

**ROCK ISLAND COUNTY FOREST PRESERVE COMMISSION
FEBRUARY 15, 2022 – 6:37 PM
PRESIDENT KAI SWANSON PRESIDING**

1. Karen Kinney, County Clerk, called the roll: (Record)

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns,
D. Cremeens, J. Deppe, C. Enburg, E. Langdon, P. McNeil, D. Mielke, L. Moreno,
M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, K. Swanson,
L. Thompson, B. Vyncke, J.R. Westpfahl

TOTAL PRESENT 23

D. Clevenger, J. Woods

TOTAL ABSENT 2

2. President Swanson stated, "Thank you. I believe at this time, Mr. Davis...um, Heidi Hobkirk from RSM should be on the line."

April Palmer, County Auditor, stated, "Mr. President, if I may?"

President Swanson stated, "Yes, please."

Ms. Palmer continued, "This is Ms. Palmer, I just wanted to clarify the members of RSM LLP, with us this evening to present the Forest Preserve Audit is, partner Kristin Hughes and senior manager, Aaron McLaughlin. They did the review of the Audit and also was present throughout the fieldwork. So, I'll turn that over to them. Thank you."

President Swanson stated, "Thank you, Ms. Palmer. I now see on my screen that Ms. Hughes and Mr. McLaughlin. My apologies, the floor is yours."

Ms. Hughes said, "Thank you."

Mr. McLaughlin stated, "Yep, thank you for having us. We have prepared a brief presentation. So, I will attempt to share my screen right now."

President Swanson stated, "Mr. Davis, can we make it...uh, oh... it's good on this end."

Mr. McLaughlin asked, "Alright, is this working for everyone now?"

President Swanson answered, "Yes."

Mr. McLaughlin added, "Perfect, thank you very much. Alright, like we mentioned we are here to share the 2021 Audit Report and go over a few highlights. So,

specifically, we will take a brief moment to communicate some of our required communications directly to the Board. And, then I will work through some highlights and financial performance over the past year. So, Kristin...I know you want to share a few things. So, I will turn it over to you now."

Ms. Hughes stated, "Thank you. And, I believe you've been distributed the two deliverables issued as mentioned, the Audit Financial Statements. And, you would have also received the packet that's referred to as Auditor Communications. So, auditing standards do require that the Audit Firms report back to those governments at the conclusion of all audits on certain key topics. So, those topics will really be consistent across the board amongst all audits. And then, just depending on how the audit went, there may be more or less items to discuss in those. So, in the packet we've summarized here on the slide, some of those key topics that you will see in there. So, first of all...I will note and I know Aaron's going to go through some summary financial statement audit items. But, first of all...our audit opinion; which obviously, the purpose of a financial statement audit is to give an opinion on the financial statements. Um, we will see in the audit financials, it is an unmodified opinion; which is the AICPA really terminology for what is often called a clean audit opinion as well. So, that the highest opinion. We can put on financial statements, meaning the financials are presented in accordance with GAP, as required with no material departures. So, in the communications letter, first of all...it's going to serve as a reminder for what the auditor's responsibilities are and then really as well as what managements are. So, those are defined in the arrangement letter that is entered into before the start of our audit process. The auditor responsibilities, we are following the auditing standards that the industry establishes before the work that we perform. And then, management's responsibilities, are really gonna focus primarily on two key areas that...1) The financial statements are complete and accurate to the best of their knowledge as well as all of that information and data and questions etc....that we are going through as a part of the auditing process. In the letter, um, you will also see some significant accounting estimates. We've been trying to highlight things in the financials, um...1) Things you might need as changes as compared to the prior year. Another, is significant accounting estimates. So, the reason we highlight that is just to remind you there are portions of the financials that do have an estimate component of all involved or a piece of subjectivity, um, so...three areas that are, um, we determine to be significant estimates for the Forest Preserve would be...the perishable, useful life of capital assets and then, the District's participation in the net pension plan as well as OPEV. So, with pension and OPEV, you've got significant actuarial assumptions there. So, the key take-a-way for you is that as a part of the audit process, we do take a look at those estimates to make sure they seem reasonable really in comparison to the industry, um, as well as any policies that you all specifically have in place in those areas. The next item you'll see...if there were any significant audit adjustments that came out. So, that would be if management provides us with the original trial balance that we perform our testing on if we identify any significant errors or adjustments that need to be made.

Those were communicated to you. You'll see there were none. So, what that means is that final audit product is consistent with the original trial balance we received. So, that's a positive to note. That speaks a lot to the work that's being done by management in closing the books and really getting ready for that audit process as far as a thorough self-review or internal review is happening when preparing the trial balance. Other corrected statements, this is a little, it is somewhat similar...but first off, the important thing to note is, that these are immaterial items that come up. So, in the course of an audit we may identify an adjustment, but management concludes it's clearly immaterial to the financials....and, therefore, may not run that adjustment all the way through the financials and we agree with that conclusion. So, in the letter...you'll see there was one immaterial item that came up. It was really only impacted the statement of that position, um, just a receivable...and a liability gross up. So, those are usually just timing issues related to an estimate that may be changed a little throughout the audit work. But, again, clearly immaterial to the financials. Consultations with other accountants. You'll see there were none. One piece of the audit is, you are certainly going to want to know if for any reason management reached out and gotten any kind of other opinion or anything like that from an accounting firm that could impact if they chose to account for something. And lastly, the remedial packet that you are always provided with...that written communications between our firm and management. So, you'll see attached to that management representation letter. That is really the last step in the audit process. So, we completed all of our work. And, it kinda goes back to the two themes I mentioned in the arrangement letter that once the process is done...again, management confirming that bulk of financial statements are complete and accurate to the best of their knowledge as well as all information that we were provided with in performing our audit work. So, I am going to turn it back over to Aaron and he's going to go through some financial statements and summary items."

Mr. McLaughlin stated, "Yep, thank you Kris. Um, so...as I mentioned, I will go through a couple of highlights of the financials. Um, obviously, along with the packet that Kristin walked you through...everyone has been provided with a copy of the report. This evening, I am hoping to carve out a couple of items of emphasis and walk through those. So, on your screens...I will start you out with the net position and what we are doing here is comparing 2021; which is the green bars to 2020, the blue bars. (Slide show screen) And so, right off the bat, you'll see your overall net position increased approximately by \$550,000.00. This is going to be both attributed to increases in revenues and decreases in expenses over the last year; which I will be going into a little bit more detail on the following slides. Across the board, your net position really breaks down to three categories...um, the portion of it that is invested in capital assets...the portion that is restricted for specific purposes...um, and then an unrestricted remainder. And so, this past year...one item we noted was that the unrestricted balance slipped from a negative \$300,000.00 to a positive \$560,000. So, that was the most significant

change. And, again, I will go into a little bit more detail why that happened. But, definitely a positive trend that we observed for this year. So, what you have on your screens now...this is going to be a breakdown of revenue by type. We've got 2021 on the left and 2020 on the right. And the two discomponents of revenue are property taxes; which is the blue bar and then fees for other charges for services; which is the purple bar. And these two are actually both responsible for these largest changes year over year. So, overall revenues have increased by approximately \$470,000.00. Um, and again...property taxes and charges for services are driving these. Property taxes are up by approximately \$100,000.00, mostly related to the zoo's levy. And then fees for services are up by approximately \$320,000.00. And we observed sort of an across the board increase for the various parks, Indian Bluff Golf Course, Loud Thunder had a strong increase as well. And so, those in combination drove this year over year increase in revenue. I'll then briefly summarize some of the expenditures. So, again, we've got 2021 on the left and 2020 on the right. The three strongest drivers are the blue bar; which are your general and administrative expenditures. The green bar, which is your zoo's expenditures...and then, the light blue bar; which is pretty significant in 2020, not quite as much in 2020, are your capital expenditures. So, overall expenditures actually decreased by \$2.1 million; which is quite a significant decrease. It's an approximate 24.4% decrease year over year and the strongest driver of this was your capital LA; which is that light blue bar I just mentioned. Those alone decreased by \$2 million. And, the reason for this is last year, there weren't a few projects going on, especially with some campground improvements and at Loud Thunder. This year, there were a handful of things going on but nothing of quite the same magnitude until you recognize the significant savings of expenditures this past year. And then, finally, I will walk you through the General Fund balance in days. Essentially, what this is...is we take a look at the General Funds balance and we compare it to the General Fund's expenditures, um, then we quantify it in days. So, this date count is essentially saying, um, if revenues were to stop completely for the General Fund...how many days would pass on average before the fund balance hits zero. So, increases are a good thing. That is what we observed this past year. We have an increase of almost 100 days or just shy of that from 2020. And then, an increase of approximately 20 days from 2019. So, this is just one operational measure of health and it's obviously as of one point in time, June 30, 2021. But, looking over the past few years, the trend can be helpful for your own purposes of evaluation and operational health. We are seeing here a dip with the impact of Covid over the last year and then recovery this current year. So, that's really all of the items we want to call attention to. As always, we appreciate the opportunity to present to you. With that though, I will open it up to the floor if anyone has any questions or clarification we can make to assist you."

President Swanson stated, "Thank you, Aaron. I will open that invitation to everyone here in the chamber and everyone at home. Are there any questions or comments you would like to make? Dr. Simmer, please."

Commissioner Simmer was recognized.

Mr. Simmer stated, "Hey, Aaron...on one of the first graphs you had a burgundy or red color on 2021 that was absent. One more back...that one. I can't read what that is from here. What was that...the fourth one from the left?"

President Swanson answered, "Interest."

Mr. McLaughlin added, "Yes. Yes, that's right, but you can barely see it."

President Swanson stated, "It's there, but you can barely see it."

Mr. McLaughlin reiterated, "Yes, that's correct."

Mr. Simmer stated, "I can see it...barely, but I couldn't see what the title was. Okay, thank you."

President Swanson stated, "Good question. Any other questions or comments? Alright, I would just like to say thanks to the staff as we've been saying that mantra to them, revenue, revenue, revenue, revenue...and sure looks like they are getting it (laughter), especially in the user fees. Is there anything else for us from either Mr. McLaughlin or Ms. Hughes?"

Mr. McLaughlin stated, "Uh, we would just like to repeat your thanks to your staff. We worked quite a bit with April and her team, Jeff and his team and we can be quite an annoyance when we are out there. So, we definitely appreciate them bearing with us and all of their assistance in helping us complete this audit."

President Swanson stated, "Thank you, and we echo your thanks to Ms. Palmer for her critical role in making this happen. Thank you. With no other questions, I would like a motion to adopt this report."

(Commissioner Langdon left the meeting)

Commissioner Adams moved to approve the Audit Report, as presented. Commissioner Deppe seconded.

A roll call vote was taken.

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns, D. Cremeens, J. Deppe, C. Enburg, P. McNeil, D. Mielke, L. Moreno, M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, L. Thompson, B. Vyncke, B. Vyncke, J.R. Westpfahl

TOTAL YES **22**

TOTAL NO **0**

Motion carried.

President Swanson stated, "Thank you. And, I want to thank all of the Commissioners for your attention because this important in the work that we do to make sure the finances are on the level. Oh, and thanks, again, to our partners at RSM. We appreciate all you do. Thank you very much. So, Jeff, I just want to get a thumbs up that's all you need and we can go into approving the minutes, correct?"

(Mr. Craver gave a thumbs up)

President Swanson stated, "Thumbs up."

3. Commissioner Simmer moved to approve the January 18, 2022, Forest Preserve Commission meeting minutes, as presented. Commissioner B. Vyncke seconded.

Commissioner Cremeens moved to approve the previous roll call vote. Commissioners L. Moreno and Thompson seconded.

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns, D. Cremeens, J. Deppe, C. Enburg, P. McNeil, D. Mielke, L. Moreno, M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, L. Thompson, B. Vyncke, B. Vyncke, J.R. Westpfahl

TOTAL YES 22

TOTAL NO 0

Motion carried.

4. **PUBLIC COMMENTS: (None) Three calls to the public were made.**

5. **PRESIDENT'S COMMENTS:**

President Swanson stated, "I want to thank the Executive Committee of this Commission. Last week at our meeting, they charged me with getting the word out looking for names for the new Forest Preserve out in East Moline. So, this week you should start seeing some stuff hitting the media with an email address that Mr. Davis set up for us where people can submit or by post uh, ideas for names for our new District. This is a once in a lifetime opportunity. So, we want to hear as many ideas as we can. So, keep an eye out for that. If you have people...please talk it up because it's also a way of getting awareness about our new Forest Preserve out there. And so, that's really the only thing I had, at this time. Of course, I will be happy to answer questions when we get to the Commissioner's Comments in just a moment."

6. Commissioner Thompson moved to approve the Claims and Forest Preserve Treasurer's Disbursements in the amount of \$135,828.73, as presented. Commissioner Normoyle seconded.

Commissioner Adams moved to approve the previous roll call vote. Commissioner Simmer seconded.

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns, D. Cremeens, J. Deppe, C. Enburg, P. McNeil, D. Mielke, L. Moreno, M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, L. Thompson, B. Vyncke, B. Vyncke, J.R. Westpfahl

TOTAL YES 22

TOTAL NO 0

Motion carried.

7. Commissioner Simmer moved to approve the Dennhardt Land Purchase Agreement, as presented. Commissioner Vyncke seconded.

Commissioner Deppe moved to approve the previous roll call vote. Commissioner Simmer seconded.

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns, D. Cremeens, J. Deppe, C. Enburg, P. McNeil, D. Mielke, L. Moreno, M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, L. Thompson, B. Vyncke, B. Vyncke, J.R. Westpfahl

TOTAL YES 22

TOTAL NO 0

Motion carried.

8. **Comments from Commissioners: (Four)**

Commissioner Normoyle was recognized.

Ms. Normoyle stated, "I know we decided to not to really go with like a MindFire sort of Facebook push for the naming, but I am not good at Facebook. So, do we have some sort of graphic or...you know, that we can share if people are so inclined to do so?"

President Swanson answered, "Sure. There are things we are going to be able to do and you are going to see them shortly. So, one of the things is with Ms. Sullivan since we can post things that are on the Facebook...uh, on the District's Facebook page. And, if you are not a fan of those already, you should become one. And when you see them, share them."

Ms. Normoyle added, "...share them. Okay, great!"

President Swanson continued, "And, what Ms. Normoyle is referring to is, we could've use part of our investment in MindFire to push this forward, but we

wanted to see if we could get a good response just from doing it this way...sort of on the DL (down low) and for free. (Laughter) That's what we thought we would do. But, excellent question."

Ms. Normoyle added, "So, everyone...share."

President Swanson added, "Everyone, share. Any other comments or questions? Please, Mr. Deppe and then Dr. Moreno...but first, Mr. Deppe."

Commissioner Deppe was recognized.

Mr. Deppe stated, "Thank you, Mr. Swanson. I agree with Commissioner, uh...that this should be some kind of contest and get the public involved because this is theirs...they paid for that park. It seems like every winter and I know I am getting ahead of the reports...that we have vandalism out at Loud Thunder in another bathroom. I'm not sure if we can lock them up or what we need to do, but it seems like every time we turn around, they are beating up the toilets and starting them on fire. The other question I have is, that we are passing the books from the zoo to the Foundation. I read that in the report. Is that the Foundations books that they should've had originally or what are we passing?"

President Swanson answered, "Sure. The Foundation...what Mr. Deppe is asking about...the Foundation that's been set up, these are engaged citizens who want to start filling in the gap on philanthropy. And, they are doing an outstanding job. Yeah, it's a process...it's a gradual hand-off of philanthropy from the staff. But, I mean...they can't do it without the staff to the Foundation. I would encourage any Member of the Commission to come to their meeting. They meet once a month at the zoo. They are outstanding folks. I'm impressed with the way they put together a group of people with a wide range of competence from fund-raising to legal stuff to accounting and even investment sort of stuff. And so, if you get a chance, come out and see them and please Mr....is this related to that question?"

Mr. Adams asked, "I was just going to ask when their meetings were?"

President Swanson answered, "They are the third Monday of the month. And if you would like, I invite any commissioner to send me a note and I will ask Mr. Nelson, Bill Nelson, uh what time is it 6 or so...Mr. Craver?"

Jeff Craver stated, "They usually meet after the CAB meeting."

President Swanson stated, "Yeah...right after the Community Advisory Board. So, if you would like...send me a note and I will be happy to send you their schedule. But thank you for those questions. Dr. Moreno, please did you have a question?" Commissioner L. Moreno was recognized.

Mr. L. Moreno states, "No, just a quick comment. I just want to say, Kai had a great idea to ask the members of the Indigenous Native American Tribes locally to offer

names also to keep in line with Illiniwek and things of that nature. But, yeah...it's a great idea."

President Swanson stated, "Actually, it was Ms. Ewert was the one who...uh, I've reached out to Ms. Regina Tsosie who many of you know is with the League of Native American's and also trying to make some contacts with the community in Tama...the Meskwaki, are the stewards of the heritage most recently here. So, we want to consult with them in anything we might do. But, at this point, we are just trying to collect names. Thank you, Dr. Moreno. Any other questions or comments? Alright, then I would really hope you had a chance, like Mr. Deppe, to take a look at the Routine Reports from the Director and Department Heads in the Forest Preserve Commission. If anybody knows how to stop vandalism, sell that idea and you'll be a billionaire. So, I appreciate you lifting that up. But, okay...I would entertain a motion to approve the Routine Reports."

9. Commissioner Normoyle moved to approve all Routine Reports from the Director and Departments Heads of the Forest Preserve Commission, as presented. Commissioner Vyncke seconded.

Commissioner L. Moreno moved to approve the previous roll call vote. Commissioner Mielke seconded.

D. Adams, D. Beck, K. Bogdonas, L. Boswell-Loftin, R. Brunk, L. Burns, M. Burns, D. Cremeens, J. Deppe, C. Enburg, P. McNeil, D. Mielke, L. Moreno, M. Moreno, R. Morthland, A. Normoyle, R. Simmer, E. Sowards, L. Thompson, B. Vyncke, B. Vyncke, J.R. Westpfahl

TOTAL YES 22

TOTAL NO 0

Motion carried.

The next meeting of the Forest Preserve Commission is Tuesday, March 15, 2022, at 5:30pm, immediately following the meeting of the Rock Island County Board.

President Swanson declared the Forest Preserve Meeting recessed.

RESPECTFULLY SUBMITTED,



KAREN KINNEY
COUNTY CLERK AND SECRETARY
OF THE FOREST PRESERVE COMMISSION

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