

Never Miss a Due Date Again:

An Annual Timeline for Local Government Reporting

Introduction / Learning Objectives

- Understand the various reporting deadlines applicable to Illinois municipalities
 - ▶ What is the requirement?
 - Created by who/what?
 - To whom does it apply?
 - When is it due and extensions available?
 - ▶ What penalties are there for failing to file or filing late?
- Month-by-month walkthrough of required filings and reports

Types of Reporting Requirements

- Financial Reporting
 - ► Illinois Comptroller's Office Annual Financial Report (AFR)
 - Annual Treasurer's Report
 - Annual Tax Increment Financing (TIF) Report
 - Management Letter
 - GFOA Programs
 - Certificate of Achievement for Excellence in Financial Reporting
 - Distinguished Budget Presentation Award
 - Popular Annual Financial Reporting Award
 - Awards for Excellence in Government Finance
 - Award Program for Small Government Cash Basis Reports

- Pension Reporting
 - Police and Fire Pensions
 - ▶ Illinois Department of Insurance (IDOI) Report
 - ► Annual Pension Report to the Board/Council
 - ► Annual Pension Treasurer's Report
 - IMRF
 - ► Monthly Report of IMRF Member Wages and Contributions
 - Monthly Deposit Report Summary
 - ▶ Projected Employee Compensation Report

- Single Audit
 - ► Single Audit Report (A-133 / Uniform Guidance)
 - Data Collection Form
- Property Tax Levy
 - ► Truth in Taxation Requirements
 - ► Reporting to County Clerk
 - Tax Abatements

- Annual Budget / Appropriation
 - Regulations under Illinois Municipal Budget Law
 - Regulations under Illinois Municipal Code
 - Regulations under Counties Code
- State Tax Filings
 - ► Illinois Form IL-941
 - ► Illinois Form UI-3/40
 - ▶ Illinois Form IL-501

- Federal Tax Filings
 - ▶ IRS Form W-2
 - ▶ IRS Form W-3
 - ► IRS Form W-4
 - ▶ IRS Form 941
 - ▶ IRS Form 944
 - ▶ IRS Form 945
 - ▶ IRS Form 1099-G
 - ▶ IRS Form 1099-MISC
 - ▶ IRS Form 1096

- Affordable Care Act (ACA)
 - Form 1095-B and 1094-B
 - Form 1095-C and 1094-C
- Unemployment Reporting
 - Quarterly Wage Reporting and Contributions (Form UI-3/40)
- Debt Disclosures
 - ► Continuing Disclosure Requirements

- Other Reporting Requirements
 - ► Sales Tax Incentive Agreements
 - Unclaimed Property Reporting (Illinois Only)

A Year in the Life of Reporting Requirements

Assumptions

- List is comprehensive, not all-encompassing
- Assuming a fiscal year-end of 12/31
 - Will identify variable deadlines based on fiscal year-end or submission of other reports
- All reports assumed to have been submitted on last possible date (without extensions)
 - Practical submission dates may differ from final due dates

January

January Reporting Dates

- January 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday or Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

January Reporting Dates (cont.)

- January 31
 - ▶ IRS Form 941: Employer's Quarterly Federal Tax Return
 - ▶ IRS Form 944: Employer's Annual Federal Tax Return
 - IRS Form 945: Annual Income Tax Withholding Return
 - ▶ IRS Form W-2: Wage and Tax Statement (submit to IRS)
 - ► Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return
 - ► Illinois Form UI-3/40: Quarterly Wage Reporting and Contributions
 - ► Forms 1095-B and 1095-C (statements provided to each covered individual)

Monthly Report of IMRF Member Wages and Contributions (Form 3.11)

- What: Monthly report by IMRF employers including the following information
 - Name and SSN of each member
 - Member contributions withheld for each member
 - Non-cash compensation (if any)
 - Elected official stipend
 - Negative earnings / contributions
 - New members and terminations
 - Members with no wages
 - Employer-paid member contributions

Monthly Report of IMRF Member Wages and Contributions (Form 3.11)

- Created by: IMRF
- Who: All governments employing IMRF members
- When: 10th day of each month
- Penalties: 20th day of each month 1% monthly interest charge; 50th day after due date - \$25 delinquent filing fee

IMRF Monthly Deposit Report Summary (Form 3.10)

- What: Form used to report IMRF wages and contributions by plan type (Regular, SLEP, ECO) and tier
- Created by: IMRF
- ▶ *Who:* All governments employing IMRF members

IMRF Monthly Deposit Report Summary (Form 3.10)

- ▶ *When:* 10th day of each month
- Penalties: Same as Monthly Report of IMRF Wages and Contributions
 - ▶ 20th day of each month 1% monthly interest charge
 - ▶ 50th day after due date \$25 delinquent fee

Illinois Form IL-501: Monthly State Income Tax Payment Form

- What: Form prepared and sent with periodic payments of income tax payments
 - ▶ Payments may also be made online at tax.illinois.gov
- Created by: Illinois Income Tax Act (35 ILCS 5/)
- Who: All governments paying wages subject to Illinois withholding income tax

Illinois Form IL-501: Monthly State Income Tax Payment Form

- When: Determined by Illinois Department of Revenue based on amounts withheld each month and day the employer pays employees from whom taxes are withheld
 - Semi-weekly (required to be submitted electronically)
 - Payments due by Wednesday for amounts withheld on the preceding Wednesday through Friday
 - Payments due by Friday for amounts withheld on the preceding Saturday through Tuesday
 - Monthly 15th day of month If quarterly withholdings are less than \$12K

Illinois Form IL-501: Monthly State Income Tax Payment Form

- Penalties: Determined by Publication 103, Penalties and Interest for Illinois Taxes
 - ▶ 1 to 30 days 2% of amount owed
 - 31 days or more 10% of amount owed
 - Additional penalties may result from hearing and if amounts not paid in full within 30 days of completion of court proceedings, review, or final assessment of liability

Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return

- What: Form filed on a periodic basis to report Illinois income tax withholding made by the employer
- Created by: Illinois Income Tax Act (35 ILCS 5/)
- Who: All governments paying wages subject to Illinois withholding income tax

Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return

- When: Last day of the month following the end of each quarter
- Penalties: Determined by Publication 103, Penalties and Interest for Illinois Taxes, and result from, but are not limited to,
 - ▶ Late filing or non-filing
 - Failure to file correct information
 - Fraud
 - Negligence

IRS Form 941: Employer's Quarterly Federal Tax Return

- What: Federal form used to report wages paid, federal income tax withheld, social security / Medicare taxes paid and withheld, and other related information
- Created by: 26 CFR 31.6011(a)-4
- Who: Employers with annual liabilities for social security, Medicate, and withheld federal income tax greater than \$1,000

IRS Form 941: Employer's Quarterly Federal Tax Return

- When: Last day of month that follows the end of the quarter
- Penalties: Identified in IRS Publication 15
 - ► Failure-to-file (FTF) penalty of 5% of unpaid tax due with return for each month late with a maximum penalty of 25% of the tax due
 - ► Failure-to-pay (FTP) penalty of 0.5% per month of the amount of tax with a maximum of 25%
 - ▶ If both penalties apply, FTF penalty is reduced by amount of FTP penalty
 - In addition to penalties, interest accrues from due date on any unpaid balances

IRS Form 944: Employer's Annual Federal Tax Return

- What: Form filed by certain employers with small payrolls who have been notified by the IRS that they can file on an annual basis
- Created by: 26 CFR 31.6011(a)-4
- Who: Employers with annual liabilities for social security, Medicare, and withheld federal income tax less than \$1,000

IRS Form 944: Employer's Annual Federal Tax Return

- When: January 31
- Penalties: Identified in IRS Publication 15
 - ► Failure-to-file (FTF) penalty of 5% of unpaid tax due with return for each month late with a maximum penalty of 25% of the tax due
 - ► Failure-to-pay (FTP) penalty of 0.5% per month of the amount of tax with a maximum of 25%
 - ▶ If both penalties apply, FTF penalty is reduced by amount of FTP penalty
 - In addition to penalties, interest accrues from due date on any unpaid balances

Federal Income Tax Deposits

- What: In many scenarios, federal income, social security, and Medicare taxes are required to be deposited more often than federal returns are required to filed.
- Created by: 26 CFR 31.6011(a)-4
- ► *Who:* All employers

Federal Income Tax Deposits

- When: Varies based on taxes withheld
 - ► Monthly (15th day of the following month) Less than \$50,000 for the 4 quarters in the "lookback period"
 - ► Lookback period For 2016, 4 quarters from July 1, 2014 through June 30, 2015
 - Semiweekly (similar to state income tax semiweekly deposits) - More than \$50,000
 - Next Day \$100,000 or more accumulated tax liability on a given day

Federal Income Tax Deposits

- Penalties: Accuracy and timeliness
 - Accuracy
 - ▶ Penalties may be avoided if shortfalls are within 2% of amount required and paid on makeup date (varies based on deposit schedule)
 - Timeliness
 - ▶ Increases incrementally from 2% to 10%

IRS Form 945: Annual Income Tax Withholding Return

- What: Form to report withheld federal income tax from non-payroll payments, including 457(b) deferred compensation plans
- Created by: 26 CFR 31.6011(a)-4
- Who: Employers making non-payroll payments to employees; i.e. stand-alone pension plans

IRS Form 945: Annual Income Tax Withholding Return

When: January 31

Penalties: Same as penalties for IRS Forms 941 and 944

- What: Form to be provided to every employee receiving remuneration of \$600 or more for the year for services performed
- Created by: 26 CFR 31.6051-1
- ▶ *Who:* All employers providing wages to employees

- When: Provided to each employee on or before January 31
 - Extensions may be obtained through written request and reasons for request must be provided
 - Must be submitted to State of Illinois by February 15

Penalties:

- Payee Statement Penalties (per 26 US Code Section 6722)
 - ► Failure to furnish payee statement / furnishing incorrect information \$250 per violation, not to exceed \$3 million
 - Correction within 30 days penalty reduced to \$50 per violation and shall not exceed total of \$500K
 - Correction before August 1 penalty reduced to \$100 per violation and shall not exceed total of \$1.5 million
 - ► Intentional disregard of requirements \$500 per violation with no limitation on total penalties
 - ► Willful fraudulent filings \$5,000 or more in damages and potential criminal sanctions
 - Amounts may adjust for inflation

Penalties (cont'd):

- Filing Penalties (per 26 US Code Section 6721)
 - ► Failure to file return / return includes incorrect information \$250 per violation not to exceed total of \$3 million
 - Correction within 30 days penalty reduced to \$50 per violation and shall not exceed total of \$500K
 - Correction before August 1 penalty reduced to \$100 per violation and shall not exceed total of \$1.5 million
 - ► Intentional disregard of requirements minimum of \$500 per violation with no limitation on total penalties
 - Amounts may adjust for inflation

Illinois Form UI-3/40: Employer's Contribution and Wage Report

- What: Quarterly report filed by employers subject to the Illinois Unemployment Insurance Act along with required contribution payments
- Created by: Illinois Unemployment Insurance Act (820 ILCS 405/100)
- ▶ *Who:* All employers

Illinois Form UI-3/40: Employer's Contribution and Wage Report

- When: Last day of the month following the end of each quarter
 - Employers with more than 25 employees must file electronically

Penalties:

- ► Late Filings / Payments Lesser of 1) \$5 for each \$10,000 or fraction thereof of the total wages for insured work paid by it during the period or 2) \$2,500 per month
- ▶ Willful Failure with Intent to Defraud May be subject to a penalty equal to 60% of the amounts due, with minimum penalty of \$400

Illinois Form UI-3/40: Employer's Contribution and Wage Report

Note: For months in which the quarterly report is not filed, the wage report must be submitted online by the last day of the subsequent month

- What: Forms used to report information about offers of health coverage and enrollment in health coverage for their employees, including those covered by minimum essential coverage
 - Prepared for each employee
- Created by: IRS Section 6055 and 6056

▶ *Who:*

- ► Form 1095-B Employers providing minimum essential coverage or self-insured employers not qualifying as Applicable Large Employers (ALEs)
- ► Form 1095-C Employers qualifying as ALEs (i.e., more than 50 full-time employees)
 - ► ALEs can use Form 1095-B for part-time employees

- When: Statements provided to each covered employee by January 31
 - ▶ 30 day extensions allowed through submission of Form 8809
 - ► Special extensions for 2016
 - ▶ Forms 1095-B / 1095-C due to employees by March 31, 2016

- Penalties: Subject to penalty provisions under Section 6722
 - ► Failure to provide correct statement \$100 per violation, with total penalty not to exceed \$1.5 million
 - ▶ Penalties increase to \$250 per violation, with total penalty not to exceed \$3 million, for statements required to be provided after December 31, 2015
 - Special rules apply that increase per-statement and total penalties if intentional disregard of requirements to furnish statement exists

February

February Reporting Dates

- ► February 10
 - Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- ► February 15
 - ► IRS Form W-2: Wage and Tax Statement(submit to State of Illinois)
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

February Reporting Dates (cont.)

- ► February 28
 - Forms 1094-B and 1094-C
 - ► IRS Form W-3: Transmittal of Wage and Tax Statements
 - ► IRS Form 1099-G: Certain Government Payments
 - ► IRS Form 1099-MISC: Miscellaneous Income
 - ► IRS Form 1096: Annual Summary and Transmittal of U.S. Information Returns

What: Transmittal forms used by employers to submit forms 1095-B and 1095-C

► *Created by:* IRS Section 6055 and 6056

▶ *Who:*

- ► Form 1094-B Employers providing minimum essential coverage (i.e. provides Forms 1095-B to employees)
- ► Form 1094-C Must be filed when an employer files one or more Forms 1095-C
 - ▶ Multiple Forms 1094-C may be submitted; one Form 1094-C is designated "Authoritative Transmittal" and must report aggregate employer-level data for all employees

- When: February 28 (March 31 if filed electronically)
 - ▶ 30 day extensions through submission of Form 8809
 - ► Special extensions for 2016:
 - ▶ Due May 31, 2016 (June 30, 2016 if filed electronically)
 - ▶ No special extensions yet identified for 2017

- Penalties: Subject to penalty provisions under Section 6721
 - ► Failure to file a return \$100 per violation, with total penalty not to exceed \$1.5 million
 - ▶ Penalties increase to \$250 per violation, with total penalty not to exceed \$3 million, for statements required to be provided after December 31, 2015
 - Special rules apply that increase penalties if intentional disregard of requirements to furnish statement exists

IRS Form W-3: Transmittal of Wage and Tax Statements

- ▶ *What:* Form used to transmit paper Copy A of Forms W-2
- Created by: 26 CFR 31.6051-2
- ▶ *Who:* Employers filing paper W-2s

IRS Form W-3: Transmittal of Wage and Tax Statements

- When: Last day of February
 - ► Electronic filings (which do not require Form W-3) are due on March 31
 - ▶ Due January 31 if Forms W-2 include non-payroll compensation
- ▶ *Penalties:* Penalties are tied to submission of Forms W-2

IRS Form 1099-G: Certain Government Payments

- What: Form used by federal, state, or local governmental entities to report payments of unemployment compensation, tax refunds, taxable grants, and certain other payments
- Created by: 26 CFR 1.6041
- Who: Any government making payments as noted above

IRS Form 1099-G: Certain Government Payments

▶ When:

- Provide to participant January 31
- ► File paper forms with IRS February 28
- Electronically file with IRS March 31
- ▶ 30 day extension through submission of Form 8809
- Additional 30 day extension may be requested if filed before expiration of initial extension
- Penalties: Same as Form W-2 in accordance with Sections 6721 and 6722

IRS Form 1099-MISC: Miscellaneous Income

- What: Form filed by any payer, including a government entity, who makes certain payments for services to recipients who are not employees
- Created by: 26 CFR 1.6041
- Who: Any government making payments to recipients who are not employees

IRS Form 1099-MISC: Miscellaneous Income

▶ When:

- Provide to participant January 31
- File paper forms with IRS February 28
- Electronically file with IRS March 31
- ▶ 30 day extension through submission of Form 8809
- Additional 30 day extension may be requested if filed before expiration of initial extension
- Due to IRS on January 31 if non-payroll compensation included
- Penalties: Same as Form W-2 in accordance with Sections 6721 and 6722

IRS Form 1096: Annual Summary and Transmittal of U.S. Information Returns

- What: Form used to transmit various Form 1099s and other forms to IRS
- Created by: 26 CFR 1.6041-1
- ▶ *Who:* Any government filing Forms 1099 and other forms

IRS Form 1096: Annual Summary and Transmittal of U.S. Information Returns

- ▶ *When:* February 28 (March 31 for electronic filings)
- Penalties: Tied to forms being transmitted, usually under Sections 6721 and 6722

March

March Reporting Dates

- March 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

March Reporting Dates (cont.)

- March 25
 - Projected Employee Compensation Report (Employees equal to or over \$150K)
- March 31
 - ► Electronic Filings of State and Federal Tax Forms
 - Annual Budget / Appropriation

Projected Employee Compensation Report (Employees Equal to or Over \$150K)

- What: Requirement for all IMRF employers to report compensation packages for each employee in excess of \$150K per year on the municipality's website
 - May also post notice on website, providing directions to where physical copies may be publicly viewed
- Created by: Public Act 97-0609 amending the Illinois Open Meetings Act (5 ILCS 120/7.3) and Illinois Pension Code (40 ILCS 5/)

Projected Employee Compensation Report (Employees Equal to or Over \$150K)

- ► Who: Any government providing compensation packages in excess of \$150K to employees
- When: 6 days before budget approval
- Penalties: Any person in violation of the Open Meetings Act shall be guilty of a Class C misdemeanor and civil action may be taken

Annual Budget / Appropriation

What: Ordinance adopted by the governing body identifying sums of money necessary to defray all necessary expenses/expenditures and liabilities of a municipality

Created by:

- ► Illinois Municipal Budget Law (50 ILCS 330/1) Townships and other small units of government
- ► Illinois Municipal Code (65 ILCS 5/8) Cities, villages, and incorporated towns
- Counties Code (55 ILCS 5/6-1001) Counties other than Cook
- ▶ 70 ILCS for Special Districts

Annual Budget / Appropriation

- Who: All governmental entities
- When: Within or before the 1st quarter of each fiscal year
 - Appropriation/budget document made available for public inspection 10 days before adoption of ordinance
 - At least one public hearing must be held with notice provided at least days before hearing

Annual Budget / Appropriation

Penalties:

- According to State Statutes
 - ► Illinois Municipal Budget Law No effect on validity of tax levy or penalties identified in statute
 - ▶ Illinois Municipal Code No penalties identified in statute
 - ► Counties Code County board commits Class B misdemeanor
 - ▶ 70 ILCS for Special Districts Variable based on type of governmental entity
- Individual counties may assess other penalties, such as not billing for property taxes

April

April Reporting Dates

- April 6
 - Projected Employee Compensation Report (Employees over \$75K)
- ► April 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

April Reporting Dates (cont.)

- April 30
 - ▶ IRS Form 941: Employer's Quarterly Federal Tax Return
 - ► Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return
 - ► Illinois Form UI-3/40: Quarterly Wage Reporting and Contributions

Projected Employee Compensation Report (Employees Over \$75K)

- What: Requirement for all IMRF employers to report compensation packages for each employee in excess of \$75K per year on the municipality's website
- Created by: Public Act 97-0609 amending the Illinois Open Meetings Act (5 ILCS 120/7.3) and Illinois Pension Code (40 ILCS 5/)

Projected Employee Compensation Report (Employees Over \$75K)

- Who: Any government providing compensation packages in excess of \$75K to employees
- When: Within 6 days of budget approval
- Penalties: Any person in violation of the Open Meetings Act shall be guilty of a Class C misdemeanor and civil action may be taken

May

May Reporting Dates

- ► May 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits
- 2nd Tuesday in May
 - Annual Pension Treasurer's Report

Annual Pension Treasurer's Report

- ► <u>What:</u> Sworn statement to the pension board and governing body of municipal employer of all moneys received and paid out from the pension fund during the year and amount of funds on hand and owed to the pension fund
- Created by: 40 ILCS 5/3-141 (Police Pension) and 40 ILCS 5/4-130 (Fire Pension)

Annual Pension Treasurer's Report

- Who: Municipal treasurer appointed treasurer of the police and fire pension boards
 - No actual reporting requirement in Fire Pension statutes; limited to books and accounts being subject to inspection of the board or any member thereof
- When: 2nd Tuesday in May
- Penalties: None identified in statutes

June

June Reporting Dates

- June 10
 - Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

June Reporting Dates (cont.)

- June 29 (June 28 in leap years)
 - ► Illinois Comptroller's Office Annual Financial Report
 - Annual TIF Report
 - GFOA Distinguished Budget Presentation Award
- June 30
 - ► Annual Treasurer's Report
 - ► Illinois Department of Insurance Reports
 - GFOA Certificate of Achievement for Excellence in Financial Reporting

June Reporting Dates (cont.)

- June 30 (cont.)
 - ► GFOA Popular Annual Financial Reporting Award
 - ► GFOA Award Program for Small Government Cash Basis Reports
 - ► Continuing Disclosure Requirements

Illinois Comptroller's Office Annual Financial Report (AFR)

- What: Local government entities are required to file the AFR and the entity's annual audit with the Illinois Comptroller's Office
- Created By: Illinois Municipal Code (65 ILCS 5/Art. 8 Div. 8)
- Who: Most governmental entities (some governmental entities may be included with a "primary government" AFR)

Illinois Comptroller's Office Annual Financial Report (AFR)

- When: Within 180 days of fiscal year-end
 - One 60 day extension; must be filed before initial 180 days has passed
- Penalties: Separate daily fines for AFR and Audit submissions as follows:
 - ▶ Delinquent 1 15 days: \$5 per day
 - Delinquent 16 30 days: \$10 per day
 - Delinquent 31 45 days: \$15 per day
 - ▶ Delinquent 46 days or more: \$20 per day

Annual Tax Increment Financing (TIF) Report

What: Annual report filed with the Comptroller's Office, including auditor's compliance opinion and financials (either separate issued financial statements or non-audited information).

Created by: 65 ILCS 5/11-74.3-5

Annual Tax Increment Financing (TIF) Report

- Who: Local governments utilizing tax increment financing districts
 - ► Compliance opinion required only when individual Redevelopment Area receives over \$100K of cumulative incremental revenue
- When: Within 180 days of fiscal year-end
 - ► Extension may be granted if TIF administrator provides sufficient evidence that audit is in process

Annual Tax Increment Financing (TIF) Report

- Penalties: Late fees mirror AFR penalties
 - ▶ Delinquent 1 15 days: \$5 per day
 - ▶ Delinquent 16 30 days: \$10 per day
 - ▶ Delinquent 31 45 days: \$15 per day
 - ▶ Delinquent 46 days or more: \$20 per day

GFOA Distinguished Budget Presentation Award

► <u>What:</u> Award to recognize individual governments that succeed in preparing budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting

Created by: GFOA

GFOA Distinguished Budget Presentation Award

- ▶ <u>Who:</u> Any government that makes available to the general public an operating budget document regardless of length of budget.
- When: Within 90 days of date when budget was proposed/adopted
- Penalties: N/A

Annual Treasurer's Report

- What: Municipal treasurers are required to publish an accounting of moneys received and expenditures incurred within the preceding fiscal year. The report must include statements of:
 - ▶ All moneys received and from what sources received
 - ▶ All moneys paid out (except payroll) where the total amount paid during the fiscal year exceeds \$2,500 in the aggregate
 - All monies paid out as compensation for personal services organized by salary ranges
 - Summary statement of operations for all funds and account groups

Annual Treasurer's Report

- Created by: Public Funds Statement Publication Act (30 ILCS 15/1)
- ▶ *Who:* All governmental entities
- When: Within 6 months of fiscal year-end
 - ► To be published in newspaper of general circulation
 - ► Alternative: Publication of Notice of Availability
 - ➤ Shall include 1) time period covered, 2) name of audit firm, and 3) address/business hours where audit may be publicly inspected

Annual Treasurer's Report

- Penalties: For each offense, public officer and/or shall forfeit the sum of not less than \$25 nor more than \$500 to be recovered in a civil action in the name of the People of the State of Illinois
 - ► Shall be deemed guilty of a Class A misdemeanor

Illinois Department of Insurance (IDOI) Report

- What: An annual statement required to be filed with the Illinois Department of Insurance by all Police and Fire Pensions
 - ▶ 3 Primary Sections: Financial Data, Investment Activity, Participant Data
- Created by: Illinois Pension Code (40 ILCS 5/1A-109)

Illinois Department of Insurance (IDOI) Report

- ▶ *Who:* All Police and Fire pension funds
- When: Within 6 months of fiscal year-end
- Penalties: Failure to file, without just cause, shall result in a penalty to be determined by the IDOI, which shall not exceed \$100 for each day's delay.
 - ▶ Unpaid fees after filing will increase 5% per month, not to exceed 25% of original fee

GFOA Certificate of Achievement for Excellence in Financial Reporting

- What: Award recognizing governments that succeed in preparing a comprehensive annual financial report (CAFR) that goes beyond the minimum requirements of generally accepted accounting principles and evidences the spirit of transparency and full disclosure
- Created by: GFOA

GFOA Certificate of Achievement for Excellence in Financial Reporting

- Who: Any government preparing a CAFR in accordance with GFOA guidelines
- When: Within 6 months of fiscal year-end
 - ► Extensions provided for extraordinary circumstances
- Penalties: N/A

GFOA Popular Annual Financial Reporting Award

What: Award to recognize governments that are successful in producing a high quality popular annual financial report (PAFR) specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance

Created by: GFOA

GFOA Popular Annual Financial Reporting Award

- Who: Any government that makes available to the general public a PAFR
- When: Within 6 months of fiscal year-end
 - ► Extensions provided for extraordinary circumstances
- Penalties: N/A

GFOA Award Program for Small Government Cash Basis Reports

What: Award designed for the thousands of small governments for which financial reporting in conformity with generally accepted accounting principles (GAAP) is not a viable option.

Created by: GFOA

GFOA Award Program for Small Government Cash Basis Reports

- Who: Governments with
 - ► Less the \$25 million in revenues reported in governmentwide financial statements
 - ▶ No GAAP financial reports issued in past 5 years
 - Prepared in conformity with general guidelines for program
- When: Within 6 months of fiscal year-end
- ▶ *Penalties:* N/A

- What: A requirement set forth for issuances of municipal securities wherein certain information is required to be publicly disclosed after the initial issuance of the bonds
 - ▶ Generally reflects the financial or operating condition of the issuer as well as specific events that may have an impact on the ability of the issuer to pay amounts owed on the bonds, the value of the bonds if it is bought or sold prior to its maturity, the timing of repayment of principal, and other key features of the bonds

- Created by: Securities Exchange Act Rule 15c2-12
- Who: Municipal entities with an issuance of debt in excess of \$1 million entered into after July 1, 2009
 - Certain issuances are exempt due to size, term to maturity, persons to whom securities are sold ability of investors to "put" the bonds to the issuer, or when securities were issued

- When: Defined in issuance's Continuing Disclosure Agreement (CDA)
 - Usually aligns with financial reporting deadlines
 - ► EMMA allows an option for governments to select 120 or 150 days; however, GFOA recommends use of a longer timeline to ensure compliance

- Penalties: Under the Municipalities Continuing Disclosure Cooperation (MCDC) Initiative
 - ▶ If self-reported, the Division of Enforcement will recommend that the SEC accept a settlement in which there is no payment of any civil penalty by the issuer if certain requirements are agreed
 - ▶ If settlement not accepted or agreed, enforcement action may be taken against the governmental entity and, potentially, individuals associated with the entity (such as municipal officers) under federal securities laws

July

July Reporting Dates

- ▶ July 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

July Reporting Dates (cont.)

- ▶ July 31
 - ▶ IRS Form 941: Employer's Quarterly Federal Tax Return
 - ► Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return
 - ► Illinois Form UI-3/40: Quarterly Wage Reporting and Contributions

August

August Reporting Dates

- August 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits
- August 29
 - Management Letter Publication

Management Letter Publication

- ▶ <u>What:</u> Beginning January 1, 2015, a copy of the financial statements and management letter must be presented to each member of the governing body, including a presentation of the audit to the governing body by the external auditors
- <u>Created by:</u> Public Act 98-0738 (applies to County Code and Illinois Municipal Code)

Management Letter Publication

- Who: All municipalities and counties
- When: Presentation to Governing Body and publish to website within 60 days of audit issuance
- Penalties: None noted per statute

Management Letter Publication

- Note: Management letter required to be published on the entity's website
 - "Management letter" is not defined by any audit or accounting standards
 - Informally refers to the communications from the auditors to the governing body
 - Sensitive information may be not be appropriate for publication
 - Work with legal counsel and auditors to ensure compliance with law

September

September Reporting Dates

- September 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

September Reporting Dates (cont.)

- September 30
 - ► Single Audit Report (A-133 and Uniform Guidance)
 - Data Collection Form

Single Audit Report

- What: A report on federal expenditures incurred during the fiscal year completed by an independent auditor
- Created by: 2 CFR 200.501(a) in accordance with Uniform Guidance
 - ► Previously under A-133: Subpart B-Audits §____.200(a)

Single Audit Report

- Who: Non-federal entities expending \$750K or more in federal awards during a fiscal year
 - ▶ \$500K under previous A-133 requirements
- ▶ *When:* Within 9 months of fiscal year-end

Single Audit Report

Penalties:

- ► Entity cannot be considered a "low risk auditee" for next 2 fiscal years
 - May result in additional scope of testing by auditors and increased audit fees
- ► Federal departments and pass-through agencies may pose penalties or withhold future funding

Data Collection Form

- ► <u>What:</u> The federal government requires all non-federal entities requiring a single audit to submit the form and the single audit report for publication in the Federal Audit Clearinghouse
- Created by: Uniform Guidance 2 CFR 200.512(a)
 - Previously A-133 §____.320 (a)

Data Collection Form

- ▶ <u>Who:</u> All non-federal entities requiring a single audit
- When: The earlier of
 - ▶ 30 days after receipt of audit report
 - 9 months after the fiscal year-end
- Penalties: Same as single audit requirements

October

October Reporting Dates

- October 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

October Reporting Dates (cont.)

- October 31
 - ▶ IRS Form 941: Employer's Quarterly Federal Tax Return
 - ► Illinois Form IL-941: Employer's Quarterly Illinois Withholding Tax Return
 - ► Illinois Form UI-3/40: Quarterly Wage Reporting and Contributions
 - Unclaimed Property Reporting (Illinois Only)

Unclaimed Property Reporting (Illinois Only)

- What: Report to be submitted to the Illinois State Treasurer including:
 - Name, SSN/TIN, and last known address of owner of property over \$5
 - ► Full name of the insured and any beneficiary at their last known address
 - ▶ Date when the property became payable, demandable, or returnable and the date of the last transaction with the owner with respect to the property
 - Any other information the State Treasurer prescribes

Unclaimed Property Reporting (Illinois Only)

- <u>Created By:</u> Uniform Disposition of Unclaimed Property Act (765 ILCS 1025/26)
- Who: Any governmental entity holding unclaimed property
- When: Before November 1
 - Extension may be granted if written request made before date report or remittance due

Unclaimed Property Reporting (Illinois Only)

Penalties:

- ► Late submission of report Lesser of \$100 or \$1 per day
- ▶ Refusal to remit property to State Treasurer 1% monthly interest charge or annualized interest rate 3% above the prime rate published by the Wall Street Journal on 1st day of the month in which property was remitted

November

November Reporting Dates

- November 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

November Reporting Dates (cont.)

- November Board/Council Meeting
 - ► Annual Pension Report to the Board/Council
- Late November
 - ▶ Truth in Taxation Requirements Proposed Aggregate Levy and Publication Notice

Annual Pension Report to the Board/Council

- What: Pension boards are required to report to the council/board on the condition of the fund at the end of its most recent fiscal year
- Created by: Police Pension (40 ILCS 5/3-143) and Fire Pension (40 ILCS 5/4-134)
- Who: All police and fire pension funds related to municipalities with population less than 500K

Annual Pension Report to the Board/Council

- ▶ <u>When:</u> Prior to the Council/Board meeting to appropriate and levy taxes for the year for which the report is made
- Penalties: None identified in statutes

December

December Reporting Dates

- Early December
 - ► Truth in Taxation Requirements Second Notice
- December 10
 - ► Monthly Report of IMRF Member Wages and Contributions
 - ► IMRF Monthly Deposit Report Summary
- Every Wednesday and Friday
 - ► Illinois Form IL-501: Monthly State Income Tax Payment Form
 - ► Federal Income Tax Deposits

December Reporting Dates (cont.)

- December 15
 - ► GFOA Awards for Excellence in Government Finance
- December Board/Council Meeting
 - ► Truth in Taxation Requirements Action on Levy Ordinance
- Last Tuesday of December
 - ► Truth in Taxation Requirements Submission to County Clerk
 - Tax Abatements

- What: The Truth in Taxation Law provides requirements for public hearings and notices related to the annual property tax levy
- Created by: Property Tax Code
 - ▶ Levying Process (35 ILCS 200/Art. 18 Div. 1)
 - ► Truth in Taxation (35 ILCS 200/Art. 18 Div. 2)
- Who: Applies to all levying bodies of government (special rules may apply to certain entities)

- When (Counties w/ Pop. < 3 Million): Levy amount must be determined at September session
- When (Taxing Districts): Certify to the County Clerk on or before the last Tuesday in December

- When (Truth in Taxation):
 - Proposed Aggregate Levy 20 days before adoption of levy ordinance
 - Newspaper Public Notice No more than 14 days nor less than 7 days before hearing date
 - ▶ Required if levy is 5% greater than prior year levy extension
 - ► Public Hearing late November / early December
 - ▶ Open to the public; cannot coincide with budget hearing

- When (Truth in Taxation):
 - Second Notice Within 15 days of levy adoption
 - ▶ Only required if final aggregate tax levy adopted is larger than the amount stated in published notice (or if requirements for first notice only met after adoption of levy)
 - Certification of Compliance Before last Tuesday of December
 - ► Required to be submitted with Levy Ordinance if levy more than 5% greater than prior year levy extension
 - ► Must be certified by presiding officer of taxing district

- Penalties: Varies by County
 - ▶ If documents not filed properly, County Clerk may not bill for any taxes

Property Tax Abatements

What: Any taxing district may determine that a surplus of funds is available for any purpose, may adopt a resolution/ordinance to reduce its tax levy for the year

Created by: Property Tax Code (35 ILCS 200/18-20)

Property Tax Abatements

- Who: Any taxing district receiving funds under Section 12 of the State Revenue Sharing Act
- When: Prior to extension of taxes by the County Clerk (specific to each county)
- Penalties: N/A

GFOA Awards for Excellence in Government Finance

- ► <u>What:</u> Annual award recognizing innovative programs and contributions to the practice of government finance that exemplify outstanding financial management
- Created by: GFOA
- Who: Anyone (Membership in GFOA not required)
- When: December 15
- Penalties: N/A

Throughout the Year

IRS Form W-4: Employee's Withholding Allowance Certificate

- What: Form to be furnished to each employee upon hiring to determine correct withholding; must be submitted to the IRS with Form 941
- Created by: 26 CFR 31.3402(p)-1
- ► <u>Who:</u> All governments and employees

IRS Form W-4: Employee's Withholding Allowance Certificate

- When: Multiple dates
 - Employee completion Upon employment
 - ► Employer maintenance First quarterly Form 941 after employment; kept on file and submitted upon IRS request
 - Employees may submit a new form at any time with changes to withholdings
- Penalties: Multiple penalties
 - Statements to reduce tax withheld with no reasonable basis+ \$500
 - Willfully supplying false or fraudulent information -Criminal penalty fine up to \$1,000 and/or imprisonment for up to 1 year

Sales Tax Incentive Agreements

- ▶ <u>What:</u> All rebate sharing agreements are required to be filed with the Illinois Department of Revenue
- Created by: Public Act 97-0976 (ILCS 5/5-1014.3)
- ▶ *Who:* Any municipality with rebate sharing agreements
- ▶ *When:* Within 30 days following execution of agreement
- Penalty: \$20 per day

Important Links

- ► AFR Website: http://www.comptrollerconnect.ioc.state.il.us/AFR/LOGIN/
- ► TIF Report Upload Website: https://illinoiscomptroller.gov/services/local-government-division/upload-tif-reports/
- ► GFOA Award Programs Website: http://www.gfoa.org/awards
- ► IMRF Employer Portal: https://www.imrf.org/employeraccessv2/MenuHome.do

Important Links

- ► IDOI Pension Report Website: https://insurance.illinois.gov/Applications/Pension/Default.aspx?ReturnUrl=%2fapplications%2fpension%2f
- Data Collection Form Website (Federal Audit Clearinghouse): https://harvester.census.gov/facweb/
- ▶ 2016 Illinois Tax Withholding Forms: http://www.revenue.state.il.us/TaxForms/Withholding/

Important Links

- Federal Tax Information for Local Governments: https://www.irs.gov/government-entities/federal-statelocal-governments
- Unemployment Reporting Forms: http://www.ides.illinois.gov/SitePages/Employer%20Forms%20and%20Publications.aspx
- Continuing Disclosure Website (MSRB): http://www.msrb.org/Market-Transparency/Continuing-Disclosure.aspx

Questions?