



**ROCK ISLAND COUNTY
FOREST PRESERVE DISTRICT, ILLINOIS**

AUDITOR'S COMMUNICATION
TO THE BOARD OF COMMISSIONERS

For the Year Ended June 30, 2024



SIKICH.COM

ROCK ISLAND COUNTY FOREST PRESERVE DISTRICT, ILLINOIS
AUDITOR’S COMMUNICATION TO THE
BOARD OF COMMISSIONERS
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1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

December 5, 2024

The Honorable President
Members of the Forest Preserve
Board of Commissioners
Rock Island County Forest Preserve District
1504 3rd Avenue
Rock Island, IL 61201

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by auditing standards. Our communication at the beginning of our audit process along with our questionnaire regarding consideration of fraud in a financial statement audit was sent to you in July 2024.

Auditing standards require the communication of certain internal control related matters to management. Our communication of these matters is enclosed within this document.

This information is intended solely for the use of the Forest Preserve President, Board of Commissioners and Management of the Rock Island County Forest Preserve District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Sikich CPA LLC".

Sikich CPA LLC
By: Nick Bava, CPA, MAS
Principal

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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December 5, 2024

The Honorable President
Members of the Forest Preserve
Board of Commissioners
Rock Island County Forest Preserve District

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Rock Island County Forest Preserve District, Illinois (the Forest Preserve) as of and for the year ended June 30, 2024 and have issued our report thereon dated December 5, 2024. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 27, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Forest Preserve are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended June 30, 2024. We noted no transactions entered into by the Forest Preserve during the year for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no particularly sensitive estimates made by management during our audit of the financial statements with the exception of the estimates in connection with the actuarial valuations performed for the Illinois Municipal Retirement Fund and the Other Postemployment Benefit Plan.

Management's estimate of the Forest Preserve's total pension liability and total other postemployment benefit liability are based on various actuarially determined amounts, including estimated investment returns, dates of employee retirement, discount rates, healthcare trend rates, and mortality rates. We evaluated key factors and assumptions used to develop the management's estimates of the Forest Preserve's total pension liability and total other postemployment benefit liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected any such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole, except for AJE 01 and AJE 02.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 5, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Forest Preserve's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Forest Preserve's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information as listed in the table of contents and managements' discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules as listed in the table of contents, which accompany the financial statements but are not RSI. With respect to this information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

We were not engaged to report on the introductory section and the statistical section, which accompany the basic financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our procedures did not identify any material inconsistencies with the basic financial statements.

This information is intended solely for the use of the Forest Preserve President, Members of the Board of Commissioners and Management of the Rock Island County Forest Preserve District and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Sikich CPA LLC

Sikich CPA LLC
By: Nick Bava, CPA, MAS
Principal

Rock Island County Forest Preserve District

Year End: June 30, 2024

Adjusting Journal Entries

Date: 7/1/2023 To 6/30/2024

Account No: AJE 01 To AJE 02

Number	Date	Name	Account No	Amount
AJE 01	6/30/2024	Taxes Receivable	130-00-105.00 FP-130	817,070.23
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	130-00-222.90 FP-130	(817,070.23)
AJE 01	6/30/2024	Taxes Receivable	131-00-105.00 NZ-131	986,576.96
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	131-00-222.90 NZ-131	(986,576.96)
AJE 01	6/30/2024	Taxes Receivable	132-00-105.00 IMRF-132	87,610.25
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	132-00-222.90 IMRF-132	(87,610.25)
AJE 01	6/30/2024	Taxes Receivable	133-00-105.00 LIF-133	133,322.13
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	133-00-222.90 LIF-133	(133,322.13)
AJE 01	6/30/2024	Taxes Receivable	136-00-105.00 FISSA-136	144,749.62
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	136-00-222.90 FISSA-136	(144,749.62)
AJE 01	6/30/2024	Taxes Receivable	161-00-105.00 AF-161	28,568.76
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	161-00-222.90 AF-161	(28,568.76)
AJE 01	6/30/2024	Taxes Receivable	201-00-105.00 DS-201	415,199.92
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	201-00-222.90 DS-201	(415,199.92)
AJE 01	6/30/2024	Taxes Receivable	335-00-105.00 DFCI-335	180,936.09
AJE 01	6/30/2024	Deferred Prop. Tax Revenue	335-00-222.90 DFCI-335	(180,936.09)

Entry to record property tax
receivables and deferred
revenue for the 2023 property
tax levy.

AJE 02	6/30/2024	Accounts Receivable	131-00-115.00 NZ-131	135,347.26
AJE 02	6/30/2024	Accounts Receivable	131-00-115.00 NZ-131	36,377.93
AJE 02	6/30/2024	Grant Rev. Rec'd. in Advance	131-00-223.11 NZ-131	(135,347.26)
AJE 02	6/30/2024	Grant Rev. Rec'd. in Advance	131-00-223.11 NZ-131	(36,377.93)
AJE 02	6/30/2024	Grant Rev. Rec'd. in Advance	131-00-223.11 NZ-131	17,196.90
AJE 02	6/30/2024	Deferred Revenue	131-00-223.20 NZ-131	(558.74)
AJE 02	6/30/2024	Deferred Revenue	131-00-223.20 NZ-131	(17,196.90)
AJE 02	6/30/2024	Local grants-culture&recreation	131-35-337.70 NZ-131	558.74
AJE 02	6/30/2024	Due from Other Gov't. Unit	335-00-132.00 DFCI-335	1,182.35
AJE 02	6/30/2024	Grant Rev. Rec'd in Advance	335-00-223.11 DFCI-335	(1,182.35)

Entry to accrue grant activity as
brought by Sikich during testing.

**ROCK ISLAND COUNTY FOREST
PRESERVE DISTRICT, ILLINOIS**

MANAGEMENT LETTER

For the Year Ended
June 30, 2024

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

The Honorable President
Members of the Board of Commissioners
Rock Island County Forest Preserve District, Illinois

In planning and performing our audit of the governmental activities, each major fund and the aggregate remaining fund information of the Rock Island County Forest Preserve District, Illinois (the Forest Preserve) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Forest Preserve's internal control. Accordingly, we do not express an opinion on the effectiveness of the Forest Preserve's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Forest Preserve's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We also reviewed the status of the recommendations for the audit for the year ended June 30, 2023. The status of these recommendations is included in Appendix A. This letter does not affect our report dated December 5, 2024, on the basic financial statements of the Forest Preserve.

This report is intended solely for the information and use of the President, the Board of Commissioners and Management and others within the administration and is not intended to be and should not be used by anyone other than these specified parties.

SiKich CPA LLC

Naperville, Illinois
December 5, 2024

OTHER COMMENT

Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued a number of pronouncements that may impact the Forest Preserve in the future:

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. This Statement is effective for the fiscal year ended June 30, 2025.

GASB Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within twelve months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government’s vulnerability to the risk of a substantial impact. The requirements of this Statement are effective for the fiscal year ended June 30, 2025.

OTHER COMMENT (Continued)

Future Accounting Pronouncements (Continued)

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses. This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The requirements of this Statement are effective for the fiscal year ended June 30, 2026.

We will advise the Forest Preserve of any progress made by GASB in developing this and other future pronouncements that may have an impact on the financial position and changes in financial position of the Forest Preserve.

APPENDIX A
STATUS OF PRIOR YEAR RECOMMENDATIONS

DEFICIENCY

Prior Period Adjustments

During our testing, we identified instances that required a prior period adjustment to the Forest Preserve's financial statements as of July 1, 2022. These items include:

- Revenue recognition corrections for property taxes
- Revenue recognition correction for personal property replacement taxes

We recommend the Forest Preserve review its significant revenue streams for proper recording in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Status: Comment considered implemented as of June 30, 2024.

OTHER COMMENTS

Interactive Account Group - Governmental Long-Term Debt

During our audit of the Forest Preserve, we noted that the Forest Preserve did not fully utilize a fund (account group) to track long-term debt activity throughout the year for governmental activities. We recommend that the Forest Preserve use this account group to record activity for governmental long-term debt for tracking purposes and to facilitate the conversion of the fund financial statements at the entity-wide level.

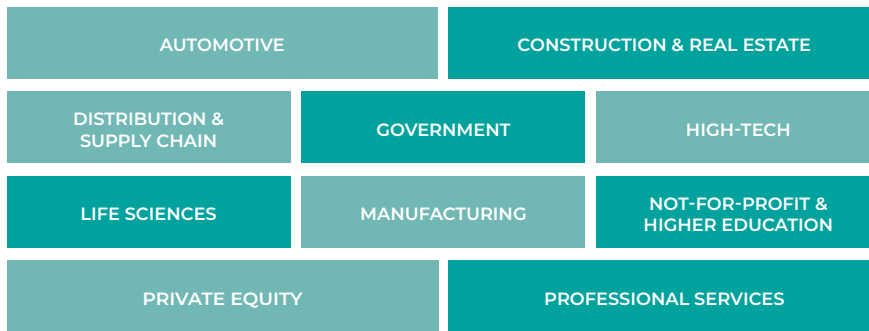
Status: Comment still applicable as of June 30, 2024.

Sikich is a global company specializing in technology-enabled professional services.

Now with more than 1,900 employees, Sikich draws on a diverse portfolio of technology solutions to deliver transformative digital strategies and ranks as one of the largest CPA firms in the United States. From corporations and not-for-profits to state and local governments and federal agencies, Sikich clients utilize a broad spectrum of services and products to help them improve performance and achieve long-term, strategic goals.

INDUSTRIES

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:



SPECIALIZED SERVICES

ACCOUNTING, AUDIT, TAX & CONSULTING SERVICES

- Outsourced Accounting
- Audit & Assurance
- Consulting Services
- Employee Benefit Plan Audits
- International Tax
- Tax

TECHNOLOGY

- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Cybersecurity & Compliance
- Digital Transformation Consulting

ADVISORY

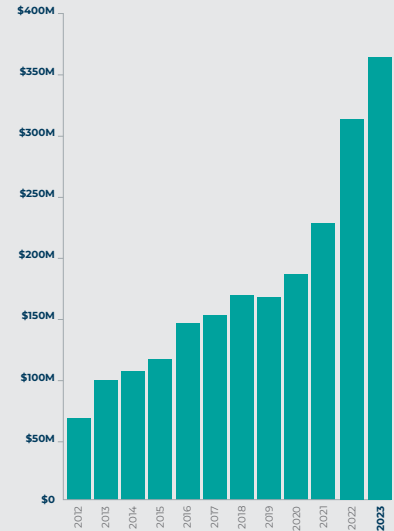
- Forensic & Valuation Services
- Governance, Risk & Compliance Services
- Human Capital Management & Payroll Consulting
- Insurance Services
- Investment Banking*
- Marketing & Communications
- Retirement Plan Services
- Regulatory, Quality & Compliance
- Site Selection & Business Incentives
- Succession Planning
- Supply Chain
- Transaction Advisory Services
- Wealth Management**
- Workforce Risk Management

Sikich currently practices in an alternative practice structure in accordance with the AICPA Professional Code of Conduct and applicable law, regulations, and professional standards. Sikich CPA LLC is a licensed CPA firm that provides audit and attest services to its clients. Sikich LLC has a contractual arrangement with Sikich CPA LLC under which Sikich LLC provides Sikich CPA LLC with professional and support personnel and other services to support Sikich CPA LLC's performance of its professional services, and Sikich CPA LLC shares certain client information with Sikich LLC with respect to the provision of such services.

Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC. Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.

WHO WE ARE

TOTAL PERSONNEL **1,900+**
 2023 REVENUE **\$363.8M**



OFFICE LOCATIONS

- | | |
|-------------------------|-------------------------|
| Ahmedabad, GJ | Los Angeles, CA* |
| Alexandria, VA | 877.279.1900 |
| 703.836.1350 | Sacramento, CA* |
| 703.836.6701 | 925.577.5144 |
| Bangalore, KA | Milwaukee, WI |
| Boston, MA | 262.754.9400 |
| 508.485.5588 | Naperville, IL |
| Chattanooga, TN | 630.566.8400 |
| 423.954.3007 | Peoria, IL |
| Chicago, IL | 309.694.4251 |
| 312.648.6666 | Princeton, NJ |
| Cleveland, OH | 609.285.5000 |
| 440.238.0445 | Richfield, OH |
| Coimbatore, TN | 330.864.6661 |
| Decatur, IL | Springfield, IL |
| 217.423.6000 | 217.793.3363 |
| Indianapolis, IN | St. Louis, MO |
| 317.842.4466 | 314.275.7277 |

**Perform only Technology and Advisory services*

CULTURE

Our dynamic work culture fosters learning, growth and innovation, attracting top-notch team members who see the big picture. Sikich's culture is built on a flexible, trusting work environment and the key pillars of Absolute Integrity, Bias for Action, Continuous Innovation and Servant Leadership. We believe our people are our greatest asset and work hard to ensure that all team members feel empowered, comfortable and valued.



CERTIFICATIONS & AWARDS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the **American Institute of Certified Public Accountants' Governmental Audit Quality Center** and the **Employee Benefit Plan Audit Quality Center**.

We adhere to the strict requirements of membership, which assure we meet the highest standards of audit quality. **In 2023, Sikich received its 12th consecutive unmodified ("pass") peer review report**, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

Sikich ranks among the **top 30 firms nationally** on the **Accounting Today Top 100 Firms list**.



Sikich is among the **50 firms that place on Inside Public Accounting's 2023 Best of the Best Firms**, an exclusive list that ranks organizations on key areas of management, growth and strategic vision.



Sikich is a **Microsoft Dynamics' 2023/2024 Inner Circle** award recipient, a recognition that places Sikich in the **top 1% of all Microsoft Business Applications partners globally**.



We also maintain the **Oracle NetSuite 5 Star Award** and are among the **top three U.S. partners of Oracle NetSuite**.



Sikich ranks on the **Redmond Channel Partner Magazine's top 350 Microsoft partners in the U.S.**, **CRN's Top 500 Managed Service Providers**, **CRN's Top 500 Solution Providers** and **Channel Futures' MSP 501**.



NET PROMOTER SCORE

The firm's overall Net Promoter Score (NPS) is 87%.

This is a measure of our clients' willingness to recommend Sikich's services and products. An NPS of 50% is considered excellent, and 70% NPS is considered world-class.

