ROCK ISLAND
ILLINOIS

City Council Study Session Agenda
July 8, 2024 - 6:00 PM
County Office Building, County Chambers, 3rd Floor
1504 Third Avenue, Rock Island, IL

Click Here to Watch Live

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **Presentations**
   a. Finance Department Presentation of the Auditor's Annual Comprehensive Financial Report for CY 2023.
5. **Adjourn**
   a. Motion: Motion to adjourn.
   VV Voice vote is needed.

This agenda may be obtained in accessible formats by qualified persons with a disability by making appropriate arrangements from 8:00 am to 5:00 pm, Monday through Friday, by contacting the City Clerk's Office at (309) 732-2010 or visiting in person at: 1528 Third Avenue, Rock Island, IL 61201.

Memorandum

To: Rock Island City Council

From: Jessica Sager, Finance Director

Subject: Finance Department Presentation of the Auditor's Annual Comprehensive Financial Report for CY 2023.

Date: July 8, 2024

Introduction and Background Information:

Lauterbach & Amen, LLP, the City's contracted auditing firm, will present the CY 2023 Annual Comprehensive Financial Report to City Council. Once City Council has approved the financial statements, they will be submitted to the state for reporting purposes.

Previous Council Action (if any):

Budget Impact:

Additional Information as applicable (i.e. provide alternative options, community or staff input, staffing impact; resident impact; etc.):

Council Goal (if applicable):

Recommendation:

City Council approve the Annual Comprehensive Financial Report for CY 2023.

Submitted by: Jessica Sager, Finance Director

Approved by:

Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

City of Rock Island, Illinois

Presentation of 12/31/2023 Audit & Related Reports

Actuarial | Audit | Client Accounting & Advisory Services | Pension | Tax

Introductory Section

- Page 1: List of Principal Officials
- Page 2: Organizational Chart
- Page 3: Transmittal Letter
- Page 11: Receipt of the Certificate of Achievement for Excellence in Financial Reporting (ACFR Award) for the 12/31/2022 Audit
  - Awarded to the City for the 12/31/2023 Fiscal Year
  - 41st year the City has received this award

Financial Section

- Page 14: Independent Auditor's Report
  - Unmodified Opinion
    - Clean Opinion / Highest-Level opinion that the City can receive
    - Financial Statements were presented fairly in all material respects
  - No Internal Control Findings
- Page 28: Management's Discussion and Analysis (Executive Summary)
- Page 34: Basic Financial Statements
- Page 117: Supplementary Information

Basic Financial Statements

- Page 34: Government-Wide Statement of Net Position
  - **Assets and Deferred Outflows of Resources**:
    - Governmental Activities: $196 Million
    - Business-Type Activities: $169 Million
    - MLK Center: $1.7 Million
    - Rock Island Public Library Foundation (2022): $2.5 Million
  - **Liabilities and Deferred Inflows of Resources**:
    - Governmental Activities: $280 Million
    - Business-Type Activities: $108 Million
    - MLK Center: $1.2 Million
    - Rock Island Public Library Foundation (2022): $0

Basic Financial Statements

- Page 36: Government-Wide Statement of Activities
  - **Revenues**:
    - Governmental Activities: $65 Million
    - Business-Type Activities: $33 Million
    - MLK Center: $1.9 Million
    - Rock Island Public Library Foundation (2022): $11k
  - **Expenses**:
    - Governmental Activities: $60 Million
    - Business-Type Activities: $29 Million
    - MLK Center: $1.6 Million
    - Rock Island Public Library Foundation (2022): $305k
  - **Net Position Change**:
    - Governmental Activities: ~5% Increase
    - Business-Type Activities: ~8% Increase
    - MLK Center: ~159% Increase
    - Rock Island Public Library Foundation (2022): ~11% Decrease

Basic Financial Statements

- Page 38: Governmental Funds
- Page 46: Proprietary Funds
- Page 56: Fiduciary Funds
- Page 58: Notes to the Financial Statements
  - Page 77: Leases Receivable
  - Page 80: Capital Assets
  - Page 82: Long-Term Debt
  - Page 94: Fund Balance Classifications (Nonspendable, Advances, Restricted, and Committed)

Supplementary Information Section

- Schedule of Employer Contributions
- Schedule of Changes in the Employer’s Net Position Liability/(Asset)
- Schedule of Investment Returns
- Schedule of Changes in the Employer's Total OPEB Liability
- Budgetary Comparison Schedules (Budget to Actual)
- Page 191: Consolidated Year-End Financial Report (CYEFR)
- Long-Term Debt Requirements
- Statistical Section

Management Letter / SAS 114 Letter

- Prior Recommendations:
  - GASB Statement No. 94: Public-Private & Public-Public Partnerships and Availability Payment Arrangements
    - No applicable PPPs or APAs
    - Considered implemented and will not be repeated in the future
  - GASB Statement No. 96: Subscription-Based Information Technology Arrangements (SBITA)
    - See page 85 – 86 of ACFR for applicable subscriptions
    - Considered implemented and will not be repeated in the future

- Current Recommendations:
  - GASB Statement No. 100: Accounting Changes and Error Corrections (Effective 12/31/2024)
  - GASB Statement No. 101: Compensated Absences (Effective 12/31/2024)

Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Contact Information

Lauterbach & Amen, LLP
668 N. River Road
Naperville, IL 60563
Phone: 630.393.1483
Fax: 630.393.2516
lauterbachamen.com

Jamie L. Wilkey, Partner
jwilkey@lauterbachamen.com