

Lee County, Illinois

Dixon, Illinois

Financial Report

Year ended November 30, 2018

WIPFLi^{LLP}
CPAs and Consultants

Lee County, Illinois

For the Year Ended November 30, 2018

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Lee County, Illinois

For the Year Ended November 30, 2018

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Independent Auditor's Report

To the County Board
Lee County, Illinois
Dixon, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lee County, Illinois (the "County"), as of and for the year ended November 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lee County, Illinois, as of November 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the County adopted new accounting guidance GASB Statement No 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended November 30, 2018. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The schedules listed as supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from the 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Wipfli LLP

Sterling, Illinois
April 5, 2019

Basic Financial Statements

Lee County, Illinois

Statement of Net Position

November 30, 2018

Assets and Deferred Outflows of Resources	Governmental	
	Activities	Component Unit
Cash, deposits, and investments	\$25,573,114	\$1,428,077
Inventory	24,336	0
Property taxes receivable	7,018,777	0
Accounts receivable	405,048	0
Due from other governments	1,756,703	0
Prepaid expenses	0	19,296
Surcharge receivables	0	146,099
Total current assets	34,777,978	1,593,472
Noncurrent assets:		
Net pension asset	402,481	23,923
Land and other nondepreciable assets	7,207,208	115,007
Depreciable property and equipment, net of depreciation	13,456,295	575,198
Total noncurrent assets	21,065,984	714,128
Deferred outflows of resources:		
Deferred outflows of pension resources	3,336,775	27,469
Total assets and deferred outflows or resources	59,180,737	2,335,069
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable	2,720,041	3,282
Accrued payroll	404,715	3,841
Accrued interest payable	57,079	0
Accrued compensated absences due within one year	53,820	1,940
Bonds payable, current portion - net premium	374,681	0
Capital lease payable, current portion	60,861	0
Total current liabilities	3,671,197	9,063
Noncurrent liabilities:		
Accrued compensated absences	728,335	8,001
Other post-employment benefits	644,225	0
Bonds payable, noncurrent portion - net premium	9,236,697	0
Capital lease payable, noncurrent portion	23,166	0
Total noncurrent liabilities	10,632,423	8,001
Deferred inflows of resources:		
Deferred inflows of pension resources	4,737,822	53,033
Deferred inflows or OPEB resources	30,643	0
Unavailable property taxes	7,018,777	0
Total deferred inflows of resources	11,787,242	53,033
Total liabilities and deferred inflows of resources	26,090,862	70,097
Net Position		
Net investment in capital assets	15,263,891	690,205
Restricted	15,156,955	0
Unrestricted	2,669,029	1,574,767
Total net position	\$33,089,875	\$2,264,972

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Statement of Activities

For the Year Ended November 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
Primary government:						
Governmental activities:						
General government	\$6,836,392	\$2,196,083	\$2,259,611	\$221,727	\$(2,158,971)	\$0
Public safety	5,494,788	515,091	0	0	(4,979,697)	0
Judiciary and courts	3,605,659	916,201	718,623	0	(1,970,835)	0
Transportation	2,772,323	61,907	53,954	944,369	(1,712,093)	0
Public health	1,696,500	565,306	453,514	0	(677,680)	0
Interest	314,264	0	0	0	(314,264)	0
Total primary government	\$20,719,926	\$4,254,588	\$3,485,702	\$1,166,096	(11,813,540)	0
Component unit:						
Emergency telephone system board	\$357,217	\$595,392				238,175
General revenues:						
Taxes:						
Property taxes					6,690,424	0
Income taxes					1,273,018	0
Sales and use taxes					1,561,064	0
Public safety sales taxes					1,153,887	0
Replacement taxes					415,804	0
Other taxes					47,586	0
Interest income					262,125	13,470
Miscellaneous					1,071,578	3,697
Total general revenues					12,475,486	17,167
Change in net position					661,946	255,342
Net position - Beginning of year (as restated)					32,427,929	2,009,630
Net position - End of year					\$33,089,875	\$2,264,972

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Governmental Funds

Balance Sheet

November 30, 2018

Assets	General	Rural Transportation	Law Enforcement Center Project	Other Governmental Funds	Total Governmental Funds
Cash, deposits, and investments	\$10,981,098	\$464,061	\$5,807,231	\$7,445,844	\$24,698,234
Accounts receivable	190,199	0	0	210,624	400,823
Property tax receivable	3,416,811	0	0	3,245,000	6,661,811
Due from other governments	655,000	636,360	295,383	169,960	1,756,703
Inventory	0	0	0	24,336	24,336
Due from other funds	167,988	25,029	648,085	408,876	1,249,978
Total assets	\$15,411,096	\$1,125,450	\$6,750,699	\$11,504,640	\$34,791,885
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
Accounts payable	\$366,977	\$503,011	1,601,670	\$243,237	\$2,714,895
Accrued payroll	150,811	6,937	0	246,803	404,551
Due to other funds	802,328	0	0	281,489	1,083,817
Accrued compensated absences	42,342	0	0	11,478	53,820
Total liabilities	1,362,458	509,948	1,601,670	783,007	4,257,083
Deferred inflows of resources:					
Unavailable property taxes	3,416,811	0	0	3,245,000	6,661,811
Total deferred inflows of resources	3,416,811	0	0	3,245,000	6,661,811
Fund balances:					
Nondisposable	0	0	0	24,336	24,336
Restricted	1,817,207	615,502	5,149,029	7,550,881	15,132,619
Committed	0	0	0	0	0
Assigned	5,017,721	0	0	0	5,017,721
Unassigned	3,796,899	0	0	(98,584)	3,698,315
Total fund balances	10,631,827	615,502	5,149,029	7,476,633	23,872,991
Total liabilities, deferred inflows of resources and fund balances	\$15,411,096	\$1,125,450	\$6,750,699	\$11,504,640	\$34,791,885

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Reconciliation of the Balance Sheet to the Statement of Net Position

For the Year Ended November 30, 2018

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds (previous page) \$23,872,991

An internal service fund is used to account for county and employee health insurance premiums

The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position 707,634

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are:

Capital assets	\$44,139,282	
Accumulated depreciation	(23,475,779)	20,663,503

The net pension liability and the deferred outflows of resource and deferred inflows of resources related to pensions are only reported in the statement of net position:

Net pension liability	402,481	
Deferred outflows of resources related to pensions	3,336,775	
Deferred inflows of resources related to pensions	(4,737,822)	
Net OPEB liability	(644,225)	
Deferred inflows of OPEB resources	(30,643)	(1,673,434)

Compensated absences not due and payable from current resources are not reported in the governmental funds. (728,335)

Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds

Accrued interest payable	(57,079)	
Bonds payable	(9,611,378)	
Capital leases	(84,027)	(9,752,484)

Total net position - governmental activities \$33,089,875

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue	Capital Projects			
	Rural	Law Enforcement	Other Governmental	Total Governmental	
	General	Transportation	Center Project	Funds	Funds
Revenues:					
Property taxes	\$3,138,732	\$0	\$0	\$3,199,917	\$6,338,649
Intergovernmental revenue	4,024,788	2,179,094	1,153,887	1,311,036	8,668,805
Charges for services	1,718,498	22,392	0	1,033,653	2,774,543
Licenses and permits	1,372,217	0	0	100,108	1,472,325
Interest	180,361	4,772	48,091	28,507	261,731
Other revenue	444,958	275,414	0	302,834	1,023,206
Total revenues	10,879,554	2,481,672	1,201,978	5,976,055	20,539,259
Expenditures:					
Current:					
General government and administration	3,287,468	2,436,823	0	669,406	6,393,697
Public safety	4,401,443	0	3,618	723,071	5,128,132
Judiciary and court related	2,364,296	0	0	807,415	3,171,711
Corrections	0	0	0	0	0
Transportation	0	0	0	2,399,435	2,399,435
Public health	94,953	0	0	1,609,047	1,704,000
Public welfare	0	0	0	0	0
Debt Service:					
Principal retirement	119,328	0	350,000	0	469,328
Interest	3,816	0	326,064	0	329,880
Capital outlay	226,429	0	5,515,742	136,084	5,878,255
Total expenditures	10,497,733	2,436,823	6,195,424	6,344,458	25,474,438
Excess of revenues over (under) expenditures	381,821	44,849	(4,993,446)	(368,403)	(4,935,179)
Other financing sources (uses)					
Transfers in	846,350	0	469,264	438,764	1,754,378
Transfers out	(1,102,626)	(16,350)	0	(635,402)	(1,754,378)
Proceeds from long-term debt	69,546	0	0	0	69,546
Net other financing sources (uses)	(186,730)	(16,350)	469,264	(196,638)	69,546
Net change in fund balances	195,091	28,499	(4,524,182)	(565,041)	(4,865,633)
Fund balances, beginning of year	10,436,736	587,003	9,673,211	8,041,674	28,738,624
Fund balances, end of year	\$10,631,827	\$615,502	\$5,149,029	\$7,476,633	\$23,872,991

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

For the Year Ended November 30, 2018

Net change in fund balances - governmental funds \$(4,865,633)

Amounts reported for governmental activities in the statement of activities are different because:

An internal service is used to account for county and employee health insurance premiums. The net revenue of the internal service fund is reported with governmental activities

18,096

The acquisition of capital assets is reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital outlays reported in governmental fund statements	\$5,878,255
Depreciation expense reported in statement of activities	(1,133,755)

Amount by which capital outlays are more (less) than depreciation in the current year

4,744,500

In the statement of activities, postretirement obligations, net pension obligations, and deferred sources are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid) This year net pension liabilities and related deferred outflows exceed the amount paid by.

(107,407)

Some expenses reported in the statement of activities do not require use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in non-current accrued compensated absences (13,902)

The amount of long-term debt principal payments in the current year 469,328

The amount of long-term debt proceeds in the current year (69,546)

The net effect of these differences in the current year 30,230

Interest paid is less than interest accrued (14,614)

Contributed capital assets (land, buildings and infrastructure) and other miscellaneous capital asset transactions recorded in government-wide financial statements but not recorded in fund level financial statements

470,894

Change in net position - governmental activities

\$661,946

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois
Proprietary Fund
Statement of Net Position
November 30, 2018

Assets	Internal Service Funds
Cash, deposits, and investments	\$874,880
Property taxes receivable	356,966
Accounts receivable	4,225
Due from other funds	19,534
Total assets	\$1,255,605
Liabilities	
Accounts payable	\$5,146
Accrued payroll	164
Due to other funds	185,695
Total liabilities	191,005
Deferred inflows of resources:	
Unavailable property taxes	356,966
Total liabilities and deferred inflows of resources	547,971
Net Position	
Unrestricted	707,634
Total net position	\$707,634
Amounts reported for business-type activities in the Statement of Net Position are different because -	
Such amounts are included in governmental net position	(707,634)
Total net position of business-type activities	\$0

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Proprietary Fund

Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended November 30, 2018

	Internal Service Funds
Operating revenues:	
Employee contribution	\$6,220
Board contribution	0
Revenue from insurance claims	13,330
Total operating revenues	19,550
Operating expenses:	
Health insurance premiums	0
Insurance and bonds	353,623
Total operating expenses	353,623
Net operating income (loss)	(334,073)
Non-operating revenues:	
General property taxes	351,775
Interest income	394
Non-operating income (loss)	352,169
Net income before other financing sources (uses)	18,096
Other financing sources (uses):	
Transfers in	0
Total other financing sources (uses)	0
Change in net position	18,096
Net position, beginning of year	689,538
Net position, end of year	\$707,634
Amounts reported for business-type activities in the Statement of Activities are different because -	
The net revenue of the internal service fund is reported with governmental activities	(18,096)
Change in net position of business-type activities	\$0

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Proprietary Fund

Statement of Cash Flows

For the Year Ended November 30, 2018

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from employees and Board	\$65,803
Payment to suppliers	(351,344)
Net cash flows from operating activities	(285,541)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
	0
CASH FLOWS FROM INVESTING ACTIVITIES:	
Transfers in	0
Property taxes	351,775
Interest income	394
Net cash flows from noncapital financing activities	352,169
CASH FLOWS FROM INVESTING ACTIVITIES	
	0
Net increase (decrease) in cash	66,628
Cash, beginning of year	808,252
Cash, end of year	\$874,880
RECONCILIATION:	
Net operating income (loss)	\$(334,073)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in:	
Receivables	46,253
Increase (decrease) in:	
Accounts payable	2,279
Net cash flows from operating activities	\$(285,541)

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois
Fiduciary Fund
Statement of Net Position
November 30, 2018

Assets	Agency Funds
Cash, deposits, and investments	\$5,471,640
Accounts receivable	7,425
Due from other governments	0
Total assets	\$5,479,065
<hr/>	
Liabilities	
Accounts payable	\$130,267
Agency funds due to others	5,348,798
Total liabilities	\$5,479,065

See Accompanying Notes to Basic Financial Statements

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies

Introduction

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

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

The Financial Reporting Entity

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

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

Discretely Presented Component Unit - Lee County Emergency Telephone System Board

The component unit column in the combined financial statements includes the financial data of the Lee County Emergency Telephone System Board (ETSB). It is reported in a separate column to emphasize that it is legally separate from the County. The ETSB provides a significant amount of services to more than just the County. The Lee County Board Chairman, with the advice and consent of the Lee County Board, appoints board members to the ETSB. The members of ETSB are then responsible for planning the 911 emergency system receiving monies imposed under an established surcharge, and authorizing disbursements. The geographic area served by ETSB is the same as Lee County. The Treasurer of Lee County maintains the funds and invests or disburses them at the direction of ETSB. Lee County has the responsibility for approving the rate of the surcharge which funds the activities of ETSB and, therefore, has the ability to impose its will on that Board. Separate financial statements of

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

The Financial Reporting Entity (Continued)

ETSB are prepared. Complete financial statements for ETSB may be obtained by writing to: Lee County ETSB, E911 Center, 316 S. Hennepin Avenue, Dixon, Illinois, 61021.

Other Entity Considerations

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

Basis of Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The County reports the following major governmental funds:

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

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

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

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

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

Additionally, the County reports the following fund types:

Fiduciary:

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

Measurement Focus and Basis of Accounting

Basis of Accounting

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

Lee County, Illinois

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

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

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

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

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

Budgetary Basis of Accounting

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

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncement

Management adopted new accounting guidance GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. GASB Statement No. 75 replaces the requirements of GASB Statements No. 45 on Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions.

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 2017 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2018. The County must file its tax levy by the last Tuesday of December each year. The 2017 levy was approved on November 21, 2017. The 2018 levy was approved on November 20, 2018.

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 2017 became due and payable in two installments, generally in July 2018 and September 2018. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Inventories and Prepaid Items

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

Prepaid items represent payments made by the County for which benefits extend beyond November 30, 2018. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

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

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

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

Deferred Outflows/Inflows of Resources

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

Compensated Absences

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences (Continued)

The County permits use of sick days if needed and an accumulation of unused days. After an employee accumulates 60 days sick leave, said employee will be paid for one-half of such accumulated days in excess of 60 days. This payment is to be made in December following the close of the fiscal year in which the excess days are accumulated. The balance owed to County employees at November 30, 2018, for one-half of accumulated days in excess of 60 days is shown as a current liability of the funds.

Vacation

As of November 30, 2018, the County has an estimated liability to its employees for accumulated vacation days in the amount of \$262,341.

Sick Leave

As of November 30, 2018, the County has an estimated liability to its employees for 50% of the accumulated sick days in the amount of \$465,994.

Pension Plan

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

Other Post-Employment ("OPEB") Obligations

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Interfund Transactions

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

Fund Balances

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

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

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

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

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

Unassigned fund balance: This fund 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.

Subsequent Events

Subsequent events have been evaluated through April 5, 2019, which is the date the financial statements were available to be issued.

Use of Estimates

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 2: Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations

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

Fund	Amount
Indemnity	1,935
Law Library	22,996
IMRF	198,840
Social Services for Seniors	2,500
County Tourism Promotion	4,304
Lee County Cooperative Extension	30
Home Confinement	1,836
Victims Impact Panel	2,086
Drug Street Fine	977
Rural Transportation Grant	42,911
Drug Court	2,931
Coroner	2,844
Domestic Violence	178

Deficit Fund Equity

As of November 30, 2018, the Animal Control Fund had a deficit fund of (\$98,584).

Note 3: Cash Deposit with Financial Institutions

Primary Government

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County has a deposit policy for custodial credit risk. As of November 30, 2018, the County's bank balance was \$33,219,578 and the entire balance was insured and collateralized with securities in the County's name.

Component Unit (ETSB)

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. ETSB's investment policy follows the Lee County Treasurer's cash management policy. As of November 30, 2018, the ETSB's bank balance was \$1,434,359 and the entire balance was insured and collateralized.

Lee County, Illinois

Notes to Basic Financial Statements

Note 4: Capital Assets

Primary Government

The governmental activities capital asset activity for the year ended November 30, 2018 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$1,479,668	\$0	\$0	\$0	\$1,479,668
Construction in progress	211,798	5,515,742	0	0	5,727,540
Total capital assets, not being depreciated	1,691,466	5,515,742	0	0	7,207,208
Capital assets, being depreciated:					
Buildings and improvements	18,219,000	0	0	0	18,219,000
Equipment	7,752,267	521,948	0	0	8,274,215
Intangible assets	501,819	0	0	0	501,819
Infrastructure	9,625,581	311,459	0	0	9,937,040
Total capital assets, being depreciated	36,098,667	833,407	0	0	36,932,074
Accumulated depreciation:					
Buildings and improvements	(9,955,310)	(504,299)	0	0	(10,459,609)
Machinery and equipment	(6,744,649)	(305,616)	0	0	(7,050,265)
Intangible assets	(87,147)	(50,182)	0	0	(137,329)
Infrastructure	(5,554,918)	(273,658)	0	0	(5,828,576)
Total accumulated depreciation	(22,342,024)	(1,133,755)	0	0	(23,475,779)
Total capital assets, being depreciated, net	13,756,643	(300,348)	0	0	13,456,295
Governmental activities capital assets, net	\$15,448,109	\$5,215,394	\$0	\$0	\$20,663,503

Depreciation expense was charged to the governmental functions as follows:

General government and administration	\$117,423
Public safety	125,981
Judiciary and courts	481,149
Transportation	397,446
Public health	11,756
Total depreciation expense, governmental activities	\$1,133,755

Lee County, Illinois

Notes to Basic Financial Statements

Note 4: Capital Assets (Continued)

Component Unit (ETSB)

The governmental activities capital asset activity for the year ended November 30, 2018 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Construction in progress	\$115,007	\$0	\$0	\$0	\$115,007
Capital assets, being depreciated:					
Building	81,269	0	0	0	81,269
Building improvements	669,357	0	0	0	669,357
Equipment and furniture	1,313,719	33,708	0	0	1,347,427
Total capital assets, being depreciated	2,064,345	33,708	0	0	2,098,053
Accumulated depreciation:					
Building	(45,198)	(2,491)	0	0	(47,689)
Building improvements	(358,172)	(16,487)	0	0	(374,659)
Equipment and furniture	(1,056,576)	(43,931)	0	0	(1,100,507)
Total accumulated depreciation	(1,459,946)	(62,909)	0	0	(1,522,855)
Total capital assets, being depreciated, net	604,399	(29,201)	0	0	575,198
Governmental activities capital assets, net	\$719,406	\$(29,201)	\$0	\$0	\$690,205

Depreciation expense was charged to the governmental functions as follows:

Emergency telephone system board	\$62,909
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Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans

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

Illinois Municipal Retirement Fund

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

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

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

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

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Regular Personnel (RP)

Employees Covered by the Benefit Terms - At December 31, 2017, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	163
Inactive plan member entitled to but not yet receiving benefits	111
Active employees	118
<hr/>	
Total	392

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 2017 was 9.26%. For the fiscal year ended November 30, 2018, the County contributed \$492,473 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, 2017, 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, 2017:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- 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.

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

<i>Asset Class</i>	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

Single Discount Rate - A Single Discount Rate of 7.50% 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 3.31%, and the resulting single discount rate is 7.50%.

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Changes to Net Pension Liability(Asset)

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A)-(B)
Balances at January 1, 2017	\$32,877,615	\$30,848,046	\$2,029,569
Changes for the year:			
Service Cost	521,125	0	521,125
Interest on the total pension liability	2,424,584	0	2,424,584
Changes of benefit terms	0	0	0
Differences between expected and actual experience of the total pension liability	294,084	0	294,084
Changes in assumptions	(1,020,900)	0	(1,020,900)
Contributions - employer	0	617,708	(617,708)
Contributions - employees	0	235,055	(235,055)
Net investment income	0	5,434,988	(5,434,988)
Benefit payments, including refunds of employee contributions	(1,620,786)	(1,620,786)	0
Other (net transfer)	0	(560,521)	560,521
Net Changes	598,107	4,106,444	(3,508,337)
Balance at December 31, 2017	\$33,475,722	\$34,954,490	\$(1,478,768)

Net pension liability (asset) was allocated based on the percentage of the fiscal year 2017 contributions.

	County	ETSB	Total
Balances as of December 31, 2016	\$1,986,249	\$43,320	\$2,029,569
Net changes	(3,441,094)	(67,243)	(3,508,337)
Balance as of December 31, 2017	\$(1,454,845)	\$(23,923)	\$(1,478,768)

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: 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 7.50%, 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 (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Net Pension Liability (Asset)	\$2,610,625	\$(1,478,768)	\$(4,846,074)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – For the year ended November 30, 2018, the County recognized pension expense of \$524,677. At November 30, 2018, 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	\$203,303	\$23,457
Changes in assumptions	0	717,729
Net difference between projected and actual earnings on pension plan investments	1,039,259	2,536,964
Total deferred amounts to be recognized in pension expense in future periods	1,242,562	3,278,150
Pension contributions made subsequent to the measurement date	448,885	0
Total deferred amounts related to pensions	\$1,691,447	\$3,278,150

The County reported \$448,885 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2019.

Deferred outflows and inflows were allocated based on the percentage of the fiscal year 2018 contributions

	County	ETSB	Total
Deferred outflows	\$(1,222,460)	\$(20,102)	\$(1,242,562)
Subsequent contributions	(441,518)	(7,367)	(448,885)
Deferred inflows	3,225,117	53,033	3,278,150
Net deferred (outflows)/inflows	\$1,561,139	\$25,564	\$1,586,703

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:

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Year Ending November 30:	Net Deferred Inflows of Resources
2019	\$(354,136)
2020	(400,284)
2021	(646,927)
2022	(634,241)
2023	0
Thereafter	0
Total	\$(2,035,588)

Sheriff's Law Enforcement (SLEP):

Employees Covered by the Benefit Terms - At December 31, 2017, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	22
Inactive plan member entitled to but not yet receiving benefits	5
Active employees	33
Total	60

Contributions - As set by statute, the County's Sheriff's Law Enforcement Plan Members are required to contribute 7.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual contribution rate for calendar year 2017 was 19.96% for the fiscal year ended November 30, 2018, the County contributed \$389,764 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, 2017, 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, 2017:

- 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%.

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: 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 7.50%.
- **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, 2017:

<i>Asset Class</i>	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Single Discount Rate - A Single Discount Rate of 7.50% 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 3.31%, and the resulting single discount rate is 7.50%.

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Changes to Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A)-(B)
Balances at January 1, 2017	\$17,809,581	\$15,758,138	\$2,051,443
Changes for the year:			
Service Cost	384,634	0	384,634
Interest on the total pension liability	1,322,275	0	1,322,275
Changes of benefit terms	0	0	0
Differences between expected and actual experience of the total pension liability	675,141	0	675,141
Changes in assumptions	(74,911)	0	(74,911)
Contributions - employer	0	426,155	(426,155)
Contributions - employees	0	160,773	(160,773)
Net investment income	0	2,857,666	(2,857,666)
Benefit payments, including refunds of employee contributions	(743,128)	(743,128)	0
Other (net transfer)	0	(138,376)	138,376
Net Changes	1,564,011	2,563,090	(999,079)
Balance at December 31, 2017	\$19,373,592	\$18,321,228	\$1,052,364

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 7.50%, 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 (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Net Pension Liability (Asset)	\$3,684,185	\$1,052,364	\$(1,095,007)

Lee County, Illinois

Notes to Basic Financial Statements

Note 5: Retirement Plans (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – For the year ended November 30, 2018, the County recognized pension expense of \$559,089. At November 30, 2018, 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	\$726,755	\$68,199
Changes in assumptions	113,657	95,024
Net difference between projected and actual earnings on pension plan investments	499,338	1,349,482
Total deferred amounts to be recognized in pension expense in future periods	1,339,750	1,512,705
Pension contributions made subsequent to the measurement date	333,047	0
Total deferred amounts related to pensions	\$1,672,797	\$1,512,705

The County reported \$333,047 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2019.

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

Year Ending November 30:	Net Deferred Inflows of Resources
2019	\$77,209
2020	39,373
2021	(177,292)
2022	(257,173)
2023	89,552
Thereafter	55,376
Total	(172,955)

Lee County, Illinois

Notes to Basic Financial Statements

Note 6: 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 7: Other Post-Employment Benefits

Plan Description

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

Benefits Provided

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

Employees Covered by the Benefit Terms

At November 30, 2018, the County had the following employees were covered by the benefits provided:

Total active employees	146
Inactive plan member currently receiving benefits	4
<hr/>	
Total	150
<hr/>	

Total OPEB Liability

At November 30, 2018, the County reported a net OPEB liability of \$644,225; the District's net OPEB liability was measured as of December 1, 2017 and was determined by an actuarial valuation as of that date.

Lee County, Illinois

Notes to Basic Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Entry Age Normal
Discount Rate Used for Total OPEB Liability	
Beginning of Year	3.59%
End of Year	4.22%
Long-Term Expected Rate of Return on Plan Assets	N/A
High Quality 20-Year Tax-Exempt G.O.Bond Rate	
Beginning of Year	3.59%
End of Year	4.22%
Total Payroll Increases	2.50%
Claims and Premiums	See Accompanying Table
Healthcare Cost Trend Rates	See Accompanying Table
Retiree Contribution Rates	Same as Healthcare Cost Trend Rate

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Blended Premium Rates

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

Healthcare Cost Trend Rates

Period (fiscal year)	Medical	
	<u>U65</u>	<u>65+</u>
FY 18 to FY 19	6.50%	N/A
FY 19 to FY 20	6.50%	N/A
FY 20 to FY 21	6.00%	N/A
FY 21 to FY 22	6.00%	N/A
FY 22 to FY 23	5.50	N/A
FY 24 to FY 24	5.50%	N/A
FY 24 to FY25	5.00%	N/A
Ultimate	5.00%	N/A

Assumptions (Demographic)

Election at Retirement

IMRF
IMFR - currently waiting

Coverage election at retirement is assumed at the following rate

50%
17%

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

Spousal election

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

Plan Participation Rate

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Retiree Lapse Rates	Retirees receiving medical coverage are expected to lapse all coverage at age 65 at the following rates: IMRF N/A
Retirement Rates	IMRF 2017 for IMRF Employees
Terminations Rates	IMRF 2017 for IMRF Employees
Disability Rates	IMRF 2017 for IMRF Employees
Mortality Rates	Active IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These Rates are Improved Generationally using MP-2017. Improvement Rates and Weighted Based on the IMRF December 31, Actuarial Valuation. Retiree and Spousal IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are improved generationally using MP-2017 Improvement Rates.

Changes to Net OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A)-(B)
Balances at November 30, 2017	\$647,662	\$0	\$647,662
Changes for the year:			
Service Cost	33,179	0	33,179
Interest on the total OPEB liability	22,784	0	22,784
Actuarial changes	0	0	0
Assumptions changes	(33,365)	0	(33,365)
Contributions - employer	0	26,035	(26,035)
Benefit payments	(26,035)	(26,035)	0
Net Changes	(3,437)	0	(3,437)
Balance at November 30, 2018	\$644,225	\$0	\$644,225

Lee County, Illinois

Notes to Basic Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, calculated using a discount rate of 4.22%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher:

	1% Decrease (3.22%)	Current Discount (4.22%)	1% Increase (5.22%)
Net OPEB Liability	\$704,878	\$644,225	\$589,051

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

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

	1% Decrease (Varies)	Healthcare Cost Current Trend Rates (Varies)	1% Increase (Varies)
Net OPEB Liability	\$573,773	\$644,225	\$726,461

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

For the year ended November 30, 2018, the County recognized OPEB expense (income) of \$(3,437). At November 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in OPEB expense in future periods:</i>		
Changes in assumptions	\$0	\$30,643
Total deferred amounts to be recognized in pension expense in future periods	0	30,643
Total deferred amounts related to OPEB	\$0	\$30,643

Lee County, Illinois

Notes to Basic Financial Statements

Note 7: Other Post-Employment Benefits (Continued)

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

Year Ending November 30:	Net Deferred Inflows of Resources
2019	\$(2,722)
2020	(2,722)
2021	(2,722)
2022	(2,722)
2023	(2,722)
Thereafter	(17,033)
Total	\$(30,643)

Note 8: Construction and Other Significant Commitments

Construction commitments. In July 2018, the County approved a project to build a new jail with the total estimated cost of the jail not to exceed \$17,400,000. The County has signed a contract with Ringland-Johnson, Inc. for the construction portion of the project totaling \$16,830,347. The County is budgeting the remaining balance to be used towards furnishings and equipment for the jail. As of November 30, 2018, the County has paid a total of \$5,727,540 related to this project. The project is estimated to be completed during fiscal year 2021.

Note 9: Risk Management

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 10: Long-Term Debt

2017 Debt Certificates

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

Capital Leases

The County obtained a capital lease for two Ford SUVs. The lease is payable in annual installments of \$13,989 with the final payment due in March 2018.

The County obtained a capital lease for portable radios and accessories. The lease is payable in annual installments of \$22,047 with the final payment due in June 2018.

The County obtained a capital lease for three Dodge Chargers dated June 14, 2016. The lease is payable in annual installments of \$23,072 with the final payment due in June 2018.

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

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

The net book value of assets under capital lease is \$226,765. Annual debt service requirements to maturity are as follows:

Fiscal Year Ended November 30,	Capital Lease Payable		Bonds Payable	
	Principal	Interest	Principal	Interest
2019	\$60,861	\$3,176	\$345,000	\$335,225
2020	23,166	1,065	355,000	324,875
2021	0	0	370,000	310,675
2022	0	0	380,000	295,875
2023	0	0	400,000	280,475
2024-2028	0	0	2,245,000	1,149,775
2029-2033	0	0	2,700,000	694,231
2034-2037	0	0	2,495,000	219,631
Total	\$84,027	\$4,241	\$9,290,000	\$3,610,762

Lee County, Illinois

Notes to Basic Financial Statements

Note 10: Long-Term Debt (Continued)

Long term liability activity for the year ended November 30, 2018, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Long-term debt:					
Capital lease payable	\$133,809	\$69,546	\$119,328	\$84,027	\$60,861
Bonds payable, net premiums	9,991,608	0	380,230	9,611,378	374,681
Compensated absences	779,461	660,261	657,567	782,155	53,820
Other post-employment benefits	647,662	0	3,437	644,225	0
Totals	\$11,552,540	\$729,807	\$1,160,562	\$11,121,785	\$489,362

The County is subject to a debt limitation of 5.75% of its assessed valuation of \$752,595,149. As of November 30, 2018 the County had \$33,662,843 of remaining legal debt margin.

Note 11: Net Position

Net position reported on the government wide statement of net position at November 30, 2018, includes the following:

Primary Government

Governmental Activities:

Net investment in capital assets:

Land and other non-depreciable assets	\$7,207,208
Other capital assets, net of accumulated depreciation	13,456,295
Less: Related long-term debt outstanding (net of unspent proceeds of debt)	(5,399,612)

Total net investment in capital assets	15,263,891
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Restricted:

State statutes and enabling legislation	9,392,424
Capital projects	5,149,029
Externally imposed by grantors	615,502

Total restricted	15,156,955
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Unrestricted	2,669,029
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Total governmental activities net position	\$33,089,875
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Lee County, Illinois

Notes to Basic Financial Statements

Note 11: Net Position (Continued)

Component Unit (ETSB)

Governmental Activities:

Net investment in capital assets:

Land and other non-depreciable assets	\$115,007
Other capital assets, net of accumulated depreciation	575,198
Less: Related long-term debt outstanding	0
<hr/>	
Total net investment in capital assets	690,205
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Unrestricted	1,574,767
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Total component unit net position	\$2,264,972
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Note 12: Fund Balance

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 12: Fund Balance (Continued)

Assigned Fund Balance

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

Unassigned Fund Balance

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

Primary Government:

Nonspendable Fund Balance

Major Funds:

General - inventory	\$0
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Nonmajor Funds:

County Health - inventory	24,336
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Total nonspendable fund balance	\$24,336
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Restricted Fund Balance

Major Funds:

State statutes and enabling legislation:

General Fund - solid waste management	\$1,817,207
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Externally imposed by grantors:

Rural transportation	615,502
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Bond agreement:

Law Enforcement Center Project	5,149,029
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Non-Major Funds:

State statutes and enabling legislation:

Special Recording Automation	83,514
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Vital Records Automation	5,150
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County Collector Automation	10,609
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County Tourism Promotion	891
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Indemnity	189,244
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G.I.S. Recording Fees	122,084
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Child Support Enforcement Program	61,798
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Probation Services	244,118
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Court Document Storage	196,090
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Circuit Clerk Automation Fee	88,164
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Circuit Clerk Operations	108,924
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Law Library	14,126
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Drug Forfeiture	15,018
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Home Confinement	17,331
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Lee County, Illinois

Notes to Basic Financial Statements

Note 12: Fund Balance (Continued)

JJC Council	12,781
JJC Youth Diversion	19,017
Title IV E	324
Drug Street Fine	12,356
Marriage	7,349
Drug Court	26,445
Domestic Violence	18,915
State's Attorney Collection	2,633
State's Attorney Records Automation	12,517
Social Services for Senior Citizens	2,506
Tuberculosis Sanatorium	62,290
Victim Impact Panel	9,139
Veterans Assistance	171,681
Lee County Cooperative Extension Service	4,792
Arrestee's Medical Costs	10,590
Mental Health	28,788
Pet Population	43,476
County Special Bridge	442,891
Federal Aid Secondary Matching	1,565,789
County Motor Fuel Tax	771,057
Police Vehicle	9,093
Coroner	14,000
County Highway	1,122,406
County Health	1,008,494
Social Security	851,175
IMRF	137,165
Sheriff Tow	26,151

Externally imposed by grantors

Grant	0
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Total restricted fund balance	\$15,132,619
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Assigned Fund Balance

Major Funds -

General Fund - Capital Projects Account	\$4,939,001
General Fund - Capital Projects Replacement Account	78,720

Total assigned fund balance	\$5,017,721
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Unassigned Fund Balance

Major Fund -

General Fund	\$3,796,899
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Nonmajor Fund -

Animal Control Fund	(98,584)
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Total unassigned fund balance	\$3,698,315
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Lee County, Illinois

Notes to Basic Financial Statements

Note 13: Interfund Receivables/Payables

Below are the interfund balances as of November 30, 2018. Interfund receivables/payables were made to simplify cash flows within the County

Fund	Interfund Receivable	Interfund Payable
Major funds -		
General Fund	\$167,988	\$802,328
Rural Transportation Fund	25,029	0
Law Enforcement Center Project Fund	648,085	0
Non major governmental fund	408,876	281,489
Internal service fund	19,534	185,695
Total	\$1,269,512	\$1,269,512

Note 14: Interfund Transfers

Below are the interfund transfers as of November 30, 2018:

Fund	Transfer In	Transfer Out
Major funds -		
General Fund	\$846,350	\$1,102,626
Rural Transportation Fund	0	16,350
Law Enforcement Center Project Fund	469,264	0
Non major governmental fund	438,764	635,402
Total	\$1,754,378	\$1,754,378

Transfers were made cover expenses in the Capital Project fund, various road projects and to simplify cash flows within the County.

Note 15: Contingencies

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

Lee County, Illinois

Notes to Basic Financial Statements

Note 16: Solid Waste Management Host Fees

The County entered into an agreement with Allied Waste Industries on June 1, 1994 to allow disposing of waste in the landfill in exchange for host fee payments. The Agreement provides that Allied Waste Industries is to pay Lee County a quarterly fee for the amount of waste dumped into the landfill. The contract states that the term of the contract is until the later of June 1, 2014 or the landfill permanently ceases to accept waste for disposal. The County is involved in a declaratory judgment action with Allied Waste seeking a court option on the rights and responsibilities of the contract. In the Second Amendment and the Third Amendment to the Agreement executed on November 18, 2008 and March 20, 2012, there is a clause that states that Allied Waste will have capacity to dispose of the County's waste until October 15, 2022. In the current year, the County collected, on a case basis, \$218,938 in host fees, but this amount does not include payment from the previous year tonnage.

Note 17: Wind Farm Road Use Agreements

In December 2017, the County entered into a road use agreement with Mendota Hills, LLC for the costs associated with maintaining roads after the construction and decommissioning of wind turbines. The agreement outlines that Mendota Hills, LLC shall bear financial responsibility for necessary improvements and repairs to the local roads as a result of decommissioning work or new project construction, including reasonable costs incurred for engineering estimates and inspections. As of November 30, 2018, the County held in escrow \$1,787,786 to be used towards this purpose.

Note 18: Subsequent Events

In March 2019, the County approved an ordinance authorizing the issuance of Series 2019 Debt Certificates in the amount of \$4,000,000, with the proceeds to be used towards the funding of the new law enforcement center project.

In March 2019, the County approved an ordinance authorizing interfund loans from the Capital Projects Fund, Solid Waste Fund, and General Fund to the Public Safety Tax Fund (Law Enforcement Center Fund) for construction costs of the law enforcement center. The ordinance authorizes the following interfund loans to the Public Safety Tax Fund: up to \$1,000,000 from the Capital Project Fund, up to \$750,000 from the Solid Waste Fund, and up to \$1,250,000 from the General Fund. Repayments of any interfund loans will be paid over 15 years with the interest rate of zero percent.

Lee County, Illinois

Notes to Basic Financial Statements

Note 19: Prior Year Restatement

As a result of the implementation of GASB Statement No. 75, the governmental activities beginning net position was restated as follows:

	Governmental Activities
Balance at December 1, 2017, as previously reported	\$31,699,741
Add back previously reported net OPEB obligation	1,375,850
Subtract beginning net OPEB liability	(647,662)
Balance at December 1, 2017, as restated	\$32,427,929

Note 20: Impact of Pending Accounting Principles

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.

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

GASB Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements, clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The County has not determined the effect of this Statement.

Lee County, Illinois

Notes to Basic Financial Statements

Note 20: Impact of Pending Accounting Principles (Continued)

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, provides more relevant information about capital assets and the cost of borrowing for a reporting period. This Statement's objectives are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The County has not determined the effect of this Statement.

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

Required Supplementary Information

Lee County, Illinois
Budgetary Comparison Schedule (Non-GAAP Basis)
General Fund
For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
General property taxes	\$3,185,429	\$3,581,713	\$396,284
Sales tax	441,000	369,096	(71,904)
Supplemental county retail taxes	686,000	793,916	107,916
Increased use tax	269,500	367,334	97,834
	<u>4,581,929</u>	<u>5,112,059</u>	<u>530,130</u>
Intergovernmental revenues:			
State income tax	1,144,000	1,266,639	122,639
Personal property replacement tax	373,672	342,535	(31,137)
ESDA grant revenue	51,294	0	(51,294)
FEMA	24,237	29,016	4,779
Gaming and pull tabs	40,000	41,672	1,672
County employee salaries	557,847	649,061	91,214
Elections	10,000	17,240	7,240
OVW Project Grant	150,000	33,538	(116,462)
	<u>2,351,050</u>	<u>2,379,701</u>	<u>28,651</u>
Licenses and permits:			
Liquor licenses	50,330	19,350	(30,980)
Zoning fees	400,000	1,299,213	899,213
Raffle permit	250	340	90
Rabies tags	69,308	64,013	(5,295)
	<u>519,888</u>	<u>1,382,916</u>	<u>863,028</u>
Revenue from services:			
County clerk	544,600	546,627	2,027
Public defender	2,500	11,639	9,139
Chief county assessment officer	1,000	322	(678)
Clerk of the circuit court	600,000	489,876	(110,124)
Animal impoundment fees	6,192	3,449	(2,743)
State's attorney fees	15,000	16,517	1,517
County sheriff	62,000	39,063	(22,937)
ETSB reimbursement	102,868	102,868	0
ETSB overtime credit	3,000	0	(3,000)
Court system fees	27,000	25,217	(1,783)
Bailiff - court security	80,000	74,143	(5,857)
County traffic fee	100,000	142,075	42,075
County's share of drug fines	1,200	2,880	1,680
City of Amboy dispatch	9,336	2,948	(6,388)
Deferred prosecution program	0	0	0

See Notes to Required Supplementary Information.

Lee County, Illinois
Budgetary Comparison Schedule (Non-GAAP Basis)
General Fund (Continued)
For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenue from services (continued)			
Township assessment reimbursement	27,000	37,000	10,000
State's attorney second chances	5,000	133	(4,867)
Village of Paw Paw police protection	62,016	56,897	(5,119)
	1,648,712	1,551,654	(97,058)
Revenue from use of money and property:			
Interest on investments	5,000	17,998	12,998
Royalty income	3,000	1,454	(1,546)
City of Dixon - Dispatch	161,376	165,543	4,167
Rent - health department	0	1	1
Rent - JTPA	7,200	7,200	0
Rent-LCHD	0	1	1
Rent - law enforcement center	0	0	0
Rent - courthouse room	500	200	(300)
	177,076	192,397	15,321
All other sources:			
Tourism admin fee	2,000	2,318	318
Toxicology	500	250	(250)
Laredo/tapestry	38,500	40,103	1,603
Workers compensation refund	0	6,229	6,229
Work release fees	6,000	6,461	461
LCHD sick pay reimbursement	0	1,500	1,500
Penalties and costs on delinquent taxes	120,000	94,329	(25,671)
Senior deferral payment	0	15,448	15,448
Rural transportation insurance reimbursement	0	0	0
GIS insurance reimbursement	0	0	0
Employee contribution	0	1,547	1,547
Retiree contribution	0	42,952	42,952
Supplemental health insurance fees	3,000	3,000	0
Miscellaneous	15,000	24,210	9,210
	185,000	238,347	53,347
Total revenues	9,463,655	10,857,074	1,393,419
Expenditures:			
General control and administration:			
County clerk's office	821,024	655,141	165,883
County treasurer's office	253,290	246,029	7,261
Courthouse	685,995	641,164	44,831
County board	276,995	253,882	23,113
Insurance and bonds	0	0	0
Accounting and auditing	44,500	40,000	4,500
Computer service	238,294	170,174	68,120
Assessments/property records	336,834	323,780	13,054
	2,656,932	2,330,170	326,762

See Notes to Required Supplementary Information.

Lee County, Illinois

General Fund

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information (Continued)

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (continued)			
County development:			
Zoning office	88,928	88,181	747
Regional planning commission	5,796	462	5,334
	94,724	88,643	6,081
Public safety:			
County sheriff's office	4,083,054	4,081,261	1,793
County coroner	137,775	180,748	(42,973)
Rabies control	84,934	76,685	8,249
ESDA	160,320	122,886	37,434
	4,466,083	4,461,580	4,503
Judiciary and court related:			
Circuit clerk's office	457,287	452,328	4,959
States attorney	930,136	788,416	141,720
Public defender	232,610	233,293	(683)
Presiding judge (Jacobson)	206,077	212,256	(6,179)
Associate judge (Beckman)	40,391	38,962	1,429
Associate judge (Ackert)	4,700	4,376	324
Probation office	541,002	504,696	36,306
Circuit judge	85,604	72,683	12,921
Jury certificates	10,000	10,000	0
	2,507,807	2,317,010	190,797
All other:			
Superintendent of education service region	61,535	61,535	0
Miscellaneous	364,632	466,889	(102,257)
IMRF reimbursement	0	0	0
Sick pay	120,000	128,064	(8,064)
Contingencies	90,948	492	90,456
	637,115	656,980	(19,865)
Total expenditures	10,362,661	9,854,383	508,278
Excess of revenues over (under) expenditures	(899,006)	1,002,691	1,901,697

See Notes to Required Supplementary Information.

Lee County, Illinois

General Fund

Budgetary Comparison Schedule (Non-GAAP Basis)

Required Supplementary Information (Continued)

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			
Other financing sources (uses):			
Transfers in	0	796,350	796,350
Transfers out	(50,000)	0	50,000
Proceeds from issuance of capital lease	0	0	0
Total other financing sources (uses)	(50,000)	796,350	796,350
Net change in fund balance	<u><u>\$(949,006)</u></u>	1,799,041	<u><u>\$2,698,047</u></u>
Adjustment from budgetary basis to generally accepted accounting principles basis		(651,583)	
Fund balances, beginning of year		<u>2,649,441</u>	
Fund balances, end of year		<u><u>\$3,796,899</u></u>	
GAAP fund balances for General Funds:			
General Account		\$3,796,899	
Solid Waste Management Account		1,817,207	
Capital Projects Account		4,939,001	
Capital Improvement Replacement Account		<u>78,720</u>	
GAAP fund balances for General Funds		<u><u>\$10,631,827</u></u>	

See Notes to Required Supplementary Information.

Lee County, Illinois
Rural Transportation Fund
Budgetary Comparison Schedule (Non-GAAP Basis)
Required Supplementary Information
For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental revenue:			
Grants	\$2,308,655	\$2,131,025	\$(177,630)
Revenues from services -			
Fares, fees, contracts, and other	47,000	22,392	(24,608)
Revenue from use of money -			
Interest	105	4,772	4,667
Other -			
Miscellaneous	161,500	275,414	113,914
Total revenues	2,517,260	2,433,603	(83,657)
Expenditures:			
General control and administration			
Salaries	137,598	173,156	(35,558)
Contractual expenditures	1,934,195	1,904,882	29,313
Miscellaneous	374,246	410,912	(36,666)
Total expenditures	2,446,039	2,488,950	(42,911)
Excess of revenues over (under) expenditures	71,221	(55,347)	(126,568)
Other financing sources (uses):			
Transfers out	0	(16,350)	(16,350)
Net change in fund balance	<u>\$71,221</u>	<u>(71,697)</u>	<u>\$(142,918)</u>
Adjustment from budgetary to generally accepted accounting principles basis		100,196	
Fund balances, beginning of year		<u>587,003</u>	
Fund balances, end of year		<u><u>\$615,502</u></u>	

See Notes to Required Supplementary Information.

Lee 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)

Calendar Year ending December 31,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total pension liability:										
Service cost	\$521,125	\$557,712	\$571,066	\$582,656						
Interest on the total pension liability	2,424,584	2,328,330	2,252,055	2,062,792						
Benefit changes	0	0	0	0						
Difference between expected and actual experience	294,084	(76,377)	(467,479)	84,600						
Assumption changes	(1,020,900)	(38,974)	38,512	1,037,038						
Benefit payments and refunds	(1,620,786)	(1,400,143)	(1,257,908)	(1,217,652)						
Net change in total pension liability	598,107	1,370,548	1,136,246	2,549,434						
Total pension liability - beginning	32,877,615	31,507,067	30,370,821	27,821,387						
Total pension liability - ending (a)	\$33,475,722	\$32,877,615	\$31,507,067	\$30,370,821						
Plan fiduciary net position:										
Employer contributions	\$617,708	\$588,998	\$537,286	\$530,595						
Employee contributions	235,055	242,371	248,138	243,828						
Pension plan net investment income	5,434,988	1,980,049	150,830	1,751,684						
Benefit payments and refunds	(1,620,786)	(1,400,143)	(1,257,908)	(1,217,652)						
Other	(560,521)	30,232	(674,068)	156,065						
Net change in plan fiduciary net position	4,106,444	1,441,507	(995,722)	1,464,520						
Plan fiduciary net position - beginning	30,848,046	29,406,539	30,402,261	28,937,741						
Plan fiduciary net position - ending (b)	\$34,954,490	\$30,848,046	\$29,406,539	\$30,402,261						
Net pension liability (asset) - Ending (a) - (b)	\$(1,478,768)	\$2,029,569	\$2,100,528	\$(31,440)						
Plan fiduciary net position as a percentage of total pension liability	104.42%	93.83%	93.33%	100.10%						
Covered valuation payroll	\$5,205,608	\$5,156,021	\$5,246,390	\$5,144,761						
Net pension liability as a percentage of covered valuation payroll	(28.41)%	39.36%	40.04%	(0.61)%						

Lee County is commingled with the Lee County Regular Plan (Plan).

Multiyear Schedules of Changes in Net Position and Related Ratios is presented for the Plan.

See Notes to Required Supplementary Information.

Lee 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)

Calendar Year ending December 31,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total pension liability:										
Service cost	\$384,634	\$389,086	\$397,090	\$401,921						
Interest on the total pension liability	1,322,275	1,249,383	1,187,373	1,077,999						
Benefit changes	0	0	0	0						
Difference between expected and actual experience	675,141	23,901	(125,340)	333,763						
Assumption changes	(74,911)	(45,858)	44,200	217,716						
Benefit payments and refunds	(743,128)	(630,729)	(625,238)	(516,093)						
Net change in total pension liability	1,564,011	985,783	878,085	1,515,306						
Total pension liability - beginning	17,809,581	16,823,798	15,945,713	14,430,407						
Total pension liability - ending (a)	\$19,373,592	\$17,809,581	\$16,823,798	\$15,945,713						
Plan fiduciary net position:										
Employer contributions	\$426,155	\$418,080	\$384,797	\$428,412						
Employee contributions	160,773	189,015	167,367	150,732						
Pension plan net investment income	2,857,666	987,431	71,918	828,882						
Benefit payments and refunds	(743,128)	(630,729)	(625,238)	(516,093)						
Other	(138,376)	523,199	(147,827)	(28,515)						
Net change in plan fiduciary net position	2,563,090	1,486,996	(148,983)	863,418						
Plan fiduciary net position - beginning	15,758,138	14,271,142	14,420,125	13,556,707						
Plan fiduciary net position - ending (b)	\$18,321,228	\$15,758,138	\$14,271,142	\$14,420,125						
Net pension liability (asset) - Ending (a) - (b)	\$1,052,364	\$2,051,443	\$2,552,656	\$1,525,588						
Plan fiduciary net position as a percentage of total pension liability	94.57 %	88.48 %	84.83 %	90.43 %						
Covered valuation payroll	\$2,084,358	\$2,036,433	\$1,957,477	\$1,962,882						
Net pension liability as a percentage of covered valuation payroll	50.49%	100.74%	130.41%	77.72%						

The County implemented GASB Statement No. 68 in November 30, 2015.
See Notes to Required Supplementary Information.

Lee County, Illinois
Multiyear Schedule of Contributions
Last 10 Fiscal Years

Regular Plan

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

* Estimated based on contribution rate of 9.28 percent for calendar year 2018 and 9.26 percent for calendar year 2017 with covered payroll of \$5,344,015.

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

SLEP Plan

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2018	\$389,764	\$389,764	\$0	\$2,124,192	18.35%
2017	416,043	416,043	0	2,076,983	20.04%
2016	419,753	419,753	0	2,056,983	20.41%
2015	383,675	383,675	0	1,954,703	19.63%

* Estimated based on contribution rate of 18.10% percent for calendar year 2018 and 19.96 percent with a covered payroll of \$2,124,192.

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

Lee County, Illinois

Required Supplementary Information

Multiyear Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Fiscal Years

(Schedule to be Built Prospectively from 2017)

Fiscal year ending November 30,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total OPEB liability:										
Service cost	\$33,179									
Interest on the total OPEB liability	22,784									
Changes of benefit terms	0									
Difference between expected and actual experience	0									
Changes of assumption or other inputs	(33,365)									
Contributions - employer	0									
Contributions - active & inactive employees	0									
Net investment income	0									
Benefit payments	(26,035)									
Other changes	0									
Net change in total OPEB liability	(3,437)	0								
Total OPEB liability - beginning	647,662									
Total OPEB liability - ending (a)	\$644,225	\$0								
Plan fiduciary net position:										
Contributions - employer	26,035									
Contributions - employees	0									
Net investment income	0									
Benefit payments	(26,035)									
Administrative expenses	0									
Net change in plan fiduciary net position	0									
Plan fiduciary net position - beginning	0									
Plan fiduciary net position - ending (b)	\$0									
Net OPEB liability - ending (a) - (b)	\$644,225									
Covered-employee payroll	\$7,468,206									
Total OPEB liability as a percentage of covered-employee payroll	8.63%									

Change of benefit terms. Amounts presented reflect no change in the retirees' share of health insurance premiums

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period: 2017 4.22%

See Independent Accountant's Review Report on Required Supplementary Information

Lee County, Illinois

Notes to Required Supplementary Information

Note 1: Basis of Accounting

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

Note 2: Excess of Disbursements Over Appropriations

The major fund of the Rural Transportation Grant Fund had excess of expenditures over appropriations of \$42,911.

Note 3: Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 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 2017 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	<p>Non-Taxing bodies: 10-year rolling period.</p> <p>Taxing bodies (Regular, SLEP and ECO groups): 26-year closed period.</p> <p>Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.</p> <p>SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).</p>
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	3.50%

Lee County, Illinois

Notes to Required Supplementary Information

Note 3: Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate for IMRF * (Continued)

Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation
Salary Increases	3.75% to 14.50% 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 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	

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

Other Information:

Notes	There were no benefit changes during the year.
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* Based on Valuation Assumptions used in the December 31, 2015 actuarial valuation.

Supplementary Information

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
County's clerk's office:			
Salary	\$62,812	\$62,786	\$26
Overtime	3,000	1,768	1,232
Salary - others	264,487	264,140	347
Temporary and part-time help	4,000	3,987	13
Longevity	3,600	3,600	0
Repair and maintenance agreements	32,000	31,431	569
Telephone	348	348	0
Office supplies	15,000	14,997	3
Purchase of real estate transfer stamp	150,000	45,363	104,637
Payroll processing	2,000	2,000	0
IMRF reimbursement	0	0	0
Employer contribution health insurance	39,277	26,451	12,826
Postage	4,000	3,920	80
Election expenses (judges, ballots, others)	225,000	186,547	38,453
National Voter Registration Act	2,000	2,000	0
Laredo/tapestry	12,000	4,716	7,284
Education and training	1,500	1,087	413
	821,024	655,141	165,883
County treasurer's office:			
Salary	62,812	62,786	26
Overtime	2,000	1,893	107
Salary - others	95,095	96,320	(1,225)
Temporary and part-time help	10,000	7,037	2,963
Longevity	0	0	0
OVW grant salary	5,000	5,000	0
Programming	10,000	10,841	(841)
Telephone	350	544	(194)
IMRF reimbursement	0	0	0
Employer contribution health insurance	33,733	31,422	2,311
Office supplies	10,000	6,452	3,548
Postage	22,500	22,488	12
Publishing	1,800	1,246	554
	253,290	246,029	7,261
Circuit clerk's office:			
Salary - officer	62,812	62,786	26
Salary - others	303,438	294,088	9,350
Longevity	3,600	3,600	0
IMRF reimbursement	0	0	0
Employer contribution health insurance	66,422	69,209	(2,787)
Annual audit	8,150	9,784	(1,634)
Office supplies	12,865	12,861	4
	457,287	452,328	4,959

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
County sheriff's office:			
Salary - officer	75,563	75,563	0
Salary - deputy and assistants	2,347,506	2,334,035	13,471
Overtime	175,463	220,840	(45,377)
Temporary and part-time help	125,000	132,691	(7,691)
Holiday pay	144,118	145,571	(1,453)
Safety director	2,500	2,500	0
ETSB overtime credit	3,000	0	3,000
OVW project salary	8,333	9,600	(1,267)
Merit commission	2,000	2,000	0
Furniture and equipment	0	0	0
Automobile repairs	25,000	24,355	645
Radios	51,000	49,353	1,647
Automobiles	128,000	29,087	98,913
Repair and maintenance agreements	47,000	24,338	22,662
Automobile gasoline and oil	69,300	71,286	(1,986)
Telephone	33,000	29,144	3,856
Transportation of prisoners	150,038	168,937	(18,899)
Office supplies	57,023	44,965	12,058
Food for prisoners	81,500	77,522	3,978
Clothing	14,136	9,413	4,723
Prisoner's medical and hospital care	74,000	85,855	(11,855)
IMRF reimbursement	0	0	0
Employer contribution health insurance	428,574	414,120	14,454
Postage	2,000	2,000	0
Deputy education and training	28,000	26,430	1,570
New hire contingency	11,000	2,743	8,257
Debt service - principle	0	95,097	(95,097)
Debt service - interest	0	3,816	(3,816)
	4,083,054	4,081,261	1,793
County coroner:			
Salary - officer	41,700	41,286	414
Salary - deputy and assistant	14,000	13,200	800
Salary - other	34,921	34,878	43
Temporary and part-time help	2,126	2,018	108
Longevity	0	0	0
Other professional fees	30,000	72,278	(42,278)
Repairs and maintenance	400	1,308	(908)
Telephone	4,500	4,704	(204)
Office supplies	1,900	4,216	(2,316)
IMRF reimbursement	0	0	0
Employer contribution health insurance	6,478	6,394	84
County burial	0	0	0
Jurors' fees	500	0	500
Postage	250	132	118
Education and training	1,000	334	666
	137,775	180,748	(42,973)

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Superintendent of educational service region:			
Salary - deputy and assistant	33,200	33,157	43
Longevity	1,800	1,800	0
Contractual services	10,000	9,687	313
Repairs and maintenance	500	235	265
IMRF reimbursement	0	0	0
Employer contribution health insurance	0	1,675	(1,675)
Supplies	500	1,128	(628)
Field services	8,000	6,253	1,747
Rent	7,535	7,600	(65)
	61,535	61,535	0
States attorney:			
Salary - officer	166,508	167,917	(1,409)
Salary - deputy and assistant	238,000	237,585	415
Salary - others	131,850	134,011	(2,161)
Salary - victim witness grant	25,100	25,100	0
Temporary and part-time help	12,000	14,081	(2,081)
Longevity	3,600	5,400	(1,800)
Victim witness coordinator	14,150	13,187	963
OVW project salary	10,000	10,000	0
OVW project expenditure	150,000	7,230	142,770
VCT grant expenditure	0	23,561	(23,561)
States attorney appellate prosecutor	12,000	12,000	0
Contractual services	45,000	22,274	22,726
Repairs and maintenance agreements	4,500	1,143	3,357
Supplies	7,000	7,266	(266)
Law books and other subscriptions	24,000	22,982	1,018
IMRF reimbursement	0	0	0
Employer contribution health insurance	72,428	75,777	(3,349)
Transportation reimbursement	1,000	817	183
Postage	3,000	2,247	753
Education and training	10,000	5,838	4,162
	930,136	788,416	141,720
Public defender:			
Salary - officer	63,745	64,602	(857)
Salary - deputy and assistant	51,588	51,545	43
IMRF reimbursement	0	0	0
Employer contribution health insurance	39,277	39,276	1
Salary - others	34,200	34,157	43
Contractual services	33,000	32,917	83
Bond call	7,800	7,800	0
Supplies	2,000	1,996	4
Longevity	0	0	0
Education and training	1,000	1,000	0
	232,610	233,293	(683)

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Animal control:			
Salary - officer	31,100	31,057	43
Salary - others	21,000	18,672	2,328
Longevity	0	0	0
Repairs and maintenance	1,200	332	868
Gasoline and oil	3,700	1,733	1,967
IMRF reimbursement	0	0	0
Employer contribution health insurance	13,634	13,633	1
Telephone	7,300	4,765	2,535
Supplies	3,500	3,715	(215)
Postage	3,500	2,778	722
	84,934	76,685	8,249
Courthouse:			
Overtime	5,500	7,837	(2,337)
Salary - others	218,719	212,459	6,260
Temporary and part-time help	0	0	0
Longevity	1,800	0	1,800
Repairs and maintenance - old courthouse	47,500	44,616	2,884
Repairs and maintenance - LOTS	0	0	0
Repairs and maintenance - law enforcement center	20,000	26,880	(6,880)
Repairs and maintenance - new courts building	60,000	56,692	3,308
Repairs and maintenance - 4th St. property	12,000	8,604	3,396
Gasoline and oil	4,500	3,598	902
Heat, light and water - old courthouse	36,000	32,631	3,369
Heat, light and water - law enforcement center	35,000	33,057	1,943
Heat, light and water - new courts building	140,000	116,843	23,157
Heat, light and water - parking lot/storage building	3,000	2,195	805
Heat, light and water - LOTS	0	0	0
IMRF reimbursement	0	0	0
Employer contribution health insurance	45,976	51,186	(5,210)
Telephone	32,000	30,527	1,473
Maintenance	4,000	196	3,804
Supplies	20,000	13,843	6,157
	685,995	641,164	44,831
Associate judge (Ackert):			
Repair and maintenance agreements	2,600	2,354	246
Office supplies	1,100	1,082	18
Education and training	1,000	940	60
	4,700	4,376	324

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Associate judge (Beckman):			
Salary - others	37,891	37,848	43
Longevity	0	0	0
Office supplies	1,500	1,114	386
IMRF reimbursement	0	0	0
Education and training	1,000	0	1,000
	40,391	38,962	1,429
Presiding judge (Jacobson):			
Salary - others	13,525	9,001	4,524
Longevity	1,800	0	1,800
Contractual services	75,000	97,843	(22,843)
Furniture and office equipment	0	0	0
Independent services	72,000	75,000	(3,000)
Repairs and maintenance	3,000	3,078	(78)
Office supplies	2,500	2,265	235
Law books and other subscriptions	8,600	12,117	(3,517)
Jurors' meals	1,500	452	1,048
Education and training	5,000	2,527	2,473
IMRF reimbursement	0	0	0
Employer contribution health insurance	19,752	6,583	13,169
Dues to organization	2,500	2,490	10
Court administration operation	900	900	0
	206,077	212,256	(6,179)
County board:			
Salary - others	42,195	42,152	43
Salary - administrator	91,000	91,000	0
Temporary and part-time help	1,000	1,000	0
Per diem and committee service	60,500	52,741	7,759
Salary and expense of chairman	6,000	6,000	0
Contractual services	15,000	10,702	4,298
Furniture and equipment	8,000	8,323	(323)
Longevity	1,800	1,800	0
IMRF reimbursement	0	0	0
Employer contribution health insurance	0	0	0
Repairs and maintenance	0	320	(320)
Supplies	3,500	6,728	(3,228)
Dues to organizations	4,900	4,193	707
Resource conservation and development	20,000	19,030	970
LCIDA	10,000	0	10,000
Auto expense	2,400	2,400	0
Telephone	600	600	0
Travel and meeting	2,500	0	2,500
Training	1,000	1,199	(199)
Professional fees, dues and subscriptions	1,000	132	868
Northeast criminal justice	2,500	2,782	(282)
Municipal code book, publishing, etc.	3,100	2,780	320
	276,995	253,882	23,113

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Insurance and bonds:			
Funding of employee group insurance	0	0	0
Probation office:			
Salary - officer	79,448	79,354	94
Salary - deputy and assistants	327,372	294,739	32,633
Salary - others	33,095	33,052	43
Salary - overtime	1,200	1,227	(27)
Temporary and part-time help	1,200	1,032	168
Longevity	0	0	0
Machine maintenance	3,500	3,500	0
IMRF reimbursement	0	0	0
Employer contribution health insurance	66,075	67,114	(1,039)
Postage	1,500	1,103	397
Dependent child care	27,612	23,575	4,037
	541,002	504,696	36,306
Circuit judge:			
Salary - others	11,621	11,621	0
Contractual services	31,500	28,000	3,500
Repairs and maintenance	1,000	998	2
Supplies	1,280	1,199	81
IMRF reimbursement	0	0	0
Employer contribution health insurance	11,373	2,438	8,935
Education and training	500	97	403
LSSI	11,330	11,330	0
CASA	17,000	17,000	0
	85,604	72,683	12,921
Zoning office:			
Salary - officer	71,588	71,544	44
Salary - other	1,364	1,244	120
Longevity	0	1,800	(1,800)
Repairs and maintenance	700	161	539
Gas and oil	2,600	1,585	1,015
Telephone	1,000	1,027	(27)
IMRF reimbursement	0	0	0
Employer contribution health insurance	6,700	5,825	875
Postage	0	0	0
Office supplies	500	1,595	(1,095)
Board of Appeals	4,476	3,400	1,076
	88,928	88,181	747
Accounting and auditing	44,500	40,000	4,500

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Jurors' certificates	10,000	10,000	0
Sick pay	120,000	128,064	8,064
IMRF reimbursement	0	0	0
ESDA:			
Salary - officer	28,680	28,645	35
Longevity	0	0	0
Contractual services	14,964	14,728	236
Furniture and equipment	5,838	5,265	573
Automobile	31,790	31,790	0
Repairs and maintenance	1,800	2,120	(320)
Gasoline and oil	1,500	1,180	320
Telephone	8,347	8,520	(173)
Supplies	900	629	271
Postage	73	82	(9)
IMRF reimbursement	0	0	0
Employer contribution health insurance	13,634	13,633	1
Travel and meeting	1,500	2,140	(640)
Grant expenditures	51,294	14,154	37,140
	160,320	122,886	37,434
Contingencies	90,948	492	90,456
Computer service:			
Salary - officer	61,600	61,557	43
Salary - other	37,000	18,192	18,808
Longevity	1,800	1,800	0
Programming	82,644	60,848	21,796
Furniture and equipment	10,000	8,822	1,178
IMRF reimbursement	0	0	0
Employer contribution health insurance	25,650	13,205	12,445
Repairs and maintenance	2,000	1,475	525
Web resources	17,600	4,275	13,325
	238,294	170,174	68,120
Regional planning commission:			
Salary - clerk	1,364	113	1,251
Per diem	4,232	349	3,883
Supplies	200	0	200
Postage	0	0	0
	5,796	462	5,334

Lee County, Illinois

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

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Supervisor of assessments/property records:			
Salary - officer	68,522	68,474	48
Salary - overtime	5,000	2,660	2,340
Salary - others	146,778	146,585	193
Temporary and part-time help	0	0	0
Per diem and committee services	5,700	5,784	(84)
Longevity	1,800	0	1,800
Programming	12,000	14,118	(2,118)
Contractual services	16,100	8,433	7,667
Computer equipment	600	1,176	(576)
Repairs and maintenance	500	596	(96)
Telephone	350	348	2
Supplies, etc.	3,500	3,255	245
Postage	1,000	966	34
Travel and meeting	4,500	3,122	1,378
IMRF reimbursement	0	0	0
Employer contribution health insurance	53,484	55,296	(1,812)
Board of review	250	226	24
Training	1,500	409	1,091
Publishing	15,250	12,332	2,918
	336,834	323,780	13,054
Miscellaneous:			
Senior deferral - State of Illinois	0	15,448	(15,448)
Wellness program expense	0	13,516	(13,516)
Employer contribution health insurance	0	9,914	(9,914)
Deductible reimbursement	275,000	273,951	1,049
Dental insurance	65,000	7,361	57,639
Dental admin	4,032	1,683	2,349
Life insurance	3,900	2,188	1,712
FSA admin costs	1,700	1,384	316
FSA payments	0	18,191	(18,191)
PCORI expense	0	277	(277)
Envision admin fees	15,000	12,076	2,924
Other	0	110,900	(110,900)
	364,632	466,889	(102,257)
Total expenditures	\$10,362,661	\$9,854,383	\$508,278

Lee County, Illinois

General Fund Combining Balance Sheet

November 30, 2018

	General Account	Solid Waste Management Account	Capital Projects Account	Capital Improvement Replacement Account	Total General Fund
Assets					
Cash, deposits, and investments	\$3,686,933	\$1,793,307	\$5,422,138	\$78,720	\$10,981,098
Accounts receivable	154,741	35,458	0	0	190,199
Property tax receivable	3,416,811	0	0	0	3,416,811
Due from other governments	655,000	0	0	0	655,000
Due from other funds	0	524	167,464	0	167,988
Total assets	\$7,913,485	\$1,829,289	\$5,589,602	\$78,720	\$15,411,096
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$354,423	\$11,789	\$765	\$0	\$366,977
Accrued payroll	150,518	293	0	0	150,811
Due to other funds	152,492	0	649,836	0	802,328
Accrued compensated absences	42,342	0	0	0	42,342
Total liabilities	699,775	12,082	650,601	0	1,362,458
Deferred inflows of resources:					
Unavailable property taxes	3,416,811	0	0	0	3,416,811
Total deferred inflows of resources	3,416,811	0	0	0	3,416,811
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	0	1,817,207	0	0	1,817,207
Committed	0	0	0	0	0
Assigned	0	0	4,939,001	78,720	5,017,721
Unassigned	3,796,899	0	0	0	3,796,899
Total fund balances	3,796,899	1,817,207	4,939,001	78,720	10,631,827
Total liabilities, deferred inflows of resources and fund balances	\$7,913,485	\$1,829,289	\$5,589,602	\$78,720	\$15,411,096

Lee County, Illinois

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

For the Year Ended November 30, 2018

	County Account	Solid Waste Management Account	Capital Projects Account	Capital Improvement Replacement Account	Total General Fund
Revenues:					
Property taxes	\$3,138,732	\$0	\$0	\$0	\$3,138,732
Intergovernmental revenue	4,024,788	0	0	0	4,024,788
Charges for services	1,499,560	218,938	0	0	1,718,498
Licenses and permits	1,372,217	0	0	0	1,372,217
Interest	17,998	11,557	150,806	0	180,361
Other revenue	431,504	0	13,454	0	444,958
Total revenues	10,484,799	230,495	164,260	0	10,879,554
Expenditures:					
Current:					
General control and administration	3,250,174	0	34,462	2,832	3,287,468
Public safety	4,400,679	0	764	0	4,401,443
Judiciary and court related	2,364,296	0	0	0	2,364,296
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	(4,602)	99,555	0	0	94,953
Public welfare	0	0	0	0	0
Debt service					
Principal retirement	119,328	0	0	0	119,328
Interest and fiscal charges	3,816	0	0	0	3,816
Capital outlay	69,546	0	156,883	0	226,429
Total expenditures	10,203,237	99,555	192,109	2,832	10,497,733
Excess (deficiency) of revenues over expenditures	281,562	130,940	(27,849)	(2,832)	381,821
Other financing sources (uses):					
Transfers in	796,350	0	0	50,000	846,350
Transfers out	0	(33,362)	(1,069,264)	0	(1,102,626)
Proceeds from long-term debt	69,546	0	0	0	69,546
Net other financing sources (uses)	865,896	(33,362)	(1,069,264)	50,000	(186,730)
Net change in fund balances	1,147,458	97,578	(1,097,113)	47,168	195,091
Fund balances (deficit), beginning of year	2,649,441	1,719,629	6,036,114	31,552	10,436,736
Fund balances (deficit), end of year	\$3,796,899	\$1,817,207	\$4,939,001	\$78,720	\$10,631,827

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

	Special Revenue Funds					
	Total Nonmajor Governmental	Special Recording Automation	Vital Records Automation	County Collector Automation	County Tourism Promotion	County Indemnity
Assets						
Cash, deposits, and investments	\$7,445,844	\$85,986	\$4,648	\$8,249	\$14,407	\$189,244
Accounts receivable	210,624	1,643	288	0	11,345	0
Property tax receivable	3,245,000	0	0	0	0	0
Due from other governments	169,960	0	0	0	0	0
Inventory	24,336	0	0	0	0	0
Due from other funds	408,876	4,371	214	7,206	0	0
Total assets	\$11,504,640	\$92,000	\$5,150	\$15,455	\$25,752	\$189,244
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	\$243,237	\$8,486	\$0	\$4,846	\$24,861	\$0
Accrued payroll	246,803	0	0	0	0	0
Due to other funds	281,489	0	0	0	0	0
Accrued compensated absence	11,478	0	0	0	0	0
Total liabilities	783,007	8,486	0	4,846	24,861	0
Deferred inflows of resources:						
Unavailable property taxes	3,245,000	0	0	0	0	0
Total deferred inflows of resources	3,245,000	0	0	0	0	0
Fund balances:						
Nonspendable	24,336	0	0	0	0	0
Restricted	7,550,881	83,514	5,150	10,609	891	189,244
Committed	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	(98,584)	0	0	0	0	0
Total fund balances	7,476,633	83,514	5,150	10,609	891	189,244
Total liabilities, deferred inflows of resources and fund balances	\$11,504,640	\$92,000	\$5,150	\$15,455	\$25,752	\$189,244

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				
	G.I.S. Recording Fees	Grant	Child Support Enforcement Program	Probation Services	Court Document Storage
Cash, deposits, and investments	\$126,389	\$0	\$69,116	\$262,418	\$215,074
Accounts receivable	5,967	0	372	5,346	6,341
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	6,656	0	0	0	0
Total assets	\$139,012	\$0	\$69,488	\$267,764	\$221,415
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$15,068	\$0	\$0	\$20,271	\$24,225
Accrued payroll	1,860	0	149	0	0
Due to other funds	0	0	7,541	3,375	1,100
Accrued compensated absences	0	0	0	0	0
Total liabilities	16,928	0	7,690	23,646	25,325
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	122,084	0	61,798	244,118	196,090
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	122,084	0	61,798	244,118	196,090
Total liabilities, deferred inflows of resources and fund balances	\$139,012	\$0	\$69,488	\$267,764	\$221,415

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				
	Circuit Clerk Automation Fee	Circuit Clerk Operations	Law Library	Drug Forfeiture	Home Confinement
Cash, deposits, and investments	\$96,759	\$109,222	\$10,128	\$15,199	\$17,809
Accounts receivable	6,476	690	720	0	0
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	8,236	0	250
Total assets	\$103,235	\$109,912	\$19,084	\$15,199	\$18,059
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$14,014	\$0	\$4,264	\$181	\$728
Accrued payroll	381	0	694	0	0
Due to other funds	676	988	0	0	0
Accrued compensated absences	0	0	0	0	0
Total liabilities	15,071	988	4,958	181	728
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	88,164	108,924	14,126	15,018	17,331
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	88,164	108,924	14,126	15,018	17,331
Total liabilities, deferred inflows of resources and fund balances	\$103,235	\$109,912	\$19,084	\$15,199	\$18,059

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				
	JJC Council	JJC Youth Diversion	Title IV E	Drug Street Fine	Marriage
Cash, deposits, and investments	\$12,781	\$16,420	\$324	\$10,623	\$7,349
Accounts receivable	0	305	0	210	0
Property tax receivable	0	0	0	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	2,292	0	1,835	0
Total assets	\$12,781	\$19,017	\$324	\$12,668	\$7,349
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$0	\$0	\$0	\$312	\$0
Accrued payroll	0	0	0	0	0
Due to other funds	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Total liabilities	0	0	0	312	0
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	12,781	19,017	324	12,356	7,349
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	12,781	19,017	324	12,356	7,349
Total liabilities, deferred inflows of resources and fund balances	\$12,781	\$19,017	\$324	\$12,668	\$7,349

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				
	Drug Court	Domestic Violence	State's Attorney Collection	State's Attorney Records Automation	Social Services for Senior Citizens
Cash, deposits, and investments	\$29,041	\$18,600	\$969	\$12,350	\$441
Accounts receivable	718	315	0	167	0
Property tax receivable	0	0	0	0	102,500
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	1,664	0	2,065
Total assets	\$29,759	\$18,915	\$2,633	\$12,517	\$105,006
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$3,087	\$0	\$0	\$0	\$0
Accrued payroll	0	0	0	0	0
Due to other funds	227	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Total liabilities	3,314	0	0	0	0
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	0	102,500
Total deferred inflows of resources	0	0	0	0	102,500
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	26,445	18,915	2,633	12,517	2,506
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	26,445	18,915	2,633	12,517	2,506
Total liabilities, deferred inflows of resources and fund balances	\$29,759	\$18,915	\$2,633	\$12,517	\$105,006

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				Lee County Cooperative Extension Service
	Tuberculosis Sanatorium	Victim Impact Panel	Veterans Assistance	Animal Control	
Cash, deposits, and investments	\$64,768	\$9,139	\$175,287	\$72,575	\$4,735
Accounts receivable	148	0	0	0	0
Property tax receivable	12,500	0	37,500	0	100,000
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	0	0	24	0	57
Total assets	\$77,416	\$9,139	\$212,811	\$72,575	\$104,792
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$2,626	\$0	\$3,053	\$3,556	\$0
Accrued payroll	0	0	577	0	0
Due to other funds	0	0	0	167,603	0
Accrued compensated absences	0	0	0	0	0
Total liabilities	2,626	0	3,630	171,159	0
Deferred inflows of resources:					
Unavailable property taxes	12,500	0	37,500	0	100,000
Total deferred inflows of resources	12,500	0	37,500	0	100,000
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	62,290	9,139	171,681	0	4,792
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	(98,584)	0
Total fund balances	62,290	9,139	171,681	(98,584)	4,792
Total liabilities, deferred inflows of resources and fund balances	\$77,416	\$9,139	\$212,811	\$72,575	\$104,792

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds				
	Arrestee's Medical Costs	Mental Health	Pet Population	County Special Bridge	Federal Aid Secondary Matching
Cash, deposits, and investments	\$10,897	\$28,627	\$44,542	\$525,155	\$1,589,811
Accounts receivable	118	0	0	18,536	0
Property tax receivable	0	0	0	241,500	304,500
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Due from other funds	325	161	0	0	0
Total assets	\$11,340	\$28,788	\$44,542	\$785,191	\$1,894,311
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)					
Liabilities:					
Accounts payable	\$750	\$0	\$655	\$1,232	\$24,022
Accrued payroll	0	0	0	0	0
Due to other funds	0	0	411	99,568	0
Accrued compensated absences	0	0	0	0	0
Total liabilities	750	0	1,066	100,800	24,022
Deferred inflows of resources:					
Unavailable property taxes	0	0	0	241,500	304,500
Total deferred inflows of resources	0	0	0	241,500	304,500
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	10,590	28,788	43,476	442,891	1,565,789
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balances	10,590	28,788	43,476	442,891	1,565,789
Total liabilities, deferred inflows of resources and fund balances	\$11,340	\$28,788	\$44,542	\$785,191	\$1,894,311

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds			
	County Motor Fuel Tax	Police Vehicle	Coroner	County Highway
Cash, deposits, and investments	\$637,550	\$11,371	\$14,379	\$1,029,184
Accounts receivable	0	0	725	107,672
Property tax receivable	0	0	0	653,000
Due from other governments	44,807	0	0	0
Inventory	0	0	0	0
Due from other funds	101,510	0	0	77,873
Total assets	\$783,867	\$11,371	\$15,104	\$1,867,729
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$12,810	\$2,278	\$1,104	\$42,455
Accrued payroll	0	0	0	43,215
Due to other funds	0	0	0	0
Accrued compensated absences	0	0	0	6,653
Total liabilities	12,810	2,278	1,104	92,323
Deferred inflows of resources:				
Unavailable property taxes	0	0	0	653,000
Total deferred inflows of resources	0	0	0	653,000
Fund balances:				
Nonspendable	0	0	0	0
Restricted	771,057	9,093	14,000	1,122,406
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	771,057	9,093	14,000	1,122,406
Total liabilities, deferred inflows of resources and fund balances	\$783,867	\$11,371	\$15,104	\$1,867,729

Lee County, Illinois

Combining Nonmajor Governmental Funds Balance Sheet

November 30, 2018

Assets	Special Revenue Funds			
	County Health	Social Security	IMRF	Sheriff Tow
Cash, deposits, and investments	\$836,879	\$754,409	\$279,089	\$23,901
Accounts receivable	40,272	0	0	2,250
Property tax receivable	556,000	475,000	762,500	0
Due from other governments	125,153	0	0	0
Inventory	24,336	0	0	0
Due from other funds	71,735	122,402	0	0
Total assets	\$1,654,375	\$1,351,811	\$1,041,589	\$26,151
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$28,353	\$0	\$0	\$0
Accrued payroll	32,367	25,636	141,924	0
Accrued compensated absences	4,825	0	0	0
Total liabilities	65,545	25,636	141,924	0
Deferred inflows of resources:				
Unavailable property taxes	556,000	475,000	762,500	0
Total deferred inflows of resources	556,000	475,000	762,500	0
Fund balances:				
Nonspendable	24,336	0	0	0
Restricted	1,008,494	851,175	137,165	26,151
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	1,032,830	851,175	137,165	26,151
Total liabilities, deferred inflows of resources and fund balances	\$1,654,375	\$1,351,811	\$1,041,589	\$26,151

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Total Nonmajor Governmental	Special Revenue Funds				
		Special Recording Automation	Vital Records Automation	County Collector Automation	County Tourism Promotion	County Indemnity
Revenues:						
Property taxes	\$3,199,917	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	1,311,036	0	0	0	0	0
Charges for services	1,033,653	22,410	3,952	2,181	155,573	12,633
Licenses and permits	100,108	0	0	0	0	0
Interest	28,507	53	0	7	0	710
Other revenue	302,834	0	0	13,915	0	(4)
Total revenues	5,976,055	22,463	3,952	16,103	155,573	13,339
Expenditures:						
Current:						
General control and administration	669,406	40,994	3,000	10,926	165,669	11,935
Public safety	723,071	0	0	0	0	0
Judiciary and court related	807,415	0	0	0	0	0
Transportation	2,399,435	0	0	0	0	0
Public health	1,609,047	0	0	0	0	0
Public welfare	0	0	0	0	0	0
Debt service:						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Capital outlay	136,084	0	0	0	0	0
Total expenditures	6,344,458	40,994	3,000	10,926	165,669	11,935
Excess (deficiency) of revenues over expenditures	(368,403)	(18,531)	952	5,177	(10,096)	1,404
Other financing sources (uses):						
Transfers in	438,764	0	0	0	0	0
Transfers out	(635,402)	0	0	0	0	(230,000)
Net other financing sources (uses)	(196,638)	0	0	0	0	(230,000)
Net change in fund balances	(565,041)	(18,531)	952	5,177	(10,096)	(228,596)
Fund balances (deficit), beginning of year	8,041,674	102,045	4,198	5,432	10,987	417,840
Fund balances (deficit), end of year	\$7,476,633	\$83,514	\$5,150	\$10,609	\$891	\$189,244

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	G.I.S. Recording Fees	Grant	Child Support Enforcement Program	Probation Services	Court Document Storage
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Charges for services	82,782	0	12,162	96,386	108,216
Licenses and permits	0	0	0	0	0
Interest	74	0	0	0	134
Other revenue	5,608	0	0	0	0
Total revenues	88,464	0	12,162	96,386	108,350
Expenditures:					
Current:					
General control and administration	89,106	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	0	0	13,896	72,887	86,664
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	89,106	0	13,896	72,887	86,664
Excess (deficiency) of revenues over expenditures	(642)	0	(1,734)	23,499	21,686
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	(642)	0	(1,734)	23,499	21,686
Fund balances (deficit), beginning of year	122,726	0	63,532	220,619	174,404
Fund balances (deficit), end of year	\$122,084	\$0	\$61,798	\$244,118	\$196,090

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	Circuit Clerk Automation Fee	Circuit Clerk Operations	Law Library	Drug Forfeiture	Home Confinement
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	108,281	11,446	12,820	8,579	4,744
Licenses and permits	0	0	0	0	0
Interest	79	22	0	96	10
Other revenue	638	0	0	0	0
Total revenues	108,998	11,468	12,820	8,675	4,754
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	123,637	6,037	60,806	2,848	4,064
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	123,637	6,037	60,806	2,848	4,064
Excess (deficiency) of revenues over expenditures	(14,639)	5,431	(47,986)	5,827	690
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	(14,639)	5,431	(47,986)	5,827	690
Fund balances (deficit), beginning of year	102,803	103,493	62,112	9,191	16,641
Fund balances (deficit), end of year	\$88,164	\$108,924	\$14,126	\$15,018	\$17,331

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	JJC Council	JJC Youth Diversion	Title IV E	Drug Street Fine	Marriage
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	0	4,897	0	13,395	0
Licenses and permits	0	0	0	0	0
Interest	8	11	0	5	0
Other revenue	0	0	0	0	0
Total revenues	8	4,908	0	13,400	0
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	0	818	0	6,289	0
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	0	818	0	6,289	0
Excess (deficiency) of revenues over expenditures	8	4,090	0	7,111	0
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	8	4,090	0	7,111	0
Fund balances (deficit), beginning of year	12,773	14,927	324	5,245	7,349
Fund balances (deficit), end of year	\$12,781	\$19,017	\$324	\$12,356	\$7,349

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	Drug Court	Domestic Violence	State's Attorney Collection	State's Attorney Records Automation	Social Services for Senior Citizens
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$100,940
Charges for services	22,966	6,750	0	1,982	0
Licenses and permits	0	0	0	0	0
Interest	18	10	0	430	0
Other revenue	0	0	0	0	0
Total revenues	22,984	6,760	0	2,412	100,940
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	25,623	178	247	0	0
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	104,000
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	25,623	178	247	0	104,000
Excess (deficiency) of revenues over expenditures	(2,639)	6,582	(247)	2,412	(3,060)
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	(2,639)	6,582	(247)	2,412	(3,060)
Fund balances (deficit), beginning of year	29,084	12,333	2,880	10,105	5,566
Fund balances (deficit), end of year	\$26,445	\$18,915	\$2,633	\$12,517	\$2,506

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	Tuberculosis Sanatorium	Victim Impact Panel	Veterans Assistance	Animal Control	Lee County Cooperative Extension Service
Revenues:					
Property taxes	\$12,806	\$0	\$36,912	\$0	\$98,703
Intergovernmental revenue	0	0	0	0	0
Charges for services	896	2,000	0	0	0
Licenses and permits	0	0	0	25,974	0
Interest	83	0	0	0	0
Other revenue	0	0	0	0	0
Total revenues	13,785	2,000	36,912	25,974	98,703
Expenditures:					
Current:					
General control and administration	0	0	40,442	0	0
Public safety	0	0	0	10,939	0
Judiciary and court related	0	2,086	0	0	0
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	21,112	0	0	0	100,030
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	21,112	2,086	40,442	10,939	100,030
Excess (deficiency) of revenues over expenditures	(7,327)	(86)	(3,530)	15,035	(1,327)
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	(7,327)	(86)	(3,530)	15,035	(1,327)
Fund balances (deficit), beginning of year	69,617	9,225	175,211	(113,619)	6,119
Fund balances (deficit), end of year	\$62,290	\$9,139	\$171,681	\$(98,584)	\$4,792

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds				
	Arrestee's Medical Costs	Mental Health	Pet Population	County Special Bridge	Federal Aid Secondary Matching
Revenues:					
Property taxes	\$0	\$0	\$0	\$238,035	\$300,552
Intergovernmental revenue	0	0	0	5,539	0
Charges for services	2,281	0	19,003	0	0
Licenses and permits	0	0	0	0	0
Interest	7	17	0	64	14,492
Other revenue	0	0	0	0	0
Total revenues	2,288	17	19,003	243,638	315,044
Expenditures:					
Current:					
General control and administration	0	0	0	0	0
Public safety	0	0	13,761	0	0
Judiciary and court related	0	0	0	0	0
Corrections	0	0	0	0	0
Transportation	0	0	0	590,874	118,008
Public health	5,312	500	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	62,292
Total expenditures	5,312	500	13,761	590,874	180,300
Excess (deficiency) of revenues over expenditures	(3,024)	(483)	5,242	(347,236)	134,744
Other financing sources (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources (uses)	0	0	0	0	0
Net change in fund balances	(3,024)	(483)	5,242	(347,236)	134,744
Fund balances (deficit), beginning of year	13,614	29,271	38,234	790,127	1,431,045
Fund balances (deficit), end of year	\$10,590	\$28,788	\$43,476	\$442,891	\$1,565,789

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds			
	County Motor Fuel Tax	Police Vehicle	Coroner	County Highway
Revenues:				
Property taxes	\$0	\$0	\$0	\$644,044
Intergovernmental revenue	779,983	0	0	0
Charges for services	0	4,919	15,072	61,907
Licenses and permits	0	0	0	0
Interest	755	6	12	8,764
Other revenue	1,891	0	0	276,969
Total revenues	782,629	4,925	15,084	991,684
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	0	7,564	7,934	0
Judiciary and court related	0	0	0	0
Corrections	0	0	0	0
Transportation	334,575	0	0	1,295,056
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	28,514	45,278
Total expenditures	334,575	7,564	36,448	1,340,334
Excess (deficiency) of revenues over expenditures	448,054	(2,639)	(21,364)	(348,650)
Other financing sources (uses):				
Transfers in	0	0	0	438,764
Transfers out	(405,402)	0	0	0
Net other financing sources (uses)	(405,402)	0	0	438,764
Net change in fund balances	42,652	(2,639)	(21,364)	90,114
Fund balances (deficit), beginning of year	728,405	11,732	35,364	1,032,292
Fund balances (deficit), end of year	\$771,057	\$9,093	\$14,000	\$1,122,406

Lee County, Illinois

Combining Nonmajor Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended November 30, 2018

	Special Revenue Funds			
	County Health	Social Security	IMRF	Sheriff Tow
Revenues:				
Property taxes	\$548,382	\$467,782	\$751,761	\$0
Intergovernmental revenue	470,514	0	55,000	0
Charges for services	211,420	0	0	24,000
Licenses and permits	74,134	0	0	0
Interest	2,346	0	0	294
Other revenue	3,199	0	618	0
Total revenues	1,309,995	467,782	807,379	24,294
Expenditures:				
Current:				
General control and administration	0	106,070	201,264	0
Public safety	0	223,161	423,441	36,271
Judiciary and court related	0	138,512	262,823	0
Corrections	0	0	0	0
Transportation	0	60,922	0	0
Public health	1,313,860	64,233	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	1,313,860	592,898	887,528	36,271
Excess (deficiency) of revenues over expenditures	(3,865)	(125,116)	(80,149)	(11,977)
Other financing sources (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net other financing sources (uses)	0	0	0	0
Net change in fund balances	(3,865)	(125,116)	(80,149)	(11,977)
Fund balances (deficit), beginning of year	1,036,695	976,291	217,314	38,128
Fund balances (deficit), end of year	\$1,032,830	\$851,175	\$137,165	\$26,151

Lee County, Illinois

Schedule of Revenues, Expenses, and Changes in Net Position - Budget (Non-GAAP Basis and Actual - Liability Insurance Fund

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes			
Property taxes	\$356,966	\$404,911	\$47,945
Other revenue			
Miscellaneous	0	13,329	13,329
Interest	0	131	131
	0	13,460	13,460
Total revenues	356,966	418,371	61,405
Expenses:			
Insurance and bonds	346,800	349,678	(2,878)
Other	3,350	3,736	(386)
Total expenses	350,150	353,414	(3,264)
Operating income	6,816	64,957	58,141
Other financing sources and (uses) -			
Transfers in	0	0	0
Change in net position	\$6,816	64,957	\$58,141
Adjustment from budgetary basis to generally accepted accounting principles basis		(53,344)	
Net position, beginning of year		446,327	
Net position, end of year		\$457,940	

Lee County, Illinois

Schedule of Revenues, Expenses, and Changes in Net Position - Budget (Non-GAAP Basis and Actual - Employee Group Insurance Fund

For the Year Ended November 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Insurance reimbursement - General Fund	\$0	\$0	\$0
Insurance reimbursement - Health Department	0	0	0
Insurance reimbursement - Highway Department	0	0	0
Insurance reimbursement - GIS	0	0	0
Insurance reimbursement - employee contribution	0	0	0
Insurance reimbursement - retirees contribution	0	0	0
Insurance reimbursement - Rural Transportation	0	0	0
Insurance reimbursement - FSA funding	0	0	0
Insurance reimbursement - 911	0	0	0
Supplemental fees	0	0	0
Insurance refund	0	0	0
Cobra premiums	0	6,220	6,220
Interest	0	263	263
Total revenues	0	6,483	6,483
Expenses:			
Premiums	0	0	0
Deductible reimbursement	0	0	0
Dental claims	0	0	0
Dental administration fees	0	0	0
Life insurance	0	0	0
FSA administration costs	0	0	0
FSA payments	0	0	0
Total expenses	0	0	0
Change in net position	\$0	6,483	\$6,483
Adjustment from budgetary basis to generally accepted accounting principles basis		0	
Net position, beginning of year		243,211	
Net position, end of year		\$249,694	

Lee County, Illinois

Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Year Ended November 30, 2018

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Escrow #1				
Assets:				
Cash, deposits, and investments	\$48,700	\$29	\$0	\$48,729
Liabilities:				
Agency funds due to others	\$48,700	\$29	\$0	\$48,729
Township Motor Fuel				
Assets:				
Cash, deposits, and investments	\$1,664,804	\$1,402,116	\$1,424,006	\$1,642,914
Due from other governments	932	0	932	0
Total assets	\$1,665,736	\$1,402,116	\$1,424,938	\$1,642,914
Liabilities:				
Accounts payable	\$7,554	\$122,713	\$0	\$130,267
Agency funds due to others	1,658,182	1,278,471	1,424,006	1,512,647
Total liabilities	\$1,665,736	\$1,401,184	\$1,424,006	\$1,642,914
Township Bridge Program Fund				
Assets:				
Cash, deposits, and investments	\$537,203	\$284,333	\$314,964	\$506,572
Liabilities:				
Accounts payable	\$349,861	\$0	\$349,861	\$0
Agency funds due to others	187,342	284,333	(34,897)	506,572
Total liabilities	\$537,203	\$284,333	\$314,964	\$506,572
DUI Equipment				
Assets:				
Cash, deposits, and investments	\$16,242	\$18,335	\$30,049	\$4,528
Accounts receivable	790	6,635	0	7,425
Total assets	\$17,032	\$24,970	\$30,049	\$11,953
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Agency funds due to others	17,032	24,970	30,049	11,953
Total liabilities	\$17,032	\$24,970	\$30,049	\$11,953
Commissary				
Assets:				
Cash, deposits, and investments	\$37,347	\$130,914	\$143,922	\$24,339
Accounts receivable	0	0	0	0
Total assets	\$37,347	\$130,914	\$143,922	\$24,339
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Agency funds due to others	37,347	130,914	143,922	24,339
Total liabilities	\$37,347	\$130,914	\$143,922	\$24,339

Lee County, Illinois

Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Year Ended November 30, 2018

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
County Clerk				
Assets:				
Cash, deposits, and investments	\$152,733	\$1,354,207	\$1,312,879	\$194,061
Liabilities:				
Agency funds due to others	\$152,733	\$1,354,207	\$1,312,879	\$194,061
County Collector				
Assets:				
Cash, deposits, and investments	\$9,946,263	\$64,028,040	\$73,680,550	\$293,753
Liabilities:				
Agency funds due to others	\$9,946,263	\$64,028,040	\$73,680,550	\$293,753
Circuit Clerk				
Assets:				
Cash, deposits, and investments	\$852,964	\$2,229,357	\$2,277,126	\$805,195
Accounts receivable	6,483	0	6,483	0
Total assets	\$859,447	\$2,229,357	\$2,283,609	\$805,195
Liabilities:				
Agency funds due to others	\$859,447	\$2,229,357	\$2,283,609	\$805,195
Maple Grove Drainage Distribution				
Assets:				
Cash, deposits, and investments	\$18,283	\$14,828	\$4,451	\$28,660
Liabilities:				
Agency funds due to others	\$18,283	\$14,828	\$4,451	\$28,660
Harmon Marion Drainage				
Assets:				
Cash, deposits, and investments	\$27,475	\$11,500	\$6,017	\$32,958
Liabilities:				
Agency funds due to others	\$27,475	\$11,500	\$6,017	\$32,958

Lee County, Illinois

Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Year Ended November 30, 2018

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Hamilton Hahnaman Drainage				
Assets:				
Cash, deposits, and investments	\$5,335	\$3,436	\$1,419	\$7,352
Liabilities:				
Agency funds due to others	\$5,335	\$3,436	\$1,419	\$7,352
Harmon Drainage Dist No. 1				
Assets:				
Cash, deposits, and investments	\$12,577	\$6,856	\$10,542	\$8,891
Liabilities:				
Agency funds due to others	\$12,577	\$6,856	\$10,542	\$8,891
Harmon Drainage Dist No. 2				
Assets:				
Cash, deposits, and investments	\$26,120	\$4,177	\$2,766	\$27,531
Liabilities:				
Agency funds due to others	\$26,120	\$4,177	\$2,766	\$27,531
Harmon Montmorency Drainage				
Assets:				
Cash, deposits, and investments	\$8,351	\$10,388	\$14,968	\$3,771
Liabilities:				
Agency funds due to others	\$8,351	\$10,388	\$14,968	\$3,771
MH Viola Township Road District				
Assets:				
Cash, deposits, and investments	\$0	\$14,003	\$0	\$14,003
Liabilities:				
Agency funds due to others	\$0	\$14,003	\$0	\$14,003

Lee County, Illinois

Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Year Ended November 30, 2018

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
MH Wyoming Township Road District				
Assets:				
Cash, deposits, and investments	\$0	\$205,228	\$0	\$205,228
Liabilities:				
Agency funds due to others	\$0	\$205,228	\$0	\$205,228
MH Willow Creek Township Road District				
Assets:				
Cash, deposits, and investments	\$0	\$605,333	\$0	\$605,333
Liabilities:				
Agency funds due to others	\$0	\$605,333	\$0	\$605,333
MH Lee County Board Township Road District				
Assets:				
Cash, deposits, and investments	\$0	\$648,199	\$0	\$648,199
Liabilities:				
Agency funds due to others	\$0	\$648,199	\$0	\$648,199
MH Brooklyn Township Road District				
Assets:				
Cash, deposits, and investments	\$0	\$315,023	\$0	\$315,023
Liabilities:				
Agency funds due to others	\$0	\$315,023	\$0	\$315,023
Sheriff Agency				
Assets:				
Cash, deposits, and investments	\$0	\$1,347,129	\$1,302,743	\$44,386
Liabilities:				
Agency funds due to others	\$0	\$1,347,129	\$1,302,743	\$44,386

Lee County, Illinois

Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Year Ended November 30, 2018

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Trustee Agency				
Assets:				
Cash, deposits, and investments	\$0	\$41,796	\$31,582	\$10,214
Liabilities:				
Agency funds due to others	\$0	\$41,796	\$31,582	\$10,214
All Agency Funds				
Assets:				
Cash, deposits, and investments	\$13,354,397	\$72,675,227	\$80,557,984	\$5,471,640
Accounts receivable	7,273	6,635	6,483	7,425
Due from other governments	932	0	932	0
Total assets	\$13,362,602	\$72,681,862	\$80,565,399	\$5,479,065
Liabilities				
Accounts payable	\$357,415	\$122,713	\$349,861	\$130,267
Agency funds due to others	13,005,187	72,558,217	80,214,606	5,348,798
Total liabilities	\$13,362,602	\$72,680,930	\$80,564,467	\$5,479,065

Other Information

Lee County, Illinois

Schedule of Assessed Valuations, Tax Levies, Tax Extensions, and Tax Rates

Tax Years 2017 and 2016

Assessed Valuation	2017			2016		
	Levy	Rate	Extension	Levy	Rate	Extension
Assessed Valuation	\$752,595,149			\$734,817,122		
Fund	Levy	Rate	Extension	Levy	Rate	Extension
County General	\$3,185,429	0.4167	\$3,136,064	\$2,979,174	0.3960	\$2,908,876
County Highway	653,000	0.0855	643,469	653,000	0.0868	637,821
Federal Aid Secondary Matching	304,500	0.0399	300,285	304,500	0.0404	296,866
County Special Bridge	241,500	0.0316	237,820	241,500	0.0321	235,876
County Health	556,000	0.0728	547,889	556,000	0.0739	543,030
Tuberculosis Sanatorium	12,500	0.0017	12,794	12,500	0.0017	12,492
Illinois Municipal Retirement	762,500	0.0998	751,090	762,500	0.1014	745,105
County Veterans Assistance	37,500	0.0049	36,877	37,500	0.0050	36,741
Liability Insurance	356,966	0.0467	351,462	356,966	0.0475	349,038
Social Security	475,000	0.0621	467,362	475,000	0.0631	463,670
Social Services for Senior Citizens	102,500	0.0134	100,848	102,500	0.0136	99,935
Extension Education	100,000	0.0131	98,590	136,860	0.0182	133,737
	\$6,787,395	0.8882	\$6,684,550	\$6,618,000	0.8797	\$6,463,187