

October 13, 2020

Board of Trustees
Limestone Township Fire Protection District
4948 West Route 17
Kankakee, Illinois 60901

We have audited the financial statements of the governmental activities and each major fund of Limestone Township Fire Protection District for the year ended May 31, 2020. Professional standards require that we provide you with 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 June 25, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Limestone Township Fire Protection District 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 fiscal year 2020. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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. The most sensitive estimate affecting the governmental activities financial statements was:

Management's estimate of the depreciation expense is based on the estimated useful lives of the assets. We evaluated the key factors and assumptions used to develop the estimate of depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

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 clearly trivial, and communicate them to the appropriate level of management. The attached schedule lists all audit adjustments, which have been posted by management. The following adjustment was material: \$18,933 of insurance and retirement payments were reclassified to the appropriate financial statement line.

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 October 13, 2020.

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 Limestone Township Fire Protection District'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 prior to retention as Limestone Township Fire Protection District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We communicated a significant deficiency in internal controls in a separate letter.

Restriction on Use

This information is intended solely for the information and use of the Board of Trustees and management of Limestone Township Fire Protection District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

SKDO, P.C.

Limestone Township Fire Protection District

Year End: May 31, 2020

Adjusting Journal Entries

Date: 6/1/2019 To 5/31/2020

Prepared by	Reviewed by
CMH 9/10/2020	CMH 9/10/2020

04-01

Number	Date	Name	Account No	Reference	Debit	Credit	Amount Chg
Net Income (Loss) Before Adjustments							238,246.00
10.01CH	5/31/2020	POC Salaries	10-6950 10	26-02		8,695.00	
10.01CH	5/31/2020	Retirement Plan	10-6915.3 10	26-02	5,610.00		
10.01CH	5/31/2020	Life Insurance Plan	10-6915.4 10	26-02	3,085.00		
Reclass retirement and life insurance exp							0.00
					8,695.00	8,695.00	0.00
10.02LH	5/31/2020	Cash in Checking	10-1020 10	24-01	4,438.00		
10.02LH	5/31/2020	County Tax Revenue	10-4010 10	24-01		4,438.00	
Adjust Property Tax to Actual							4,438.00
					4,438.00	4,438.00	4,438.00
10.03CH	5/31/2020	Loan Income	10-4070 10	15-2	30,000.00		
10.03CH	5/31/2020	Operating Loan Repayment	10-7320 10	15-2		30,373.00	
10.03CH	5/31/2020	Interest Pmt-Capital Loan	10-7335 10	15-2	373.00		
Reclass proceeds and loan repayment for short-term debt							0.00
					30,373.00	30,373.00	0.00
10.04CH	5/31/2020	OSFM Grant Income	10-4750 10	24-L		9,515.00	
10.04CH	5/31/2020	Turnout Gear	10-6330 10	24-L	9,515.00		
Reclass turnout gear expenses from							

Limestone Township Fire Protection District

Year End: May 31, 2020

Adjusting Journal Entries

Date: 6/1/2019 To 5/31/2020

04-01-1

Prepared by	Reviewed by
CMH 9/10/2020	CMH 9/10/2020

Number	Date	Name	Account No	Reference	Debit	Credit	Amount Chg
		grant to nongrant line			9,515.00	9,515.00	0.00
20.01CH	5/31/2020	POC Salaries	20-6950 20	26-02		10,238.00	
20.01CH	5/31/2020	Retirement Plan	20-6915.3 20	26-02	5,610.00		
20.01CH	5/31/2020	Life Insurance Plan	20-6915.4 20	26-02	4,628.00		
		Reclass retirement and life insurance exp			10,238.00	10,238.00	0.00
20.02LH	5/31/2020	Cash in Checking-Ambulance	20-1020 20	24-01		4,438.00	
20.02LH	5/31/2020	County Tax Revenue	20-4010 20	24-01	4,438.00		
		Adjust property taxes to actual			4,438.00	4,438.00	(4,438.00)
20.03CH	5/31/2020	Loan Income	20-4070 20	15-2	30,000.00		
20.03CH	5/31/2020	Operating Loan Repayment	20-7320 20	15-2		30,373.00	
20.03CH	5/31/2020	Interest Pmt-Capital Loan	20-7335 20	15-2	373.00		
		Reclass proceeds and repayment of short-term debt			30,373.00	30,373.00	0.00
20.04CH	5/31/2020	Ambulance Loan	20-7310 20	15-2		354.00	
20.04CH	5/31/2020	Interest Pmt-Capital Loan	20-7335 20	15-2	354.00		

Limestone Township Fire Protection District

Year End: May 31, 2020

Adjusting Journal Entries

Date: 6/1/2019 To 5/31/2020

04-01-2

Prepared by	Reviewed by
CMH 9/10/2020	CMH 9/10/2020

Number	Date	Name	Account No	Reference	Debit	Credit	Amount Chg
		Reclassify interest payment on ambulance loan			354.00	354.00	0.00
20.05CH	5/31/2020	Loan Income	20-4070 20	15 SEC		104,436.00	
20.05CH	5/31/2020	Purchase Stretcher Load System	20-7215 20	15 SEC	104,436.00		
20.05CH	5/31/2020	Purchase Stretcher Load System	20-7215 20	15 SEC		17,000.00	
20.05CH	5/31/2020	Payment on Capital Loan	20-7330 20	15 SEC	17,000.00		
		Record stretcher loan income and capital outlay; reclass down payment			121,436.00	121,436.00	0.00
34.01CH	5/31/2020	Accrued Interest Payable	34-2400 34	15-2		19,310.00	
34.01CH	5/31/2020	Note Payable-Due in >1Yr	34-2500 34	15-2		232,313.00	
34.01CH	5/31/2020	Note Payable-Due in >1Yr	34-2500 34	15-2	19,310.00		
34.01CH	5/31/2020	Note Payable-Current Portion	34-2510 34	15-2		55,123.00	
34.01CH	5/31/2020	Note Payable-Current Portion	34-2510 34	15-2	72,448.00		
34.01CH	5/31/2020	Proceeds from LTD	34-4930 34	15-2	304,436.00		
34.01CH	5/31/2020	Payment on Capital Loan	34-7330 34	15-2		17,000.00	
34.01CH	5/31/2020	Payment on Capital Loan	34-7330 34	15-2		72,448.00	
		Entity-wide entries - Proceeds and principal payments			396,194.00	396,194.00	(214,988.00)
34.02CH	5/31/2020	Prop and Equip	34-1200 34	11-03		124,141.00	
34.02CH	5/31/2020	Accum Depr	34-1250 34	11-03	110,772.00		
34.02CH	5/31/2020	Sale of Assets	34-4940 34	11-03	9,500.00		

Limestone Township Fire Protection District

Year End: May 31, 2020

Adjusting Journal Entries

Date: 6/1/2019 To 5/31/2020

Prepared by	Reviewed by
CMH 9/10/2020	CMH 9/10/2020

04-01-3

Number	Date	Name	Account No	Reference	Debit	Credit	Amount Chg
34.02CH	5/31/2020	Gain/loss on disposal	34-4950 34	11-03	3,869.00		
		Record capital asset disposals			124,141.00	124,141.00	(13,369.00)
34.03CH	5/31/2020	Prop and Equip	34-1200 34	11-02	125,436.00		
34.03CH	5/31/2020	Land	34-1210 34	11-02	23,113.00		
34.03CH	5/31/2020	Capital Outlay Fire	34-7110 34	11-02		22,057.00	
34.03CH	5/31/2020	Capital Outlay Ambulance	34-7120 34	11-02		104,436.00	
34.03CH	5/31/2020	Capital Outlay Ambulance	34-7120 34	11-02		22,056.00	
		Record capital asset additions			148,549.00	148,549.00	148,549.00
34.04CH	5/31/2020	Accum Depr	34-1250 34	11-01		165,518.00	
34.04CH	5/31/2020	Depr Exp	34-7900 34	11-01	165,518.00		
		Record depreciation expense			165,518.00	165,518.00	(165,518.00)
					1,054,262.00	1,054,262.00	(245,326.00)