

May 25, 2021

To the Kankakee County Board, Finance Committee, and Management
Kankakee County, Illinois

In planning and performing our audit of the financial statements of Kankakee County, Illinois, as of and for the year ended November 30, 2020, we noted the following items which are worthy of your consideration.

Bank Reconciliations

The bank reconciliation for the main operating account of the County at November 30, 2020 contained several invalid reconciling items. Items that have cleared the bank but have not yet been recorded in the general ledger are shown on the reconciliation as a suspense item until posted. However, the Treasurer's office is not tracking whether these items were posted to the correct fiscal year. The Treasurer should verify the items are properly posted to the general ledger with an effective date of November 30. Once all suspense items are posted, the November 30 bank reconciliation should be updated accordingly.

Collector Fund

During our audit procedures for fiscal year ended November 30, 2020, we discovered that one of the bank accounts was unintentionally omitted from the November 30, 2019 information provided to us during last year's audit. As a result, it was not included in the ending cash balance of the Agency Funds on the November 30, 2019 financial statements. While no revision of prior year financial statements is considered necessary, the County Collector is responsible for the completeness and accuracy of the Collector Fund information presented in the financial statements. We recommend that the County Collector provide a full accounting of the beginning balances, additions, reductions, and ending balances each year for financial statement preparation in addition to the supporting documents for the amounts presented. Also, the County Collector should implement procedures to ensure the financial statement information presented in the financial statements is complete and accurate.

Bonds and Interest Levy

For tax years 2017 through 2020, the County levied for bonds and interest on the General Obligation Bonds (2011, 2012 and 2012A alternate revenue bonds) which were paid by pledged revenue sources prior to tax year 2015. This decision was made due to the deteriorating fiscal condition of the County. As inmate housing revenues continue to be sufficient, the County should consider whether and when those revenues should once again be pledged for the payment of debt service in accordance the requirements of the bond ordinances.

We appreciate the courtesy and cooperation of your staff during our audit and would be happy to discuss the above items further at your request. This report is intended solely for the information and use of the Board, Board Committees, management, and appropriate regulatory agencies.

Sincerely,

SKDO, P.C.