

Jo Daviess County, Illinois

Galena, Illinois

Financial Report

Year ended November 30, 2016

WIPFLi^{LLP}
CPAs and Consultants

Jo Daviess County, Illinois

Year Ended November 30, 2016

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Jo Daviess County, Illinois

Year Ended November 30, 2016

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Independent Auditor's Report

To the County Board
Jo Daviess County, Illinois, Illinois
Galena, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jo Daviess County, Illinois (the "County"), as of and for the year ended November 30, 2016, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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, each major fund, and the aggregate remaining fund information of the Jo Daviess County, Illinois, as of November 30, 2016, and the respective changes in financial position 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 management's discussion and analysis and required supplementary information on pages 5 through 26 and 68 through 77 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.

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 schedules listed as supplementary information and other information on pages 78 through 118 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.

Wipfli LLP

May 3, 2017
Sterling, Illinois

Jo Daviess County, Illinois

Management Discussion and Analysis

Jo Daviess County, Illinois' (the "County") management discussion and analysis (MD&A) is generally intended to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the County's financial activities, (3) identify changes in the County's financial position (its ability to meet future financial demands and conditions), (4) identify any material deviations from the governmental unit's financial plan (approved budget), and (5) identify individual fund issues or concerns.

The MD&A is provided at the beginning of the report to provide an overview of the County's financial position at November 30, 2016 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and supplementary information.

Financial Highlights for FY2016

- The County's assets exceeded its liabilities at the close of the fiscal year by \$35,680,190 (net position). Of this amount \$5,226,498 (unrestricted net position) may be used to meet the County's ongoing obligations.
- The County's total net position increased by \$725,148 during fiscal year 2016 as reported in the statement of activities.
- The County's major revenue consisted of \$6,115,096 in property tax distributions, \$2,049,769 in charges for services, and \$1,673,643 in operating grants and contributions.
- At the close of fiscal year 2016, the County's governmental funds reported combined ending fund balances of \$17,180,208, an increase of \$667,319 in comparison to the prior year.
- At the end of fiscal year 2016, the unassigned fund balance in the General Fund was \$3,743,632, which is 52.2% of total general fund expenditures.

Overview of the Financial Statements

This document serves as an introduction to the County's basic financial statements. There are three components to the basic financial statements - government wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

These statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector business, using the economic resources measurement focus and the accrual basis of accounting.

Jo Daviess County, Illinois

Management Discussion and Analysis

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of improvements or deterioration of the financial position of the County.

The statement of activities presents information that shows how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

These statements highlight the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general control and administration, county development, public safety, judiciary and court related, highways and bridges, public health, mental health, and interest on long-term debt. There are no business-type activities accounted for by the County.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's Governmental Funds during the reporting period use the modified accrual basis of accounting and activities are converted to the accrual basis of accounting for government-wide financial statement reporting purposes.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Jo Daviess County, Illinois

Management Discussion and Analysis

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for major funds, (the General Fund, County Highway Fund, and Public Health Fund). All other non-major governmental funds are combined and presented in one column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. The County also maintains a number of fiduciary funds in the form of agency funds, which are used to account for resources - almost exclusively cash and investments - held by the County for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

These provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

This information addresses the County's budgetary comparison schedules of major funds, Multiyear Schedules of Changes in Net Pension Liability and Related Ratios, the Multiyear Schedules of IMRF Contributions, and Schedule of Other Postemployment Benefit Funding Progress. The County adopts an annual appropriated budget for its General Fund, Special Revenue Funds, and Capital Project Funds. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. The IMRF pension schedules have been provided to present the County's progress in funding its obligation to provide pension benefits to County employees through the IMRF system.

Supplementary Information

This information as discussed earlier in connection with the General Fund, Public Health Fund, non-major governmental funds, and agency funds is presented immediately following the required supplementary information on pensions and other postemployment benefit plans other than pensions.

Other Information

This information addresses the schedule of property tax rates, levies, extensions and equalized assessed valuations and schedules of expenditures from taxes extended for tort immunity purposes.

Jo Daviess County, Illinois

Management Discussion and Analysis

Government-Wide Financial Analysis

As previously addressed, net position may serve the purpose over time as a useful indicator of financial position. To that end, the County's assets exceeded its liabilities by \$35,680,190 for FY2016.

The following table represents a condensed Statement of Net Position of the County for governmental activities as of November 30, 2016 and 2015.

Condensed Statement of Net Position Governmental Activities		
November 30	2016	2015
Total current assets	24,474,802	24,280,417
Capital assets	20,130,530	19,544,702
Total assets	44,605,332	43,825,119
Deferred inflows of resources	3,576,246	1,652,750
Total assets and deferred inflows of resources	48,181,578	45,477,869
Current liabilities	1,018,675	1,592,308
Long-Term Debt	4,974,459	2,692,268
Total liabilities	5,993,134	4,284,576
Deferred inflows of resources	6,508,254	6,238,251
Total liabilities and deferred inflows of resources	12,501,388	10,522,827
Net position:		
Invested in capital assets, net of related debt	19,731,453	18,922,294
Restricted	10,722,239	10,617,155
Unrestricted	5,226,498	5,415,593
Total net position	35,680,190	34,955,042

Total Assets and Deferred Outflows of Resources: At the end of 2016, total assets and deferred outflows of resources were \$48,181,578 compared to \$45,477,869 for 2015.

Total Liabilities and Deferred Inflows of Resources: At the end of 2016, total liabilities and deferred inflows of resources equaled \$12,501,388 versus \$10,522,827 at the end of 2015.

Jo Daviess County, Illinois

Management Discussion and Analysis

Net Position: At November 30, 2016, the County reports net position of \$35,680,190, an increase of \$725,148, with positive balances in all three categories of net position.

A portion of the County's net position is reflected in its investments in capital assets (i.e., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services. Therefore, these assets are not available for future spending. Although the County's investments in its capital assets are reported net of available debt, it is important to note that under this consideration the resources required to repay this type of debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

Jo Daviess County, Illinois

Management Discussion and Analysis

The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the County's net position changed during the fiscal years.

Condensed Statement of Activities Governmental Activities

For the Years Ended November 30,	2016	2015
Revenues:		
Program revenues:		
Charges for services	2,049,769	2,270,650
Operating grants and contributions	1,673,643	1,934,543
Capital grants and contributions	841,666	1,026,857
General revenue:		
Property taxes	6,115,096	5,886,729
Sales tax	999,880	1,028,714
Income taxes	1,123,253	1,227,787
Other taxes	1,918,341	1,848,359
Interest income	57,104	56,348
Miscellaneous	121,463	300,017
Total revenues	14,900,215	15,580,004
Expenses:		
General control and administration	2,532,560	2,388,581
County development	1,148,744	1,171,121
Public safety	4,506,212	3,911,277
Judiciary and court related	1,291,316	1,272,705
Highway and bridges	3,275,924	3,561,988
Public health	1,095,857	1,341,196
Mental health	313,385	345,453
Debt Service - interest payments	11,069	10,608
Total expenses	14,175,067	14,002,929
Change in net position	725,148	1,577,075
Net position beginning	34,955,042	33,377,967
Net position, ending	35,680,190	34,955,042

The 2015 revenue reported above was restated for comparability purposes. \$814,690 of 2015 revenue previously reported as charges for services is reported as operating grants and contributions. \$121,659 of 2015 revenue previously reported as miscellaneous is reported as operating grants and contributions.

Jo Daviess County, Illinois

Management Discussion and Analysis

Total Revenues: Total government-wide revenue decreased by \$679,789 or 4.4% from the prior year. If property taxes in the amount of \$6,115,096 are factored out of the total, all other government-wide revenue decreased \$908,156 or 9.4%. Program revenue decreased \$666,972 or 12.7%. This decrease is largely due to the dissolution of the Home Health Care program in March 2016. The most significant sources of revenue during fiscal year 2016 continued to be property taxes at 40.0% (up from 37.8% in 2015), charges for services 13.8%, operating grants and contributions at 11.2%, income taxes 7.5% and sales tax 6.7%. The County's property tax revenues are limited by the tax cap (Property Tax Extension Limitation Law). Property tax revenues increase or decrease at the same rate as the consumer price index, plus additional revenue for new construction.

Total Expenses: Total government-wide expenditures increased \$172,138 or 1.2% from the prior year. Programs which experienced an increase in fiscal year 2015 include public safety \$594,534 or 15.2%, general control and administration \$144,380 or 6.0%, and judiciary and court related \$18,611 or 1.4%. Programs which experienced a decrease include highway and bridges \$286,064 or 8.0%, public health \$245,339 or 18.3%, mental health \$32,068 or 9.3%, and county development \$22,377 or 1.9%.

The most significant classification of expenditures supporting County operations continues to be salaries and benefits. Health insurance and pension costs have steadily increased for the County. In fiscal year 2016 government-wide expenditures for personnel costs (salaries, wages, pension contributions, employee benefits and health insurance) totaled approximately \$7,637,194. This is an increase of \$233,259 or 3.2% more than the prior year total of \$7,403,935. Salaries and wages totaled \$5,527,733, an increase of \$145,369 or 2.7% more than the prior year total of \$5,382,364. A majority of this increase can be contributed to salaries-overtime which increased \$69,375 or 24.4% and salaries-part-time which increased \$69,419 or 42.1% \$61,408. Salaries-full time increased \$10,214 or 0.2% from prior year. Employee benefits (social security, Medicare, health insurance, unemployment, and IMRF pension contributions) totaled \$2,109,461. This is an increase of \$87,890 or 4.3% from the prior year total of \$2,021,571. A majority of this increase can be contributed to health insurance which increased \$51,227 or 5.5% and IMRF/retirement contributions which increased \$30,521 or 4.5% from prior year. Personnel costs for salaries/wages and employee benefits represent 53.9% and 52.4% of the County's total cost of services for governmental activities in 2016 and 2015, respectively.

In the following table, we have presented the cost of each of the County's functions as well as the net cost (total cost less revenues generated by the activities) for each. Net costs help to show what functions are being covered by direct revenue and those that are covered by the net revenue of others.

For the year ended November 30, 2016

	Total Cost of Service	Net Cost of Service
General control and administration	2,532,560	(1,032,909)
County development	1,148,744	(902,936)
Public safety	4,506,212	(4,022,733)
Judiciary and court related	1,291,316	(935,479)
Highway and bridges	3,275,924	(1,742,066)
Public health	1,095,857	(649,412)
Mental health	313,385	(313,385)
Debt Service - interest payments	11,069	(11,069)
Total governmental activities	14,175,067	(9,609,989)

Jo Daviess County, Illinois

Management Discussion and Analysis

For the year ended November 30, 2015

	Total Cost of Service	Net Cost of Service
General control and administration	2,388,581	(1,041,344)
County development	1,171,121	(780,047)
Public safety	3,911,277	(3,449,156)
Judiciary and court related	1,272,705	(823,822)
Highway and bridges	3,561,988	(1,855,545)
Public health	1,341,196	(586,563)
Mental health	345,453	(345,453)
Debt Service - interest payments	10,608	(10,608)
Total governmental activities	14,002,929	(8,892,538)

Net cost of services is 68% and 64% of total cost of services in 2016 and 2015, respectively. This reflects a continued reliance on taxes and other general revenues sources to fund the cost of services.

Jo Daviess County, Illinois

Management Discussion and Analysis

Financial Analysis of the County's Major Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year the County's governmental funds reported combined ending fund balances of \$17,180,208, an increase of \$667,319 in comparison with the previous fiscal year.

The general fund is the primary operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$3,743,632. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenses. Unassigned fund balance represents 52.2% of total general fund expenses.

The fund balance of the General Fund decreased by \$639,601 before transfers during the current fiscal year.

Budgetary Highlights

The County's budget is prepared according to Illinois law and is based on accounting for certain transactions on the modified accrual basis of accounting. A budget to actual schedule is provided as required supplementary information for the General Fund and major special revenue funds. Budget columns are provided for both the original and final budget adopted for fiscal year 2016. Significant changes to the budget and actual differences with the final budget are discussed below.

General Fund Budgetary Variances

At the end of the current fiscal year the General Fund had a fund balance of \$3,776,138, this is a \$3,424 increase from the prior year (this includes the Contingency Fund).

Revenues

The most significant revenue sources for all funds during fiscal year 2016 continue to be property taxes and intergovernmental sources. Intergovernmental revenue for 2016 was \$3,122,925 compared with budgeted amount of \$2,974,743. The variance is the result of several revenue sources receiving more revenue than budgeted. General Fund revenue sources which exceeded expectations by more than \$20,000 include: State salary reimbursements \$100,445, County Supplemental (0.25%) sales tax \$60,833, Federal Control Land Lease payments \$59,000, and Court Costs/Fines/Fees \$42,845. These variances were partially offset by revenue projections which fell short of expectations by more than \$20,000 including: State Income Tax \$87,148 and Corporate Personnel Property Replacement Tax \$51,336.

Jo Daviess County, Illinois

Management Discussion and Analysis

Charges for services for 2016 were \$956,372 compared with budgeted amount of \$851,911. The variance is the result of the County receiving more court fees than budgeted.

Expenditures

Overall expenditures of \$7,052,922 were \$276,306 or 3.8% less than the budget amount of \$7,329,228.

All five General Fund expenditure categories were less than budget: General control and administration \$109,784, Judicial and court related \$79,729, Public Safety \$71,793, County development \$12,338, Court services \$135,349 and Health other than hospitals \$2,662.

Personnel costs remain the highest expenditure in County operations. In 2016 personnel costs represented 83.0% of total General Fund expenditures. Personnel costs of \$5,852,100 were more than the budget amount of \$5,852,100 by \$22,467 or 0.4%. Personnel line items that exceeded budget: Salaries-overtime \$135,768 and IMRF \$10,448. Personnel line items under budget: Salaries full-time \$1,665, salaries part-time \$34,129, per diem \$11,480, health insurance \$67,654 and social security \$7,182.

Jo Daviess County, Illinois

Management Discussion and Analysis

County Highway Fund Budgetary Variances

At the end of the current fiscal year the County Highway Fund had a fund balance of \$1,361,262. This is a \$133,477 decrease from the prior year.

Revenues

The most significant revenue sources during fiscal year 2016 continue to be property taxes and intergovernmental revenue. Actual revenues of \$1,332,587 were \$19,946 or 1.5% less than the budget amount of \$1,352,533. This decrease is primarily due to less than anticipated County 1% sales tax revenue \$16,361 and fuel reimbursement \$8,092.

Expenditures

Overall expenditures of \$1,037,260 were \$247,692 or 19.3% less than the budget amount of \$1,284,952. This variance was primarily due to less than anticipated personnel costs \$135,522, automotive fuel/oil \$67,156 and utilities \$13,316.

Public Health Fund Budgetary Variances

At the end of the current fiscal year the Public Health Fund had a fund balance of \$1,065,137, this is a \$138,517 decrease from the prior year (this amount includes the Catastrophic Public Health Emergency Fund). In fiscal year 2011 the Catastrophic Public Health Emergency Fund was combined into the Public Health Fund.

Revenues

The most significant revenue sources during fiscal year 2016 continue to be property taxes, intergovernmental revenue and charges for services. Actual revenues of \$559,214 were \$85,959 or 13.3% less than the budget amount of \$645,173. This decrease is primarily due to less than anticipated intergovernmental revenue. Actual intergovernmental revenue was \$127,248 compared to budgeted amount of \$226,215. The variance is because the County received no Family Case Management and WIC grant funding in fiscal year 2016.

Expenditures

Overall expenditures of \$651,173 were \$144,790 or 18.2% less than the budget amount of \$796,050. This variance was primarily due to less than anticipated personnel costs \$93,908, WIC Food Instrument Distributions \$50,000 and professional service \$13,511 and were partially offset by more than anticipated operating supplies \$48,348.

Jo Daviess County, Illinois

Management Discussion and Analysis

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental activities at year end totaled \$20,130,530 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, and highway infrastructure such as roads and bridges. There were \$1,736,918 of capital asset additions recorded during the year and \$1,123,961 of depreciation charges were expensed on the total capital assets. More detailed information can be found in Note 5 of the financial statements.

Major capital asset events during the fiscal year included the following:

- Work in Progress = \$940,777
- Transportation and Equipment = \$506,497

Major capital asset projects/programs during the fiscal year included the following:

- Completed Willow Road Recycling Project
- Completed construction of Jo Daviess County Transit Building Addition
- Completed Courthouse 1900 Addition Masonry and Window Restoration Project
- Completed Courthouse HVAC System Improvements Project
- Completed Courthouse/Public Safety Building CCTV Improvements Project
- Completed implementation of new Public Safety Software System including RMS, CAD, and JMS
- Completed implementation of Clarity Financial Software
- Completed implementation of a new Exchange email server
- Completed 2016 Orthophotography Project (partnered with Carroll and Whiteside County)
- Completed computer replacement and technology upgrades in Unified Command Post

Net Book Value of Capital Assets at November 30,	2016	2015
Land and other nondepreciable assets	1,420,354	1,902,650
Buildings and improvements	3,973,859	3,006,323
Equipment and machinery	1,966,635	1,703,109
Transportation and equipment	1,235,477	1,008,675
Roads and bridges	11,534,205	11,923,945
Total	20,130,530	19,544,702

Debt Administration

The County operates largely under a "pay-as-you-go" philosophy. At November 30, 2016, the County had \$705,544 in governmental activities long term debt which consisted of debt certificates, other post-employment benefit obligations, and accrued compensated absences. Amounts due next year on these obligations are \$100,359. See Note 6 for details of debt.

Jo Daviess County, Illinois

Management Discussion and Analysis

Outstanding Debt at November 30,	2016	2015
Debt certificates	399,077	622,408
Other post-employment benefit obligations	136,362	105,253
Accrued compensated absences	170,105	391,803
Total	705,544	1,119,464

Jo Daviess County, Illinois

Management Discussion and Analysis

Profile of Jo Daviess County

Jo Daviess County, incorporated in 1827, is located in the northwest corner of Illinois. The county is bounded by the Mississippi River/Iowa border to the west, and the Wisconsin border to the north. Stephenson County lies to the east, and Carroll County lies to the south. The county has an area of 384,768 acres. The primary industries are agriculture, tourism services and manufacturing. The county has 23 townships and ten incorporated communities ranging in population from 121 (Nora) to 3,429 (Galena). Galena, the largest community, serves as the county seat. The county also has two large recreational communities, Apple Canyon Lake and the Galena Territories, both are located in unincorporated Jo Daviess County. According to the U.S. Census Bureau, the County population in the year 2010 was 22,678, an increase of 389, or 1.7%, from the 2000 population of 22,289.

Jo Daviess County operates under the township form of government. The governing body is the County Board. Jo Daviess County is comprised of 17 County Board districts. One County Board member is elected from each district for a four-year term, with half of the Board elected every two years. The County Board's primary function is to establish the various budgets of the county funds and to levy taxes for county purposes. Also, the board adopts all ordinances and rules pertaining to the management and business of the county departments.

The County Administrator, appointed by the County Board, directs the day-to-day operations of County functions and activities, which fall under the jurisdiction of the County Board. He is responsible for coordinating the preparation and implementation of the County's annual operating and capital budgets; administering personnel and purchasing policies and administering all risk management and insurance programs.

Under the Counties Code (55 ILCS 5/et. seq.), the County Board has the authority to appropriate expenditures and levy property taxes. The County of Jo Daviess is a legal subdivision of the State of Illinois. The services and functions of Jo Daviess County Government are limited to those that are specifically authorized by State Law. The annual budget serves as the foundation for Jo Daviess County's financial planning and control.

Services provided by Jo Daviess County Government include law enforcement and prosecution, emergency services, assessment and collection of taxes, recording of legal documents, conducting of elections, construction and maintenance of roads and bridges, public health, court services, and adult corrections. Regulatory functions include zoning, liquor control, animal control, subdivision regulations, restaurant licensing, and flood control.

Jo Daviess County, Illinois

Management Discussion and Analysis

Economic Factors and Outlook

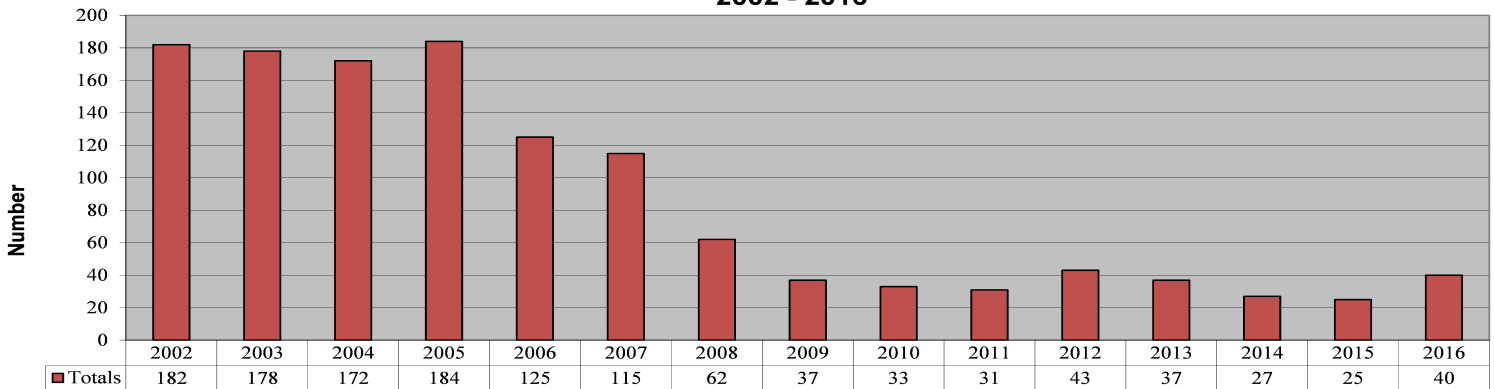
Slow recovery from the great recession, slow economic growth, revenue shortfalls, uncertainty of timely state payments, and uncertainty of the financial status of the State of Illinois were all concerns in 2016 and continue as we enter 2017. One of the County's major challenges is to provide the residents and taxpayers of Jo Daviess County with essential services with a limited set of resources. In recent years this has been compounded by the fiscal stress placed upon the County by the slow recovery from the economic recession and by the State of Illinois' budget deficiencies. The economic recession resulted in significant reductions in state income tax revenue, sales tax revenue and other state shared tax revenues. In response, the County implemented several measures to reduce expenses. Jo Daviess County uses a 15 step target based budget process which has helped control expenses during this difficult period. Another concern relates to the reductions in state funding for various public health and safety programs, including grants, direct funding and salary reimbursements. The State is currently considering options to freeze property taxes and possible reduce local disbursements from the Local Government Distributive Fund. Continued reductions in state funding would mean the County would have to dip further into its reserves, find alternate funding sources to continue programs or potentially eliminate certain programs.

Historically, Jo Daviess County has been known for its pro-business, pro-tourism environment, an abundance of available property with secondary and transient housing being a strong source of continued growth. In 2008 and 2009 Jo Daviess County experienced a rather significant decline in new construction especially in the recreational and second home market. For several years high levels of new construction, home sales and mortgage refinances resulted in increased revenue from building permits and recording fees. However, new construction and real estate sales have slowed considerably in recent years. New home permits in unincorporated Jo Daviess County peaked in 2005 at 184 and then declined nine of the next ten years to a low of 25 in 2015. New home permits did increase in 2016 to 40, which is the second most since 2008. Transfer declarations also peaked in 2005 at 1,470, declined eight of the next ten years to a low of 577 in 2011. Transfer declarations did increase in 2016 to 850, which is the most since 2007. There is optimism as the total value of all building permits in 2015 (new homes, accessory buildings, additions, industrial, and commercial) increased from 14.9 million in 2014, the second lowest total since 1995, to 32.3 million in 2015. The 2015 total included three large commercial or industrial building permits. The 2016 total did drop back down to 17.2 million which is 15.2 percent more than the 2014 total.

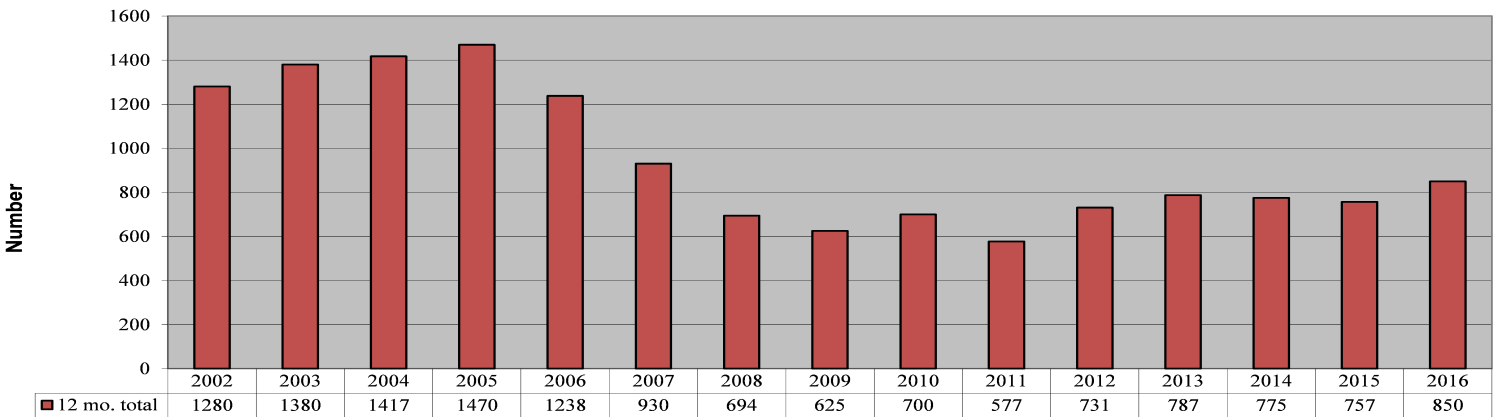
Jo Daviess County, Illinois

Management Discussion and Analysis

**Jo Daviess County
New Home Building Permits
Twelve (12) month totals (January - December)
2002 - 2016**

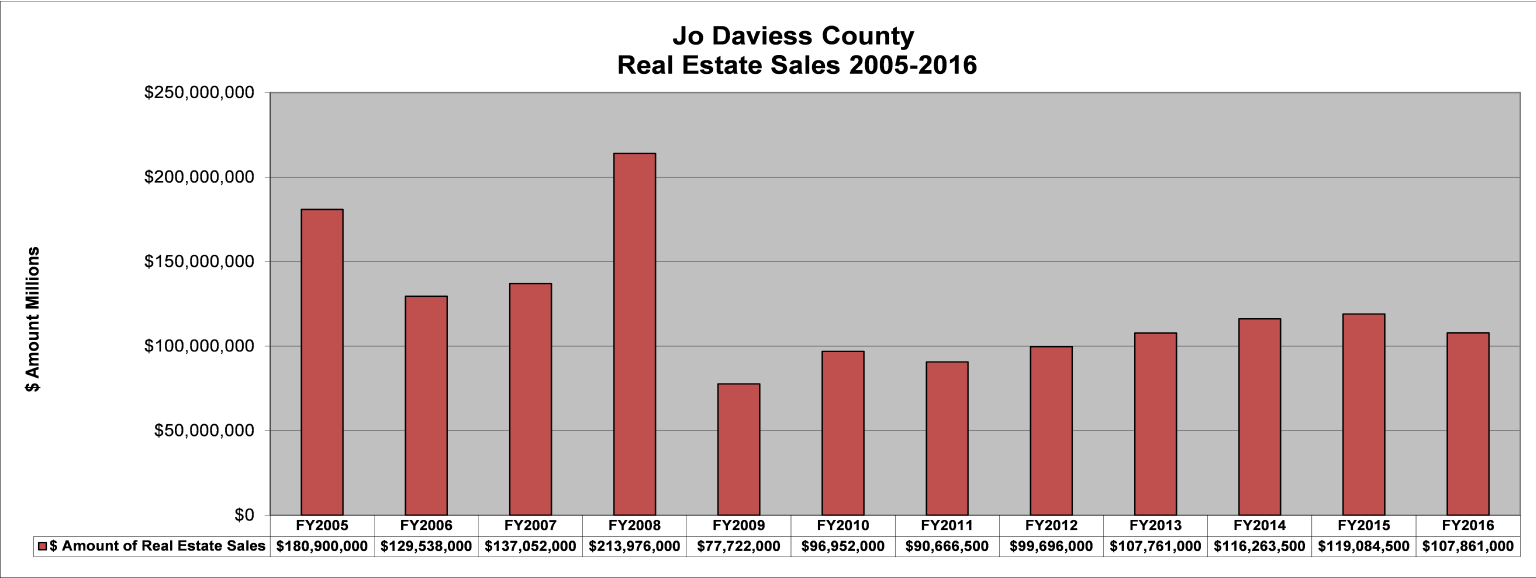


**Jo Daviess County
Transfer Declarations
Twelve (12) month totals (January - December)
2002 - 2016**



Jo Daviess County, Illinois

Management Discussion and Analysis



Jo Daviess County, Illinois

Management Discussion and Analysis

The Jo-Carroll Local Redevelopment Authority (LRA) continues to promote and redevelop the Savanna Army Depot. Three regional economic development organizations are active in promoting and enhancing economic development opportunities in our region; the Tri-County Economic Development Alliance (TCEDA), represents Jo Daviess County, Carroll County and part of Whiteside County, the Upper Mississippi River International Port District represents Carroll and Jo Daviess County, and the Blackhawk Regional Council represents the six county region of Carroll, Jo Daviess, Lee, Ogle, Stephenson, and Whiteside. In addition several communities, including East Dubuque, Stockton, Elizabeth and Scales Mound, are all in various stages of creating or implementing TIF Districts which have the potential to significantly expand both residential and commercial growth.

The local economy has shown some positive trends from the recession. Locally generated sales tax revenues, income taxes, corporate personal property replacement taxes and hotel/motel tax have all recovered from the losses experienced in the years following the recession, while these revenues are back to where they were before the recession, expenses continue to increase. This is a challenge to the County as it continues to “do more with less.”

Employment

The recession officially ended in 2009, however the recovery thus far has been weak and mixed. Unemployment rose significantly in 2009 to levels not seen since the early 1980's and has slowly decreased. Although there has been a gradual decline in the unemployment rate, now fewer people participate in the labor force as a percentage of the non-institutional working age population (age 16 and older).

The Illinois Department of Employment Security (IDES) reports that the February 2017 Illinois unemployment rate, not seasonally adjusted, was 5.5 percent (down from 7.0% in February 2016), the U.S. unemployment rate was 4.9% (down from 5.2% in February 2016), and the Jo Daviess County unemployment rate was 6.0% (down from 7.9 in February 2016). The 2016 annual unemployment rate for Jo Daviess County was 5.4% (down from the 2015 annual unemployment rate of 5.5%). In February 2016, Northwest Illinois continued to have some of the highest unemployment rates in the State with three of Illinois' 30 highest unemployed counties in Boone 10.3%, Winnebago 8.8%, and Ogle 6.6%.

The Illinois Department of Employment Security (IDES) reports the annual average labor force for Jo Daviess County in 2016 was 11,353 of which 10,739 were employed, 614 were unemployed and an unemployment rate of 5.4%. This compares to the 2015 average labor force of 11,515 of which 10,876 were employed, 639 were unemployed and an unemployment rate of 5.5% and the 2007 average labor force of 13,790 of which 13,237 were employed, 553 were unemployed and the unemployment rate was 4.0%.

Labor trends – in 2013 and 2014 jobs in Jo Daviess County increased for the first time since 2006; however jobs decreased in both 2015 and 2016. The most current quarterly workforce indicator report from the Illinois Department of Employment Security (IDES) indicates that in the 2nd quarter of 2016, 8,024 individuals were employed by 791 Jo Daviess County employers. This compares to 8,072 individuals employed by 839 employers in the 2nd quarter of 2015; 8,213 individuals employed by 822 employers in the 2nd quarter of 2014; 8,069 employed by 816 employers in the 2nd quarter of 2013; and 8,959 employed by 782 employers in the 2nd quarter of 2006.

Jo Daviess County, Illinois

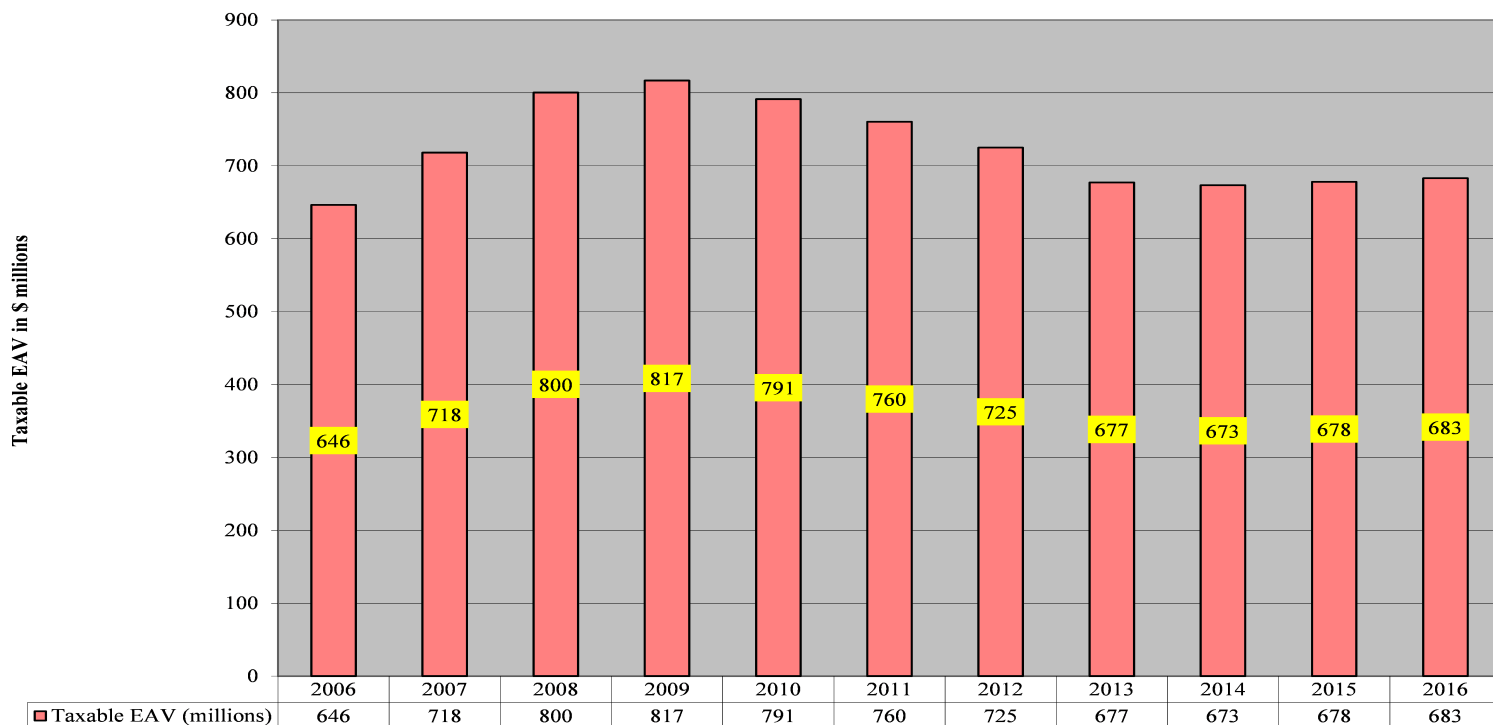
Management Discussion and Analysis

Proposed 2016 Jo Daviess County Property Tax Extension Levy (Payable 2017)

Jo Daviess County is subject to the Illinois Property Tax Extension Limitation Law (PTELL) pursuant to 35 ILCS 200/18-185. This law was adopted by Jo Daviess County as a result of a November 1997 voter referendum. PTELL limits the growth in property tax extension on existing property to an annual increase of 5 percent or the change in the consumer price index (CPI), whichever is less. Special Service Areas are exempt from PTELL and are not included in the County's total aggregate extension. There are provisions in the law which does allow extensions to increase more than the limit; they include increases in proportion to the amount of new property/construction and annexations of territory into a district. A CPI factor of 0.7% was utilized in administering the 2016 Property Tax Extension Limitation Law formula.

The estimated allowable property tax extension increase for 2016 (payable 2017) is \$123,769. To determine this amount, several variables were considered. The County Assessor's Office estimated the 2016 gross assessed valuation of Jo Daviess County to be \$755,000,000. This total includes an estimated \$9,500,000 in new property/construction. A 9.5% factor for exemptions was used to estimate the 2016 taxable EAV at \$683,275,000.

Jo Daviess County Taxable Equalized Assessed Value (EAV) 2006 - 2016

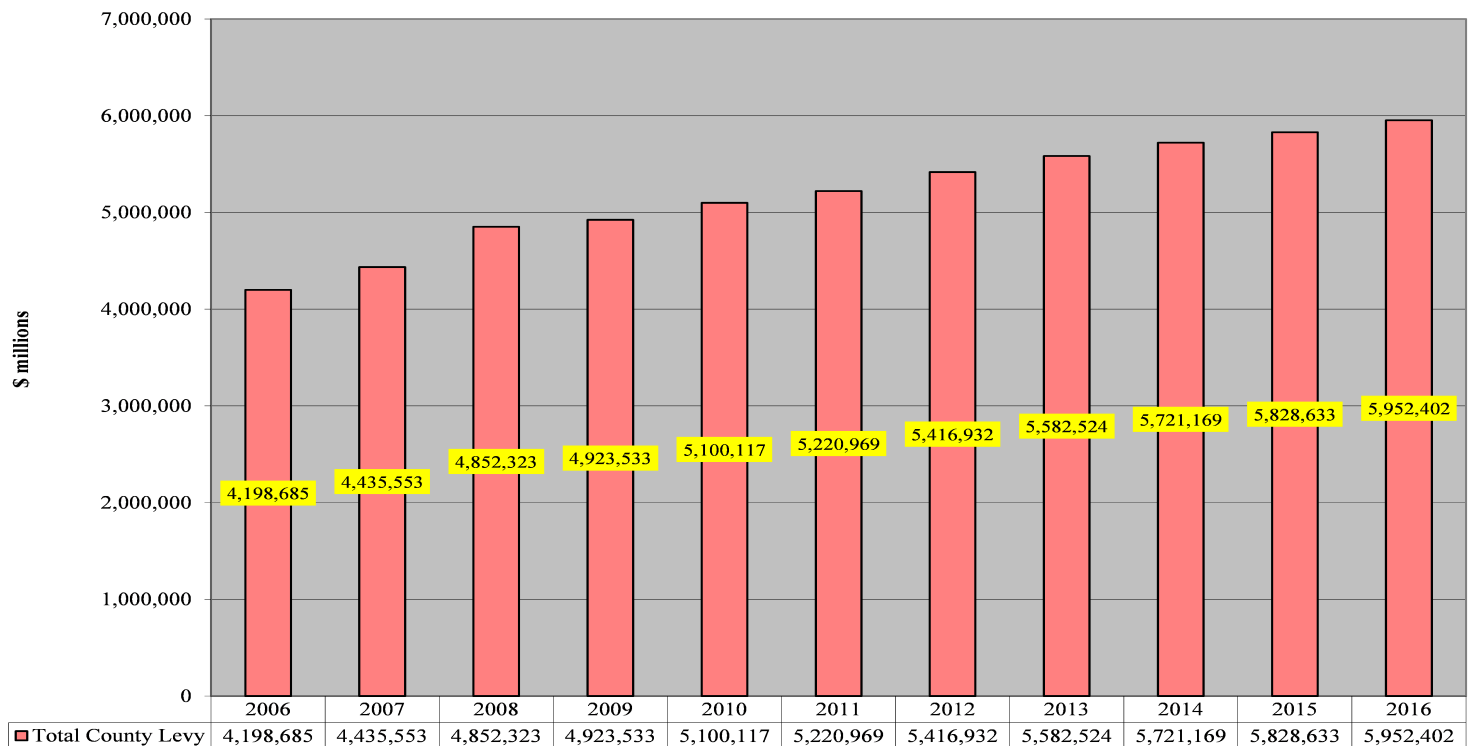


Jo Daviess County, Illinois

Management Discussion and Analysis

The estimated the overall maximum aggregate tax levy extension for 2016 is \$5,952,402. This amount represents an increase of \$123,769 or 2.1% more than the 2015 PTELL certified levy extension of \$5,828,633. Approximately \$40,800 or 33.0% of the proposed 2016 property tax levy increase (payable 2017) is the result of a 0.7% inflationary CPI increase on existing property and approximately \$82,969 or 67.0% is the result of an estimated \$9.5 million increase in EAV associated with new property/construction.

Jo Daviess County Total Levy 2006-2016



Jo Daviess County, Illinois

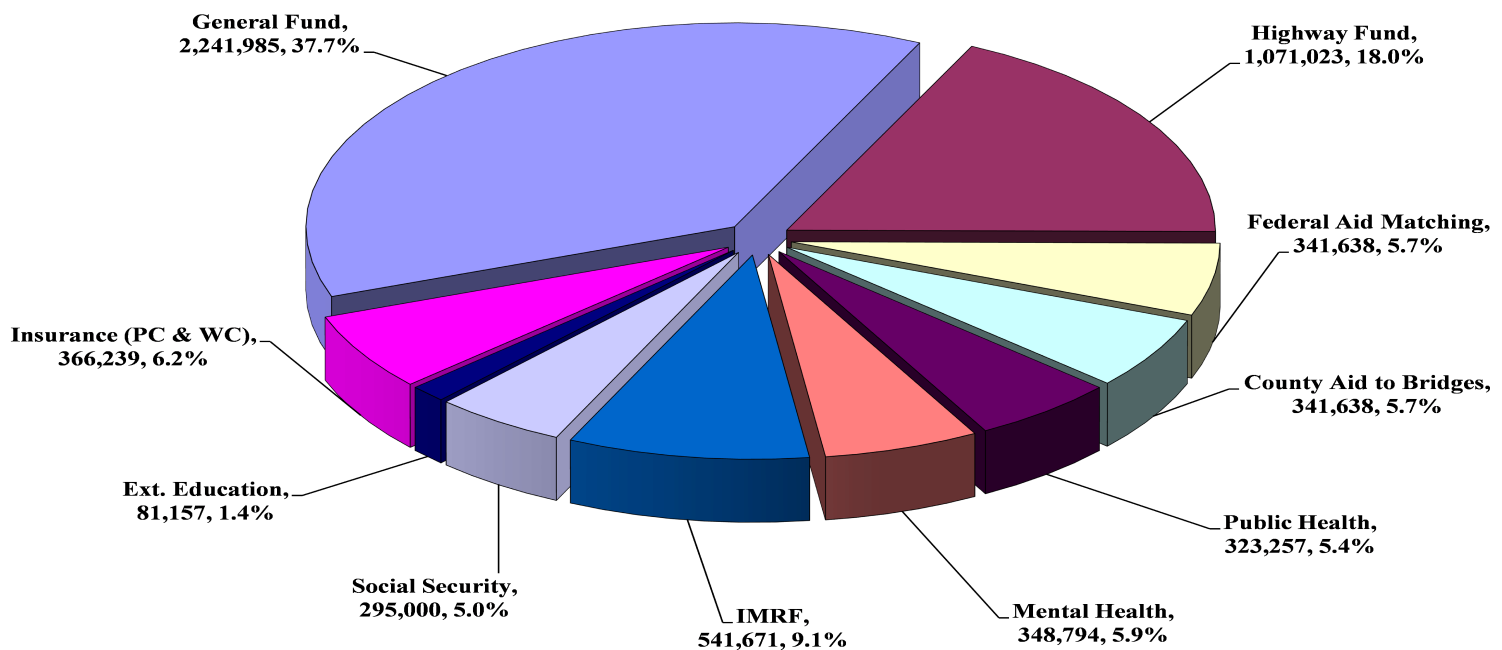
Management Discussion and Analysis

Proposed 2016 Jo Daviess County Property Tax Extension Levy (continued)

The overall Jo Daviess County property tax levy is distributed between ten (10) individual special purpose property tax levies. In addition the County is responsible for four (4) special service area (SSA) levies, SSA #1 Warren Ambulance, SSA #2 & #4 Elizabeth Ambulance, SSA #5 Hanover Ambulance, and SSA #6 Galena Ambulance.

The proposed 2016 Jo Daviess County property tax levy (payable 2017) of \$5,952,402 represents **31.0%** of the County's aggregate FY2017 all fund revenue estimate of \$19,190,723. The proposed General Corporate property tax levy of \$2,241,985 represents **29.6%** of the General Corporate Fund's FY2017 estimated revenue amount of \$7,582,653.

Jo Daviess County Proposed 2016 Property Tax Levy (Payable FY2017) (Less Special Service Areas) - \$5,952,402



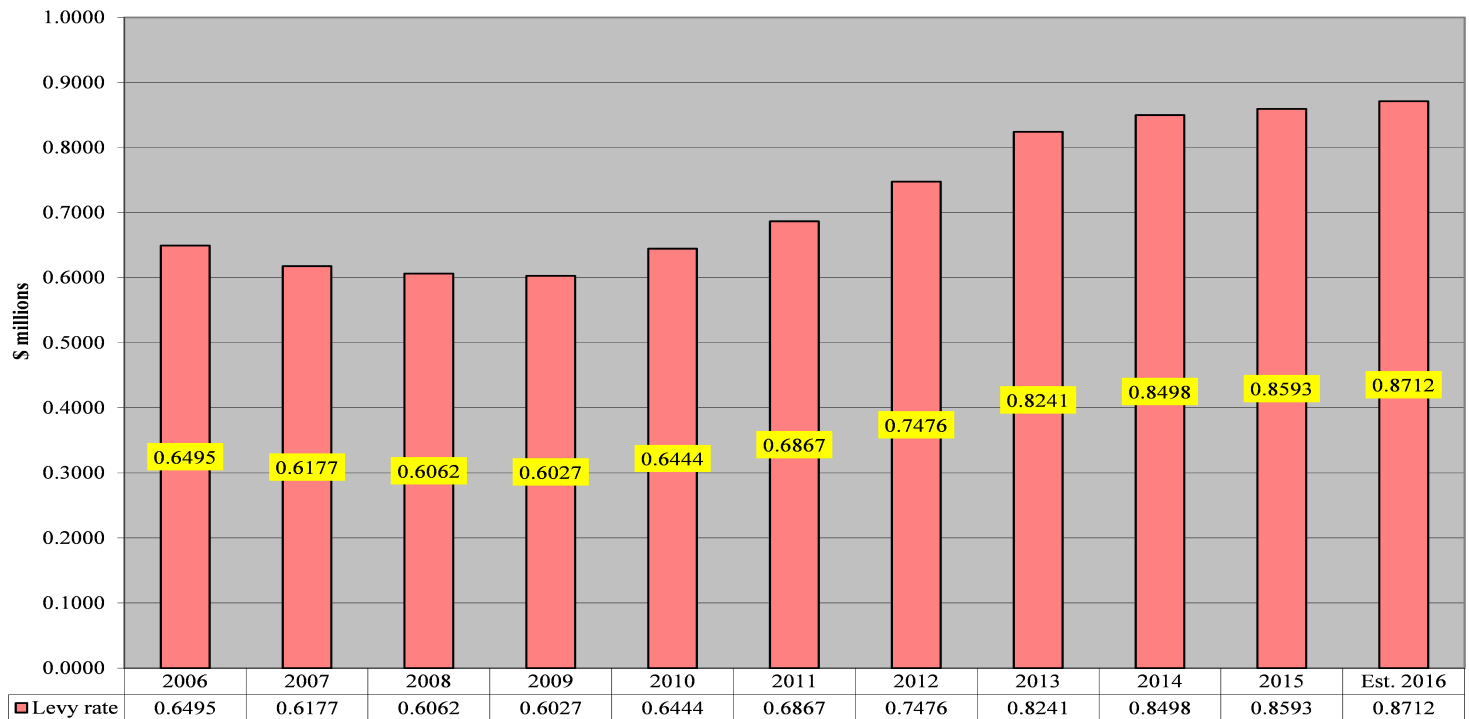
Estimated 2016 Property Tax Extension Rate

The estimated 2016 JDC property tax rate is 0.8712/hundred dollars of assessed value. In general property tax levy rates for taxing districts in Jo Daviess County have increased in recent years. This is primarily due to the fact that equalized assessed value of property in many Jo Daviess County taxing districts have decreased over the last seven (7) year period.

Jo Daviess County, Illinois

Management Discussion and Analysis

Jo Daviess County Levy Rates 2006-2016



Risk Management

Jo Daviess County participates with approximately 50 other Illinois counties in purchasing its property and liability insurance and workers' compensation insurance from Illinois Counties Risk Management Trust. To help minimize the County's risk exposure, the County adopted a Safety Policy Manual in 2008 and hired a part time Safety Coordinator in 2009. The County's Safety Committee works with the Safety Coordinator to implement the County's safety program, reviews reports of injury, and assists in planning quarterly educational programs aimed at reducing and preventing accidents and injuries in the workplace.

The above factors were considered while preparing the fiscal year 2017 financial plan for the County.

Requests for Information

These financial statements and discussions are designed to provide our citizens, taxpayers, investors, and creditors with a complete disclosure of the County's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Jo Daviess County Administrator
330 North Bench Street
Galena, IL 61036

Basic Financial Statements

Jo Daviess County, Illinois

Statement of Net Position

November 30, 2016

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Cash and cash equivalents	16,433,687
Receivables, net of allowance for uncollectibles:	
Due from State of Illinois	1,303,561
Accounts receivable	6,365,273
Loans receivable	300,000
Prepays	22,478
Inventory	49,803
Total current assets	24,474,802
Capital assets:	
Land and other nondepreciable assets	1,420,354
Depreciable property and equipment, net of depreciation	18,710,176
Total capital assets	20,130,530
Deferred outflows of resources -	
Deferred outflows of pension resources	3,576,246
Total assets and deferred outflows of resources	48,181,578
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable	721,480
Accrued payroll	196,836
Current portion of debt certificates	100,359
Total current liabilities	1,018,675
Long-term liabilities:	
Accrued compensated absences	170,105
Long-term portion of debt certificates	298,718
Other post-employment benefit obligation	136,362
Net pension liability	4,369,274
Total long-term liabilities	4,974,459
Total liabilities	5,993,134
Deferred inflows of resources -	
Deferred revenue unavailable	127,568
Deferred property tax revenue	6,248,710
Deferred inflows of pension resources	131,976
Total deferred inflows of resources	6,508,254
Total liabilities and deferred inflows of resources	12,501,388
NET POSITION	
Net investment in capital assets	19,731,453
Restricted	10,722,239
Unrestricted	5,226,498
Total net position	35,680,190

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Statement of Activities

For the Year Ended November 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental activities:					
General control and administration	2,532,560	877,295	605,257	17,500	(1,032,508)
County development	1,148,744	165,924	79,884	0	(902,936)
Public safety	4,506,212	459,433	18,140	5,505	(4,023,134)
Judiciary and court related	1,291,316	332,192	23,645	0	(935,479)
Highways and bridges	3,275,924	1,950	751,842	780,066	(1,742,066)
Public health	1,095,857	212,975	194,875	38,595	(649,412)
Mental health	313,385	0	0	0	(313,385)
Interest on long-term debt	11,069	0	0	0	(11,069)
Total governmental activities	14,175,067	2,049,769	1,673,643	841,666	(9,609,989)
General revenues:					
Taxes:					
Property taxes					6,115,096
Sales taxes					999,880
Income taxes					1,123,253
Other taxes					1,918,341
Interest income					57,104
Miscellaneous					121,463
Total general revenues					10,335,137
Change in net position					725,148
Net position - beginning					34,955,042
Net position - ending					35,680,190

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Governmental Funds

Balance Sheet

November 30, 2016

ASSETS	General	County Highway	Public Health	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	3,208,277	1,351,208	1,099,359	10,774,843	16,433,687
Receivables, net of allowance:					
Due from State of Illinois	820,346	46,784	1,261	435,170	1,303,561
Accounts receivable	2,258,790	1,075,725	324,375	2,706,383	6,365,273
Loans receivable	0	0	0	300,000	300,000
Due from other funds	10,443	0	0	105	10,548
Prepays	22,134	95	188	61	22,478
Inventory	32,506	6,283	11,014	0	49,803
Total assets	6,352,496	2,480,095	1,436,197	14,216,562	24,485,350
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	100,778	32,260	11,304	577,138	721,480
Accrued payroll	126,397	15,550	13,190	41,699	196,836
Accrued compensated absences	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0
Due to other funds	0	0	2,939	7,609	10,548
Total liabilities	227,175	47,810	27,433	626,446	928,864
Deferred inflows of resources -					
Deferred revenue unavailable	107,198	0	20,370	0	127,568
Deferred property tax revenue	2,241,985	1,071,023	323,257	2,612,445	6,248,710
Total deferred inflows of resources	2,349,183	1,071,023	343,627	2,612,445	6,376,278
Fund balances:					
Nonspendable	32,506	6,283	11,014	0	49,803
Restricted	0	1,354,979	1,054,123	8,295,840	10,704,942
Committed	0	0	0	756,700	756,700
Assigned	0	0	0	1,925,131	1,925,131
Unassigned	3,743,632	0	0	0	3,743,632
Total fund balances	3,776,138	1,361,262	1,065,137	10,977,671	17,180,208
Total liabilities, deferred inflows of resources and fund balances	6,352,496	2,480,095	1,436,197	14,216,562	24,485,350

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Reconciliation of the Balance Sheet to the Statement of Net Position November 30, 2016

Total fund balances - governmental funds	17,180,208
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Net book value of assets reported.	
	20,130,530
Long-term liabilities not due and payable with the current resources are not reported in the funds:	
Debt certificates payable	(399,077)
Accrued compensated absences	(170,105)
Other post-employment benefits	(136,362)
Net pension liability and related deferred pension sources	<u>(925,004)</u>
Total net position - governmental activities	<u><u>35,680,190</u></u>

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended November 30, 2016

	General	County Highway	Public Health	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	2,158,226	1,039,172	323,065	2,594,633	6,115,096
Intergovernmental revenue	3,122,925	239,862	127,248	3,082,506	6,572,541
Charges for services	956,372	0	98,906	769,443	1,824,721
Licenses and permits	263,614	1,950	0	105,247	370,811
Interest	18,966	2,843	2,996	32,299	57,104
Other revenue	13,020	48,760	7,854	51,829	121,463
Total revenues	6,533,123	1,332,587	560,069	6,635,957	15,061,736
Expenditures:					
Current:					
General control and administration	1,883,235	0	0	692,988	2,576,223
County development	234,756	0	0	914,798	1,149,554
Public safety	3,503,074	0	0	74,028	3,577,102
Judiciary and court related	1,338,540	0	0	30,087	1,368,627
Highways and bridges	0	1,037,260	0	1,733,759	2,771,019
Public Health	79,631	0	651,260	395,173	1,126,064
Mental health	0	0	0	346,585	346,585
Debt service:					
Principal	117,200	0	0	106,131	223,331
Interest	0	0	0	11,069	11,069
Capital outlay	16,288	0	0	1,228,555	1,244,843
Total expenditures	7,172,724	1,037,260	651,260	5,533,173	14,394,417
Excess (deficiency) of revenues over expenditures	(639,601)	295,327	(91,191)	1,102,784	667,319
Other financing sources and (uses)					
Transfers in	1,210,134	157,045	51,392	1,377,579	2,796,150
Transfers out	(567,109)	(585,849)	(98,718)	(1,544,474)	(2,796,150)
Total other financing sources (uses)	643,025	(428,804)	(47,326)	(166,895)	0
Net change in fund balance	3,424	(133,477)	(138,517)	935,889	667,319
Fund balances, beginning of year	3,772,714	1,494,739	1,203,654	10,041,782	16,512,889
Fund balances, end of year	3,776,138	1,361,262	1,065,137	10,977,671	17,180,208

See Accompanying Notes to Financial Statements.

Jo Daviess 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, 2016

Net change in fund balance - Governmental funds	667,319
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expenses to allocate those expenditures over the life of the assets:	
Capital asset purchases	1,736,918
Depreciation expense	(1,123,961)
The net effect of various transactions involving capital assets (i.e. disposals and sales) is to decrease net position	(27,129)
Revenues in the statements of activities that do not provide available current financial resources are not reported as revenues in the funds.	(541,191)
Principal payments on bonds payable are reported in governmental funds as expenditures However, only the interest on bonds payables are recorded in the statement of activities. This is the amount of principal payments in the period.	223,331
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in the governmental funds.	
Change in other post-employment benefits	(31,109)
Change in net pension liability and deferred pension sources	(398,344)
Vacation and compensated pay for employees is expensed in the statement of activities. However, since these amounts will not be paid from current resources, this expense is not recorded in the governmental funds. This is the amount by which vacation and compensated pay decreased over the prior period.	<u>219,314</u>
Change in net position of governmental activities	<u><u>725,148</u></u>

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Statement of Fiduciary Net Position

November 30, 2016

	Agency Funds
ASSETS	
Cash and investments	845,089
Agency funds due to others	234,646
Total assets	1,079,735
LIABILITIES	
Accounts payable	42,755
Agency funds due to others	1,036,980
Total liabilities	1,079,735

See Accompanying Notes to Financial Statements.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Introduction

The financial statements of Jo Daviess County, Illinois (the "County") have been prepared in accordance 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 County provides many functions and services to citizens, including law enforcement, health and social services, transportation, planning and zoning and general administrative services.

Reporting Entity

Accounting principles generally accepted in the United States of America require the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The County is a municipal corporation governed by a County Board, which is elected by the public and has the exclusive responsibilities and accountability for the decisions it makes. The County has the statutory authority to adopt its own budget, to levy taxes, and to issue bonded debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease or mortgage property in its own name. The accompanying financial statements present the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials are financially accountable or whose exclusion would render the financial statements misleading because of nature and significance of their relationship. Based on these criteria, the County is considered a primary government and there are no other organizations or agencies whose financial statements should be combined and presented with these financial statements.

Joint Ventures

The County has an intergovernmental agreement with Carroll County, Illinois regarding an entity known as the Jo-Carroll Depot Local Redevelopment Authority (LRA). This LRA replaced an entity previously known as the Savanna Army Depot Local Redevelopment Authority. The former entity was charged with the authority to prepare a plan for the re-use of the Savanna Army Depot facilities in accordance with the Base Closure Community Redevelopment Assistance Act. The current LRA is charged with the authority to implement the re-use plan for the Savanna Army Depot and to modify the plan as may become necessary. Both Counties are jointly and severally liable for all liabilities, debts and obligations of any kind incurred by the LRA if the Authority is dissolved. The agreement provides for the LRA to consent to an audit of its funds by either County as either County may direct.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Separate financial statements are available through the Jo-Carroll Depot Local Redevelopment Authority offices in Savanna, 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. 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 are offset by program revenues. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The County applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

The fund statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category-governmental and fiduciary-are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses, as appropriate. The County has the following fund types:

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Governmental Fund Types

Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The County has three governmental fund types: General Fund, Special Revenue Funds, and Capital Projects Funds.

General Fund - This is the County's primary operating fund, and it is always a major fund . It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the County and accounted for in the General Fund include general control and administration, public health, public safety, county development, and judiciary and court related.

The Contingency Fund was combined into the General Fund in fiscal year 2011. This fund was established to provide funds for expenses incurred by County departments and offices that were unanticipated at the beginning of the budget year or to provide inter-fund loans for any County fund experiencing temporary cash flow problems. Expenditures and inter-fund loans from this fund may be made only upon approval of the County Board. Monies expended or loaned from this fund must be replaced during the fiscal year expended or loaned or during the subsequent fiscal year from the fund for which the unanticipated expenditure was made. Initial funding of \$50,000 for the Contingency Fund was derived from the elimination of the Indemnity Fund in 2004.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific projects. The major special revenue funds are:

County Highway Fund: This is used to operate the County Highway Department including, but not limited to, salaries, supplies and purchase of machinery and equipment. Property and sales taxes, sale of material, reimbursement from townships and interest income support this fund.

Public Health Fund: This fund is used for public health expenditures and is supported by the public health property tax levy and funds from Illinois Department of Public Health, Illinois Department of Human Services, and various state or federal grant sources. The County has elected to report the Public Health Fund as major for public interest purposes.

The Catastrophic Public Health Emergency Fund was combined into the Public Health Fund in fiscal year 2011. This fund accounts for any Public Health epidemic or Public Health Emergency. A catastrophic public health event could be the result of a communicable disease epidemic (Pandemic Flu or Tuberculosis, Mumps, Pertusis, Avian Flu, West Nile or other communicable diseases). This fund would also cover natural disasters such as flooding, tornados or terrorist initiated chemical, radiological or biological (small pox, anthrax) threats.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The other special revenue funds of the County are considered nonmajor funds.

Capital Projects Funds - These funds are used to account for the County's purchase or construction of capital facilities or capital equipment. None of the County's capital projects funds in fiscal year 2016 are major funds.

Fiduciary Fund Types - Fiduciary fund types are used to account for net position and changes in net position. The fiduciary funds of the County are all considered agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of the results of the operations.

Under the Governmental Accounting Standards Board (GASB) issued Statement 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*, the County may report any governmental or enterprise fund (but not internal service funds or fiduciary funds) as a major fund if the County's officials believe the fund is "particularly important to financial statement users". The County has chosen to include the Public Health Fund as a major fund even though the funds calculations do not classify it as major fund. The County views this fund particularly important to the financial users.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide fund financial statements are reported using 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 flows take 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.

Jo Daviess County, Illinois

Notes to Financial Statements

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.

Change in Accounting Estimate

In fiscal year 2015 the County elected to defer all revenue remitted by the State applicable to the fiscal year 2015 collected 60 days or later after fiscal year end. As noted above, the County elected to take exception to this assumption for revenue remitted by the State in fiscal year 2016. The net effect of this change in accounting estimate in fiscal year 2016 was to increase governmental funds fund balance by \$249,387.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States 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 during the reporting period. Actual results could differ from those estimates.

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. Per the County Purchasing Ordinance, no purchase order/claim shall be authorized unless an unencumbered balance exists in the appropriate expense account (line item) without the approval of the county board or county administrator. The county administrator may approve the transfer of up to \$500 from one line item to another line item within class II, III and IV departmental budget line items when the county administrator deems reasonable and appropriate. The county board may approve the transfer of funds, over \$500 within a departmental budget from one line item to another when the county board deems it reasonable and appropriate. All requests for the transfer of funds from or to any class I (salary and fringe benefits) expense line item must be approved by a two-thirds (2/3) majority vote of the county board.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Basis of Accounting (Continued)

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 even if they have related encumbrances.

Cash and Investments

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 of the 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 2015 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2016. The County must file its tax levy by the last Tuesday of December each year. The 2015 levy was approved on November 17, 2015. The 2016 levy was approved on November 15, 2016.

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 2015 became due and payable in two installments, generally in July 2016 and September 2016. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Other receivables in the governmental and fiduciary funds are recorded at gross. No allowance for uncollectible accounts has been provided, since it is believed that the amount of such allowance would not be material.

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 and fuel and deed stamps held for resale.

Prepaid items represent payments made by the County for which benefits extend beyond November 30, 2016. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Purchased or constructed capital assets, including property, plant, equipment, and infrastructure (roads, bridges, and similar items), are reported at cost or estimated historical cost in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$20,000 for land, buildings and infrastructure assets, and \$5,000 for other capital assets, and an estimated life in excess of one year.

Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for equipment, vehicles, real property acquisitions, improvements, and infrastructure are recorded as capital outlay. Donated assets are recorded at their fair market value at the date of donation. Maintenance and repairs of a routine nature are charged to expenses/expenditures as incurred and are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	1 - 50 years
Transportation equipment	1 - 30 years
Equipment and machinery	1 - 30 years
Roads and bridges	1 - 100 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 and/or balance sheet will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, 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. The County has only one items that qualifies for reporting in this category. The County reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and County contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset).

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items which occur related to revenue recognition. Property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year, as it is not legally available as of fiscal year-end. Various other receivables are recorded in the current year, but the revenue will be recorded in each subsequent year, as it is not available in the governmental funds as of fiscal year-end. Finally, deferred inflows of resources related to the pension liability will be recognized in future years.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement.

For nonunion employees, full-time employees accrue vacation time according to their years of continuous service with the County with the hours given to the employee on their anniversary date. Employees may carry over up to one-half of their accrued vacation from the previous year for six months past their anniversary date for the following year.

For employees covered under the Collective Bargaining Agreement for Police Officers, vacation allowances are earned annually based on the number of months employed with the County and the prior year's earned hours are available for use starting December 1 the following year. These employees also earn sick leave hours with a maximum of 1,040 hours allowed. For sick leave hours in excess of 520 sick hours, the employee can cash in two unused sick days for one day's pay basis. The cash in occurs during the time period of November 1 to November 15 each year. For employees covered under the Collective Bargaining Agreement for the Highway Department, vacation accrues for full time employees on a pay period basis based on the years of service with the County. These employees are allowed to carry one-half of their accrued vacation time from the previous year for up to 12 months past their anniversary date. Employees with more than two years seniority are also permitted to cash out up to one-half of their annual vacation accrual once per year if the employee has not yet utilized their vacation time.

All vacation and sick leave is accrued when incurred in the government-wide fund statements, with vacation accruals being payable within one year. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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

The County's net OPEB Obligation is recognized as a liability and Annual Required Contribution ("ARC") is expensed, as determined by the County's actuary, in the government-wide financial statements.

Interfund Transactions

Transactions from County funds that would be treated as revenues and expenditures if they involve organizations 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.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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 balance 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.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 2: Stewardship, Compliance and Accountability

Excess of expenditures over appropriations

For the year ended November 30, 2016, expenditures exceeded appropriations in the following funds (the legal level of budgetary control) by:

Fund	Amount
Juvenile Justice	2,571
Special Services District No. One	47
Special Services District No. Two and Four	52

Deficit Fund Equity/Net Position

As of November 30, 2016, no funds have a deficit fund balance.

Note 3: Cash and Investments

Deposits with Financial Institutions

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy gives discretion to the Jo Daviess County Treasurer to determine whether or not collateral will be required of financial institutions receiving funds from the County. At all times, the Treasurer is required to collateralize deposits in excess of 35 percent of the capital and surplus of a financial institution. When collateral is required, 110 percent of the deposit will be required. Acceptable collateral includes United States Government Direct Securities, obligations of federal agencies, obligations of the state of Illinois, obligations of Jo Daviess County, obligations of municipalities located within Jo Daviess County and acceptable collateral as identified in the Illinois Compiled Statutes. As of November 30, 2016, the County's bank balance was \$17,310,702 and the entire balance was insured and collateralized with securities in the County's name.

Investments

As of November 30, 2016, the County had no investments.

Note 4: Loans Receivable

In fiscal year 2014, the County entered into a new Operator Agreement with The Workshop (Jo Daviess County Transit System) regarding a Public Transportation Program in the rural and small urban areas of Jo Daviess County, Illinois, for which grant funding flows through the County to The Workshop. In relation to this revised Operator Agreement, \$300,000 was advanced to The Workshop on December 3, 2013 to provide the operator a reasonable amount of working cash. The County replenishes the advance account based on the quarterly requisition form. The Workshop will retain this advance as long as the agreement is in place.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 5: Capital Assets

Capital asset balances and activity for the year ended November 30, 2016, were as follows:

Governmental Activities:	Balance 11/30/15	Increases	Decreases and Transfers	Balance 11/30/16
Capital assets, not being depreciated:				
Land	346,374	0	0	346,374
Work in progress	1,556,276	940,777	(1,423,073)	1,073,980
Total capital assets, not being depreciated	1,902,650	940,777	(1,423,073)	1,420,354
Capital assets, being depreciated:				
Buildings and improvements	5,351,301	107,090	1,005,591	6,463,982
Equipment and machinery	4,398,543	129,677	201,681	4,729,901
Transportation and equipment	3,169,173	506,497	(351,398)	3,324,272
Roads and bridges	20,206,484	52,877	0	20,259,361
Total capital assets, being depreciated	33,125,501	796,141	855,874	34,777,516
Accumulated depreciation:				
Buildings and improvements	(2,344,978)	(145,145)	0	(2,490,123)
Equipment and machinery	(2,695,434)	(273,463)	205,631	(2,763,266)
Transportation and equipment	(2,160,498)	(262,736)	334,439	(2,088,795)
Roads and bridges	(8,282,539)	(442,617)	0	(8,725,156)
Total accumulated depreciation	(15,483,449)	(1,123,961)	540,070	(16,067,340)
Total capital assets, being depreciated, net	17,642,052	(327,820)	1,395,944	18,710,176
Governmental activities capital assets, net	19,544,702	612,957	(27,129)	20,130,530

Depreciation expense was charged to the governmental functions as follows:

Governmental activities:	
General control and administration	58,827
County development	33,371
Public safety	292,460
Judiciary and court related	23,870
Highways and bridges	693,164
Public health	22,269
Total depreciation expense, governmental activities	1,123,961

Jo Daviess County, Illinois

Notes to Financial Statements

Note 6: Long-Term Liabilities

Debt Certificates - The County obtained a \$1,000,000 debt certificate from First Community State Bank in fiscal year 2012 to purchase public safety radio communications equipment and the construction of improvements to the public safety radio communications system. The terms of the debt certificate are semi-annual principal and interest payments of \$58,600 payable on May 30 and November 30, commencing on May 30, 2012 and ending November 30, 2020. The November 30, 2020 payment amount is \$20,113. Interest is to be paid on any unpaid principal installments at a rate of 2.99% per annum.

The following is a schedule of the debt certificates payments over the life of the loan:

Year Ended November 30,	Principal	Interest
2017	100,359	16,841
2018	109,085	8,115
2019	112,371	4,829
2020	77,262	1,451
Total	399,077	31,236

Long term liability activity for the year ended November 30, 2016 is as follows:

Governmental activities:	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Debt certificates	622,408	0	(223,331)	399,077	100,359
Other post-employment benefit obligations	105,253	31,109	0	136,362	0
Accrued compensated absences	388,314	277,470	(495,679)	170,105	0
Total	1,115,975	308,579	(719,010)	705,544	100,359

The County is subject to a debt limitation of 5.75% of its assessed valuation of \$678,284,330. As of November 30, 2016, the County had \$38,602,272 of remaining legal debt margin.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 7: Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section (IRC) 457. The plan, available to all eligible County employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan has been amended to comply with IRC Section 457(g) which allowed for the plan to hold its assets in trust. Under this requirement, the County does not own the amount deferred by employees and, therefore, the asset and liability are not reflected in the financial statements.

Note 8: Retirement Plans

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 a 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.

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.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

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

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

Regular Personnel (Non-SLEP)

Employees Covered by the Benefit Terms - At December 31, 2015, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	80
Inactive plan member entitled to but not yet receiving benefits	45
Active employees	80
<hr/>	
Total	205

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 2015 was 10.87%. For the fiscal year ended November 30, 2016, the County contributed \$335,938 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, 2015, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- 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 2.75%.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.48%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) 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 2014). 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-2014 (base year 2014). 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, 2015:

<i>Asset Class</i>	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38 %	7.39 %
International Equity	17 %	7.59 %
Fixed Income	27 %	3.00 %
Real Estate	8 %	6.00 %
Alternative Investments	9 %	2.75-8.15%
Cash Equivalents	1 %	2.25 %
Total	100 %	

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

Single Discount Rate - A Single Discount Rate of 7.48% 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 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Changes to Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at January 1, 2015	17,447,927	16,802,107	645,820
Changes for the year:			
Service Cost	332,912	0	332,912
Interest on the total pension liability	1,293,871	0	1,293,871
Differences between expected and actual experience of the total pension liability	(54,355)	0	(54,355)
Changes in assumptions	44,171	0	44,171
Contributions - employer	0	343,890	(343,890)
Contributions - employees	0	156,134	(156,134)
Net investment income	0	83,447	(83,447)
Benefit payments, including refunds of employee contributions	(725,540)	(725,540)	0
Other (net transfer)	0	(13,655)	13,655
Net Changes	891,059	(155,724)	1,046,783
Balance at December 31, 2015	18,338,986	16,646,383	1,692,603

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.48%, 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 (6.48%)	Current Discount (7.48%)	1% Higher (8.48%)
Net Pension Liability	4,085,050	1,692,603	(278,874)

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

For the year ended November 30, 2016, the County recognized pension expense of \$335,938. At November 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions 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>		
Differences between expected and actual experience	32,842	40,419
Changes in assumptions	334,655	0
Net difference between projected and actual earnings on pension plan investments	1,068,626	0
Total deferred amounts to be recognized in pension expense in future periods	1,436,123	40,419
Pension contributions made subsequent to the measurement date	308,011	0
Total deferred amounts related to pensions	1,744,134	40,419

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

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 December 31:	Net Deferred Outflows of Resources
2016	447,928
2017	438,219
2018	276,007
2019	233,550
2020	0
Thereafter	0
Total	1,395,704

Sheriff's Law Enforcement (SLEP):

Employees Covered by the Benefit Terms - At December 31, 2015, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	10
Inactive plan member entitled to but not yet receiving benefits	18
Active employees	33
Total	61

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 2015 was 18.85%. For the fiscal year ended November 30, 2016, the County contributed \$339,018 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, 2015, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

Actuarial assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- 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 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.48%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) 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 2014). 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-2014 (base year 2014). 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, 2015:

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

<i>Asset Class</i>	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38 %	7.39 %
International Equity	17 %	7.59 %
Fixed Income	27 %	3.00 %
Real Estate	8 %	6.00 %
Alternative Investments	9 %	2.75-8.15%
Cash Equivalents	1 %	2.25 %
Total	100 %	

Single Discount Rate - A Single Discount Rate of 7.48% 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 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

Changes to Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at January 1, 2015	12,259,007	11,462,419	796,588
Changes for the year:			
Service Cost	337,258	0	337,258
Interest on the total pension liability	923,848	0	923,848
Differences between expected and actual experience of the total pension liability	842,511	0	842,511
Changes in assumptions	41,314	0	41,314
Contributions - employer	0	362,516	(362,516)
Contributions - employees	0	144,275	(144,275)
Net investment income	0	58,031	(58,031)
Benefit payments, including refunds of employee contributions	(219,326)	(219,326)	0
Other (net transfer)	0	(299,974)	299,974
Net Changes	1,925,605	45,522	1,880,083
Balance at December 31, 2015	14,184,612	11,507,941	2,676,671

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.48%, 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 (6.48%)	Current Discount (7.48%)	1% Higher (8.48%)
Net Pension Liability	4,932,434	2,676,671	853,111

Jo Daviess County, Illinois

Notes to Financial Statements

Note 8: Retirement Plans (Continued)

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

For the year ended November 30, 2016, the County recognized pension expense of \$339,018. At November 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions 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>		
Differences between expected and actual experience	691,331	91,557
Changes in assumptions	101,124	0
Net difference between projected and actual earnings on pension plan investments	730,292	0
Total deferred amounts to be recognized in pension expense in future periods	1,522,747	91,557
Pension contributions made subsequent to the measurement date	309,365	0
Total deferred amounts related to pensions	1,832,112	91,557

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 December 31:	Net Deferred Outflows of Resources
2016	342,111
2017	342,111
2018	342,109
2019	313,999
2020	90,860
Thereafter	0
Total	1,431,190

Jo Daviess County, Illinois

Notes to Financial Statements

Note 9: Other Postemployment Benefits

Plan Description. The County administers a single-employer defined benefit health care plan. The plan provides medical insurance benefits to eligible retirees and their spouses through the County's group medical insurance plan, which covers both active and retired members. The eligibility requirements are based on the minimum requirements of the Illinois Municipal Retirement Fund. If eligible, the retiree may receive medical insurance benefits until the retiree stops paying the medical insurance premiums. The plan does not issue a standalone report.

As of the latest valuation performed December 1, 2014, the plan has 3 retirees receiving benefits and has a total of 107 active participants.

Funding Policy. The County does not pay any portion of the health insurance premiums for retirees; however, the retired employee receives an implicit benefit of a lower health care premium, which is spread among the cost of active employee premiums. Because the State prohibits local governments from separately rating active employees and retirees, the County charges both groups an equal, blended premium rate. Although both groups are charged the same rate, GAAP requires the actuarial amounts to be calculated using age adjusted premiums that approximate costs for retirees separately from those for active employees. The use of age adjusted premiums results in the inclusion of an implicit rate subsidy in the actuarial accrued liability. However, the County's contributions to the plan are based on actuarial valuations prepared using the blended rate premium that is actually charged.

The County's contribution rate in effect for the fiscal year 2016 was 6.7%. All contributions made to the plan are from retirees and their beneficiaries.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefits (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or fund excess) over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution	44,338
Interest on net OPEB	4,210
Adjustment to annual required contribution	(4,357)
Annual OPEB cost	44,191
Contributions made	(13,082)
Increase in net OPEB obligation	31,109
Net OPEB, beginning of year	105,253
Net OPEB, end of year	136,362

Jo Daviess County, Illinois

Notes to Financial Statements

Note 9: Other Postemployment Benefits (Continued)

The County's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2014 through 2016 were as follows:

Three-Year Trend Information for the Postretirement Health Plan			
Fiscal year Ending	Annual OPEB Cost	Percentage of OPEB Contributed	Net OPEB Obligation
11/30/16	44,191	30 %	136,362
11/30/15	42,995	30 %	105,253
11/30/14	29,855	67 %	75,340

Funded Status and Funding Progress. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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 4.00%

Health Care Trend

Rates are adjusted to reflect the difference between the Insurance Year and Fiscal Year. Insurance Year Trends has an initial rate of 7.00% that ultimately decreases over 20 years to 4.00%.

Mortality RP-2014 Mortality Table backed off to 2006 and projected generationally with Scale MP-2015.

Retirement Rates Rates from the December 31, 2014 IMRF Actuarial Valuation Report for male and female Regular and SLEP employees.

Termination Rates Rates from the December 31, 2014 IMRF Actuarial Valuation Report for male and female Regular and SLEP employees.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 9: Other Postemployment Benefits (Continued)

Disability Rates

None assumed.

Starting Per Capita Costs

Starting per capita costs are based on COBRA rates. The rates are developed for actives and pre-Medicare retirees. According to GASB 45, when an employer provides benefits to both active employees and retirees through the same plan, the benefits to retirees should be segregated and measured independently for actuarial measurement purposes. The projection of future retiree benefits should be based on claims costs, or age-adjusted premiums approximating claims costs, for retirees, in accordance with actuarial standards issued by the Actuarial Standards Board. As such, rates were estimated for retirees as if they were rated on a stand-alone basis, and were adjusted to reflect the difference between the Insurance Year and the Fiscal Year. These costs were then disaggregated into age-specific starting costs based on average ages and assumptions on the relationship between costs and increasing age (morbidity). Costs for Medicare eligible do not exhibit the active/retiree subsidization as seen for pre-Medicare medical and are not adjusted. It is assumed that there is no liability to the County for Medicare eligible retirees receiving coverage on a pay-all basis. This treatment follows generally accepted actuarial practice.

Monthly Retiree Contribution

Single \$692.82, Family \$1,667.44, Single - Medicare Primary \$501.67

Coverage Status

Active employees are assumed to continue into retirement at their current coverage level as that in the active medical plan.

Election at Retirement

30% of future retirees will elect medical coverage at retirement

Marital Status

5% of active employees electing retiree coverage are assumed to be married and to elect spousal coverage with males three years older than females. Based on nature of the Plan as well as actual experience and anticipated experience.

Eligibility provisions. Post retirement healthcare benefits are available to vested employees retiring under the Illinois Municipal Retirement System (IMRF) or the Sheriff's Law Enforcement Personnel (SLEP) retirement system as described below.

IMRF retirees: Eligible for benefits once meet criteria for retirement under IMRF plan (age 55 with 8 years of service for those hired before January 1, 2011; age 62 with 10 years of service for those hired on or after January 1, 2011).

Jo Daviess County, Illinois

Notes to Financial Statements

Note 9: Other Postemployment Benefits (Continued)

SLEP retirees: Eligible for benefits once meet criteria for retirement under SLEP plan (age 50 with 20 years of service for those hired before January 1, 2011; age 50 with 10 years of service for those hired on or after January 1, 2011).

Medical Coverage. Retirees and their eligible dependents are allowed to remain on the County's insurance plans provided that they pay the entire premium. Coverage can continue upon Medicare eligibility. Coverage ceases when premium payments cease.

Note 10: Interfund Balances and Activity

Interfund receivable and payable balances in the fund financial statements on November 30, 2016, are as follows:

Receivable Fund	Payable Fund	Amount
General	Public Health	2,939
General	Nonmajor	7,504
Nonmajor	Nonmajor	105
Total		10,548

Interfund balances result from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

In the statement of net position, amounts reported in fund balance sheets as interfund balances have been eliminated within the governmental activities columns.

Interfund transfers at November 30, 2016, were as follows:

Fund	Transfer In	Transfer Out
Major fund -		
General	(1,210,134)	567,109
Public health	(51,392)	98,718
County Highway	(157,045)	585,849
Nonmajor governmental funds	(1,377,579)	1,544,474
Total	(2,796,150)	2,796,150

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 11: 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. In order to protect against such risks of loss, the County purchases commercial insurance coverage through Illinois Counties Risk Management Trust Insurance Program. The deductible in effect through these policies as of November 30, 2016 was \$5,000. During the year ended November 30, 2016, there were no significant reductions in coverage. Settled claims have not exceeded the excess commercial coverage in any of the past three years.

Note 12: Regional Superintendent of Schools Trust

During August 1979, Jo Daviess and Carroll County combined their Superintendent of Schools into one office. A trust fund was established which pays the expenses of the Superintendent of Schools. Effective August 7, 1995, the Regional Superintendent's office was expanded to include Stephenson County. The office is located in Freeport, Illinois. Jo Daviess, Stephenson and Carroll Counties reimburse this trust fund on the basis of assessed valuation. This trust is not administered by Jo Daviess County and is not included in the basic financial statements. The County made \$55,992 in payments to the trust during the year ended November 30, 2016. The financial information is available by contacting Aaron Mercier at Regional Superintendent of Schools Trust Fund, 27 S. State Avenue, Suite 101, Freeport, Illinois 61032.

Note 13: Construction and Other Significant Commitments

The County has financial commitments related to various highway, bridge, and building projects that are estimated to be approximately \$502,552.

Note 14: Minimum Year-End Fund Balance Policies

The County has adopted minimum year-end fund balance policies for fiscal year 2016 as follows:

Fund Name	Amount	Policy
General	\$1,992,000	Estimated three months of operating expense
County Highway	\$625,000	Estimated four months of operating expense
Public Health	\$452,000	Estimated six months of operating expense
Home Health Care	\$151,000	Estimated six months of operating expense
Tourism Promotion	\$431,000	Estimated four months of operating expense
GIS Automation	\$47,500	Estimated three months of operating expense
Social Security Tax	\$175,000	50-60% of the total eligible expenses for the period
Illinois Municipal Retirement	\$345,000	50-60% of the total eligible expenses for the period
Insurance	\$455,000	110% of the previous year's budgeted expenses

The minimum year-end fund balances are included in the restricted fund balance category in the fund financial statements for all Special Revenue funds. The minimum year-end fund balance for the General Fund is included in the unassigned category in accordance with GASB 54.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 15: Net Position

Net position reported on the government wide statement of net position at November 30, 2016:

Governmental Activities:

Net investment in capital assets:

Land and other nondepreciable assets	1,420,354
Other capital assets, net of accumulated depreciation	18,710,176
Less: related long-term debt outstanding	(399,077)

Total net investment in capital assets	19,731,453
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Restricted:

State statutes and enabling legislation	10,687,385
Externally imposed by donors	3,677
Externally imposed by grantors	31,177

Total restricted	10,722,239
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Unrestricted	5,226,498
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Governmental activities capital assets, net	35,680,190
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Jo Daviess County, Illinois

Notes to Financial Statements

Note 16: 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 committed balances at year end that are listed below.

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.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 16: Fund Balance (Continued)

Nonspendable Fund Balance

Major Funds - Inventory:

General	32,506
Public Health	11,014
County Highway	6,283

Total nonspendable fund balance	49,803
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Restricted Fund Balance

Major Funds:

State statutes and enabling legislation:

Public Health	1,054,123
County Highway	1,354,979

Non-Major Funds:

State statutes and enabling legislation:

County Aid to Bridges	226,847
County Motor Fuel Tax	513,377
State's Attorney Drug Forfeiture	3,675
Home Health Care	959,423
Public Health Emergency Preparedness	16,957
Dog	0
Animal Control	49,237
Mental Health	36,261
Special Service District No. One	0
Special Service District No. Two and Four	0
Special Service District No. Five	0
Special Service District No. Six	0
911	304,782
Sheriff's Forfeiture	13,411
GIS Automation	36,017
Illinois Municipal Retirement	458,274
Social Security Tax	195,740
Probation Services	70,830
Extension Education	1
Insurance	801,054
Circuit Clerk Automation	131,241
Recorder Automation	147,813
County Clerk Automation	41,382
Court Document Storage	179,395
County Treasurer Automation	12,082
Maintenance and Child Support	67,414
Probation EMHD Program	3,879
Sheriff DUI	44,699

Jo Daviess County, Illinois

Notes to Financial Statements

Note 16: Fund Balance (Continued)

Sheriff Vehicle	89,100
Circuit Clerk Operation and Administrative	27,022
Tourism Promotion	1,034,346
Sale in Error	115,209
Rentech Energy Escrow	548
JDC Natural Emergency Services Communication	374,989
Sobriety Court	18,759
County Jail Medical Costs	1,413
Coroner's Equipment and Operations	31,290
Federal Aid Matching	1,374,370
County Transit	854,265
JDC Natural Hazard Mitigation	4
State's Attorney Records Automation	6,412
Juvenile Justice	19,468
Externally imposed by donors:	
Home Health Care Memorial	3,677
Externally imposed by grantors:	
LTCB Matching Grant Fund	30,549
Election Equipment	628
Total restricted fund balance	10,704,942

Assigned Fund Balance

Non-Major Funds:

Public Health Capital Investment	398,980
Tourism Capital Development	292,029
County Capital Investment	229,305
County Capital Equipment Replacement	522,817
Home Health Care Capital Equipment	51,249
County Highway Capital Investment	297,768
GIS Capital Equipment and Investment	81,760
ETSB Capital Equipment & Investment	51,223
Total Assigned fund balance	1,925,131

Committed Fund Balance

Non-Major Funds -

Economic Development Investment	756,700
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Jo Daviess County, Illinois

Notes to Financial Statements

Note 16: Fund Balance (Continued)

Unassigned Fund Balance

Major Fund -	
General Fund -	
General	3,503,359
Contingency	240,273
<hr/>	
Total unassigned fund balance	3,743,632

Note 17: 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. As of November 30, 2016, the County is not aware of any contingencies that need to be disclose.

Note 18: Impact of Pending Accounting Principles

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The County has not determined the effect of this Statement.

GASB Statement No. 77, *Tax Abatement Disclosures*, requires governments that enter into tax abatement agreements to disclose the certain information about the agreements to allow readers of the financial statements to better access the revenue-generating capacity of the government. The provisions in Statement No. 77 are effective for reporting periods beginning after December 15, 2015. The County has not determined the effect of this Statement.

GASB Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14* amends the blending requirements by requiring the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The County has not determined the effect of this Statement.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements* improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. The County has not determined the effect of this Statement.

Jo Daviess County, Illinois

Notes to Financial Statements

Note 18: Impact of Pending Accounting Principles (Continued)

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* amends the required the presentation to include the covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2017. The County has not determined the effect of this Statement.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations, and requires the current value of a government's asset retirement obligations to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2018. The County has not determined the effect of this Statement.

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.

Note 19: Subsequent Events

In December 2016, the County transferred the net assets of the Home Health Care, Home Health Care Memorial, and Home Health Care Capital Equipment Funds to the Public Health Capital Investment Fund. The net asset transfer totaled \$1,014,349.

In December 2016, the County entered into an agreement with McDaniel's Marketing Communications for a one year marketing plan. The contract amount is \$373,500 and is expected to be paid during fiscal year 2017.

Required Supplementary Information

Jo Daviess County, Illinois

General Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the Year Ended November 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	2,160,792	2,160,792	2,158,226	(2,566)
Intergovernmental revenue	2,974,743	2,974,743	3,122,925	148,182
Charges for services	851,911	851,911	956,372	104,461
Licenses and permits	254,170	254,170	263,614	9,444
Interest	17,006	17,006	18,427	1,421
Miscellaneous	15,225	15,225	13,020	(2,205)
Total revenues	6,273,847	6,273,847	6,532,584	258,737
Expenditures:				
Current:				
General control and administration	2,007,106	2,007,106	1,896,921	110,185
County development	247,094	247,094	234,756	12,338
Public safety	3,574,466	3,574,466	3,503,074	71,392
Judiciary and court related	1,418,269	1,418,269	1,338,540	79,729
Health Other Than Hospitals	82,293	82,293	79,631	2,662
Total expenditures	7,329,228	7,329,228	7,052,922	276,306
Excess (deficiency) of revenues over expenditures	(1,055,381)	(1,055,381)	(520,338)	535,043
Other financing sources and (uses):				
Transfers in	1,200,651	1,200,651	1,195,530	(5,121)
Transfers out	(481,509)	(481,509)	(481,509)	0
Net change in fund balance	(336,239)	(336,239)	193,683	529,922
Fund balances, beginning of year			3,342,182	
Fund balances, end of year			3,535,865	
GAAP fund balances for General Revenue Funds:				
General Fund			3,535,865	
Contingency Fund			240,273	
GAAP fund balances for General Revenue Funds			3,776,138	

See Notes to Required Supplementary Information.

Jo Daviess County, Illinois

County Highway Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the Year Ended November 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	1,039,790	1,039,790	1,039,172	(618)
Intergovernmental revenue	254,243	254,243	239,862	(14,381)
Charges for services	0	0	0	0
Licenses and permits	2,000	2,000	1,950	(50)
Interest	1,500	1,500	2,843	1,343
Miscellaneous	55,000	55,000	48,760	(6,240)
Total revenues	1,352,533	1,352,533	1,332,587	(19,946)
Expenditures:				
Current:				
Highways and bridges	1,284,952	1,284,952	1,037,260	247,692
Total expenditures	1,284,952	1,284,952	1,037,260	247,692
Excess (deficiency) of revenues over expenditures	67,581	67,581	295,327	227,746
Other financing sources and (uses):				
Transfers in	157,045	157,045	157,045	0
Transfers out	(588,833)	(588,833)	(585,849)	2,984
Net change in fund balance	(364,207)	(364,207)	(133,477)	230,730
Fund balances, beginning of year			1,494,739	
Fund balances, end of year			1,361,262	

See Notes to Required Supplementary Information.

Jo Daviess County, Illinois

Public Health Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the Year Ended November 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	323,258	323,258	323,065	(193)
Intergovernmental revenue	226,215	226,215	127,248	(98,967)
Charges for services	88,300	88,300	98,906	10,606
Interest	2,300	2,300	2,141	(159)
Miscellaneous	5,100	5,100	7,854	2,754
Total revenues	645,173	645,173	559,214	(85,959)
Expenditures:				
Public health	796,050	796,050	651,260	144,790
Excess (deficiency) of revenues over expenditures	(150,877)	(150,877)	(92,046)	58,831
Other financing sources and (uses):				
Transfers in	51,192	51,192	51,392	200
Transfers out	(106,000)	(106,000)	(98,718)	7,282
Net change in fund balance	(205,685)	(205,685)	(139,372)	66,313
Fund balance, beginning of year			918,535	
Fund balance, end of year			779,163	
GAAP fund balances for Special Revenue Funds:				
Public Health			779,163	
Catastrophic Health Emergency Fund			285,974	
GAAP fund balances for General Revenue Funds			1,065,137	

See Notes to Required Supplementary Information.

Jo Daviess County, Illinois

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)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Calendar year ending December 31,										
Total pension liability:										
Service cost	332,912	370,980								
Interest on the total pension liability	1,293,871	1,179,156								
Changes of benefit changes	0	0								
Difference between expected and actual experience of the total pension liability	(54,355)	66,636								
Changes of assumptions	44,171	612,375								
Benefit payments, including refunds of employee contributions	(725,540)	(635,628)								
Net change in total pension liability	891,059	1,593,519								
Total pension liability - beginning	17,447,927	15,854,408								
Total pension liability - ending (a)	18,338,986	17,447,927								
Plan fiduciary net position:										
Contributions - employer	343,890	404,300								
Contributions - employees	156,134	141,254								
Net investment income	83,447	964,441								
Benefit payments, including refunds of employee contributions	(725,540)	(635,628)								
Other (net transfers)	(13,655)	72,199								
Net change in plan fiduciary net position	(155,724)	946,566								
Plan fiduciary net position - beginning	16,802,107	15,855,541								
Plan fiduciary net position - ending (b)	16,646,383	16,802,107								
Net pension liability(asset) - Ending (a) - (b)	1,692,603	645,820								
Plan fiduciary net position as a percentage of total pension liability	90.77%	96.30%								
Covered valuation payroll	3,160,037	2,975,352								
Net pension liability as a percentage of covered valuation payroll	53.56%	21.71%								

The County implemented GASB Statement No. 68 in November 30, 2015.

Jo Daviess County, Illinois

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)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Calendar year ending December 31,										
Total pension liability:										
Service cost	337,258	344,378								
Interest on the total pension liability	923,848	853,175								
Changes of benefit changes	0	0								
Difference between expected and actual experience of the total pension liability	842,511	(140,475)								
Changes of assumptions	41,314	103,139								
Benefit payments, including refunds of of employee contributions	(219,326)	(209,378)								
Net change in total pension liability	1,925,605	950,839								
Total pension liability - beginning	12,259,007	11,308,168								
Total pension liability - ending (a)	14,184,612	12,259,007								
Plan fiduciary net position:										
Contributions - employer	362,516	390,837								
Contributions - employees	144,275	125,554								
Net investment income	58,031	650,915								
Benefit payments, including refunds of employee contributions	(219,326)	(209,378)								
Other (net transfers)	(299,974)	(12,748)								
Net change in plan fiduciary net position	45,522	945,180								
Plan fiduciary net position - beginning	11,462,419	10,517,239								
Plan fiduciary net position - ending (b)	11,507,941	11,462,419								
Net pension liability(asset) - Ending (a) - (b)	2,676,671	796,588								
Plan fiduciary net position as a percentage of total pension liability	81.13%	93.50%								
Covered valuation payroll	1,921,352	1,675,266								
Net pension liability as a percentage of covered valuation payroll	139.31%	47.55%								

The County implemented GASB Statement No. 68 in November 30, 2015.

Jo Daviess County, Illinois
Required Supplementary Information
Multiyear Schedule of IMRF Contributions
(schedule to be built prospectively from 2015)

Multiyear Schedule of Contributions (IMRF – Non-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
2016	335,938	335,938	0	3,087,901	10.88%
2015	343,788	343,788	0	3,146,593	10.93%

* Estimated based on 2016 calendar year contribution rate of 10.88%, 2015 calendar year contribution rate of 10.87% and covered valuation payroll of \$3,087,901.

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

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
2016	339,018	339,018	0	1,838,641	18.44%
2015	363,412	363,412	0	1,921,241	18.92%

* Estimated based on 2016 calendar year contribution rate of 18.40%, 2015 calendar year contribution rate of 18.85% and covered valuation payroll of \$1,838,641.

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

Jo Daviess County, Illinois

Required Supplementary Information

Schedule of Other Postemployment Benefit Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
11/30/2016	No valuation performed					
11/30/2015	0	380,016	380,016	0.00%	4,878,396	7.79%
11/30/2014	No valuation performed					
11/30/2013	0	247,746	247,746	0.00%	5,259,231	4.71%
11/30/2012	No valuation performed					
11/30/2011	0	254,497	254,497	0.00%	Not available	Not available

Jo Daviess County, Illinois

Notes to Required Supplementary Information

Note 1: Budgetary Basis of Accounting

Budgets are prepared using the same accounting basis and practices as are used to account for and prepare financial reports for the funds; thus, budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America.

The County follows these procedures in establishing their budgetary data reflected in the financial statements:

The Finance Committee of the County Board requests and receives from the County Officers proposed operating budgets for the fiscal year commencing the following December 1. The Finance Committee reviews and investigates budget requests and prepares a tentative operating budget including both proposed expenditures and the means of financing them.

1. Prior to December 1, the budget is legally adopted by the County Board. The combined annual and appropriations ordinance and the annual tax levy ordinance budget were adopted on November 17, 2015. There were several line item transfers and line item overage requests approved throughout the year to reflect various budget changes. No amendments for supplemental appropriations were made in fiscal year 2016.
2. After the adoption of the budget, no further appropriations can be made except for 1) transfers from one appropriation to another in the same fund, providing the total amount appropriated for the fund has not changed and 2) appropriations in excess of those authorized by the budget in order to meet an immediate emergency. Amendments to increase appropriations in excess of the original budget to meet an immediately emergency and transfers of appropriations for personnel and capital must be approved by a two-thirds majority of the Board. Unused appropriations lapse at the end of the fiscal year.
3. Formal budgetary integration is used as a management control device during the year for the General, special revenue, and capital project funds.
4. Budgets are not prepared for permanent and agency funds.

Note 2: Excess of Disbursements Over Appropriations

There were no major funds with expenditures in excess of appropriations.

Jo Daviess County, Illinois

Notes to Required Supplementary Information (Continued)

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 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 2015 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): 28-year closed period until remaining period reaches 15 years (then 15-year rolling 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 23 years for most employers (two employers were financed over 32 years).

Asset Valuation Method

5-Year smoothed market; 20% corridor

Wage Growth

4.00%

Jo Daviess County, Illinois

Notes to Required Supplementary Information (Continued)

Note 3: Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate for IMRF * (Continued)

Price inflation	3.0% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
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 2011 valuation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes	There were no benefit changes during the year.
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* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation.

Supplementary Information

Jo Daviess County, Illinois

General Fund

Combining Balance Sheet

November 30, 2016

	County General	Contingency Fund	Total General
ASSETS			
Cash and cash equivalents	2,968,004	240,273	3,208,277
Investments	0	0	0
Receivables, net of allowance for uncollectibles:			
Due from State of Illinois	820,346	0	820,346
Accounts receivable	2,258,790	0	2,258,790
Loans	0	0	0
Due from other funds	10,443	0	10,443
Prepaid Items	22,134	0	22,134
Inventory	32,506	0	32,506
Total assets	6,112,223	240,273	6,352,496
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	100,778	0	100,778
Accrued payroll	126,397	0	126,397
Due to other funds	0	0	0
Total liabilities	227,175	0	227,175
Deferred inflows of resources -			
Deferred revenue unavailable	107,198	0	107,198
Deferred property tax revenue	2,241,985	0	2,241,985
Total deferred inflows of resources	2,349,183	0	2,349,183
Fund balances:			
Nonspendable	32,506	0	32,506
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	3,503,359	240,273	3,743,632
Total fund balances	3,535,865	240,273	3,776,138
Total liabilities, deferred inflows of resources, and fund balances	6,112,223	240,273	6,352,496

Jo Daviess County, Illinois

General Fund

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

For the Year Ended November 30, 2016

	County General	Contingency Fund	Total General
Revenues:			
Property taxes	2,158,226	0	2,158,226
Intergovernmental revenue	3,122,925	0	3,122,925
Charges for services	956,372	0	956,372
Licenses and permits	263,614	0	263,614
Interest	18,427	539	18,966
Other revenue	13,020	0	13,020
Total revenues	6,532,584	539	6,533,123
Expenditures:			
Current:			
General control and administration	1,896,921	2,602	1,899,523
County development	234,756	0	234,756
Public safety	3,503,074	0	3,503,074
Judiciary and court related	1,338,540	0	1,338,540
Public Health	79,631	0	79,631
Debt Service - principal payments	0	117,200	117,200
Total expenditures	7,052,922	119,802	7,172,724
Excess (deficiency) of revenues over expenditures	(520,338)	(119,263)	(639,601)
Other financing sources and (uses):			
Transfers in	1,195,530	14,604	1,210,134
Transfers out	(481,509)	(85,600)	(567,109)
Net change in fund balance	193,683	(190,259)	3,424
Fund balances, beginning of year	3,342,182	430,532	3,772,714
Fund balances, end of year	3,535,865	240,273	3,776,138

Jo Daviess County, Illinois

Public Health Fund

Combining Balance Sheet

November 30, 2016

	Public Health Fund	Catastrophic Health Fund	Total Health Fund
ASSETS			
Cash and cash equivalents	813,507	285,852	1,099,359
Investments	0	0	0
Receivables, net of allowance for uncollectibles:			
Due from State of Illinois	1,261	0	1,261
Accounts receivable	324,253	122	324,375
Loans	0	0	0
Due from other funds	0	0	0
Prepaid Items	188	0	188
Inventory	11,014	0	11,014
Total assets	1,150,223	285,974	1,436,197
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	11,304	0	11,304
Accrued payroll	13,190	0	13,190
Due to other funds	2,939	0	2,939
Total liabilities	27,433	0	27,433
Deferred inflows of resources -			
Deferred revenue unavailable	20,370	0	20,370
Deferred property tax revenue	323,257	0	323,257
Total deferred inflows of resources	343,627	0	343,627
Fund balances:			
Nonspendable	188	0	188
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	778,975	285,974	1,064,949
Total fund balances	779,163	285,974	1,065,137
Total liabilities, deferred inflows of resources, and fund balances	1,150,223	285,974	1,436,197

Jo Daviess County, Illinois

Public Health Fund

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

For the Year Ended November 30, 2016

	Public Health Fund	Catastrophic Health Fund	Total General
Revenues:			
Property taxes	323,065	0	323,065
Intergovernmental revenue	127,248	0	127,248
Charges for services	98,906	0	98,906
Licenses and permits	0	0	0
Interest	2,141	855	2,996
Other revenue	7,854	0	7,854
Total revenues	559,214	855	560,069
Expenditures:			
Current:			
Public Health	651,260	0	651,260
Debt Service - principal payments	0	0	0
Total expenditures	651,260	0	651,260
Excess (deficiency) of revenues over expenditures	(92,046)	855	(91,191)
Other financing sources and (uses):			
Transfers in	51,392	0	51,392
Transfers out	(98,718)	0	(98,718)
Net change in fund balance	(139,372)	855	(138,517)
Fund balances, beginning of year	918,535	285,119	1,203,654
Fund balances, end of year	779,163	285,974	1,065,137

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific projects. The County has the following nonmajor special revenue funds:

County Transit Fund: This fund is used to account for the receipt and distribution of certain federal and state public transportation grants. Jo Daviess County is the grantee and through agreement, The Workshop is the Operator and responsible for managing and operating the Jo Daviess County Transit System. The Jo Daviess County Transit was developed under Section 5311 of Section 313 of the Surface Transportation Act of 1978.

County Aid to Bridge Fund: This covers joint funding for County and township bridge projects, culvert replacements and project design. Property tax, interest income and reimbursement from State of Illinois and townships support this fund.

County Motor Fuel Tax Fund: This fund is used for the maintenance of County roads using state approved materials and contractors. Disbursements from this fund include: the County Engineer's salary, IMRF, FICA, and health insurance reimbursements; construction of, maintenance and materials for road maintenance. Monthly allotments from state of Illinois, interest income and reimbursements from the townships support this fund. The County Engineer authorizes expenditures from the fund. This fund was established under the authority of Illinois Compiled Statutes 35 ILCS 505/8 & 605 ILCS 5/5-701.

State's Attorney Drug Forfeiture Fund: The purpose of this fund is to provide financial support for the State's Attorney Office for expenses incurred as a result of prosecution of drug offenses. Eligible expenses include, but are not limited to: salaries for cash management, training, supplies, and purchase of equipment for case research. Revenue for this fund is derived from the receipt of 12.5% of the fines and forfeitures received by the Illinois State Police as a result of the prosecution of drug offenses. The State's Attorney authorizes expenditures from the fund. This fund was established under the authority of 725 ILCS 175/1 et al.

Home Health Care Fund: This fund is used for Home Health Care expenditures. The fund is supported by the fees received from Medicare, Medicaid, private insurance and private payers. The Public Health Administrator may issue disbursements from this fund under the authority of County Board of Health and the County Home Health Care Advisory Committee. This fund was established under the authority of the Board of Health.

HHC Memorial Fund: This fund is the money received as donations from patients or family members to be used either for designated memorials chosen by the patient and or family or for discretionary purchases for the Home Health Care program.

Public Health Emergency Preparedness Fund: This fund is to cover expenditures related to planning and dealing with public health emergencies. This would include upgrading and maintaining 24/7 response for emergency situations, communicable disease surveillance, health alert network, public health mutual aide, siren alerts, internet capability and risk communication devices and public health responses to national and global health concerns. This fund is established to track federal and state grant money related to public health emergency preparedness.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

Dog Fund: This fund is used to cover the costs associated with livestock kills. Revenue for this fund comes from one third of registration fees from the Rabies Fund and interest income. Disbursements include livestock kills and truck purchase. The County Engineer authorizes expenditures from this fund. This fund was established under the authority of Illinois Compiled Statutes 51 O ILCS 5/7 and 510 ILCS 5/19.

Rabies Control Fund: The revenue from this fund is disbursed by transferring one third into the Dog Fund and two thirds into the General Fund. This fund derives its revenue from fees for registration, penalties, city contracts, private pick-ups and interest income. Expenditures fall under the guidelines of the General Fund. This fund was established under the authority of Illinois Compiled Statutes 510 ILCS 5/7.

Mental Health Fund: This fund was established to provide funds for community mental health facilities and services. Monies in this fund are allocated annually by the 708 Mental Health Board, subject to approval of the County Board through the annual budget approval process. The revenues of this fund are derived from the Mental Health Tax Levy (405 ILCS 20/.1 et seq.) which is a part of the County's Tax Levy Ordinance.

Special Service District No. One Fund: The purpose of this fund is to provide financial support for the Warren Area Ambulance Service. The revenue for this fund is derived from a tax levied on property within the boundaries of Special Service Area No. One which includes Apple River and Warren Townships and parts of Nora and Thompson Townships. Funds are disbursed by the County Treasurer following collection of property taxes in accordance with the approved annual Budget, Appropriations & Tax Levy. This fund was established under the authority of Illinois Compiled Statutes 35 ILCS 200/27-5 et seq.

Special Service District No. Two and Four Fund: The purpose of this fund is to provide financial support for the Elizabeth Community Ambulance Service. The revenue for this fund is derived from a tax levied on property within the boundaries of the combined Special Service Area No. Two and Four as approved by the County Board on May 16, 2005. Funds are disbursed by the County Treasurer following collection of property taxes in accordance with the approved annual Budget, Appropriations & Tax Levy. This fund was established under the authority of Illinois Compiled Statutes 35 ILCS 200/27-5 et seq.

Special Service District No. Five Fund: The purpose of this fund is to provide financial support for the Hanover Ambulance Service. The revenue for this fund is derived from a tax levied on property within the boundaries of Special Service Area No. Five which includes Hanover Township and parts of Rice and Elizabeth Townships. Funds are disbursed by the County Treasurer following collection of property taxes in accordance with the approved annual Budget, Appropriations & Tax Levy. This fund was established under the authority of 35 ILCS 200/27-5 et seq.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

Special Service District No. Six Fund: The purpose of this fund is to provide financial support for the Galena Area Emergency Medical Service District. The revenue for this fund is derived from a tax levied on property within the boundaries of Special Service Area Number Six including all taxable parcels located within the geographical boundaries of Council Hill, East Galena, Rawlins, Scales Mound, Vinegar Hill, and West Galena Townships and parcels located in portions of the geographical boundaries of Guilford, Menominee, and Rice Townships. Funds are disbursed by the County Treasurer following collection of property taxes in accordance with the County Board approved Annual Budget and Appropriations Ordinance and the Annual Tax Levy Ordinance. This fund was established under the authority of 35 ILCS 200/27-5 et seq.

911 Fund: This fund is used to enhance the emergency telephone system of Jo Daviess County. Disbursements are those necessary to continue the implementation of the enhanced 911 system. Revenue for this fund comes from the telephone surcharge and earned interest. The Emergency Telephone System Board authorizes all expenditures. This fund was established under the authority of Illinois Compiled Statutes 50 ILCS 750/1.

Sheriff's Forfeiture Fund: The purpose of this fund is to pay expenses related to the enforcement of laws regulating controlled substances and cannabis and for educational/prevention purposes. Revenue is derived from forfeitures related to arrests and/or seizures made for violations of the Cannabis Control Act and the Controlled Substance Act. Management control of this fund is with the Sheriff and County Treasurer and both must approve expenditures made from this fund. This fund was established under the authority of Illinois Compiled Statutes 720 ILCS 550/1 et seq. and 725 ILCS 150/1 et seq.

Economic Development Investment Fund: The purpose of this fund is to provide a pool of resources that can be used by the County Board to promote economic development throughout the County. This fund was formerly named the Economic Development Revolving Loan Fund. The fund may be used for the following purposes and other similar expenditures deemed by the County Board as promoting the economic development of the County:

- Economic development loans as outlined in the County Board's "Guidelines and Procedures for the Jo Daviess County Economic Development Investment Fund."
- Operational expenditures associated with the Jo Daviess County Economic Development and Planning Department (ED&PD). Eligible expenses include, but are not limited to: personnel costs, supplies and equipment, and contractual services. It is anticipated that interest on fund balance will be sufficient to support operational costs of the ED&PD. Operational funding is to be at the discretion of the County Board on an annual basis.
- Direct investments in projects, approved by the County Board, that directly promote and enhance the economic development of the County.
- Matching fund loans to be used for the purpose of acquiring State and federal economic development grant monies, such as for infrastructure improvements related to the location of a new business or expansion of an existing business in the County. Maximum loan amount is \$100,000.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

Economic Development Investment Fund (continued):

The revenues of this fund were originally derived from transfers from the former Riverboat Assistance Fund. Revenues from loan repayments, grants, the General Fund, fund balance interest and enterprise zone fees, support this Fund. The County Board authorizes expenditures from this Fund.

LTCB Matching Grant Fund: This fund controls the funds received from the state Local Tourism & Convention Bureau (LTCB) grant program. Disbursements include reimbursement to the Convention & Visitors Bureau's tourism promotion fund and administrative projects eligible for the state program. State hotel/motel taxes support this fund. The County Board approves disbursements from this fund. This fund was established pursuant to action by the County Board.

G/S Automation Fund: This fund defrays the cost of equipment, material and necessary expenses incurred by the County in implementing and maintaining the Geographic Information System. Disbursements from this fund are for implementing and maintaining the County's Geographic Information System. A portion of the fee charged for every instrument submitted for recording supports this fund. The Geographic Information System/Information Technology Coordinator authorizes all expenditures from the fund. This fund was established under the authority of Public Act 9170791.

Illinois Municipal Retirement Fund: This fund was established to provide funds for the cost of the County's participation in the Illinois Municipal Retirement Fund (IMRF). The County is authorized to levy the amount necessary to meet its cost (40 ILCS 5/7-101 et seq). There is no rate limit on this levy and the levy is in addition to other taxes levied for County purposes.

Social Security Tax Fund: This fund was established to provide funds for the cost of the County's participation in the Federal Social Security Insurance Program. The County is authorized to levy the amount necessary to meet its costs (40 ILCS 5/21-110). There is no rate limit on this levy and the levy is in addition to other taxes levied for County purposes. The County is also authorized to levy an additional tax for the payment of the costs of participation in the Federal Medicare Program (40 ILCS 5/21-110.1).

Probation Services Fund: This fund is used for programming and the costs of operating the Probation Department, except for the payment of salaries. The juvenile and adult offender's fees support this fund. The Chief Circuit Judge and Chief Managing Officer of Probation authorize expenditures from the fund. This fund was established under the authority of 730 ILCS 110/15.1.

Extension Education Fund: This fund was established to provide matching funds for the local costs of Cooperative Extension supplementing appropriations by the Illinois General Assembly and the U.S. Congress to the University of Illinois. Monies in this fund are allocated annually to the Cooperative Extension Board through the annual budget approval process. The revenues of this fund are derived from the Extension Education Tax Levy (505 ILCS 45/1-11) which is a part of the County's Tax Levy Ordinance.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

Circuit Clerk Automation Fund: This fund is used for the purchase of computer software and hardware needed to run the County Court System. Fees collected on civil, criminal, quasi-criminal and traffic cases support the fund. The Clerk of the Circuit Court and Chief Judge of the Circuit Court approve expenditures from the fund. This fund was established under the authority of Illinois Compiled Statutes 705 ILCS 105/27.3a.

Recorder Automation Fund: This fund defrays the cost of converting the Recorder's document storage to computers or micrographics. A portion of the fee charged for every instrument submitted for recording supports this fund. The County Clerk authorizes all expenditures from the fund. This fund was established under the authority of 55 ILCS 5/3-5018.

County Clerk Automation Fund: This fund defrays the cost of converting and maintaining the County Clerk's document storage system for vital records. A portion of the fee charged for certified copies of each birth, death and marriage license issued support this fund. The County Clerk authorizes all expenditures from the fund. This fund was established under the authority of 55 ILCS 5/4-4001.

Court Document Storage Fund: This fund is used for the payment of costs related to the storage of court records. Fees collected on civil, criminal, quasi-criminal and traffic cases support the fund. The Clerk of the Circuit Court approves expenditures, which include payment of costs relative to the storage of court records. This fund was established under the authority of Illinois Compiled Statutes 705 ILCS 105/27.3c.

County Treasurer Automation Fund: This fund is used for costs of hardware, software, research and development and personnel. Revenue for this fund comes from tax sale fees. The County Treasurer and Chief Deputy authorize expenditures from this fund with final approval from the County Board. This fund was established under the authority of 35 ILCS 200/21-245.

Election Equipment Fund: This fund is for punch-card equipment buy-out. It is partially funded by a grant from the federal government as a result of the Help America Vote Act of 2002 (H.R.3295). The Act established a program to provide funds to states to replace punch-card and lever voting machines.

Maintenance and Child Support Fund: The revenue collected is to be used by the Circuit Clerk, who has the management control of this fund, to maintain child support and maintenance orders and to record all payments. The fees collected from the payer of child support and maintenance support the fund. This fund was established under the authority of 705 ILCS 105/27.1 (u)(3); 705 ILCS 105/27.1a(bb)(4); 705 ILCS 105/27.2(bb)(4); and 705 ILCS 105/27.2a(bb)(4).

Probation EMHD Program Fund: The rental of Electronic Monitoring Equipment is handled through this account. Disbursement from this fund relates to the cost of operating the Electronic Monitoring program. Fees from offenders placed on Electronic Monitoring support this fund. The Chief Managing Officer of Probation authorizes expenditures from the fund. This fund was established under the authority of 730 ILCS 5/5-6-3 (1 O)(V).

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

Sheriff DUI Fund: The purpose of this fund is to pay for law enforcement equipment that will assist in the prevention of alcohol related criminal violence. Revenue is derived from fines and forfeitures received through the Circuit Clerk. Management control of this fund is with the Sheriff and County Treasurer and both individuals must approve expenditures made from this fund. This fund was established under the authority of 625 ILCS 5/11-501 U) et seq.

Sheriff Vehicle Fund: The purpose of this fund is to pay for the acquisition or maintenance of law enforcement vehicles for the Jo Daviess County Sheriff's Office. Revenue is derived from fees paid by persons who, after a court appearance, receive a disposition of court supervision for a violation of any provision of the Illinois Vehicle Code. Management control of this fund is with the Sheriff and County Treasurer; both must approve expenditures made from this fund. This fund was established under the authority of 625 ILCS 5/16-104 (c) et seq. effective January 1, 2006.

Circuit Clerk Operation and Administrative Fund: The purpose of the fund is to deposit and disburse funds collected from defendants who receive a disposition of court supervision after a court appearance on an offense under the Illinois Vehicle Code. The assessment fee will be \$4.50 per defendant. Management control of this fund is with the Circuit Clerk. Authority to collect this fee is found in SB 1089.

Tourism Promotion Fund: This is used to promote tourism in the County and to operate the Galena/Jo Daviess County Convention and Visitors Bureau. Disbursements from this fund include staff salaries and benefits; CVB Board of Directors expenses; promotion expenses; local promotion grants; phone and information centers; county administrative fee; and transfer to tourism capital development fund. The County hotel/motel tax, established pursuant to 55 ILCS 5/5-1030, partnership dues, state grants, and the triathlon fees support this fund. The County Board approves disbursements from this fund. This fund was established pursuant to action by the County Board.

Sale in Error Fund: This fund is used to pay the refund of interest and costs to a tax sale certificate holder that has received a sale in error declaration. Revenue from this fund will come from fees generated at the tax sale. The County Treasurer and the Chief Deputy authorize expenditures from this fund with the final claim approval from the County Board. This fund was established under the authority of 35 ILCS 200/21-310.

Rentech Energy Escrow Fund: The purpose of this fund is to pay the expenditures incurred by Jo Daviess County that are directly associated with the permitting and necessary professional services/County services for the construction of the Rentech Energy Project including direct expenditures related to the County's due diligence and over of the Project. The revenue for this fund is derived from deposits made by Rentech Energy Midwest. This fund was established by action of the Jo Daviess County Board on September 12, 2006.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

JDC Emergency Services Communications Fund: This fund was established by the Sheriff to receive public and private funding support for major improvements and/or replacements of the county-wide radio system utilized by all emergency services of Jo Daviess County to include all fire departments, ambulance services and law enforcement agencies. The sources of revenue include but are not limited to grant funding, direct state and/or federal assistance, private donations and local/county funds. Primary expenses shall be only those that will provide major improvements or replacements of existing communications infrastructure for the radio system. There is no statutory reference for this fund outside the statutory authority established for the Office of the Sheriff.

Sobriety Court Fund: The purpose of this fund is to provide financial support for the operation and administration of the Jo Daviess County Sobriety Court. Revenue for this fund is derived from fees collected from defendants on a judgment of guilty or grant of supervision for violations of the Illinois Vehicle Code or under Section 5-9-1 of the Unified Code of Corrections for a felony; for a Class A, Class B, or Class C misdemeanor; for a petty offense; and for a business offense. The Clerk of Court collects the fees and remits the fees to the Sobriety Court Fund, less 5%, retained as fee income to the Clerk of Court to be used to defray the costs of collection and disbursement of the sobriety court fees. The Director of the Jo Daviess County Probation Department administers expenditures from this fund. This Fund was established under the authority of 55 ILCS 5/5-1101 et al.

County Jail Medical Costs Fund: The purpose of this fund is to pay expenditures related to necessary medical services for all prisoners in the Jo Daviess County jail. Revenue is derived from a \$10.00 fee for each conviction or order of supervision for a criminal violation, other than a petty offense or business offense, committed in the County. This Fund was established under the authority of 730 ILCS 125/17 et seq.

Coroner's Equipment and Operations Fund: This fund is to be used solely for the purchase of electronic and forensic identification equipment or other related supplies and the operating expenses of the coroner's office. Revenue is derived from Coroner's fees collected for; transcript of sworn testimony, autopsy reports, verdict of a coroner's jury, toxicology report, print of or an electronic file containing a picture obtained by the coroner, miscellaneous reports including artist's drawings but not including police reports and a coroner's or medical examiner's permit to cremate a dead human body. This Fund was established under authority 55 ILCS 5/4-7001 , effective July 2010.

Federal Aid Matching Fund: This fund is used for the County match for projects funded with federal funds such as reimbursement to the state of Illinois for construction projects. Property tax and interest support this fund. The County Engineer authorizes expenditures from this fund. This fund was established under the authority of 605 ILCS 5/5-603.

Jo Daviess County Natural Hazard Mitigation Fund: This fund was established to account for the receipt and distribution of federal (FEMA) and state (IEMA) natural hazard mitigation grants. Grants may include natural hazard mitigation planning grants and grants for natural hazard mitigation projects in Jo Daviess County. Regulations governing mitigation planning and requirements for local mitigation plans are published under 44 CFR §201.6.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Special Revenue Funds (continued)

State's Attorney Records Automation Fund: The purpose of this fund is to discharge the expenditures of the State's Attorney's Office for establishing and maintaining the automated record keeping systems. Revenue for this fund is derived from fees collected from defendants on judgment of guilty or a grant of supervision for a violation of any provision of the Illinois Vehicle Code or any felony, misdemeanor, or petty offense. The Clerk of the Court collects the fee and remits the fees monthly to the county treasurer, to be deposited by him or her into a special fund designated as the State's Attorney Records Automation Fund. Expenditures from this fund may be made by the State's Attorney for hardware, software, research, and development costs and personnel related thereto. This fund was established under the authority of 55 ILCS 5/4-2002.

Juvenile Justice Fund: The purpose of this fund is to account for the Juvenile Justice program receipts and disbursements.

Capital Project Funds

These funds are used to account for the County's purchase or construction of capital facilities or capital equipment. The County has the following nonmajor capital projects funds:

Public Health Capital Investment Fund: This fund is used for major equipment purchases, building improvement and maintenance and any unforeseen expenses for the operation of the Public Health Department services. This fund was established under the authority of the Jo Daviess County Board of Health.

Tourism Capital Development Fund: Disbursements from this fund include capital improvements to buildings used for tourism promotion and administration. This fund's revenue is supplied by the County hotel/motel tax. The County Board approves disbursements from this fund. This fund was established pursuant to action by the County Board.

County Capital Investment Fund: This fund was established to accumulate funds for the cost of: major capital expenditures, including new construction, remodeling and maintenance; and major, one time program expenditures. This fund was originally established by the transfer of monies from the former Riverboat Assistance Fund and subsequently funded by the transfer of funds from the General Fund. Expenditures from this fund are included in the annual budget and payments from the fund authorized by the County Board.

County Capital Equipment Replacement Fund: This fund was established to accumulate funds for the cost of replacing or planning for the future purchase of major capital equipment items. County departments and offices include in their annual budgets and transfer to the Capital Equipment Replacement Fund amounts to cover the cost of the future purchase of replacement or new equipment items. Expenditures from this fund are included in the annual budget and payments from the fund are authorized by the County Board.

Jo Daviess County, Illinois

Nonmajor Governmental Fund Descriptions

Capital Project Funds (continued)

Home Health Care Capital Equipment Fund: This fund was established to accumulate funds for the cost of purchasing and planning for the future replacement of capital equipment items needed to establish and maintain a Telehealth program. Equipment includes but is not limited to computers, printers, and Telehealth monitoring equipment. The Home Health Care Equipment Fund amounts to cover the costs of the future purchase and replacement of new equipment items. Expenditures from this fund are included in the annual budget and payments from the fund are authorized by the Board of Health and County Board.

G/S Capital Equipment & Investment Fund: This fund was established to accumulate funds for the cost of capital equipment replacement (computers, monitors, servers, etc.) and capital investment projects (orthophotography updates, GIS web development, etc.) within the GIS program. Revenues are normally derived from fund transfers from the GIS Automation Fund and other sources. Expenditures from this fund are included in the annual budget and payments from the fund authorized by the County Board.

ETSB Capital Equipment & Investment Fund: This special fund was established by the Jo Daviess County Emergency Telephone System Board (ETSB) to accumulate funds for the cost of replacing or planning for the future purchase of capital equipment and capital investment projects associated with the Jo Daviess County 9-1-1 system. Expenditures from this fund may be made only as allowed per 50 ILCS 750/ Emergency Telephone System Act. The primary source of revenue for this fund is inter-fund transfers from the 9-1-1 fund, earned interest and may also include grant funding, direct state and/or federal assistance, private donations, and local/county funds. The Emergency Telephone System Board authorizes all disbursements from this fund.

County Highway Capital Investment Fund: This fund was established to accumulate funds for the cost of major capital expenditures, including new road construction, major road rehabilitation projects, bridges, drainage structures and similar projects. Revenues are normally derived from fund transfers from the Highway Fund and other sources. Expenditures from this fund are included in the annual budget and payments from this fund are authorized by the County Board.

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds

November 30, 2016

	Special Revenue				
	Total Nonmajor Governmental	County Aid to Bridge Fund	County Motor Fuel Tax Fund	State's Attorney Drug Forfeiture Fund	Home Health Care Fund
ASSETS					
Cash and cash equivalents	10,774,843	353,949	487,752	3,675	960,806
Receivables, net of allowance:	0				
Due from State of Illinois	435,170	0	32,948	0	0
Accounts receivable	2,706,383	343,038	0	0	0
Loans	300,000	0	0	0	0
Due from other funds	105	0	0	0	0
Prepaid items	61	0	0	0	0
Inventory	0	0	0	0	0
Total assets	14,216,562	696,987	520,700	3,675	960,806
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	577,138	128,502	3,951	0	52
Accrued payroll	41,699	0	3,372	0	0
Accrued compensated absences	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0
Due to other funds	7,609	0	0	0	1,331
Total liabilities	626,446	128,502	7,323	0	1,383
Deferred inflows of resources -					
Deferred property tax revenue	2,612,445	341,638	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	8,295,840	226,847	513,377	3,675	959,423
Committed	756,700	0	0	0	0
Assigned	1,925,131	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	10,977,671	226,847	513,377	3,675	959,423
Total liabilities, deferred inflows of resources and fund balances	14,216,562	696,987	520,700	3,675	960,806

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					
	HHC Memorial Fund	Public Health Emergency Preparedness Fund	Dog Fund	Animal Control Fund	Mental Health Fund	Special Service District No. One Fund
ASSETS						
Cash and cash equivalents	3,677	15,234	0	54,916	36,335	0
Receivables, net of allowance:	0	0	0	0	0	0
Due from State of Illinois	0	1,723	0	0	0	0
Accounts receivable	0	0	0	283	348,794	79,000
Loans	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid items	0	0	0	30	0	0
Inventory	0	0	0	0	0	0
Total assets	3,677	16,957	0	55,229	385,129	79,000
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	0	0	0	4,211	74	0
Accrued payroll	0	0	0	1,781	0	0
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	0	0	0	5,992	74	0
Deferred inflows of resources -						
Deferred property tax revenue	0	0	0	0	348,794	79,000
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	3,677	16,957	0	49,237	36,261	0
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	3,677	16,957	0	49,237	36,261	0
Total liabilities, deferred inflows of resources and fund balances	3,677	16,957	0	55,229	385,129	79,000

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					
	Special Service District No. Two and Four Fund	Special Service District No. Five Fund	Special Service District No. Six Fund	911 Fund	Sheriff's Forfeiture Fund	Economic Development Investment Fund
ASSETS						
Cash and cash equivalents	0	0	0	216,186	15,189	759,043
Receivables, net of allowance:						
Due from State of Illinois	0	0	0	87,331	47	0
Accounts receivable	56,000	29,808	131,500	2,033	1,153	157
Loans	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Total assets	56,000	29,808	131,500	305,550	16,389	759,200
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	0	0	0	768	2,978	2,500
Accrued payroll	0	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	0	0	0	768	2,978	2,500
Deferred inflows of resources -						
Deferred property tax revenue	56,000	29,808	131,500	0	0	0
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	0	0	0	304,782	13,411	0
Committed	0	0	0	0	0	756,700
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	0	0	0	304,782	13,411	756,700
Total liabilities, deferred inflows of resources and fund balances	56,000	29,808	131,500	305,550	16,389	759,200

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue						
	LTCB Matching Grant Fund	GIS Automation Fund	Illinois Municipal Retirement Fund	Social Security Tax Fund	Probation Services Fund	Extension Education Fund	Insurance Fund
ASSETS							
Cash and cash equivalents	30,549	32,784	477,011	206,113	72,788	1	801,054
Receivables, net of allowance:	0	0	0	0	0	0	0
Due from State of Illinois	0	7,329	0	0	1,155	0	0
Accounts receivable	0	790	541,671	295,000	50	81,157	366,239
Loans	0	0	0	0	0	0	0
Due from other funds	0	105	0	0	0	0	0
Prepaid Items	0	31	0	0	0	0	0
Inventory	0	0	0	0	0	0	0
Total assets	30,549	41,039	1,018,682	501,113	73,993	81,158	1,167,293
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	0	1,551	0	0	3,163	0	0
Accrued payroll	0	3,471	18,737	10,373	0	0	0
Accrued compensated absences	0	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0	0
Total liabilities	0	5,022	18,737	10,373	3,163	0	0
Deferred inflows of resources -							
Deferred property tax revenue	0	0	541,671	295,000	0	81,157	366,239
Fund balances:							
Nonspendable	0	0	0	0	0	0	0
Restricted	30,549	36,017	458,274	195,740	70,830	1	801,054
Committed	0	0	0	0	0	0	0
Assigned	0	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0	0
Total fund balances	30,549	36,017	458,274	195,740	70,830	1	801,054
Total liabilities, deferred inflows of resources and fund balances	30,549	41,039	1,018,682	501,113	73,993	81,158	1,167,293

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					
	Circuit Clerk Automation Fund	Recorder Automation Fund	County Clerk Automation Fund	Court Document Storage Fund	County Treasurer Automation Fund	Election Equipment Fund
ASSETS						
Cash and cash equivalents	128,672	152,951	41,752	182,285	12,221	628
Receivables, net of allowance:					0	0
Due from State of Illinois	2,772	3,118	386	2,358	0	0
Accounts receivable	28	0	0	220	2	0
Loans	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Total assets	131,472	156,069	42,138	184,863	12,223	628
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	231	8,256	756	5,468	141	0
Accrued payroll	0	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	231	8,256	756	5,468	141	0
Deferred inflows of resources -						
Deferred property tax revenue	0	0	0	0	0	0
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	131,241	147,813	41,382	179,395	12,082	628
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	131,241	147,813	41,382	179,395	12,082	628
Total liabilities, deferred inflows of resources and fund balances	131,472	156,069	42,138	184,863	12,223	628

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					
	Maintenance and Child Support Fund	Probation EMHD Program Fund	Sheriff DUI Fund	Sheriff Vehicle Fund	Circuit Clerk Operation and Administrative Fund	Tourism Promotion Fund
ASSETS						
Cash and cash equivalents	66,961	3,879	46,787	99,312	26,730	1,004,981
Receivables, net of allowance:						
Due from State of Illinois	453	0	75	409	284	957
Accounts receivable	0	0	2	871	8	73,849
Loans	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Total assets	67,414	3,879	46,864	100,592	27,022	1,079,787
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	0	0	2,165	11,492	0	35,965
Accrued payroll	0	0	0	0	0	3,681
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	5,795
Total liabilities	0	0	2,165	11,492	0	45,441
Deferred inflows of resources -						
Deferred property tax revenue	0	0	0	0	0	0
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	67,414	3,879	44,699	89,100	27,022	1,034,346
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	67,414	3,879	44,699	89,100	27,022	1,034,346
Total liabilities, deferred inflows of resources and fund balances	67,414	3,879	46,864	100,592	27,022	1,079,787

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					
	Sale in Error Fund	Rentech Energy Escrow Fund	JDC Natural Emergency Services Communication Fund	Sobriety Court Fund	County Jail Medical Costs Fund	Coroner's Equipment and Operations Fund
ASSETS						
Cash and cash equivalents	115,209	548	374,738	18,995	3,465	31,894
Receivables, net of allowance:						
Due from State of Illinois	0	0	251	235	156	0
Accounts receivable	0	0	0	6	0	5
Loans	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Total assets	115,209	548	374,989	19,236	3,621	31,899
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	0	0	0	387	2,208	609
Accrued payroll	0	0	0	90	0	0
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	0	0	0	477	2,208	609
Deferred inflows of resources -						
Deferred property tax revenue	0	0	0	0	0	0
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	115,209	548	374,989	18,759	1,413	31,290
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	115,209	548	374,989	18,759	1,413	31,290
Total liabilities, deferred inflows of resources and fund balances	115,209	548	374,989	19,236	3,621	31,899

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Special Revenue					Capital Projects
			JDC Natural	State's		
	Federal Aid	County	Hazard	Attorney	Juvenile	Public Health
	Matching	Transit	Mitigation	Records	Justice	Capital
ASSETS	Fund	Fund	Fund	Automation	Fund	Investment
	Fund	Fund	Fund	Fund	Fund	Fund
Cash and cash equivalents	1,391,011	383,873	4	6,312	19,468	408,758
Receivables, net of allowance:						
Due from State of Illinois	0	293,083	0	100	0	0
Accounts receivable	341,638	11,991	0	0	0	715
Loans receivable	0	300,000	0	0	0	0
Due from other funds	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Total assets	1,732,649	988,947	4	6,412	19,468	409,473
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	16,641	134,005	0	0	0	10,493
Accrued payroll	0	194	0	0	0	0
Accrued compensated absences	0	0	0	0	0	0
Funds held in trust for others	0	0	0	0	0	0
Due to other funds	0	483	0	0	0	0
Total liabilities	16,641	134,682	0	0	0	10,493
Deferred inflows of resources -						
Deferred property tax revenue	341,638	0	0	0	0	0
Fund balances:						
Nonspendable	0	0	0	0	0	0
Restricted	1,374,370	854,265	4	6,412	19,468	0
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	398,980
Unassigned	0	0	0	0	0	0
Total fund balances	1,374,370	854,265	4	6,412	19,468	398,980
Total liabilities, deferred inflows of resources and fund balances	1,732,649	988,947	4	6,412	19,468	409,473

Jo Daviess County, Illinois

Combining Balance Sheet

Nonmajor Government Funds (Continued)

November 30, 2016

	Capital Projects						
	Tourism Capital Development Fund	County Capital Investment Fund	County Capital Equipment Replacement Fund	Home Health Care Capital Equipment Fund	County Highway Capital Investment Fund	GIS Capital Equipment & Investment Fund	ETSB Capital Equipment & Investment Fund
ASSETS							
Cash and cash equivalents	292,029	331,184	522,703	51,249	389,239	88,720	51,223
Receivables, net of allowance:							
Due from State of Illinois	0	0	0	0	0	0	0
Accounts receivable	0	0	114	0	57	204	0
Loans	0	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0	0
Prepaid items	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0
Total assets	292,029	331,184	522,817	51,249	389,296	88,924	51,223
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	0	101,879	0	0	91,528	7,164	0
Accrued payroll	0	0	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0	0	0
Funds held in trust	0	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0	0
Total liabilities	0	101,879	0	0	91,528	7,164	0
Deferred inflows of resources -							
Deferred property tax revenue	0	0	0	0	0	0	0
Fund balances:							
Nonspendable	0	0	0	0	0	0	0
Restricted	0	0	0	0	0	0	0
Committed	0	0	0	0	0	0	0
Assigned	292,029	229,305	522,817	51,249	297,768	81,760	51,223
Unassigned	0	0	0	0	0	0	0
Total fund balances	292,029	229,305	522,817	51,249	297,768	81,760	51,223
Total liabilities, deferred inflows of resources and fund balances	292,029	331,184	522,817	51,249	389,296	88,924	51,223

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances

Nonmajor Governmental Funds

For the Year Ended November 30, 2016

	Total Nonmajor Governmental	County Aid to Bridge Fund	Special Revenue		
			County Motor Fuel Tax Fund	State's Attorney Drug Forfeiture Fund	Home Health Care Fund
Revenues:					
Property taxes	2,594,633	336,410	0	0	0
Intergovernmental revenue	3,082,506	301,769	514,476	0	68,388
Charges for services	769,443	0	0	1,429	11,918
Fees and fines	0	0	0	0	0
Licenses and permits	105,247	0	0	0	0
Interest	32,299	437	2,686	1	3,066
Miscellaneous	51,829	48	2,324	0	182
Total revenues	6,635,957	638,664	519,486	1,430	83,554
Expenditures:					
Current:					
General control and administration	692,988	0	0	0	0
County development	914,798	0	0	0	0
Public safety	74,028	0	0	0	0
Judiciary and court related	30,087	0	0	0	0
Highways and bridges	1,733,759	428,141	547,263	0	0
Public health	395,173	0	0	0	129,616
Mental health	346,585	0	0	0	0
Debt service:	0				
Principal	106,131	0	0	0	0
Interest	11,069	0	0	0	0
Capital outlay	1,228,555	156,133	0	0	0
Total expenditures	5,533,173	584,274	547,263	0	129,616
Excess (deficiency) of revenues over expenditures	1,102,784	54,390	(27,777)	1,430	(46,062)
Other financing sources and (uses):					
Transfers in	1,377,579	0	0	0	0
Transfers out	(1,544,474)	(150,000)	0	0	(27,758)
Net change in fund balance	935,889	(95,610)	(27,777)	1,430	(73,820)
Fund balances, beginning of year	10,041,782	322,457	541,154	2,245	1,033,243
Fund balances, end of year	10,977,671	226,847	513,377	3,675	959,423

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					
	HHC Memorial Fund	Public Health Emergency Preparedness Fund	Dog Fund	Animal Control Fund	Mental Health Fund	Special Service District No. One Fund
Revenues:						
Property taxes	0	0	0	0	348,591	73,011
Intergovernmental revenue	0	37,699	0	0	0	0
Charges for services	0	0	0	7,565	0	0
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	105,247	0	0
Interest	7	78	0	80	513	36
Miscellaneous	0	0	0	1	0	0
Total revenues	7	37,777	0	112,893	349,104	73,047
Expenditures:						
Current:						
General control and administration	0	0	0	0	0	0
County development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Judiciary and court related	0	0	0	0	0	0
Highways and bridges	0	0	0	0	0	0
Public health	0	0	0	85,241	0	73,047
Mental health	0	0	0	0	346,585	0
Debt service:	0	0	0	0	0	0
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Total expenditures	0	0	0	85,241	346,585	73,047
Excess (deficiency) of revenues over expenditures	7	37,777	0	27,652	2,519	0
Other financing sources and (uses):						
Transfers in	0	0	0	21,585	0	0
Transfers out	0	(38,192)	(1,585)	0	(500)	0
Net change in fund balance	7	(415)	(1,585)	49,237	2,019	0
Fund balances, beginning of year	3,670	17,372	1,585	0	34,242	0
Fund balances, end of year	3,677	16,957	0	49,237	36,261	0

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					
	Special Service District No. Two and Four Fund	Special Service District No. Five Fund	Special Service District No. Six Fund	911 Fund	Sheriff's Forfeiture Fund	Economic Development Investment Fund
Revenues:						
Property taxes	58,024	28,210	130,666	0	0	0
Intergovernmental revenue	0	0	0	0	0	0
Charges for services	0	0	0	377,791	7,748	0
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0
Interest	28	14	65	793	25	3,596
Other revenue	0	0	0	18	5,631	0
Total revenues	58,052	28,224	130,731	378,602	13,404	3,596
Expenditures:						
Current:						
General control and administration	0	0	130,731	0	0	0
County development	0	0	0	0	0	23,008
Public safety	0	0	0	52,546	6,732	0
Judiciary and court related	0	0	0	0	0	0
Highways and bridges	0	0	0	0	0	0
Public health	58,052	28,224	0	0	0	0
Mental health	0	0	0	0	0	0
Debt service:	0					
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	0	0	0	90,462	0	0
Total expenditures	58,052	28,224	130,731	143,008	6,732	23,008
Excess (deficiency) of revenues over expenditures	0	0	0	235,594	6,672	(19,412)
Other financing sources and (uses):						
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	(163,482)	0	(14,641)
Net change in fund balance	0	0	0	72,112	6,672	(34,053)
Fund balances, beginning of year	0	0	0	232,670	6,739	790,753
Fund balances, end of year	0	0	0	304,782	13,411	756,700

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue						
	LTCB Matching Grant Fund	GIS Automation Fund	Illinois Municipal Retirement Fund	Social Security Tax Fund	Probation Services Fund	Extension Education Fund	Insurance Fund
Revenues:							
Property taxes	0	0	541,352	258,632	0	81,110	402,217
Intergovernmental revenue	136,944	0	43,300	23,700	0	0	0
Charges for services	0	143,203	0	0	20,184	0	0
Fees and fines	0	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0	0
Interest	0	118	2,910	1,380	444	40	1,597
Other revenue	0	15	0	0	2,261	0	10,142
Total revenues	136,944	143,336	587,562	283,712	22,889	81,150	413,956
Expenditures:							
Current:							
General control and administration	0	148,596	2,649	2,237	0	0	327,820
County development	0	0	0	0	0	81,150	0
Public safety	0	0	0	0	0	0	0
Judiciary and court related	0	0	0	0	20,727	0	0
Highways and bridges	0	0	0	0	0	0	0
Public health	0	0	0	0	0	0	0
Mental health	0	0	0	0	0	0	0
Debt service:	0						
Principal	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0	0
Total expenditures	0	148,596	2,649	2,237	20,727	81,150	327,820
Excess (deficiency) of revenues over expenditures	136,944	(5,260)	584,913	281,475	2,162	0	86,136
Other financing sources and (uses):							
Transfers in	0	30,120	0	0	0	0	11,559
Transfers out	(106,396)	(37,500)	(575,389)	(304,872)	(6,423)	0	0
Net change in fund balance	30,548	(12,640)	9,524	(23,397)	(4,261)	0	97,695
Fund balances, beginning of year	1	48,657	448,750	219,137	75,091	1	703,359
Fund balances, end of year	30,549	36,017	458,274	195,740	70,830	1	801,054

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					
	Circuit Clerk Automation Fund	Recorder Automation Fund	County Clerk Automation Fund	Court Document Storage Fund	Tax Sale Automation Fund	Election Equipment Fund
Revenues:						
Property taxes	0	0	0	0	0	0
Intergovernmental revenue	0	0	0	0	0	0
Charges for services	40,295	45,440	5,396	34,059	2,180	0
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0
Interest	116	142	77	17	22	1
Other revenue	28	0	0	1	2	0
Total revenues	40,439	45,582	5,473	34,077	2,204	1
Expenditures:						
Current:						
General control and administration	21,395	35,737	756	10,596	774	0
County development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Judiciary and court related	0	0	0	0	0	0
Highways and bridges	0	0	0	0	0	0
Public health	0	0	0	0	0	0
Mental health	0	0	0	0	0	0
Debt service:	0					
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Total expenditures	21,395	35,737	756	10,596	774	0
Excess (deficiency) of revenues over expenditures	19,044	9,845	4,717	23,481	1,430	1
Other financing sources and (uses):						
Transfers in	0	0	0	0	0	0
Transfers out	(6,423)	0	0	0	(1,000)	0
Net change in fund balance	12,621	9,845	4,717	23,481	430	1
Fund balances, beginning of year	118,620	137,968	36,665	155,914	11,652	627
Fund balances (deficit), end of year	131,241	147,813	41,382	179,395	12,082	628

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					
	Maintenance and Child Support Fund	Probation EMHD Program Fund	Sheriff DUI Fund	Sheriff Vehicle Fund	Circuit Clerk Operation and Administrative Fund	Tourism Promotion Fund
Revenues:						
Property taxes	0	0	0	0	0	0
Intergovernmental revenue	4,545	0	0	0	0	925,013
Charges for services	0	0	5,999	4,073	3,533	6,574
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0
Interest	138	0	0	137	13	1,625
Other revenue	0	0	2,407	17,949	8	549
Total revenues	4,683	0	8,406	22,159	3,554	933,761
Expenditures:						
Current:						
General control and administration	0	0	0	0	0	0
County development	0	0	0	0	0	810,640
Public safety	0	0	7,222	506	0	0
Judiciary and court related	0	0	0	0	3,098	0
Highways and bridges	0	0	0	0	0	0
Public health	0	0	0	0	0	0
Mental health	0	0	0	0	0	0
Debt service:	0	0	0	0	0	0
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	0	0	0	75,749	0	0
Total expenditures	0	0	7,222	76,255	3,098	810,640
Excess (deficiency) of revenues over expenditures	4,683	0	1,184	(54,096)	456	123,121
Other financing sources and (uses):						
Transfers in	0	0	0	84,000	0	106,396
Transfers out	(10,000)	0	0	0	0	(77,808)
Net change in fund balance	(5,317)	0	1,184	29,904	456	151,709
Fund balances, beginning of year	72,731	3,879	43,515	59,196	26,566	882,637
Fund balances, end of year	67,414	3,879	44,699	89,100	27,022	1,034,346

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					
	Sale in Error Fund	Rentech Energy Escrow Fund	JDC Natural Emergency Services Communication Fund	Sobriety Court Fund	County Jail Medical Costs Fund	Coroner's Equipment and Operations Fund
Revenues:						
Property taxes	0	0	0	0	0	0
Intergovernmental revenue	0	0	2,422	0	0	0
Charges for services	13,020	0	1,540	3,480	2,523	3,950
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0
Interest	102	2	837	10	0	16
Other revenue	0	0	1,250	6	0	5
Total revenues	13,122	2	6,049	3,496	2,523	3,971
Expenditures:						
Current:						
General control and administration	0	0	1,399	0	0	0
County development	0	0	0	0	0	0
Public safety	0	0	0	0	4,762	2,260
Judiciary and court related	0	0	0	3,691	0	0
Highways and bridges	0	0	0	0	0	0
Public health	0	0	0	0	0	0
Mental health	0	0	0	0	0	0
Debt service:	0					
Principal	0	0	106,131	0	0	0
Interest	0	0	11,069	0	0	0
Capital outlay	0	0	0	0	0	0
Total expenditures	0	0	118,599	3,691	4,762	2,260
Excess (deficiency) of revenues over expenditures	13,122	2	(112,550)	(195)	(2,239)	1,711
Other financing sources and (uses):						
Transfers in	0	0	130,534	0	0	0
Transfers out	0	0	0	0	0	0
Net change in fund balance	13,122	2	17,984	(195)	(2,239)	1,711
Fund balances, beginning of year	102,087	546	357,005	18,954	3,652	29,579
Fund balances, end of year	115,209	548	374,989	18,759	1,413	31,290

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Special Revenue					Capital Projects
	Federal Aid Matching Fund	County Transit Fund	JDC Natural Hazard Mitigation Fund	State's Attorney Records Automation Fund	Juvenile Justice Fund	Public Health Capital Investment Fund
Revenues:						
Property taxes	336,410	0	0	0	0	0
Intergovernmental revenue	5,096	1,001,654	0	0	0	0
Charges for services	0	0	0	1,367	22,038	0
Fees and fines	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0
Interest	3,524	1,143	1	2	1	1,953
Other revenue	0	15	0	0	0	0
Total revenues	345,030	1,002,812	1	1,369	22,039	1,953
Expenditures:						
Current:						
General control and administration	0	0	0	0	0	0
County development	0	0	0	0	0	0
Public safety	0	0	0	0	0	0
Judiciary and court related	0	0	0	0	2,571	0
Highways and bridges	12,101	742,602	0	0	0	0
Public health	0	0	0	0	0	20,993
Mental health	0	0	0	0	0	0
Debt service:	0	0	0	0	0	0
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Capital outlay	182,049	48,351	0	0	0	0
Total expenditures	194,150	790,953	0	0	2,571	20,993
Excess (deficiency) of revenues over expenditures	150,880	211,859	1	1,369	19,468	(19,040)
Other financing sources and (uses):						
Transfers in	0	0	0	0	0	39,500
Transfers out	0	(13,005)	0	0	0	0
Net change in fund balance	150,880	198,854	1	1,369	19,468	20,460
Fund balances, beginning of year	1,223,490	655,411	3	5,043	0	378,520
Fund balances, end of year	1,374,370	854,265	4	6,412	19,468	398,980

Jo Daviess County, Illinois

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances

Nonmajor Governmental Funds (Continued)

For the Year Ended November 30, 2016

	Capital Projects						
	Tourism Capital Development Fund	County Capital Investment Fund	County Capital Equipment Replacement Fund	Home Health Care Capital Equipment Fund	County Highway Capital Investment Fund	GIS Capital Equipment & Investment Fund	ETSB Capital Equipment & Investment Fund
Revenues:							
Property taxes	0	0	0	0	0	0	0
Intergovernmental revenue	0	10,000	7,500	0	0	0	0
Charges for services	0	0	0	0	0	4,138	0
Fees and fines	0	0	0	0	0	0	0
Licenses and permits	0	0	0	0	0	0	0
Interest	290	54	2,132	103	1,410	496	21
Other revenue	0	0	114	0	8,857	16	0
Total revenues	290	10,054	9,746	103	10,267	4,650	21
Expenditures:							
Current:							
General control and administration	0	0	7,421	0	0	2,877	0
County development	0	0	0	0	0	0	0
Public safety	0	0	0	0	0	0	0
Judiciary and court related	0	0	0	0	0	0	0
Highways and bridges	0	0	0	0	3,652	0	0
Public health	0	0	0	0	0	0	0
Mental health	0	0	0	0	0	0	0
Debt service:	0	0	0	0	0	0	0
Principal	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Capital outlay	0	192,607	179,988	0	259,188	44,028	0
Total expenditures	0	192,607	187,409	0	262,840	46,905	0
Excess (deficiency) of revenues over expenditures	290	(182,553)	(177,663)	103	(252,573)	(42,255)	21
Other financing sources and (uses):							
Transfers in	0	182,000	160,285	0	550,000	36,000	25,600
Transfers out	0	0	(9,500)	0	0	0	0
Net change in fund balance	290	(553)	(26,878)	103	297,427	(6,255)	25,621
Fund balances, beginning of year	291,739	229,858	549,695	51,146	341	88,015	25,602
Fund balances, end of year	292,029	229,305	522,817	51,249	297,768	81,760	51,223

Jo Daviess County, Illinois

Agency Fund Descriptions

Fiduciary Fund Types

Fiduciary fund types are used to account for net position and changes in net position. The fiduciary funds of the County are all considered agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of the results of the operations. The County has the following agency funds:

Township Motor Fuel Tax Fund: This fund covers maintenance of township roads using state approved materials and contractors. Disbursements are used for road construction and maintenance, materials, equipment rental and reimbursement to County for engineering. Monthly allotments from the state of Illinois, interest income and reimbursement from townships support this fund. The County Engineer authorizes expenditures from the fund. This fund was established under the authority of 35 ILCS 505/8 & 605 ILCS 5/6-701.

Lost and Unknown Heirs Fund: This fund accounts for unclaimed funds due to death.

Township Bridge Fund: This fund covers 80 percent of the cost of bridge projects for townships. Expenditures from this fund include construction of bridges and reimbursement to County. Authorizations from the state of Illinois, interest income, reimbursement from the County and Townships support this fund. The County Engineer authorizes expenditures from the fund. This fund was established under the authority of 605 ILCS 5/6-901.

County Collector's Fund: This fund accounts for funds received from payment of property taxes.

Work Release Fund: This fund accounts for monies of work release inmates. Disbursements from this fund relate to inmates' financial obligations. Fees from work release inmates support this fund. The judge authorizes expenditures from the fund. This fund was established under the authority of 730 ILCS 5/5-7-1.

Circuit Clerk Fund: The revenue collected is to be deposited in the General Fund under the Circuit Clerk line item. Fees collected on civil, criminal, quasi-criminal and traffic cases support this fund. This fund was established under the authority of 705 ILCS 105/27.1 through 705 ILCS 105/27.2a.

Marriage Fund: Fees collected from payment for marriage ceremonies support this fund. This fund was established under the authority of 705 ILCS 105/27.1(b) Rule 40.

County Clerk's Tax Redemption Fund: This fund accounts for funds received from redemption of property taxes.

Inheritance Tax Fund: This fund accounts for funds received from individual estates to be sent to the state of Illinois.

Probation Restitution Fund: This fund accounts for funds collected from offenders and disbursed to victims. Disbursements from this fund are reimbursement for out-of-pocket expenses, losses, damages and injuries suffered by victims. Restitution from offenders supports this fund. The Chief Managing Officer of Probation authorizes expenditures from the fund. This fund was established under the authority of 730 ILCS 5/5-5-6.

Jo Daviess County, Illinois

Agency Fund Descriptions

Fiduciary Fund Types (continued)

Insurance Clearing Fund: This fund is for pre-tax benefit of payment for insurance premium, medical and dental expenses and dependent care. Disbursements from this fund are claims payments for enrollees. Payroll deductions from enrollee's paychecks support this fund. Medical Associates Health Plans authorizes all expenditures from the fund.

Treasurer's Fee Account Fund: Clearing account for funds.

Inmate Commissary Fund: The purpose of this fund is to handle inmate financial transactions. Revenues are derived from commissary purchases, inmate telephone service contract and administrative fees for medical care. Expenditures include: refunds to persons being released from jail, commissary items and any items that would directly benefit the inmates (televisions, cable service, recreational games, etc.). The Sheriff and Jail Administrator (Chief Deputy) have management control over this fund and approve all expenditures. This fund was established under the authority of 730 JLCS 5/3-15-2.

Sheriffs Kids First Fund: The purpose of this fund is to support programs for children (i.e. Shop-with-a-Cop program) offered by the Sheriff's Department. The primary source of revenue is grant funding and private and public donations. Primary expenses include the purchasing of essential items for children (i.e. clothing, footwear, school supplies, etc.). There is no statutory reference for this fund outside the statutory authority established for the Office of the Sheriff.

Jo Daviess County, Illinois

Combining Statement of Assets and Liabilities

Agency Funds

November 30, 2016

	Township Motor Fuel Tax Fund	Lost and Unknown Heirs Fund	Township Bridge Fund	County Collector's Fund	Work Release Fund	Circuit Clerk Fund	Marriage Fund	County Clerk's Tax Redemption Fund
ASSETS								
Cash and investments	432,107	40,406	20,656	3,268	821	160,570	4,100	92,952
Agency funds due to others	82,657	0	151,989	0	0	0	0	0
Total assets	514,764	40,406	172,645	3,268	821	160,570	4,100	92,952

LIABILITIES

Accounts payable	39,487	0	0	3,268	0	0	0	0
Agency Funds due to others	475,277	40,406	172,645	0	821	160,570	4,100	92,952
Total liabilities	514,764	40,406	172,645	3,268	821	160,570	4,100	92,952

Jo Daviess County, Illinois

Combining Statement of Assets and Liabilities

Agency Funds

November 30, 2016

ASSETS	Inheritance Tax Fund	Probation Restitution Fund	Insurance Clearing Fund	Treasurer's Fee Account Fund	Inmate Commissary Fund	Sheriff's Kids First Fund	Total
Cash and investments	0	3,621	68,259	317	17,750	262	845,089
Agency funds due to others	0	0	0	0	0	0	234,646
Total assets	0	3,621	68,259	317	17,750	262	1,079,735

LIABILITIES

Accounts payable	0	0	0	0	0	0	42,755
Agency funds due to others	0	3,621	68,259	317	17,750	262	1,036,980
Total liabilities	0	3,621	68,259	317	17,750	262	1,079,735

Jo Daviess County, Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds (Continued)

November 30, 2016

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Township Motor Fuel Tax Fund				
Assets:				
Cash and investments	166,467	1,319,470	1,053,830	432,107
Agency funds due to others	410,946	925,608	1,253,897	82,657
Total assets	577,413	2,245,078	2,307,727	514,764
Liabilities:				
Accounts payable	54,479	1,038,941	1,053,933	39,487
Agency funds due to others	522,934	1,206,137	1,253,794	475,277
Total liabilities	577,413	2,245,078	2,307,727	514,764
Lost and Unknown Heirs Fund				
Assets -				
Cash and investments	81	40,325	0	40,406
Liabilities -				
Agency funds due to others	81	40,325	0	40,406
Township Bridge Fund				
Assets -				
Cash and investments	172,614	37	151,995	20,656
Agency funds due to others	0	151,989	0	151,989
Total assets	172,614	152,026	151,995	172,645
Liabilities -				
Agency funds due to others	172,614	152,026	151,995	172,645
Total liabilities	172,614	152,026	151,995	172,645
County Collector's Fund				
Assets -				
Cash and investments	144,881	52,413,843	52,555,456	3,268
Total assets	144,881	52,413,843	52,555,456	3,268
Liabilities -				
Accounts payable	144,881	3,268	144,881	3,268
Agency funds due to others	0	52,410,575	52,410,575	0
Total liabilities	144,881	52,413,843	52,555,456	3,268
Work Release Fund				
Assets -				
Cash and investments	821	26,468	26,468	821
Liabilities -				
Agency funds due to others	821	26,468	26,468	821

Jo Daviess County, Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds (Continued)

November 30, 2016

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Circuit Clerk Fund				
Assets -				
Cash and investments	168,613	933,849	941,892	160,570
Liabilities:				
Agency funds due to others	168,613	933,849	941,892	160,570
Marriage Fund				
Assets -				
Cash and investments	3,967	133	0	4,100
Liabilities -				
Agency funds due to others	3,967	133	0	4,100
County Clerk's Tax Redemption Fund				
Assets -				
Cash and investments	65,246	680,480	652,774	92,952
Liabilities -				
Agency funds due to others	65,246	680,480	652,774	92,952
Inheritance Tax Fund				
Assets -				
Cash and investments	1	0	1	0
Liabilities -				
Agency funds due to others	1	0	1	0
Probation Restitution Fund				
Assets -				
Cash and investments	3,621	25	25	3,621
Liabilities -				
Agency funds due to others	3,621	25	25	3,621

Jo Daviess County, Illinois

Combining Statement of Changes in Assets and Liabilities

Agency Funds (Continued)

November 30, 2016

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Insurance Clearing Fund				
Assets -				
Cash and investments	67,864	1,432,134	1,431,739	68,259
Liabilities -				
Agency funds due to others	67,864	1,432,134	1,431,739	68,259
Treasurer's Fee Account Fund				
Assets -				
Cash and investments	141	497,403	497,227	317
Liabilities -				
Agency funds due to others	141	497,403	497,227	317
Inmate Commissary Fund				
Assets -				
Cash and investments	24,049	31,077	37,376	17,750
Liabilities -				
Agency funds due to others	24,049	31,077	37,376	17,750
Sheriff's Kids First Fund				
Assets -				
Cash and investments	352	730	820	262
Liabilities -				
Agency funds due to others	352	730	820	262
All Agency Funds				
Assets:				
Cash and investments	818,718	57,375,974	57,349,603	845,089
Agency funds due to others	410,946	1,077,597	1,253,897	234,646
Total assets	1,229,664	58,453,571	58,603,500	1,079,735
Liabilities:				
Accounts payable	199,360	1,042,209	1,198,814	42,755
Agency funds due to others	1,030,304	57,411,362	57,404,686	1,036,980
Total liabilities	1,229,664	58,453,571	58,603,500	1,079,735

Other Information

Jo Daviess County, Illinois

Schedule of Property Tax Rates, Levies, Extensions and Equalized Assessed Valuations For the Year Ended November 30, 2016

Tax Year	2015	2014	2013
Equalized assessed valuations	678,284,330	673,221,302	67,425,066
Tax rates (maximum allowable is disclosed in parentheses):			
General (as needed)	0.31857	0.32196	0.27590
Highway (0.2)	0.15330	0.15506	0.13236
Bridges (0.05)	0.04963	0.05000	0.05000
Federal Aid Matching (0.05)	0.04963	0.05000	0.04850
Illinois Municipal Retirement (as needed)	0.07986	0.08046	0.10210
Social Security (as needed)	0.03816	0.03844	0.03820
Extension Education (0.05)	0.01197	0.01206	0.01198
County Health (0.15)	0.04766	0.03222	0.07706
Insurance (as needed)	0.05934	0.05978	0.03726
Mental Health (0.15)	0.05143	0.05181	0.05072
County Wide totals	0.85955	0.85179	0.82408
Tax rates (maximum allowable is disclosed in parentheses):			
Special Service District Number One (0.1)	0.09180	0.10000	0.10000
Special Service District Number Two and Four (0.1)	0.09905	0.10000	0.10000
Special Service District Number Five (0.11)	0.11000	0.11000	0.11000
Special Service District Number Six (0.035)	0.03500	0.00000	0.00000
Special Service District totals	0.33585	0.31000	0.31000
Tax levies:			
General	2,160,792	2,167,497	1,869,011
Highway	1,039,790	1,043,885	896,607
Bridges	336,611	336,700	339,415
Federal Aid Matching	336,611	336,700	328,546
Illinois Municipal Retirement	541,674	541,651	691,626
Social Security	258,786	258,776	258,760
Extension Education	81,157	81,156	81,142
County Health	323,258	216,869	522,013
Insurance	402,452	402,409	252,379
Mental Health	348,796	348,744	343,540
County Wide totals	5,829,927	5,734,387	5,583,039
Tax levies:			
Special Service District Number One	73,000	73,000	80,000
Special Service District Number Two and Four	58,000	59,000	64,000
Special Service District Number Five	29,808	29,808	29,808
Special Service District Number Six	131,500	0	0
Special Service District totals	292,308	161,808	173,808

Jo Daviess County, Illinois

Schedule of Property Tax Rates, Levies, Extensions
and Equalized Assessed Valuations (Continued)
For the Year Ended November 30, 2016

Tax Year	2015	2014	2013
Tax extensions:			
General	2,159,501	2,158,381	1,869,016
Highway	1,039,790	1,039,790	896,640
Bridges	336,612	336,611	338,712
Federal Aid Matching	336,612	336,611	328,551
Illinois Municipal Retirement	541,671	541,674	691,651
Social Security	258,786	258,786	258,776
Extension Education	81,157	81,157	81,155
County Health	323,257	216,912	522,024
Insurance	402,453	402,452	252,409
Mental Health	348,794	348,795	343,590
County Wide totals	5,828,633	5,721,169	5,582,524
Tax extensions:			
Special Service District Number One	73,001	71,185	72,977
Special Service District Number Two and Four	58,006	58,154	58,243
Special Service District Number Five	28,182	28,006	27,312
Special Service District Number Six	130,842	0	0
Special Service District totals	290,031	157,345	158,532

Jo Daviess County, Illinois

Schedule of Expenditures from Taxes Extended
for Tort Immunity Purposes
For the Year Ended November 30, 2016

Property, liability and workers' compensation insurance	323,042
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County's share of insurance costs paid by the Regional Superintendent's Trust Fund	4,778
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Total	327,820
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