

**TRI-COM CENTRAL DISPATCH
ST. CHARLES, ILLINOIS**

**AUDITOR'S COMMUNICATION TO THE
MEMBERS OF THE BOARD OF DIRECTORS
AND MANAGEMENT**

For the Year Ended
April 30, 2017



TRI-COM CENTRAL DISPATCH
ST. CHARLES, ILLINOIS
AUDITOR'S COMMUNICATION TO THE BOARD OF DIRECTORS
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630.566.8400 // www.sikich.com

1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

September 11, 2017

Members of the Board of Directors
and Management
Tri-Com Central Dispatch
3823 Karl Madsen Drive
St. Charles, Illinois 60175

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by auditing standards. Our communication at the beginning of our audit process was sent to you on April 10, 2017.

Additionally, auditing standards require the communication of internal control related matters to those charged with governance. Our management letter, as well as a listing of future pronouncements that may affect Tri-Com, are enclosed within this document.

This information is intended solely for the use of the Board of Directors and management of Tri-Com Central Dispatch and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Sikich LLP

Sikich LLP
By: Anthony Cervini, CPA
Partner



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

September 11, 2017

Members of Board of Directors
and Management
Tri-Com Central Dispatch System
St. Charles, Illinois

Ladies and Gentlemen:

We have audited the financial statements of Tri-Com Central Dispatch (Tri-Com) for the year ended April 30, 2017. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 10, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Tri-Com are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ending April 30, 2017, with the exception of the implementation of GASB Statement No. 72, *Fair Value Measurement and Application*. We noted no transactions entered into by Tri-Com during the year for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no particularly sensitive estimates affecting the financial statements except for the actuarial assumptions used to calculate the net pension liability.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 11, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Tri-Com's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Tri-Com's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and other required supplementary information (RSI) listed in the table of contents that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information listed in the table of contents, which accompanies the basic financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Director and management of the Tri-Com and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Sikich LLP

Sikich LLP

By: Anthony M. Cervini, CPA

Partner

Tri-Com Central Dispatch

Year End: April 30, 2017

Adjusting Journal Entries

Date: 5/1/2016 To 4/30/2017

Number	Date	Name	Account No	Debit	Credit
AJE#01	4/30/2017	Fund Balance	236-291 TC-236	7,288.00	
AJE#01	4/30/2017	IMRF Pension Expense	236.85.86.00-525 TC-236		-7,288.00
		To correct beginning fund balance.			

TRI-COM CENTRAL DISPATCH

(CLIENT)

ENTERPRISE FUND
(FUND OR FUND TYPE)

For the Year Ended 4/30/2017

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets	(Liabilities)	(Net Position)	Change in Net Position
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period	Prior Year	\$ -	\$ -	\$ -	\$ -
To record OPEB liability		-	(31,320)	26,997	4,323
Totals		\$ -	\$ (31,320)	\$ 26,997	\$ 4,323

**TRI-COM CENTRAL DISPATCH
ST. CHARLES, ILLINOIS**

MANAGEMENT LETTER

April 30, 2017



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Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

Members of the Board of Directors
and Management
Tri-Com Central Dispatch
St. Charles, Illinois

In planning and performing our audit of the basic financial statements of the Tri-Com Central Dispatch, St. Charles, Illinois (Tri-Com) as of and for the year ended April 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing audit 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 its internal control. Accordingly, we do not express an opinion on the effectiveness of the Tri-Com Central Dispatch's internal control.

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 Tri-Com's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The memorandum that accompanies this letter summarizes our comment, which remains applicable, from the April 30, 2016 audit. This letter does not affect our report dated September 11, 2017, on the financial statements of Tri-Com.

This report is intended solely for information and use of the Board of Directors and management of Tri-Com and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
September 11, 2017

OTHER COMMENTS

Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued a number of pronouncements that will impact Tri-Com in the future.

GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria. The provisions in Statement No. 73 are effective for the fiscal year ending April 30, 2017—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement No. 68, which is applicable for the fiscal year ending April 30, 2018.

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, addresses reporting by OPEB plans that administer benefits on behalf of governments and replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement No. 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The statement builds upon the existing framework for financial reports of defined benefit OPEB plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement No. 74 enhances note disclosures and RSI for both defined benefit and defined contribution OPEB plans. Statement No. 74 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions in Statement No. 74 are effective for OPEB plan or sponsoring employer financial statements for the fiscal year ending April 30, 2018.

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments and replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as they relate to governments that provide benefits through OPEB plans administered as trusts or similar arrangements that meet certain criteria. Statement No. 75 requires governments providing defined benefit OPEB to recognize their long-term obligation for OPEB as a liability for the first time, and to more comprehensively and comparably measure the annual costs of OPEB benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions in Statement No. 75 are effective for the fiscal year ending April 30, 2019.

GASB Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14, requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this statement are effective for the fiscal year ending April 30, 2018.

GASB Statement No. 81, Irrevocable Split-Interest Agreements, provides recognition and measurement guidance for situations in which a government is a beneficiary of a split-interest agreement. The requirements of this statement are effective for the fiscal year ending April 30, 2018.

OTHER COMMENTS (Continued)

Future Accounting Pronouncements (Continued)

GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*, addresses issues regarding (1) the presentation of payroll-related measures in the required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this standard are effective for the fiscal year ending April 30, 2018.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this standard are effective for the fiscal year ending April 30, 2019.

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The requirements of this standard are effective for the fiscal year ending April 30, 2019.

GASB Statement No 85, *Omnibus 2017*, addresses a number of issues across a spectrum of topics including issues related to blending component units where the primary government is a business type activity that reports basic financial statements in a single column, accounting for goodwill, fair value measurement and application related to real estate held by insurance activities and measuring certain investments at cost or amortized cost, and various issues related to accounting and reporting for postemployment benefits (pensions and other postemployment benefits [OPEB]). Statement No 85 is effective for fiscal years ending April 30, 2019.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, is intended to improve accounting and financial reporting for in-substance defeasances of debt, prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this statement are effective for the fiscal year ending April 30, 2019. Earlier application is encouraged.

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset and aims to enhance comparability of financial statements among governments. This statement also requires additional notes to the financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The requirements of this statement are effective for the fiscal year ending April 30, 2021. Earlier application is encouraged.

APPENDIX A
STATUS OF PRIOR YEAR RECOMMENDATIONS

DEFICIENCY

Policies and Procedures

As noted in our management letter related to the audit of the year ended April 30, 2016, we noted that many of the policies and procedures utilized by Tri-Com were not specific to the operations of Tri-Com, but instead, were policies adopted by the City of Geneva (the City). For example, the budget for Tri-Com was included as a fund in the City's annual budget document. While we acknowledge that the Tri-Com Board of Directors separately approved the budget, we recommend that Tri-Com produce a separate budget document that incorporates key policies and procedures specific to the Tri-Com budget and financial process.

Additionally, we noted that Tri-Com does not have a separate investment policy or capital asset policy. We recommend that Tri-Com develop its own investment policy that specifically addresses the risks faced by Tri-Com, including risks associated with uninsured/uncollateralized deposits. We also recommend that Tri-Com adopts a separate capital asset policy that defines the capitalization threshold used by Tri-Com as well as defining the useful lives of Tri-Com capital assets.

Last, we noted that the majority of the documentation of Tri-Com's internal controls is maintained by the City. We recommend that Tri-Com consider developing a detailed policies and procedures manual that documents the specific controls over key transaction classes such as cash receipts, cash disbursements, payroll, and year end close and financial reporting.

Status - Comment still applicable as of April 30, 2017.

Sikich Snapshot

Organization

Sikich LLP, a leading professional services firm specializing in accounting, technology, investment banking* and advisory services**, has more than 800 employees throughout the country. Founded in 1982, Sikich now ranks as one of the country's Top 30 Certified Public Accounting firms and is among the top 10 of all enterprise resource planning solution partners in the country. From corporations and not-for-profits to state and local governments, Sikich clients can use a broad spectrum of services and products that help them reach long-term, strategic goals.

Industries

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

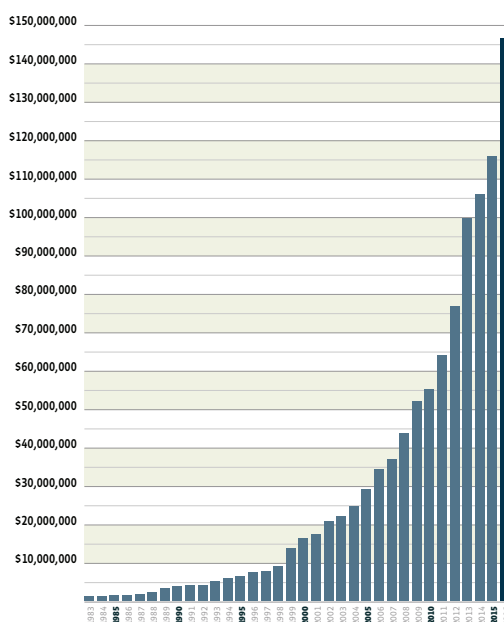
- Agriculture
- Construction & Real Estate
- Energy
- Government
- Manufacturing & Distribution
- Not-for-Profit

Statistics

2016 Revenues	\$146.4M
Total Partners	107
Total Employees	689
Total Personnel	796

Personnel count as of January 19, 2017

Sikich Total Revenues



SERVICES

- Accounting, Audit, Assurance & Tax
- Business Valuation
- Dispute Advisory
- ERP & CRM Software
- Human Resources Consulting
- Insurance Services
- Investment Banking & Corporate Finance
- IT Services
- Marketing & Public Relations
- Retirement Planning
- Supply Chain
- Wealth Management

Awards

- Vault Accounting Top Ranked 2017
- *Accounting Today* Top 100 Firms: ranked 27th nationally, 2017
- *Accounting Today* Regional Leaders – Top Firms: Great Lakes: ranked 4th, 2016
- *Milwaukee Business Journal* Largest Management Consulting Firms: ranked 10th, 2016
- *Milwaukee Business Journal* Largest Milwaukee-Area Accounting Firms: ranked 11th, 2016
- *INSIDE Public Accounting* Top 50 Largest Accounting Firms: ranked 31st nationally, 2016
- When Work Works Award, 2017
- *WorldatWork* Work-Life 2017 Seal of Distinction
- Microsoft Dynamics Inner Circle and President's Club, 2017
- Best Places to Work in Illinois, 2017
- Best Places to Work in Indiana, 2017
- Chicago's 101 Best and Brightest Companies to Work For®, 2017
- *Milwaukee Journal Sentinel* Top Workplaces in Milwaukee, 2017
- Milwaukee's 101 Best and Brightest Companies to Work For®, 2016
- WICPA Excellence Award - Public Service Award (Firm), 2016
- *Accounting Today* Top 100 Value Added Reseller: ranked 7th, 2016
- Bob Scott's Top 100 Value Added Reseller: ranked 9th, 2016
- US SMB Champions Club Heartland Partner of the Year, Microsoft's US Small and Mid-sized Business (SMB) Champions Club, 2016
- 2016 US SMB Champions Club Heartland Influencer Partner of the Year, Microsoft's US Small and Mid-sized Business (SMB) Champions Club, 2016
- *Inc. 5000*: ranked #4613, 2016
- *Crain's List* Chicago's Largest Privately Held Companies: ranked #234, 2017
- Bob Scott's Top 100 Value Added Reseller: ranked 7th, 2016
- Boston's 101 Best and Brightest Companies to Work For®, 2016
- National Best & Brightest Companies to Work For®, 2015
- National Best & Brightest in Wellness, 2015
- *Chicago Tribune's* Top Workplaces, 2015
- Edge Award - 2015 Community Service



877.279.1900 | info@sikich.com
www.sikich.com

Certifications

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center and the Employee Benefit Plan Audit Quality Center. We adhere to the strict requirements of membership which assure we meet the highest standards of audit quality. In 2014, Sikich LLP received its 9th consecutive unmodified ("pass") peer review report, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

Gold Microsoft Partner



Microsoft Partner

Sikich has earned a Microsoft ERP Gold competency; ranked among the top 1 percent of all Microsoft Dynamics partners worldwide; and carries the following certifications:

- Microsoft Small Business Specialist
- MCP (Microsoft Certified Professional)
- MCSE (Microsoft Certified System Engineer)
- CCNA (Cisco Certified Network Associate)
- CCDA (Certified Cisco Design Associate)
- CCEA (Citrix Certified Enterprise Administrator)
- MRMS (Microsoft Retail Management Systems)
- CISA (Certified Information Systems Auditor)
- CNE (Certified Novell Engineer)
- MS CSM (Microsoft Customer Service Manager)
- MS CAE (Microsoft Certified Account Executive)
- MCDBA (Microsoft Certified Database Admin.)
- Certified for Microsoft Dynamics (NAV)



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**International Accounting Bulletin, 2011*



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*** Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor. Securities offered through Triad Advisors, Member FINRA and SIPC. Triad Advisors and Sikich Financial are not affiliated.*

LOCATIONS:

Corporate Office

1415 W. Diehl Rd., Suite 400
Naperville, IL 60563
(630) 566-8400

Akron, OH
(330) 864-6661

Houston, TX
(832) 831-3549

Atlanta, GA
(770) 226-9374

Indianapolis, IN
(317) 842-4466

Boston, MA
(508) 485-5588

Kansas City, MO
(816) 673-7534

**Chicago –
Monroe Street**
(312) 541-9300

Los Angeles, CA
(310) 315-9660

**Chicago –
Wacker Drive**
(312) 648-6666

Milwaukee, WI
(262) 754-9400

Columbus, OH
(614) 633-5270

Minneapolis, MN
(763) 445-2632

Dallas, TX
(496) 906-2257

Phoenix, AZ
(480) 626-0072

Decatur, IL
(217) 423-6000

Rockford, IL
(815) 282-6565

Denver, CO
(720) 200-0142

Springfield, IL
(217) 793-3363

Ft. Wayne, IN
(260) 485-0665

St. Louis, MO
(314) 275-7277

CONNECT WITH US:

www.sikich.com/blog



877.279.1900 | info@sikich.com
www.sikich.com