

Lee County, Illinois

Dixon, Illinois

Financial Report

Year ended November 30, 2019

WIPFLi^{LLP}
CPAs and Consultants

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Lee County, Illinois

Year Ended November 30, 2019

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Independent Auditor's Report

To the County Board
Lee County, Illinois
Dixon, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lee County, Illinois (the "County"), as of and for the year ended November 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely present component unit, Lee County Emergency Telephone System Board, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lee County, Illinois, as of November 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the required supplementary information be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 management's discussion and analysis that accounting principles generally accepted in the United States 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 opinion on the basic financial statements is 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 County's financial statements as a whole. The other and supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the 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. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2020, on our consideration of the County'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 solely 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 County'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 County's internal control over financial reporting and compliance.

Wipfli LLP

Sterling, Illinois
March 30, 2020

Basic Financial Statements

Lee County, Illinois

Statement of Net Position

November 30, 2019

	Primary Government Governmental Activities	Component Unit
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Cash, deposits, and investments	\$16,748,129	\$1,680,739
Accounts receivable	352,029	152,316
Property tax receivable	7,213,000	0
Due from other governments	2,697,310	0
Inventory	27,415	0
Prepaid items	0	19,367
Surcharge receivables	0	0
Total current assets	27,037,883	1,852,422
Noncurrent assets:		
Land and other nondepreciable assets	1,890,517	115,007
Depreciable property and equipment, net of depreciation	30,360,894	546,209
Total noncurrent assets	32,251,411	661,216
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of pension resources	6,103,165	54,154
Deferred outflows of OPEB resources	73,272	0
Total deferred outflows of resources	6,176,437	54,154
Total assets and deferred outflows of resources	65,465,731	2,567,792
LIABILITIES		
Current liabilities:		
Accounts payable	1,820,748	5,018
Accrued payroll	389,853	3,781
Accrued interest payable	85,401	0
Accrued compensated absences due within one year	61,918	1,988
Bonds payable, current portion - net premium	594,857	0
Capital lease payable, current portion	50,568	0
Total current liabilities	3,003,345	10,787
Noncurrent liabilities -		
Accrued compensated absences	773,469	8,152
Other post-employment benefits	759,047	0
Bonds payable, noncurrent portion - net premium	12,641,840	0
Net pension liability	7,015,607	51,488
Capital lease payable, noncurrent portion	28,128	0
Total noncurrent liabilities	21,218,091	59,640
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of pension resources	522,494	6,571
Deferred inflows of OPEB resources	27,921	0
Deferred revenues	55,392	0
Unavailable property taxes	7,213,000	0
Total deferred inflows of resources	7,818,807	6,571
Total liabilities and deferred inflows of resources	32,040,243	76,998
NET POSITION		
Net investment in capital assets	19,222,715	661,216
Restricted	10,283,792	0
Unrestricted	3,918,981	1,829,578
Total net position	\$33,425,488	\$2,490,794

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Statement of Activities

For the year ended November 30, 2019

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit
Primary government:						
Governmental activities:						
General government	\$7,887,115	\$1,198,947	\$3,515,602	\$490,971	(\$2,681,595)	\$0
Public safety	5,730,575	797,962	26,902	0	(4,905,711)	0
Judiciary and courts	3,567,936	929,936	637,533	0	(2,000,467)	0
Transportation	3,124,965	406,234	172,500	597,033	(1,949,198)	0
Public health	1,953,511	567,949	609,387	0	(776,175)	0
Interest	390,496				(390,496)	0
Total primary government	\$22,654,598	\$3,901,028	\$4,961,924	\$1,088,004	(12,703,642)	0
Component unit:						
Emergency telephone system board	\$370,527	\$569,939				199,412
General revenues:						
Taxes:						
					\$6,864,208	0
					1,414,894	0
					1,587,214	0
					1,126,231	
					516,945	
					46,737	0
					284,722	19,057
					1,195,298	7,353
					3,006	0
					13,039,255	26,410
					335,613	225,822
					33,089,875	2,264,972
					\$33,425,488	\$2,490,794

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Governmental Funds

Balance Sheet

November 30, 2019

ASSETS	Special Revenue		Capital Projects		Total Governmental Funds
	General	Rural Transportation	Law Enforcement Center Project	Other Governmental Funds	
Cash, deposits, and investments	\$7,774,957	\$636,800	\$110,329	\$7,809,910	\$16,331,996
Accounts receivable	197,587	0	0	154,442	352,029
Property tax receivable	3,571,500	0	0	3,291,500	6,863,000
Due from other governments	759,669	1,494,795	281,406	161,440	2,697,310
Inventory	0	0	0	27,415	27,415
Due from other funds	2,752,581	0	0	0	2,752,581
Total assets	\$15,056,294	\$2,131,595	\$391,735	\$11,444,707	\$29,024,331
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$172,040	\$1,326,663	\$54,637	\$267,007	\$1,820,347
Accrued payroll	251,622	7,177	0	130,881	389,680
Due to other funds	0	0	2,600,000	152,581	2,752,581
Accrued compensated absence	49,457	0	0	12,461	61,918
Total liabilities	473,119	1,333,840	2,654,637	562,930	5,024,526
Deferred inflows of resources:					
Unavailable property taxes	3,571,500	0	0	3,291,500	6,863,000
Deferred revenues	0	0	0	55,392	55,392
Total deferred inflows of resources	3,571,500	0	0	3,346,892	6,918,392
Fund balances:					
Nonspendable	0	0	0	27,415	27,415
Restricted	1,886,935	797,755	0	7,571,687	10,256,377
Committed	0	0	0	0	0
Assigned	5,075,054	0	0	0	5,075,054
Unassigned	4,049,686	0	(2,262,902)	(64,217)	1,722,567
Total fund balances	11,011,675	797,755	(2,262,902)	7,534,885	17,081,413
Total liabilities, deferred inflows of resources and fund balances	\$15,056,294	\$2,131,595	\$391,735	\$11,444,707	\$29,024,331

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Reconciliation of the Balance Sheet to the Statement of Net Position For the year ended November 30, 2019

Total fund balances - governmental funds	\$17,081,413
Amounts reported for governmental activities in the statement of net position are different because:	
An internal service fund is used to account for county and employee health insurance premiums The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	415,559
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Net book value of assets reported.	32,251,411
Compensated absences not due and payable from current resources are not reported in the governmental funds.	(773,469)
Accrued long-term employee benefits are not due and payable in the current period and therefore are not reported as liabilities of the funds, but are included as liabilities and deferred items in the statement of net position Accrued net pension liability and related deferred outflows/inflows of resources	(1,434,936)
Long-term liabilities not due and payable with the current resources are not reported in the funds: Accrued interest payable Other post-employment benefits and related deferred outflows/inflows of resources	(85,401) (713,696)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds - Bonds payable Capital leases	(13,236,697) <u>(78,696)</u>
Total net position - governmental activities	<u><u>\$33,425,488</u></u>

Lee County, Illinois

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the year ended November 30, 2019

	Special Revenue		Capital Projects		Total Governmental Funds
	General	Rural Transportation	Law Enforcement Center Project	Other Governmental Funds	
Revenues:					
Property taxes	\$3,341,191	\$0	\$0	\$3,173,794	\$6,514,985
Intergovernmental revenue	4,080,583	4,164,076	1,126,231	1,802,304	11,173,194
Charges for services	2,059,874	43,173	0	1,392,997	3,496,044
Licenses and permits	262,474	0	0	104,627	367,101
Interest	149,496	9,451	56,637	66,794	282,378
Other revenue	482,609	240,547	0	63,708	786,864
Total revenues	10,376,227	4,457,247	1,182,868	6,604,224	22,620,566
Expenditures:					
Current:					
General control and administration					
General control and administration	3,273,156	3,335,188	0	650,285	7,258,629
Public safety	4,448,422	0	0	565,051	5,013,473
Judiciary and court related	2,230,846	0	0	811,044	3,041,890
Transportation	0	0	0	2,738,273	2,738,273
Public health	144,945	0	0	1,783,844	1,928,789
Public welfare	0	0	0	0	0
Debt service:					
Principal	89,363	0	345,000	0	434,363
Interest	3,547	0	388,308	0	391,855
Capital outlay	111,012	938,310	11,861,491	27,837	12,938,650
Total expenditures	10,301,291	4,273,498	12,594,799	6,576,334	33,745,922
Excess (deficiency) of revenues over expenditures	74,936	183,749	(11,411,931)	27,890	(11,125,356)
Other financing sources and (uses):					
Transfers in	305,242	0	0	34,362	339,604
Transfers out	(84,362)	(1,496)	0	(4,000)	(89,858)
Proceeds from capital lease	84,032	0	0	0	84,032
Premium on issuance of bonds		0	0		0
Proceeds from refunding bonds		0	4,000,000	0	4,000,000
Total other financing sources (uses)	304,912	(1,496)	4,000,000	30,362	4,333,778
Net change in fund balance	379,848	182,253	(7,411,931)	58,252	(6,791,578)
Fund balances, beginning of year	10,631,827	615,502	5,149,029	7,476,633	23,872,991
Fund balances, end of year	\$11,011,675	\$797,755	(\$2,262,902)	\$7,534,885	\$17,081,413

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities For the year ended November 30, 2019

Net change in fund balance - Governmental funds	(\$6,791,578)
Amounts reported for governmental activities in the statement of activities are different because:	
An internal service fund is used to account for county and employee health insurance premiums. The net revenue of the internal service fund is reported with governmental activities.	
	(292,075)
Repayment of capital leases are reported in governmental funds as expenditures, but the repayment reduced long-term liabilities in the statement of net position:	
Capital lease repayment	434,363
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities and deferred outflows of resources on the government-wide statements	
Issuance of general obligation bonds	(4,000,000)
Issuance of capital lease	(84,032)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities a gain or (loss) is reported for each disposal.	
Remaining book value of capital assets sold	3,006
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. Donated capital assets are only reported in the statement of activities. This is the amount by which newly capitalized assets exceeds depreciation expense in the period.	
	11,584,902
Some expenses reported in the Statement of Activities do not require use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in non current accrued compensated absences	(45,134)
Amortization of bond premiums and discounts	29,681
Change in accrued interest payable	(28,322)
Change in other post employment obligation	(38,828)
In the statement of activities, postretirement obligations, net pension obligations, and deferred sources are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year net pension liabilities and related deferred outflows exceed the amount paid by.	
	(436,370)
Change in net position of governmental activities	<u><u>\$335,613</u></u>

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Proprietary Fund

Statement of Net Position

November 30, 2019

ASSETS	Internal Service Funds
Cash, deposits, and investments	\$416,133
Property taxes receivable	350,000
Accounts receivable	0
Due from other funds	0
Total assets	\$766,133
LIABILITIES	
Accounts payable	\$401
Accrued payroll	173
Due to other funds	0
Accrued compensated absence	0
Total liabilities	574
Deferred inflows of resources - Unavailable property taxes	350,000
Total liabilities and deferred inflows of resources	350,574
NET POSITION	
Unrestricted	415,559
Total net position	415,559
Amounts reported for business-type activities in the Statement of Net Position are different because -	
Such amounts are included in governmental net position	(415,559)
Total net position of business-type activities	\$0

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Proprietary Fund

Statement of Revenues, Expenses and Changes in Net Position

For the year ended November 30, 2019

Internal Service Funds

Operating revenues:	
Employee contribution	\$0
Board contribution	0
Revenue from insurance claims	15,076
Total operating revenues	15,076
Operating expenses -	
Insurance and bonds	408,968
Total operating expenses	408,968
Net operating income (loss)	(393,892)
Nonoperating revenues:	
General property taxes	349,223
Interest income	2,340
Non-operating income (loss)	351,563
Net income before other financing sources (uses)	(42,329)
Other financing sources (uses):	
Transfers out	(249,746)
Total other financing sources (uses)	(249,746)
Change in net position	(292,075)
Net position, beginning of year	707,634
Net position, end of year	\$415,559
Amounts reported for business-type activities in the Statement of Activities are different because -	
The net revenue of the internal service fund is reported with governmental activities	292,075
Change in net position of business-type activities	\$0

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Proprietary Fund

Statement of Cash Flows

For the year ended November 30, 2019

	<u>Internal Service Fund Health Insurance</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from employees and Board	\$38,835
Payment to suppliers	(599,399)
Net cash flows from operating activities	(560,564)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
	0
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers out	(249,746)
Property taxes	349,223
Net cash flows from noncapital financing activities	99,477
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	2,340
Net increase (decrease) in cash	(458,747)
Cash, beginning of year	874,880
Cash, end of year	\$416,133
RECONCILIATION:	
Net operating income (loss)	(\$393,892)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in:	
Receivables	23,759
Increase (decrease) in:	
Accounts payable	(190,431)
Net cash provided by (used in) operating activities	(\$560,564)

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Statement of Fiduciary Net Position

November 30, 2019

ASSETS	Agency Funds
Cash, deposits, and investments	\$5,254,029
Accounts receivable	855
Due from other governments	173,301
Total assets	\$5,428,185
LIABILITIES	
Accounts payable	\$1,125,009
Agency funds due to others	4,303,176
Total liabilities	\$5,428,185

See Accompanying Notes to Financial Statements.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Introduction

Lee County was organized in 1839 and is divided into 22 townships and 16 municipalities. The County seat is located in the City of Dixon. The County provides services to its approximate 35,000 residents in many areas, including law enforcement, administration of justice, community enrichment and development, and human services.

The financial statements of Lee County, Dixon, Illinois (the "County"), with the county seat located in Dixon, Illinois have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the County are described below.

The Financial Reporting Entity

The County is governed by a twenty-four member County Board. This report includes all of the funds of Lee County, Illinois. The reporting entity for the County consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Discretely Presented Component Unit – Lee County Emergency Telephone System Board

The component unit column in the combined financial statements includes the financial data of the Lee County Emergency Telephone System Board (ETSB). It is reported in a separate column to emphasize that it is legally separate from the County. The ETSB provides a significant amount of services to more than just the County. The Lee County Board Chairman, with the advice and consent of the Lee County Board, appoints board members to the ETSB. The members of ETSB are then responsible for planning the 911 emergency system receiving monies imposed under an established

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

The Financial Reporting Entity (continued)

surcharge, and authorizing disbursements. The geographic area served by ETSB is the same as Lee County. The Treasurer of Lee County maintains the funds and invests or disburses them at the direction of ETSB. Lee County has the responsibility for approving the rate of the surcharge which funds the activities of ETSB and, therefore, has the ability to impose its will on that Board. Separate financial statements of ETSB are prepared. Complete financial statements for ETSB may be obtained by writing to: Lee County ETSB, E911 Center, 316 S. Hennepin Avenue, Dixon, Illinois, 61021.

Other Entity Considerations

The County Board Chairman and County Board may make appointments of the governing boards of a number of drainage, public water, and sanitary districts. Even though the County Board may appoint a majority of the members of the respective districts, the members do not serve at the discretion of the County Board, that is, they can be removed only for cause. There are no indications that the County Board can impose its will over these districts and therefore has no financial accountability. These units are not considered component units of Lee County, Illinois

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all the financial activities of the County, except for the fiduciary funds. The fiduciary funds are only reported in the statements of fiduciary net position at the fund financial statement level. The governmental activities column incorporates data from governmental funds and internal service funds. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expense are those that are clearly identifiable with a specific function or segment. The County does not allocate indirect expenses to functions in the statement of activities. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as generally revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Fund Financial Statements (continued)

The County reports the following major governmental funds:

General Fund – This fund is the County’s primary operating fund. It accounts for all financial activity that is not accounted for and reported in another fund.

Rural Transportation Fund – This fund is used to account for the revenues and expenditures associated with the cost of running the rural transportation routes throughout the County. Financing is provided by grants.

Law Enforcement Center Project Fund – This fund is used to account for the bond revenue and expenditures associated with the construction of the new law enforcement center. Financing is provided through a supplemental sales tax used to pay debt service payments.

The County administers an internal service fund (reported as a proprietary fund type) to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The County administers the following internal service fund:

Insurance Fund – This fund accounts for employee and County Board medical premiums and liability insurance.

Additionally, the County reports the following fund types:

Fiduciary:

- Agency Funds – These funds account for monies held by the County in a fiduciary capacity.

Measurement Focus and Basis of Accounting

Basis of Accounting

The government-wide, proprietary fund , and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Note 1 Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The County has elected to take exception to this assumption for revenue remitted by the State. Due to the State being late with payments, the County considers those amounts applicable to the current fiscal year to be available as it is vouchered by the State. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the county's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

The appropriated budget is prepared by fund, function, and department. The County's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Appropriations in all budgeted funds lapse at the end of the fiscal year.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The County considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The County considers deposits with financial institutions, including nonnegotiable certificates of deposit, to be nonparticipating contracts reported at cost.

The cash balances of most County funds are pooled and invested. Each fund's share of the investment pool is reflected on its respective balance sheet.

Accounts Receivable

The County's property tax is levied each year on all taxable real property located in the County. The 2018 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2019. The County must file its tax levy by the last Tuesday of December each year. The 2018 levy was approved on November 20, 2018. The 2019 levy was approved on November 19, 2019.

The township assessors are responsible for assessment of all taxable real property within the County. The County Clerk computes the annual tax of each parcel of real property and prepares tax books used by the County Collector as a basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Treasurer, who remits to the units their respective share of the collections. Taxes levied in 2018 became due and payable in two installments, generally in July 2019 and September 2019. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. The County's inventory consists of Health Department expendable immunization vaccines.

Prepaid items represent payments made by the County for which benefits extend beyond November 30, 2019. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$20,000 and an estimated useful life in excess of two years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. As the County constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their acquisition value at the date of donation. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Infrastructure	15 - 30 years
Buildings and improvements	10 - 40 years
Equipment	5 - 20 years

Capital assets not being depreciated include land and construction in progress.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

The County accrues accumulated unpaid sick leave, vacation days, and associated employee-related costs when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Compensated Absences (continued)

The County permits use of sick days if needed and an accumulation of unused days. After an employee accumulates 60 days sick leave, said employee will be paid for one-half of such accumulated days in excess of 60 days. This payment is to be made in December following the close of the fiscal year in which the excess days are accumulated. The balance owed to County employees at November 30, 2019, for one-half of accumulated days in excess of 60 days is shown as a current liability of the funds.

Vacation

As of November 30, 2019, the County has an estimated liability to its employees for accumulated vacation days in the amount of \$260,487.

Sick Leave

As of November 30, 2019, the County has an estimated liability to its employees for 50% of the accumulated sick days in the amount of \$574,900.

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment ("OPEB") Obligations

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB expense, information about the fiduciary net position of the County's OPEB plan and additions to/deductions from this fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the OPEB terms. Investments are reported at fair value.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a fund's principal ongoing operations. The principal operating revenues of internal service funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Interfund Transactions

Transactions from County funds that would be treated as revenues and expenditures if they involve organization external to County government are accounted for as revenues and expenditures in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which revenues are to be expended, are separately reported in the respective funds' operating statements.

Activity between funds that represents lending/borrowing arrangements at the end of the fiscal year is referred to as "due to/from other funds".

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Lee County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Fund Balances (continued)

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the County Board – the County's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the County Board removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the County's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The County Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Subsequent Events

Subsequent events have been evaluated through March 30, 2020, which is the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Lee County, Illinois

Notes to Financial Statements

Note 2 Stewardship, Compliance and Accountability

Excess of expenditures over appropriations

The following individual functional areas incurred expenditures in excess of appropriations:

<u>Fund</u>	<u>Amount</u>
Social Security Fund	\$7,107
County Tourism Promotion Fund	\$41,324
Marriage Fund	\$6,408
Home Confinement Fund	\$412
County Highway Fund	\$108,962
County Health Fund	\$202,188
Law Enforcement Center Project Fund	\$944,894
Victims Impact Panel Fund	\$1,093
Drug Street Fine Fund	\$8,899
VCVA Grant Fund	\$2,123
IL DCEO Grant Fund	\$40,000
Liability Insurance Fund	\$48,554

Deficit Fund Equity

As of November 30, 2019, the Animal Control Fund had a deficit fund balance of \$64,217 and the Law Enforcement Center Project had a deficit fund balance of \$2,262,902.

Note 3 Cash Deposit with Financial Institutions

Primary Government

Custodial credit risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County has a deposit policy for custodial credit risk. As of November 30, 2019, the County's bank balance was \$22,479,860 and the entire balance was insured and collateralized with securities in the County's name.

Component Unit (ETSB)

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. ETSB's investment policy follows the Lee County Treasurer's cash management policy. As of November 30, 2019, ETSB's bank balance was \$1,712,988 and the entire balance was insured and collateralized.

Lee County, Illinois

Notes to Financial Statements

Note 4 Capital Assets

Primary Government

The governmental activities capital asset activity of the County (primary government) for the year ended November 30, 2019 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$1,479,668	\$0	\$0	\$0	\$1,479,668
Construction in progress	5,727,540	410,849		(5,727,540)	410,849
Total capital assets, not being depreciated	7,207,208	410,849	0	(5,727,540)	1,890,517
Capital assets, being depreciated:					
Building and building improvements	18,219,000	11,888,471	(590,623)	5,727,540	35,244,388
Equipment	8,274,215	639,330	(2,953,572)	0	5,959,973
Intangible assets	501,819	0	0	0	501,819
Infrastructure	9,937,040	0	(1,567,015)	0	8,370,025
Total capital assets, being depreciated:	36,932,074	12,527,801	(5,111,210)	5,727,540	50,076,205
Accumulated depreciation:					
Building and building improvements	(10,459,609)	(717,338)	593,626	0	(10,583,321)
Equipment	(7,050,265)	(358,462)	2,953,575	0	(4,455,152)
Intangible assets	(137,329)	(50,182)	0	0	(187,511)
Infrastructure	(5,828,576)	(227,766)	1,567,015	0	(4,489,327)
Total accumulated depreciation	(23,475,779)	(1,353,748)	5,114,216	0	(19,715,311)
Total capital assets, being depreciated, net	13,456,295	11,174,053	(3,006)	5,727,540	30,360,894
Governmental activities capital assets, net	\$20,663,503	\$11,584,902	(\$3,006)	\$0	\$32,251,411

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General government	\$160,629
Public safety	344,132
Highways and streets	362,957
Public health and welfare	10,702
Judiciary and Court Related	475,328
Total depreciation expense, governmental activities	\$1,353,748

Lee County, Illinois

Notes to Financial Statements

Note 4 Capital Assets (continued)

Component Unit (ETSB)

The governmental activities capital asset activity for the year ended November 30, 2019 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	End Balance
Capital assets, not being depreciated					
Construction in progress	\$115,007	\$0	\$0	\$0	\$115,007
Capital assets, being depreciated:					
Building	81,269	0	0	0	81,269
Building improvements	669,357	30,391	0	0	699,748
Equipment and furniture	1,347,427	0	0	0	1,347,427
Total capital assets, being depreciated	2,098,053	30,391	0	0	2,128,444
Less accumulated depreciation for:					
Building	(47,689)	(2,491)	0	0	(50,180)
Building improvements	(374,659)	(17,880)	0	0	(392,539)
Equipment and furniture	(1,100,507)	(39,009)	0	0	(1,139,516)
Total accumulated depreciation	(1,522,855)	(59,380)	0	0	(1,582,235)
Total capital assets, being depreciated, net	575,198	(28,989)	0	0	546,209
Governmental activities capital assets, net	\$690,205	(\$28,989)	\$0	\$0	\$661,216

Depreciation expense was charged to governmental functions as follows:

Emergency telephone system board	\$59,380
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Note 5 Retirement Plans

Lee County Regular Plan (Plan) is comingled with Lee County and Lee County Emergency Telephone System Board.

Illinois Municipal Retirement Fund

Plan Description - The County's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The County's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Illinois Municipal Retirement Fund (continued)

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).

All three IMRF benefit plans have two tiers. 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.

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.

Regular Plan (RP):

Employees Covered by the Benefit Terms - As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	163
Inactive plan members entitled to but not yet receiving benefits	108
Active plan members	116
<hr/>	
Total	387

Contributions - As set by statute, the County's Regular Plan Members are required to contribute 4.5% 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. The County's annual contribution rate for calendar year 2018 was 9.28%. For the fiscal year ended November 30, 2019, the County contributed \$363,124 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Regular Plan (RP) (continued):

Net Pension Liability - The County's Net Pension Liability was measured as of December 31, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study of the period 2014-2016.
- For **Mortality** (for non-disabled retirees), an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed using the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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 as of December 31, 2018:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	1%	2.50%
Total	100%	

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Regular Plan (RP) (continued):

Single Discount Rate - A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A)-(B)
Balances at December 31, 2017	\$33,475,722	\$34,954,490	(\$1,478,768)
Changes for the year:			
Service cost	503,566	0	503,566
Interest on the total pension liability	2,465,722	0	2,465,722
Differences between expected and actual experience of the total pension liability	(17,170)	0	(17,170)
Changes of assumptions	990,459	0	990,459
Contributions – employer	0	548,113	(548,113)
Contributions – employees	0	261,881	(261,881)
Net investment income	0	(1,926,637)	1,926,637
Benefit payments, including refunds of employee contributions	(1,702,416)	(1,702,416)	0
Other (net transfer)	0	429,158	(429,158)
Net changes	2,240,161	(2,389,901)	4,630,062
Balances at December 31, 2018	\$35,715,883	\$32,564,589	\$3,151,294

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Regular Personnel (RP) (continued):

Net pension liability (asset) was allocated based on the percentage of the fiscal year 2019 contributions.

	County	ETSB	Total
Balance December 31, 2017	(\$1,454,845)	(\$23,923)	(\$1,478,768)
Net changes	4,554,651	75,411	4,630,062
Balances as of December 31, 2018	\$3,099,806	\$51,488	\$3,151,294

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	\$7,643,273	\$3,151,294	(\$545,166)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended November 30, 2019, the County recognized pension expense of \$408,584. At November 30, 2019, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$112,522	\$11,540
Changes of assumptions	665,676	390,618
Net difference between projected and actual earnings on pension plan investments	2,221,325	0
Total deferred amounts to be recognized in pension expense in future periods	2,999,523	402,158
Pension contributions made subsequent to the measurement date	318,933	0
Total deferred amounts related to pensions	\$3,318,456	\$402,158

The County reported \$318,933 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2020.

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Regular Personnel (RP) (continued):

Deferred outflows and inflows were allocated based on the percentage of the fiscal year 2019 contributions.

	County	ETSB	Total
Deferred outflows	(\$2,950,514)	(\$49,009)	(\$2,999,523)
Subsequent contributions	(313,788)	(5,145)	(318,933)
Deferred inflows	395,587	6,571	402,158
Net deferred (outflows)/inflows	(\$2,868,716)	(\$47,583)	(\$2,916,298)

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:

Year Ending November 30:	Net Deferred Outflows of Resources
2020	\$825,039
2021	578,396
2022	287,759
2023	906,171
2024	0
Thereafter	0
Total	\$2,597,365

Sheriff's Law Enforcement (SLEP):

Employees Covered by the Benefit Terms - As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	23
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	33
Total	60

Contributions - As set by statute, the County's Sheriff's Law Enforcement Plan Members are required to contribute 7.5% 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. The County's annual contribution rate for calendar year 2018 was 18.10%. For the fiscal year ended November 30, 2019, the County contributed \$432,148 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The County's Net Pension Liability was measured as of December 31, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP):

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study of the period 2014-2016.
- For **Mortality** (for non-disabled retirees), an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed using the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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 as of December 31, 2018:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	1%	2.50%
Total	100%	

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP):

Single Discount Rate - A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2017	\$19,373,592	\$18,321,228	\$1,052,364
Changes for the year:			
Service cost	402,121	0	402,121
Interest on the total pension liability	1,437,328	0	1,437,328
Differences between expected and actual experience of the total pension liability	(1,528)	0	(1,528)
Changes of assumptions	632,770	0	632,770
Contributions – employer	0	411,472	(411,472)
Contributions – employees	0	160,041	(160,041)
Net investment income	0	(1,199,746)	1,199,746
Benefit payments, including refunds of employee contributions	(820,565)	(820,565)	0
Other (net transfer)	0	235,487	(235,487)
Net changes	1,650,126	(1,213,311)	2,863,347
Balances at December 31, 2018	\$21,023,718	\$17,107,917	\$3,915,801

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	\$6,827,375	\$3,915,801	\$1,560,759

Lee County, Illinois

Notes to Financial Statements

Note 5 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP):

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended November 30, 2019, the County recognized pension expense of \$814,877. At November 30, 2019, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$571,758	\$50,422
Changes of assumptions	600,677	76,485
Net difference between projected and actual earnings on pension plan investments	1,287,465	0
Total deferred amounts to be recognized in pension expense in future periods	\$2,459,900	\$126,907
Pension contributions made subsequent to the measurement date	378,963	0
Total deferred amounts related to pensions	\$2,838,863	\$126,907

The County reported \$378,963 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2020.

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:

Year Ending November 30:	Net Deferred Outflows of Resources
2020	\$660,787
2021	444,122
2022	364,241
2023	710,965
2024	152,878
Thereafter	0
Total	\$2,332,993

Lee County, Illinois

Notes to Financial Statements

Note 6 Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan was approved to comply with IRC Section 457(g) which allows for the plan to hold its assets in trust. Under these requirements, the assets of the plan are not subject to the general creditors of the County, the County does not own the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

Note 7 Other Post-Employment Benefits

Plan Description

In addition to providing the pension benefits described in Note 5, the County provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan (Retiree Healthcare Program). The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the County's governmental activities.

Benefits Provided

The County provides continued health insurance coverage at a reduced rate to all eligible retirees, which creates a subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under one of the County's retirement plans. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree cannot participate in the plan.

Employees Covered by the Benefit Terms

At November 30, 2018 (most recent actuarial census data), the County had the following employees were covered by the benefits provided:

Retirees and beneficiaries currently receiving benefits	4
Terminated employees entitled to benefits but not yet receiving them	0
Active employees	146
<hr/>	
Total	150

Total OPEB Liability

At November 30, 2019, the County reported a net OPEB liability of \$759,047; the County's net OPEB liability was measured as of December 1, 2017 (most recent actuarial valuation date) and was determined by an actuarial valuation as of that date.

Lee County, Illinois

Notes to Financial Statements

Note 7 Other Post-Employment Benefits (continued)

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial cost method	Entry age normal
Discount rate used for total OPEB liability	
Beginning of year	4.22%
End of year	2.77%
Long-term expected rate of return on plan assets	N/A
High quality 20-year tax-exempt G.O. bond rate	
Beginning of year	4.22%
End of year	2.77%
Total payroll increases	2.50%
Claims and premiums	See accompanying table
Healthcare cost trend rates	See accompanying table
Retiree contribution rates	Same as healthcare cost trend rate

Claims

Age	PPO			
	Retiree		Spouse	
	Male	Female	Male	Female
50	\$8,133	\$9,731	\$13,998	\$14,151
55	10,324	11,095	13,977	13,437
60	12,920	13,351	14,827	14,180
64	15,289	15,975	16,031	16,358
65	5,780	6,040	6,061	6,185
70	6,910	7,220	7,246	7,393
75	7,503	7,839	7,743	8,027
80	8,043	8,404	8,283	8,605
85	8,411	8,789	8,652	8,999
90+	8,581	8,966	8,821	9,181

Lee County, Illinois

Notes to Financial Statements

Note 7 Other Post-Employment Benefits (continued)

Blended Premium Rates

	Annual Blended Premiums			
	Under Age 65		Age 65 & Over	
	Retiree	Spouse	Retiree	Spouse
PPO	\$8,933	\$9,245	N/A	N/A

Healthcare Cost Trend Rates

Period (fiscal year)	Medical	
	Under 65	65 & Over
FY 19 to FY 20	6.50%	N/A
FY 20 to FY 21	6.00%	N/A
FY 21 to FY 22	6.00%	N/A
FY 22 to FY 23	5.50%	N/A
FY 23 to FY 24	5.50%	N/A
FY 24 to FY 25	5.00%	N/A
Ultimate	5.00%	N/A

Assumptions (Demographic)

Election at retirement	Coverage election at retirement is assumed at the following rate
IMRF	50%
IMRF – currently waiting	17%

If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan at 1/3 the rate of active employees currently with coverage.

Spousal election Of those employees assumed to elect coverage in retirement, 50% are assumed to elect spousal coverage. Female spouses are assumed to be 3 years younger than male spouses.

Plan participation rate Of the employees that will elect coverage at retirement, as noted above, it is assumed they will elect coverage in the available medical plans at following rate: PPO 100%

Retiree lapse rates Retirees receiving medical coverage are expected to lapse all coverage at age 65 at the following rates: IMRF N/A

Termination rates IMRF 2017 for IMRF employees

Disability rates IMRF 2017 for IMRF employees

Mortality rates Active IMRF mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These rates are improved generationally using MP-2017. Improvement rates and weighted based on the IMRF December 31, 2017 actuarial valuation

Retiree and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study, with Blue Collar Adjustment. These rates are improved generationally using MP-2017 improvement rates.

Lee County, Illinois

Notes to Financial Statements

Note 7 Other Post-Employment Benefits (continued)

Changes to Net OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A)-(B)
Balances at November 30, 2018	\$644,225	\$0	\$644,225
Changes for the year:			
Service cost	31,357	0	31,357
Interest on the total OPEB liability	26,701	0	26,701
Actuarial changes			
Assumption changes	79,780	0	79,780
Contributions – employer	0	23,016	(23,016)
Benefit payments	(23,016)	(23,016)	0
Net changes	114,822	0	114,822
Balances at November 30, 2019	\$759,047	\$0	\$759,047

Sensitivity of the Net OPEB Liability to Changes in Discount Rate

The following presents the total OPEB liability of the County, calculated using a discount rate of 2.77%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher:

	1% Decrease (1.77%)	Current Discount (2.77%)	1% Increase (3.77%)
Net OPEB liability	\$835,624	\$759,047	\$689,140

Sensitivity of the Net OPEB Liability to Changes in the Health Care Trend Rate

Below is a table illustrating the sensitivity of the Net OPEB Liability of the Healthcare Cost Trend Rates assumption:

	1% Decrease (Varies)	Healthcare Cost Current Trend Rates (Varies)	1% Increase (Varies)
Net OPEB liability	\$668,225	\$759,047	\$866,102

Lee County, Illinois

Notes to Financial Statements

Note 7 Other Post-Employment Benefits (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows or Resources Related to OPEB

For the year ended November 30, 2019, the County recognized OPEB expense (income) of \$61,844. At November 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Changes in assumptions	\$73,272	\$27,921
Total deferred amounts to be recognized in OPEB expense in future periods	0	0
Total deferred amounts related to OPEB	\$73,272	\$27,921

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

<u>Year Ending November 30:</u>	<u>Net Deferred Outflows of Resources</u>
2020	\$3,786
2021	3,786
2022	3,786
2023	3,786
2024	3,786
Thereafter	26,421
Total	\$45,351

Note 8 Construction and Other Significant Commitments

Construction commitments. In August 2019, the County entered into an agreement with Sjostrom & Sons, Inc. for the construction of the new public transportation maintenance garage. Total amount of the contract is \$1,020,000, of which \$410,849 had been spent as of November 30, 2019. The remaining portion of the contract will be completed in fiscal year 2020.

Note 9 Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has purchased commercial insurance for generally liability, worker's compensation, property insurance and other risks accounted for in the Liability Insurance Fund. There have been no significant reductions in coverage from the prior year. Settlements have not exceeded coverage in the past three years.

Lee County, Illinois

Notes to Financial Statements

Note 10 Long-Term Debt

2017 Debt Certificates

On October 18, 2017, Lee County issued \$9,645,000 of Series 2017 Debt Certificates at an interest rate of ranging from 2-4% based on the bond agreement/amortization schedule. The Debt Certificates are being used to fund the construction costs related to the new Law Enforcement Center project.

2019 Debt Certificates

On April 4, 2019, Lee County issued \$4,000,000 of Series 2019 Debt Certificates at an interest rate of 3.25% based on the bond agreement/amortization schedule. The Debt Certificates are being used to fund the construction costs related to the new Law Enforcement Center project.

Capital Leases

The County obtained a capital lease for five Ford Taurus' dated May 5, 2017. The lease is payable in annual installments of \$39,806 with the final payment on May 2019.

The County obtained a capital lease for three Ford Interceptors dated June 22, 2018. The lease is payable in annual installments of \$24,231 with the final payment due in June 2020.

The County obtained a capital lease for three Dodge Chargers dated October 23, 2019. The lease is payable in annual installments of \$28,873 with the final payment due in November 2021.

The net book value of assets under capital lease is \$240,685. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended November 30,	Capital Lease Payable		Bonds Payable	
	Principal	Interest	Principal	Interest
2020	\$50,568	\$2,536	\$566,154	\$451,444
2021	28,128	745	581,154	430,381
2022	0	0	596,154	408,718
2023	0	0	611,154	386,456
2024	0	0	626,154	363,594
2025-2029	0	0	5,279,230	1,421,943
2030-2034	0	0	2,790,000	605,375
2035-2037	0	0	1,900,000	133,812
Totals	\$78,696	\$3,281	\$12,950,000	\$4,201,723

Lee County, Illinois

Notes to Financial Statements

Note 10 Long-Term Debt (continued)

Long term liability activity for the year ended November 30, 2019, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Capital lease payable	\$84,027	\$84,032	(\$89,363)	\$78,696	\$50,568
Bonds payable	9,295,000	4,000,000	(345,000)	12,950,000	566,154
Plus: premiums	316,378	0	(29,681)	286,697	28,703
Compensated absences	782,155	692,607	(639,375)	835,387	61,918
Other post-employment benefits	644,225	114,822	0	759,047	0
Totals	\$11,121,785	\$4,891,461	(\$1,103,419)	\$14,909,827	\$707,343

The County is subject to a debt limitation of 5.75% of its assessed valuation of \$769,837,973. As of November 30, 2019, the County had \$31,028,986 of remaining legal debt margin.

Note 11 Net Position

Net position reported on the government wide statement of net position at November 30, 2019:

Primary Government:

Governmental Activities:

Net investment in capital assets:

Land and other nondepreciable assets	\$1,890,517
Other capital assets, net of accumulated depreciation	30,360,894
Less: related long-term debt outstanding	(13,028,696)

Total net investment in capital assets	19,222,715
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Restricted:

State statutes and enabling legislation	9,435,681
Externally imposed by grantors	848,111

Total restricted	10,283,792
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Unrestricted	3,918,981
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Total governmental activities net position	\$33,425,488
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Lee County, Illinois

Notes to Financial Statements

Note 11 Net Position (continued)

Component Unit (ETSB)

Governmental Activities:

Net investment in capital assets	
Land and other nondepreciable capital assets	\$115,007
Other capital assets, net of accumulated depreciation	546,209
Less: related long-term debt outstanding	(0)
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Net investment in capital assets	661,216
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Unrestricted	1,829,578
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Total governmental activities net position	\$2,490,794
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Note 12 Fund Balance

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the how these balances are reported.

Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The County has nonspendable balances at year end that are listed below.

Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Examples of these restrictions could be those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The County has restricted balances at year end that are listed below.

Committed Fund Balance

The County commits fund balance by making motions or passing resolution to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contract requirements. The County has no committed balance at year end.

Lee County, Illinois

Notes to Financial Statements

Note 12 Fund Balance (continued)

Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board to assign amounts to be used for specific purposes. The County has assigned balances at year end that are listed below.

Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund and for funds with negative fund balances.

Primary Government:

Nonspendable Fund Balance

Nonmajor Funds:	
County Health – inventory	\$27,415
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Total nonspendable fund balance	\$27,415

Restricted Fund Balance

Major Funds:

State statutes and enabling legislation:	
General – solid waste management	\$1,886,935
Externally imposed by grantors:	
Rural Transportation	797,755

Non-Major Funds:

State statutes and enabling legislation:	
Special Recording Automation	72,522
Vital Records Automation	9,599
County Collector Automation	20,804
County Tourism Promotion	9,555
Indemnity	223,040
G.I.S. Recording Fees	133,768
Child Support Enforcement Program	49,470
Probation Services	242,294
Court Document Storage	212,838
Circuit Clerk Automation Fee	97,074
Circuit Clerk Operations	125,794
Law Library	4,413
Drug Forfeiture	13,881
Home Confinement	19,032
JJC Council	12,861
JJC Youth Diversion	20,592
Title IV E	8,274
Drug Street Fine	18,573

Lee County, Illinois

Notes to Financial Statements

Note 12 Fund Balance (continued)

Marriage	1,584
Drug Court	39,666
Domestic Violence	23,430
State's Attorney Collection	2,650
State's Attorney Records Automation	9,503
Social Services for Senior Citizens	1,274
Tuberculosis Sanatorium	66,864
Victim Impact Panel	9,533
Veterans Assistance	184,733
Lee County Cooperative Extension Service	2,852
Arrestee's Medical Costs	11,283
Mental Health	28,969
Pet Population	50,761
County Special Bridge	506,924
Federal Aid Secondary Matching	1,717,921
County Motor Fuel Tax	604,480
Police Vehicle	11,301
Coroner	23,408
County Highway	840,495
County Health	937,052
IMRF	407,393
Social Security	713,044
Sheriff Tow	31,827
Externally imposed by grantors -	
Grant	0
OVW Grant	37,161
VCT Grant	8,312
VCVA Grant	4,883
IL DCEO Grants	0
<hr/>	
Total restricted fund balance	\$10,256,377
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Assigned Fund Balance	
Major Funds:	
General – Capital Projects Account	\$4,992,872
General – Capital Improvement Replacement Account	82,182
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Total assigned fund balance	\$5,075,054
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Unassigned Fund Balance	
Major Funds:	
General Fund	\$4,049,696
Law Enforcement Center Project	(2,262,902)
Nonmajor Funds:	
Animal Control	(64,217)
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Total unassigned fund balance	\$1,722,567
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Lee County, Illinois

Notes to Financial Statements

Note 13 Interfund Receivables/Payables

Below are the interfund balances as of November 30, 2019. Interfund receivables/payables were made to simplify cash flows within the County.

Fund	Interfund Receivable	Interfund Payable
Major Funds:		
General Fund:		
General Fund	\$852,117	\$0
Solid Waste Management Fund	750,000	0
Capital Projects Fund	1,150,464	0
Law Enforcement Center Project Fund	0	2,600,000
Nonmajor Funds:		
Animal Control Fund	0	150,464
VCVA Grant Fund	0	2,117
	\$2,752,581	\$2,752,581

The County has three outstanding interfund loan balances as of November 30, 2019. The first interfund loan is payable from the VCVA Fund to the General Fund to cover negative cash balances in pooled cash accounts.

In March 2015, the County Board approved the interfund loan payable from the Animal Control Fund to the Capital Projects Fund at an amount of \$17,000 annually for the purchase of the Animal Control Building until the balance is repaid.

In March 2019, the County Board approved the interfund loan payable from the Law Enforcement Center Fund to the General Fund, Solid Waste Management Fund, and Capital Projects Fund for additional funding for the construction of the new jail. These interfund balances will be repaid over the next fifteen year when funds are available.

Note 14 Interfund Transfers

Below are the interfund transfers as of November 30, 2019:

Fund	Transfer In	Transfer Out
Major Funds:		
General Fund:		
General Fund	\$255,242	\$50,000
Capital Improvement Replacement Account Fund	50,000	0
Solid Waste Management Fund	0	34,362
Rural Transportation Fund	0	1,496
Nonmajor Funds:		
County Highway Fund	34,362	0
Pet Population Fund	0	4,000
Internal Service Funds:		
Employee Group Insurance Fund	0	249,746
	\$339,604	\$339,604

Lee County, Illinois

Notes to Financial Statements

Note 14 Interfund Transfers (continued)

The purposes of the significant transfers to/from other funds are as follows:

- a. \$249,746 was transferred from the Employee Group Insurance Fund to the General Fund to close out the remaining fund balance of the Employee Group Insurance Fund.
- b. \$34,362 was transferred from the Solid Waste Management Fund to the County Highway Fund based upon annual budgeted amounts.

Note 15 Contingencies

From time to time, the County is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the County's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

Note 16 Solid Waste Management Host Fees

The County entered into an agreement with Allied Waste Industries on June 1, 1994 to allow disposing of waste in the landfill in exchange for host fee payments. The Agreement provides that Allied Waste Industries is to pay Lee County a quarterly fee for the amount of waste dumped into the landfill. The contract states that the term of the contract is until the later of June 1, 2014 or the landfill permanently ceases to accept waste for disposal. The County is involved in a declaratory judgment action with Allied Waste seeking a court opinion on the rights and responsibilities of the contract. In the Second Amendment and the Third Amendment to the Agreement executed on November 18, 2008 and March 20, 2012, there is a clause that states that Allied Waste will have capacity to dispose of the County's waste until October 15, 2022. In the current year, the County collected, on a cash basis, \$219,798 in host fees, but this amount does not include payment from the previous year tonnage.

Note 17 Wind Farm Road Use Agreements

In December 2017, the County entered into a road use agreement with Mendota Hills, LLC for the costs associated with maintaining roads after the construction and decommissioning of wind turbines. The agreement outlines that Mendota Hills, LLC shall bear financial responsibility for necessary improvements and repairs to the local roads as a result of decommissioning work or new project construction, including reasonable costs incurred for engineering estimates and inspections. As of November 30, 2019, the County held in escrow \$1,787,786 to be used towards this purpose.

In December 2019, the County repaid \$1,093,450 of the amount held in escrow to Mendota Hills, LLC. The amount to be repaid was based on a contract dated November 11, 2019. The amount repaid in December 2019 is recorded as a payable in the County's agency funds as of November 30, 2019.

Lee County, Illinois

Notes to Financial Statements

Note 18 Impact of Pending Account Principles

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The County has not determined the effect of this Statement.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The County has not determined the effect of this Statement.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which supersedes GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement (1) enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) simplifies accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The County has not determined the effect of this Statement.

GASB Statement No. 90, *Majority Equity Interests*, an amendment of GASB Statements No. 14 and No. 61. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The County has not determined the effect of this Statement.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The County has not determined the effect of this Statement.

Required Supplementary Information

Lee County, Illinois

General Fund

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Revenues:				
Taxes:				
General property taxes	\$3,416,812	\$3,416,812	\$3,341,191	(\$75,621)
Sales tax	400,000	400,000	369,727	(30,273)
Supplemental county retail taxes	700,000	700,000	786,811	86,811
Increased use tax	269,500	269,500	429,565	160,065
	4,786,312	4,786,312	4,927,294	140,982
Intergovernmental revenues:				
State income tax	1,375,000	1,375,000	1,403,555	28,555
Personal property replacement tax	370,000	370,000	448,001	78,001
ESDA grant revenue	0	0	26,902	26,902
FEMA	24,237	24,237	25,322	1,085
Gaming and pull tabs	40,000	40,000	47,356	7,356
Rural transportation reimbursement	17,037	17,037	9,359	(7,678)
Aid to dependent children	900	900	895	(5)
County employee salaries	466,977	466,977	456,213	(10,764)
Elections	10,000	10,000	18,922	8,922
VCT Grant	150,000	0	0	0
VCVA Grant	28,000	0	0	0
OVW Project Grant	150,000	0	0	0
	2,632,151	2,304,151	2,436,525	132,374
Licenses and permits:				
Liquor licenses	17,500	17,500	19,270	1,770
Zoning fees	250,000	250,000	169,177	(80,823)
Interstate transfer fee	0	0	250	250
Raffle permit	175	175	325	150
Rabies tags	69,308	69,308	69,609	301
	336,983	336,983	258,631	(78,352)
Revenue from services:				
County clerk	509,535	509,535	543,186	33,651
Public defender	3,000	3,000	1,679	(1,321)
Chief county assessment officer	500	500	283	(217)
Clerk of the circuit court	600,000	600,000	454,531	(145,469)
Animal impoundment fees	6,192	6,192	3,957	(2,235)
State's attorney fees	15,000	15,000	14,678	(322)
County sheriff	62,000	62,000	42,208	(19,792)
ETSB reimbursement	0	0	0	0
ETSB overtime credit	3,000	3,000	0	(3,000)
Court system fees	23,040	23,040	43,550	20,510
Bailiff - court security	65,610	65,610	80,392	14,782

See Notes to Required Supplementary Information.

Lee County, Illinois

General Fund

(Continued)

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Revenues (continued)				
Revenue from services (continued):				
County traffic fee	80,000	80,000	119,707	39,707
County's share of drug fines	1,000	1,000	3,272	2,272
City of Amboy dispatch	15,231	15,231	0	(15,231)
Deferred prosecution program	0	0	0	0
Wellness program revenue	30,000	30,000	1,155	(28,845)
Bookkeeping reimbursement - LOTS	15,633	15,633	0	(15,633)
Township assessment reimbursement	33,000	61,000	61,090	90
Sauk Valley resource officer	109,764	109,764	67,500	(42,264)
City of Dixon dispatch	188,459	188,459	173,970	(14,489)
Dispatch fees - 911 center	106,573	106,573	125,756	19,183
State's attorney second chance	5,000	5,000	1,628	(3,372)
Village of Paw Paw police protection	62,640	62,640	67,860	5,220
	1,935,177	1,963,177	1,806,402	(156,775)
Revenue from use of money and property:				
Interest on investments	5,000	5,000	66,314	61,314
Royalty income	2,500	2,500	1,036	(1,464)
Rent - health department	0	0	0	0
Rent - JTPA	13,700	13,700	8,599	(5,101)
Rent - law enforcement center	0	0	0	0
Rent - courthouse room	0	0	0	0
	21,200	21,200	75,949	54,749
All other sources:				
Tourism admin fee	2,000	2,000	2,420	420
Toxicology	500	500	0	(500)
Laredo/tapestry	41,000	41,000	46,098	5,098
Workers compensation refund	0	0	0	0
Work release fees	0	0	0	0
Penalties and costs on delinquent taxes	120,000	120,000	222,574	102,574
Senior deferral payment	16,000	16,000	18,885	2,885
Rural transportation insurance reimbursement	10,000	10,000	1,112	(8,888)
Supplemental health insurance fees	3,000	3,000	963	(2,037)
Employee contribution	0	0	2,762	2,762
Retiree contribution	0	0	41,308	41,308
Miscellaneous	15,000	15,000	40,109	25,109
	207,500	207,500	376,231	168,731
Total revenues	9,919,323	9,619,323	9,881,032	261,709

See Notes to Required Supplementary Information.

Lee County, Illinois

General Fund

(Continued)

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Expenditures:				
General control and administration:				
County clerk's office	841,249	841,249	810,064	31,185
County treasurer's office	263,090	258,090	235,899	22,191
Courthouse	748,768	748,768	674,525	74,243
County board	297,495	297,495	263,166	34,329
Insurance and bonds	0	0	0	0
Accounting and auditing	40,500	40,500	41,460	(960)
Computer service	230,369	230,369	232,048	(1,679)
Superviso of assessments/property records	349,884	382,884	381,730	1,154
	2,771,355	2,799,355	2,638,892	160,463
County development:				
Zoning office	77,640	77,640	77,419	221
Regional planning commission	5,796	5,796	750	5,046
	83,436	83,436	78,169	5,267
Public safety:				
County sheriff's office	4,215,270	4,226,937	4,263,599	(36,662)
County coroner	137,275	137,275	145,971	(8,696)
Animal control	96,154	96,154	87,948	8,206
ESDA	67,313	67,313	103,788	(36,475)
	4,516,012	4,527,679	4,601,306	(73,627)
Judiciary and court related:				
Circuit clerk's office	486,470	486,470	444,417	42,053
States attorney	1,099,658	761,658	689,222	72,436
Public defender	234,011	234,011	230,839	3,172
Presiding judge (Jacobson)	192,909	192,909	197,124	(4,215)
Associate judge (Beckman)	40,391	40,391	44,503	(4,112)
Associate judge (Ackert)	4,700	4,700	4,930	(230)
Probation office	523,673	523,673	541,490	(17,817)
Circuit judge	73,110	73,110	72,879	231
	2,654,922	2,316,922	2,225,404	91,518

See Notes to Required Supplementary Information.

Lee County, Illinois

General Fund

(Continued)

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
All other:				
Superintendent of education service region	68,900	68,900	70,203	(1,303)
Miscellaneous	318,408	318,408	394,894	(76,486)
IMRF reimbursement	0	0	0	0
Sick pay	120,000	120,000	106,366	13,634
Contingencies	190,000	165,000	0	165,000
	697,308	672,308	571,463	100,845
Total expenditures	10,723,033	10,399,700	10,115,234	284,466
Excess (deficiency) of revenues over (under) expenditures	(803,710)	(780,377)	(234,202)	546,175
Other financing sources (uses):				
Transfers in	1,028,239	1,028,239	255,242	(772,997)
Transfers out	(50,000)	(50,000)	(50,000)	0
Total other financing sources (uses)	978,239	978,239	205,242	(772,997)
Net change in fund balance	<u>\$174,529</u>	<u>\$197,862</u>	(28,960)	<u>(\$226,822)</u>
Adjustment from budgetary basis to generally accepted accounting principles basis			281,747	
Fund balances, beginning of year			<u>3,796,899</u>	
Fund balances, end of year			<u>\$4,049,686</u>	
GAAP fund balance for General Fund:				
General Account			\$4,049,686	
Solid Waste Management Account			1,886,935	
Capital Projects Account			4,992,872	
Capital Improvement Replacement Account			82,182	
GAAP fund balance for General Fund			<u>\$11,011,675</u>	

See Notes to Required Supplementary Information.

Lee County, Illinois

Rural Transportation Fund

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Revenues:				
Intergovernmental revenues - Grants	\$7,370,856	\$7,370,856	\$3,305,880	(\$4,064,976)
Revenues from services - Fares, fees, contracts, and other	72,000	72,000	43,173	(28,827)
Revenue from use of money - Interest	2,100	2,100	9,451	7,351
Other - Miscellaneous	221,900	221,900	240,547	18,647
Total revenues	7,666,856	7,666,856	3,599,051	(4,067,805)
Expenditures:				
General control and administration:				
Salaries	149,460	149,460	205,731	(56,271)
Contractual expenditures	1,370,646	1,370,646	1,375,137	(4,491)
Miscellaneous	4,889,382	4,889,382	1,868,738	3,020,644
Total expenditures	6,409,488	6,409,488	3,449,606	2,959,882
Excess (deficiency) of revenues over (under) expenditures	1,257,368	1,257,368	149,445	(1,107,923)
Other financing sources and (uses):				
Transfers out	(15,633)	(15,633)	(1,496)	(17,129)
Net change in fund balance	<u>\$1,241,735</u>	<u>\$1,241,735</u>	147,949	<u>(\$1,093,786)</u>
Adjustment from budgetary basis to generally accepted accounting principles basis			34,304	
Fund balances, beginning of year			<u>615,502</u>	
Fund balances, end of year			<u>\$797,755</u>	

See Notes to Required Supplementary Information.

Lee County, Illinois
Schedules of Required Supplementary Information
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
IMRF Regular Plan
Last 10 Calendar Years
(schedule to be built prospectively from 2014)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$503,566	\$521,125	\$557,712	\$571,066	\$582,656					
Interest on the total pension liability	2,465,722	2,424,584	2,328,330	2,252,055	2,062,792					
Benefit changes	0	0	0	0	0					
Difference between expected and actual experience	(17,170)	294,084	(76,377)	(467,479)	84,600					
Assumption changes	990,459	(1,020,900)	(38,974)	38,512	1,037,038					
Benefit payments and refunds	(1,702,416)	(1,620,786)	(1,400,143)	(1,257,908)	(1,217,652)					
Net change in total pension liability	2,240,161	598,107	1,370,548	1,136,246	2,549,434					
Total pension liability - beginning	33,475,722	32,877,615	31,507,067	30,370,821	27,821,387					
Total pension liability - ending (a)	\$35,715,883	\$33,475,722	\$32,877,615	\$31,507,067	\$30,370,821					
Plan fiduciary net position:										
Employer contributions	\$548,113	\$617,708	\$588,998	\$537,286	\$530,595					
Employee contributions	261,881	235,055	242,371	248,138	243,828					
Pension plan net investment income	(1,926,637)	5,434,988	1,980,049	150,830	1,751,684					
Benefit payments and refunds	(1,702,416)	(1,620,786)	(1,400,143)	(1,257,908)	(1,217,652)					
Other	429,158	(560,521)	30,232	(674,068)	156,065					
Net change in plan fiduciary net position	(2,389,901)	4,106,444	1,441,507	(995,722)	1,464,520					
Plan fiduciary net position - beginning	34,954,490	30,848,046	29,406,539	30,402,261	28,937,741					
Plan fiduciary net position - ending (b)	\$32,564,589	\$34,954,490	\$30,848,046	\$29,406,539	\$30,402,261					
Net pension liability(asset) - Ending (a) - (b)	\$3,151,294	(\$1,478,768)	\$2,029,569	\$2,100,528	(\$31,440)					
Plan fiduciary net position as a percentage of total pension liability	91.18%	104.42%	93.83%	93.33%	100.10%					
Covered valuation payroll	\$5,313,314	\$5,205,608	\$5,156,021	\$5,246,390	\$5,144,761					
Net pension liability as a percentage of covered valuation payroll	59.31%	-28.41%	39.36%	40.04%	-0.61%					

Lee County is commingled with the Lee County Regular Plan (Plan).
Multiyear Schedules of Changes in Net Position and Related Ratios is presented for the Plan.

Lee County, Illinois
Schedules of Required Supplementary Information
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
IMRF SLEP Plan
Last 10 Calendar Years
(schedule to be built prospectively from 2014)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$402,121	\$384,634	\$389,086	\$397,090	\$401,921					
Interest on the total pension liability	1,437,328	1,322,275	1,249,383	1,187,373	1,077,999					
Benefit changes	0	0	0	0	0					
Difference between expected and actual experience	(1,528)	675,141	23,901	(125,340)	333,763					
Assumption changes	632,770	(74,911)	(45,858)	44,200	217,716					
Benefit payments and refunds	(820,565)	(743,128)	(630,729)	(625,238)	(516,093)					
Net change in total pension liability	1,650,126	1,564,011	985,783	878,085	1,515,306					
Total pension liability - beginning	19,373,592	17,809,581	16,823,798	15,945,713	14,430,407					
Total pension liability - ending (a)	\$21,023,718	\$19,373,592	\$17,809,581	\$16,823,798	\$15,945,713					
Plan fiduciary net position:										
Employer contributions	\$411,472	\$426,155	\$418,080	\$384,797	\$428,412					
Employee contributions	160,041	160,773	189,015	167,367	150,732					
Pension plan net investment income	(1,199,746)	2,857,666	987,431	71,918	828,882					
Benefit payments and refunds	(820,565)	(743,128)	(630,729)	(625,238)	(516,093)					
Other	235,487	(138,376)	523,199	(147,827)	(28,515)					
Net change in plan fiduciary net position	(1,213,311)	2,563,090	1,486,996	(148,983)	863,418					
Plan fiduciary net position - beginning	18,321,228	15,758,138	14,271,142	14,420,125	13,556,707					
Plan fiduciary net position - ending (b)	\$17,107,917	\$18,321,228	\$15,758,138	\$14,271,142	\$14,420,125					
Net pension liability(asset) - Ending (a) - (b)	\$3,915,801	\$1,052,364	\$2,051,443	\$2,552,656	\$1,525,588					
Plan fiduciary net position as a percentage of total pension liability	81.37%	94.57%	88.48%	84.83%	90.43%					
Covered valuation payroll	\$2,133,881	\$2,084,358	\$2,036,433	\$1,957,477	\$1,962,882					
Net pension liability as a percentage of covered valuation payroll	183.51%	50.49%	100.74%	130.41%	77.72%					

Lee County, Illinois

Required Supplementary Information Multiyear Schedule of Contributions

Multiyear Schedule of Contributions (IMRF – RP) Last 10 Fiscal Years

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2019	\$364,591	\$363,124	\$1,467	\$5,440,341	6.67%
2018	492,743	492,743	0	5,344,015	9.22%
2017	483,203	483,203	0	5,242,224	9.22%
2016	493,399	493,399	0	5,142,021	9.60%
2015	520,380	520,380	0	5,240,889	9.93%

* Estimated based on 6.47% 2019 calendar year contribution rate, 9.28% 2018 calendar year contribution rate, and covered valuation payroll of \$5,440,341.

*The County implemented GASB Statement No. 68 in November 30, 2015. Lee County is commingled with the Lee County Regular Plan (Plan). Multiyear Schedule of Contribution is presented for the Plan.

Multiyear Schedule of Contributions (IMRF – SLEP) Last 10 Fiscal Years

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2019	\$432,148	\$432,148	\$0	\$2,309,600	18.71%
2018	389,764	389,764	0	2,124,192	18.35%
2017	416,043	416,043	0	2,076,983	20.03%
2016	419,753	419,753	0	2,056,983	20.41%
2015	383,675	383,675	0	1,954,703	19.63%

* Estimated based on 18.80% 2019 calendar year contribution rate, 18.10% 2018 calendar year contribution rate, and covered valuation payroll of \$2,309,600.

The County implemented GASB Statement No. 68 in 11/30/15

Lee County, Illinois
Schedules of Required Supplementary Information
Multiyear Schedule of Changes in Net OPEB Liabilities and Related Ratios
Last 10 Fiscal Years
(schedule to be built prospectively from 2018)

Fiscal year ending November 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB liability:										
Service cost	\$31,357	\$33,179								
Interest on the total OPEB liability	26,701	22,784								
Changes of benefit terms	0	0								
Difference between expected and actual experience	0	0								
Changes of assumption or other inputs	79,780	(33,365)								
Benefits payamemts	(23,016)	(26,035)								
Net change in total OPEB liability	114,822	(3,437)								
Total OPEB liability - beginning	644,225	647,662								
Total OPEB liability ending (a)	\$759,047	\$644,225								
Plan fiduciary net position:										
Contributions - employer	23,016	26,035								
Contributions - employees	0	0								
Net investment income	0	0								
Benefit payments	(23,016)	(26,035)								
Administrative expenses	0	0								
Net change in plan fiduciary net position	0	0								
Plan fiduciary net position - beginning	0	0								
Plan fiduciary net position - ending (b)	\$0	\$0								
Net OPEB liability - ending (a) - (b)	759,047	\$644,225								
Covered-employee payroll	7,749,941	7,468,206								
Total OPEB liability as a percentabe of covered-employee payroll	9.79%	8.63%								

Covered-employee payroll is based on total covered payroll for the postretirement plan members during the fiscal year.

See Notes to Required Supplementary Information

Lee County, Illinois
Schedules of Required Supplementary Information
Multiyear Schedule of OPEB Contributions
Last 10 Fiscal Years
(schedule to be built prospectively from 2018)

Fiscal year ending November 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	N/A	N/A								
Contributions in relation to the actuarially determined contribution	0	0								
Contribution deficiency (excess)	N/A	N/A								
Covered-employee payroll	7,749,941	7,468,206								
Contributions as a percentage of covered-employee payroll	0.00%	0.00%								

Notes to Schedule of Contributions

There is no ADC or Employer Contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB liability. However, the County did make contributions from other County resources in the current year in the amount of \$23,016.

See Notes to Required Supplementary Information

Lee County, Illinois

Notes to Required Supplementary Information

Note 1 Basis of Accounting

Annual budgets are adopted for all governmental funds using the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

Note 2 Excess of Expenditures Over Appropriations

The major fund of the Law Enforcement Center Project Fund (Capital Project Fund) had excess of expenditures over appropriations of \$944,894.

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate for IMRF *

Valuation date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2018 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 25-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (two employers were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation

Lee County, Illinois

Notes to Required Supplementary Information

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate for IMRF * (continued)

Investment Rate of Return 7.50%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Mortality For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

** Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation.*

Supplementary Information

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
County clerk's office:				
Salary	\$64,062	\$64,062	\$64,014	\$48
Overtime	3,000	3,000	1,199	1,801
Salary - others	274,487	274,487	278,855	(4,368)
Temporary and part-time help	4,000	4,000	3,040	960
Longevity	5,400	5,400	5,400	0
Repair and maintenance agreements	34,000	34,000	32,659	1,341
Telephone	348	348	348	0
Office supplies	15,000	15,000	10,092	4,908
Purchase of real estate transfer stamp	150,000	150,000	143,119	6,881
Payroll processing	2,000	2,000	1,792	208
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	26,452	26,452	72,494	(46,042)
Postage	4,000	4,000	2,065	1,935
Election expenses (judges, ballots, others)	225,000	225,000	163,534	61,466
National Voter Registration Act	20,000	20,000	20,000	0
Laredo/tapestry	12,000	12,000	9,958	2,042
Education and training	1,500	1,500	1,495	5
	841,249	841,249	810,064	31,185
County treasurer's office:				
Salary - officer	64,062	64,062	64,014	48
Overtime	2,000	2,000	565	1,435
Salary - others	102,645	102,645	86,375	16,270
Temporary and part-time help	10,000	10,000	9,861	139
Longevity	0	0	0	0
OVW grant salary	5,000	0	0	0
Programming	11,000	11,000	15,000	(4,000)
Telephone	350	350	348	2
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	33,733	33,733	41,544	(7,811)
Office supplies	10,000	10,000	9,061	939
Postage	22,500	22,500	7,883	14,617
Publishing	1,800	1,800	1,248	552
	263,090	258,090	235,899	22,191
Circuit clerk's office:				
Salary - officer	64,062	64,062	64,014	48
Salary - others	314,437	314,437	285,637	28,800
Longevity	1,800	1,800	1,800	0
Juror certificates	10,000	10,000	3,650	6,350
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	73,356	73,356	76,687	(3,331)
Annual audit	8,150	8,150	6,000	2,150
Office supplies	14,665	14,665	6,629	8,036
	486,470	486,470	444,417	42,053

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual (Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
County sheriff's office:				
Salary - officer	76,813	76,813	76,765	48
Salary - deputy and assistants	2,496,254	2,496,254	2,517,796	(21,542)
Overtime	175,463	175,463	246,963	(71,500)
Temporary and part-time help	130,000	130,000	129,965	35
Holiday pay	153,384	153,384	159,091	(5,707)
Safety director	2,500	2,500	2,500	0
ETSB overtime credit	3,000	3,000	0	3,000
OVW project salary	8,333	0	0	0
Merit commission	2,000	2,000	2,000	0
Furniture and equipment	0	0	0	0
Automobile repairs	25,000	25,000	18,006	6,994
Radios	51,000	51,000	38,297	12,703
Automobiles	128,000	128,000	129,640	(1,640)
Repair ad maintenance agreement	47,000	47,000	30,108	16,892
Automobile gasoline and oil	69,300	69,300	70,724	(1,424)
Telephone	33,000	33,000	31,515	1,485
Transportation of prisoners	130,000	150,000	165,136	(15,136)
Office supplies	49,500	49,500	47,712	1,788
Food and meals	81,500	81,500	65,301	16,199
Clothing	14,136	14,136	10,598	3,538
Prisoner's medical and hospital care	76,220	76,220	72,866	3,354
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	421,867	421,867	413,896	7,971
Postage	2,000	2,000	1,887	113
Deputy education and training	28,000	28,000	18,566	9,434
New hire contingency	11,000	11,000	14,267	(3,267)
Debt service - principal	0	0	0	0
Debt service - interest	0	0	0	0
	4,215,270	4,226,937	4,263,599	(36,662)
County coroner:				
Salary - officer	41,700	41,700	41,685	15
Salary - deputy and assistant	14,000	14,000	11,825	2,175
Salary - other	34,921	34,921	36,046	(1,125)
Temporary and part-time help	2,126	2,126	450	1,676
Longevity	0	0	0	0
Other professional fees	30,000	30,000	42,554	(12,554)
Repairs and maintenance	400	400	0	400
Telephone	4,500	4,500	4,413	87
Office supplies	1,900	1,900	1,812	88
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	6,478	6,478	6,376	102
County burial	0	0	0	0
Jurors' fees	0	0	0	0
Postage	250	250	134	116
Education and training	1,000	1,000	676	324
	137,275	137,275	145,971	(8,696)

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual

(Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Superintendent of educational service region:				
Salary - deputy and assistant	33,200	33,200	34,325	(1,125)
Longevity	0	0	0	0
Contractual services	12,000	12,000	11,404	596
Repairs and maintenance	500	500	2,713	(2,213)
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	6,700	6,700	6,700	0
Supplies	500	500	707	(207)
Field services	8,000	8,000	6,354	1,646
Rent	8,000	8,000	8,000	0
	68,900	68,900	70,203	(1,303)
States attorney:				
Salary - officer	170,171	170,171	171,683	(1,512)
Salary - deputy and assistants	241,500	241,500	210,687	30,813
Salary - others	137,330	137,330	130,250	7,080
Salary - Victim Witness Grant	28,000	0	0	0
Temporary and part-time help	12,000	12,000	14,895	(2,895)
Longevity	1,800	1,800	1,800	0
Victim Witness Coordinator	13,230	13,230	13,777	(547)
OVW project salary	10,000	0	0	0
OVW project expenditure	150,000	0	0	0
VCT grant expenditure	150,000	0	0	0
States attorney appellate prosecutor	12,000	12,000	12,000	0
Contractual services	45,000	45,000	29,473	15,527
Repairs and maintenance agreements	4,500	4,500	829	3,671
Supplies	7,000	7,000	4,422	2,578
Law books and other subscriptions	24,000	24,000	23,231	769
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	79,127	79,127	65,440	13,687
Transportation reimbursement	1,000	1,000	681	319
Transportation of prisoners	0	0	1,148	(1,148)
Postage	3,000	3,000	4,002	(1,002)
Education and training	10,000	10,000	4,904	5,096
	1,099,658	761,658	689,222	72,436
Public defender:				
Salary - officer	64,646	64,646	65,770	(1,124)
Salary - deputy & assistant	51,588	51,588	52,713	(1,125)
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	39,277	39,277	33,406	5,871
Salary - others	34,200	34,200	35,325	(1,125)
Contractual services	33,000	33,000	33,000	0
Bond call	0	0	7,800	(7,800)
Supplies	2,000	2,000	1,999	1
Furniture and equipment	7,800	7,800	0	7,800
Longevity	0	0	0	0
Education and training	1,500	1,500	826	674
	234,011	234,011	230,839	3,172

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual (Continued)

For the year ended November 30, 2019

	Budget Original	Budget Original	Actual	Variance with Final Budget
Animal control:				
Salary - officer	31,100	31,100	32,225	(1,125)
Salary - others	32,220	32,220	29,139	3,081
Longevity	0	0	0	0
Repairs and maintenance	1,200	1,200	0	1,200
Gasoline and oil	3,700	3,700	1,728	1,972
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	13,634	13,634	14,655	(1,021)
Telephone	7,300	7,300	6,218	1,082
Supplies	3,500	3,500	2,697	803
Postage	3,500	3,500	1,286	2,214
	96,154	96,154	87,948	8,206
Courthouse:				
Salary officer	0	0	34,213	(34,213)
Overtime	6,500	6,500	10,103	(3,603)
Salary - others	267,518	267,518	215,490	52,028
Temporary and part-time help	0	0	0	0
Longevity	1,800	1,800	1,800	0
Repairs and maintenance - Old Courthouse	47,500	47,500	46,450	1,050
Repairs and maintenance - LOTS	0	0	0	0
Repairs and maintenance - Law Enforcement Center	20,000	20,000	7,198	12,802
Repairs and maintenance - New Courts Building	60,000	60,000	67,959	(7,959)
Repairs and maintenance - 4th St. property	12,000	12,000	12,401	(401)
Gasoline and oil	4,500	4,500	3,391	1,109
Heat, light and water - Old Courthouse	36,000	36,000	35,542	458
Heat, light and water - Law Enforcement Center	35,000	35,000	28,915	6,085
Heat, light and water - New Courts Building	140,000	140,000	103,133	36,867
Heat, light and water - parking lot/ storage building	3,000	3,000	2,669	331
Heat, light and water - LOTS	0	0	0	0
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	59,950	59,950	56,885	3,065
Telephone	32,000	32,000	28,857	3,143
Maintenance	3,000	3,000	342	2,658
Supplies	20,000	20,000	19,177	823
	748,768	748,768	674,525	74,243
Associate judge (Ackert):				
Repair and maintenance agreements	2,600	2,600	2,560	40
Office supplies	1,100	1,100	1,370	(270)
Education and training	1,000	1,000	1,000	0
	4,700	4,700	4,930	(230)

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual (Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Associate judge (Beckman):				
Salary - others	37,891	37,891	39,807	(1,916)
Longevity	0	0	0	0
Office supplies	1,500	1,500	1,625	(125)
Training	1,000	1,000	0	1,000
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	0	0	3,071	(3,071)
	40,391	40,391	44,503	(4,112)
Presiding judge (Jacobson):				
Salary - others	13,525	13,525	18,783	(5,258)
Longevity	1,800	1,800	0	1,800
Contractual services	75,000	75,000	68,334	6,666
Furniture and office equipment	0	0	0	0
Independent services	72,000	72,000	72,000	0
Repairs and maintenance	3,000	3,000	3,708	(708)
Office supplies	2,500	2,500	3,669	(1,169)
Law books and other subscriptions	8,600	8,600	12,311	(3,711)
Jurors' meals	1,500	1,500	88	1,412
Education and training	5,000	5,000	1,594	3,406
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	6,584	6,584	13,167	(6,583)
Dues to organization	2,500	2,500	2,570	(70)
Court administration operation	900	900	900	0
	192,909	192,909	197,124	(4,215)
County board:				
Salary - others	42,195	42,195	23,645	18,550
Salary - administrator	92,500	92,500	92,423	77
Temporary and part-time help	1,000	1,000	1,000	0
Per diem and committee service	60,500	60,500	52,678	7,822
Salary and expense of chairman	6,000	6,000	6,000	0
Contractual services	10,000	10,000	16,163	(6,163)
Furniture & equipment	1,800	1,800	715	1,085
Longevity	0	0	0	0
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	6,700	6,700	11,787	(5,087)
Repairs and maintenance	1,000	1,000	0	1,000
Supplies	3,500	3,500	6,013	(2,513)
Dues to organizations	5,400	5,400	5,368	32
Resource conservation and development	45,000	45,000	18,868	26,132
LCIDA	10,000	10,000	20,000	(10,000)
Auto expense	2,400	2,400	2,400	0
Telephone	600	600	600	0
Travel & meeting	2,000	2,000	0	2,000
Training	1,000	1,000	0	1,000
Professional fees, dues and subscriptions	0	0	0	0
Northeast criminal justice	2,800	2,800	2,921	(121)
Municipal code book, publishing, etc.	3,100	3,100	2,585	515
	297,495	297,495	263,166	34,329

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual

(Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Insurance and bonds:				
Funding of employee group insurance	0	0	0	0
Probation office:				
Salary - officer	79,448	79,448	82,122	(2,674)
Salary - deputy and assistants	309,643	309,643	321,444	(11,801)
Salary - others	33,095	33,095	34,220	(1,125)
Salary - overtime	1,200	1,200	1,605	(405)
Temporary and part-time help	2,000	2,000	1,138	862
Longevity	0	0	0	0
Machine maintenance	3,500	3,500	0	3,500
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	66,075	66,075	72,155	(6,080)
Postage	1,100	1,100	1,096	4
Dependent child care	27,612	27,612	27,710	(98)
	523,673	523,673	541,490	(17,817)
Circuit judge:				
Salary - others	0	0	0	0
Contractual services	42,000	42,000	42,000	0
Repairs and maintenance	1,000	1,000	1,226	(226)
Supplies	1,280	1,280	1,219	61
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	0	0	0	0
Education and training	500	500	104	396
LSSI	11,330	11,330	11,330	0
CASA	17,000	17,000	17,000	0
	73,110	73,110	72,879	231
Zoning office:				
Salary - officer	67,000	67,000	64,688	2,312
Salary - other	1,364	1,364	1,942	(578)
Longevity	0	0	0	0
Repairs and maintenance	700	700	536	164
Gas and oil	2,600	2,600	378	2,222
Telephone	1,000	1,000	1,606	(606)
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	0	0	485	(485)
Postage	0	0	0	0
Office supplies	500	500	1,563	(1,063)
Board of Appeals	4,476	4,476	6,221	(1,745)
	77,640	77,640	77,419	221
Accounting and auditing	40,500	40,500	41,460	(960)

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual

(Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Sick pay	120,000	120,000	106,366	13,634
IMRF Reimbursement	0	0	0	0
ESDA:				
Salary - officer	28,680	28,680	29,580	(900)
Longevity	0	0	0	0
Contractual services	4,496	5,496	5,140	356
Furniture and equipment	5,838	4,838	4,689	149
Automobile	0	0	0	0
Repairs and maintenance	1,900	1,900	452	1,448
Gasoline and oil	1,500	1,500	2,008	(508)
Telephone	8,592	8,592	8,949	(357)
Supplies	900	900	612	288
Postage	73	73	50	23
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	13,634	13,634	13,633	1
Travel and meeting	1,700	1,700	1,535	165
Grant expenditures	0	0	37,140	(37,140)
	67,313	67,313	103,788	(36,475)
Contingencies	190,000	165,000	0	165,000
Computer service:				
Salary - officer	61,600	61,600	62,725	(1,125)
Salary - other	37,000	37,000	37,779	(779)
Longevity	0	0	0	0
Programming	82,644	82,644	82,096	548
Furniture and equipment	10,000	10,000	10,124	(124)
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	19,525	19,525	19,346	179
Repairs and maintenance	2,000	2,000	1,978	22
Web resources	17,600	17,600	18,000	(400)
	230,369	230,369	232,048	(1,679)
Regional planning commission:				
Salary - clerk	1,364	1,364	0	1,364
Per diem	4,232	4,232	750	3,482
Supplies	200	200	0	200
Postage	0	0	0	0
	5,796	5,796	750	5,046

Lee County, Illinois

General Fund

Schedule of Expenditures Budget (Non-GAAP Basis) and Actual

(Continued)

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Supervisor of assessments/property records:				
Salary - officer	68,522	68,522	69,647	(1,125)
Salary - overtime	6,500	6,500	2,010	4,490
Salary - others	146,778	146,778	151,277	(4,499)
Temporary and part-time help	0	20,000	10,403	9,597
Per idem and committee services	5,700	5,700	5,838	(138)
Longevity	0	0	1,800	(1,800)
Programming	40,500	40,500	45,773	(5,273)
Contractual services	8,500	8,500	12,691	(4,191)
Computer equipment	1,000	1,000	1,377	(377)
Repairs and maintenance	500	500	161	339
Telephone	350	350	348	2
Supplies, etc.	3,500	3,500	4,517	(1,017)
Postage	1,200	1,200	700	500
Travel and meeting	4,500	4,500	2,341	2,159
IMRF reimbursement	0	0	0	0
Employer contribution health insurance	53,484	66,484	63,507	2,977
Board of review	250	250	316	(66)
Training	1,500	1,500	1,370	130
Publishing	7,100	7,100	7,654	(554)
	349,884	382,884	381,730	1,154
Miscellaneous:				
Senior deferral - State of Illinois	16,000	16,000	18,885	(2,885)
Wellness Program expense	15,000	15,000	1,449	13,551
Employer contribution health insurance	0	0	6,740	(6,740)
Deductible reimbursement	275,000	275,000	349,590	(74,590)
Dental insurance	0	0	0	0
Dental admin	0	0	0	0
Life insurance	0	0	2,082	(2,082)
FSA admin costs	1,308	1,308	2,122	(814)
FSA payments	0	0	0	0
PCORI expense	300	300	287	13
Envision admin fees	10,800	10,800	10,063	737
Other	0	0	3,676	(3,676)
	318,408	318,408	394,894	(76,486)
Total expenditures	\$10,723,033	\$10,399,700	\$10,115,234	\$284,466

Lee County, Illinois

General Fund

Combining Balance Sheet

November 30, 2019

ASSETS	General Account	Solid Waste Management Account	Capital Projects Account	Capital Improvement Replacement Account	Total General Fund
Cash, deposits, and investments	\$2,748,212	\$1,102,155	\$3,842,408	\$82,182	\$7,774,957
Accounts receivable	155,793	41,794	0	0	197,587
Property tax receivable	3,571,500	0	0	0	3,571,500
Due from other governments	759,669	0	0	0	759,669
Due from other funds	852,117	750,000	1,150,464	0	2,752,581
Total assets	\$8,087,291	\$1,893,949	\$4,992,872	\$82,182	\$15,056,294
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$165,254	\$6,786	\$0	\$0	\$172,040
Accrued payroll	251,394	228	0	0	251,622
Due to others	0	0	0	0	0
Accrued compensated absences	49,457	0	0	0	49,457
Total liabilities	466,105	7,014	0	0	473,119
Deferred inflows of resources -					
Unavailable property taxes	3,571,500	0	0	0	3,571,500
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	0	1,886,935	0	0	1,886,935
Committed	0	0	0	0	0
Assigned	0	0	4,992,872	82,182	5,075,054
Unassigned	4,049,686	0	0	0	4,049,686
Total fund balances	4,049,686	1,886,935	4,992,872	82,182	11,011,675
Total liabilities, deferred inflows of resources and fund balances	\$8,087,291	\$1,893,949	\$4,992,872	\$82,182	\$15,056,294

Lee County, Illinois

General Fund

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the year ended November 30, 2019

	General Account	Solid Waste Management Account	Capital Projects Account	Capital Improvement Replacement Account	Total General Fund
Revenues:					
Property taxes	\$3,341,191	\$0	\$0	\$0	\$3,341,191
Intergovernmental revenue	4,080,583	0	0	0	4,080,583
Charges for services	1,833,740	226,134	0	0	2,059,874
Licenses and permits	262,474	0	0	0	262,474
Interest	66,314	22,901	59,905	376	149,496
Other revenue	403,201	0	79,408	0	482,609
Total revenues	9,987,503	249,035	139,313	376	10,376,227
Expenditures:					
Current:					
General control and administration	3,167,780	0	85,442	19,934	3,273,156
Public safety	4,448,422	0	0	0	4,448,422
Judiciary and court related	2,230,846	0	0	0	2,230,846
Transportation	0	0	0	0	0
Public health	0	144,945	0	0	144,945
Public welfare	0	0	0	0	0
Debt service:	0	0	0	0	0
Principal	89,363	0	0	0	89,363
Interest	3,547	0	0	0	3,547
Capital outlay	84,032	0	0	26,980	111,012
Total expenditures	10,023,990	144,945	85,442	46,914	10,301,291
Excess (deficiency) of revenues over expenditures	(36,487)	104,090	53,871	(46,538)	74,936
Other financing sources and (uses):					
Transfers in	255,242	0	0	50,000	305,242
Transfers out	(50,000)	(34,362)	0	0	(84,362)
Proceeds from capital lease	84,032	0	0	0	84,032
Total other financing sources (uses)	289,274	(34,362)	0	50,000	304,912
Net change in fund balance	252,787	69,728	53,871	3,462	379,848
Fund balances, beginning of year	3,796,899	1,817,207	4,939,001	78,720	10,631,827
Fund balances, end of year	\$4,049,686	\$1,886,935	\$4,992,872	\$82,182	\$11,011,675

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
November 30, 2019

ASSETS	Total Non-Major Governmental	Special Revenue Funds		
		Special Recording Automation	Vital Records Automation	County Collector Automation
Cash, deposits, and investments	\$7,809,910	\$73,753	\$9,276	\$23,254
Accounts receivable	154,442	1,419	323	0
Property tax receivable	3,291,500	0	0	0
Due from other governments	161,440	0	0	0
Inventory	27,415	0	0	0
Due from other funds	0	0	0	0
Total assets	\$11,444,707	\$75,172	\$9,599	\$23,254
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$267,007	\$2,650	\$0	\$2,450
Accrued payroll	130,881	0	0	0
Due to other funds	152,581	0	0	0
Accrued compensated absence	12,461	0	0	0
Total liabilities	562,930	2,650	0	2,450
Deferred inflows of resources -				
Unavailable property taxes	3,291,500	0	0	0
Deferred revenue	55,392	0	0	0
Total deferred inflows of resources	3,346,892	0	0	0
Fund balances:				
Nonspendable	27,415	0	0	0
Restricted	7,571,687	72,522	9,599	20,804
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	(64,217)	0	0	0
Total fund balances	7,534,885	72,522	9,599	20,804
Total liabilities, deferred inflows of resources and fund balances	\$11,444,707	\$75,172	\$9,599	\$23,254

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
(Continued)
November 30, 2019

ASSETS	Special Revenue Funds				
	County Tourism Promotion	Indemnity	G.I.S Recording Fees	Grant	Child Support Enforcement Program
Cash, deposits, and investments	\$17,724	\$223,040	\$129,331	\$0	\$49,688
Accounts receivable	8,554	0	6,340	0	0
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$26,278	\$223,040	\$135,671	\$0	\$49,688
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$16,723	\$0	\$0	\$0	\$0
Accrued payroll	0	0	1,903	0	218
Due to other funds	0	0	0	0	0
Accrued compensated absence	0	0	0	0	0
Total liabilities	16,723	0	1,903	0	218
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Deferred revenue	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	9,555	223,040	133,768	0	49,470
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	9,555	223,040	133,768	0	49,470
Total liabilities, deferred inflows of resources and fund balances	\$26,278	\$223,040	\$135,671	\$0	\$49,688

Lee County, Illinois

Non-Major Governmental Combining Balance Sheet (Continued)

November 30, 2019

	Special Revenue Funds				
	Probation Services	Court Document Storage	Circuit Clerk Automation Fee	Circuit Clerk Operations	Law Library
ASSETS					
Cash, deposits, and investments	\$245,824	\$242,855	\$126,734	\$122,878	\$3,918
Accounts receivable	4,343	5,427	5,431	2,916	1,220
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$250,167	\$248,282	\$132,165	\$125,794	\$5,138
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$7,873	\$35,135	\$35,091	\$0	\$725
Accrued payroll	0	309	0	0	0
Due to other funds	0	0	0	0	0
Accrued compensated absence	0	0	0	0	0
Total liabilities	7,873	35,444	35,091	0	725
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Deferred revenue	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	242,294	212,838	97,074	125,794	4,413
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	242,294	212,838	97,074	125,794	4,413
Total liabilities, deferred inflows of resources and fund balances	\$250,167	\$248,282	\$132,165	\$125,794	\$5,138

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
(Continued)
November 30, 2019

ASSETS	Special Revenue Funds			
	Drug Forfeiture	Home Confinement	JJC Council	JJC Youth Diversion
Cash, deposits, and investments	\$13,881	\$18,681	\$12,861	\$20,184
Accounts receivable	0	351	0	408
Property tax receivable	0	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Due from other funds	0	0	0	0
Total assets	\$13,881	\$19,032	\$12,861	\$20,592
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Accrued compensated absence	0	0	0	0
Total liabilities	0	0	0	0
Deferred inflows of resources:				
Unavailable property taxes	0	0	0	0
Deferred revenue	0	0	0	0
Total deferred inflows of resources	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	13,881	19,032	12,861	20,592
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	13,881	19,032	12,861	20,592
Total liabilities, deferred inflows of resources and fund balances	\$13,881	\$19,032	\$12,861	\$20,592

Lee County, Illinois

Non-Major Governmental Combining Balance Sheet (Continued)

November 30, 2019

ASSETS	Special Revenue Funds				
	Title IV E	Drug Street Fine	Marriage	Drug Court	Domestic Violence
Cash, deposits, and investments	\$8,254	\$18,469	\$1,584	\$40,423	\$23,053
Accounts receivable	20	425	0	3,611	377
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$8,274	\$18,894	\$1,584	\$44,034	\$23,430
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$0	\$321	\$0	\$4,368	\$0
Accrued payroll	0	0	0	0	0
Due to other funds	0	0	0	0	0
Accrued compensated absence	0	0	0	0	0
Total liabilities	0	321	0	4,368	0
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Deferred revenue	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	8,274	18,573	1,584	39,666	23,430
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	8,274	18,573	1,584	39,666	23,430
Total liabilities, deferred inflows of resources and fund balances	\$8,274	\$18,894	\$1,584	\$44,034	\$23,430

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
(Continued)
November 30, 2019

ASSETS	Special Revenue Funds					
	State's Attorney Collection	State's Attorney Records Automation	Social Services for Senior Citizens	Tuberculosis Sanatorium	Victim Impact Panel	Veterans Assistance
Cash, deposits, and investments	\$2,650	\$9,315	\$1,274	\$66,864	\$9,533	\$186,951
Accounts receivable	0	188	0	0	0	0
Property tax receivable	0	0	100,000	12,500	0	37,000
Due from other governments	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Total assets	\$2,650	\$9,503	\$101,274	\$79,364	\$9,533	\$223,951
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$0	\$0	\$0	\$0	\$0	\$1,562
Accrued payroll	0	0	0	0	0	656
Due to other funds	0	0	0	0	0	0
Accrued compensated absence	0	0	0	0	0	0
Total liabilities	0	0	0	0	0	2,218
Deferred inflows of resources:						
Unavailable property taxes	0	0	100,000	12,500	0	37,000
Deferred revenue	0	0	0	0	0	0
Total deferred inflows of resources	0	0	100,000	12,500	0	37,000
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	2,650	9,503	1,274	66,864	9,533	184,733
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	2,650	9,503	1,274	66,864	9,533	184,733
Total liabilities, deferred inflows of resources and fund balances	\$2,650	\$9,503	\$101,274	\$79,364	\$9,533	\$223,951

Lee County, Illinois

Non-Major Governmental Combining Balance Sheet (Continued)

November 30, 2019

ASSETS	Special Revenue Funds				
	Animal Control	Lee County Cooperative Extension Service	Arrestee's Medical Costs	Mental Health	Pet Population
Cash, deposits, and investments	\$84,471	\$65,552	\$11,213	\$28,969	\$50,097
Accounts receivable	3,117	0	320	0	1,908
Property tax receivable	0	100,000	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$87,588	\$165,552	\$11,533	\$28,969	\$52,005
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$1,341	\$62,700	\$250	\$0	\$1,244
Accrued payroll	0	0	0	0	0
Due to other funds	150,464	0	0	0	0
Accrued compensated absence	0	0	0	0	0
Total liabilities	151,805	62,700	250	0	1,244
Deferred inflows of resources:					
Unavailable property taxes	0	100,000	0	0	0
Deferred revenue	0	0	0	0	0
Total deferred inflows of resources	0	100,000	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	0	2,852	11,283	28,969	50,761
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	(64,217)	0	0	0	0
Total fund balances	(64,217)	2,852	11,283	28,969	50,761
Total liabilities, deferred inflows of resources and fund balances	\$87,588	\$165,552	\$11,533	\$28,969	\$52,005

Lee County, Illinois

Non-Major Governmental Combining Balance Sheet (Continued)

November 30, 2019

ASSETS	Special Revenue Funds				
	County Special Bridge	Federal Aid Secondary Matching	County Motor Fuel Tax	Police Vehicle	Coroner
Cash, deposits, and investments	\$493,632	\$1,717,921	\$593,945	\$11,261	\$21,438
Accounts receivable	25,866	0	18,628	40	2,050
Property tax receivable	256,000	305,000	0	0	0
Due from other governments	0	0	72,360	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$775,498	\$2,022,921	\$684,933	\$11,301	\$23,488
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$12,574	\$0	\$25,061	\$0	\$80
Accrued payroll	0	0	0	0	0
Due to other funds	0	0	0	0	0
Accrued compensated absence	0	0	0	0	0
Total liabilities	12,574	0	25,061	0	80
Deferred inflows of resources:					
Unavailable property taxes	256,000	305,000	0	0	0
Deferred revenue	0	0	55,392	0	0
Total deferred inflows of resources	256,000	305,000	55,392	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	506,924	1,717,921	604,480	11,301	23,408
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	506,924	1,717,921	604,480	11,301	23,408
Total liabilities, deferred inflows of resources and fund balances	\$775,498	\$2,022,921	\$684,933	\$11,301	\$23,488

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
(Continued)
November 30, 2019

ASSETS	Special Revenue Funds				
	County Highway	County Health	IMRF	Social Security	Sheriff Tow
Cash, deposits, and investments	\$879,754	\$877,879	\$738,189	\$443,768	\$40,683
Accounts receivable	15,314	36,846	0	0	2,000
Property tax receivable	710,000	556,000	390,000	825,000	0
Due from other governments	0	89,080	0	0	0
Inventory	0	27,415	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$1,605,068	\$1,587,220	\$1,128,189	\$1,268,768	\$42,683
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$16,609	\$25,981	\$0	\$0	\$10,856
Accrued payroll	31,905	34,370	25,145	36,375	0
Due to other funds	0	0	0	0	0
Accrued compensated absence	6,059	6,402	0	0	0
Total liabilities	54,573	66,753	25,145	36,375	10,856
Deferred inflows of resources -					
Unavailable property taxes	710,000	556,000	390,000	825,000	0
Deferred revenue	0	0	0	0	0
Total deferred inflows of resources	710,000	556,000	390,000	825,000	0
Fund balances:					
Nonspendable	0	27,415	0	0	0
Restricted	840,495	937,052	713,044	407,393	31,827
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	840,495	964,467	713,044	407,393	31,827
Total liabilities, deferred inflows of resources and fund balances	\$1,605,068	\$1,587,220	\$1,128,189	\$1,268,768	\$42,683

Lee County, Illinois

Non-Major Governmental
Combining Balance Sheet
(Continued)
November 30, 2019

ASSETS	Special Revenue Funds			
	OVW Grant	VCT Grant	VCVA Grant	IL DCEO Grants
Cash, deposits, and investments	\$37,786	\$11,100	\$0	\$0
Accounts receivable	0	0	7,000	0
Property tax receivable	0	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Due from other funds	0	0	0	0
Total assets	\$37,786	\$11,100	\$7,000	\$0
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$625	\$2,788	\$0	\$0
Accrued payroll	0	0	0	0
Due to other funds	0	0	2,117	0
Accrued compensated absence	0	0	0	0
Total liabilities	625	2,788	2,117	0
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	0
Deferred revenue	0	0	0	0
Total deferred inflows of resources	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	37,161	8,312	4,883	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	37,161	8,312	4,883	0
Total liabilities, deferred inflows of resources and fund balances	\$37,786	\$11,100	\$7,000	\$0

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

For the year ended November 30, 2019

	Total Non-Major Governmental	Special Revenue Funds		
		Special Recording Automation	Vital Records Automation	County Collector Automation
Revenues:				
Property taxes	\$3,173,794	\$0	\$0	\$0
Intergovernmental revenue	1,802,304	0	0	0
Charges for services	1,392,997	22,717	4,401	11,798
Licenses and permits	104,627	0	0	0
Interest	66,794	447	48	114
Other revenue	63,708	0	0	4,459
Total revenues	6,604,224	23,164	4,449	16,371
Expenditures:				
Current:				
General control and administration	650,285	34,156	0	6,176
Public safety	565,051	0	0	0
Judiciary and court related	811,044	0	0	0
Transportation	2,738,273	0	0	0
Public health	1,783,844	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	27,837	0	0	0
Total expenditures	6,576,334	34,156	0	6,176
Excess (deficiency) of revenues over expenditures	27,890	(10,992)	4,449	10,195
Other financing sources and (uses):				
Transfers in	34,362	0	0	0
Transfers out	(4,000)	0	0	0
Net other financing sources (uses)	30,362	0	0	0
Net change in fund balance	58,252	(10,992)	4,449	10,195
Fund balances (deficit), beginning of year	7,476,633	83,514	5,150	10,609
Fund balances (deficit), end of year	\$7,534,885	\$72,522	\$9,599	\$20,804

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	County Tourism Promotion	Indemnity	G.I.S Recording Fees	Grant	Child Support Enforcement Program
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	37,883	0	0
Charges for services	161,741	24,118	87,299	0	8,294
Licenses and permits	0	0	0	0	0
Interest	109	1,414	705	0	295
Other revenue	0	12,674	3,228	0	0
Total revenues	161,850	38,206	129,115	0	8,589
Expenditures:					
Current:					
General control and administration	153,186	4,410	117,431	0	0
Public safety	0	0	0	0	0
Judiciary and court related	0	0	0	0	20,917
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	153,186	4,410	117,431	0	20,917
Excess (deficiency) of revenues over expenditures	8,664	33,796	11,684	0	(12,328)
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balance	8,664	33,796	11,684	0	(12,328)
Fund balances (deficit), beginning of year	891	189,244	122,084	0	61,798
Fund balances (deficit), end of year	\$9,555	\$223,040	\$133,768	\$0	\$49,470

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	Probation Services	Court Document Storage	Circuit Clerk Automation Fee	Circuit Clerk Operations	Law Library
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	81,733	93,819	93,106	22,127	18,072
Licenses and permits	0	0	0	0	0
Interest	1,338	1,511	734	750	10
Other revenue	0	11,873	11,872	0	0
Total revenues	83,071	107,203	105,712	22,877	18,082
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	84,895	90,455	96,802	6,007	27,795
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	84,895	90,455	96,802	6,007	27,795
Excess (deficiency) of revenues over expenditures	(1,824)	16,748	8,910	16,870	(9,713)
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balance	(1,824)	16,748	8,910	16,870	(9,713)
Fund balances (deficit), beginning of year	244,118	196,090	88,164	108,924	14,126
Fund balances (deficit), end of year	\$242,294	\$212,838	\$97,074	\$125,794	\$4,413

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	Drug Forfeiture	Home Confinement	JJC Council	JJC Youth Diversion	Title IV E
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	2	2,772	0	4,953	7,908
Licenses and permits	0	0	0	0	0
Interest	237	113	80	134	42
Other revenue	0	0	0	0	0
Total revenues	239	2,885	80	5,087	7,950
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	1,376	1,184	0	3,512	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	1,376	1,184	0	3,512	0
Excess (deficiency) of revenues over expenditures	(1,137)	1,701	80	1,575	7,950
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balance	(1,137)	1,701	80	1,575	7,950
Fund balances (deficit), beginning of year	15,018	17,331	12,781	19,017	324
Fund balances (deficit), end of year	\$13,881	\$19,032	\$12,861	\$20,592	\$8,274

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	Drug Street Fine	Marriage	Drug Court	Domestic Violence	State's Attorney Collection
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	20,028	643	37,601	4,760	0
Licenses and permits	0	0	0	0	0
Interest	97	0	230	140	17
Other revenue	0	0	0	0	0
Total revenues	20,125	643	37,831	4,900	17
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	13,908	6,408	24,610	385	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	13,908	6,408	24,610	385	0
Excess (deficiency) of revenues over expenditures	6,217	(5,765)	13,221	4,515	17
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balance	6,217	(5,765)	13,221	4,515	17
Fund balances (deficit), beginning of year	12,356	7,349	26,445	18,915	2,633
Fund balances (deficit), end of year	\$18,573	\$1,584	\$39,666	\$23,430	\$2,650

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	State's Attorney Records Automation	Social Services for Senior Citizens	Tuberculosis Sanatorium	Victim Impact Panel	Veterans Assistance
Revenues:					
Property taxes	\$0	\$99,995	\$12,308	\$0	\$36,923
Intergovernmental revenue	0	0	0	0	0
Charges for services	1,055	0	1,544	1,487	0
Licenses and permits	0	0	0	0	0
Interest	84	273	522	0	351
Other revenue	0	0	26	0	12,176
Total revenues	1,139	100,268	14,400	1,487	49,450
Expenditures:					
Current:					
General control and administration	0	0	0	0	36,398
Public safety	0	0	0	0	0
Judiciary and court related	4,153	0	0	1,093	0
Transportation	0	0	0	0	0
Public health	0	101,500	9,826	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	4,153	101,500	9,826	1,093	36,398
Excess (deficiency) of revenues over expenditures	(3,014)	(1,232)	4,574	394	13,052
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balance	(3,014)	(1,232)	4,574	394	13,052
Fund balances (deficit), beginning of year	12,517	2,506	62,290	9,139	171,681
Fund balances (deficit), end of year	\$9,503	\$1,274	\$66,864	\$9,533	\$184,733

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds			
	Animal Control	Lee County Cooperative Extension Service	Arrestee's Medical Costs	Mental Health
Revenues:				
Property taxes	\$0	\$97,689	\$0	\$0
Intergovernmental revenue	0	0	0	0
Charges for services	0	0	3,101	0
Licenses and permits	40,766	0	0	0
Interest	355	371	67	181
Other revenue	0	0	0	0
Total revenues	41,121	98,060	3,168	181
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	6,754	0	0	0
Judiciary and court related	0	0	0	0
Transportation	0	0	0	0
Public health	0	100,000	2,475	0
Public welfare	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	6,754	100,000	2,475	0
Excess (deficiency) of revenues over expenditures	34,367	(1,940)	693	181
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net other financing sources (uses)	0	0	0	0
Net change in fund balance	34,367	(1,940)	693	181
Fund balances (deficit), beginning of year	(98,584)	4,792	10,590	28,788
Fund balances (deficit), end of year	(\$64,217)	\$2,852	\$11,283	\$28,969

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds				
	Pet Population	County Special Bridge	Federal Aid Secondary Matching	County Motor Fuel Tax	Police Vehicle
Revenues:					
Property taxes	\$0	\$236,152	\$298,454	\$0	\$0
Intergovernmental revenue	0	44,392	0	650,811	0
Charges for services	26,487	0	0	0	3,680
Licenses and permits	0	0	0	0	0
Interest	255	3,056	23,281	2,749	69
Other revenue	0	0	0	0	0
Total revenues	26,742	283,600	321,735	653,560	3,749
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	15,457	0	0	0	1,541
Judiciary and court related	0	0	0	0	0
Transportation	0	219,567	169,603	820,137	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	15,457	219,567	169,603	820,137	1,541
Excess (deficiency) of revenues over expenditures	11,285	64,033	152,132	(166,577)	2,208
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	(4,000)	0	0	0	0
Net other financing sources (uses)	(4,000)	0	0	0	0
Net change in fund balance	7,285	64,033	152,132	(166,577)	2,208
Fund balances (deficit), beginning of year	43,476	442,891	1,565,789	771,057	9,093
Fund balances (deficit), end of year	\$50,761	\$506,924	\$1,717,921	\$604,480	\$11,301

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds					
	Coroner	County Highway	County Health	Social Security	IMRF	Sheriff Tow
Revenues:						
Property taxes	\$0	\$638,452	\$543,839	\$464,608	\$745,374	\$0
Intergovernmental revenue	0	110,783	626,387	0	55,000	0
Charges for services	17,527	406,234	197,465	0	0	26,525
Licenses and permits	0	0	63,861	0	0	0
Interest	120	11,460	6,974	4,145	3,113	489
Other revenue	0	7,400	0	0	0	0
Total revenues	17,647	1,174,329	1,438,526	468,753	803,487	27,014
Expenditures:						
Current:						
General control and administration	0	0	0	91,849	102,569	0
Public safety	8,239	0	0	241,754	269,968	21,338
Judiciary and court related	0	0	0	143,926	160,722	0
Transportation	0	1,462,765	0	66,201	0	0
Public health	0	0	1,506,889	63,154	0	0
Public welfare	0	0	0	0	0	0
Debt service:						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	0	27,837	0	0	0	0
Total expenditures	8,239	1,490,602	1,506,889	606,884	533,259	21,338
Excess (deficiency) of revenues over expenditures	9,408	(316,273)	(68,363)	(138,131)	270,228	5,676
Other financing sources and (uses):						
Transfers in	0	34,362	0	0	0	0
Transfers out	0	0	0	0	0	0
Net other financing sources (uses)	0	34,362	0	0	0	0
Net change in fund balance	9,408	(281,911)	(68,363)	(138,131)	270,228	5,676
Fund balances (deficit), beginning of year	14,000	1,122,406	1,032,830	851,175	137,165	26,151
Fund balances (deficit), end of year	\$23,408	\$840,495	\$964,467	\$713,044	\$407,393	\$31,827

Lee County, Illinois

Non-Major Governmental

Combining Statement of Revenue, Expenditures, and Changes in Fund Balances

(Continued)

For the year ended November 30, 2019

	Special Revenue Funds			
	OVW Grant	VCT Grant	VCVA Grant	IL DCEO Grants
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	129,648	72,400	35,000	40,000
Charges for services	0	0	0	0
Licenses and permits	0	0	0	0
Interest	286	22	6	0
Other revenue	0	0	0	0
Total revenues	129,934	72,422	35,006	40,000
Expenditures:				
Current:				
General control and administration	0	64,110	0	40,000
Public safety	0	0	0	0
Judiciary and court related	92,773	0	30,123	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	92,773	64,110	30,123	40,000
Excess (deficiency) of revenues over expenditures	37,161	8,312	4,883	0
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net other financing sources (uses)	0	0	0	0
Net change in fund balance	37,161	8,312	4,883	0
Fund balances (deficit), beginning of year	0	0	0	0
Fund balances (deficit), end of year	\$37,161	\$8,312	\$4,883	\$0

Lee County, Illinois

Internal Service Fund

Liability Insurance Fund

Statement of Revenues, Expenses, and Changes in Net Position -

Budget (Non-GAAP Basis) and Actual

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Revenues:				
Taxes -				
Property taxes	356,966	356,966	349,223	(\$7,743)
Other revenue -				
Interest	0	0	2,288	2,288
Miscellaneous	0	0	19,301	19,301
	0	0	21,589	21,589
Total revenues	356,966	356,966	370,812	13,846
Expenses:				
General control and administration	365,150	365,150	413,704	(48,554)
Operating income	(8,184)	(8,184)	(42,892)	(34,708)
Other financing sources and (uses) -				
Transfers in	0	0	0	0
Change in net position	<u>(\$8,184)</u>	<u>(\$8,184)</u>	(42,892)	<u>(\$34,708)</u>
Adjustment from budgetary basis to generally accepted accounting principles basis			511	
Net position, beginning of year			<u>457,940</u>	
Net position, end of year			<u>\$415,559</u>	

Lee County, Illinois

Internal Service Fund

Employee Group Insurance Fund

Statement of Revenues, Expenses, and Changes in Net Position -

Budget (Non-GAAP Basis) and Actual

For the year ended November 30, 2019

	Budget Original	Budget Final	Actual	Variance with Final Budget
Revenues:				
Interest	0	0	52	52
Expenses	0	0	0	0
Excess (deficiency) of revenues over expenditures	0	0	52	52
Other financing sources and (uses):				
Transfers out	(249,746)	(249,746)	(249,746)	0
Change in net position	<u>(\$249,746)</u>	<u>(\$249,746)</u>	<u>(249,694)</u>	<u>\$52</u>
Adjustment from budgetary basis to generally accepted accounting principles basis			0	
Net position, beginning of year			<u>249,694</u>	
Net position, end of year			<u>\$0</u>	

Lee County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

For the year ended November 30, 2019

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Escrow #1				
Assets -				
Cash, deposits, and investments	\$48,729	\$44	\$6,500	\$42,273
Liabilities -				
Agency funds due to others	\$48,729	\$44	\$6,500	\$42,273
Township Motor Fuel				
Assets -				
Cash, deposits, and investments	\$1,642,914	\$1,461,294	\$1,614,303	\$1,489,905
Due from other governments	0	173,301	0	173,301
Total assets	\$1,642,914	\$1,634,595	\$1,614,303	\$1,663,206
Liabilities -				
Accounts payable	\$130,267	\$31,324	\$130,267	\$31,324
Agency funds due to others	1,512,647	1,603,271	1,484,036	1,631,882
Total liabilities	\$1,642,914	\$1,634,595	\$1,614,303	\$1,663,206
Township Bridge Program				
Assets -				
Cash, deposits, and investments	\$506,572	\$68,637	\$0	\$575,209
Liabilities -				
Agency funds due to others	\$506,572	\$68,637	\$0	\$575,209
DUI Equipment				
Assets -				
Cash, deposits, and investments	\$4,528	\$42,581	\$22,991	\$24,118
Accounts receivable	7,425	855	7,425	855
Total assets	\$11,953	\$43,436	\$30,416	\$24,973
Liabilities -				
Accounts payable	\$0	\$235	\$0	\$235
Agency funds due to others	11,953	43,201	30,416	24,738
Total liabilities	\$11,953	\$43,436	\$30,416	\$24,973

Lee County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

(Continued)

For the year ended November 30, 2019

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Commissary				
Assets -				
Cash, deposits, and investments	\$24,339	\$99,878	\$93,070	\$31,147
Liabilities -				
Agency funds due to others	\$24,339	\$99,878	\$93,070	\$31,147
County Clerk				
Assets -				
Cash, deposits, and investments	\$194,061	\$1,216,286	\$1,265,530	\$144,817
Liabilities -				
Agency funds due to others	\$194,061	\$1,216,286	\$1,265,530	\$144,817
County Collector				
Assets -				
Cash, deposits, and investments	\$293,753	\$66,700,494	\$66,880,442	\$113,805
Liabilities -				
Agency funds due to others	\$293,753	\$66,700,494	\$66,880,442	\$113,805
Circuit Clerk				
Assets -				
Cash, deposits, and investments	\$805,195	\$2,221,375	\$2,195,844	\$830,726
Liabilities -				
Agency funds due to others	\$805,195	\$2,221,375	\$2,195,844	\$830,726
Maple Grove Drainage Distribution				
Assets -				
Cash, deposits, and investments	\$28,660	\$13,772	\$8,350	\$34,082
Liabilities -				
Agency funds due to others	\$28,660	\$13,772	\$8,350	\$34,082

Lee County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

(Continued)

For the year ended November 30, 2019

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Harmon Marion Drainage				
Assets -				
Cash, deposits, and investments	\$32,958	\$10,302	\$8,167	\$35,093
Liabilities -				
Agency funds due to others	\$32,958	\$10,302	\$8,167	\$35,093
Hamilton Hahnaman Drainage				
Assets -				
Cash, deposits, and investments	\$7,352	\$3,072	\$661	\$9,763
Liabilities -				
Agency funds due to others	\$7,352	\$3,072	\$661	\$9,763
Harmon Drainage Dist No. 1				
Assets -				
Cash, deposits, and investments	\$8,891	\$6,133	\$131	\$14,893
Liabilities -				
Agency funds due to others	\$8,891	\$6,133	\$131	\$14,893
Harmon Drainage Dist No. 2				
Assets -				
Cash, deposits, and investments	\$27,531	\$3,761	\$1,995	\$29,297
Liabilities -				
Agency funds due to others	\$27,531	\$3,761	\$1,995	\$29,297
Harmon Montmorency Drainage				
Assets -				
Cash, deposits, and investments	\$3,771	\$9,335	\$3,402	\$9,704
Liabilities -				
Agency funds due to others	\$3,771	\$9,335	\$3,402	\$9,704

Lee County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

(Continued)

For the year ended November 30, 2019

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
MH Road Districts				
Assets -				
Cash, deposits, and investments	\$1,787,786	\$0	\$0	\$1,787,786
Liabilities:				
Accounts payable	\$0	\$1,093,450	\$0	\$1,093,450
Agency funds due to others	1,787,786	(1,093,450)	0	694,336
Total liabilities	\$1,787,786	\$0	\$0	\$1,787,786
Sheriff Agency				
Assets -				
Cash, deposits, and investments	\$44,386	\$300,759	\$263,734	\$81,411
Liabilities -				
Agency funds due to others	\$44,386	\$300,759	\$263,734	\$81,411
Trustee Agency				
Assets -				
Cash, deposits, and investments	\$10,214	\$0	\$10,214	\$0
Liabilities -				
Agency funds due to others	\$10,214	\$0	\$10,214	\$0
All Agency Funds				
Assets:				
Cash, deposits, and investments	\$5,471,640	\$72,157,723	\$72,375,334	\$5,254,029
Accounts receivable	7,425	855	7,425	855
Due from other governments	0	173,301	0	173,301
Total assets	\$5,479,065	\$72,331,879	\$72,382,759	\$5,428,185
Liabilities:				
Accounts payable	\$130,267	\$1,125,009	\$130,267	\$1,125,009
Agency funds due to others	5,348,798	71,206,870	72,252,492	4,303,176
Total liabilities	\$5,479,065	\$72,331,879	\$72,382,759	\$5,428,185

Other Information

Lee County, Illinois

Schedule of Assessed Valuations, Tax Levies, Tax Extensions, and Tax Rates Tax Years 2018 and 2017

	2018			2017		
Assessed Valuation	\$769,837,973			\$752,595,149		
Fund	Levy	Rate	Extension	Levy	Rate	Extension
County General	\$3,416,811	0.4344	\$3,344,176	\$3,185,429	0.4167	\$3,136,064
County Highway	653,000	0.0830	638,966	653,000	0.0855	643,469
Federal Aid Secondary Matching	304,500	0.0388	298,697	304,500	0.0399	300,285
County Special Bridge	241,500	0.0307	236,340	241,500	0.0316	237,820
County Health	556,000	0.0707	544,276	556,000	0.0728	547,889
Tuberculosis Sanatorium	12,500	0.0016	12,317	12,500	0.0017	12,794
Illinois Municipal Retirement	762,500	0.0969	745,973	762,500	0.0998	751,090
County Veterans Assistance	37,500	0.0048	36,952	37,500	0.0049	36,877
Liability Insurance	356,966	0.0454	349,507	356,966	0.0467	351,462
Social Security	475,000	0.0604	464,982	475,000	0.0621	467,362
Social Services for Senior Citizens	102,500	0.0130	100,079	102,500	0.0134	100,848
Extension Education	100,000	0.0127	97,769	100,000	0.0131	98,590
	\$7,018,777	0.8924	\$6,870,034	\$6,787,395	0.8882	\$6,684,550