



Rep. Gregg Johnson

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10400HB1082ham001

LRB104 03023 RTM 22783 a

1 AMENDMENT TO HOUSE BILL 1082

2 AMENDMENT NO. _____. Amend House Bill 1082 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by
5 changing Sections 8-8-2 and 8-8-3 as follows:

6 (65 ILCS 5/8-8-2) (from Ch. 24, par. 8-8-2)

7 Sec. 8-8-2. The following terms shall, unless the context
8 otherwise indicates, have the following meanings:

9 (1) "Municipality" or "municipalities" means all cities,
10 villages and incorporated towns having a population of less
11 than 500,000 as determined by the last preceding Federal
12 census.

13 (2) "Corporate authorities" means a city council, village
14 board of trustees, library board, police and firemen's pension
15 board, or any other body or officers having authority to levy
16 taxes, make appropriations, or approve claims for any

1 municipality.

2 (3) "Comptroller" means the Comptroller of the State of
3 Illinois.

4 (4) (Blank).

5 (5) "Audit report" means, until Fiscal Year 2027, the
6 written report of the auditor or auditors and all appended
7 statements and schedules relating thereto, presenting or
8 recording the findings of an examination or audit of the
9 financial transactions, affairs, or condition of a
10 municipality. This paragraph (5) becomes inoperable in Fiscal
11 Year 2027.

12 (5.5) "Audit report" means, beginning in Fiscal Year 2027,
13 the written report of the auditor presenting or recording the
14 findings of an examination or audit of (i) all accounts and
15 funds of the municipality and (ii) the financial transactions,
16 affairs, and condition of the municipality. "Audit report"
17 includes, beginning in Fiscal Year 2027, all appended
18 statements and schedules relating to the written report of the
19 auditor.

20 (6) "Annual report" means, until Fiscal Year 2027, the
21 statement filed, in lieu of an audit report, by the
22 municipalities of less than 800 population, which do not own
23 or operate public utilities and do not have bonded debt. This
24 paragraph (6) becomes inoperable in Fiscal Year 2027.

25 (6.5) "Annual financial report" means, beginning in Fiscal
26 Year 2027, the statement filed in lieu of an audit report and

1 containing the information required by the Comptroller on
2 forms devised by the Comptroller in such manner as to not
3 require professional accounting services for its preparation.

4 (7) "Supplemental report" means the annual statement
5 filed, in addition to any audit report provided for herein, by
6 all municipalities, except municipalities of less than 800
7 population which do not own or operate public utilities and do
8 not have bonded debt.

9 (8) "Auditor" means a licensed certified public
10 accountant, as that term is defined in Section 0.03 of the
11 Illinois Public Accounting Act, or the substantial equivalent
12 of a licensed CPA, as provided under Section 5.2 of the
13 Illinois Public Accounting Act, who performs an audit of
14 municipal financial statements and records and expresses an
15 assurance or disclaims an opinion on the audited financial
16 statements.

17 (9) "Generally accepted accounting principles" means
18 accounting principles generally accepted in the United States.

19 (10) "Generally accepted auditing standards" means
20 auditing standards generally accepted in the United States.

21 (Source: P.A. 100-837, eff. 8-13-18; 101-419, eff. 1-1-20.)

22 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

23 Sec. 8-8-3. Audit requirements.

24 (a) The corporate authorities of each municipality coming
25 under the provisions of this Division 8 shall cause an audit of

1 the funds and accounts of the municipality to be made by an
2 auditor or auditors employed by such municipality or by an
3 auditor or auditors retained by the Comptroller, as
4 hereinafter provided.

5 (b) Until Fiscal Year 2027, the ~~The~~ accounts and funds of
6 each municipality having a population of 800 or more or having
7 a bonded debt or owning or operating any type of public utility
8 shall be audited annually. The audit herein required shall
9 include all of the accounts and funds of the municipality.
10 Such audit shall be begun as soon as possible after the close
11 of the fiscal year, and shall be completed and the report
12 submitted within 180 days after the close of such fiscal year,
13 unless an extension of time shall be granted by the
14 Comptroller in writing. The auditor or auditors perform the
15 audit shall submit not less than 2 copies of the audit report
16 to the corporate authorities of the municipality being
17 audited. Municipalities not operating utilities may cause
18 audits of the accounts of municipalities to be made more often
19 than herein provided, by an auditor or auditors. The audit
20 report of such audit when filed with the Comptroller together
21 with an audit report covering the remainder of the period for
22 which an audit is required to be filed hereunder shall satisfy
23 the requirements of this section. This subsection (b) becomes
24 inoperable in Fiscal Year 2027.

25 (c) Until Fiscal Year 2027, municipalities ~~Municipalities~~
26 of less than 800 population which do not own or operate public

1 utilities and do not have bonded debt, shall file annually
2 with the Comptroller a financial report containing information
3 required by the Comptroller. Such annual financial report
4 shall be on forms devised by the Comptroller in such manner as
5 to not require professional accounting services for its
6 preparation. This subsection (c) becomes inoperable in Fiscal
7 Year 2027.

8 (d) Until Fiscal Year 2027, in ~~in~~ addition to any audit
9 report required, all municipalities, except municipalities of
10 less than 800 population which do not own or operate public
11 utilities and do not have bonded debt, shall file annually
12 with the Comptroller a supplemental report on forms devised
13 and approved by the Comptroller. This subsection (d) becomes
14 inoperable in Fiscal Year 2027.

15 (e) Until Fiscal Year 2027, notwithstanding
16 ~~Notwithstanding~~ any provision of law to the contrary, if a
17 municipality (i) has a population of less than 200, (ii) has
18 bonded debt in the amount of \$50,000 or less, and (iii) owns or
19 operates a public utility, then the municipality shall cause
20 an audit of the funds and accounts of the municipality to be
21 performed by an auditor employed by the municipality or
22 retained by the Comptroller for fiscal year 2011 and every
23 fourth fiscal year thereafter or until the municipality has a
24 population of 200 or more, has bonded debt in excess of
25 \$50,000, or no longer owns or operates a public utility.
26 Nothing in this subsection shall be construed as limiting the

1 municipality's duty to file an annual financial report with
2 the Comptroller or to comply with the filing requirements
3 concerning the county clerk. This subsection (e) becomes
4 inoperable in Fiscal Year 2027.

5 (f) All audits and reports to be filed with the
6 Comptroller under this Section must be submitted
7 electronically and the Comptroller must post the audits and
8 reports on the Internet no later than 45 days after they are
9 received. If the municipality provides the Comptroller's
10 Office with sufficient evidence that the audit or report
11 cannot be filed electronically, the Comptroller may waive this
12 requirement. The Comptroller must also post a list of
13 municipalities that are not in compliance with the reporting
14 requirements set forth in this Section.

15 (g) Subsection (f) of this Section is a limitation under
16 subsection (i) of Section 6 of Article VII of the Illinois
17 Constitution on the concurrent exercise by home rule
18 municipalities of powers and functions exercised by the State.

19 (h) Any financial report under this Section shall include
20 the name of the purchasing agent who oversees all
21 competitively bid contracts. If there is no purchasing agent,
22 the name of the person responsible for oversight of all
23 competitively bid contracts shall be listed.

24 (i) Beginning in Fiscal Year 2027, if a municipality has a
25 population of less than 1,000, does not own or operate public
26 utilities, and does not have bonded debt, then the

1 municipality shall file annually with the Comptroller an
2 annual financial report.

3 (j) Beginning in Fiscal Year 2027, a municipality with a
4 population of less than 1,000 shall annually file an annual
5 financial report with the Comptroller if the municipality owns
6 or operates public utilities or has bonded debt. Additionally,
7 the municipality shall file an audit report once every 4 years
8 unless the latest audit report filed with the Comptroller
9 contains an adverse opinion or disclaimer of opinion. If the
10 audit report contains an adverse opinion or disclaimer of
11 opinion, then the municipality shall file an audit report
12 annually until the audit report shows no adverse opinion or
13 disclaimer of opinion.

14 (k) Beginning in Fiscal Year 2027, if a municipality has a
15 population of 1,000 or more, then the municipality shall file
16 annually with the Comptroller an audit report and annual
17 financial report.

18 (l) Beginning in Fiscal Year 2027, municipalities shall
19 submit completed audit reports and annual financial reports
20 within 180 days after the close of such fiscal year, unless an
21 extension is granted by the Comptroller in writing. The
22 auditor performing the audit shall submit not less than 2
23 copies of the audit report to the corporate authorities of the
24 municipality being audited. The audit report of such audit
25 when filed with the Comptroller together with an audit report
26 covering the remainder of the period for which an audit is

1 required to be filed under this Section shall satisfy the
2 requirements of this Section.
3 (Source: P.A. 101-419, eff. 1-1-20.)".