CITY OF ROCK ISLAND
CITY COUNCIL STUDY SESSION
County Office Building, County Chambers, 3rd Floor
1504 Third Avenue, Rock Island, IL

7/8/2024 - Minutes

1. Call to Order

Mayor Thoms called the meeting to order at 6:00 p.m. and welcomed everyone.

2. Roll Call

Mayor Thoms asked City Clerk Samantha Gange to call the roll.

Present: Alderpersons Moses Robinson, Kevin Maynard, Dylan Parker, Mark Poulos, Bill Healy and Mayor Thoms.

Absent: Alderpersons Randy Hurt and Jenni Swanson.

Staff: City Manager Todd Thompson, Attorney Leslie Day, City Clerk Samantha Gange, and other City Staff.

3. Public Comment

Mayor Thoms asked if anyone in the public wished to speak. No one was signed up to speak.

4. Presentations

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

Finance Director Jessica Sager said the 2023 fiscal year audit began January 1, 2024 and concluded mid-June. The Finance Department worked with various departments to provide information for the audit. Ms. Sager introduced Audit Manager Hannah Cullerton of Lauterbach & Amen, LLP, who joined virtually.

Ms. Cullerton gave the highlights of each section of the audit report, beginning with the introductory section. The introductory section included the list of principal officials, the organizational chart, the transmittal letter and the Certificate of Achievement for Excellence in Financial Reporting for 2022 from the Government Finance Officers Association. Ms. Cullerton mentioned the certificate was awarded to the City of Rock Island for 2023, making it the 41st consecutive year the City has been a recipient of the award.

Ms. Cullerton went over the financial section, including the independent auditor’s report, management’s discussion and analysis (MD&A), basic financial statements and supplementary information. The independent auditor’s report stated that all financial statements were presented fairly in all material aspects, and there were no internal control findings. The MD&A is an executive summary of the audit report.

Ms. Cullerton reported that the total amount of assets and deferred outflows of resources for government activities was $196 million, $169 million for business-type activities, $1.7 million for the MLK Center and $2.5 million for the Rock Island Library Foundation. The total amount of liabilities and deferred inflows of resources for government activities was $280 million, $108 million for business-type activities, $1.2 million for the MLK Center and $0 for the Rock Island Library Foundation. The revenue for governmental activities was $65 million, $33 million for business-type activities, $1.9 million for the MLK Center and $11,000 for the Rock Island Public Library Foundation. Expenses for government activities was $60 million, $29 million for business-type activities, $1.6 million for the MLK Center and $305,000 for the Rock Island Library Foundation. The net position change increased for governmental activities by 5 percent, 8 percent for business-type activities and 159 percent for the MLK Center. The Rock Island Public Library Foundation saw a decrease of 11 percent. The numbers reported for the Rock Island Public Library Foundation are from 2022, whereas the other activities' figures are from 2023.

The basic financial statements section also included governmental funds, proprietary funds, fiduciary funds, and notes to the financial statements. Leases receivable, capital assets, long-term debt, and fund balance classifications are covered in the financial statement notes.

The supplementary information section of the audit report was comprised of the schedules of employer contributions, changes in the employer's net position liability, investment returns and changes in the employer's total other post-employment benefits. The budgetary comparison schedules, consolidated year-end financial report, long-term debt requirements, and statistical section are also in this section of the report.

Ms. Cullerton went over the City's SAS 114 letter. The letter is a separate report containing Lauterbach & Amen, LLP's recommendations. This year, the recommendation is to implement Governmental Accounting Standards Board (GASB) Statement 100 and Statement 101. Updating some of the language in the audit report would fulfill the GASB Statement 100. Statement 101 goes into more detail as to what is considered compensated absences. Lauterbach & Amen, LLP will be working with the City to meet those recommendations.

5. Adjourn

a. Motion: Motion to adjourn.
VV Voice vote is needed.

MOTION:

Alderperson Poulos moved to adjourn; Alderperson Healy seconded.

VOTE:

Motion PASSED on a 5-0-2 voice vote. Aye: Healy, Robinson, Maynard, Parker, Poulos. Nay: None. Absent: Hurt, Swanson.

The Study Session concluded at 6:18 p.m.