



Certified Public Accountants & Consultants

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December 15, 2021

To Management
of the Village of Bourbonnais
Bourbonnais, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bourbonnais for the year ended April 30, 2021 and have issued our report thereon dated December 15, 2021. We conducted our audit 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.

In planning and performing our audit, we considered the Village of Bourbonnais' internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 of Bourbonnais' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Bourbonnais' internal control over financial reporting.

During our audit, we noted a certain matter involving internal control and other operational matters that are presented for your consideration. The following is a description of the matter noted:

Uncollateralized Deposits

During our audit, we noted the Village had deposits in excess of FDIC insurance coverage with no additional collateral. As of April 30, 2021, uncollateralized deposits totaled \$19,973. The Village maintains various accounts with seven different financial institutions. Per FDIC rules, Governments receive \$250,000 of coverage for all time/savings deposits, \$250,000 of coverage for all demand deposits, and \$250,000 of coverage for each bondholder for accounts restricted by a bond indenture. The Village's Asset Seizure checking account, Asset Seizure TRF checking account and Motor Fuel Tax Fund checking account are all interest-bearing accounts not restricted by a bond indenture. These accounts were held at the same financial institution and had a combined balance of \$269,973 on April 30, 2021, of which \$250,000 was covered by FDIC insurance.

The Village had not requested additional collateral from the financial institution to secure these funds.

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We recommend the Village request collateral from all financial institutions holding Village deposits in excess of FDIC insurance coverage amounts.

In addition, we identified certain material weaknesses that have been reported to you in our *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

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

Very truly yours,

A handwritten signature in cursive script that reads "Borschnack, Pelletier & Co.".

Borschnack, Pelletier & Co.