



Board Meeting

Thursday, May 15, 2024 8:00 am

Region 1 Planning Council
127 N Wyman St, Ste 100, Rockford, IL 61101

Agenda

Members: Boone County, Chicago Rockford International Airport, City of Belvidere, City of Freeport, City of Loves Park, City of Rochelle, City of Rockford, City of South Beloit, ComEd, Four Rivers Sanitation Authority, Greater Freeport Partnership, Greater Rockford Chamber of Commerce, Growth Dimensions, Highland Community College, McHenry County, Nicor, Northern Illinois University – Rockford, North Park Water, Northwestern Building Trades, R1 Community Advisory Forum Chair, Rockford Park District, Rochelle Economic Development, Rockford Mass Transit District, Rock Valley College, Stephenson County, Village of Cherry Valley, Village of Machesney Park, Village of Poplar Grove, Winnebago County, The Workforce Connection

1. Call to Order
2. Roll Call
3. Public Comment
4. Vote on RESOLUTION 2025-12 Election of Officers
5. Presentation: 2024 Financial Audit
Alison Kmen, Lauterbach & Amen, LLP
6. Vote on RESOLUTION 2025-06 Approval of FY24 Audit
7. PRESENTATION: Economic Development Outlook and EDA Reauthorization
Tom Baron, Illinois EDA Representative
8. Approval of February 6, 2025 Meeting Minutes
9. Vote on RESOLUTION 2025-07 Reconnecting Communities Feasibility Study RFP
10. Vote on RESOLUTION 2025-08 Approve New Auditing Firm
11. Vote on RESOLUTION 2025-09 Approve Insurance Provider
12. Executive Director's Report and Quarter 3 Financial Results
13. Vote on RESOLUTION 2025-10 Adopt FY26 Budget
14. Approve Nominations for Regional Data Advisory Committee – *Jason Holcomb*
15. PRESENTATION: Climate Action Plan overview – *Clara Romeo & Lauren Kleve*
 - a. Vote on RESOLUTION 2025-11 Adoption of the CAP
16. Other Business
17. Adjournment

Opportunities for public comment will be provided at all meetings. Persons who require special accommodations under the Americans with Disabilities Act or persons who require translation services (free of charge) should contact the Region 1 Planning Council at 815-319-4180 at least two working days before the need for such services or accommodations.

Next Meeting: Thursday, September 11, 2025 8:00 am



Region 1 Planning Council

RESOLUTION NO. 2025- 12

Appointing Officers of the Region 1 Joint Planning Commission

WHEREAS, the bylaws of the Region 1 Joint Planning Commission have been accepted and approved by a majority of Commissioners; and

WHEREAS, the Bylaws call for the election of officers of the Commission by a majority vote of members; and

WHEREAS, a vote for the election of offices of the Commission has been called.

NOW, THEREFORE, BE IT RESOLVED, , that the following persons are elected, by majority vote of Commissioners, to the offices of:

Chairman:_____

Vice Chair:_____

BE IT FURTHER RESOLVED, hat these elected officers shall serve for a period of one year starting July 1, 2025.

BE IT FURTHER RESOLVED, that these elected officers are hereby authorized to do and perform any and all such acts, including execution of any and all documents and resolutions, as such officers shall deem necessary to carry out the purposes and intent of their offices, specified under the Bylaws of the Commission.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair



Region 1 Planning Council

RESOLUTION NO. 2025- 06

Approval of FY24 Audit

WHEREAS, the Board of Commissioners of the Region 1 Planning Council has received and reviewed the FY24 Annual Audit performed by Lauterbach and Amen, LLP; and

WHEREAS, pursuant to ILCS 50 ILCS 310/2, Annual Audits and Reports, states *"Except as otherwise provided in Section 3, the governing body of each governmental unit shall cause an audit of the accounts of the unit to be made by a licensed public accountant. Such audit shall be made annually and shall cover the immediately preceding fiscal year of the governmental unit."*; and

WHEREAS, pursuant to R1 Planning Financial Policy states, "RPC will obtain the services of an independent audit firm to annually perform the financial and compliance audit."

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Region 1 Joint Regional Planning Commission:

Section 1. The Board of Commissioners hereby accepts the FY2024 audited financials and accompanying reports.

Section 2. A copy of such report shall be made a part of the Commission's public records and open to the public.

BE IT FURTHER RESOLVED, that these amendments shall be in full force and effect immediately.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair

REGION 1 PLANNING COUNCIL, ILLINOIS

MANAGEMENT LETTER



FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

127 N Wyman Street
Rockford, IL 61101
Phone: 812.319.4180
www.r1planning.org



April 17, 2025

Members of the Board
Region 1 Planning Council
Rockford, Illinois

In planning and performing our audit of the financial statements of the Region 1 Planning Council (the Council), Illinois, for the year ended June 30, 2024, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration, we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Board, Executive Director and senior management of the Region 1 Planning Council, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Council personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well prepared audit package and we appreciate the courtesy and assistance given to us by the entire Council staff.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

PRIOR RECOMMENDATIONS

1. FUNDS WITH DEFICIT FUND BALANCE

Comment

Previously and during our current year-end audit procedures, we noted the following funds with deficit fund balance:

Fund	6/30/2023	6/30/2024
Northern Council of Governments	\$ 12,869	12,869
Boone Trustee Program	—	3,853

Recommendation

We recommended the Council investigate the causes of the deficit and adopt appropriate future funding measures.

Status

This comment has not been implemented and will not be repeated in the future.

Management Response

Management acknowledges this comment and will work to correct it in the coming year.

PRIOR RECOMMENDATIONS - Continued

2. FUND NOT IN COMPLIANCE WITH FUND BALANCE POLICY

Comment

Previously and during our current year-end audit procedures, we noted the following fund with fund balance that was not in compliance with the Board approved fund balance policy:

	Per 2024 AFR	Unassigned/ Restricted Fund Balance per AFR	Amount Not in Compliance
Northern Council of Governments Minimum Budgeted Operating Expenditures x 1 of 12 months per policy	\$ 50,500 8 % 4,040	(12,869)	16,909

	Per 2023 AFR	Unassigned/ Restricted Fund Balance per AFR	Amount Not in Compliance
Northern Council of Governments Minimum Budgeted Operating Expenditures x 1 of 12 months per policy	\$ 54,200 8 % 4,336	(12,869)	17,205

Recommendation

We recommended the Council investigate the fund balance and adopt future budgets to address this item not in compliance.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and will work to correct it in the coming year.

PRIOR RECOMMENDATIONS - Continued

3. FUNDS OVER BUDGET

Comment

Previously and during our current year-end audit procedures, we noted that the following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	6/30/23	6/30/24
General	\$ 35,328	17,581,760
Northern Illinois Land Bank Authority	9,357	—
Northern Council of Governments	4,826	28,518

Recommendation

We recommended the Council investigate the causes of the funds over budget and adopt appropriate future funding measures.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and will work to correct it in the coming year.

4. ACCOUNTING SOFTWARE

Comment

Previously, we noted that the Council is using Quickbooks as the accounting software package. While this software does provide for general accounting and bookkeeping functions for the Council the version being utilized by the Council does not support multi-fund reporting. Therefore, the recording of certain transactions between funds becomes cumbersome and inefficient and there are reporting limitations with the software as it relates to producing multi-fund financial statements.

Recommendation

We recommended that the Council review its current accounting software package and possibly work with Quickbooks to determine if there are other software capabilities that can be utilized to better support multi-fund reporting for the Council. There are also specific software packages available that are specifically designed to support multi-fund accounting and financial reporting.

Status

This comment has been implemented and will not be repeated in the future.

UPCOMING STANDARDS

1. **GASB STATEMENT NO. 101 COMPENSATED ABSENCES**

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which establishes standards of accounting and financial reporting for (a) compensated absences, and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other post-employment benefits (OPEB). The statement requires that a liability should be recognized for any type of leave that has not been used at year-end 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. Examples of leave that should be reviewed, and potentially measured under GASB Statement No. 101 are vacation leave, paid time off leave, holiday leave, and sick leave. Examples of leave that are excluded from GASB Statement No. 101 are parental leave, military leave, and jury duty leave. GASB Statement No. 101, *Compensated Absences* is applicable to the Council's financial statements for the year ended June 30, 2025.

2. **GASB STATEMENT NO. 102 CERTAIN RISK DISCLOSURES**

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures*, which establishes the requirements for disclosing, in the notes to the financial statements, the risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. Governments may be vulnerable to risks from certain concentrations or constraints that limit its ability to acquire resources or control spending. Concentration risk is a lack of diversity related to an aspect of a significant inflow of resources (revenues) or outflow of resources (expenses). Constraint risk is a limitation that is imposed by an external party or by formal action of a government's highest level of decision-making authority. GASB Statement No. 102, *Certain Risk Disclosures* is applicable to the Council's financial statements for the year ended June 30, 2025.

3. **GASB STATEMENT NO. 103 FINANCIAL REPORTING MODEL IMPROVEMENTS**

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes improvements to key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement addresses application issues related to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. GASB Statement No. 103, *Financial Reporting Model Improvements* is applicable to the Council's financial statements for the year ended June 30, 2026.

REGION 1 PLANNING COUNCIL, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

127 N Wyman Street
Rockford, IL 61101
Phone: 815.319.4180
www.r1planning.org

REGION 1 PLANNING COUNCIL, ILLINOIS

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FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Council's independent auditing firm.



INDEPENDENT AUDITOR'S REPORT

April 17, 2025

Members of the Board
Region 1 Planning Council
Rockford, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Region 1 Planning Council, Illinois (the Council), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Region 1 Planning Council, Illinois, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and supplementary pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Region 1 Planning Council, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2025, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements

- Governmental Funds
- Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

REGION 1 PLANNING COUNCIL, ILLINOIS

Statement of Net Position

June 30, 2024

See Following Page

REGION 1 PLANNING COUNCIL, ILLINOIS

Statement of Net Position

June 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,401,085
Land Held for Resale	70,000
Receivables - Net of Allowances	1,440,860
Due from Other Governments	7,330
Prepays	58,832
Total Current Assets	<u>2,978,107</u>
Noncurrent Assets	
Capital Assets	
Amortizable	759,267
Accumulated Amortization	<u>(297,369)</u>
Total Noncurrent Assets	<u>461,898</u>
Total Assets	<u>3,440,005</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>382,782</u>
Total Assets and Deferred Outflows of Resources	<u>3,822,787</u>

The notes to the financial statements are an integral part of this statement.

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 753,612
Accrued Payroll	128,467
Other Payables	2,401
Current Portion of Long-Term Debt	102,851
Total Current Liabilities	<u>989,206</u>
Noncurrent Liabilities	
Compensated Absences Payable	109,328
Net Pension Liability - IMRF	112,313
Leases Payable	389,076
Total Noncurrent Liabilities	<u>610,717</u>
Total Liabilities	<u>1,599,923</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>172,982</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,772,905</u>
NET POSITION	
Net Investment in Capital Assets	(2,697)
Restricted	
Metropolitan Planning Organization	281,921
Winnebago County Geographic Information System	296,889
Northern Illinois Land Bank Authority	708,982
Unrestricted	<u>764,787</u>
Total Net Position	<u>2,049,882</u>

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2024

		Program Revenues			Net
		Charges	Operating	Capital	(Expenses)/
		for	Grants/	Grants/	Revenues and
	Expenses	Services	Contributions	Contributions	Changes in
					Net Position
Governmental Activities					
General Government	\$ 22,212,807	1,691,651	20,096,630	—	(424,526)
Interest on Long-Term Debt	21,126	—	—	—	(21,126)
Total Governmental Activities	22,233,933	1,691,651	20,096,630	—	(445,652)
		General Revenues			
		Miscellaneous			639,390
		Change in Net Position			193,738
		Net Position - Beginning			1,742,203
		Restatement - Error Correction			113,941
		Net Position - Beginning as Restated			1,856,144
		Net Position - Ending			2,049,882

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Balance Sheet - Governmental Funds

June 30, 2024

See Following Page

REGION 1 PLANNING COUNCIL, ILLINOIS**Balance Sheet - Governmental Funds
June 30, 2024**

		Special
	General	Metropolitan Planning Organization
ASSETS		
Cash and Investments	\$ 787,337	84,890
Land Held for Resale	—	—
Receivables - Net of Allowances		
Accounts	848,477	468,021
Due from Other Funds	272,887	39,196
Due from Other Governments	256	—
Prepays	36,548	—
Total Assets	1,945,505	592,107
LIABILITIES		
Accounts Payable	660,631	36,028
Accrued Payroll	128,467	—
Other Payables	1,130	1,271
Due to Other Funds	360,732	272,887
Due to Other Governments	—	—
Total Liabilities	1,150,960	310,186
FUND BALANCES		
Nonspendable	36,548	—
Restricted	—	281,921
Unassigned	757,997	—
Total Fund Balances as Restated	794,545	281,921
Total Liabilities and Fund Balances	1,945,505	592,107

The notes to the financial statements are an integral part of this statement.

Revenue			
Winnebago County Geographic Information System	Northern Illinois Land Bank Authority	Nonmajor Northern Council of Governments	Total
222,296	284,920	21,642	1,401,085
—	70,000	—	70,000
—	122,087	2,275	1,440,860
81,572	239,964	—	633,619
—	5,199	1,875	7,330
22,284	—	—	58,832
326,152	722,170	25,792	3,611,726
5,104	13,188	38,661	753,612
—	—	—	128,467
—	—	—	2,401
—	—	—	633,619
1,875	—	—	1,875
6,979	13,188	38,661	1,519,974
22,284	—	—	58,832
296,889	708,982	—	1,287,792
—	—	(12,869)	745,128
319,173	708,982	(12,869)	2,091,752
326,152	722,170	25,792	3,611,726

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2024

Total Governmental Fund Balances	\$ 2,091,752
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	461,898
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	209,800
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(136,660)
Net Pension Liability - IMRF	(112,313)
Leases Payable	<u>(464,595)</u>
Net Position of Governmental Activities	<u>2,049,882</u>

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2024**

See Following Page

REGION 1 PLANNING COUNCIL, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended June 30, 2024

		Special
	General	Metropolitan Planning Organization
Revenues		
Membership Fee	\$ 674,455	639,177
Grants	18,655,409	1,280,739
Miscellaneous	105,126	—
Total Revenues	19,434,990	1,919,916
Expenditures		
General Government	19,379,798	1,884,521
Debt Service		
Principal Retirement	—	62,570
Interest and Fiscal Charges	13,160	6,091
Total Expenditures	19,392,958	1,953,182
Net Change in Fund Balances	42,032	(33,266)
Fund Balances - Beginning	638,572	315,187
Restatement - Error Correction	113,941	—
Fund Balances - Beginning as Restated	752,513	315,187
Fund Balances - Ending	794,545	281,921

The notes to the financial statements are an integral part of this statement.

Revenue			
Winnebago County Geographic Information System	Northern Illinois Land Bank Authority	Nonmajor Northern Council of Governments	Total
328,019	—	50,000	1,691,651
—	160,482	—	20,096,630
68,388	436,858	29,018	639,390
396,407	597,340	79,018	22,427,671
368,570	406,245	79,018	22,118,152
12,201	—	—	74,771
—	1,875	—	21,126
380,771	408,120	79,018	22,214,049
15,636	189,220	—	213,622
303,537	519,762	(12,869)	1,764,189
—	—	—	113,941
303,537	519,762	(12,869)	1,878,130
319,173	708,982	(12,869)	2,091,752

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 213,622
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as amortization expense.

Amortization Expense	(75,924)
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The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(61,589)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(41,024)
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Change in Net Pension Liability - IMRF	83,882
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Retirement of Debt	74,771
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Changes in Net Position of Governmental Activities	193,738
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REGION 1 PLANNING COUNCIL, ILLINOIS

Statement of Fiduciary Net Position

June 30, 2024

	<u>Custodial</u>
ASSETS	
Cash and Cash Equivalents	\$ 584,747
Receivables	
Accounts	<u>78,040</u>
Total Assets	<u>662,787</u>
LIABILITIES	
Accounts Payable	346,593
Due to Other Funds	170,695
Due to Other Governments	<u>1,323</u>
Total Liabilities	<u>518,611</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u><u>144,176</u></u>

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Schedule of Changes in Fiduciary Net Position For the Fiscal Year Ended June 30, 2024

	<u>Custodial</u>
Additions	
Membership Fee	\$ 7,029
Miscellaneous	<u>977,244</u>
	<u>984,273</u>
Deductions	
License and Fees	87,398
Office	31,317
Professional	400,791
Contractual	<u>526,520</u>
Total Deductions	<u>1,046,026</u>
Change in Fiduciary Net Position	(61,753)
Net Position Restricted for Individuals, Organizations, and Other Governments	
Beginning	<u>205,929</u>
Ending	<u><u>144,176</u></u>

The notes to the financial statements are an integral part of this statement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Region 1 Planning Council (RPC - the Council) is a special-purpose, regional government agency providing cross-jurisdictional, government-to-government collaborative planning across Northern Illinois. The regional planning model provides an efficient means to promoting a well-informed, comprehensive dialogue that holistically addresses regional issues by fulfilling the needs of government entities for long-range planning, securing funding, and analyzing and providing data in support of regional projects and initiatives.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Council's accounting policies established in GAAP and used by the Council are described below.

REPORTING ENTITY

The Council is a municipal corporation governed by an elected executive director and seven-member Board of Trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds and there are no discretely component units to include in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The Council's basic financial statements include both government-wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Council only reports governmental activities. The Council's planning, geographic information system, and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Council's net position is reported in two parts: restricted and unrestricted. The Council first utilizes restricted resources to finance qualifying activities.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the Council's functions (general government). The functions are supported by general government revenues (membership fees and miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (miscellaneous revenues).

This government-wide focus is more on the sustainability of the Council as an entity and the change in the Council's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Council are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into governmental category. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses) for the determination of major funds. The Council may electively add funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the Council or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Council:

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Council:

General Fund is the general operating fund of the Council. It accounts for all revenues and expenditures of the Council which are not accounted for in other funds. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Council maintains three major special revenue funds. The Metropolitan Planning Organization Fund accounts are restricted to grant-fund transportation planning. The Winnebago County Geographic Information System Fund accounts for are restricted to direct revenue and expenditures derived from hosting and disseminating Geographic Information System data for its members and subscribers. The Northern Illinois Land Bank Authority (the "Land Bank") Fund accounts are restricted to direct revenue and expenses derived from housing and operating the Land Bank which fosters the public purpose of combating community deterioration by returning property to productive use for citizens within the Region. The Council also maintains one nonmajor special revenue fund.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Council programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Custodial Funds are used to account for assets held by the Council in a purely custodial capacity. The Winnebago Trustee Program accounts for financial transactions associated with contractual services provided as the County of Winnebago's agent in the operation of a delinquent tax program. The Boone Trustee Program accounts for financial transactions associated with contractual services provided as the County of Boone's agent in the operation of a delinquent tax program.

The Council's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Council, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Custodial funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Custodial funds equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. A sixty-day availability period is used for revenue recognition for governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for long-term debt principal and interest, which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are grants and membership fees. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Council categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Council has no investments at year-end.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include grants and membership fees.

Prepays

Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Council as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Amortization on all assets is computed and recorded using the straight-line method of amortization over the following estimated useful life:

Buildings	10 Years
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Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences

The Council accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components, as applicable:

Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated amortization. Currently, the Council does not have any capital assets reported.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “investment in capital assets.”

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

A balanced budget will be presented annually for Board review and approval. The cash revenue resources for the budget period shall not be exceeded by the expenses. The budget shall be constructed to align to achieving the long-term strategic priorities established by the Board. When appropriate, a needs assessment of stakeholder priorities, challenges, and opportunities will be integrated into the process to assist in development.

The budget will be based on an operational planning to achieve the strategic priorities of the Board. An objective, analytical approach to forecasting shall be taken in estimating as accurately as possible.

Revenue incomes and expenditure outflows will be monitored on an ongoing basis to assess the implications of the annual budget in order to provide timely updates on actual financial performance. Amendments will be considered by the Board when an interfund shift is necessary greater than can be restored by the end of the fiscal year, to match the budgetary condition equal to that approved by the Board.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
General	\$ 17,581,760
Northern Council of Governments	28,518

DEFICIT FUND BALANCE

The following funds had deficit fund balances as of the date of this report:

Fund	Deficit
Northern Council of Governments	\$ 12,869
Boone Trustee Program	3,853

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Council maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Council's funds.

Permitted Deposits and Investments - Illinois Statutes authorizes the Council to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, and commercial paper rated within the three highest classifications by at least two standard rating services.

Deposits. At year-end, the carrying amount of the Council's deposits totaled \$1,401,085 and the bank balances totaled \$1,467,222.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Council's investment policy does not address interest rate risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Council's investment in a single issuer. It is the policy of the Council that investment considerations shall take into account the full RPC portfolio, including short and long-term operational planning and commitments. Therefore, all investments are subject to recommendation by operational management, as well as review and approval of the Region 1 Joint Planning Commission. At year-end, the Council has no investments over 5 percent of the total cash and investment portfolio.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Council's investment policy does not impose further limits on investment choices.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council's investment policy does not address custodial credit risk. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Council will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Metropolitan Planning Organization	\$ 272,887
Metropolitan Planning Organization	General	39,196
Winnebago County Geographic	General	81,572
Northern Illinois Land Bank Authority	General	239,964
		<u>633,619</u>

REGION 1 PLANNING COUNCIL, ILLINOIS**Notes to the Financial Statements****June 30, 2024****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS****Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Amortizable Capital Assets				
Leased Building	\$ 759,267	—	—	759,267
Less Accumulated Amortization				
Leased Building	221,445	75,924	—	297,369
Total Net Amortizable Capital Assets	537,822	(75,924)	—	461,898

Amortization expense was charged to governmental activities as follows:

General Government	<u>\$ 75,924</u>
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SHORT-TERM DEBT**Line of Credit**

The Council has established a line of credit payable as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$600,000 Line of Credit - Loans are due within one year of issuance with interest at 8.50%.	\$ —	386,000	386,000	—

LONG-TERM DEBT**Leases Payable**

The Council has the following lease outstanding at year end:

Lease	Start Date	End Date	Payments	Interest Rate
North Wyman Pioneer Building	August 1, 2020	August 1, 2030	\$80,165 per year	1.00%

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 95,636	82,048	41,024	136,660	27,332
Net Pension Liability - IMRF	196,195	—	83,882	112,313	—
Leases Payable	539,366	—	74,771	464,595	75,519
	831,197	82,048	199,677	713,568	102,851

For the governmental activities, payments on the compensated absences, and the net pension liability are made by the General Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending	Leases Payable	
	Principal	Interest
2025	\$ 75,519	4,646
2026	76,274	3,891
2027	77,037	3,128
2028	77,807	2,358
2029	78,585	1,580
2030	79,373	794
Totals	464,595	16,397

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of June 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 461,898
Less Capital Related Debt:	
Leases Payable	<u>(464,595)</u>
Net Investment in Capital Assets	<u><u>(2,697)</u></u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Council considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Council first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board itself or b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes. The Council's highest level of decision-making authority is the Board, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The policy states that the General Fund should maintain a minimum fund balance equal to 30 days, or one of twelve months, of current year actual operating expenditures.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	Special Revenue					Totals
	General	Metropolitan Planning Organization	Winnebago County Geographic Information System	Northern Illinois Land Bank Authority	Nonmajor Northern Council of Governments	
Fund Balances						
Nonspendable						
Prepays	\$ 36,548	—	22,284	—	—	58,832
Restricted						
Metropolitan Planning Organization	—	281,921	—	—	—	281,921
Winnebago County Geographic Information System	—	—	296,889	—	—	296,889
Northern Illinois Land Bank Authority	—	—	—	708,982	—	708,982
	—	281,921	296,889	708,982	—	1,287,792
Unassigned	757,997	—	—	—	(12,869)	745,128
Total Fund Balances	794,545	281,921	319,173	708,982	(12,869)	2,091,752

NET POSITION/FUND BALANCE RESTATEMENT

Error Correction. Beginning net position/fund balance were restated to correct errors in recognition of payroll liabilities.

	Governmental Activities	General
Beginning Net Position/Fund Balance as Previously Reported	\$ 1,742,203	638,572
Error Correction - Payroll Liabilities	113,941	113,941
Beginning Net Position/Fund Balance as Restated	1,856,144	752,513

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

From time to time, the Council is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Council attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Council's financial position or results of operations.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Council expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

The Council contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	41
Active Plan Members	<u>36</u>
Total	<u><u>77</u></u>

Contributions. As set by statute, the Council's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2024, the Council's contribution was 5.14% of covered payroll.

Net Pension Liability. The Council's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Council contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Council calculated using the discount rate as well as what the Council's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 318,713	112,313	(26,390)

REGION 1 PLANNING COUNCIL, ILLINOIS**Notes to the Financial Statements****June 30, 2024****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 898,558	702,363	196,195
Changes for the year:			
Service Cost	149,900	—	149,900
Interest on the Total Pension Liability	70,159	—	70,159
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(17,160)	—	(17,160)
Change of Assumptions	(17,137)	—	(17,137)
Contributions - Employer	—	103,833	(103,833)
Contributions - Employees	—	93,637	(93,637)
Net Investment Income	—	69,749	(69,749)
Benefit Payments, Including Refunds of Member Contributions	(11,587)	(11,587)	—
Other (Net Transfer)	—	2,425	(2,425)
Net Changes	174,175	258,057	(83,882)
Balances at December 31, 2023	1,072,733	960,420	112,313

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the Council recognized pension expense of \$96,568. At June 30, 2024, the Council reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 273,532	(142,686)	130,846
Change in Assumptions	6,932	(30,296)	(23,364)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	37,955	—	37,955
Contributions Made Subsequent to Measurement Date	318,419	(172,982)	145,437
	64,363	—	64,363
Total Deferred Amounts Related to IMRF	382,782	(172,982)	209,800

\$64,363 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2025	\$ 29,867
2026	30,709
2027	34,969
2028	15,994
2029	18,396
Thereafter	15,502
Totals	145,437

REGION 1 PLANNING COUNCIL, ILLINOIS

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The Council has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Council are required to pay 100% of the current premium. Based upon a review of census data and plan provisions, as well as minimal utilization rates, it has been determined that any liability is immaterial to the financial statements in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Additionally, the Council provides no explicit benefit. Therefore, the Council has not recorded a liability as of June 30, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules
General Fund
Metropolitan Planning Organization - Special Revenue Fund
Winnebago County Geographic Information System - Special Revenue Fund
Northern Illinois Land Bank Authority - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

REGION 1 PLANNING COUNCIL, ILLINOIS

Illinois Municipal Retirement Fund Schedule of Employer Contributions June 30, 2024

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	* \$ —	\$ 73,095	\$ 73,095	\$ 889,454	8.22%
2020	102,442	102,442	—	1,261,843	8.12%
2021	110,631	110,631	—	1,355,096	8.16%
2022	114,113	114,113	—	1,698,706	6.72%
2023	106,124	106,124	—	1,938,834	5.47%
2024	118,861	118,861	—	2,314,380	5.14%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

*The Council joined IMRF effective September 1, 2018.

REGION 1 PLANNING COUNCIL, ILLINOIS
Illinois Municipal Retirement Fund - Regular Plan
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2024

	<u>12/31/18*</u>
Total Pension Liability	
Service Cost	\$ 72,770
Interest	2,729
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	158,582
Change of Assumptions	12,776
Benefit Payments, Including Refunds of Member Contributions	—
Net Change in Total Pension Liability	<u>246,857</u>
Total Pension Liability - Beginning	<u>—</u>
Total Pension Liability - Ending	<u><u>246,857</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 23,300
Contributions - Members	12,452
Net Investment Income	—
Benefit Payments, Including Refunds of Member Contributions	—
Other (Net Transfer)	<u>(2,149)</u>
Net Change in Plan Fiduciary Net Position	<u>33,603</u>
Plan Net Position - Beginning	<u>—</u>
Plan Net Position - Ending	<u><u>33,603</u></u>
Employer's Net Pension Liability	<u><u>\$ 213,254</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	13.61%
Covered Payroll	\$ 276,720
Employer's Net Pension Liability as a Percentage of Covered Payroll	77.06%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2017 and 2023.

*The Council joined IMRF effective September 1, 2018.

12/31/19	12/31/20	12/31/21	12/31/22	12/30/23
83,807	115,918	117,163	125,099	149,900
20,897	40,273	41,597	47,631	70,159
—	—	—	—	—
150,225	(111,456)	(77,166)	132,856	(17,160)
—	(22,995)	—	—	(17,137)
(1,048)	(6,415)	(1,776)	(2,909)	(11,587)
253,881	15,325	79,818	302,677	174,175
246,857	500,738	516,063	595,881	898,558
500,738	516,063	595,881	898,558	1,072,733
101,665	110,604	115,816	106,326	103,833
54,336	60,697	63,326	80,551	93,637
5,437	23,204	53,600	(46,653)	69,749
(1,048)	(6,415)	(1,776)	(2,909)	(11,587)
(9,752)	(9,247)	(12,872)	(16,130)	2,425
150,638	178,843	218,094	121,185	258,057
33,603	184,241	363,084	581,178	702,363
184,241	363,084	581,178	702,363	960,420
316,497	152,979	14,703	196,195	112,313
36.79%	70.36%	97.53%	78.17%	89.53%
1,207,463	1,348,831	1,407,241	1,790,011	2,080,824
26.21%	11.34%	1.04%	10.96%	5.40%

REGION 1 PLANNING COUNCIL, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Membership Fee	\$ 1,408,636	1,408,636	674,455
Grants	461,613	461,613	18,655,409
Miscellaneous	14,000	14,000	105,126
Total Revenues	1,884,249	1,884,249	19,434,990
Expenditures			
General Government			
Personnel	1,670,637	1,670,637	1,020,584
Occupancy	47,820	47,820	14,915
Office	20,767	20,767	9,076
Professional	32,272	32,272	13,769
Contractual	39,702	39,702	18,321,454
Debt Service			
Interest and Fiscal Charges	—	—	13,160
Total Expenditures	1,811,198	1,811,198	19,392,958
Net Change in Fund Balance	73,051	73,051	42,032
Fund Balance - As Previously Reported			638,572
Restatement - Error Correction			113,941
Fund Balance - Beginning as Restated			752,513
Fund Balance - Ending			794,545

REGION 1 PLANNING COUNCIL, ILLINOIS**Metropolitan Planning Organization - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Membership Fee	\$ 38,116	38,116	639,177
Grants	2,585,630	2,585,630	1,280,739
Total Revenues	2,623,746	2,623,746	1,919,916
Expenditures			
General Government			
Personnel	1,480,900	1,480,900	1,019,776
Occupancy	—	—	3,605
Office	11,158	11,158	16,993
Professional	27,450	27,450	578,085
Contractual	1,103,355	1,103,355	266,062
Debt Service			
Principal Retirement	49,890	49,890	62,570
Interest and Fiscal Charges	—	—	6,091
Total Expenditures	2,672,753	2,672,753	1,953,182
Net Change in Fund Balance	(49,007)	(49,007)	(33,266)
Fund Balance - Beginning			315,187
Fund Balance - Ending			281,921

REGION 1 PLANNING COUNCIL, ILLINOIS**Winnebago County Geographic Information System - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Membership Fee	\$ 333,052	333,052	328,019
Miscellaneous	72,202	72,202	68,388
Total Revenues	405,254	405,254	396,407
Expenditures			
General Government			
Personnel	298,794	298,794	276,150
Occupancy	308	308	1,683
Office	1,352	1,352	1,090
Telecommunications	435	435	432
Professional	7,199	7,199	330
Contractual	106,370	106,370	88,885
Debt Service			
Principal Retirement	14,841	14,841	12,201
Total Expenditures	429,299	429,299	380,771
Net Change in Fund Balance	(24,045)	(24,045)	15,636
Fund Balance - Beginning			303,537
Fund Balance - Ending			319,173

REGION 1 PLANNING COUNCIL, ILLINOIS**Northern Illinois Land Bank Authority - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Grants	\$ 175,000	175,000	160,482
Miscellaneous	345,000	345,000	436,858
Total Revenues	520,000	520,000	597,340
Expenditures			
General Government			
Personnel	247,836	247,836	184,403
Occupancy	11,464	11,464	4,752
Office	105,000	105,000	947
Professional	500	500	463
Contractual	155,200	155,200	215,680
Debt Service			
Interest and Fiscal Charges	—	—	1,875
Total Expenditures	520,000	520,000	408,120
Net Change in Fund Balance	—	—	189,220
Fund Balance - Beginning			519,762
Fund Balance - Ending			708,982

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

- Budgetary Comparison Schedule - Nonmajor Governmental Fund
- Combining Statements - Custodial Funds
- Consolidated Year-End Financial Report

REGION 1 PLANNING COUNCIL, ILLINOIS**Northern Council of Governments - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Membership Fee	\$ 50,000	50,000	50,000
Miscellaneous	500	500	29,018
Total Revenues	50,500	50,500	79,018
Expenditures			
General Government			
Personnel	44,739	44,739	67,212
Occupancy	1,083	1,083	938
Office	311	311	729
Professional	158	158	204
Contractual	4,209	4,209	9,935
Total Expenditures	50,500	50,500	79,018
Net Change in Fund Balance	—	—	—
Fund Balance - Beginning			(12,869)
Fund Balance - Ending			(12,869)

REGION 1 PLANNING COUNCIL, ILLINOIS**Custodial Funds****Combining Statement of Fiduciary Net Position****For the Fiscal Year Ended June 30, 2024**

	Winnebago Trustee Program	Boone Trustee Program	Totals
ASSETS			
Cash and Investments	\$ 584,747	—	584,747
Receivables - Net of Allowances			
Accounts	71,011	7,029	78,040
Total Assets	655,758	7,029	662,787
LIABILITIES			
Accounts Payable	337,034	9,559	346,593
Due to Other Funds	170,695	—	170,695
Due to Other Governments	—	1,323	1,323
Total Liabilities	507,729	10,882	518,611
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	148,029	(3,853)	144,176

REGION 1 PLANNING COUNCIL, ILLINOIS**Custodial Funds****Combining Statement of Changes in Fiduciary Net Position****June 30, 2024**

	Winnebago Trustee Program	Boone Trustee Program	Totals
Additions			
Membership Fee	\$ —	7,029	7,029
Miscellaneous	977,244	—	977,244
Total Revenues	977,244	7,029	984,273
Deductions			
General Government			
License and Fees	87,398	—	87,398
Office	31,317	—	31,317
Professional	400,791	—	400,791
Contractual	515,638	10,882	526,520
Total Expenditures	1,035,144	10,882	1,046,026
Change in Fiduciary Net Position	(57,900)	(3,853)	(61,753)
Net Position Restricted for Individuals, Organizations, and Other Governments			
Fund Balance - Beginning	205,929	—	205,929
Fund Balance - Ending	148,029	(3,853)	144,176

REGION 1 PLANNING COUNCIL, ILLINOIS**Consolidated Year-End Financial Report
June 30, 2024**

CSFA #	Program Name	State	Federal	Other	Total
420-27-2777	RISE Local and Regional Planning Grant Program	\$ 33,027	132,108	—	165,135
420-45-3219	Strategic Economic Development Program	17,655,897	—	—	17,655,897
532-30-2881	County Solid Waste Planning	1,932	75,950	—	77,882
532-60-0378	Section 319(h) - Nonpoint Source Pollution Control Financial Assistance Program	—	84,540	—	84,540
	Totals	17,690,856	208,058	—	17,898,914



Region 1 Planning Council Board

Meeting Minutes

Thursday, February 6, 2025

127 N Wyman St, Ste 100, Rockford, IL 61101

1. Call to Order

With a quorum present, the meeting was called to order by Mayor Jury at 8:01 am.

2. Roll Call

A quorum was present. Attending members included:

<input checked="" type="checkbox"/>	Boone County	<input type="checkbox"/>	McHenry County
<input checked="" type="checkbox"/>	Chicago Rockford Int'l Airport	<input type="checkbox"/>	McHenry Economic Development Association
<input checked="" type="checkbox"/>	City of Belvidere	<input type="checkbox"/>	Nicor / Southern Co
<input type="checkbox"/>	City of Freeport	<input type="checkbox"/>	Northern Illinois University
<input checked="" type="checkbox"/>	City of Loves Park	<input checked="" type="checkbox"/>	Northwestern Illinois Building Trades
<input checked="" type="checkbox"/>	City of Rochelle	<input type="checkbox"/>	North Park Public Water District
<input checked="" type="checkbox"/>	City of Rockford	<input checked="" type="checkbox"/>	Rochelle Economic Development Corporation
<input checked="" type="checkbox"/>	City of South Beloit (8:03)	<input checked="" type="checkbox"/>	Rockford Mass Transit District
<input type="checkbox"/>	ComEd	<input checked="" type="checkbox"/>	Rockford Park District
<input type="checkbox"/>	Community Advisory Forum Chair	<input checked="" type="checkbox"/>	Rock Valley College
<input checked="" type="checkbox"/>	Four Rivers Sanitation Authority (8:03)	<input checked="" type="checkbox"/>	Stephenson County
<input checked="" type="checkbox"/>	Greater Freeport Partnership	<input checked="" type="checkbox"/>	Village of Cherry Valley
<input checked="" type="checkbox"/>	Greater Rockford Chamber of Commerce	<input checked="" type="checkbox"/>	Village of Machesney Park
<input checked="" type="checkbox"/>	Growth Dimensions	<input checked="" type="checkbox"/>	Village of Roscoe (8:05)
<input checked="" type="checkbox"/>	Highland Community College	<input checked="" type="checkbox"/>	Winnebago County
<input type="checkbox"/>	McHenry Community College	<input checked="" type="checkbox"/>	The Workforce Connection

3. Public Comment

There were none present who wished to address the Board.

4. PRESENTATION: Federal Outlook *Erich Zimmerman, National Association of Regional Councils (NARC)*

Mr. Dunn introduced Erich Zimmerman and Jessica Monahan, with the National Association of Regional Councils (NARC). Mr. Zimmerman and Ms. Monahan gave an update on the current climate in Washington DC, especially with respect to transportation reauthorization and the income tax bill. The climate continues to be unstable. NARC has been very active in DC, advocating in Congress for R1 and RPCs' interests in policy and funding

Mr. Zimmerman and Ms. Monahan took questions from attendees.

5. Consent Agenda

a. *Approval of November 14, 2024 Board Meeting Minutes.*

Motion by Machesney Park, seconded by City of Rockford, to **approve** the Consent Agenda.

Motion approved unanimously by voice vote.

6. Update: Health + Transportation Study, Nathan Larsen

Mr. Larsen gave an overview of the recently published Health + Transportation Study, created with the combined efforts of R1's MPO and Community Impact teams. The study outlines the ways transportation planning affects community health, providing recommended actions in key focus areas like traffic safety, air and water quality, healthy food access, and physical access to services.

7. Action Item: Authorize Executive Director to Execute Contract for Mental Health Rideshare Provider

Mr. Holcomb explained that a county mental health rideshare service is being implemented in part due to findings from the Health + Transportation Study. One of those recommendations was the need for a last-resort HIPPA-compliant rideshare program, which R1 will be implementing with Kaizen Health.

Motion by City of Rockford, seconded by Winnebago County, to approve the action item.

Motion approved unanimously by voice vote.

8. Action Item: Approval of Slate of Nominees to the Community Advisory Forum 2-year Term of Jan. 2025 – Dec. 2026

Chelsey Glatz requested approval from the board to approve listed members.

Motion by City of Rockford, seconded by Winnebago County, to approve the action item.

Motion approved unanimously by voice vote.

9. Action Item: Approval of Charter for Regional Data Advisory Committee

Mr. Holcomb discussed the need for R1 to create a committee that will oversee its expanding data collaboration efforts. The committee will oversee data management, educate RPCs on regional data analysis, and evaluate the region's specific needs. Mr. Holcomb asked the board to submit nominees to serve on this inaugural committee.

Motion by City of Rockford, seconded by Greater Rockford Chamber of Commerce, to approve the action item.

Motion approved unanimously by voice vote.

10. Action Item: Formation of Ad Hoc Resiliency Improvement Committee

The Climate Resiliency Forum, upon its dissolution, requested board permission to create an ad hoc committee under the Community Advisory Forum.

Motion by Winnebago County, seconded by City of Rockford, to approve the action item.

Motion approved unanimously by voice vote.

11. Vote on RESOLUTION 2024-04: Livable Communities Initiative Technical Assistance Award

Motion by City of Rockford, seconded by Winnebago County, to approve the Resolution.

Motion approved unanimously by voice vote.

12. Vote on RESOLUTION 2024-05: Banking Services Vendor

Motion by City of Rockford, seconded by Steve Johnson, to approve the Resolution.

Motion approved unanimously by voice vote. Ms. Larson abstained.

13. Vote on RESOLUTION 2025-01: Building Lease Renewal

Mr. Dunn spoke on R1's office building renovations to provide additional working space for employees and requested a 5-year lease extension on the current office building.

Motion by City of Rockford, seconded by Winnebago County, to approve the Resolution.

Motion approved unanimously by voice vote.

14. Vote on RESOLUTION 2025-02: Mowing RFP

Motion by Winnebago County, seconded by City of Rockford, to approve the Resolution.

Motion approved unanimously by voice vote.

15. Vote on RESOLUTION 2025-03: Personnel and Policy Updates

Motion by City of Rockford, seconded by Winnebago County, to approve the Resolution.

Motion approved unanimously by voice vote.

16. Vote on RESOLUTION 2025-04: Consulting Services with Phelps Barry & Associates, LLC dba Fulcrum Government Strategies

Motion by City of Rockford, seconded by Winnebago County, to approve the Resolution.

Motion approved unanimously by voice vote.

17. Vote on RESOLUTION 2025-05: Authorization to Submit and Administer Rural Business Development Grant

Motion by Winnebago County, seconded by City of Rockford, to approve the Resolution.

Motion approved unanimously by voice vote. Isaac Guerrero described a prerequisite for a grant that is seeking technical assistance to prepare sites for industry in ag and clean energy-related businesses.(Attract businesses in that space)

18. Other Business

19. Executive Director's Report

- a. *Second Quarter Financial Results* – Mr. Dunn reported that second quarter results look great and the organization is fiscally on track.
- b. *Facility Update* – Mr. Dunn mentioned that staff deserves accolades with a number of projects coming to fruition in the next few months.
- c.

20. Adjournment

Motion by City of Rockford, seconded by Winnebago County, to adjourn.

Motion approved unanimously by voice vote.

Meeting adjourned at 8:54 am.

Meeting minutes prepared by: Amy Salamon
Minutes approved by action of the Board: _____



Region 1 Planning Council

RESOLUTION NO. 2025- 07

Reconnecting Communities Feasibility Study Vendor Approval

WHEREAS, The Council required a request for proposals for Consultants on a Feasibility Study in connection with the Reconnecting Communities Grant awarded by USDOT; and

WHEREAS, a selection of the Council Staff members performed a comprehensive review and evaluation of Feasibility Study Consultants that submitted proposals; *and*

WHEREAS, after careful consideration and due diligence, the Council's selection committee recommends the selection of AECOM as the preferred vendor;

NOW, THEREFORE, BE IT RESOLVED, that the AECOM proposal is approved, a copy of which is hereto attached and made integral and continuing part of this resolution.

BE IT FURTHER RESOLVED, that the Board authorizes the staff of the Council to take any further actions and steps as necessary to implement this resolution and ensure that the Reconnecting Communities Feasibility Study is completed as outlined.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair

Proposal/Statement of Work

Reconnecting Communities Land Use Feasibility Study

Submitted to Region 1 Planning Council

RFP #2025-01

March 7, 2025



Proposal/Statement of Work

INTRODUCTION TO OUR APPROACH

Our assessment of transit-oriented development (TOD) potential for downtown Rockford will leverage several AECOM differentiators:



Economic Benefits of Investments in Transit

AECOM involvement in transit projects regionally and nationally reinforces well understood benefits of investments in transit, which cut across improved access to employment, opportunity and enhanced wages; increased affordability; improved health outcomes; and enhanced environmental benefits.

Our research into the value of transit reinforces an important long-term economic development trend for cities who either lost or sustained their transit access after the 1970s. AECOM's work for the Capital Region Council of Governments found that as Hartford, CT and Springfield, MA lost commuter rail access to the Northeast Corridor in the 1970s, both cities endured very different economic outcomes relative to cities which retained rail access. The analysis found that annual job growth in Metro Hartford-Springfield has lagged far behind the Northeast Corridor (about 130,000 jobs not created). Job growth has been particularly weak in information, finance and professional services, accompanied by aging housing stock, slow housing construction, and slow population and wage growth. In short, Metro Hartford-Springfield has fallen structurally behind the rest of the Northeast Corridor.

Building on experience gained in Metro Hartford-Springfield, our research of growth dynamics across roughly 4,000 transit station areas nationally going back to the 1960s (inclusive of BRT, light rail, and regional/commuter rail) shows that cities which retained their transit service have generally experienced long-term positive economic outcomes, inclusive of **enhanced economic diversification, growth in population and income, and greater population density**, relative to cities like Rockford which lost their transit service. While not all outcomes can be attributed entirely to the presence of transit, our research establishes that cities which retained transit have evolved into more diverse economic engines, while cities such as Rockford have generally struggled with less diverse economies which tend to be more reliant on more mature legacy industries. Across Illinois, our research identified the following metrics between 2010 and

2023 for transit-served communities from the US Census American Community Survey:

- Job creation at a faster rate compared to state average (0.4% compared to 0.2%)
- Resident labor force growth at a faster rate compared to state average (0.5% to 0.3%)

And given media attention to hybrid work impacts, the analysis shows that transit-served neighborhoods captured an absolute majority of growth in people working from home between 2019 and 2023 (increase from 8% to 29%) relative to non-transit-served neighborhoods (4.7% to 11.5%). These factors speak to the enduring value of transit-served locations in Illinois and serve as a justification for the value of similar investments in cities like Rockford.



Transit-Oriented Development Expertise

AECOM brings a high-energy and passion for TOD projects because these projects **require a high level of collaboration, versatile expertise and a shared purpose** to enhance and sustain the built, natural and social environments. To deliver successful projects, AECOM's TOD planning group is an integrated and multidisciplinary team composed of planners, designers, engineers and economists who bring extensive expertise in concept development, master planning, policy, real estate analysis, and PPP/joint development. Because TOD development should be done **through the lens of equity**, AECOM brings experts in Title VI and equity. TOD projects also require **maintaining or improving the transit elements of development**. AECOM also provides experts in transit operations and performance,





and the integration of new mobility hub elements to future TOD projects. The firm's capabilities have allowed them to work on projects at all scales of TOD, including site-specific TOD projects, station area and small area plans, TOD corridors, and developing visions and policies for complete transit systems.



Current Work: Susceptibility to Change

In February 2025, AECOM completed an evaluation of real estate development opportunities along a proposed commuter rail corridor between Rockford and Madison for the Stateline Area Transportation Study (SLATS). The effort leveraged AECOM-developed methodologies to assess parcel-level highest and best use and susceptibility to change to assess preliminary station area redevelopment potential in areas such as downtown Rockford.

Our highest and best use (HABU) analysis seeks to identify the use of a given property that is simultaneously:

- Legally permissible - Based on zoning & planning regulations and brownfield conditions;
- Physically possible - Capacity of a site to support development, considering road and rail access, soil quality, floodplains, etc.
- Financially feasible - The combination of land & building values, rents and market forces which allow projects to exceed thresholds for financial viability and generate the highest value.

Marked findings related to HABU then flow into a parcel level susceptibility to change framework, which uses GIS to identify parcels where:

- Land value is greater than 25% of improvement value
- Building lot coverage ratio < 25% of parcel size
- Single family homes in renter occupancy

Our work for SLATS leveraged this approach to evaluate station area development opportunities in and adjacent to

downtown Rockford. We are well positioned to revisit and refine this work as part of this effort.



Team Depth and Capacity

We have assembled a strong team that is largely Illinois-based and brings current local experience with downtown revitalization and local/regional transit planning, including work on the Rockford BRT Corridor Analysis. Our team brings considerable experience working in Midwestern cities with similar manufacturing legacies, including Flint, South Bend, Racine, Kenosha, Janesville, Elgin, Pontiac, Fort Wayne, and Toledo.

We also bring client relationships with Class 1 freight railroads, including Union Pacific, Canadian National, and Canadian Pacific Kansas City, as well as passenger railroads such as Metra. Lastly, reflective of your interest in evaluating existing rail yard property south of downtown Rockford, we have identified additional depth in brownfields assessment (Shannon Flanagan) and landscape architecture (Michelle Inouye).



PROPOSED SCOPE OF SERVICES

Task 1

Project Kick-off & Coordination

Effective project management begins with a clear and detailed scope of services, developed through clear and open communication with the R1 team. Each task should have an objective that is clear to both R1 and the AECOM team so that progress towards objectives can be monitored and adjusted to fluctuations if necessary. AECOM's project management team will communicate closely with R1 throughout the duration of this project to discuss progress and adapt the approach to any unforeseen circumstances.

Task 1.1. Onboarding Partner Session

We will conduct a two-hour virtual project onboarding partnering session with the R1 team to review and discuss project schedule, deliverables, project management, stakeholder engagement, data collection and consistency with ongoing implementation efforts and work products. This meeting will set expectations for all future tasks, communication, deliverables, and reviews. For reviews and revisions, R1 will provide a single set of consolidated adjudicated comments to each draft deliverable within seven to no more than fourteen days of submittal. Either seven or fourteen days will be determined based on the specific deliverable.

AECOM's core team members are based in Chicago, making in-person meetings possible. Additionally, we have multiple communication tools to connect with R1 representatives, task leaders, and stakeholders. Microsoft Teams is our communication platform of choice, but we remain flexible to our clients and stakeholder considerations when selecting the best platform to use for meetings and presentations.

Task 1.2. Data Collection

While much relevant data exists and is necessary for a detailed, methodological existing land use feasibility analysis, not all are reliable or applicable to Rockford and the study area. Our team recognizes the opportunity and importance of using Rockford

data wherever applicable to make sure it is as localized as possible. We will work with R1 to identify existing data that will be included in the analysis and assessment process, as well as in the final report.

AECOM will develop a data inventory to catalog the data requested and collected. The data inventory will include documentation of relevant attributes, such as metric relevance, data quality, and metadata related to the data format, spatial resolution, temporal coverage, source, and update frequency. This list will prioritize Rockford data but also identify other sources such as from recent and relevant past plans and studies, as well as from key rail partners. This will make sure that previous work will be utilized throughout the planning process for accuracy and consistency with other planning efforts. We will rely on the accuracy of all data collected as part of this project and will not validate or alter data provided.

Task 1.3. Project Management

The AECOM team strives to meet performance schedules established with our clients. Using the detailed project work plan and schedule developed in the onboarding partner session subtask, our project manager will regularly review project progress with the team and communicate any issues or decisions that could impact the schedule or products.

AECOM will work closely with R1 to deliver satisfactory completion of the work. We will organize and facilitate monthly one-hour virtual scheduled meetings (up to 12) with R1 to discuss work effort, adherence to the schedule, emerging issues and upcoming engagement activities. While our budget and schedule assume conference calls to discuss routine phases of the project, we have also planned for key in-person meetings to enable thorough coordination around key milestones and stakeholder engagement events.

Timing: Task 1 will be used throughout the duration of the project.

Deliverables:

- » Draft and final detailed Work Plan

- » Draft and final detailed project schedule
- » Onboarding meeting agenda and notes
- » Data collection plan and inventory
- » Monthly project management meeting minutes and invoices

Task 2

Existing Conditions

Task 2.1. Review Previous Studies

There are several planning studies that are relevant to this Land Use Feasibility Study, including three that were prepared by AECOM or our teaming partner TYLin:

- Rockford Rail Consolidation Study (2003)
- Amtrak Chicago-Rockford-Galena-Dubuque Amtrak Service Feasibility Report (2007)
- SLATS Passenger Rail Study (2021) – This study was prepared by AECOM
- Rockford to Dubuque Passenger Rail Extension Feasibility Study (2022)
- Illinois State Rail Plan (2023)
- Passenger Rail Siting Analysis (2024) – TYLin was a part of the team on this project, along with our Transportation Planning & Design Lead, John Wirtz, as part of a previous firm.
- Rockford BRT Corridor Selection and Development Plan (2024) – TYLin led this project for Rockford Mass Transit District (RMTD) and RPC.

Key members of the team will review these plans and studies to ensure familiarity with the history of previous recommendations for the area and how those could apply to the Land Use Feasibility Study. This includes data, analysis outcomes, recommendations and design strategies.

Task 2.2. Demographics

We will analyze demographic trends relating to population size and growth, age, race/ ethnicity, income, household structure, and other key variables. Attention will be given to specific target populations that may be priority benefactors of TOD such as low-income households, seniors, and people with above-average commutes. This data will be compiled from datasets from the R1, the City of Rockford, Winnebago County, the U.S. Census Bureau, and other reliable sources as needed.

Task 2.3. Industry & Employment

AECOM will conduct an analysis to determine economic issues and opportunities affecting the city. The employment analysis will categorize industries into market clusters to determine the current scale of their impact: local/ neighborhood, city or regional. The clusters will also be analyzed against the current land use framework to help calculate the overall impact businesses and employment have

on physical development throughout the City. Sources such as Lightcast, Bureau of Labor Statistics (BLS), and Quarterly Census of Employment and Wages (QCEW) will be used to evaluate major industries.

The analysis will provide insight regarding recovery from coronavirus in context with structural changes unfolding across the regional economy. Economic and demographic trajectories will be framed, along with potential drivers of demand for TOD. Study area trends will be compared to state/U.S. trends, with select comparisons to cities on other Illinois rail corridors to assess how the corridor economy has evolved differently over time.

Task 2.4. Real Estate Market

AECOM will provide an overview of residential and commercial real estate market trends applicable to downtown and adjacent study areas. The overview will confirm unfolding local real estate dynamics across new construction, rents and building values, and occupancy, using sources such as CoStar to frame activity across retail, office, industrial and hotel segments. We will work with City of Rockford officials to collect data on renovation permit activity in and adjacent to the downtown area. We will conduct more detailed real estate assessments for primary station areas, with an additional focus on rents, land and building values, absorption and development pipelines — all in context with demand drivers. Objectives will focus on identification of areas where real estate valuations point to emerging market interest for new construction and revitalization, as well as displacement/gentrification.

We will compare home values and apartment rents for downtown Rockford relative to city and regional trends. Our team will also assess how housing prices and affordability have changed during and since coronavirus, and the extent to which new households have moved into the market. Data from the U.S. Census, Housing and Urban Development (HUD), and the Federal Housing Finance Agency will be placed in context with information from available parcel data regarding unit inventories, values and insights regarding demand and supply.

Task 2.5. Transportation & Mobility

The study area includes multiple modes of transportation for both people and goods, all of which must be considered as part of the planning process to create a system that facilitates economic development while also meeting the goals of safety, access and mobility. Understanding the operational needs of the railroads is critical to determining the footprint of land that may be available for redevelopment, and will be determined mostly through discussions with the railroads in Task 3. Stakeholder Input. We will also review the following for inclusion in the Existing Conditions Summary report:

- Roadway traffic volume data, which is available for most of the surrounding streets on IDOT's Traffic Count Database System website and from "big data" sources
- Generalized sidewalk conditions

- Existing on-street and off-street bicycle facilities
- Existing bus routes and schedules
- Ridership data provided by RMTD
- Metra ridership projections
- The most recent five years of IDOT crash data
- Railroad grade crossing locations and warning devices

Task 2.6. Environment & Brownfields

Environmental hazards, both natural and man-made, significantly influence quality of life and opportunity by shaping development patterns and infrastructure planning. Areas at risk of flooding may restrict new developments or require adaptive measures such as elevated structures, while contaminated sites limit or wholly prevent reuse of a site and space. Sustainability initiatives promote green infrastructure, renewable energy, and efficient public transportation, aiming to reduce environmental impact and enhance resource efficiency. The prioritization of resilience and sustainability creates safer, healthier, and more sustainable urban environments that better withstand climate challenges and support long-term well-being. Our team will analyze brownfield sites and other environmental hazards in the study area to identify potential implications.

Task 2.7. Summary

Infographics and maps will be developed for analyses conducted as part of the existing conditions along with a concise narrative of results and key findings for each subtask. These will be combined into a single Existing Conditions Summary report for review by R1.

Timing: 2-3 months

Deliverables:

- » Existing Conditions Summary Report

Task 3

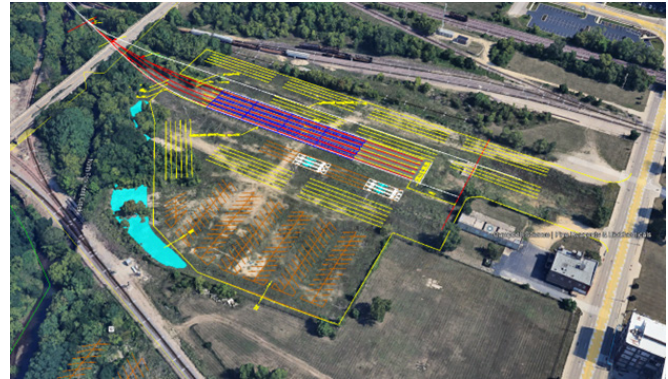
Stakeholder Input

As part of larger team engagement efforts, we will seek to conduct focus groups and one-on-one interviews with key interests attached to the effort, including:

- R1 Planning leadership and staff
- City of Rockford staff (e.g., Park District, Economic Development) and elected officials
- Class 1 Railroads (UP, CxN, CPKC)
- Metra
- Rockford Mass Transit District
- Property and business owners in the study area
- Local/regional real estate developers State agencies (IDOT, IDNR)

Outputs from the interviews will include a summary of discussed strengths, weaknesses, opportunities, threats and assets that may influence the effort.

Railroad Coordination: After the kick-off meeting, the first stakeholder we recommend contacting is the CPKC. We want to understand their existing operational needs, any existing plans for the land in question, and gauge their willingness to dispose of or redevelop the property. Several years ago, CPKC had preliminary plans to develop an automobile storage facility on this land, which may indicate some interest in redevelopment.



Previous CPKC Development Concept

It is worth noting that railroads are often hesitant to engage in feasibility studies, so it is important to demonstrate how a redevelopment could be mutually beneficial in order to get their attention. If CPKC is not willing to sell or redevelop the land, then the potential redevelopment area would need to be limited to the property in the area not owned by the railroad, which still includes several public and private parcels along Main Street.

In addition to CPKC, coordination will be needed with CN, UP, and Metra. Metra will need to review the proposed site layout for the new station, platforms, train layover areas, and parking facilities. The proposed Metra service extension is planned to operate on UP tracks, and any potential extensions of Church Street and/or Court Street under the UP railroad tracks would also need to be coordinated.

CPKC uses tracks owned by UP and CN to the east of Rockford, so any change to the CPKC operations due to the removal of the switching track in the study area would also affect those two railroads and need to be coordinated.



Land Ownership in Potential Redevelopment Area

Timing: Two rounds of focus group meetings and stakeholder interviews are anticipated. The first round will take place early in the project to discuss goals and objectives for the study as well as existing conditions. The second round will take place after the analysis and tasks to discuss potential development scenarios and preferences.

Deliverables:

- » Up to 5 focus group meetings and 20 one-on-one interviews with stakeholders

Task 4

Land Use and Susceptibility to Change

Task 4.1. Land Use & Development

AECOM will map development and investment trends by land use; analyze project constraints; identify infrastructure, recreational, and social assets; and evaluate key developments and land uses for their TOD potential. Data collected during Task 2 will be used to inform this subtask as well. Based on this analysis, AECOM will identify and characterize major developments by physical and fiscal impact on the study area. City permit data will be used to determine the needs of recent, planned, proposed development by land use type as well as the value of new commercial development and/or reinvestment.

Task 4.2. Susceptibility to Change Analysis

Parcel-level land use, zoning, real estate and demographic trends for the downtown Rockford study area will be filtered through a susceptibility to change approach, which leverages GIS to evaluate current zoning and land use trends in context with identified vacant or underutilized sites, using indicators

such as floor area ratio (FAR), lot coverage, brownfield issues and land value as a percent of improvement value to identify areas where susceptibility for land use change is seen as more or less likely in given station areas. Available infrastructure capacity will also be considered.

Outcomes will inform redevelopment options and priorities, with emphasis on the extent to which existing land use and zoning will remain (with incremental growth in value) balanced by opportunities for higher density development linked to improved transit access. The intent of the analysis will be to group parcels into larger sub-districts based on similar market real estate dynamics, and estimate the amount of development capacity within station areas, inclusive of:

- New households and residential dwellings
- New jobs and commercial space

Development capacity will be framed using assumptions for zoning in context with judgment regarding viable iterations of lot coverage and floor to area ratios; up to three development scenarios are expected.

Timing: 1 month

Deliverables:

- » Narrative summarizing key economic trends, the commercial and residential real estate, with identification of up to three scenarios for future development

Task 5

Station Area Planning

This task encompasses the site planning and design of the transportation modes present in the study area.

Task 5.1. Land Use Plan

Leveraging outputs from the previous four tasks, we will generate two land use plans which articulate repositioning strategies for TOD and reconnecting to Kent Creek. Each development scenario will include a preliminary site plan that identifies land uses, building configuration, and right-of-way designation. More detailed transportation and infrastructure design and alignment will be addressed in the remaining subtasks for the Station Area Plan. These preliminary “sketch plans” will then be shared with staff, for review and approval before beginning before consolidation into one site plan that will be used for the Financial Strategy in Task 6.

Task 5.2. Railroad Configuration

As noted in Task 3, coordination with the Class 1 freight railroads is needed to ensure that all railroads can continue to serve their existing customers and reach their destinations. Specifically, if the switching tracks at the north end of the site are removed, CPKC would need to remain on CN tracks east of Rockford. To maintain operational flexibility, a connection between the CN and UP tracks may be feasible somewhere

between 11th Street and Mulford Road. AECOM will work with the railroads to identify a preferred track configuration, will develop plan-view concept level drawings to show the required rail infrastructure improvements, and estimate the costs of the work.



Task 5.3 Right Of Way & Transportation Network

A key goal of this study is improving the connectivity between downtown Rockford (census tract 29) and the proposed redevelopment site (census tract 28). One of the ways to improve connectivity and facilitate economic development of the site would be to extend Church Street and/or Court Street south from Cedar Street under the Union Pacific railroad tracks, essentially extending the street grid into the vacant rail yard. We will create roadway plan and profile drawings to evaluate the feasibility of creating these new underpasses and the recommended roadway alignment.

Based on our preliminary analysis, there is approximately 5 feet of elevation difference between the south leg of Church Street at Cedar Street and the top of the rail embankment. If we assume a bridge thickness of about 3 feet and a preferred vertical clearance of 14.5 feet, then the roadway will need to decline another 12.5 feet. At a relatively steep 8% grade, that would require 156 feet of distance, which is almost exactly the available space. Depending on the details of the bridge design (to be determined by our structural engineers), the desired vertical clearance, and the roadway grade, we may need to consider vehicle height restrictions under the viaduct or making them pedestrian/bicycle only underpass(es).

South of the railroad, we will lay out the right-of-way and roadway alignments needed for a street network that creates developable parcels, accommodates ingress and egress to the site, and encourages multi-modal transportation. We will also evaluate the conceptual feasibility, from both a structural and roadway geometrics perspective, of connecting the new street network to the existing Winnebago Street bridge.

Task 5.4. Multi-Modal Connections

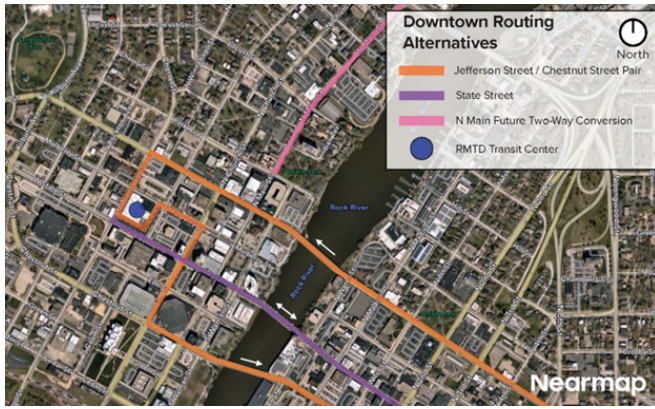
Our team will develop targeted recommendations for improving multimodal connectivity and integration between the project site, downtown, key destinations such as Chicago-Rockford International Airport (RFD), and the wider region. We will leverage the data analysis from Task 2.5 and stakeholder input from Task 3 to assess existing gaps, challenges, and opportunities for walking, biking, micromobility, transit, motor vehicles, parking and ridesharing. Our approach will integrate stakeholder feedback, observed travel patterns based on origin and destination data, and infrastructure conditions, to identify solutions that enhance access to, and within, the study area.

Transit Connections: Our team will evaluate existing transit routes, ridership patterns, frequency, stop locations and coverage in the study area to improve access for residents and enhance connections to key destinations (including downtown, the airport, and the Barber-Coleman campus area). This task will consider potential routing changes within the study area, service updates, evaluation of the existing downtown transit center, as well as additional transit amenities and upgrades, including incorporation and reevaluation of BRT routing recommendations from the Rockford BRT Corridor Selection and Development Plan, which TYLin completed in November 2024. The goal is to ensure transit connectivity to the new Metra station site (assumed to be located south of Cedar Street between Church Street and Court Street), which can become regional mobility hub.

Bike and Pedestrian Infrastructure: We will assess the quality and safety of sidewalks, crosswalks, bike lanes, and trail connections through field audits. This work will evaluate pavement conditions, accessibility, visibility and non-motorized connectivity within the study area and connecting to the surrounding areas. On-the-ground observations in combination with crash data analysis, GIS mapping and stakeholder input will be used to identify gaps and prioritize improvements.

Multimodal Integration & Mobility Hub: Our team will evaluate alternatives to develop the proposed Metra train station into a mobility hub that facilitates seamless connections between transportation modes. This work will include identifying the preferred locations for transit stops, passenger drop-offs, parking, taxi or rideshare zones, and micromobility options like bike sharing and e-scooters to support flexible travel choices. The station should also incorporate wayfinding, real-time travel information, and additional amenities informed by stakeholder engagement.

Complete Streets: We will detail the recommended dimensions for the right-of-way, pedestrian realm and roadway elements for different types of streets in the study area. We will identify design treatments that promote economic development, safety and multi-modal connectivity, integrating context-sensitive designs that respond to the intended function of each street. Treatments to consider



Downtown Routing Alternatives from Rockford BRT Corridor Selection & Development Plan

may include various types of traffic calming, streetscaping, green infrastructure, and opportunities for placemaking and public spaces.

Near-Term Implementation: Our team will identify opportunities for near-term implementation of key mobility recommendations using quick-build, low-cost materials and tactics that can help pave the way to long-term, permanent improvements.

Timing: 2-3 months

Deliverables:

- » Draft Station Area Plan
- » Final Station Area Plan

Task 6

Transformation Plan

Task 6.1. Draft Plan

Once all of the recommendations and strategies have been drafted, our team will compile them into a single, cohesive draft Transformation Plan. The document will be organized by key topic area and will include all necessary visual elements (maps, models, infographics, etc.) to clearly and concisely explain how the recommendations will address the current planning issues and/or create new opportunities to achieve the new goals and vision. The draft Transformation Plan will be developed as a presentation document.

Task 6.2. Final Plan

The draft Transformation Plan will be sent to the R1 team for review and comment. AECOM will revise the draft into the final Transformation Plan, incorporating appropriate feedback from R1 and the community.

Deliverables:

- » Draft and final Transformation Plan outline
- » Draft and final Transformation Plan

We have identified optional services that would help R1 in understanding the impacts and outcomes of TOD within the study area. If selected for the contract, AECOM can provide pricing for desired options upon request.

OPTIONAL SERVICES

• Educational Tool Kits & Strategies:

As an extension of the market and financial studies, and leveraging stakeholder engagement input, the team will develop a series of toolkits to support implementation efforts. While the precise nature of these toolkits will evolve based on how the effort proceeds, in general, we would expect exploration of the following topics:

1. Identification of priority sites, and development of basic collateral materials to highlight opportunities (density, massing, urban design)
2. White papers that summarize benefits of density, and impact of reduced parking on project financial returns
3. Infographics that frame benefits of transit access, in terms of wellness and real estate values
4. Affordable housing strategies, and approaches to mitigate involuntary displacement
5. Client workshop focused on current thinking regarding Joint Development in a transit context. Examples of success stories and lessons learned will be discussed, with outcomes applied to specific station areas, to start building consensus around strategies to advance TOD investment

• Developer Forum + Workshop:

Leveraging connections from the stakeholder engagement process and other AECOM developer relationships, we will host a forum for development community participation. The intent of the forum will be to:

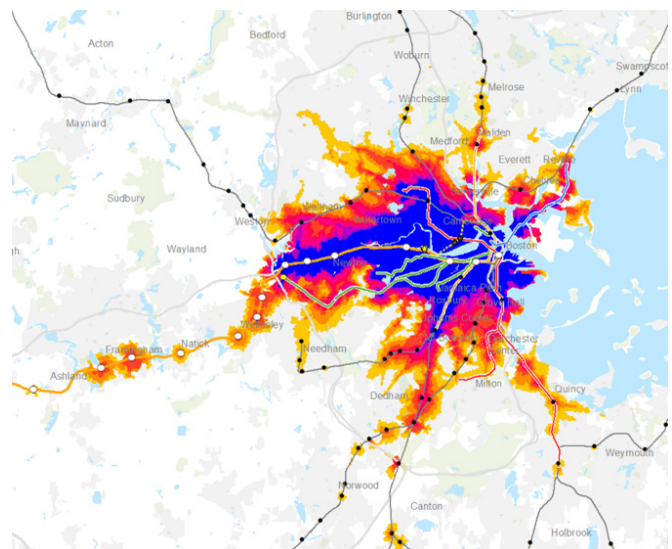
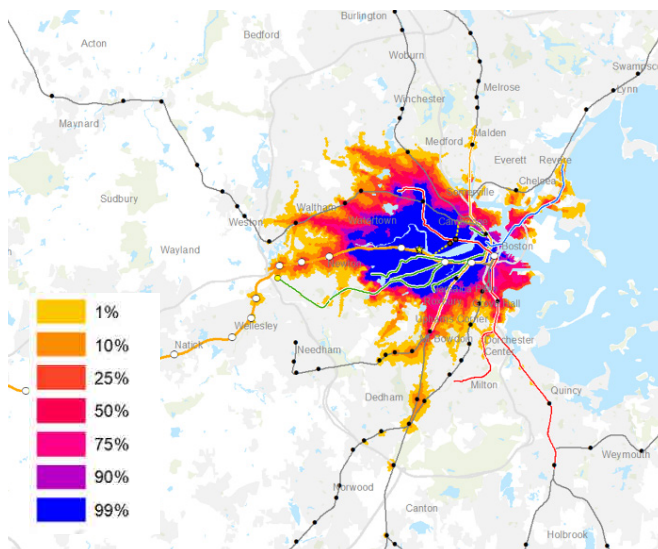
1. Present development concepts
2. Identify critical path assumptions that drive market response to proposed projects
3. Seek feedback from developers on concerns and opportunities.

• General Transit Feed Specification Analysis:

One primary variable in evaluating opportunities for transit-oriented development is the need to consider how proposed transit services can reduce peak hour travel times, versus driving. To help clarify the benefits of proposed transit service, AECOM plans to use a tool called General Transit Feed Specification (GTFS), which defines a common format for public transportation schedules and associated geographic information. GTFS “feeds” let public transit agencies publish their transit data and developers write applications that consume that data in an interoperable way.

Most mapping apps on mobile phones consume GTFS data to display travel options via transit for a given origin, destination, and travel time. A GTFS feed is composed of a series of text files collected in a ZIP file. Each file models a particular aspect of transit information (stops, routes, trips, etc.). These files can be edited to model potential changes to transit service, for example adding new routes or additional trips on existing routes, or to develop a new feed for an entirely new agency/service.

We propose to do so using the transit schedule developed in past studies, or an updated schedule. After the GTFS feed is developed, it is validated using a Python script developed by Google to identify errors, and the transit network is built in Esri software using the validated feeds. Next, using the Esri Network Analyst extension, transit travel time isochrones are developed for a given origin or destination and selected travel times; these isochrones assume that all trips rely on pedestrian first- and last-mile connections. Using the transit service area isochrones,



estimated population / employment counts within those areas can be generated to support analysis on project impact.

- Financial Strategy**

For the Station Area Plan we will include a financial analysis overlay to evaluate conceptual projects from a developer perspective, incorporating assumptions for program square footage (housing units, office and retail space, parking, etc.), public and private infrastructure costs, development costs for retail, residential and other uses, and other soft costs, to see if proposed projects can achieve minimum return on investment thresholds. The analysis will use a scenario-based approach driven by calculation of likely developer Net Present Value (NPV) and Internal Rate of Return (IRR) estimates that can incorporate assumptions regarding public versus private infrastructure contributions, need for incentives, and support for broader policy goals, such as affordable housing.

The financial analysis will include evaluation of affordable housing to determine if it is realistic to identify targets for preservation / addition of affordable units. Outcomes can include identification of metrics to track progress toward meeting unfolding affordable housing needs. Analysis outcomes converted into potential fiscal and economic benefits, such that broader TOD value capture can be estimated. When combined, the financial and fiscal assessments intend to clarify the extent of preliminary financial returns to the private and public sectors, likely public sector cost implications, and help frame arguments for future roles in the development process.

PROJECT SCHEDULE

Project Tasks	No. of Month	1	2	3	4	5	6	7	8	9	10	11	12
Task 1. Project Kick-off & Coordination													
1.1. Onboarding Partner Session		◆◆											
1.2. Data Collection		◆											
1.3. Project Coordination & Management		◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆	◆◆
Task 2. Existing Conditions													
2.1. Review Previous Studies			◆◆	◆									
2.2. Demographics			◆◆	◆									
2.3. Industry & Employment			◆◆	◆									
2.4. Real Estate Market			◆◆	◆									
2.5. Transportation & Mobility			◆◆	◆									
2.6. Environment & Brownfields			◆◆	◆									
2.7. Summary				◆◆									
Task 3. Stakeholder Input <i>(Includes optional services: Developer Forum + Workshop)</i>			◆◆								◆◆		
Task 4. Land Use and Susceptibility to Change													
4.1. Land Use & Development					◆◆								
4.2. Susceptibility to Change					◆◆								
Task 5. Station Area Planning													
5.1. Land Use Plan						◆◆							
5.2. Railroad Configuration							◆◆	◆					
5.3. Right of Way & Transportation Network							◆◆	◆					
5.4. Multi-Modal Connections							◆◆	◆					
<i>Optional services: GTFS Analysis</i>								◆◆	◆				
<i>Optional services: Financial Strategy</i>									◆	◆			
Task 6. Transformation Plan													
6.1. Draft Transformation Plan												◆◆	
<i>Optional services: Educational Tool Kits & Strategies</i>												◆	◆
6.2. Final Transformation Plan													◆

◆ Meetings ◆ Deliverables

About AECOM

AECOM is the global infrastructure leader, committed to delivering a better world. As a trusted professional services firm powered by deep technical abilities, we solve our clients' complex challenges in water, environment, energy, transportation and buildings. Our teams partner with public- and private-sector clients to create innovative, sustainable and resilient solutions throughout the project lifecycle – from advisory, planning, design and engineering to program and construction management. AECOM is a Fortune 500 firm that had revenue of \$16.1 billion in fiscal year 2024. Learn more at aecom.com.

CONTACT

Chris Brewer
Project Manager
Vice President, Economics+ Advisory
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E: chris.brewer@aecom.com



COLLABORATIVE PLANNING FOR NORTHERN ILLINOIS

Region 1 Planning Council

RESOLUTION NO. 2025- 08

Approval of New Auditing Firm

WHEREAS, The Council required a request for proposals for Auditing Services; and

WHEREAS, a selection of the Council Staff members performed a comprehensive review and evaluation of the Auditing Firm that submitted a proposal; *and*

WHEREAS, after careful consideration and due diligence, the Council's selection committee recommends approving Baker Tilly as the New Auditing Firm;

NOW, THEREFORE, BE IT RESOLVED, that the Tilly Baker proposal is approved, a copy of which is hereto attached and made integral and continuing part of this resolution.

BE IT FURTHER RESOLVED, that the Board authorizes the staff of the Council to take any further actions and steps as necessary to implement this resolution.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair

April 25, 2025

Region 1 Planning Council

RFP 2025-04: Independent Financial Audit

Technical proposal for professional auditing services

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We really appreciate your support through our journey and ALL that we were able to learn with you coaching and guiding us.

Vice president | Baker Tilly client



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Region 1 Planning Council
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Ste 100
Rockford, IL 61101

Baker Tilly US, LLP
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Oak Brook, IL 60523
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bakertilly.com

Dear Sarah:

Region 1 Planning Council (the Agency) is seeking a certified public accounting firm for the annual independent financial audit for three consecutive fiscal years (FY25 to FY27). This proposal is the starting point — our vision of how we can achieve your goals to provide economic development, sustainability and community health by bringing together leaders across Northern Illinois.

For a government-to-government agency like Region 1 Planning Council, we understand your pursuit of excellence extends beyond compliance. You seek more than auditing services; you aim to elevate your financial journey so you can focus on unifying organizations toward a common goal. Luckily, we don't just crunch numbers. We chart a course for efficiencies, innovation and transparency. As a result, you can turn compliance into a strategic advantage with Baker Tilly by your side.

We're prepared to redefine what service means for the Agency. It's not about ticking boxes. It's about navigating complex landscapes and blazing new trails. The approach shared in our proposal shows how important the Agency will be to us as a client.

We can't wait to get started.

Sincerely,

A handwritten signature in black ink that reads "Jason Coyle".

Jason K. Coyle, CPA, Principal
+1 (630) 645 6205 | jason.coyle@bakertilly.com

Qualifications

Contact information must include: Vendor Name (dba and legal, if applicable); Description of current business; Years in operation; Number of staff; Contact name; Office Phone; Mobile Phone; Business Email

Guiding you with our resources, reputation and reach

Our ranking as the 10th-largest accounting firm means we're actively leading and shaping the industry landscape. We have a seat at the table with regulators and public sector associations, which translates to the opportunity to share our clients' perspectives and bring valuable insights back to the Agency.

What does our size mean for you? It's about having a powerhouse team of passionate professionals unafraid to roll up their sleeves and provide hands-on support for the Agency. It's about team members brimming with thoughtful ideas, backed by the scale of a firm genuinely dedicated to your success.

When you choose Baker Tilly, you're not just choosing a leading advisory, tax and assurance firm. You're choosing a skilled navigator for the road ahead.

Our size isn't just a number

It's a testament to our resilience and ability to lead you into the future, no matter the climate. With nearly a century of experience, we've honed our skills and adapted to evolving markets.



10th-
largest U.S.
accounting firm



6,700+
team members,
600+ principals



90+
years in
business



1,800+
Certified Public
Accountants



\$1.81B
firm revenue
in FY2024



50+
U.S. office
locations



250+
workplace and
culture awards

GIVING YOU THE TOOLS YOU NEED TO NAVIGATE THE FUTURE

Baker Tilly will successfully guide the Agency through changing landscapes with skills, stability and strength as one of the oldest and largest advisory, tax and assurance firms in the United States.

Upholding tradition while focusing on what's ahead

Where we've been and where we're going with the Agency

We started by planting strong roots. From there, we never stopped growing. It was in 1931 — the height of the Great Depression — in Waterloo, Wisconsin, where Ed Virchow began providing audits to Midwestern canning companies that helped feed our nation. He built much more than a public accounting firm. He built a culture of innovation where we find new and better ways to work.

Since then, we have grown to encompass 50 different business combinations, each with its own rich history. We have augmented our scope across sectors, services and areas of expertise to better serve our clients and have expanded our reach from coast to coast and around the globe.



MAIN POINT OF CONTACT

Jason Coyle

Office: +1 (630) 990 3131

Direct line: +1 (630) 645 6205

jason.coyle@bakertilly.com

Respondent should provide information establishing its qualifications to perform the services requested, including those listed above.

Delivering specialized expertise to our public sector clients

Unlike many other firms, Baker Tilly is organized by sector, not service line. What does this mean for the Agency? It means you will be served by a carefully selected team that blends our government-focused professionals with experienced specialists in the activities of the Agency. The Agency will work with a knowledgeable team that understands your specific challenges and provides innovative solutions to help you overcome them.



State and local government is a complex, unique environment shaped by fiscal, regulatory and operational considerations not found in other sectors. Recognizing this complexity and eager to serve as a true valued advisor to the public sector, Baker Tilly formalized its dedicated public sector specialization more than 50 years ago. **Today, more than 350 Baker Tilly professionals — including nearly 30 principals** — focus directly on serving governments and provide hundreds of thousands of client service hours annually to organizations like the Agency.

Nationwide, our public sector practice serves nearly 4,000 state and local governmental entities, including municipalities, counties, school districts, utilities, transit organizations, airports and special authorities. Several of these client groups are now served by dedicated specialists in distinct sub-practices.



COMMITMENT TO THE PUBLIC SECTOR

Baker Tilly has been in business for more than 90 years, and public sector entities were some of our first clients.

QUALIFICATIONS

The Agency will benefit from our public sector specialization in several specific ways:

- **Dedication to the public sector:** Your engagement team members live and breathe government and work exclusively with the public sector year-round. This translates into insights only experience can bring, as well as an understanding of the best ways to communicate and collaborate with public-sector entities.
- **Specialized training and continuing education:** the Agency can be assured of an engagement team with the necessary skills and timely knowledge to effectively perform your engagement.
- **Sector involvement:** Members of our public sector practice are leaders in key sector organizations, including the AICPA and its Governmental Audit Quality Center (GAQC) as well as the International City/County Management Association (ICMA). Because of our work with these groups, we know about dynamic trends and consequential developments in state and local government — and are equipped with leading practices to help the Agency best respond to them.
- **Knowledge sharing with the Agency:** At Baker Tilly, serving governments goes beyond delivering services – we also supply our clients with crucial thought leadership in the form of webinars, workshops, articles and our regular newsletter, CommuniTIES.
- **Year-round consultation:** Throughout our relationship, we will be available for routine calls and technical questions, connecting you with recommendations and ideas to address the inevitable operational issues that arise. We can also alert you to new opportunities for us to collaborate and create value for the Agency.

Your team is ready to help you find solutions to overcome the obstacles that stand between you and your goals. We provide a full range of service offerings for state and local governments, including those listed below.

OUR FULL RANGE OF KEY SERVICE OFFERINGS FOR STATE AND LOCAL GOVERNMENTS INCLUDES:

Accounting services and assurance	Housing and economic development
Arbitrage/rebate regulatory compliance	Human capital services
Attestation services	Investment services**
Capital planning	Organizational management advisory
Cybersecurity consulting	Post-issuance compliance
Economic development	Public finance/bond issuance*
Efficiency studies	Process improvement
Federal funding advisory	Rate and user fee studies
Financial management services	Risk advisory and internal audit
Financial reporting and GAAP services	Strategic planning

* Services provided by Baker Tilly Municipal Advisors, LLC, a registered municipal advisor and controlled subsidiary of Baker Tilly Advisory Group, LP, a tax and advisory firm.

** Services provided by Baker Tilly Investment Services, a division of Baker Tilly Wealth Management, LLC, which is a registered investment advisor and controlled by Baker Tilly Advisory Group, LP.

Serving Illinois government clients

The Agency will benefit from the expertise we've gained by providing services to nearly **4,000 state and local governments nationwide**. The following represents a sampling of our Illinois state and local government clients. We are glad to provide are glad to provide references upon request.

ILLINOIS GOVERNMENT CLIENTS	
<p>Illinois city clients</p> <ul style="list-style-type: none"> Bloomington Blue Island Chicago Galesburg Hickory Hills Highland Park Lake Forest Macomb Moline Rockford <p>Illinois county clients</p> <ul style="list-style-type: none"> DeKalb DuPage Kane Lake McHenry Peoria Rock Island Will Winnebago <p>Illinois village clients</p> <ul style="list-style-type: none"> Broadview Chicago Ridge Deerfield Glenview Hodgkins Lake Zurich Lemont Lincolnshire Lisle Mahomet Maywood McCook Northfield Oak Lawn Sauk Village Schaumburg 	<p>Illinois utility clients</p> <ul style="list-style-type: none"> DuPage County Water and Sewerage System Fox River Water Reclamation District Glenbard Wastewater Authority Metropolitan Water Reclamation District of Greater Chicago Illinois Municipal Electric Agency Thorn Creek Basin Sanitary District <p>Illinois library clients</p> <ul style="list-style-type: none"> Bedford Park Highland Park Hodgkins McCook <p>Other entities</p> <ul style="list-style-type: none"> Chicago Teachers' Pension Fund Cook County Deferred Compensation Plan Cooperative Association for Special Education DuPage County Health Department Forest Preserve District of Cook County Forest Preserves of Winnebago County Greater Peoria Mass Transit District Hodgkins Park District Illinois Department of Human Services Illinois State Board of Education McCook Park District Regional Transportation Authority Rockford Mass Transit District Springfield Mass Transit District <p>Baker Tilly also audits more than 60 public school districts in the state, including Chicago Public Schools.</p>

Please provide qualifications of staff relevant to the delivery of services requested.

Leading the Agency's audit services and uncovering opportunities along the way

Meet the audit team we've assembled to achieve everything you envision. Selected intentionally for your goals and backed by our specialized resources, these individuals are collaborative and multidisciplinary. Their passion for the public sector will make them an unstoppable force on your behalf. You'll find their bios below and complete resumes in **Appendix A**.

THE TEAM TO ACHIEVE THE AGENCY'S GOAL

Your engagement leadership team orchestrates our services to bring the right people with the right experience together to move you forward



Jason Coyle, CPA

Engagement role: Engagement principal

Jason is the team leader of the public sector practice in Illinois. He specializes in providing financial and compliance audits, as well as accounting services. Jason has extensive experience with all types of local governments - municipalities, counties, special districts, pension systems, cooperatives and school districts.



Michael E. Malatt, CPA

Engagement role: Pre-issuance reviewer

Michael has been with Baker Tilly since 2007 and has specialized in auditing local governments his entire career. He will help make sure that quality, integrity and satisfaction are maintained at all times during the engagement.



John W. Rader, CPA, MBA

Engagement role: Engagement technical resource

John specializes in providing financial auditing and consulting services to governmental units including counties, cities, villages and towns as well as airports, healthcare facilities and several state agencies.



Cynthia Park

Engagement role: Senior audit supervisor

Cynthia is a member of the Illinois public sector group, specializing in audit services for governmental clients including counties, municipalities and school districts.

AN INTEGRATED TEAM WORKING TOGETHER FOR SUCCESS

Each professional on your team was selected for a reason, but it's our collective brainpower and collaboration that will ultimately make a difference for the Agency.

Location(s) where services will be performed

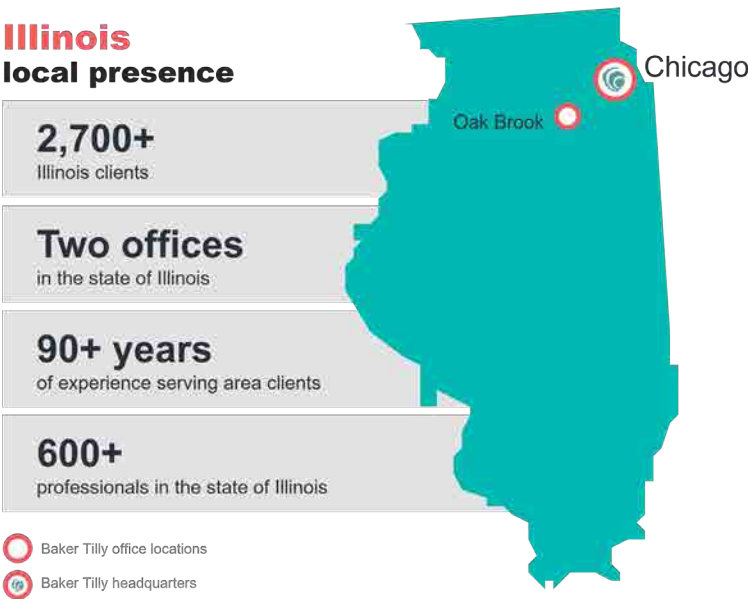
Investing our resources in Illinois

Illinois has one of the most diversified economies in the world. It's a center for education, culture and innovation. It's also home — Baker Tilly's national headquarters is here, and it's one of our largest offices in the United States.

Baker Tilly has more than 600 professionals across two Illinois locations. We will staff our team from our Oak Brook office. For the Agency, that means exceptional service from a local team that can work fully remote, on-site, or a mix of both, ensuring what works best for you. We are passionate about protecting and enhancing your value, with the ability to draw on our firm's broad national resources as your goals or needs evolve.

Being there matters

Our local presence minimizes your travel costs, improves efficiencies and helps us build a strong, lasting relationship.



SUPPORTING THE AGENCY HERE IN ILLINOIS

When the Agency wants a team with an in-depth understanding of economic conditions, knowledge of regional and state regulations and local assistance, you won't have to go far.

Growing an award-winning culture in Illinois

Being a part of Illinois means more than just being open for business. Our team members here share a deep commitment to building an inclusive, collaborative and value-driven culture. The workplace honors we've received point to a commitment to staff continuity (and a dedicated team to serve the Agency for the long term). Beyond national awards, Baker Tilly has been recognized as one of Crain's Chicago Business Best Places to Work and Fortune's Best Workplaces in Chicago™.

Percentage of contract services performed at this/each location

Meeting the Agency where you are — with the resources you need

A borderless approach brings you boundless talent

To make sure the best talent serves the Agency, we'll go wherever it takes. With top-level talent around the nation and even the globe, we have the ability — and the responsibility — to assign team members to the Agency's work based on the best skills to take the Agency forward. Each team member is chosen based on their skills and experience, not their location — hand-picked to bring individual strengths that directly benefit your engagement. We've looked deeply at your businesses and needs, and based on our understanding, we can provide the best service by managing our relationship from our Oak Brook office. It's a recommendation based on our robust experience focused on the public sector and serving organizations that are like the Agency.

Geography is no obstacle to success. Your engagement team has technology tools like Suralink to support the Agency in meeting your objectives from anywhere. This cloud collaboration software gives us the ability to work together anywhere, anytime and on any device. We have led a borderless client service approach for many years, providing a seamless remote experience for all clients, whether down the street, across the country or on the other side of the globe. Every Baker Tilly professional has remote access credentials to connect to our secure internal network resources from anywhere.

When you need to see us face-to-face, we'll be there. When we can't meet in person, we gather remotely via Microsoft Teams, saving time, cost and carbon footprint.



Proactive, ongoing dialogue: You don't need an appointment. We welcome informal conversations, and the more the better. Between those and our regular status meetings, we'll all avoid surprises and power our progress toward your goals. Along the way, we'll share proactive ideas. Thought leadership. Industry news. Educational tools. And innovative insights. All at no additional charge.



Accessibility and responsiveness, with access to a local office: Responsiveness is at the heart of our relationship, and your team members are committed to responding to most engagement requests within one business day. In addition, we can leverage our local office to host your internal team or Baker Tilly team members in a location close to your headquarters, if needed.



Leveraging technology: Our innovations are helping to shape the industry. They also help our clients collaborate with us securely — anytime, anywhere and on any device.

Suralink, a cloud collaboration software, gives us the ability to work together anywhere, anytime and on any device. Suralink provides a platform for us to share files, assign tasks and track activity in a secure environment. Using Suralink as a central hub of activity means we spend less time organizing documents, seeking approvals and searching email, and more time achieving tangible results. The platform enables real-time communication and collaboration, so the status of your engagement always will be available.

QUALIFICATIONS

Respondent must provide references, including name, contact information, and a description of the services provided, from: three (3) organizations with state or federal grant funding, and three (3) or more government agencies (other than R1), who can attest to Respondent's experience and ability to perform services subject to this solicitation.

Demonstrating that we've been down this path before

The experiences of our clients speak more about Baker Tilly's capabilities than any proposal ever could. That's why we encourage you to talk with our clients. Here are a few individuals who welcome the opportunity to share their Baker Tilly experience. *All of these organizations are government agencies and also receive state and grant funding.*

Each will give you an authentic perspective as you consider your own needs.

CITY OF ROCKFORD

Name	Ms. Carrie Hagerty	Title	Finance Director
Phone	+1 (779) 348 7467	Email	carrie.hagerty@rockfordil.gov
Services	Annual financial and single audits for the City as well as TIF districts		

GREATER ROCKFORD AIRPORT AUTHORITY

Name	Ms. Tracey Halbrader	Title	Finance Director
Phone	+1 (815) 969 4407	Email	thalbrader@flyrfd.com
Services	Annual financial and single audits		

ROCKFORD PUBLIC SCHOOL DISTRICT 205

Name	Mr. Gregory Brown	Title	Chief Financial Officer
Phone	+1 (815) 490 4140	Email	Gregory.Brown@rps205.com
Services	Annual Comprehensive Financial Statement and Single Audit		

WINNEBAGO COUNTY

Name	Steve Shultz	Title	Chief Financial Officer
Phone	+1 (815) 319 4050	Email	sschultz@admin.wincoil.gov
Services	Annual financial and single audits for the County as well as for the County Circuit Clerk and Forest Preserve and TIF district		

EXPERIENCE MATTERS. ESPECIALLY THE EXPERIENCE OUR CLIENTS RECEIVE
Connect with our clients to learn more. Additional references are available by request.

Proposal/statement of work

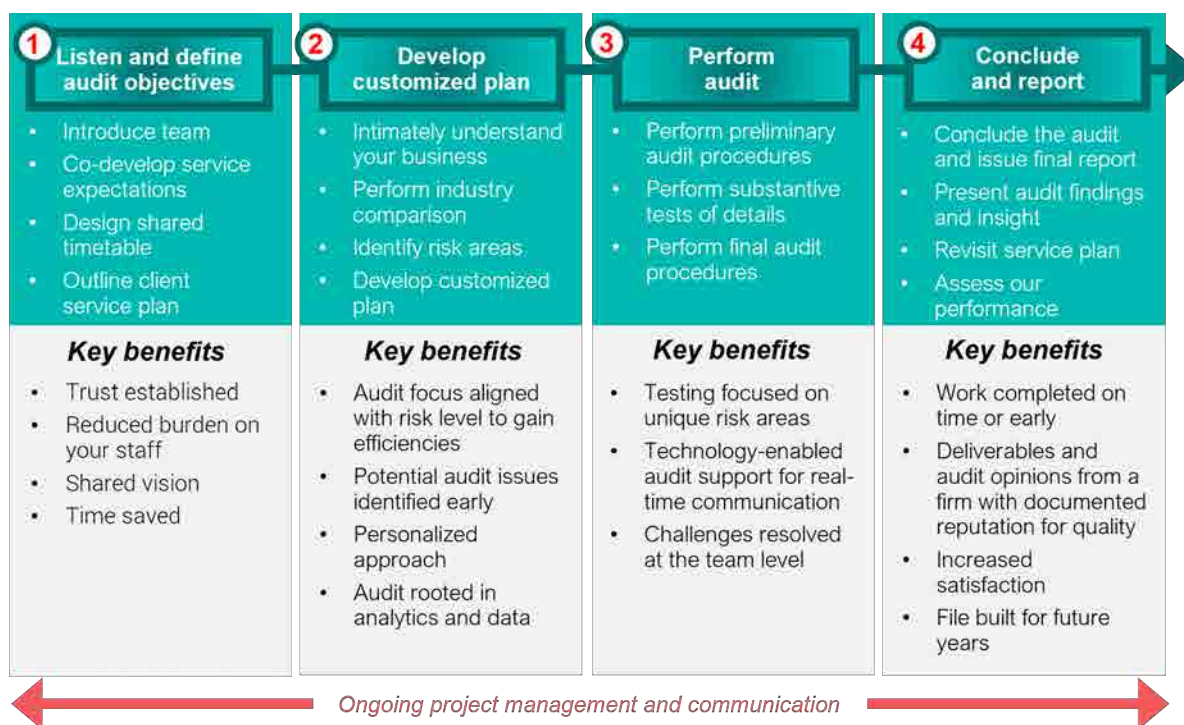
Proposal describing the Respondent's solution to meet the requirements of the solicitation. Address the specific requirements described in the Scope of Work (pgs. 1-3)

Designing a collaborative audit approach tailored to the public sector

What we do in terms of our audit approach is designed to deliver a high-quality audit. How we do it is what distinguishes our firm. To help the Agency adapt to and benefit from change, Baker Tilly works hard to be a consultative assurance ally that proactively manages risk.

Tailoring our approach to meet your needs

An overview of our collaborative, sector-focused and advisory-based audit approach is detailed below.



TAILORED AUDIT APPROACH

A high-touch audit service model assures the Agency of accessibility, reliability and a tailored approach. We will work hard to gain your trust and solve problems through open, engaging dialogue and frequent communication.

Offering the Agency significant single audit experience

Since the passage of the Single Audit Act of 1984, Baker Tilly has recognized the importance of providing guidance to our clients in this highly complex, specialized area. Our firm currently performs more than 700 single audits each year and ranks in the top four nationally based on the number of audits conducted by CPA firms.

Our depth of experience with single audits places us in a leading position to perform high-quality single audits for the Agency.

To stay on top of the changing requirements, our firm serves on various American Institute of Certified Public Accountants (AICPA) committees engaged in financial and single audit issues. We are frequently selected as speakers for nationally sponsored training courses, and we actively participate in sector events.

Our firm is also asked to review and comment on various single audit documents created by the AICPA and Office of Management and Budget (OMB) prior to their issuance. Below is a list of documents where we have provided contributions:

Single audit leadership

Baker Tilly conducts more than 700 single audits each year, ranking in the top four nationally based on the number of audits conducted by CPA firms.

DOCUMENT	YEARS	ORGANIZATIONS
AICPA Audit Guide — GAS and Single Audits	2021 — 2025 2005 — 2016	AICPA
OMB Compliance Supplement	2008 — 2025	OMB
OMB Guidance for Federal Financial Assistance (Uniform Guidance) 024 Revisions	2024	OMB

Aligning with the AICPA study on single audit quality

The AICPA performed a study on single audit quality which showed three factors that directly correlate to the quality of the audit engagements. The Baker Tilly team is a leader in each of these areas.

FACTORS AFFECTING AUDIT QUALITY	HOW BAKER TILLY DELIVERS
Size of the firm's single audit practice	Baker Tilly offers the Agency approximately 400 professionals performing single audits.
Membership in the AICPA Government Audit Quality Center (GAQC)	Baker Tilly's professionals have been members since the Center's inception and have served multiple terms on the Executive Committee of the GAQC.
Qualifications of the engagement principal	Jason Coyle, Principal on your engagement team leads more than 10 single audit engagements annually.

Serving our single audit clients

Our single audit clients include numerous state and local governments, energy and utility entities, not-for-profits, healthcare organizations and higher education institutions. A select sampling of these clients includes:

- Chicago Public Schools, IL
- City of Chicago, IL
- City of Madison, WI
- City of Milwaukee, WI
- Dane County, WI
- DuPage County, IL
- Marathon County, WI
- McHenry County, IL
- Milwaukee Public Schools, WI
- Waukesha County, WI
- Will County, IL
- Winnebago County, IL

Leveraging our single audit program expertise

Through the volume of single audits we conduct annually, Baker Tilly auditors have experience auditing numerous federal programs. This includes recent experience auditing the Highway Planning and Construction Cluster, as well as other grants that would be relevant to the Agency.

Identify proposed timeline and deliverables.

Co-developing a timeline to meet or beat the Agency's deadlines

Your time is valuable, and one significant way we will support your goals is by delivering your services on time or ahead of schedule.

Below is an overview of our customized approach to successfully provide audit services to the Agency. Our team will collaborate with you to co-develop an agreed-upon service timeline that meets your timing requirements. We are flexible with our fieldwork schedules and can adjust to fit the Agency's needs.

WORK TASK	JUL	AUG	SEP	OCT	NOV	DEC
Internal planning and communications						
Preliminary financial audit fieldwork						
Detailed audit plan, schedule and prepared-by-client list						
Financial audit fieldwork						
Draft reports delivered						
Final reports delivered						
Ongoing project management and communication						

COMMITMENT TO SUCCESSFULLY DELIVER AUDIT SERVICES TO MEET THE AGENCY'S REQUIREMENTS

The Agency's time is valuable. We will co-develop a timeline to provide the Agency services on time or ahead of schedule.

Appendix A: Resumes

PRINCIPAL



Jason K. Coyle, CPA

Jason Coyle, principal with Baker Tilly, has been in the accounting industry since 1997.



Baker Tilly US, LLP

1301 W 22nd St
Suite 400
Oak Brook, IL 60523
United States

T: +1 (630) 645 6205
jason.coyle@bakertilly.com

bakertilly.com

Education

Bachelor of Science in
accountancy
University of Illinois

Jason is the team leader of the public sector practice in Illinois. He specializes in providing financial and compliance audits, as well as accounting services. Jason has extensive experience with municipalities, counties, special districts, pension systems and school districts.

Specific experience

- Principal-in-charge of financial and compliance related audit engagements for local governmental entities
- Routinely assists local governments with the implementation of new accounting standards issued by the Governmental Accounting Standards Board
- Reviews and provides guidance for Annual Comprehensive Financial Reports, which have been awarded a "Certificate of Achievement for Excellence" in Financial Reporting
- Performs internal control reviews of municipalities and school districts, providing recommendations on policies and procedures to strengthen internal controls
- Provides Tax Incremental Financing compliance audits
- Principal-in-charge of single audits in accordance with OMB Uniform Guidance Guidelines
- Presents annual audit and financial results to various client boards
- Leads operations reviews designed to improve the efficiency and effectiveness of business and finance operations
- Member of the Special Review Committee of the GFOA which reviews financial statements submitted to the Annual Comprehensive Financial Report program
- Licensed CPA in Illinois

Industry involvement

- American Institute of Certified Public Accountants (AICPA)
 - State and Local Government Expert Panel
- Government Finance Officers Association (GFOA)
 - Special review committee
- Illinois Governmental Finance Officers Association (IGFOA)
 - Technical accounting review committee
- Illinois CPA Society (ICPAS)
 - Governmental Executive Committee, immediate past chair
- Speaks at industry conferences

PRINCIPAL



Michael E. Malatt, CPA

Michael Malatt, principal with Baker Tilly, has been in the accounting industry since 2007.



Baker Tilly US, LLP

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Education

Master of Science in accountancy
Bachelor of Business
Administration in accountancy
University of Notre Dame

Michael is a principal in the public sector practice group, specializing in accounting and audit services for state and local governmental entities, including municipalities, counties and school districts.

Specific experience

- Principal-in-charge of financial and compliance related audit engagements for state and local governmental agencies, including single audits in accordance with OMB Uniform Guidance Guidelines
- Reviews and provides guidance for Annual Comprehensive Financial Report, which have been awarded Certificates of Excellence in Financial Reporting from the Government Finance Officers Association and Association of School Business Officials
- Provides strategic planning and implementation services for government units implementing Governmental Accounting Standards Board (GASB) pronouncements
- Leads operations reviews designed to improve the efficiency and effectiveness of business and finance operations
- Performs internal control reviews of municipalities and school districts, providing recommendations on policies and procedures to strengthen internal controls
- Provides Tax Increment Financing compliance audits
- Presents annual audit and financial results to governing bodies
- Licensed CPA in Illinois

Industry involvement

- American Institute of Certified Public Accountants
- Illinois Governmental Finance Officers Association
 - Professional Education Committee
- Government Finance Officers Association
 - Special Review Committee
- Illinois CPA Society
- Recipient of 2009 Illinois CPA Society Excel Award
- Regularly speaks at industry conferences

John W. Rader, CPA, MBA

John Rader is managing director with Baker Tilly's Wisconsin public sector practice.



Baker Tilly Advisory Group, LP

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Education

Master of Business Administration
in accounting
University of St. Thomas
(St. Paul, Minnesota)

Bachelor of Science in economics
University of Wisconsin – Madison

John specializes in providing financial auditing and consulting services to governmental units including counties, cities, villages and towns as well as airports, healthcare facilities and several state agencies.

Specific experience

- Oversees accounting and financial auditing services for counties, municipalities and other governmental entities
- Oversees single audits of federal and state awards for counties and municipalities
- Reviews and provides technical assistance to local governments in preparing Annual Comprehensive Financial Report (ACFRs) that receive the GFOA certificate
- Provides tax incremental financing (TIF), business improvement district (BID) and special service area (SSA) auditing, reporting and consulting services
- Presents financial and audit reports to government bodies and committees
- Oversees audits of passenger facility charge reports for the FAA
- Audits several municipal airports and healthcare centers
- Provides GASB strategic planning and implementation services
- Assists with consulting services to local and state governments including consolidation studies
- Prior to his employment with Baker Tilly, performed local government audits in the State of Minnesota for seven years
- Performs agreed upon procedures

Industry involvement

- American Institute of Certified Public Accountant (AICPA)
- Wisconsin Institute of Certified Public Accountants (WICPA)
- Wisconsin Government Finance Officers Association (WGFOA)
- Illinois Government Finance Officers Association (IGFOA)
- Government Finance Officers Association (GFOA) Certificate of Achievement reviewer

SENIOR AUDIT SUPERVISOR

Cynthia Park

Cynthia Park, senior supervisor with Baker Tilly, has been with the firm since 2011.



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Education

Bachelor of Science in
accountancy
Bachelor of Science in economics
Marquette University
(Milwaukee, Wisconsin)

Cynthia is a member of the Illinois public sector group, specializing in audit services for governmental clients including counties, municipalities and school districts.

Specific experience

- Provides audit services for municipalities, school districts and other governmental entities
- Performs internal control testing following risk assessment standards
- Performs single audits of federal awards in accordance with OMB Uniform Guidance
- Performs internal control testing following risk assessment standards
- Compiles work papers necessary to execute audits
- Experience with complex bank reconciliation issues
- Coordinates and leads firmwide single audit training
- Coordinates and leads firmwide public sector training
- Local coordinator for the firm's Diversity, Inclusion, Belonging and Societal Impact strategy
- Member of the Baker Tilly Public Sector Single Audit Mini-Cabinet
- Member of the Baker Tilly Single Audit Optimization Committee

Industry involvement

- Illinois Governmental Finance Officers Association (IGFOA)

Appendix B: Forms and sample engagement letter

ACKNOWLEDGEMENT OF TERMS

Attach this signed form to your response.

1. **PUBLICATION:** R1 publishes procurement information, including solicitations, awards, and amendments, to its website <http://r1planning.org/procurement> and large purchases to DemandStar at www.demandstar.com. Respondent is responsible for monitoring the site for updated information. R1 will not be held responsible if Respondent fails to receive optional update notices. If R1 provides information on its website that is different or in conflict with the information entered in DemandStar, then the information on the R1 website is presumed to represent R1's intent.
2. **TERM OF CONTRACT:** The prospective contract has an initial term of 36 months. If a start date is not identified, then the term shall commence upon the last dated signature of the Parties.
 - a. Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract except when permitted in writing by the Agency.
 - b. In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed ten (10) years.
 - c. Any renewal of the contract is subject to the same terms and conditions as those which apply to the initial term of the contract, unless otherwise provided in the pricing section. R1 may renew the contract for any or all of the option periods specified, may exercise any of the renewal options early, and may exercise more than one option at a time based on continuing need and favorable market conditions, when in the best interest of R1. The contract may neither renew automatically nor renew solely at the Vendor's option.
3. **RESPONDENT PERFORMANCE.** The vendor agrees to perform its obligations demonstrating quality workmanship and completion of all work in a timely manner as shall be judged and determined by R1-designated staff.
4. **TERMINATION FOR CAUSE:** R1 may terminate the contract, in whole or in part, immediately upon notice to the Vendor if: (a) R1 determines that the actions or inactions of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Vendor has notified R1 that it is unable or unwilling to perform the contract.
 - a. If Vendor fails to perform any material requirement of the contract to R1's satisfaction, it is in violation of a material provision of the contract. If R1 determines that the Vendor lacks the financial resources to perform the contract, then R1 shall provide written notice to the Vendor to cure the problem identified within the period of time specified in R1's written notice. If not cured by that date R1 may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.
 - b. For termination due to any of the causes contained in this Section, R1 retains its rights to seek any available legal or equitable remedies and damages.
5. **TERMINATION FOR CONVENIENCE:** R1 may, for its convenience and with thirty (30) days' prior written notice to Vendor, terminate the contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor. Upon submission of invoices and proof of claim, the Vendor shall be entitled to compensation for supplies and services provided in compliance with the contract up to and including the date of termination.
6. **AVAILABILITY OF APPROPRIATION:** The contract is contingent upon and subject to the availability of funds. R1, at its sole option, may terminate or suspend the contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the Federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the

funding governmental entity decreases the Agency's funding by reserving some or all of the Agency's appropriation(s), or (3) the Agency determines, in its sole discretion that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

7. PAYMENT TERMS AND CONDITIONS

- a. **LATE PAYMENT:** Payments, including late payment charges, will be paid in accordance with the State of Illinois Prompt Payment Act and rules when applicable. Payment terms contained in Vendor's invoices shall have no force or effect.
- b. **EXPENSES:** Prior to the execution of a contract by the Parties, even if the effective date of the contract is prior to execution, R1 will not pay for supplies provided or services rendered, including related expenses, incurred.
- c. **PREVAILING WAGE:** As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to R1 upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Illinois Department of Labor (DOL) and are available on DOL's official website, which shall be deemed proper notification of any rate changes under this subsection. Vendor is responsible for contacting DOL at 217-782-6206 or (<https://www2.illinois.gov/idol/Pages/default.aspx>) to ensure understanding of prevailing wage requirements.
- d. **FEDERAL FUNDING:** The contract may be partially or totally funded with Federal funds. If Federal funds are expected to be used, then the percentage of the goods/services paid using Federal funds and the total Federal funds expected to be used will be provided to the awarded Vendor in the notice of intent to award.
- e. **INVOICING:** By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed, and expenses incurred through June 30 of any calendar year must be submitted to R1 no later than July 10 of that calendar year; otherwise Vendor may be required to seek payment through the Illinois Court of Claims.
- f. Vendor shall not bill for any taxes unless accompanied by proof that R1 is subject to the tax. If necessary, Vendor may request the applicable Agency's tax exemption information.
- g. Vendor shall invoice at the completion of the contract. Exceptions to this term are allowed when, as identified in the contract, invoicing is tied to milestones, deliverables, or other invoicing requirements agreed to therein.

8. **ASSIGNMENT:** The contract may not be assigned or transferred in whole or in part by Vendor without the prior written consent of R1.

9. SUBCONTRACTING

- a. Subcontractors are not allowed. A subcontractor is a person or entity that enters into a contractual agreement with a total value of \$50,000 or more with a person or entity who has a contract subject to the Illinois Procurement Code pursuant to which the person or entity provides some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary contract, including subleases from a lessee of a contract. If subcontractors are to be utilized, Respondent must identify subcontractors expected to receive \$50,000 or more annually under the contract and disclose the expected amount of money each will receive.
- b. ~~The Respondent shall notify R1 of any additional or substitute subcontractors hired during the term of the contract. If required, Respondent shall provide R1 a copy of all such subcontracts within fifteen (15) days after execution of the contract or the subcontract, whichever occurs later.~~

c. Any subcontracts entered into prior to award of the contract are done at the sole risk of the Respondent and subcontractor(s).

For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. Vendor must receive prior written approval before use of any subcontractors in the performance of the contract. Vendor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of the contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to the contract. If required, Vendor shall provide a copy of any subcontracts within fifteen (15) days after execution of the contract. All subcontracts must include the same certifications that Vendor must make as a condition of the contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Certification form available from R1. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, then Vendor must promptly notify, by written amendment to the Contract, R1 Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract.

10. AUDIT/RETENTION OF RECORDS: Vendor and its subcontractors shall maintain books and records relating to the performance of the contract and any subcontract necessary to support amounts charged to R1 pursuant the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three (3) years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor(s) for a period of three (3) years from the later of final payment under the term or completion of the subcontract. If Federal funds are used to pay contract costs, the Vendor and its subcontractors must retain their respective records for five (5) years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of R1 for the recovery of any funds paid by R1 under the contract or any subcontract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's or subcontractor's books and records. 30 ILCS 500/20-65.

11. TIME IS OF THE ESSENCE: Time is of the essence with respect to Vendor's performance of the contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by R1.

12. NO WAIVER OF RIGHTS: Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

13. FORCE MAJEURE: Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within thirty (30) days after the declaration.

14. CONFIDENTIAL INFORMATION: Respondent should provide a redacted copy of the Proposal, if applicable, that removes material considered to be a trade secret or competitively sensitive, confidential, or proprietary. Each Party to the contract, including its agents and subcontractors, may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under the contract. Vendor shall presume all information received from R1 or to which it gains access pursuant to the contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure

under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party that were received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; that is now or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or that is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

15. **USE AND OWNERSHIP:** All work performed or supplies created by Vendor under the contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws. R1 does not waive its right to sole and exclusive ownership for all such work, unless otherwise agreed in writing. Vendor acknowledges R1 may use the work product for any purpose. Confidential data or information contained in such work shall be subject to the confidentiality provisions of the contract.
16. **INDEMNIFICATION AND LIABILITY:** The Vendor shall indemnify and hold harmless R1, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements, and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any real or personal property, or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents; or (d) any actual or alleged claim that the services or goods provided under the contract infringe, misappropriate, or otherwise violate any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. Neither Party shall be liable for incidental, special, consequential, or punitive damages.
17. **INSURANCE:** Vendor shall, at all times during the term of the contract and any renewals or extensions, maintain and provide a Certificate of Insurance naming R1 as an additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least thirty (30) days' notice has been provided to R1. Vendor shall provide: (a) General Commercial Liability insurance in the amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto (Combined Single Limit Bodily Injury and Property Damage), in the amount of \$1,000,000 per occurrence; and (c) Worker's Compensation insurance in the amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.
18. **INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venturer with R1. All payments by R1 shall be made on that basis.
19. **SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by R1 during the term of the contract to perform any work under the contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit R1 employees to perform any work under the contract.
20. **BACKGROUND CHECK:** Whenever R1 deems it reasonably necessary for security reasons, R1 may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractor's officers, employees or agents. Vendor or subcontractor shall immediately reassign any individual who, in the opinion of R1, does not pass the background checks.

21. **APPLICABLE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable Federal, State, and local laws, rules, ordinances, regulations, orders, Federal circulars and all license and permit requirements in the performance of the contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of the contract. Furthermore, the contract shall be construed in accordance with and is subject to the laws and rules of R1.
22. **EQUAL OPPORTUNITY:** The Department of Human Rights' Equal Opportunity requirements are incorporated by reference. 44 ADM. CODE 750.
23. **OFFICIAL TEXT:** The official text of the statutes cited herein is incorporated by reference.
24. **ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under Federal or State antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to R1 all of Vendor's rights, title and interest in and to the claim or cause of action.
25. **CONTRACTUAL AUTHORITY:** The Agency that signs the contract on behalf of R1 shall be the only entity responsible for performance and payment under the contract. When an Agency representative signs, they do so as approving officer and shall have no liability to Vendor.
26. **EXPATRIATED ENTITIES:** Except in limited circumstances, no business or member of a unitary business group, as defined in the Illinois Income Tax Act, shall submit a bid for or enter into a contract with the Agency if that business or any member of the unitary business group is an expatriated entity.
27. **NOTICES:** Notices and other communications provided for herein shall be given in writing via electronic mail whenever possible. If transmission via electronic mail is not possible, then notices and other communications shall be given in writing via registered or certified mail with return receipt requested, via receipted hand delivery, via courier (UPS, Federal Express or other similar and reliable carrier), showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change its contact information.
28. **MODIFICATIONS AND SURVIVAL:** Amendments, modifications, and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of the contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, to the extent possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between R1's and the Vendor's terms, conditions and attachments, R1's terms, conditions, and attachments shall prevail.
29. **PERFORMANCE RECORD/SUSPENSION:** Upon request of R1, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. R1 may consider Vendor's performance under the contract and compliance with law and rule to determine whether to continue the contract, whether to suspend Vendor from doing future business with R1 for a specified period of time, or whether Vendor can be considered responsible on specific future contract opportunities.
30. **FREEDOM OF INFORMATION ACT:** The contract and all related public records maintained by, provided to, or required to be provided to R1 are subject to the Illinois Freedom of Information Act notwithstanding any provision to the contrary that may be found in the contract. 5 ILCS 140.
31. **SCHEDULE OF WORK:** Any work performed on premises shall be performed during the hours designated by R1 and performed in a manner that does not interfere with R1 and its personnel.
32. **WARRANTIES FOR SUPPLIES AND SERVICES**
- a. Vendor warrants that the supplies furnished under the contract will: (a) conform to the standards, specifications, drawings, samples or descriptions furnished by R1 or furnished by the Vendor and agreed to

by R1, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all Federal and State laws, regulations, and ordinances pertaining to the manufacturing, packing, labeling, sale, and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse R1 for any losses, costs, damages or expenses, including without limitation, reasonable attorneys' fees and expenses arising from failure of the supplies to meet such warranties.

- b. Vendor shall ensure that all manufacturers' warranties are transferred to R1 and shall provide to R1 copies of such warranties. These warranties shall be in addition to all other warranties, express, implied, or statutory, and shall survive R1's payment, acceptance, inspection, or failure to inspect the supplies.
- c. Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor the performance of each individual and shall immediately reassign any individual who does not perform in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

33. REPORTING, STATUS AND MONITORING SPECIFICATIONS: Vendor shall immediately notify R1 of any event that may have a material impact on Vendor's ability to perform the contract.

34. EXCEPTIONS AND PROVISIONS. Exceptions (*if applicable*) must be provided on the Acceptance of Terms form or must be in a substantially similar format. R1 discourages taking exceptions. State law shall not be circumvented by the exception process. Exceptions may result in rejection of the Proposal. Additional terms and conditions to contracting may be submitted Supplemental Provisions.

Respondent agrees with the terms and conditions set forth in R1 Request for Proposal, including the standard terms and conditions, provisions, certifications, and disclosures, with the following exceptions (if any). Requested modifications to terms, conditions, or provisions here: _____

We hereby take exception to Acknowledgement of Terms Sections 3, 10, 15, 16, 20, and 32. We have also included a copy of our standard engagement terms for review. Should the Council wish to propose alternative terms or incorporate specific language from the RFP into the final contract, we will require the ability to negotiate mutually acceptable terms and conditions, to ensure compliance with AICPA independence requirements, prior to executing a final contract.

Reference the line number and state the modification such as "add," "replace," or "delete."

35. **RESPONDENT ACKNOWLEDGEMENT OF TERMS**

Excluding certifications required by statute to be made by the Respondent, both Parties agree that all of the duties and obligations that the Respondent owes to Agency for the work performed shall be pursuant to the solicitation, resulting contract, and Respondent's exceptions accepted by R1 thereto as set forth herein.

Respondent hereby acknowledges the terms as provided within the request for proposals.

Signature of Authorized Representative: _____

Printed Name of Signatory: Jason Coyle

Position: Principal

Date: April 22, 2025



Required: Attach to submission

REQUEST FOR PREFERENCE FORM

The Illinois Procurement Code provides various preferences to promote business opportunities in Illinois. Does Respondent make any claims for preferences? If so, please mark the applicable preference(s) and include a listing of the items that qualify for the preference at the end of this Section and a description of why the preference applies. Agency reserves the right to determine whether the preference indicated applies.

- ☐ Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575).
- ☐ Veterans Preference (330 ILCS 55). Go to <https://cms.diversitycompliance.com/> to search for certified VOSB and SDVOSB vendors.
- ☐ Not-for-Profit Agencies for Persons with Significant Disabilities (30 ILCS 500/45-35).
- ☐ Disabled Veterans (30 ILCS 500/45-57).
- ☐ Small Businesses (30 ILCS 500/45-45).
- ☐ Resident Bidder (30 ILCS 500/45-10).
- ☐ Soybean Oil-Based Ink (30 ILCS 500/45-15).
- ☐ Recycled Materials (30 ILCS 500/45-20).
- ☐ Recycled Paper (30 ILCS 500/45-25).
- ☐ Environmentally Preferable Supplies (30 ILCS 500/45-26).
- ☐ Correctional Industries (30 ILCS 500/45-30).
- ☐ Gas Mileage (30 ILCS 500/45-40).
- ☐ Illinois Agricultural Products (30 ILCS 500/45-50).
- ☐ Corn-Based Plastics (30 ILCS 500/45-55).
- ☐ Vehicles Powered by Agricultural Commodity-Based Fuel (30 ILCS 500/45-6)
- ☐ Biobased Products (30 ILCS 500/45-75).
- ☐ Historic Preference Area (30 ILCS 500/45-80).
- ☐ Procurement of Domestic Products (30 ILCS 517).
- ☐ Public Purchases in Other States (30 ILCS 520).
- ☐ Illinois Mined Coal (30 ILCS 555).
- ☐ Steel Products Procurement (30 ILCS 565).
- ☐ Fair Chance Hiring Practices
- ☐ State-Registered Vendor
- ☐ Certified BEP Vendor Go to <https://cms.diversitycompliance.com/> to search for certified BEP vendors

Explanation of Preference Qualifications selected: N/A

Signature of Authorized Representative: _____

Printed Name of Signatory: Jason Coyle

Respondent's Name: Baker Tilly US, LLP

Date: April 22, 2025



If applicable: include this form and related attachments



April 25, 2025

Region 1 Planning Council

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the Region 1 Planning Council (Client, you, your).

Service and Related Report

We will audit the basic financial statements of the Region 1 Planning Council as of and for the year ended June 30, 2025, June 30, 2026 and June 30, 2027, and the related notes to the financial statements. Upon completion of our audit, we will provide the Region 1 Planning Council with our audit report on the financial statements and supplemental information referred to below. If, for any reasons caused by or relating to the affairs or management of the Region 1 Planning Council, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Combining and Individual Fund Financial Statements
- > Schedule of Expenditures of Federal Awards

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement the Region 1 Planning Council's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the Region 1 Planning Council's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- > Management's Discussion and Analysis
- > Budget Comparison Schedules
- > Pension - related schedules

Our report does not include reporting on key audit matters.

Our Responsibilities and Limitations

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The objective also includes reporting on:

- > Internal control related to the financial statements and compliance with laws, regulations and the provisions of contracts or grant agreements, noncompliance with which could have a direct and material effect on the financial statements in accordance with *Government Auditing Standards*.
- > Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (i) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (ii) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We will be responsible for performing the audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions and to render the required reports.

As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We will also:

- > Identify and assess the risks of material misstatement of the financial statements and supplemental information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- > Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements and supplemental information that we have identified during the audit.
- > Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements and supplemental information, including the disclosures, and whether the financial statements and supplemental information represent the underlying transactions and events in a manner that achieves fair presentation.
- > Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal controls, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse. Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the Region 1 Planning Council and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards. We will also inform you of any other matters involving internal control, if any, as required by *Government Auditing Standards* and the Uniform Guidance.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control over compliance issued pursuant to the Uniform Guidance.

Also, if required by *Government Auditing Standards*, we will report known or likely fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse directly to parties outside of the Region 1 Planning Council.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Region 1 Planning Council's compliance with the provisions of applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether you have complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of test of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the Region 1 Planning Council's major programs. The purpose of those procedures will be to express an opinion on your compliance with requirements applicable to each of your major programs in our report on compliance issued pursuant to the Uniform Guidance.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

Management's Responsibilities

Our audit will be conducted on the basis that the Region 1 Planning Council's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, establishment, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met and;
- > For identifying all Select One awards received and understanding and complying with the compliance requirements;
- > For the design, implementation, and maintenance of effective internal controls over compliance that provides reasonable assurance that the Region 1 Planning Council administers federal and state awards in compliance with the compliance requirements; and
- > To provide us with:
 - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
 - Additional information that we may request from management for the purpose of the audit; and
 - Unrestricted access to persons within the Region 1 Planning Council from whom we determine it necessary to obtain audit evidence

You are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review before we begin fieldwork.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed above. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. You are also responsible for providing management's views on our current findings, conclusions and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

You are responsible for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in a written representation letter that (a) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (b) that you believe the schedule of expenditures of federal awards including its form and content, is fairly presented in accordance with the Uniform Guidance; (c) that the methods of measurement or presentation have not changed from those used in the prior year (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for (i) adjusting the basic financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the Region 1 Planning Council complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit.

Management is responsible for informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time. Management is also responsible for informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the Region 1 Planning Council; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

Nonattest Services

Prior to or as part of our audit engagement, it may be necessary for either Baker Tilly US, LLP or Baker Tilly Advisory Group, LP to perform certain nonattest services. For purposes of this letter, nonattest services include services that *Government Auditing Standards* refers to as nonaudit services.

Nonattest services that we or Baker Tilly Advisory Group, LP will be providing are as follows:

- > Financial statement assistance
- > Adjusting and conversion journal entries
- > SEFA preparation assistance

None of these nonattest services constitute an audit under generally accepted auditing standards including *Government Auditing Standards*.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will not perform any management functions or make management decisions on your behalf with respect to any nonattest services provided.

In connection with our performance of any nonattest services, Baker Tilly US, LLP or Baker Tilly Advisory Group, LP agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services performed.
- > Evaluate the adequacy and results of the nonattest services performed.
- > Accept responsibility for the results of the nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

Other Documents

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

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The Region 1 Planning Council may wish to include our report on these financial statements in an official statement or some other securities offering. You agree that the aforementioned audit report or reference to Baker Tilly will not be included in such offering without our prior written permission or consent. Upon notification, auditing standards will require our involvement with the official statement, and any procedures related to this involvement will be a separate agreement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

At the conclusion of our engagement, we will complete the appropriate auditor sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to complete the auditee sections and to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior year audit findings, auditors' reports and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include within the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of thirty (30) days after receipt of the auditors' reports or nine (9) months after the end of the audit period.

We will provide copies of our reports to the Region 1 Planning Council, however, management is responsible for distribution of the reports and the financial statements. Copies of our reports are to be made available for public inspection unless restricted by law or regulation or if they contain privileged and confidential information.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to federal or state agencies for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Baker Tilly personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records; so we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the Region 1 Planning Council's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the Region 1 Planning Council hereby authorizes us to do so.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our most recent peer review report accompanies this letter.

Timing and Fees

In addition to professional fees, our invoices will include our standard technology charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement.

Invoices for these fees will be rendered each month as work progresses and are payable on presentation. Fees are payable upon presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until the account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. the Region 1 Planning Council will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the Region 1 Planning Council agrees to be responsible for all expenses of collection including related attorneys' fees.

Our fee estimate is based on certain assumptions. Certain circumstances may arise during the course of our audit that could significantly affect the targeted completion date or our fee estimate, and additional fees may be necessary as a result. Such circumstances include but are not limited to the following:

- Changes to the timing of the engagement initiated by the Region 1 Planning Council, which may require the reassignment of our personnel.
- The Region 1 Planning Council's failure to provide all information requested by us (i) on the date requested, (ii) in the form acceptable to us, (iii) with no mathematical errors, and (iv) in agreement with the appropriate the Region 1 Planning Council records.
- Significant delays in responding to inquiries made of the Region 1 Planning Council personnel, or significant changes in the Region 1 Planning Council accounting policies or practices, or in the Region 1 Planning Council's accounting personnel, their responsibilities, or their availability.
- Significant delays or errors in the draft financial statements and necessary schedules prepared by the Region 1 Planning Council's personnel.
- Implementation of new general ledger software or a new chart of accounts by the Region 1 Planning Council.
- Significant changes in the Region 1 Planning Council's business operations, including business combinations, the creation of new entities, divisions, or subsidiaries within the Region 1 Planning Council, significant new employment or equity agreements, or significant subsequent events. Certain business transactions or changes in business operations or conditions, financial reporting, and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists.
- New financing arrangements or modifications to existing financing arrangements, or significant new federal or state funding.
- Significant deficiencies or material weaknesses in the design or operating effectiveness of the Region 1 Planning Council's internal control over financial reporting identified during the audit.
- A significant level of proposed audit adjustments.
- Issuance of additional accounting or auditing standards subsequent to or effective for the periods covered by this Engagement Letter.
- Circumstances beyond our control.

Additionally, you agree to authorize Lauterbach & Amen, LLP to allow a review of their audit documentation and respond to additional inquiries we consider relevant to our planning and performing of this engagement.

Any fees charged by Lauterbach & Amen, LLP in connection with the preceding paragraphs are your responsibility.

For new business transactions or changes in business operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists. This includes matters such as business combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

To the extent applicable, Baker Tilly's fees are exclusive of any federal, national, regional, state, provincial or local taxes, including any VAT or other withholdings, imposed on this transaction, the fees, or on Client's use of the Services or possession of the Deliverable (individually or collectively, the Taxes). All applicable Taxes shall be paid by Client without deduction from any fees owed by Client to Baker Tilly. In the event Client fails to pay any Taxes when due, Client shall defend, indemnify, and hold harmless Baker Tilly, its officers, agents, employees and consultants from and against any and all fines, penalties, damages, costs (including, but not limited to, claims, liabilities or losses arising from or related to such failure by Client) and will pay any and all damages, as well as all costs, including, but not limited to, mediation and arbitration fees and expenses as well as attorneys' fees, associated with Client's breach of this section.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the Services require Baker Tilly to receive personal data or personal information from Client, Baker Tilly may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws. Baker Tilly's processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Client, such as Baker Tilly's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Client personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Client, Baker Tilly shall, unless otherwise permitted by applicable privacy law, (a) follow Client instructions; (b) not sell personal data or personal information collected from the Client or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Client's engagement and not for Baker Tilly's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Client to ensure compliance with applicable privacy laws. Client is responsible for notifying Baker Tilly of any applicable privacy laws the personal data or personal information provided to Baker Tilly is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein. Client further understands Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will co-process Client data as necessary to perform the Services, pursuant to the alternative practice structure in place between the two entities. Baker Tilly Advisory Group, LP maintains custody of client files for both entities. By executing this Engagement Letter, you hereby consent to the transfer to Baker Tilly Advisory Group, LP of all your Client files, workpapers and work product. Baker Tilly Advisory Group, LP is bound by the same confidentiality obligations as Baker Tilly US, LLP. Baker Tilly is responsible for notifying Client if Baker Tilly becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Client to take reasonable and appropriate steps to remediate personal data or personal information processing. Client agrees that Baker Tilly has the right to utilize Client data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at dataprotectionofficer@bakertilly.com.

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the Region 1 Planning Council, unless otherwise prohibited. In the event we are requested by the Region 1 Planning Council or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the Region 1 Planning Council, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the Region 1 Planning Council if disclosure of confidential information is necessary for peer review purposes.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the Region 1 Planning Council with any other services you may find necessary or desirable.

Resolution of Disagreements

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

Limitation on Damages and Indemnification

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

Other Matters

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees, it is hereby agreed that the Region 1 Planning Council will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly for a period of twelve (12) months following the date of the conclusion of this engagement. If the Region 1 Planning Council violates this nonsolicitation clause, the Region 1 Planning Council agrees to pay to Baker Tilly a fee equal to the hired person's annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to Region 1 Planning Council by Baker Tilly ("Online Offering") constitute the entire agreement between the Region 1 Planning Council and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern Region 1 Planning Council's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the Region 1 Planning Council's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

Region 1 Planning Council

April 25, 2025

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We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Jason Coyle, the professional on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Jason Coyle is available at 630 645 6205, or at jason.coyle@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP

Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

Official's Name

Official's Signature

Title

Date



Report on the Firm's System of Quality Control

November 14, 2024

To the Partners of Baker Tilly US, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Baker Tilly US, LLP (the Firm) applicable to engagements not subject to Public Company Accounting Oversight Board (PCAOB) permanent inspection in effect for the year ended March 31, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The Firm is responsible for designing and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The Firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the Firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the Firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Baker Tilly US, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2024, has been suitably designed and complied with to provide the Firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Baker Tilly US, LLP has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Eide Bailly LLP
Minneapolis, Minnesota



Region 1 Planning Council

RESOLUTION NO. 2025- 09

Insurance Vendor Approval

WHEREAS, The Council required a request for proposals for Commercial Liability Insurance Providers; and

WHEREAS, a selection of the Council Staff members performed a comprehensive review and evaluation of Insurance Providers that submitted proposals; *and*

WHEREAS, after careful consideration and due diligence, the Council’s selection committee recommends the selection of Coyle Kiley as the preferred vendor;

NOW, THEREFORE, BE IT RESOLVED, that the Coyle Kiley proposal is approved, a copy of which is hereto attached and made integral and continuing part of this resolution.

BE IT FURTHER RESOLVED, that the Board authorizes the staff of the Council to take any further actions and steps as necessary to implement this resolution.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair



REQUEST FOR PROPOSAL: INSURANCE BROKERAGE SERVICES

**PREPARED FOR: REGION 1 PLANNING COUNCIL
SUBMITTED BY: COYLEKILEY INSURANCE**

March 14, 2025

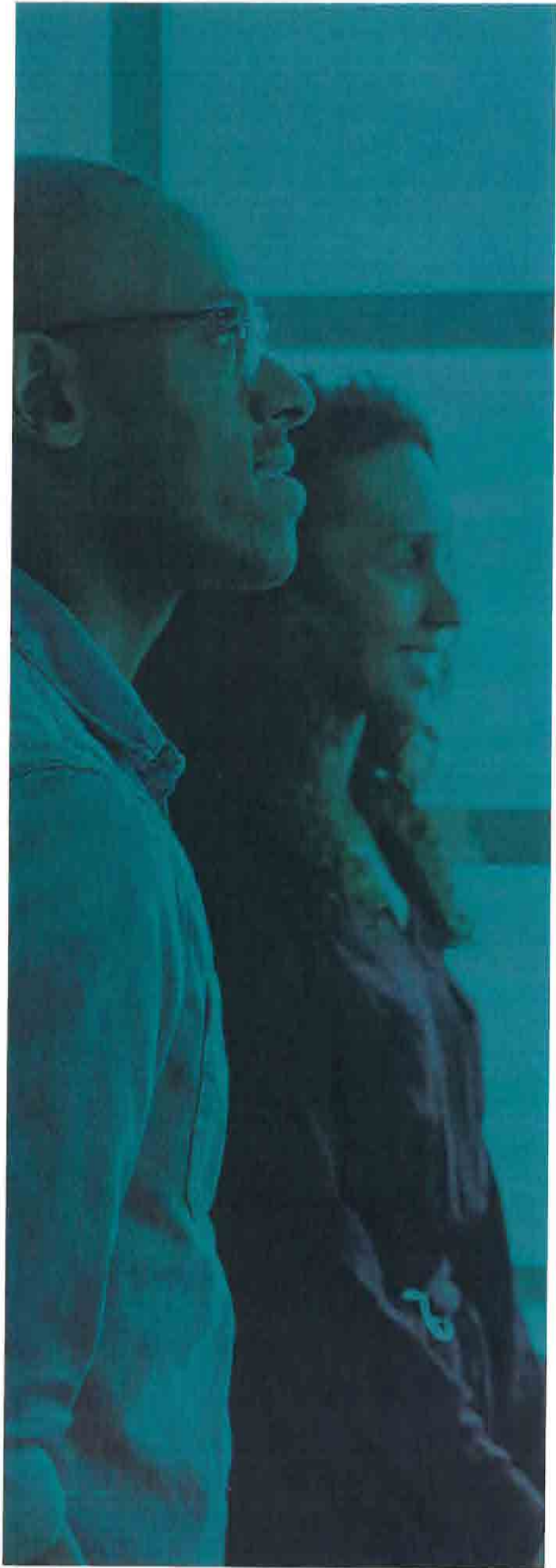


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RFP – Insurance Brokerage Services

Region 1 Planning Council

March 14, 2025

Kayla Gipson
Region 1 Planning Council
127 N Wyman St, Suite 100
Rockford, IL 61101

Dear Region 1 Planning Council Team,

On behalf of the CoyleKiley family, we thank you for considering the enclosed proposal for business insurance brokerage services. I am confident that our team will continue to exceed your expectations and will stand out as the clear choice to be selected as your partner.

We understand the challenges businesses face in managing insurance costs and navigating the complexities of compliance. We are strategically valuable to our client partners and strive to provide value that is not easy to replicate. Our dedication to excellence and unmatched service has earned us the reputation of being a trusted and reliable partner in the industry.

At CoyleKiley, we promise to:

- Collaborate with key team members on an ongoing strategic plan that aligns with your goals and objectives.
- Keep you informed every step of the way with transparent and timely communication
- Be an advocate for Region 1 Planning Council and its employees, always
- Provide all the tools and resources of a national brokerage right in your hometown

Thank you again for considering us for brokerage and consulting services. Our greatest joy is supporting and solving complex problems for organizations like Region 1 Planning Council. When we get things right for you, we contribute to your success and that of our communities at large. We look forward to a lasting partnership.

Yours Sincerely,



John Rose
Vice President

INTRODUCTION

CoyleKiley Insurance would like to take this opportunity to thank Region 1 Planning Council executive leadership team for the opportunity to submit the enclosed proposal for the Company's property and casualty program:

- Personal Property
- Vacant Land (Belvidere)
- Vacant Buildings (Land Bank)
- Business Interruption
- General Liability
- Workers' Compensation
- Non-Owned Auto Liability
- Crime
- Public Officials Management Liability – Directors & Officers & Employment Practices Liability

This proposal is categorized into a few sections as outlined in the Proposal Criteria template provided by Region 1 Planning Council. We have included additional portions for your consideration: Overview, Our Team, Core Values and Conclusion,

OVERVIEW

History and Service Philosophy

CoyleKiley Insurance Agency was formed on May 1, 2015, with the internal perpetuation of Coyle-Varland Insurance Agency from Mike Coyle to Dana Kiley, Jeffrey Beto, and John Rose. Founded in 1955, CoyleKiley is built on 68 years of industry knowledge, integrity, and expertise. As of January 1, 2023, Michele Kimes became the fourth agency partner. CoyleKiley Insurance combines years of experience with cutting-edge products to provide exceptional customer service and value. Headquartered in Rockford, Illinois, we think globally but act locally, with personal services designed specifically for each client. CoyleKiley Insurance Agency shares information and resources with national networks of brokers to ensure we meet your every need and provide solutions quickly and efficiently. We aim to achieve a long-term relationship focused on bringing value to your property-casualty and employee benefits management and insurance programs. We are committed to understanding your goals and objectives by investing time to learn about your business and what is important to you.

Our corporate service philosophy is built on our commitment to providing the highest level of service and responsiveness to our customers. We respond to nearly all inquiries on the same day and seek to provide a resolution within twenty-four to forty-eight hours. Our approach to customer service includes creating a customized service plan that emphasizes on-site or virtual problem-solving sessions with management, key team members, and employees to develop true stewardship focused on mutually agreed-upon goals.

CoyleKiley understands the Company's intent to develop a comprehensive program that is not only cost-effective but also maintains and expands upon the Company's focus on safety and its status as an attractive employer that significantly values its team members. We will demonstrate the capabilities and experience required to be selected as your Broker Consultant.

CoyleKiley Qualifications

CoyleKiley works with businesses similar in scope and program offerings to Region 1 Planning Council. We are familiar with the unique challenges that face organizations similar to Region 1 Planning Council, including risk management and mitigation, a laser focus on team safety, federal and state compliance, program profitability, managing teams of employees, continuous performance improvement and benchmarking, and utilizing technology to communicate virtually in an ever-changing business landscape. Our team is also well-versed in cost-effective solutions that use all resources at our disposal to ensure that your program remains the most competitive and comprehensive available in the industry.

YOUR TEAM

We pride ourselves on having specialists in all areas of insurance, including superior expertise in business insurance that includes Commercial Auto, Business Owners Coverage, General Liability, and Workers Compensation. We have insured the City of Rockford for twelve years and we are the largest writer of nonprofit entities in Northern Illinois. Below are members of the CoyleKiley team that will bring all their proficiency to bear for Region 1 Planning Council. Although you will be assigned a specific team to work with day-to-day, the entire CoyleKiley team is committed to your success.

John Rose – Vice President & Partner

John began his insurance career in February 2002 and became a partner of the firm in 2008. In addition to working with hundreds of business owners, John is responsible for the firm's overall vision, leadership, and management of the commercial sales team. Along with his partners Dana, Jeffrey, and Michele, he is responsible for strategy, benchmarking, and best practices relating to Region 1 Planning Council.

Angie Marcum – Property-Casualty Account Manager

Angie commenced her insurance career in 1997 and joined the CoyleKiley team in 2024. Angie is responsible for managing a portfolio of key accounts, managing close working relationships with her clients and brings twenty-eight years of industry experience to benefit you and your organization.

Nitsy Utley – Claims Management

Nitsy joined the CoyleKiley team in 2022, bringing over ten years of valuable experience in various customer-facing roles, most recently as an Events Coordinator. Her kind demeanor and sharp acumen make her the perfect individual to manage the Company's personal and business insurance claims.

CORE VALUES

DELIVER EXCELLENCE

Our clients, partners, and fellow team members deserve the best from us each and every day. We are thrilled to exceed their expectations.

STAY ENGAGED

We maintain regular, personal contact with our clients, ensuring our solutions and service exceed their expectations. We actively develop and support our team and foster a collaborative, high-functioning team environment. We are active and visible in our community, serving and supporting various organizations, initiatives, and causes.

EMPOWER AND BE EMPOWERED

Every member understands the importance of their and others' roles in serving clients. Team members are willing to ask for help or jump in enthusiastically and work across departments and job descriptions when needed. We treat others with respect and understanding, which maintains our family-like culture.

EARN TRUST EVERY DAY

We follow through on each and every one of our commitments, big and small. We make decisions in the best interest of our relationships and take every day as an opportunity to demonstrate that dedication.

LISTEN, LEARN AND TEACH

We focus our attention and actively listen to the needs of our clients, team members, and community. We are dedicated to continuous learning and invest in our team members' skills, talents, and professional development. We share our knowledge and insight as openly as we accept knowledge and insight from others.

FIRM EXPERIENCE

Details of similar work you are currently undertaking for nonprofits.

CoyleKiley is a leading nonprofit partner in the region, whether considering insurance brokerage services or community involvement. Our team members volunteer, serve meals, participate in golf outings, attend luncheons, sponsor events, and actively serve on boards. We partner with over fifty nonprofit organizations for property-casualty and employee benefits insurance and consulting services. Additionally, through our extensive peer network, we can track and monitor what nonprofit clients in other regions of the country are experiencing to leverage this information to benefit Region 1 Planning Council and all our nonprofit client partners.

A sampling of our current nonprofit partners will be included in our references, as they can best convey the quality of the partnership, service, and knowledge provided by our team members that Region 1 Planning Council can expect.

Additionally, it is worth noting that as your incumbent property-casualty broker, CoyleKiley and Region 1 Planning Council have worked together closely for many years. We live, work, and play in the same community as many of Region 1 Planning Council leaders. It makes us uniquely qualified to understand your market, employees' needs, and the community. The rapport amongst our mutual teams will be replicated across our Employee Benefits department.

Details of internal quality assurance programs operated by your firm.

Management System(s) (Vertafore AMS 360/Brokerage Builder)

CoyleKiley utilizes cutting-edge management systems for property-casualty and employee benefits, providing our firm with superior tracking, compliance, risk analysis, and policy information.

Internal Cross-Training

We provide rigorous training programs for all team members, beginning on day one and continuing throughout employment. These programs include technical training, product training, and industry-specific training. In addition, internal cross-training is managed within each functional team to never lapse in service to our clients.

Professional Development & Education

Our firm allocates a significant annual budget and focuses on professional development and continuing education across a wide array of subject matter.

Internal Data Analytics

We are a leader in data analytics, with numerous partners supporting financial performance, compliance, underwriting, plan design, and cost control.

RFP – Insurance Brokerage Services

Region 1 Planning Council

Communication

We believe transparent communication among our team members is imperative, so we focus on intentional and consistent communication throughout the year. We pride ourselves on having a team of experts to support you. We consistently monitor the ability of our team to support our clients and have growth plans in place for adding staff as needed in a seamless and streamlined manner.

Benchmarking & Peer Groups

The leadership team engages in multiple platforms for benchmarking. Our Zywave platform provides benchmarking data for clients by segment and geographical territory, including but not limited to plan design, risk management, and client insights. Our MarshBerry partnership provides comprehensive financial analysis, business consulting, growth advisory, proprietary market insights, and executive peer exchange.

Max Performer – Midwest Winner 2021

Max Performer – Midwest Winner 2023

Leadership Training

We are committed to leadership training for all team members and the communities we serve. Our executive group and team leaders regularly engage in multiple forums to support leadership development. Sales team members undergo weekly coaching with an industry specialist to enhance our ability to meet clients' needs.

Education

Our team members across all functions and departments routinely engage in carrier webinars, lunch & learns and workshops. We also partner with carriers, advisors, and industry experts to host educational opportunities for our clients.

Negotiating strength in the insurance markets

Given our partnership with national organizations, the volume is aggregated and used to negotiate national agreements that address service performance and economics. Other factors contributing to the best outcomes are our history and longevity, superior carrier relationships, and strategic planning and marketing.

SERVICES

Details of the overall brokering approach to strategic planning

CoyleKiley utilizes a specialized process to help our clients attain their goals and increase confidence in their decision-making:

Phase 1 – Discovery & Analysis

- Your organization is unique, and your needs continue to evolve
- Ask the right questions and collaborate
- Evaluate viable strategies and options
- Recognize the direction of the organization and business objectives
- Gain a deeper understanding of current programs and benchmark against the marketplace and best practices
- Explore potential opportunities for program and benefit enhancement

Phase 2 – Plan Recommendations

- Create customized solutions and present recommendations
- Coordinate with carriers and vendors to achieve mutually agreed-upon goals and objectives
- Based on your priorities, we set goals for short and long-term initiatives
- Develop a service plan that exceeds your expectations
- Identify potential cost containment strategies

Phase 3 – Implementation

- Organize and manage employee communication strategy
- Employee Education
- Ensure understanding of insurance programs, coverage limits, terms and conditions, deductibles, plans, and benefits.
- Technology Utilization – onboarding, benchmarking, safety, OSHA

Phase 4 – Administration

- Plan administration and claims support
- Dedicated Service Team – over 100 years of combined industry experience
- Service Calendar – scheduled meetings, claims review and support, short-term objectives, long-term goals
- Contract Review – analyze insurance requirements and negotiate the best possible terms and outcomes for our clients
- Compliance – provide client-specific assistance and guidance (State & Federal)

RFP – Insurance Brokerage Services

Region 1 Planning Council

Who will manage the account?

John Rose & Angie Marcum will continue to manage all matters pertaining to Region 1 Planning Council property-casualty insurance program. Nitsy is your in-house direct report for business insurance claims. Despite these assignments, our collaborative team approach allows any team member to step in if necessary.

Proposed Product/Services Offered to Region 1 Planning Council

Account Support & Administration

What sets our account administration services apart from similar service organizations is that we pride ourselves on going above and beyond for clients to exceed their expectations. We are focused on the quality of our work and the turnaround times for completing client/carrier relations. We strive to provide exceptional service that is second to none. Our team has extensive experience with all major carriers, administrators, and plan types.

Service Calendar & Stewardship Report

We work with client partners to develop a customized service timeline calendar according to their goals and desired frequency of communication and plan review. The stewardship report is utilized to recap the commitment to service, performance summary, marketing, loss control, and claims-related activities during a given year or policy period.

Claims Review/Support/Analysis/Negotiation

Our team members utilize information from the insurance carriers and data to analyze and forecast financial and claims analysis. Our typical format is to report claims monthly or quarterly. We provide data analytics and look for simplified ways to present complex information. Annually, we complete a Modmaster report to analyze the current NCCI experience mod and accompanying claims data and forecast future mod projections.

Project Schedule for Region 1 Planning Council

Renewals are marketed 60 days in advance of your insurance renewal. The goal is to provide Region 1 Planning Council with the renewal proposal 30 days in advance of the expiration date .

Pricing Proposal & Service Contract

The premium summary currently in force for business insurance is confidential and shared with all key members of the Region 1 Planning Council team. We intend to negotiate the best possible renewal for Region 1 Planning Council, given all factors, including market conditions, changes to exposures and coverage limits, and carrier direction. We vow to leave no stone unturned on your behalf. CoyleKiley is paid standard industry commissions from each insurance carrier. There are no additional fees paid for our services. There is no purchase/service contract.

ADDED VALUE

What sets your firm apart from other organizations?

The mission of CoyleKiley is to transform the client experience by providing a greater depth of tools and resources, education, innovative thinking, and constant collaboration. **We are committed to enhancing our service offering through national peer collaboration while maintaining our ability to provide the personal local service employers value. CoyleKiley should be the clear choice for Region 1 Planning Council for the following reasons:**

- Client Retention of 96% vastly exceeds the national average of ~89%
- Current involvement and familiarity with Region 1 Planning Council
- Over 6,700 Policies Issued
- 2,100 Clients Serviced
- 24/7 Support
- Our peer network, Marshberry, recognizes us as the premier regional consulting firm that concentrates on strategic design, pricing, funding, administration, and communication of business insurance and benefits plans.
- Dedicated professionals with significant credentials and years of experience in ongoing client partnerships highlight our consulting team.
- Our chief priority and focus are on becoming a company most known for contributing to the success of others.

Information on any related services that you can provide that is relevant.

We provide our key partners with a Client Toolkit that includes, but is not limited to, the following:

- Carrier Loss Control Visits
- Claims Support
- Strategic Marketing
- Employee Safety Manual
- Employee Handbook Support/Implementation
- Seamless Renewal Process
- Timely Information
- Transparency

REFERENCES

Provide contact names and phone numbers for references.

Rosecrance Health Network

Dave Gomel

(815)387-5600

dgomel@rosecrance.org

Goodwill Industries of Northern Illinois

Ben Bernstein

(815)965-3795

bbernsten@goodwillni.org

YMCA of Rock River Valley

Brent Pentenburg

(815)489-1252

brent@rockriverymca.org

City of Rockford

Tom McNamara

779-348-7300

thomas.mcnamara@rockfordil.gov

Rockford Local Development

John Phelps

815-987-8675

john@rldc.us

CONCLUSION

We aim to build upon our existing long-term partnership with Region 1 Planning Council that provides profound value to your commercial insurance, and risk management programs. We pledge to employ a team approach with your goals and objectives at the heart of everything that we do. We promise to utilize all resources to develop long-term strategic planning and consultation services that aid in continuous improvement.

We thank you in advance for your consideration and look forward to the next steps.

Sincerely,

Your CoyleKiley Team



John Rose
Vice President



COLLABORATIVE PLANNING FOR NORTHERN ILLINOIS

Region 1 Planning Council

RESOLUTION NO. 2025- 10

ADOPTION OF FY26 BUDGET

WHEREAS, the Region 1 Planning Council Board of Commissioners has made a comprehensive study and review of the proposed budget submitted., and;

WHEREAS, it is the finding and conclusion of the board that the anticipated revenues and expenditures for the 2026 fiscal year appear to be accurate as possible for budgetary purposes.

NOW, THEREFORE, BE IT RESOLVED, by the Region 1 Planning Council Board of Commissioners:

Section 1. This resolution shall be known as the Budget Resolution for the twelve (12) month period beginning July 1, 2025, and ending June 30, 2026.

Section 2. The respective funds for each item of expenditure proposed in the budget for FY2026 are hereby approved and adopted for the operation of the Region 1 Planning council and constitute an appropriation of funds that are lawfully applicable to the items contained within the budget. This budget may be altered or revised by action of this governing body.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair

	GENERAL	MPO	LAND BANK	NORTHCOG	WINGIS	TOTAL	FY2025 Budget	As of March 2025
Proposed FY26 Budget								
Income								
Federal Revenue	\$ 814,040	\$ 1,749,584	\$ -	\$ -	\$ -	\$ 2,563,624	\$ 2,333,129	\$ 1,352,551.73
State of Illinois Revenue	\$ 49,534	\$ 316,919	\$ 80,000	\$ -	\$ -	\$ 446,452	\$ 1,003,571	\$ 498,406.09
Annual Membership Revenue	\$ 391,586	\$ -	\$ -	\$ 72,500	\$ 417,556	\$ 881,642	\$ 873,457	\$ 603,973.97
Fee for Service Revenue	\$ 1,218,113	\$ -	\$ -	\$ -	\$ 85,000	\$ 1,303,113	\$ 1,259,871	\$ 865,292.62
Other Income	\$ 12,500	\$ -	\$ 556,100	\$ 19,710	\$ -	\$ 588,310	\$ 394,500	\$ 468,542.39
Indirect Cost Transfer to General Fund	\$ 377,790	\$ -	\$ -	\$ -	\$ -	\$ 377,790	\$ 219,129	\$ 187,106.30
Total Income	\$ 2,863,563	\$ 2,066,503	\$ 636,100	\$ 92,210	\$ 502,556	\$ 6,160,931	\$ 6,083,657.68	\$ 3,975,873.10
Expenses								
Direct Personnel (Salary & Wages)	\$ 1,336,576	\$ 978,708	\$ 217,163	\$ 49,313	\$ 252,000	\$ 2,833,760	\$ 2,743,205.51	\$ 1,910,238.92
Direct Fringe Benefits	\$ 629,368	\$ 400,656	\$ 75,681	\$ 14,973	\$ 101,893	\$ 1,222,570	\$ 1,147,390.96	\$ 596,715.16
Total Personnel Costs	\$ 1,965,944	\$ 1,379,364	\$ 292,844	\$ 64,286	\$ 353,893	\$ 4,056,330	\$ 3,890,596.47	\$ 2,506,954.08
Direct Travel Expenses	\$ 31,227	\$ 18,264	\$ 15,000	\$ 3,175	\$ 9,600	\$ 77,266	\$ 66,119.20	\$ 46,200.75
Direct Supplies	\$ 20,241	\$ 6,750	\$ 2,500	\$ 915	\$ 1,750	\$ 32,156	\$ 47,750.00	\$ 22,346.26
Direct Equipment	\$ 8,750	\$ -	\$ 1,500	\$ 400	\$ 500	\$ 11,150	\$ 11,950.12	\$ -
Direct Contractual Services & Subawards	\$ 488,975	\$ 418,757	\$ 89,444	\$ 18,417	\$ 92,837	\$ 1,108,430	\$ 1,350,855.91	\$ 870,593.10
Direct Professional Services	\$ 51,061	\$ 72,669	\$ 146,000	\$ 463	\$ 10,900	\$ 281,093	\$ 305,516.00	\$ 222,277.87
Direct Occupancy	\$ 69,265	\$ 55,010	\$ 16,982	\$ 3,200	\$ 24,345	\$ 168,802	\$ 143,143.00	\$ 86,859.59
Direct Telecommunications	\$ 317	\$ 1,184	\$ 1,106	\$ 104	\$ 5,532	\$ 8,244	\$ 8,336.52	\$ 2,816.05
Direct Professional Development	\$ 8,250	\$ 8,000	\$ 4,700	\$ 1,200	\$ 2,900	\$ 25,050	\$ 21,600.00	\$ 12,072.59
Direct Miscellaneous Costs	\$ 7,470	\$ 4,000	\$ 300	\$ 50	\$ 300	\$ 12,120	\$ 16,159.00	\$ 7,982.34
Total Direct Expenses	\$ 685,556	\$ 584,635	\$ 277,532	\$ 27,924	\$ 148,663	\$ 1,724,311	\$ 1,971,429.75	\$ 1,271,148.55
All Personnel & Direct Costs	\$ 2,651,500	\$ 1,964,000	\$ 570,376	\$ 92,210	\$ 502,556	\$ 5,780,641	\$ 5,862,026.22	\$ 3,778,102.63
Indirect Miscellaneous Costs	\$ -	\$ -	\$ -			\$ -	\$ -	
Indirect Cost Transfer to General Fund	\$ 104,392	\$ 207,674	\$ 65,724			\$ 377,790	\$ 219,129.41	\$ 187,106.30
Interest Paid	\$ 2,500	\$ -	\$ -			\$ 2,500	\$ 2,500.00	\$ -
Total Indirect Expenses	\$ 106,892	\$ 207,674	\$ 65,724	\$ -	\$ -	\$ 380,290	\$ 221,629.41	\$ 187,106.30
Total Expenses	\$ 2,758,392	\$ 2,171,673	\$ 636,100	\$ 92,210	\$ 502,556.03	\$ 6,160,931	\$ 6,083,655.63	\$ 3,965,208.93
Net Operating Income	\$ 105,171.16	\$ (105,170.81)	\$ -	\$ -	\$ -	\$ 0.35	\$ 2.05	\$ 10,664.17
Net Income	\$ 105,171.16	\$ (105,170.81)	\$ -	\$ -	\$ -	\$ 0.35	\$ 2.05	\$ 10,664.17
		<i>*In Kind Match</i>						



Date: May 15th, 2025

To: R1 Planning Council Board

From: Jason Holcomb, Director of Community Impact, on behalf of Michael Dunn, Executive Director

Re: Approving Slate of Nominees to the Regional Data Advisory Committee 2-year term of July 2025 – June 2027

Background: A Regional Data Advisory Committee (RDAC) is a multidisciplinary group that governs, develops, and facilitates regional data collaboration. Its primary roles include overseeing data management, educating Regional Planning Councils (RPCs) and stakeholders about regional data analysis, and evaluating the region's specific needs. The committee emphasizes the development of analytical tools and ensures standardization across data providers to maintain data credibility and quality.

As a member of the RDAC, members will be asked to participate in a minimum of four quarterly meetings per year. Meetings will primarily focus on collaborative data governance, such as development of community scorecards, data dashboards, geospatial data representation, data needs assessments, and impact measurement. Discussions are expected to include member feedback and recommendations for identification of key indicators and data sources, data collection and analysis methodologies, data-sharing standards and governance, and data visualization techniques and display strategies.

Multi-disciplinary industry representation and subject-matter expertise were sought and recommendation includes, but is not limited to, the follow areas:

- Community Health and Public Safety
- Housing and Community Development
- Education and Youth Development
- Higher Education and Workforce Development
- Business and Economic Development
- Non-Profit and Faith Community Perspectives

Staff solicited the Governing Board on February 6th, 2025 for nominations of members to serve on the RDAC for the inaugural 2-year term of July 2025 – June 2027. Nominations were received from and Region 1 Planning Council board members and staff directors.

Recommendation: Staff recommends that the Board review the slate attached. With the board's approval, invitations to participate will be extended to the nominations to serve on the Regional Data Advisory Committee (RDAC) for the 2-year term of July 2025 – June 2027.

Agency	First	Last	Agency Type	Industry
Boone County Health Department	Amanda	Mehl	Public	Health
Rockford Regional Health Council	Shelton	Kay	Non-Profit	Health
PlatFORM Group: Healthy Housing Solutions	Ron	Clewer	Non-Profit	Housing
CoR Mayor's Office of Domestic and Community Violence Prevention	Jennifer	Cacciapaglia	Public	Safety
Rockford University	Deepshikha	Shukla	Non-Profit	Higher Education
Greater Rockford Chamber of Commerce	Angela	Larson	Non-Profit	Business/Economic Development
Growth Dimensions	Pam	Fettes	Non-Profit	Business/Economic Development
Rockford Public Schools District 205	Kristina	Miller	Public	Education
Workforce Connection	Gina	Corrona	Non-Profit	Workforce
Alignment Rockford	Emily	Klonicki	Non-Profit	Education/Development Health
Discover Center	Lana	Paris	Non-Profit	Youth Development/Science
Northern Illinois Center for Nonprofit Excellence	Billie	Callahan	Non-Profit	Non-Profit Services/Training
Bridges to Prosperity Northern Illinois	Mary	Cacioppi	Non-Profit	Faith/Community Development



Region 1 Planning Council

RESOLUTION NO. 2025- 11

Approval of the Climate Action Plan for Adoption

WHEREAS, Region 1 Planning Council was the lead organization responsible for the creation of the Climate Action Plan (CAP); *and*

WHEREAS, Region 1 Planning Council and other local government officials, business representatives, civic leaders, environmental advocates and regional subject matter experts within the Rockford Region participated in the collaborative planning process to develop the Climate Action Plan for the Rockford Region; *and*

WHEREAS, a 30-day public comment period was held for residents of the region to review the draft CAP; *and*

WHEREAS, RPC staff, with continual feedback from steering committee partners, have completed the CAP; *and*

WHEREAS, the CAP is designed to service as the blueprint for advancing collaborative and informed climate action that align with community needs; *and*

WHEREAS, the CAP is in alignment with all other partners' Climate Action goals.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Region 1 Joint Regional Planning Commission hereby approves the Climate Action Plan for adoption.

BE IT FURTHER RESOLVED, that these amendments shall be in full force and effect immediately.

We hereby certify the foregoing has been approved by a majority of the Region 1 Joint Regional Planning Commission Board Members on this ____ day of ____, 2025.

REGION 1 JOINT PLANNING COMMISSION

Commission Chair

Commission Vice-Chair



Climate Action Plan

Executive Summary



Overview

In the summer of 2023, Region 1 Planning Council (R1) took a proactive step by initiating the development of the region's first Climate Action Plan (CAP). This plan establishes a regional framework for climate action in Boone and Winnebago Counties, referred to as the Rockford Region. It presents a forward-thinking approach to reducing the environmental, economic, and social risks associated with climate change, while fostering sustainable development and building resilience. The CAP not only addresses direct impacts like extreme temperatures and weather events, but also considers broader challenges such as community vulnerabilities and public health concerns. This plan aims to present an equitable response to the pressing challenges of climate change while ensuring a prosperous future for the Rockford Region.

Why Climate Action is Critical for the Rockford Region

The Rockford Region faces unique vulnerabilities to the impacts of climate change. Rising temperatures, increased frequency of extreme weather events, and flooding pose significant risks to the region. These changes threaten the wellbeing of residents, with vulnerable communities often facing the most severe consequences. By following the recommendations laid out in the CAP, the Rockford Region can mitigate the long-term consequences of climate change while fostering resilient and sustainable communities. Immediate and comprehensive climate action can help the region secure a future that provides safety and stability for future generations. Climate action is crucial not only for securing a better future for the next generations, but also for creating a better environment for those who live, work, and enjoy the region today.



Visit Engage R1 at bit.ly/EngageR1CAP or our website at r1planning.org/planning/sustainability to learn more about the project!

Climate Action Planning Process

The CAP was developed over a two-year period alongside the Metropolitan Transportation Plan (MTP) and the Comprehensive Economic Development Strategy (CEDS). The planning process began by developing a regional vision for the three plans to define the collective desired future for the Rockford Region. Following this, regional characteristics and climate data was collected, and regional challenges and opportunities were identified through extensive public engagement. After initial research and engagement, the focus shifted to shaping actionable goals and strategies. The final stages involved finalizing and adopting the plan.

CAP Steering Committee

Throughout the process, the Climate Resiliency Forum (CRF) played a critical role, fostering stakeholder engagement, addressing challenges, and ensuring that social, economic, and environmental considerations were integrated in the plan. Composed of environmental advocates and regional subject-matter experts, the committee guided the plan's development to ensure it met the needs of the community while promoting long-term sustainability and resilience.

Chapters & Technical Reports

The CAP is organized into six chapters, as defined below. In addition to the final plan, several technical reports were developed alongside the CAP. The topics explored in the technical reports helped shape and inform the plan. These reports explore critical concepts to regional climate action, ranging from greenhouse gas emissions (GHG) to public engagement.

The CAP is organized into six chapters, as defined below:

- **Part 1. Introduction:** Details the background and purpose of the plan, including defining climate change and cross-cutting themes of the plan. It also highlights the plan's development process.
- **Part 2. About the Region:** Provides an overview of the Rockford Region, including key demographic, economic, and environmental data, to frame climate action within a regional context.
- **Part 3. Trends and Impacts:** Examines environmental and societal impacts of climate change on global and local scales. It concludes with a discussion of climate change's influences on critical climate sectors.
- **Part 4. Regional Assessment:** Presents the findings of a regional needs and opportunities analysis, which was conducted through public engagement to gain insights on the region's current climate conditions and challenges.
- **Part 5. Strategic Direction:** Introduces the CAP's goals, strategies, and tactics and identifies how the region intends to pursue a sustainable future.
- **Part 6. Looking Forward:** Addresses the framework for implementing and monitoring the plan's strategies and discusses potential challenges and considerations for moving forward.

The CAP technical reports are:

- **Technical Report #1. Greenhouse Gas Emissions Inventory:** Quantifies the release of GHG emissions in the Rockford Region. Emissions are monitored from transportation, stationary energy, and solid waste activities.
- **Technical Report #2. Vulnerability Assessment:** Identifies areas within the Rockford Region that are highly susceptible to the impacts of climate change, such as extreme heat and flooding.
- **Technical Report #3. Social Determinants of Health:** Provides an overview of the relationship between climate change and individual and community health in the Rockford Region.
- **Technical Report #4. SWOT Analysis:** Details the results of a strengths, weaknesses, opportunities, and threats (SWOT) analysis, including regional data findings and public input.
- **Technical Report #5. Public & Stakeholder Engagement:** Presents an overview of the public and stakeholder engagement conducted for the CAP.

Goals and Strategies

The CAP sets clear goals and strategies to address regional climate challenges. These goals play a vital role in shaping the Rockford Region's ability to prepare for and respond to climate change equitably over the next 25 years. While the goals focus primarily on regional mitigation and adaptation to climate change, they also address interdisciplinary measures of community wellness impacted by climate change, such as quality of life and economic vitality.

The goals relate to six climate sectors that have been identified as priorities in the Rockford Region due to their vulnerability to climate impacts and their contribution to climate change. The climate sectors comprehensively address all aspects of the region's environment and shape the framework of the CAP, serving as an outline for the goals and strategies. Each goal is attributed to a climate sector, with the exception of Goal 7 that addresses overall community prosperity.



AIR QUALITY

Goal 1. Improve the region's air quality and reduce greenhouse gas emissions.



BUILT ENVIRONMENT

Goal 2. Promote strategic and climate-resilient development within the built environment.



ENERGY

Goal 3. Improve energy resilience by advancing clean energy and energy efficiency efforts.



NATURAL & WORKING LANDS

Goal 4. Cultivate a conservation mindset to preserve, restore, and sustainably manage natural and working lands.



WASTE

Goal 5. Promote sustainable waste management practices and technology.



WATER

Goal 6. Support water resource management.



COMMUNITY

Goal 7. Support communities and businesses in preparing for the effects of climate change.

Implementation Matrix

Climate Action Plan Implementation Matrix Key

Timeframe	Abbreviations
Ongoing	Ongoing
Within 1 year	Immediate
1-5 years	Near term
6-10 years	Mid-term
11-25 years	Long term

Estimated Cost	Symbol
Under \$10,000	\$
\$10,000 to \$100,000	\$\$
\$100,000 to \$500,000	\$\$\$
Over \$500,000	\$\$\$\$

Partners	Abbreviations
Chamber of Commerces	CoC
Convention & Visitors Bureau	CVB
Economic Development Organizations	EDO
Illinois Department of Transportation	IDOT
School Districts (K-12)	SD
Community Colleges	CC
4-Year Universities	UN
Transit Agencies	TA
Workforce Investment Boards	WIB
Public Utilities	UT
Park Districts & Conservation Districts	PC
Soil & Water Districts	SW
Sanitation Districts	SN
Land Bank and Trustee programs	LB
Small Business Development Center	SBDC
Region 1 Planning Council	R1
All Municipalities	MUN
All Counties	CO
University of Illinois Extension	UIE
Farm Bureau	FB
Rockford Park District	RPD
Sustain Rockford	SR

Public - Boone County	Abbreviations
Boone County	BC
City of Belvidere	CoB
Village of Caledonia	VoC
Village of Poplar Grove	VoPG
Village of Timberlane	VoT

Public - Winnebago County	Abbreviations
City of Loves Park	CoLP
City of Rockford	CoR
Village of Cherry Valley	VoCV
Village of Machesney Park	VoMP
Village of New Milford	VoNM
Village of Roscoe	VoR
Village of Winnebago	VoW
Winnebago County	WC

Private	Abbreviations
Consultant	C
Financial Institute	F
Industry Leaders	I
Neighborhood Residents	N
Property Owners	O
Realtors/Brokers	R

Type
Program
Policy
Projects

Feasibility
Low
Medium
High

* Named agencies listed as partners in the implementation matrix were by request of the agency

Goal 1. Improve the region's air quality and reduce greenhouse gas emissions.

Strategy 1.1 Reduce regional greenhouse gas emissions.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Increase electrification of public and private fleets.	Long term	\$\$\$\$	TA, MUN, CO, Private	N/A	Project	Medium
Increase miles of bicycle and pedestrian facilities.	Mid-term	\$\$\$\$	MUN, CO	IDOT, TA	Project	Medium
Create a toolkit to highlight emissions reduction initiatives and incentives.	Near term	\$	R1	EDO, I	Project	High
Develop carbon offset initiatives and programs.	Mid-term	\$\$\$\$	MUN, CO	R1, I	Program	Low
Increase diversion rate of organic and inorganic materials from landfills.	Near-term	\$\$\$	MUN, CO, Private	SR	Program	Medium

Performance Measures: (1) Percent change in fleet emissions. (2) Number of new or improvements made to bike lanes, sidewalks, crosswalks, and traffic calming measures. (3) Creation of toolkit. (4) Creation of carbon offset initiatives and programs.

Strategy 1.2 Maintain attainment status and improve air quality.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Implement low-VOC cleaning, painting, and paving practices in municipal operations.	Near term	\$\$\$	MUN, CO	N/A	Program	High
Establish an electric lawn mower rebate program.	Mid-term	\$\$\$	CO	MUN, R1, I	Program	Medium
Establish policies to meet Illinois Department of Public Health Indoor Air quality guidelines.	Near term	\$	MUN, CO	N/A	Policy	High
Monitor air pollutants and emissions through the EPA to better understand the region's air quality.	Ongoing	\$\$	R1	N/A	Program	High

Performance Measures: (1) Amount of low-VOC practices implemented. (2) Establishment of an emissions reduce rebate program. (3) Establishment of indoor air quality policies. (4) Frequency of EPA air quality monitoring assessments.

Goal 2. Promote strategic and climate-resilient development within the built environment.

Strategy 2.1 Minimize flooding and other environmental impacts on infrastructure.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Assess the resiliency of existing infrastructure to withstand climate impacts.	Immediate	\$\$	UT, MUN, CO	C	Project	High
Adopt resilient design standards.	Near term	\$	MUN, CO	I, C	Policy	High
Implement rain gardens, green roofs, and stormwater best management practices on highly developed areas.	Near term	\$\$\$\$	I, MUN, CO	C, RPD	Program	Medium
Pursue funding opportunities to implement flood mitigation efforts.	Ongoing	\$	R1, MUN, CO, I		Program	High

Performance Measures: (1) Number of buildings and facilities assessed for severe weather. (2) Establishment of resilient design building standards. (3) Number of BMPs implemented. (4) Presence of flood management considerations in plans and projects.

Continued on the next page

Strategy 2.2 Support sustainable development practices that improve community resilience.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Reduce urban sprawl through infill development.	Ongoing	\$\$\$\$	MUN, CO	LB	Program	Low
Pursue adaptive reuse of older buildings and vacant lots.	Mid-term	\$\$	MUN, LB	Private	Program	Medium
Revise zoning ordinances to allow urban agriculture.	Near term	\$	MUN, CO	N/A	Policy	High
Adopt building performance standards for new developments.	Near term	\$	MUN, CO	I, C, R	Policy	High
Implement green and complete street policies and standards.	Mid-term	\$\$\$\$	MUN, CO	R1	Program	Medium
Implement regional greenways plan.	Mid-term	\$\$\$	PC, MUN, CO	R1, RPD	Project	Medium

Performance Measures: (1) Number of developments built within already developed areas. (2) Number of vacant properties repurposed. (3) Zoning ordinances revised. (4) Establishment of building performance standards. (5) Adoption of complete street policies. (6) Acres of greenways preserved.

Strategy 2.3 Mitigate the urban heat island effect and reduce exposure to extreme heat.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Integrate green infrastructure into impervious surfaces.	Mid Term	\$\$	MUN, CO	N/A	Project	High
Retrofit buildings and revise building codes to promote green designs.	Mid Term	\$\$	Private	N/A	Policy	High
Perform an urban heat inventory.	Near Term	\$\$	R1	C	Project	Medium
Revise zoning codes to encourage shared parking agreements.	Near Term	\$	MUN, CO	N/A	Policy	High

Performance Measures: (1) Percent of impervious surfaces replaced with cooling materials. (2) Percent change in vegetation cover. (3) Number of buildings with cool or green designs. (4) Creation of an urban heat inventory. (5) Revision of zoning codes.

Strategy 2.4 Enhance quality of life through improved access to opportunities.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Increase greenspace in traditionally underserved communities.	Mid term	\$\$\$	PC	MUN, CO, I	Program	Medium
Address sidewalks, shared-use paths, and bicycle network gaps.	Mid term	\$\$	MUN, CO	IDOT	Project	Medium
Incentivize mixed-use development	Mid term	\$\$\$\$	MUN, CO	N/A	Program	Low
Maximize existing infrastructure through redevelopment and infill development.	Ongoing	\$\$\$	MUN, CO	Private, LB	Program	Medium

Performance Measures: (1) Percent of greenspace coverage in underserved communities. (2) Number of new sidewalk, path, and bike infrastructure developments. (3) Incentives distributed. (4) Number of infill development projects. (5) Frequency of path, sidewalk, and bike facility maintenance.

Goal 3. Improve energy resilience by advancing clean energy and energy efficiency effort.

Strategy 3.1 Promote clean energy and energy efficiency efforts through educational initiatives.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Encourage the use of heating and cooling energy efficiency initiatives, such as Weatherization Assistance Programs.	Ongoing	\$	MUN, CO, UT, I	N/A	Program	High
Increase public literacy on clean and renewable energy.	Immediate	\$	I	UT, SD, SR	Program	High
Educate public and private entities about clean energy opportunities and benefits.	Ongoing	\$	I, UT	SR	Program	High

Performance Measures: (1) Creation of initiatives. (2) Number of educational events, opportunities, and informational resources distributed.

Strategy 3.2 Strengthen energy infrastructure to handle climate impacts and increased energy demand.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Identify funding opportunities that advance clean energy initiatives.	Ongoing	\$	R1, I	UT, CO, MUN	Program	High
Establish partnerships that increase the resiliency and reliability of the energy grid system.	Ongoing	\$\$	UT, CO, MUN	R1	Project	High
Diversify, incentivize, and expand energy supply and storage.	Ongoing	\$\$\$\$	UT, CO, MUN	N, O, RPD	Project	Low
Improve backup power supply for energy grid disruptions.	Near term	\$\$\$\$	UT, N, O	MUN	Project	Medium
Update zoning codes to include clean energy or “green” standards.	Near term	\$	CO, MUN	N/A	Policy	High

Performance Measures: (1) Funding opportunities identified. (2) Number of collaborative initiatives and ongoing partnerships. (3) Percent change in the reliance of clean energy sources. (4) Number of energy grid disruptions. (5) Number of energy infrastructure improvements. (6) Updates to zoning codes

Strategy 3.3 Increase clean energy jobs and energy training programs.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Invest in workforce development programming for clean energy jobs.	Ongoing	\$\$\$\$	WIB	R1, EDO	Program	Medium
Collaborate with local partners to advance recruitment and training programs.	Ongoing	\$\$\$\$	WIB, R1, EDO	SD, CC	Program	Medium
Collaborate with private and university partners to support technology and information dissemination.	Ongoing	\$\$\$\$	R1, EDO, UT	UN, CC, Private	Program	Medium

Performance Measures: (1) Number of clean energy workforce development programs. (2) Number of successful collaborative efforts.

Goal 4. Cultivate a conservation mindset to preserve, restore, and sustainably manage natural and working lands.

Strategy 4.1 Preserve and sustainability manage the natural environment.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Preserve forests, wetlands, grasslands, and prairies.	Ongoing	\$\$\$\$	PC	I, MUN, SW, RPD	Program	Medium
Protect ecologically significant areas from development and land-use change.	Near to Mid term	\$\$\$	I	PC, CO, MUN, RPD	Program	Low
Provide educational trainings and opportunities for preservation and conservation.	Near term	\$	I, PC, MUN, CO	SW, UIE, RPD	Program	High

Performance Measures: (1) Acres of natural land restored and protected. (2) Identification of ESAs. (3) Number of collaborative educational opportunities provided.

Continued on the next page

Strategy 4.2 Restore the region's native biodiversity and habitats.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Connect landscapes with greenways and protect natural corridors.	Mid term	\$\$\$	PC	MUN, CO, I	Project	Medium
Increase habitat restoration, plant dispersal, and invasive species management.	Near to mid term	\$\$	PC	MUN, CO, I, RPD	Program	Medium
Revise local ordinances to support native conservation practices and biodiversity.	Near term	\$	MUN, CO	N/A	Policy	High
Host events to promote education and removal of invasive species.	Near term	\$\$	Private	MUN, PC, SW	Project	High

Performance Measures: (1) Acres of greenways and natural corridors. (2) Amount of native vegetation planted. (3) revision and adoption of conservation-related ordinances and codes. (4) Number of events hosted.

Strategy 4.3 Increase knowledge and implementation of sustainable agriculture and land management practices.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Provide technical assistance to local farmers for implementing best management practices.	Near term	\$\$	SW, I	CO, FB, UIE	Program	Medium
Identify funding opportunities for agriculture partners in sustainable land management practices and regenerative agriculture.	Immediate	\$	SW, I	R1, FB, UIE	Program	High

Performance Measures: (1) Technical assistance provided to farmers. (2) Number of funding opportunities identified and disseminated to agricultural partners. (3) Acres practicing sustainable agriculture (e.g. cover crops, tillage, etc.).

Goal 5. Promote sustainable waste management practices and technology.

Strategy 5.1 Increase landfill diversion rate and support sustainable material management.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Establish local alternative recycling methods.	Mid to Long term	\$\$\$	EDO, I	R1, SBDC	Project	Low
Increase availability and accessibility of recycling and composting services.	Near term	\$\$\$\$	MUN, CO, Private	N/A	Program	Medium
Adopt circular economy practices to reduce waste consumption and promote recycling, reuse, and repair.	Ongoing	\$\$\$	Private	N/A	Program	Medium

Performance Measures: (1) Attractions and programs established to promote local business development in recycling. (2) Number of recycling and composting services, programs, and options available. (3) Percent change in industry and business recycling. (4) Landfill diversion rate.

Strategy 5.2 Incentivize waste emissions reductions and the use of emerging technologies.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Increase the collection of methane gas from waste treatment facilities.	Near to Mid term	\$\$\$\$	SN	Private	Project	Medium
Install waste-to-energy technology at solid waste plants.	Mid term	\$\$\$\$	SN, MUN, CO	Private	Project	Low

Performance Measures: (1) Methane gas collection. (2) Establishment of waste-to-energy technology.

Continued on the next page

Strategy 5.3 Identify and address community solid waste needs.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Create a channel for regular communication on local solid waste issues, targeted materials, needs, and opportunities.	Immediate, Ongoing	\$	MUN, CO	I	Program	High
Assist communities and businesses with waste audits.	Near term	\$\$	MUN, CO, R1	I, Private	Program	Medium
Conduct targeted solid waste outreach efforts to traditionally underserved communities.	Near to Mid-term	\$\$	R1	C	Program	Medium

Performance Measures: (1) Creation of a solid waste communication channel. (2) Number of waste audits conducted. (3) Number of outreach efforts to underserved communities.

Goal 6. Support water resource management.

Strategy 6.1 Protect water quality for drinking water and aquatic habitats.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Maintain compliance with recognized U.S. and Illinois EPA standards.	Ongoing	\$\$\$	UT, MUN, CO	I,C	Program	Medium
Implement stormwater best management practices in areas prone to flooding.	Near term	\$\$\$	I, MUN, CO	C, SW	Project	Medium
Increase water quality monitoring efforts.	Ongoing	\$\$	UT, MUN, CO	I,C	Program	Medium
Model and monitor groundwater conditions.	Ongoing	\$\$\$	I, MUN, CO	C	Program	Medium
Adopt codes that protect surface and groundwater from runoff and contamination.	Near term	\$	IEPA, CO, MUN	I	Policy	High

Performance Measures: (1) Compliance with water quality standards. (2) Quantity of BMPs implemented. (3) Number and frequency of water quality monitoring efforts. (4) Establishment of groundwater models and a monitoring network. (5) Adoption of groundwater-related codes.

Strategy 6.2 Increase education on water conservation and quality to minimize pollution and prepare for any potential changes to the water supply.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Educate the public and elected officials on safe and sustainable water resource management and conservation techniques.	Ongoing	\$	I, UT, UIE	SW, SD, PC	Program	High
Implement educational campaigns on Water conservation and quality.	Ongoing	\$\$	I, UT, CO, MUN	SW, SD	Program	High
Provide educational events on the hydrological impacts of climate change and groundwater.	Ongoing	\$	I, Private	SW, pC, UIE	Program	High

Performance Measures: (1) Number of educational campaigns and events hosted.

Continued on the next page

Strategy 6.3 Promote drought planning practices to prevent water scarcity.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Incorporate drought-tolerant plants into water conservation and landscaping ordinances.	Ongoing	\$	CO, MUN, C	I, PC	Policy	High
Increase water storage capacity through aquifer storage and recovery.	Mid to Long term	\$\$\$\$	CO, MUN, ISWS	I, C	Project	Low
Increase groundwater replenishment through aquifer recharge.	Mid to Long term	\$\$\$\$	CO, MUN, ISWS	I, C	Project	Low

Performance Measures: (1) Establishment of landscaping ordinances related to drought-tolerant plants. (2) Increase in the total volume of water stored and recovered. (3) Increase in groundwater levels.

Goal 7. Support communities and businesses in preparing for the effects of climate change.

Strategy 7.1 Support sustainable innovation and economic growth that promotes green business models.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Provide technical assistance to local businesses and non-profits to encourage the development of green business models.	Mid term	\$\$\$	MUN, CO	R1, EDO	Program	Medium
Focus economic development efforts on the Rockford Region becoming a green technology hub.	Near term	\$	R1	EDO, MUN, CO	Program	Low
Educate businesses on green building principles and green practices.	Near term	\$	MUN, CO	EDO, Private	Program	High

Performance Measures: (1) Number of businesses and non-profits reached through technical assistance and educational efforts. (2) Establishment of economic development programs related to green technology.

Strategy 7.2 Improve community resiliency and emergency response in preparation for climate disasters.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Invest in early warning systems.	Near term	\$\$\$	CO, MUN	N/A	Project	Medium
Utilize weather condition and event monitoring to assess and improve operational capabilities to facilities and services.	Ongoing	\$\$\$	MUN, CO	C, I	Program	Medium
Implement multi-hazard mitigation plans.	Mid term	\$\$\$\$	CO	R1	Program	Medium
Increase awareness of designated heating and cooling centers and ensure they are accessible to all community members.	Immediate	\$	MUN, CO	UT	Program	High
Distribute educational materials to the public on climate disaster	Immediate	\$	MUN, CO	UT, Private	Project	High

Performance Measures: (1) Availability and reliability of early warning systems. (2) Efficiency and performance of emergency response operations. (3) Number of multi-hazard mitigation actions implemented. (4) Educational outreach efforts on designated heating and cooling centers. (5) Number of residents reached through educational opportunities.

Continued on the next page

Strategy 7.3 Ensure climate investments address community inequities.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Conduct an Equity Audit across all planning documents and programming practices.	Ongoing	\$\$\$	R1	CO, MUN, C, I	Project	Medium
Increase outreach efforts to traditionally underserved communities during the climate resiliency planning and programming process.	Ongoing	\$\$\$	R1	MUN, I	Program	High
Advocate for more equitable distribution of federal, state, and local funds.	Ongoing	\$	MUN, CO, R1	N/A	Program	High
Increase education on the connection between climate change and public health.	Ongoing	\$	MUN, CO	R1, SR, UIE	Program	High

Performance Measures: (1) Number of plans and programs with an Equity Audit. (2) Number of successful outreach efforts. (3) Percent of funds supporting equity-focused projects.

Strategy 7.4 Establish the Rockford Region as a climate haven.

Action Item	Time Frame	Cost	Lead	Partners	Type	Feasibility
Invest in water resource planning for population growth.	Mid-term	\$\$	MUN, CO	R1	Project	Medium
Conduct a housing coordination plan to increase housing stock.	Near term	\$\$	R1	LB, Private	Project	Medium
Adapt current infrastructure to support a growing population.	Mid term	\$\$\$\$	MUN, CO	Private	Program	Low
Pursue economic development opportunities to support a growing	Near term	\$\$\$	WIB	EDO, R1	Program	Medium
Cultivate a welcoming environment to support a diverse population of climate refugees.	Near term	\$\$	CVB	MUN, N	Program	Medium

Performance Measures: (1) Investment in water resource planning. (2) Completion of a housing coordination plan. (3) Number of infrastructure improvements. (4) Economic development opportunities targeted towards a growing workforce. (5) Number and diversity of cultural and community-focused events.