



**CHICAGO METROPOLITAN
AGENCY FOR PLANNING
CHICAGO, ILLINOIS**

AUDITOR'S COMMUNICATION TO THE
MEMBERS OF THE BOARD

For the Year Ended June 30, 2024



SIKICH.COM

**CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS**
AUDITOR'S COMMUNICATION TO THE
MEMBERS OF THE BOARD
TABLE OF CONTENTS

	<u>Page(s)</u>
COVER LETTER	1
REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE	2-6
• Adjusting journal entries	
• Passed adjustments	
MANAGEMENT LETTER.....	7-11
COMPANY PROFILE	

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

SIKICH.COM

January 28, 2025

The Honorable Chairman
and Members of the Board
Chicago Metropolitan Agency for Planning
433 West Van Buren Street, Suite 450
Chicago, Illinois 60607

Ladies and Gentlemen:

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

In addition, auditing standards require the communication of internal control related matters to those charged with governance. Our management letter, as well as a listing of future pronouncements that may affect the Agency, are enclosed within this document.

This information is intended solely for the use of the Chairman, members of the Board, and management of the Chicago Metropolitan Agency for Planning and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Sikich CPA LLC
By: Martha Trotter, CPA
Principal

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

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January 28, 2025

The Honorable Chairman
and Members of the Board
Chicago Metropolitan Agency for Planning
Chicago, Illinois

We have audited the basic financial statements of the Chicago Metropolitan Agency for Planning (the Agency) for the period ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 2, 2024. Professional standards require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

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

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no particularly sensitive estimates made by management during our audit of the financial statements except for those related to the Illinois Municipal Retirement Plan pension plan, State Employees' Retirement System pension plan, and Other Postemployment Benefits plan. Management's estimate of the Agency's net pension liabilities and total other postemployment benefit liability are based on various actuarially determined amounts, including estimated investment returns, dates of employee retirement, discount rates, healthcare trend rates, and mortality rates. We evaluated key factors and assumptions used to develop the management's estimates of the Agency's net pension liabilities and total other postemployment benefit liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarized uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them, could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole except for AJE 02.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 28, 2025.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

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

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

Restriction on Use

This information is intended solely for the use of the Chairman, Board, and management of the Chicago Metropolitan Agency for Planning and is not intended nor should it be, and should not be, used by anyone other than these specified parties.

We appreciate the courtesies extended to us by the Agency. If you have any questions regarding the purpose of this letter, please contact us.

Sincerely,

Sikich CPA LLC

Sikich CPA LLC
By: Martha Trotter, CPA
Principal

Chicago Metropolitan Agency for Planning

Year End: June 30, 2024

Adjusting Journal Entries

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

Account No: AJE#01 To AJE#02

Number	Date	Type	Name	Account No	Amount
AJE#01	6/30/2024	N	Deferred Outflow IMRF Experien	1418	(3,631.00)
AJE#01	6/30/2024	N	IMRF	5103	3,631.00

To record IMRF activity for FY24

AJE#02	6/30/2024	N	Prepaid Rent	1206	(91,056.29)
AJE#02	6/30/2024	N	Office Lease	1310	3,483,187.19
AJE#02	6/30/2024	N	Accum. Amortization, Leased Office Building	1311	(3,483,187.19)
AJE#02	6/30/2024	N	Accum. Amortization, Leased Office Building	1311	(1,229,360.19)
AJE#02	6/30/2024	N	Lease Liability	2550	964,450.81
AJE#02	6/30/2024	N	Lease Liability	2550	91,056.29
AJE#02	6/30/2024	N	Rent	5502	(1,247,509.00)
AJE#02	6/30/2024	N	Amortization	5907	1,229,360.19
AJE#02	6/30/2024	N	Lease Interest Expense	5950	283,058.19

Entry to record GASB 87 lease activity.

Chicago Metropolitan Agency for Planning

Enterprise Fund

(CLIENT)

(FUND OR FUND TYPE)

For the Year Ended 6/30/2024

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets	(Liabilities)	(Retained Earnings/Fund Balance)	(Profit) Loss
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		\$ 163,024	\$ (156,812)	\$ 6,212	\$ -
Entry to record Tierpoint GASB 87 activity	4203.2	(64,387)	64,875	-	(488)
Entry to record GASB 96 activity	4205	(8,297)	13,085	-	(4,788)
Totals		<u>\$ 90,340</u>	<u>\$ (78,852)</u>	<u>\$ 6,212</u>	<u>\$ (5,276)</u>

**CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS**

MANAGEMENT LETTER

June 30, 2024

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

SIKICH.COM

The Honorable Chairman
and Members of the Board
Chicago Metropolitan Agency for Planning
Chicago, Illinois

In planning and performing our audit of the basic financial statements of Chicago Metropolitan Agency for Planning (the Agency) as of and for the fiscal year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's system of internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

We also reviewed the status of recommendations for the audit for the year ended June 30, 2023. The status of these recommendations is included in Appendix A. This letter does not affect our dated January 28, 2025, on the basic financial statements of the Agency.

This communication is intended solely for the information and use of the Chairman, Board members, and management and is not intended to be, and should not be used by, anyone other than these specified parties.

SiKich CPA LLC

Naperville, Illinois
January 28, 2025

OTHER INFORMATION

Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued a number of pronouncements that will impact the Agency in the future.

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

GASB Statement No. 102, *Certain Risk Disclosures*, establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority. Concentrations and constraints may limit a government’s ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This Statement is effective for the fiscal year ending June 30, 2025.

OTHER INFORMATION (Continued)

Future Accounting Pronouncements (Continued)

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

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital asset note disclosures. Lease assets recognized in accordance with GASB Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital assets held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probably that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for the fiscal year ending June 30, 2026.

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

APPENDIX A
STATUS OF COMMENTS FROM JUNE 30, 2023

SIGNIFICANT DEFICIENCY

Internal Controls over Preparation of Schedule of Expenditures of Federal Awards (SEFA)

Uniform Guidance section 200.510 Financial Statements requires the auditee to prepare a SEFA, which includes the total federal awards expended determined in accordance with section 200.502, Basis for Determining Federal Awards. The SEFA must be based on and derived from grant information obtained from the financial reporting records and other information provided by the Agency.

During the completion of the single audit testing, management relied on the assistance from the independent auditors on the preparation of the SEFA, after employing appropriate independence safeguards. It was noted that initially state expenditures were being included in the SEFA. Several versions of the SEFA were necessary and required significant substantive testing rework during the audit.

Sikich recommends that the Agency provide training to its finance staff and develop and implement procedures over the preparation of an accurate Schedule of Expenditures of Federal Awards which is reconciled to underlying accounting activity and reflects only the balances of federal award expenditures incurred during the fiscal year for all of the Agency's federal programs.

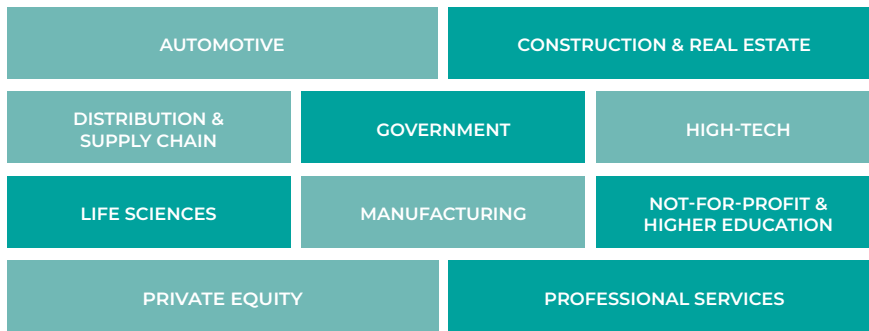
Status: Comment considered implemented as of June 30, 2024.

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

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

INDUSTRIES

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



SPECIALIZED SERVICES

ACCOUNTING, AUDIT, TAX & CONSULTING SERVICES

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

TECHNOLOGY

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

ADVISORY

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

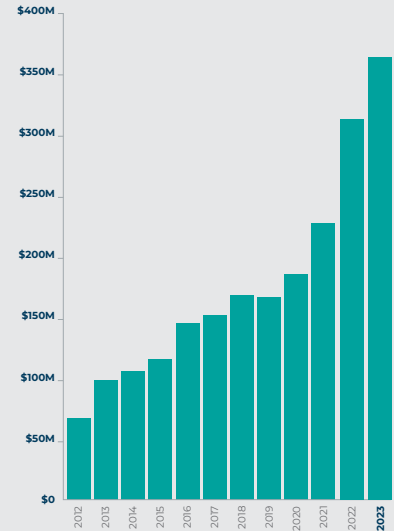
Sikich practices in an alternative practice structure in accordance with the AICPA Professional Code of Conduct and applicable law, regulations, and professional standards. Sikich CPA LLC is a licensed CPA firm that provides audit and attest services to its clients, and Sikich LLC and its subsidiaries provide tax and business advisory services to its clients. Sikich CPA LLC has a contractual arrangement with Sikich LLC under which Sikich LLC supports Sikich CPA LLC's performance of its professional services. Sikich LLC and its subsidiaries are not licensed CPA firms.

"Sikich" is the brand name under which Sikich CPA LLC and Sikich LLC provide professional services. The entities under the Sikich brand are independently owned and are not liable for the services provided by any other entity providing services under the Sikich brand. The use of the terms "our company", "we" and "us" and other similar terms denote the alternative practice structure of Sikich CPA LLC and Sikich LLC.

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

WHO WE ARE

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



OFFICE LOCATIONS

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

**Perform only Technology and Advisory services*

CULTURE

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



CERTIFICATIONS & AWARDS

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

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

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



Sikich is among the **50 firms that place on Inside Public Accounting's 2024 Best of the Best Firms**, an exclusive list that ranks organizations on key areas of management, growth and strategic vision.



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



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



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



NET PROMOTER SCORE

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

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

