

VILLAGE OF BARTLETT, ILLINOIS

MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED
APRIL 30, 2020



October 8, 2020

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

In planning and performing our audit of the financial statements of the Village of Bartlett (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 Bartlett, 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

CURRENT RECOMMENDATION

1. **FUNDS OVER BUDGET**

Comment

During our current year-end audit procedures, we noted that the following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year:

Fund	Excess
Debt Service	\$ 105,416
Parking	6,186

Recommendation

We recommend the Village investigate the causes of the funds over budget and adopt appropriate future funding measures.

Management Response

The Village board approved the refunding of the 2009 GO bonds during the year for a present value savings of \$439,622. Bond issuance costs of \$106,376 included in the new bonds were the reason for the Debt Service Fund being over budget. Overall, the Debt Service fund balance increase by \$72,449 for the year. Holiday lighting was added to the downtown parking area at a cost of \$6,925 that had not in the budget for the 2019/20 year. This expense has been added to the budget for the 2020/21 year.

PRIOR RECOMMENDATION

1. FUNDS WITH DEFICIT NET POSITION

Comment

Previously and during our current year-end audit procedures, we noted the following funds with deficit net position.

Fund	4/30/20	4/30/19
Water	\$ 1,348,229	3,682,317
Golf	279,343	-

Recommendation

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

Management Response

The Village completed a two-year project to begin receiving Lake Michigan water through the DuPage Water Commission in May of 2019. The cost of the project was just over \$41 million. The Village has paid the DuPage Water Commission \$13 million for a capital cost recovery charge and \$15 million for the construction of the commission's transmission line and meter station through loans from the DuPage Water Commission. The Water Fund equity was reduced by these payments as they did not produce a Village owned asset. Water rates have been increased over the last three years in anticipation of paying back the loans and will continue to be reviewed on an annual basis. The Golf Fund net position has continued to decrease due to the depreciation of its assets and the pandemic resulted in a loss of operating revenue the last two months of the fiscal year. The number of golfing rounds have picked up this summer and the course has continued to host high school tournaments and outings. Food & Beverage bookings had been increasing in the last year before emergency restrictions were put into place due to the pandemic. The staff is working to reschedule as many events as possible and to reduce expenses where it can.

Status

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