



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

January 10, 2018

Christina Cardott
Finance Director
City of Rochelle
420 North 6th Street
Rochelle, IL 61068

Dear Ms. Cardott:

We are pleased to notify you that your 2016 fiscal year end comprehensive annual financial report (CAFR) qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment. Congratulations for having satisfied the high standards of the program. We hope that your example will encourage others in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements are enclosed. We want to strongly encourage the recommended improvements be made in the next report, and that the report be submitted to the program within six months of your next fiscal year end. Certificate of Achievement Program policy requires that written responses to the comments and suggestions for improvement accompany the next fiscal year's submission. The written responses should provide details about how each item is addressed within this report. These responses will be provided to those Special Review Committee members participating in the review. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. An AFRA is enclosed for the preparer as designated on the application.

Continuing participants will find a Certificate and brass medallion enclosed with these results. First-time recipients will find a Certificate enclosed with these results and will receive a plaque in about 10 weeks. You may arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and we hope that appropriate publicity will be given to this notable achievement. A sample news release has been enclosed.

A current holder of a Certificate of Achievement may include a reproduction of the Certificate in its immediately subsequent CAFR. A camera-ready copy of your Certificate is enclosed for that purpose. If you reproduce your Certificate in your next report, please refer to the enclosed instructions. A Certificate of Achievement is valid for a period of one year.

A Certificate of Achievement Program application is posted on GFOA's website. This application must be completed and accompany your next submission. See sections III and IV of the application for instructions. **The entity's GFOA membership number appears on the attached comments and must be listed on the application.** Your continued interest in and support of the Certificate of Achievement Program is most appreciated. If we may be of any further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive style with a large initial "M".

Michele Mark Levine
Director, Technical Services Center



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

01/10/2018

For more information contact:

Michele Mark Levine, Director/TSC

Phone: (312) 977-9700

Fax: (312) 977-4806

E-mail: mlevine@gfoa.org

(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **City of Rochelle** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Government Finance Officers Association is a major professional association servicing the needs of nearly 19,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.

PRESENTATION OF THE CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Certificate of Achievement for Excellence in Financial Reporting is the highest form of recognition in governmental accounting and financial reporting. The Certificate Program thereby advocates that recipients be formally recognized for their outstanding accomplishments. If you would like a formal presentation of the Certificate of Achievement, please contact your GFOA State Representative. The contact information follows:

Ms. Rita Kruse
Finance Manager
City of Geneva
15 S. 1st Street
Geneva, IL 60134
UNITED STATES

Phone:
(630) 232-0854

Fax:
630-232-1494

E-mail:
rkruse@geneva.il.us

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
COMMENTS AND SUGGESTIONS FOR IMPROVEMENTS**

The detailed comments and suggestions for improvements are composed of: 1) an indication above the comment that provides either the specific Certificate Program checklist question to which the item directly relates or the notation "Additional Comment" to indicate the comment does not directly relate to a specific checklist question and 2) text that generally identifies the location of the item in your CAFR, the reason for the comment, and the particular item you should address. Following is the legend for the references to specific authoritative literature that are provided for the majority of comments.

AU-C	-	Clarified Statements on Auditing Standards, American Institute of Certified Public Accountants (June 1, 2016)
COD	-	<i>Codification of Governmental Accounting and Financial Reporting Standards</i> , GASB, 2015
eGAAFR	-	<i>Governmental Accounting, Auditing, and Financial Reporting</i> (e-book format), GFOA, 2012/2014
eSUP	-	<i>GAAFR Supplement</i> (e-book format), GFOA, 2014
GAAFR	-	<i>Governmental Accounting, Auditing, and Financial Reporting</i> , GFOA, 2012
GAAP	-	Generally Accepted Accounting Principles
GASB-I	-	GASB Interpretation
GASB-S	-	GASB Statement
GASB-TB	-	GASB Technical Bulletin
NCGA-I	-	National Council on Governmental Accounting Interpretation
NCGA-S	-	National Council on Governmental Accounting Statement
Q&A	-	<i>Implementation Guide No. 2015-1</i> , GASB
Q&A: Update	-	<i>Implementation Guidance Update – 2016</i> , GASB
SLG	-	<i>Audits of State and Local Governments</i> , American Institute of Certified Public Accountants, March 1, 2015
SUP	-	<i>GAAFR Supplement</i> , GFOA, 2014

All references listed above, except those for "GAAFR," "Q&A," and "SLG," are followed by the number of the pronouncement, if applicable, and the specific paragraph(s), footnote(s), or appendix (appendices) within the publication that is being referenced. The references to "GAAFR" are to pages in that publication. For "Q&A," the references are to the applicable chapters and questions in that publication. For "SLG," the references are to the chapters and specific paragraphs.

Certificate of Achievement For Excellence in Financial Reporting Summary of Grading

Name of Unit: City of Rochelle
Fiscal Year of Report FY2016

Report # 4,212.00

GFOA Member ID Number 182423005

The Certificate of Achievement Program Special Review Committee (SRC) has completed its review of your comprehensive annual financial report (CAFR). Listed below are the grading categories used and a summary of the SRC's evaluation of your CAFR. The detailed comments and suggestions for reporting improvements on the attached listing are grouped under similar grading categories. Any category which received a grade of "Needs Significant Improvement" indicates an area of particular concern to the SRC and the related comments and suggestions for improvement in this category should be given special attention. An indication is provided on the list by the specific comments(s) or category(ies) that were the cause of receiving this grade. For each item, the notation also states whether it is 1) the basis or part of the basis for the CAFR not receiving the Certificate of Achievement, 2) a serious deficiency which will almost certainly preclude the awarding of the Certificate of Achievement if it is not corrected in your next CAFR, or 3) a deficiency, that if not corrected in future CAFRs, could result in the Certificate of Achievement not being awarded.

Grading Category

Grade

Cover, table of contents, and formatting	Proficient
Introductory section	Proficient
Report of the independent auditor	Proficient
Management's discussion and analysis (MD&A)	Proficient
Basic financial statements (preliminary considerations)	Proficient
Government-wide financial statements	Proficient
Fund financial statements (general considerations)	Proficient
Governmental fund financial statements	Proficient
Proprietary fund financial statements	Proficient
Fiduciary fund financial statements	Proficient
Summary of significant accounting policies (SSAP)	Proficient
Note disclosure (other than the SSAP and pension-related disclosures)	Proficient
Pension-related note disclosures	Proficient
Required supplementary information (RSI)	Proficient
Combining and individual fund information and other supplementary information	Proficient
Statistical section	Proficient
Other considerations	Proficient

Certificate of Achievement For Excellence in Financial Reporting
Detailed Listing of Comments and Suggestions for Improvement

Name of Unit: City of Rochelle
Fiscal Year of Report FY2016

Report # 4,212.00

GFOA Member ID Number 182423005

104 - Management's discussion and analysis (MD&A)

Checklist Question: 4.1c

Page MD&A 4 - Present "total assets" and "deferred outflows of resources" in separate lines. Also, present "total liabilities" and "deferred inflows of resources" in separate lines. This comment was provided in the previous report and not fully implemented.

In Management's Discussion and Analysis, the condensed financial data should present deferred outflows of resources and deferred inflows of resources in separate sections following the required "total assets" and "total liabilities" line-items. [GASB-S34: 11b; GASB-S63: 7-8]

109 - Proprietary fund financial statements

Additional Comment:

Pages 15-16.

The premium (discount) should be reported as a direct deduction from or addition to the face amount of the related debt rather than as an item separate from the debt. [GASB-S62: 187]

111 - Summary of significant accounting policies (SSAP)

Additional Comment:

Page 33.

The term "net position" (rather than "net assets") should be used throughout the comprehensive annual financial report, since the government has implemented GASB Statement No. 63.

120 - New Pronouncements

Additional Comment:

The GASB has issued the following statements:

1. Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2017.
2. Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2018.
3. Statement No. 77, "Tax Abatement Disclosures." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2016.
4. Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2016.
5. Statement No. 80, "Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2017.
6. Statement No. 81, "Irrevocable Split-Interest Agreements." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2017.
7. Statement No. 82, "Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions will take effect for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

Earlier application of these statements is encouraged. For the original pronouncements, please visit the GASB's website, www.gasb.org.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

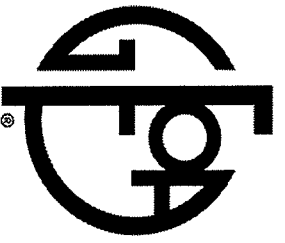
**City of Rochelle
Illinois**

For its Comprehensive Annual
Financial Report
for the Eight Months Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



The Government Finance Officers Association
of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Christina Cardott

Finance Director

City of Rochelle, Illinois

The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morrell

Date January 10, 2018

