



City of Galena
101 Green Street
Galena, Illinois 61036
815.777.1050

Auditing Services
Questions and Answers

Question No.	Date submitted	Question	Answer
1	01-05-24	When does the City expect to receive the FY 2023 audit?	Audit report draft was approved, and representation letter signed 12-11-23. Auditor is scheduled to present audit report at 01-22-24 City Council meeting.
2	01-05-24	When does audit fieldwork typically take place? When are the accounting records ready for the audit to begin?	Audit fieldwork typically takes place in mid-July. Accounting records are ready for the audit to begin mid-June.
3	01-05-24	What accounting system does the City use?	Caselle Connect
4	01-05-24	Are all funds associated with the City's audit recorded through the City's accounting system?	Yes
5	01-05-24	Based on the 2022 audit report, what is the City doing to improve the deficit fund balance in the Sewer Fund?	The Sewer Fund has a positive change in net position for fiscal year 2023. This fund is considered stable, but we would consider rate increases.
6	01-05-24	I see the City has a Historical Preservation Commission and other Committees. Does the City have separate funds for this commission and committees?	No



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7	01-05-24	Did the City expend over \$750,000 in federal funding for fiscal year 2024 which would require a Single Audit? How much funding of the ARPA funds is the City expecting to receive? How does the City anticipate using these funds?	The City has been awarded \$2,755,000 in federal funding to replace lead water service lines. To date, the City has expended \$146,002 and will likely be above the \$750,000 threshold for FY 2024 unless construction is halted due to weather conditions. The City received \$429,755 in ARPA funds and expended those funds in previous fiscal years in the Water Fund for operations and maintenance of the public water supply.
8	01-05-24	Does the City anticipate opening any TIF funds during this bid?	No
9	01-05-24	Does the City provide post-employment benefit health insurance to retirees? If so, how many retirees are participating?	The City offers IMRF retirees to remain on the group insurance at the full cost to the retirees. Two retirees participate. The City also has a sick leave bank for retirement premiums with four retirees having balances and two actively using the benefit.
10	01-05-24	Has the City experienced any disagreements with its prior audit firm? If any, please describe.	No
11	01-05-24	Has the City issued bonds or refunded existing bonds during the fiscal year? If there are new bonds, are there major capital projects planned? Has the City issued any new non-bonded debt during the fiscal year, including leases or loans? Has the City issued any IEPA loans for the Water/Sewer?	There have been no bond issues or refunds during FY 2024. The City secured a \$1,328,000 loan during FY 2024 from a local bank. In August 2023, the City was awarded a forgivable loan from the IEPA in the amount of \$2,755,000 for the replacement of lead water service lines to residences and businesses. The City regularly enters into routine leases for office and outdoor maintenance equipment.



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12	01-05-24	For the upcoming new GASB standard for subscription-based software, what assistance does the City need?	The City will need education on the new GASB standard. The City maintains a spreadsheet of all subscription-based software and may be able to perform the calculations for the GASB standard if a template is provided.
13	01-05-24	Does the City's payroll system keep track of compensated absences (vacation, sick, comp time) for all City employees, or is there a designated person who oversees this process for all City employees?	The payroll system keeps track of compensated absences.