

**VILLAGE OF BEACH PARK, ILLINOIS**

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**MANAGEMENT LETTER**

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



August 25, 2020

The Honorable Village President  
Members of the Board of Trustees  
Village of Beach Park, Illinois

In planning and performing our audit of the financial statements of the Village of Beach Park (the 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, Finance Director and senior management of the Village of Beach Park, 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. FUNDS WITH DEFICIT FUND BALANCE

#### Comment

Previously and during our current year-end audit procedures, we noted funds with deficit fund balance. See the following funds and the April 30, 2020 fund balance compared to the April 30, 2019 fund balance:

<u>Fund</u>	<u>4/30/2020</u>	<u>4/30/2019</u>
Tax Increment Financing - Green Bay	\$ (82,108)	(177,611)
Tax Increment Financing - Sheridan Extension	(74,086)	(73,408)
Tax Increment Financing - Lewis	(47,202)	(72,236)

#### Recommendation

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

#### Status

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

#### Management Response

The negative fund balances are mainly due to set up costs from when the TIF districts were established. In addition, the county was calculating the increment incorrectly until 2015. All the TIF funds are receiving increment now, but it will take some time to eliminate the deficit fund balances. As you can see from the chart, the negative fund balances are improving year over year as increment is received. A Casey's General Store is slated to break ground soon in the Sheridan Road Original TIF. There is also an expansion of a Self Storage business that is scheduled to occur in 2020/2021. The village and the TIF Committee continue to work to minimize expenditures and attract development within the TIF districts.