases with a maximum possible term of 12 months or less are excluded.

The effective date is for periods beginning after December 15, 2019. It is anticipated that leases would be recognized using the facts and circumstances in effect at the beginning of the period of implementation.

GASB Statement No. 88, **Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements *(GASB 88)***

GASB 88 provides a definition of "debt" for the purposes of note disclosures. That definition is "a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established." This definition is key to knowing what liabilities are included in the disclosure requirements.

The new disclosure requirements include, if material, the amount of unused lines of credit, assets pledged as collateral for debt and certain debt agreement terms. In addition, the standard requires separate disclosures for direct borrowings from other debt. A nonauthoritative, illustrative disclosure is included in an appendix to the Statement.

The requirements of this Statement are effective for periods beginning after June 15, 2018. Earlier application is encouraged.

GASB Statement No. 89, **Accounting for Interest Cost Incurred Before the End of a Construction Period *(GASB 89)***

GASB 89 requires financial statements prepared using the economic resources measurement focus to recognize interest cost incurred before the end of a construction period as an expense in the period in which the cost is incurred. Such interest cost will not be capitalized as part of the historical cost of a capital asset.

It also requires that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period is to be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

GASB 89 is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB Statement No. 90,* Majority Equity Interests - an Amendment of GASE Statements No. 14 and No. 61 *(GASE 90)

GASB 90 defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method.

This Statement also provides guidance for a component unit in which a government has a 100% equity interest.

GASB 90 is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

GASB Statement No. 91,* Conduit Debt Obligations *(GASB 91)

GASB 91 establishes consistent recognition, measurement and disclosure between governments for conduit debt obligations. The guidance clarifies the existing definition of a conduit debt obligation, establishes a single method of reporting for issuers and enhances note disclosures.

GASB 91 is effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

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

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This communication is intended solely for the information and use of management, the Village Board, others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

Oakbrook Terrace, Illinois
October 10, 2019

VILLAGE OF
LA GRANGE PARK
EST. 1892

October 10, 2019

BKD, LLP
Certified Public Accountants
1901 S. Meyers Road, Suite 500
Oakbrook Terrace, Illinois 60181

We are providing this letter in connection with your audits of our financial statements as of and for the year ended April 30, 2019. We confirm that we are responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, operations and compliance, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following:

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated March 14, 2019, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.

2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

4. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.

447 N. Catherine Avenue, La Grange Park, Illinois 60526-2099
708/354-0225 * Fax 708/354-0241 * www.lagrangepark.org

5. We have provided you with:

   (a) Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters.

   (b) Additional information that you have requested from us for the purpose of the audit.

   (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

   (d) All minutes of meetings of the board of trustess held through the date of this letter.

   (e) All significant contracts and grants.

6. All transactions have been recorded in the accounting records and are reflected in the financial statements.

7. We have informed you of all current risks of a material amount that are not adequately prevented or detected by entity procedures with respect to:

   (a) Misappropriation of assets.

   (b) Misrepresented or misstated assets, liabilities or net position.

8. We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

9. We have no knowledge of any known or suspected:

   (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.

   (b) Fraudulent financial reporting or misappropriation of assets involving others that could have a material effect on the financial statements.

10. We have no knowledge of any allegations of fraud or suspected fraud affecting the Village received in communications from employees, customers, regulators, suppliers or others.

11. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America. We understand that the term related party refers to an affiliate;

management, and members of their immediate families, component units; and any other party with which the entity may deal if it can significantly influence, or be influenced by, the management or operating policies of the other. The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with us.

12. Except as reflected in the financial statements, there are no:

    (a) Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.

    (b) Material transactions omitted or improperly recorded in the financial statements.

    (c) Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.

    (d) Events occurring subsequent to the balance sheet date through the date of this letter requiring adjustment or disclosure in the financial statements.

    (e) Agreements to purchase assets previously sold.

    (f) Restrictions on cash balances or compensating balance agreements.

    (g) Guarantees, whether written or oral, under which the Village is contingently liable.

13. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

14. We have no reason to believe the Village owes any penalties or payments under the Employer Shared Responsibility Provisions of the Patient Protection and Affordable Care Act nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.

15. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

16. Adequate provisions and allowances have been accrued for any material losses from:

    (a) Uncollectible receivables.

(b) Purchase commitments in excess of normal requirements or above prevailing market prices.

17. Except as disclosed in the financial statements, we have:

(a) Satisfactory title to all recorded assets, and they are not subject to any liens, pledges or other encumbrances.

(b) Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

18. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

19. With regard to deposit and investment activities:

(a) All deposit, repurchase and reverse repurchase agreements and investment transactions have been made in accordance with legal and contractual requirements.

(b) Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.

(c) We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.

20. With respect to any nonattest services you have provided us during the year, including assisting with the preparation of the draft financial statements.

(a) We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.

(b) We have established and monitored the performance of the nonattest services to ensure that they meet our objectives.

(c) We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.

(d) We have evaluated the adequacy of the services performed and any findings that resulted.

21. We acknowledge that we are responsible for compliance with applicable laws, regulations and provisions of contracts and grant agreements.

22. We have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.

23. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.

24. The financial statements disclose all significant estimates and material concentrations known to us. Significant estimates are estimates at the balance sheet date which could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events <u>could</u> occur which would significantly disrupt normal finances within the next year. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

25. The fair values of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto are reasonable estimates based on the methods and assumptions used. The methods and significant assumptions used result in measurements of fair value appropriate for financial statement recognition and disclosure purposes and have been applied consistently from period to period, taking into account any changes in circumstances. The significant assumptions appropriately reflect market participant assumptions.

26. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, (budgetary comparisons, pension, and other postemployment benefit information), has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.

27. With regard to supplementary information:

    (a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria.

    (b) We believe the supplementary information is fairly presented, both in form and content, in accordance with the applicable criteria.

    (c) The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period.

(d) We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.

(e) If the supplementary information is not presented with the audited financial statements, we acknowledge we will make the audited financial statements readily available to intended users of the supplementary information no later than the date such information and the related auditor's report are issued.

Julia Cedillo, Village Manger

Larry Noller, Finance Director

Village of LaGrange Park

ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflects the effects on the financial statements if the uncorrected misstatements identified were corrected.

Governmental Activities (Government-Wide Statements)

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Total Assets & Deferred Outflows	32,189,433		32,189,433	
Total Liabilities & Deferred Inflows	(28,109,281)	29,873	(28,079,408)	-0.11%
Total Net Position	(4,080,152)	(29,873)	(4,110,025)	0.73%
General Revenues & Transfers	(10,382,202)		(10,382,202)	
Net Program Revenues/ Expenses	8,029,295	4,586	8,033,881	0.06%
Change in Net Position	(2,352,907)	4,586	(2,348,321)	-0.19%

<u>Verify Debits and Credits have been entered correctly on the Menu-GA Tab</u>

Client: Village of LaGrange Park

Period Ending: April 30, 2019

Governmental Activities (Government-Wide Statements)

SCHEDULE OF UNCORRECTED MISSTATEMENTS (ADJUSTMENTS PASSED)

Description	Financial Statement Line Item	Factual (F), Judgmental (J), Projected (P)	Assets DR (CR)	Liabilities DR (CR)	General Revenues & Transfers DR (CR)	Net Program Revenues/ Expenses DR (CR)	Net Position DR (CR)	Net Effect on Following Year: *Change in Net Position* DR (CR)	Net Effect on Following Year: *Net Position* DR (CR)
To adjust Net Pension Liability and Deferred Outflows of Resources to balance per audit		F	0	29,873	0	4,586	(34,459)	0	0
	Net Pension Liability			26,993					
	Net Position						(34,459)		
	Deferred Outflows of Resources - Pension			2,880					
	Pension Expense					4,586			
To record current year portion of total OPEB liability		J	0	0	0	0	0	0	0
	Current portion of total OPEB liability			(72,056)					
	Long term portion of total OPEB liability			72,056					
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0

Total passed adjustments	0	29,873	0	4,586	(34,459)	0	0

Impact on Change in Net Position	**4,586**
Impact on Net Position	**(29,873)**

Village of LaGrange Park

ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflects the effects on the financial statements if the uncorrected misstatements identified were corrected.

Business Type Activities (Government-Wide Statements)

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Total Assets & Deferred Outflows	20,067,798		20,067,798	
Total Liabilities & Deferred Inflows	(3,251,342)		(3,251,342)	
Total Net Position	(16,816,456)		(16,816,456)	
General Revenues & Transfers	(77,421)		(77,421)	
Net Program Revenues/ Expenses	(1,265,873)		(1,265,873)	
Change in Net Position	(1,343,294)		(1,343,294)	

Verify Debits and Credits have been entered correctly on the Menu-GA Tab

Client: Village of LaGrange Park
Period Ending: April 30, 2019

Business Type Activities (Government-Wide Statements)
SCHEDULE OF UNCORRECTED MISSTATEMENTS (ADJUSTMENTS PASSED)

Description	Financial Statement Line Item	Factual (F), Judgmental (J), Projected (P)	Assets DR (CR)	Liabilities DR (CR)	General Revenues & Transfers DR (CR)	Net Program Revenues/ Expenses DR (CR)	Net Position DR (CR)	Net Effect on Following Year: *Change in Net Position* DR (CR)	Net Effect on Following Year: *Net Position* DR (CR)
To record current year portion of total OPEB liability		J	0	0	0	0	0	0	0
	Current portion of total OPEB liability			(9,548)					
	Long term portion of total OPEB liability			9,548					
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
			0	0	0	0	0	0	0
Total passed adjustments			0	0	0	0	0	0	0

Impact on Change in Net Position	**0**
Impact on Net Position	**0**

Village of LaGrange Park

ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflects the effects on the financial statements if the uncorrected misstatements identified were corrected.

Water

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Current Assets	3,598,462		3,598,462	
Non-Current Assets & Deferred Outflows	6,300,674		6,300,674	
Current Liabilities	(280,364)	(9,548)	(289,912)	3.41%
Non-Current Liabilities & Deferred Inflows	(275,590)	9,548	(266,042)	-3.46%
Current Ratio	12.835		12.412	-3.30%

Total Assets & Deferred Outflows	9,899,136		9,899,136	
Total Liabilities & Deferred Inflows	(555,954)		(555,954)	
Total Net Position	(9,343,182)		(9,343,182)	

Operating Revenues	(3,950,382)		(3,950,382)	
Operating Expenses	3,141,356		3,141,356	
Nonoperating (Revenues) Exp	(50,176)		(50,176)	
Change in Net Position	(859,202)		(859,202)	

Client: Village of LaGrange Park

Period Ending: April 30, 2019

Water

SCHEDULE OF UNCORRECTED MISSTATEMENTS (ADJUSTMENTS PASSED)

Description	Financial Statement Line Item	Factual (F), Judgmental (J), Projected (P)	Assets & Deferred Outflows: *Current* DR (CR)	Assets & Deferred Outflows: *Non-Current* DR (CR)	Liabilities & Deferred Inflows: *Current* DR (CR)	Liabilities & Deferred Inflows: *Non-Current* DR (CR)	Operating Revenues DR (CR)	Operating Expenses DR (CR)	Nonoperating (Revenues) Exp DR (CR)	Net Position DR (CR)	Net Effect on Following Year: *Change in Net Position* DR (CR)	Net Effect on Following Year: *Net Position* DR (CR)
To record current year portion of total OPEB liability		J	0	0	(9,548)	9,548	0	0	0	0	0	0
	Current portion of total OPEB liability				(9,548)	0						
	Long term portion of total OPEB liability					9,548						
			0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0	0	0
Total passed adjustments			0	0	(9,548)	9,548	0	0	0	0	0	0

Impact on Change in Net Position	**0**
Impact on Net Position	**0**