

Carroll County, Illinois

Mount Carroll, Illinois

Financial Report

Year Ended November 30, 2017

Carroll County, Illinois

Year Ended November 30, 2017

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Carroll County, Illinois

Year Ended November 30, 2017

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Independent Auditor's Report

To the County Board
Carroll County, Illinois
Mount Carroll, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carroll County, Illinois (the "County"), as of and for the year ended November 30, 2017, 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.

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 Carroll County, Illinois, as of November 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis and required supplementary information on pages 4 through 13 and 48 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The schedules listed as supplementary information on page 59 through 78 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 were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2018, 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
February 8, 2018

Management's Discussion and Analysis

Carroll County, Illinois

Management's Discussion and Analysis

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

The MD&A is provided at the beginning of the report to provide an overview of the County's financial position at November 30, 2017 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and supplementary information.

FINANCIAL HIGHLIGHTS FOR FY2017

- The County's assets exceeded its liabilities at the close of the fiscal year by \$11.1 million (net position). Of this amount, \$0.5 million (unrestricted net position) may be used to meet the County's ongoing obligations.
- The County's total net position decreased by \$0.2 million during fiscal year 2017 as reported in the statement of activities.
- The County's major revenue consisted of \$2.9 million in property tax distributions, \$1.4 million in operating grants and contributions, and \$1.2 million in charges for services.
- At the close of fiscal year 2017, the County's governmental funds reported combined ending fund balances of \$5.8 million, a decrease of \$154 thousand in comparison to the prior year.
- At the end of fiscal year 2017, the unassigned fund balance in the General Fund was \$1.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL STATEMENTS (continued)

These statements highlight the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Carroll County include general control and administration, public safety, judiciary and court related, public health, public welfare, transportation, and corrections. There are no business-type activities accounted for by the County.

Fund Financial Statements

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

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

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

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

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

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL STATEMENTS (continued)

Notes to the Financial Statements

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

Required Supplementary Information

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

Supplementary Information

This information as discussed earlier in connection with the non-major governmental funds, agency funds, and tort immunity expenditures are presented immediately following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously addressed, net position may serve the purpose over time as a useful indicator of a government's financial position. To that end, Carroll County's assets exceeded its liabilities by \$11.1 million for FY2017.

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The following table represents a condensed Statement of Net Position of the County for governmental activities as of November 30, 2017 and 2016.

Net Position (in millions) Governmental Activities November 30		
	2017	2016
Current assets	\$9.2	\$9.3
Noncurrent assets	6.4	6.1
Total assets	15.6	15.4
Deferred outflows of resources	1.4	1.7
Total assets and deferred outflows of resources	17.0	17.1
Current liabilities	0.5	0.3
Noncurrent liabilities	2.2	2.4
Total liabilities	2.7	2.7
Deferred inflows of resources	3.2	3.1
Total liabilities and deferred inflows of resources	5.9	5.8
Net position		
Net investment in capital assets	6.2	6.0
Restricted	4.4	4.5
Unrestricted	0.5	0.8
Total net position	\$11.1	\$11.3

At November 30, 2017, the County is able to report positive balances in all three categories of net position.

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

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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

Changes in Net Position (in millions)		
Governmental Activities		
For the year ended November 30		
	2017	2016
Revenues:		
Program revenues:		
Charge for services	\$1.2	\$1.2
Operating grants and contributions	1.4	1.4
Capital grants and contributions	0.5	0.5
General revenue:		
Local property taxes	2.9	2.9
Sales taxes	0.5	0.5
State income taxes	0.6	0.6
Public safety taxes	0.2	0.2
Other taxes	0.3	0.3
Unrestricted investment earnings	0.0	0.0
Miscellaneous	0.1	0.1
Total revenues	7.7	7.7
Expenses:		
General control and administration	1.8	1.9
Public safety	1.6	1.8
Judiciary and court related	1.0	1.0
Public health	0.4	0.4
Public welfare	0.7	0.6
Transportation	2.0	2.0
Corrections	0.4	0.4
Interest	0.0	0.0
Total expenses	7.9	8.1
Change in net position	(0.2)	(0.4)
Net position, beginning	11.3	11.7
Net position, ending	\$11.1	\$11.3

The County's 2017 total revenues come from a variety of sources including 38% from property taxes, and 20% of every dollar raised comes from some other type of tax. Another 19% comes from operating grants and contributions along with 15% from fees charged for services.

The County's 2017 expenses cover a range of services, with about 26% related to transportation and 23% related to general control and administration. Another 20% is devoted to public safety along with 12% towards judiciary and court related services.

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Net position decreased \$0.2 million from the previous year. For the fiscal year ended November 30, 2017 revenues from governmental activities totaled \$7.7 million. Tax revenues (\$4.5 million, or 58%) represent the largest source. Operating grants and contributions in 2017 account for \$1.4 million (19%) of the governmental activities revenue. These are mainly derived from federal and state grants.

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

For the year ended November 30, 2017

	Total cost of service (in millions)	Net cost of service (in millions)
General control and administration	\$1.8	\$1.3
Public safety	1.6	1.3
Judiciary and court related	1.0	0.4
Public health	0.4	0.1
Public welfare	0.7	0.4
Transportation	2.0	0.9
Corrections	0.4	0.4
Interest	0.0	0.0
Total governmental activities	\$7.9	\$4.8

For the year ended November 30, 2016

	Total cost of service (in millions)	Net cost of service (in millions)
General control and administration	\$1.9	\$1.4
Public safety	1.8	1.4
Judiciary and court related	1.0	0.4
Public health	0.4	0.1
Public welfare	0.6	0.5
Transportation	2.0	0.8
Corrections	0.4	0.4
Interest	0.0	0.0
Total governmental activities	\$8.1	\$5.0

For the fiscal year ended November 30, 2017, expenses for governmental activities totaled \$7.9 million. Transportation related expenses accounted for \$2.0 million (26%) of the total governmental activities expenses in 2017. Various funds established for the County Highway Department account for these expenses.

General control and administrative expenses accounted for \$1.8 or 23% of the governmental activities total. These expenses are used for the operations of departments conducting such functions as administrative and financial functions, elections, document recording and retrieval, and assessment of property.

Carroll County, Illinois

Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Public Safety (20% of the total) accounted for \$1.6 million in expenses during 2017. The highest percentage of public safety is directly tied to the operations of the Sheriff's Department. The coroner, animal control, and emergency service function is also part of this activity group.

Judiciary and Court related expenses totaled \$1.0 million (12%) in 2017. Expenses relating to the circuit court, public defender, court services, and the State's Attorney relate to this function.

Public Welfare related expenses represented \$0.7 million (9%) of the total governmental expenses activity. The highest percentage of public welfare is directly tied to the operations of the public transportation grant.

Public Health related expenses represented \$0.4 million (5%) of the total governmental expenses activity. These expenses are used for the operations of the health department.

Corrections related expenses represented \$0.4 million (5%) of the total governmental expenses activity. These expenses are used for the operations of the county jail.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year the County's governmental funds reported combined ending fund balances of \$5.8 million, a decrease of \$154 thousand in comparison with the previous fiscal year.

The general fund is the primary operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$1.3 million. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures.

The fund balance of the General Fund decreased by \$0.4 million before transfers during the current fiscal year.

For the year ended November 30, 2017			
	(A)	(B)	(A) / (B)
	Unassigned/Restricted	Total	Percent of
	fund balance	expenditures	Expenditures to Fund
	(in millions)	(in millions)	Balance
General Fund	\$1.3	\$3.6	35.5%
County Highway	\$0.6	\$0.8	69.5%

Carroll County, Illinois

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (continued)

	For the year ended November 30, 2016		
	(A) Unassigned/Restricted fund balance (in millions)	(B) Total expenditures (in millions)	(A) / (B) Percent of Expenditures to Fund Balance
General Fund	\$1.5	\$3.7	40.3%
County Highway	\$0.5	\$0.7	69.1%

Budgetary Highlights

The County's budget is prepared according to Illinois law and is based on accounting for certain transactions on a modified accrual basis of accounting. A budget to actual schedule is provided as required supplementary information for the General Fund and major special revenue funds.

General Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2017 continue to be property taxes and intergovernmental sources. There were no significant variances compared to budget.

Expenditures

Personnel Services remains the highest expenditure in County operations. Government service requires people to provide both services and information to the citizens it supports. It is a sizeable expenditure; however, it is also a long-term investment. Benefit payments remain a significant portion of the total personnel services costs. Pension, FICA and Health Insurance rates have all affected the total cost of personnel services.

General control and administration expenses for 2017 were \$1,281,801 compared with budgeted amount of \$1,462,963. The County over budgeted for health insurance, GIS, and general utilities.

Highway Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2017 continue to be property taxes, intergovernmental revenues, and revenues from services. There were no significant variances compared to budget.

Expenditures

There were no significant variances compared to budget.

Matching Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

Transportation expenses for 2017 were \$99,115 compared with budgeted amount of \$845,700. The County did not have as many County road projects as anticipated.

Carroll County, Illinois

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (continued)

Illinois Municipal Retirement Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

There were no significant variances compared to budget.

Community Mental Health Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

There were no significant variances compared to budget.

Maintenance and Child Support Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

There were no significant variances compared to budget.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

Carroll County's investment in capital assets for its governmental activities at year end totaled \$6.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, and highway infrastructure such as roads and bridges. There were \$0.7 million of capital asset additions recorded during the year and \$0.4 million of depreciation charges were expensed on the total capital assets. More detailed information can be found in Note 5 of the financial statements.

Net Book Value of Capital Assets at November 30 (in millions)		
	2017	2016
Land and other nondepreciable assets	\$0.3	\$0.1
Buildings	0.2	0.3
Building improvements	0.8	0.8
Office furniture, equipment and vehicle	1.0	0.7
Infrastructure	4.1	4.3
Total	\$6.4	\$6.2

Carroll County, Illinois

Management's Discussion and Analysis

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY (continued)

Debt Administration

At November 30, 2017, the County had \$247 thousand in governmental activities long term debt which consisted of a capital lease and note payable. Amounts due next year on these obligations are \$175 thousand. See Notes 11 and 12 for details of debt.

Governmental Activities	
Outstanding Debt at November 30, 2017 (in millions)	
Capital leases	\$0.1
Notes payable	0.1
Total	\$0.2

Governmental Activities	
Outstanding Debt at November 30, 2016 (in millions)	
Capital leases	\$0.1

ECONOMIC FACTORS

Unemployment is stable with no change from November of 2016 to December of 2017 at 4.2%.

Based on the U.S. Census Bureau, the County's population is estimated at 14,715 in 2016 a decrease from the 2010 census of 15,387. The U.S. Census Bureau did not release a 2017 population number.

Municipal and Supplemental sales tax revenue are stable and have decreased in 2017. County property tax revenues collected in 2017 were approximately one percent more than the 2016 collection.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and potential creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Diane Powers
County Treasurer
Carroll County, Illinois
301 North Main
Mount Carroll, IL 61053
Phone number (815) 244-0243

Basic Financial Statements

Carroll County, Illinois

Statement of Net Position

November 30, 2017

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Cash on hand and in bank	\$4,471,647
Deposits	51,514
Investments	902,728
Inventory	5,582
Property taxes receivable	3,075,000
Accounts receivable	168,880
Due from State of Illinois	503,971
Prepaid expenses	55,000
Total current assets	9,234,322
Capital assets:	
Land and other non-depreciable assets	217,456
Depreciable property and equipment, net of depreciation	6,187,743
Total capital assets	6,405,199
Deferred outflows of resources -	
Deferred outflows of pension resources	1,408,051
Total assets and deferred outflows of resources	17,047,572
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Accounts payable and accrued payroll	348,617
Accrued compensated absences due within one year	0
Notes payable	140,322
Capital lease payable	34,985
Total current liabilities	523,924
Accrued compensated absences due in more than one year	124,579
Capital lease payable	72,190
Net pension liability	1,999,759
Total noncurrent liabilities	2,196,528
Deferred inflows of resources -	
Deferred inflows of pension resources	117,729
Unavailable property taxes	3,075,000
Total deferred inflows of resources	3,192,729
Total liabilities and deferred inflows of resources	5,913,181
NET POSITION	
Net investment in capital assets	6,157,702
Restricted	4,464,768
Unrestricted	511,921
Total net position	\$11,134,391

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Statement of Activities

For the year ended November 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Change in
			Contributions	Contributions	Net Position
Governmental activities:					
General control and administration	\$1,803,551	\$434,049	\$41,590	\$0	(\$1,327,912)
Public safety	1,580,551	78,512	248,237	406	(1,253,396)
Judiciary and court related	1,009,987	368,991	238,135	0	(402,861)
Public health	375,975	89,113	223,787	0	(63,075)
Public welfare	686,646	0	236,442	0	(450,204)
Transportation	2,030,041	202,944	448,106	477,615	(901,376)
Corrections	356,977	0	0	0	(356,977)
Interest	2,971	0	0	0	(2,971)
Total governmental activities	\$7,846,699	\$1,173,609	\$1,436,297	\$478,021	(4,758,772)

General revenues:

Taxes:

Property taxes	2,936,973
Sales taxes	455,824
State income taxes	571,394
Public safety taxes	210,463
Other	335,006
Unrestricted investment earnings	25,441
Miscellaneous	80,263
Total general revenues	4,615,364

Change in net position (143,408)

Net position - beginning 11,277,799

Net position - ending \$11,134,391

Carroll County, Illinois

Governmental Funds

Balance Sheet

November 30, 2017

ASSETS	General	County Highway	Matching	Illinois Municipal Retirement	Community Mental Health	Maintenance and Child Support	Other Governmental Funds	Total Governmental Funds
Cash on hand	\$926	\$100	\$0	\$0	\$0	\$0	\$200	\$1,226
Cash in banks	280,563	598,572	840,723	263,127	5,654	113,442	2,368,340	4,470,421
Deposits	1,514	0	0	0	0	50,000	0	51,514
Investments	902,728	0	0	0	0	0	0	902,728
Inventory	1,013	0	0	0	0	0	4,569	5,582
Property taxes receivable	950,000	365,000	180,000	450,000	345,000	0	785,000	3,075,000
Accounts receivable	45,186	5,582	0	0	0	0	118,112	168,880
Due from other governments	224,777	0	0	0	0	0	279,194	503,971
Prepaid expenses	52,000	0	0	0	0	0	3,000	55,000
Due from other funds	0	0	0	0	0	0	0	0
Total assets	\$2,458,707	\$969,254	\$1,020,723	\$713,127	\$350,654	\$163,442	\$3,558,415	\$9,234,322
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$51,400	\$16,305	\$27,629	\$0	\$0	\$0	\$81,203	\$176,537
Accrued payroll	111,370	12,590	0	17,240	0	0	30,880	172,080
Accrued compensated absences	0	0	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0	0	0
Total liabilities	162,770	28,895	27,629	17,240	0	0	112,083	348,617
Deferred inflows of resources -								
Unavailable property taxes	950,000	365,000	180,000	450,000	345,000	0	785,000	3,075,000
Fund balances:								
Nonspendable	53,013	0	0	0	0	0	7,569	60,582
Restricted	0	575,359	813,094	245,887	5,654	163,442	2,653,763	4,457,199
Committed	0	0	0	0	0	0	0	0
Unassigned	1,292,924	0	0	0	0	0	0	1,292,924
Total fund balances	1,345,937	575,359	813,094	245,887	5,654	163,442	2,661,332	5,810,705
Total liabilities, deferred inflows of resources and fund balances	\$2,458,707	\$969,254	\$1,020,723	\$713,127	\$350,654	\$163,442	\$3,558,415	\$9,234,322

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Reconciliation of the Balance Sheet to the Statement of Net Position For the year ended November 30, 2017

Total fund balances - governmental funds	\$5,810,705
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Net book value of assets reported.	6,405,199
Accrued long-term employee benefits are not due and payable in the current period and therefore are not reported as liabilities of the funds, but are included as liabilities and deferred items in the statement of net position	
Accrued net pension liability and related deferred outflows/inflows of resources	(709,437)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds -	
Capital leases	(107,175)
Notes payable	(140,322)
Compensated absences not due and payable from current resources are not reported in the governmental funds.	<u>(124,579)</u>
Total net position - governmental activities	<u><u>\$11,134,391</u></u>

Carroll County, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended November 30, 2017

	General	County Highway	Matching	Illinois Municipal Retirement	Community Mental Health	Maintenance and Child Support	Other Governmental Funds	Total Governmental Funds
Revenues:								
Property taxes	\$922,915	\$341,820	\$170,908	\$430,040	\$340,040	\$0	\$731,250	\$2,936,973
Intergovernmental revenue	1,627,656	196,866	0	0	0	0	1,662,483	3,487,005
Licenses and permits	0	0	0	0	0	0	4,843	4,843
Revenues from services, fees, and fines	629,677	202,944	0	0	0	25,319	310,826	1,168,766
Revenue from use of money and property	6,586	1,417	3,304	716	216	1,159	12,042	25,440
Other revenue	29,892	34,115	0	0	45	0	16,211	80,263
Total revenues	3,216,726	777,162	174,212	430,756	340,301	26,478	2,737,655	7,703,290
Expenditures:								
Current:								
General control and administration	1,250,551	0	0	93,954	0	0	346,075	1,690,580
Public safety	1,240,657	0	0	148,753	0	0	151,977	1,541,387
Judiciary and court related	752,266	0	0	85,985	0	22,722	91,614	952,587
Public health	0	0	0	329	0	0	348,464	348,793
Public welfare	23,558	0	0	1,660	339,943	0	320,093	685,254
Transportation	21,813	498,734	99,115	49,389	0	0	1,035,804	1,704,855
Corrections	312,207	0	0	34,930	0	0	18,540	365,677
Debt service:								
Principal	0	34,265	0	0	0	0	0	34,265
Interest	0	2,971	0	0	0	0	0	2,971
Capital outlay	36,273	292,023	0	0	0	1,911	341,509	671,716
Total expenditures	3,637,325	827,993	99,115	415,000	339,943	24,633	2,654,076	7,998,085
Excess (deficiency) of revenues over expenditures	(420,599)	(50,831)	75,097	15,756	358	1,845	83,579	(294,795)
Other financing sources and (uses):								
Proceeds from note payable	0	140,322	0	0	0	0	0	140,322
Transfers in	294,965	0	0	4,821	0	0	90,261	390,047
Transfers out	(20,000)	0	0	(23,581)	0	0	(346,466)	(390,047)
Net change in fund balance	(145,634)	89,491	75,097	(3,004)	358	1,845	(172,626)	(154,473)
Fund balances, beginning of year	1,491,571	485,868	737,997	248,891	5,296	161,597	2,833,958	5,965,178
Fund balances, end of year	\$1,345,937	\$575,359	\$813,094	\$245,887	\$5,654	\$163,442	\$2,661,332	\$5,810,705

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities For the year ended November 30, 2017

Net change in fund balance - Governmental funds (\$154,473)

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

Capital outlays are reported in governmental funds as expenditures. However,
in the statement of activities, the cost of those assets is allocated over their
useful lives as depreciation expense. Donated capital assets are only reported
in the statement of activities. This is the amount by which newly capitalized fixed
assets exceeds depreciation expense in the period. 241,915

The net effect of various transactions involving capital assets (i.e., disposals and
sales) is to decrease net position. 0

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. (121,329)

The issuance of long-term debt and related costs are shown on the fund financial statements
as other financing sources (uses) and current expenditures, but are recorded as long-term
liabilities and deferred outflows of resources on the government-wide statements
Issuance of note payable (140,322)

Repayment of capital leases are reported in governmental funds as expenditures, but
the repayment reduced long-term liabilities in the statement of net position:
Capital lease repayment 34,265

Vacation and compensated pay for employees is expensed in the statement of activities.
However, since these amounts will not be paid from current resources, this expense
is not recorded in the governmental funds. This is the amount by which vacation
and compensated pay increased over the prior period. (3,464)

Change in net position of governmental activities (\$143,408)

Carroll County, Illinois

Statement of Fiduciary Net Position

November 30, 2017

ASSETS	Agency Funds
Cash in banks	\$670,483
Deposits	40,693
Investments	1,435
Accounts receivable	88,418
Due from other governments	58,106
Total assets	\$859,135
 LIABILITIES	
Accounts payable	\$104,621
Agency funds due to others	754,514
Total liabilities	\$859,135

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

Introduction

The financial statements of Carroll County, Illinois (the "County"), with the county seat located in Mount Carroll, 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.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Financial Reporting Entity

The County is governed by a nine-member County Board. The accompanying financial statements present the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials are financially accountable or whose exclusion would render the financial statements misleading because of nature and significance of their relationship.

Blended Component Unit - The 911 Fund serves all the citizens of the County. The budget and appropriation ordinance is approved by the 911 Board of Trustees, and the legal liability for any 911 Fund debt remains with the County. The 911 Fund is reported as a Special Revenue Fund.

Joint Ventures

The County has entered into an intergovernmental agreement with Jo Daviess County, Illinois to establish an entity known as the Jo-Carroll Depot Local Redevelopment Authority (LRA). This LRA replaces an entity previously known as the Savanna Army Depot Local Redevelopment Authority. The former entity was charged with the authority to prepare a plan for the re-use of the Savanna Army Depot facilities in accordance with the Base Closure Community Redevelopment Assistance Act. The current LRA is charged with the authority to implement the re-use plan for the Savanna Army Depot and to modify the plan as may become necessary. Both Counties are jointly and severally liable for all liabilities, debts and obligations of any kind incurred by the LRA. The County's share of LRA's operating expenses for the fiscal year ended November 30, 2017 was \$0. The agreement provides for the LRA to consent to an audit of its funds by either County as either County may direct. These financial statements are available through the Jo-Carroll Depot Local Redevelopment Authority offices in Savanna, Illinois.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

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

The County reports the following major governmental funds:

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

County Highway Fund – This fund is used to operate the County Highway Department, including, but not limited to salaries, supplies, and purchase of machinery and equipment.

County Matching Fund – This fund is used to match the costs relating to State and Federal highway projects, as well as other County projects.

Illinois Municipal Retirement Fund – This fund is used to pay retirement for SLEP and non-SLEP employees of the County.

Community Mental Health Fund – This fund is used to assist local public welfare non-profit agencies.

Maintenance and Child Support Fund – This fund is used to operate the County services of collecting and distributing maintenance and child support payments. The County collects an annual \$36 fee from users of this service to help pay for postage, supplies, and wages relating to maintenance and child support payments.

Additionally, the County administers fiduciary (agency) funds for assets held by the County in a fiduciary capacity.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Basis of Presentation – Fund Financial Statements (continued)

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

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

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

Measurement Focus and Basis of Accounting

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

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 County 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 and will be paid after the 60 day period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Budgetary Basis of Accounting

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

The appropriated budget is prepared by fund, function, and department. 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 even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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

Investments

The County is a participant in the Local Government Investment Pool (LGIP) which is authorized in Illinois Compiled Statutes 30 ILCS 235 under the Public Funds Investment Act. The LGIP is not registered with the Securities Exchange Commission as an investment company. The LGIP operates and reports to participants on the amortized cost basis. LGIP pool shares are bought and redeemed at \$1 based on the amortized cost of the investments in LGIP. The investment is not subject to the fair value hierarchy disclosures.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of deed stamps. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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 activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial estimated useful life in excess of one year and individual cost of more than the follows:

Land	\$20,000
Land improvements	5,000
Buildings	20,000
Building improvements	5,000
Vehicles	2,000
Office furniture and equipment	2,000
Infrastructure	20,000
Software	5,000

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:

Land improvements	1-20 years
Buildings	1-50 years
Building improvements	1-50 years
Vehicles	1-10 years
Office furniture and equipment	1-10 years
Infrastructure	1-40 years
Software	1-5 years

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

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 (expense/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.

Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The County Board is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Fund Balance Policies (continued)

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The County Board has by resolution authorized an official of the County Board to assign fund balance. The County Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

To avoid service disruption due to revenue short falls, the County Board has set a minimum of 30% fund balance target of annual expenses and transfers for funds that routinely pay wages and benefits. These funds are the General Fund, Highway Fund, Motor Fuel Tax Fund, Social Security Fund, IMRF Fund, GIS Fund and the County Health Fund. If the fund balance drops below the 30% value, the County Board will develop an action plan to restore the fund balance to the desired level.

Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

The County's property tax is levied each year on all taxable real property located in the County. Since the 2017 property tax levy is levied to finance the operations of fiscal year 2018, the 2017 property tax is recorded as a receivable and the 2017 property tax revenue is unavailable. The 2016 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2017. The County must file its tax levy by the last Tuesday of December each year. The 2016 levy was approved on November 18, 2016. The 2017 levy was approved on November 16, 2017.

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 2016 became due and payable in two installments, generally in June 2017 and September 2017. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Compensated Absences

Vacation -The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability will be paid from available funds within 60 days after year end. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave - Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, no monetary obligation exists.

Pensions

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.

Note 2 Stewardship, Compliance and Accountability

Excess of expenditures over appropriations

For the year ended November 30, 2017, expenditures exceeded appropriations in the following Funds.

Fund	Amount
County Highway	\$20,350
Agriculture Co-op Extension	\$28
Historical Society	\$21
Sex Offender Registry	\$1,140

Deficit Fund Equity

At November 30, 2017, there were no funds with a deficit fund balance.

Note 3 Cash Deposits with Financial Institutions

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of November 30, 2017, the County's bank balance was \$5,413,894 and the entire balance was insured and collateralized with securities in the County's name.

Carroll County, Illinois

Notes to Financial Statements

Note 4 Investments

As of November 30, 2017, the County had the following investments:

		Fair Value	
	Statement of Net Position	Statement of Fiduciary Net Position	Total
Illinois Funds Money Market Fund	\$902,728	\$1,435	\$904,163

Interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County has no specific policy on the interest rate risk at year-end.

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13-24 Months	25-60 Months	
Local government investment pool	\$904,163	\$0	\$0	\$904,163

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in U.S. Government obligations are not considered to be of any credit risk since they carry the full obligation and guarantee of the U.S. Government. Presented below is the actual rating as of year-end for each investment type:

Investment Type	Total as of November 30, 2017	AAAm	Aa	Unrated
Local government investment pool	\$904,163	\$904,163	\$0	\$0

Concentration of credit risk. The County's investment policy does not allow for an investment in any one issuer that is in excess of 5 percent of the County's total investments.

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

As of November 30, 2017, there are no investments with custodial credit risk in that all of its investments are insured.

Foreign Currency Risk. The County has no foreign currency risk for investments at year end.

Carroll County, Illinois

Notes to Financial Statements

Note 5 Capital Assets

The governmental activities capital asset activity for the year ended November 30, 2017 is as follows:

Governmental activities:	Balance 12/1/2016	Increases	Decreases and Transfers	Balance 11/30/2017
Capital assets, not being depreciated:				
Land	\$85,032	\$0	\$0	\$85,032
Construction in progress	24,024	108,400	0	132,424
Total capital assets, not being depreciated:	109,056	108,400	0	217,456
Capital assets, being depreciated:				
Buildings	588,081	0	0	588,081
Building improvements	1,246,669	35,702	0	1,282,371
Office furniture, equipment and vehicle	4,595,894	499,791	(249,270)	4,846,415
Infrastructure	6,051,006	27,823	0	6,078,829
Total capital assets, being depreciated:	12,481,650	563,316	(249,270)	12,795,696
Accumulated depreciation:				
Buildings	(335,245)	(9,887)	0	(345,132)
Building improvements	(413,954)	(36,876)	0	(450,830)
Office furniture, equipment and vehicle	(3,906,697)	(177,524)	249,270	(3,834,951)
Infrastructure	(1,771,526)	(205,514)	0	(1,977,040)
Total accumulated depreciation	(6,427,422)	(429,801)	249,270	(6,607,953)
Total capital assets, being depreciated, net	6,054,228	133,515	0	6,187,743
Governmental activities capital assets, net	\$6,163,284	\$241,915	0	\$6,405,199

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General control and administration	\$50,657
Public safety	67,382
Judiciary and court related	8,946
Public health	8,757
Transportation	294,059
Total depreciation expense, governmental activities	\$429,801

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans

Illinois Municipal Retirement Fund

IMRF Plan Description

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

Benefits Provided

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

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

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

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

Regular Plan (RP):

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Employees Covered by the Benefit Terms

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	45
Inactive plan members entitled to but not yet receiving benefits	18
Active plan members	45
Total	108

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 2016 was 12.48%. For the fiscal year ended November 30, 2017, the County contributed \$244,114 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, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **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.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued):

- 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, 2016:

Asset Class	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 3.78%, and the resulting single discount rate is 7.50%.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued):

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2015	\$11,960,943	\$10,233,930	\$1,727,013
Changes for the year:			
Service cost	225,997	0	225,997
Interest on the total pension liability	884,445	0	884,445
Differences between expected and actual experience of the total pension liability	25,667	0	25,667
Changes of assumptions	(30,640)	0	(30,640)
Contributions – employer	0	308,195	(308,195)
Contributions – employees	0	93,100	(93,100)
Net investment income	0	705,250	(705,250)
Benefit payments, including refunds of employee contributions	(499,619)	(499,619)	0
Other (net transfer)	0	76,343	76,343
Net changes	605,850	683,269	(77,419)
Balances at December 31, 2016	\$12,566,793	\$10,917,199	\$1,649,594

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, 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	\$3,302,998	\$1,649,594	\$288,918

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued):

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

For the year ended November 30, 2017, the County recognized pension expense of \$244,114. At November 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$73,787	\$35,626
Changes of assumptions	176,852	24,275
Net difference between projected and actual earnings on pension plan investments	533,161	0
Total deferred amounts to be recognized in pension expense in future periods	783,800	59,901
Pension contributions made subsequent to the measurement date	225,495	0
Total deferred amounts related to pensions	\$1,009,295	\$59,901

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

Year Ending November 30	Net Deferred Outflows of Resources
2018	\$287,433
2019	278,748
2020	146,265
2021	11,453
2022	0
Thereafter	0
Total	\$723,899

Payable to the Pension Plan

At November 30, 2017, the County reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended November 30, 2017.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Benefits (continued)

Sheriff's Law Enforcement (SLEP):

Employees Covered by the Benefit Terms

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	13
-Inactive plan members entitled to but not yet receiving benefits	8
Active plan members	14
Total	35

Contributions

As set by statute, the County's SLEP 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 2016 was 15.79%. For the fiscal year ended November 30, 2017, the County contributed \$107,592 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, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **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.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Benefits (continued)

Sheriff's Law Enforcement (SLEP) (continued):

- 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, 2016:

Asset Class	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 3.78%, and the resulting single discount rate is 7.50%.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP) (continued):

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2015	\$4,707,467	\$4,283,476	\$423,991
Changes for the year:			
Service cost	119,567	0	119,567
Interest on the total pension liability	348,819	0	349,819
Differences between expected and actual experience of the total pension liability	29,337	0	29,337
Changes of assumptions	(5,482)	0	(5,482)
Contributions – employer	0	136,111	(136,111)
Contributions – employees	0	50,401	(50,401)
Net investment income	0	295,879	(295,879)
Benefit payments, including refunds of employee contributions	(220,233)	(220,233)	0
Other (net transfer)	0	83,676	83,676
Net changes	272,008	345,834	(73,826)
Balances at December 31, 2016	\$4,979,475	\$4,629,310	\$350,165

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, 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	\$940,406	\$350,165	(\$138,509)

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP) (continued):

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

For the year ended November 30, 2017, the County recognized pension expense of \$107,592. At November 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$24,467	\$53,256
Changes of assumptions	50,575	4,572
Net difference between projected and actual earnings on pension plan investments	224,130	0
Total deferred amounts to be recognized in pension expense in future periods	299,172	57,828
Pension contributions made subsequent to the measurement date	99,584	0
Total deferred amounts related to pensions	\$398,756	\$57,828

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

Year Ending November 30	Net Deferred Outflows of Resources
2018	\$82,523
2019	82,525
2020	70,950
2021	1,300
2022	3,951
Thereafter	95
Total	\$241,344

Payable to the Pension Plan

At November 30, 2017, the County reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended November 30, 2017.

Carroll County, Illinois

Notes to Financial Statements

Note 7 Deferred Compensation Plan

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

Note 8 Other Postemployment Benefits

The County has evaluated its potential other postemployment benefits liability. The County provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the County are required to pay 100% of the current premium. However, only one former employee has chosen to stay in the County's current health insurance plan. Therefore, there has been low utilization and, therefore, an immaterial implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the County has no former employees for whom the County was providing an explicit subsidy and no employees with agreements for future explicit subsidies upon retirement. Therefore, the County has not recorded any postemployment benefit liability as of November 30, 2017.

Note 9 Construction and Other Significant Commitments

Construction commitments. There are no significant construction commitments as of November 30, 2017.

Note 10 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; and natural disasters. In order to protect against such risks of loss, the County purchases insurance coverage. The maximum deductible in effect through these policies as of November 30, 2017 was \$2,000. During the year ended November 30, 2017, there were no significant reductions in coverage. Also, there have been no settlements which have exceeded insurance coverage in the past three years.

For risks of loss related to injuries to employees, the County purchases coverage through the Illinois Counties Risk Management Pool. Potentially the County could be assessed additional premiums for its share of any losses of the pool. Historically, the County has not been assessed any additional premiums.

Carroll County, Illinois

Notes to Financial Statements

Note 11 Lease Obligations

Capital Lease

The County entered into a capital lease for the purchase of a John Deere Grader in the amount of \$225,000 for the Highway Department. The scheduled minimum lease payment under the lease agreement includes interest of 2.10%.

Leased equipment under capital leases in capital assets, included the following:

Equipment	\$225,000
Less: accumulated depreciation	(48,750)
Total	\$176,250

The future minimum lease obligations and the net present value of these minimum lease payments as of November 30, 2017 were as follows:

Fiscal Year Ended November 30,	
2018	\$37,236
2019	37,236
2020	37,236
Less imputed interest	(4,533)
Present value of minimum lease payments	\$107,175

Operating Lease

The County leases various software under operating lease agreements which expire in 2020. Total lease expense paid for November 30, 2017 was \$39,755. The following is a schedule of future minimum lease payments under operating leases at November 30, 2017:

Fiscal Year Ended November 30,	Operating Leases
2018	\$42,512
2019	42,512
2020	23,344
	\$108,368

Carroll County, Illinois

Notes to Financial Statements

Note 12 Long-Term Debt

2017 International Series 7500 Tandem Axle Dump Trucks Note Payable

On January 20, 2017, the County obtained a \$140,322 loan from First State Bank Shannon-Polo for the purchase of two 2017 International Series 7500 Tandem Axle Dump Trucks, with an interest rate of 2.00% payable in one annual installment due on January 29, 2018.

Long term liability activity for the year ended November 30, 2017 is as follows:

	Balance 12/1/2016	Increase	Decrease	Balance 11/30/2017	Amounts Due Within One Year
Long-term debt:					
Capital lease	\$141,440	\$0	\$34,265	\$107,175	\$34,985
Note payable	0	140,322	0	140,322	140,322
Compensated absences	121,115	154,973	151,509	124,579	0
Totals	\$262,555	\$295,295	\$185,774	\$372,076	\$175,307

The County is subject to a debt limitation of 5.75% of its assessed valuation of \$341,791,950. As of November 30, 2017, the County had \$19,653,037 remaining legal debt margin.

Note 13 Net Position

Net position reported on the government wide statement of net position at November 30, 2017:

Governmental Activities:

Net investment in capital assets:

Land and other non-depreciable assets	\$217,456
Other capital assets, net of accumulated depreciation	6,187,743
Less: related long-term debt outstanding	(247,497)
Total invested in capital assets, net of related debt	6,157,702

Restricted:

State statutes and enabling legislation	4,452,749
Externally imposed by grantors	12,019
Total restricted	4,464,768

Unrestricted	511,921
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Total governmental activities net position	\$11,134,391
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Carroll County, Illinois

Notes to Financial Statements

Note 14 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.

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 no assigned balances at year end.

Carroll County, Illinois

Notes to Financial Statements

Note 14 Fund Balance (continued)

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.

Nonspendable Fund Balance

Major Funds:

General Fund - prepaid	\$52,000
General Fund - inventory	1,013

Non-Major Funds -

Health Department - Inventory	4,569
Vital Records – prepaid	3,000

Total nonspendable fund balance	\$60,582
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Restricted Fund Balance

Major Funds:

State statutes and enabling legislation:

County Highway	\$575,359
Matching	813,094
Illinois Municipal Retirement	245,887
Community Mental Health	5,654
Maintenance and Child Support	163,442

Non-Major Funds:

State statutes and enabling legislation:

County Bridge	280,769
911	219,708
Motor Fuel Tax	324,642
Court Security Fee	51,069
State's Attorney Drug Fines and Forfeiture	22,566
Senior Citizen	5,294
Social Security	356,747
Tourism Promotion	38,372
Court Automation	18,771
Law Library	10,955
Electronic Monitoring	5,782
Probation Service Fee	43,147
Document Storage Fee	7,282
Geographic Information Systems	34,981
Animal Control	13,864
Tax Sale Automation	12,539

Carroll County, Illinois

Notes to Financial Statements

Note 14 Fund Balance (continued)

DUI Enforcement Equipment	11,119
Geographic Information Systems Fee Resolution	10,405
County Recorder's Automation	95,557
Vital Records Automation	25,806
Liability Insurance	520,784
County Health Department	382,195
States Attorney Task Force	5,212
Public Safety Tax	75,983
Pet Population Control	11,795
Squad Car Acquisition and Maintenance	6,281
Victims Impact	4,906
Failure to Appear	7,770
Circuit Clerk Operation and Administration	13,401
Sex Offender Registry	2,523
Coroner's Fees	21,519
Externally imposed by grantors:	
State's Attorney VOCA	985
Grant	11,034
Total restricted fund balance	\$4,457,199

Unassigned Fund Balance

Major Funds -	
General Fund	\$1,292,924

Note 15 Interfund Receivables and Payables

There were no interfund balances as of November 30, 2017.

Note 16 Interfund Transfers

Below are the interfund transfers as of November 30, 2017:

	Transfers In	Transfers Out
Major funds:		
General Fund	\$294,965	\$20,000
Illinois Municipal Retirement Fund	4,821	23,581
Nonmajor funds	90,261	346,466
Total all funds	\$390,047	\$390,047

All transfers were made to simplify cash flows within the County and for budgeted capital outlays and accumulation of funds for future needs of the County.

Carroll County, Illinois

Notes to Financial Statements

Note 17 Contingencies

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

Note 18 Impact of Pending Accounting Principles

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

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

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

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

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

Carroll County, Illinois

Notes to Financial Statements

Note 18 Impact of Pending Accounting Principles (continued)

GASB Statement No. 85, *Omnibus 2017*, addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other post-employment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The County has not determined the effect of this Statement.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. 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.

Required Supplementary Information

Carroll County, Illinois

General Fund

Budgetary Comparison Schedule for the General Fund

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$940,900	\$922,915	(\$17,985)
Intergovernmental revenue	1,661,500	1,627,656	(33,844)
Revenues from services, fees, and fines	659,155	629,677	(29,478)
Revenue from use of money and property	6,800	6,586	(214)
Other revenue	37,550	29,892	(7,658)
Total revenues	3,305,905	3,216,726	(89,179)
Expenditures:			
General control and administration	1,462,963	1,281,801	181,162
Public safety	1,258,515	1,240,657	17,858
Judiciary and court related	779,028	757,289	21,739
Public welfare	35,409	23,558	11,851
Transportation	22,500	21,813	687
Corrections	323,850	312,207	11,643
Total expenditures	3,882,265	3,637,325	232,610
Excess (deficiency) of revenues over expenditures	(576,360)	(420,599)	155,761
Other financing sources (uses):			
Transfers in	321,008	294,965	(26,043)
Transfers out	(20,000)	(20,000)	0
Total other financing sources/(uses)	301,008	274,965	(26,043)
Net change in fund balance	<u>(\$275,352)</u>	<u>(145,634)</u>	<u>\$129,718</u>
Fund balance, beginning of year		<u>1,491,571</u>	
Fund balance, end of year		<u>\$1,345,937</u>	

See Notes to Required Supplementary Information.

Carroll County, Illinois

County Highway Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$355,200	\$341,820	(\$13,380)
Intergovernmental revenue	186,000	196,866	10,866
Revenues from services, fees, and fines	200,700	202,944	2,244
Revenue from use of money and property	800	1,417	617
Other revenue	11,000	34,115	23,115
Total revenues	753,700	777,162	23,462
Expenditures -			
Transportation	807,643	827,993	(20,350)
Other financing sources (uses) -			
Proceeds from notes payable	145,000	140,322	(4,678)
Net change in fund balance	\$91,057	89,491	(\$1,566)
Fund balance, beginning of year		485,868	
Fund balance, end of year		\$575,359	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Matching Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$175,100	\$170,908	(\$4,192)
Intergovernmental revenue	0	0	0
Revenues from services, fees, and fines	0	0	0
Revenue from use of money and property	1,800	3,304	1,504
Other revenue	0	0	0
Total revenues	176,900	174,212	(2,688)
Expenditures -			
Transportation	845,700	99,115	746,585
Net change in fund balance	<u>(\$668,800)</u>	75,097	<u>\$743,897</u>
Fund balance, beginning of year		<u>737,997</u>	
Fund balance, end of year		<u>\$813,094</u>	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Illinois Municipal Retirement Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$430,400	\$430,040	(\$360)
Intergovernmental revenue	0	0	0
Revenue from use of money and property	600	716	116
Total revenues	431,000	430,756	(244)
Expenditures:			
General control and administration	104,332	93,954	10,378
Public safety	165,184	148,753	16,431
Judiciary and court related	95,483	85,985	9,498
Public health	365	329	36
Public welfare	1,843	1,660	183
Transportation	54,845	49,389	5,456
Corrections	38,788	34,930	3,858
Total expenditures	460,840	415,000	45,840
Excess (deficiency) of revenues over expenditures	(29,840)	15,756	45,596
Other financing sources (uses):			
Transfers in	5,957	4,821	(1,136)
Transfers out	(23,581)	(23,581)	0
Total other financing sources/(uses)	(17,624)	(18,760)	(1,136)
Net change in fund balance	(\$47,464)	(3,004)	\$44,460
Fund balance, beginning of year		248,891	
Fund balance, end of year		\$245,887	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Community Mental Health

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$340,200	\$340,040	(\$160)
Revenue from use of money and property	80	216	136
Other revenue	0	45	45
Total revenues	340,280	340,301	21
Expenditures -			
Public welfare	340,280	339,943	337
Net change in fund balance	<u>\$0</u>	358	<u>\$358</u>
Fund balance, beginning of year		<u>5,296</u>	
Fund balance, end of year		<u>\$5,654</u>	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Maintenance and Child Support Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2017

	Budgeted Amounts Original and Final	Actual	Variance with Final Budget
Revenues:			
Intergovernmental revenues	\$0	\$0	\$0
Revenue from services, fees and fines	25,000	25,319	319
Revenue from use of money and property	600	1,159	559
Total revenues	25,600	26,478	878
Expenditures -			
Judiciary and court related	28,400	24,633	3,767
Excess (deficiency) of revenues over expenditures	(2,800)	1,845	4,645
Other financing sources (uses) -			
Transfers out	0	0	0
Net change in fund balance	<u>(\$2,800)</u>	1,845	<u>\$4,645</u>
Fund balance, beginning of year		<u>161,597</u>	
Fund balance, end of year		<u>\$163,442</u>	

See Notes to Required Supplementary Information.

Carroll 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)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$225,997	\$223,551	\$235,052							
Interest on the total pension liability	884,445	844,274	759,959							
Changes of benefit changes	0	0	0							
Difference between expected and actual experience of the total pension liability	25,667	(60,454)	136,774							
Changes of assumptions	(30,640)	14,957	429,979							
Benefit payments, including refunds of employee contributions	(499,619)	(443,251)	(390,316)							
Net change in total pension liability	605,850	579,077	1,171,448							
Total pension liability - beginning	11,960,943	11,381,866	10,210,418							
Total pension liability - ending (a)	\$12,566,793	\$11,960,943	\$11,381,866							
Plan fiduciary net position:										
Contributions - employer	\$308,195	\$301,109	\$293,354							
Contributions - employees	93,100	93,542	92,647							
Net investment income	705,250	51,211	588,000							
Benefit payments, including refunds of employee contributions	(499,619)	(443,251)	(390,316)							
Other (net transfers)	76,343	(35,229)	41,358							
Net change in plan fiduciary net position	683,269	(32,618)	625,043							
Plan fiduciary net position - beginning	10,233,930	10,266,548	9,641,505							
Plan fiduciary net position - ending (b)	\$10,917,199	\$10,233,930	\$10,266,548							
Net pension liability(asset) - Ending (a) - (b)	1,649,594	1,727,013	1,115,318							
Plan fiduciary net position as a percentage of total pension liability	86.87%	85.56%	90.20%							
Covered valuation payroll	2,066,163	2,074,773	2,004,567							
Net pension liability as a percentage of covered valuation payroll	79.84%	83.24%	55.64%							

The County adopted GASB Statement No. 68 in November 2015

Carroll 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)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$119,567	\$132,357	\$135,571							
Interest on the total pension liability	348,819	331,999	304,438							
Changes of benefit changes	0	0	0							
Difference between expected and actual experience of the total pension liability	29,337	(54,068)	(34,557)							
Changes of assumptions	(5,482)	5,393	94,344							
Benefit payments, including refunds of employee contributions	(220,233)	(137,369)	(124,046)							
Net change in total pension liability	272,008	278,312	375,750							
Total pension liability - beginning	4,707,467	4,429,155	4,053,405							
Total pension liability - ending (a)	\$4,979,475	\$4,707,467	\$4,429,155							
Plan fiduciary net position:										
Contributions - employer	\$136,111	\$114,848	\$118,513							
Contributions - employees	50,401	66,088	52,782							
Net investment income	295,879	21,605	245,249							
Benefit payments, including refunds of employee contributions	(220,233)	(137,369)	(124,046)							
Other (net transfers)	83,676	(80,922)	9,875							
Net change in plan fiduciary net position	345,834	(15,750)	302,373							
Plan fiduciary net position - beginning	4,283,476	4,299,226	3,996,853							
Plan fiduciary net position - ending (b)	\$4,629,310	\$4,283,476	\$4,299,226							
Net pension liability(asset) - Ending (a) - (b)	350,165	423,991	129,929							
Plan fiduciary net position as a percentage of total pension liability	92.97%	90.99%	97.07%							
Covered valuation payroll	672,016	690,766	696,800							
Net pension liability as a percentage of covered valuation payroll	52.11%	61.38%	18.65%							

The County adopted GASB Statement No. 68 in November 2015.

Carroll County, Illinois
Required Supplementary Information
Multiyear Schedule of IMRF Contributions

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

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2017	\$244,114	\$244,114	\$0	\$2,058,545	11.86%
2016	257,033	257,033	0	2,064,551	12.45%
2015	250,378	250,378	0	2,068,145	12.11%

* Estimated based on 11.81% 2017 calendar year contribution rate, 12.48% 2016 calendar year contribution rate, and covered valuation payroll of \$2,058,545.

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

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2017	\$107,592	\$107,592	\$0	\$699,897	15.37%
2016	105,300	105,300	0	664,549	15.85%
2015	115,355	115,355	0	695,032	16.60%

* Estimated based on 15.34% 2017 calendar year contribution rate, 15.79% 2016 calendar year contribution rate, and covered valuation payroll of \$699,897.

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

Carroll 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 County Highway Fund had expenditures over appropriations of \$20,350 for fiscal year 2017.

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 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.
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Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers (two employers were financed over 31 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation

Carroll County, Illinois

Notes to Required Supplementary Information

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate for IMRF * (continued)

Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes	There were no benefit changes during the year.
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** Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation.*

Supplementary Information

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds

November 30, 2017

ASSETS	Total Nonmajor Governmental	County Bridge	911	Veteran's Assistance	Motor Fuel Tax
Cash on hand	\$200	\$0	\$0	\$0	\$0
Cash in banks	2,368,340	179,635	145,670	0	301,368
Deposits	0	0	0	0	0
Investments	0	0	0	0	0
Inventory	4,569	0	0	0	0
Property taxes receivable	785,000	180,000	0	44,800	0
Accounts receivable	118,112	102,572	0	0	0
Due from other governments	279,194	0	78,636	0	28,673
Prepaid expenses	3,000	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$3,558,415	\$462,207	\$224,306	\$44,800	\$330,041
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$81,203	\$1,438	\$4,598	\$0	\$0
Accrued payroll	30,880	0	0	0	5,399
Accrued compensated absences	0	0	0	0	0
Due to other funds	0	0	0	0	0
Total liabilities	112,083	1,438	4,598	0	5,399
Deferred inflows of resources -					
Unavailable property taxes	785,000	180,000	0	44,800	0
Fund balances (deficit) -					
Nonspendable	7,569	0	0	0	0
Restricted	2,653,763	280,769	219,708	0	324,642
Unassigned	0	0	0	0	0
Total fund balances	2,661,332	280,769	219,708	0	324,642
Total liabilities, deferred inflows of resources and fund balances	\$3,558,415	\$462,207	\$224,306	\$44,800	\$330,041

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

ASSETS	Court Security Fee	State's Attorney Drug Fines and Forfeiture	Senior Citizen	Social Security	Agriculture Co-op Extension
Cash on hand	\$0	\$0	\$0	\$0	\$0
Cash in banks	51,160	22,528	5,294	367,713	0
Deposits	0	0	0	0	0
Investments	0	0	0	0	0
Inventory	0	0	0	0	0
Property taxes receivable	0	0	85,000	247,000	75,000
Accounts receivable	1,389	38	0	0	0
Due from other governments	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$52,549	\$22,566	\$90,294	\$614,713	\$75,000
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$83	\$0	\$0	\$0	\$0
Accrued payroll	1,397	0	0	10,966	0
Accrued compensated absences	0	0	0	0	0
Due to other funds	0	0	0	0	0
Total liabilities	1,480	0	0	10,966	0
Deferred inflows of resources -					
Unavailable property taxes	0	0	85,000	247,000	75,000
Fund balances (deficit) -					
Nonspendable	0	0	0	0	0
Restricted	51,069	22,566	5,294	356,747	0
Unassigned	0	0	0	0	0
Total fund balances	51,069	22,566	5,294	356,747	0
Total liabilities, deferred inflows of resources and fund balances	\$52,549	\$22,566	\$90,294	\$614,713	\$75,000

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

ASSETS	Tourism Promotion	Court Automation	Law Library	Electronic Monitoring	Probation Service Fee
Cash on hand	\$0	\$0	\$0	\$0	\$0
Cash in banks	38,372	17,586	10,880	5,782	41,892
Deposits	0	0	0	0	0
Investments	0	0	0	0	0
Inventory	0	0	0	0	0
Property taxes receivable	0	0	0	0	0
Accounts receivable	0	1,185	75	0	1,443
Due from other governments	0	0	0	0	0
Prepaid expenses	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$38,372	\$18,771	\$10,955	\$5,782	\$43,335
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$0	\$0	\$0	\$0	\$188
Accrued payroll	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Due to other funds	0	0	0	0	0
Total liabilities	0	0	0	0	188
Deferred inflows of resources -					
Unavailable property taxes	0	0	0	0	0
Fund balances (deficit) -					
Nonspendable	0	0	0	0	0
Restricted	38,372	18,771	10,955	5,782	43,147
Unassigned	0	0	0	0	0
Total fund balance	38,372	18,771	10,955	5,782	43,147
Total liabilities, deferred inflows of resources and fund balances	\$38,372	\$18,771	\$10,955	\$5,782	\$43,335

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

ASSETS	Document Storage Fee	State's Attorney VOCA	Geographic Information Systems	Animal Control	Tax Sale Automation	DUI Enforcement Equipment
Cash on hand	\$0	\$0	\$0	\$0	\$0	\$0
Cash in banks	6,152	1,590	37,339	14,192	12,539	10,811
Deposits	0	0	0	0	0	0
Investments	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Property taxes receivable	0	0	0	0	0	0
Accounts receivable	1,180	0	305	0	0	308
Due from other governments	0	0	0	0	0	0
Prepaid expenses	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Total assets	\$7,332	\$1,590	\$37,644	\$14,192	\$12,539	\$11,119
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$50	\$0	\$56	\$328	\$0	\$0
Accrued payroll	0	605	2,607	0	0	0
Accrued compensated absences	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	50	605	2,663	328	0	0
Deferred inflows of resources -						
Unavailable property taxes	0	0	0	0	\$0	0
Fund balances (deficit) -						
Nonspendable	0	0	0	0	0	0
Restricted	7,282	985	34,981	13,864	12,539	11,119
Unassigned	0	0	0	0	0	0
Total fund balances	7,282	985	34,981	13,864	12,539	11,119
Total liabilities, deferred inflows of resources and fund balances	\$7,332	\$1,590	\$37,644	\$14,192	\$12,539	\$11,119

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

ASSETS	Geographic Information Systems Fee Resolution	County Recorder's Automation	Vital Records Automation	Liability Insurance	County Health Department	Grant
Cash on hand	\$0	\$0	\$0	\$0	\$200	\$0
Cash in banks	7,963	93,746	25,631	520,784	347,179	11,034
Deposits	0	0	0	0	0	0
Investments	0	0	0	0	0	0
Inventory	0	0	0	0	4,569	0
Property taxes receivable	0	0	0	137,000	10,000	0
Accounts receivable	2,442	2,741	175	0	3,459	0
Due from other governments	0	0	0	0	47,887	0
Prepaid expenses	0	0	3,000	0	0	0
Due from other funds	0	0	0	0	0	0
Total assets	\$10,405	\$96,487	\$28,806	\$657,784	\$413,294	\$11,034
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$0	\$930	\$0	\$0	\$6,793	\$0
Accrued payroll	0	0	0	0	9,737	0
Accrued compensated absences	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	0	930	0	0	16,530	0
Deferred inflows of resources -						
Unavailable property taxes	0	0	0	137,000	10,000	0
Fund balances (deficit) -						
Nonspendable	0	0	3,000	0	4,569	0
Restricted	10,405	95,557	25,806	520,784	382,195	11,034
Unassigned	0	0	0	0	0	0
Total fund balance	10,405	95,557	28,806	520,784	386,764	11,034
Total liabilities, deferred inflows of resources and fund balances	\$10,405	\$96,487	\$28,806	\$657,784	\$413,294	\$11,034

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

	States Attorney Task Force	Public Safety Tax	Pet Population Control	Squad Car Acquisition And Maintenance	Victims Impact Fund
ASSETS					
Cash on hand	\$0	\$0	\$0	\$0	\$0
Cash in banks	5,623	17,960	12,317	6,141	4,906
Deposits	0	0	0	0	0
Investments	0	0	0	0	0
Inventory	0	0	0	0	0
Property taxes receivable	0	0	0	0	0
Accounts receivable	0	0	0	140	0
Due from other governments	0	58,023	0	0	0
Prepaid expenses	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total assets	\$5,623	\$75,983	\$12,317	\$6,281	\$4,906
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$242	\$0	\$522	\$0	\$0
Accrued payroll	169	0	0	0	0
Accrued compensated absences	0	0	0	0	0
Due to other funds	0	0	0	0	0
Total liabilities	411	0	522	0	0
Deferred inflows of resources -					
Unavailable property taxes	0	0	0	0	0
Fund balances (deficit) -					
Nonspendable	0	0	0	0	0
Restricted	5,212	75,983	11,795	6,281	4,906
Unassigned	0	0	0	0	0
Total fund balance	5,212	75,983	11,795	6,281	4,906
Total liabilities, deferred inflows of resources and fund balances	\$5,623	\$75,983	\$12,317	\$6,281	\$4,906

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2017

ASSETS	Transportation Grant	Failure to Appear	Circuit Clerk Operation and Administration	Sex Offender Registry	Historical Society	Coroner's Fees
Cash on hand	\$0	\$0	\$0	\$0	\$0	\$0
Cash in banks	0	7,595	13,266	2,523	0	21,169
Deposits	0	0	0	0	0	0
Investments	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Property taxes receivable	0	0	0	0	6,200	0
Accounts receivable	0	175	135	0	0	350
Due from other governments	65,975	0	0	0	0	0
Prepaid expenses	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0
Total assets	\$65,975	\$7,770	\$13,401	\$2,523	\$6,200	\$21,519
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$65,975	\$0	\$0	\$0	\$0	\$0
Accrued payroll	0	0	0	0	0	0
Accrued compensated absences	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	0
Total liabilities	65,975	0	0	0	0	0
Deferred inflows of resources -						
Unavailable property taxes	0	0	0	0	6,200	0
Fund balances (deficit) -						
Nonspendable	0	0	0	0	0	0
Restricted	0	7,770	13,401	2,523	0	21,519
Unassigned	0	0	0	0	0	0
Total fund balance	0	7,770	13,401	2,523	0	21,519
Total liabilities, deferred inflows of resources and fund balances	\$65,975	\$7,770	\$13,401	\$2,523	\$6,200	\$21,519

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the year ended November 30, 2017

	Total Nonmajor Governmental	County Bridge	911	Veteran's Assistance	Motor Fuel Tax
Revenues:					
Property taxes	\$731,250	\$170,908	\$0	\$0	\$0
Intergovernmental revenue	1,662,483	305,107	244,509	0	423,748
Licenses and permits	4,843	0	0	0	0
Revenues from services, fees, and fines	310,826	0	122	0	0
Revenue from use of money and property	0 12,042	1,492	433	0	3,000
Other revenue	16,211	0	0	0	0
Total revenues	2,737,655	477,507	245,064	0	426,748
Expenditures:					
Current:					
General control and administration	346,075	0	0	0	0
Public safety	151,977	0	21,947	0	0
Judiciary and court related	91,614	0	0	0	0
Public health	348,464	0	0	0	0
Public welfare	320,093	0	0	0	0
Transportation	1,035,804	595,341	0	0	414,249
Corrections	18,540	0	0	0	0
Debt service:	0				
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	341,509	27,824	254,340	0	0
Total expenditures	2,654,076	623,165	276,287	0	414,249
Excess (deficiency) of revenues over expenditures	83,579	(145,658)	(31,223)	0	12,499
Other financing sources and (uses):					
Operating transfers in	90,261	0	0	0	0
Operating transfers out	(346,466)	0	(51,345)	0	0
Net change in fund balance	(172,626)	(145,658)	(82,568)	0	12,499
Fund balances (deficit), beginning of year	2,833,958	426,427	302,276	0	312,143
Fund balances (deficit), end of year	\$2,661,332	\$280,769	\$219,708	\$0	\$324,642

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Court Security Fee	State's Attorney Drug Fines and Forfeiture	Senior Citizen	Social Security	Agriculture Co-op Extension
Revenues:					
Property taxes	\$0	\$0	\$85,010	\$247,032	\$75,028
Intergovernmental revenue	0	0	0	0	0
Licenses and permits	0	0	0	0	0
Revenues from services, fees, and fines	25,421	1,266	0	0	0
Revenue from use of money and property	267	167	1	1,381	0
Other revenue	0	0	0	0	0
Total revenues	25,688	1,433	85,011	248,413	75,028
Expenditures:					
Current:					
General control and administration	0	0	0	49,867	75,028
Public safety	26,142	0	0	78,952	0
Judiciary and court related	0	638	0	45,638	0
Public health	0	0	0	175	0
Public welfare	0	0	82,770	881	0
Transportation	0	0	0	26,214	0
Corrections	0	0	0	18,540	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	26,295	0	0	0	0
Total expenditures	52,437	638	82,770	220,267	75,028
Excess (deficiency) of revenues over expenditures	(26,749)	795	2,241	28,146	0
Other financing sources and (uses):					
Operating transfers in	0	0	0	3,073	0
Operating transfers out	0	0	0	(14,607)	0
Net change in fund balance	(26,749)	795	2,241	16,612	0
Fund balances (deficit), beginning of year	77,818	21,771	3,053	340,135	0
Fund balances (deficit), end of year	\$51,069	\$22,566	\$5,294	\$356,747	\$0

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Tourism Promotion	Court Automation	Law Library	Electronic Monitoring	Probation Service Fee
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Licenses and permits	0	0	0	0	0
Revenues from services, fees, and fines	28,906	24,503	1,910	313	17,403
Revenue from use of money and property	144	91	47	23	220
Other revenue	108	0	0	0	0
Total revenues	29,158	24,594	1,957	336	17,623
Expenditures:					
Current:					
General control and administration	23,217	0	0	0	0
Public safety	0	0	0	0	0
Judiciary and court related	0	23,786	1,770	0	2,081
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Transportation	0	0	0	0	0
Corrections	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	23,217	23,786	1,770	0	2,081
Excess (deficiency) of revenues over expenditures	5,941	808	187	336	15,542
Other financing sources and (uses):					
Operating transfers in	0	0	0	0	0
Operating transfers out	(1,449)	0	0	0	(24,327)
Net change in fund balance	4,492	808	187	336	(8,785)
Fund balances (deficit), beginning of year	33,880	17,963	10,768	5,446	51,932
Fund balances (deficit), end of year	\$38,372	\$18,771	\$10,955	\$5,782	\$43,147

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Document Storage Fee	State's Attorney VOCA	Geographic Information Systems	Animal Control	Tax Sale Automation
Revenues:					
Property taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	12,085	0	0	0
Licenses and permits	0	0	0	4,843	0
Revenues from services, fees, and fines	24,151	0	7,803	1,072	1,600
Revenue from use of money and property	48	1	77	53	53
Other revenue	0	0	5,400	0	0
Total revenues	24,199	12,086	13,280	5,968	1,653
Expenditures:					
Current:					
General control and administration	0	0	59,484	0	2,526
Public safety	0	0	0	4,573	0
Judiciary and court related	2,640	13,922	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Transportation	0	0	0	0	0
Corrections	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	33,050	0	0	0	0
Total expenditures	35,690	13,922	59,484	4,573	2,526
Excess (deficiency) of revenues over expenditures	(11,491)	(1,836)	(46,204)	1,395	(873)
Other financing sources and (uses):					
Operating transfers in	0	0	49,000	0	0
Operating transfers out	0	0	0	0	0
Net change in fund balance	(11,491)	(1,836)	2,796	1,395	(873)
Fund balances (deficit), beginning of year	18,773	2,821	32,185	12,469	13,412
Fund balances (deficit), end of year	\$7,282	\$985	\$34,981	\$13,864	\$12,539

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	DUI Enforcement Equipment	Geographic Information Systems Fee Resolution	County Recorder's Automation	Vital Records Automation
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0
Licenses and permits	0	0	0	0
Revenues from services, fees, and fines	4,479	29,813	33,161	2,605
Revenue from use of money and property	38	76	438	114
Other revenue	0	0	0	0
Total revenues	4,517	29,889	33,599	2,719
Expenditures:				
Current:				
General control and administration	0	0	13,239	253
Public safety	432	0	0	0
Judiciary and court related	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Transportation	0	0	0	0
Corrections	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	432	0	13,239	253
Excess (deficiency) of revenues over expenditures	4,085	29,889	20,360	2,466
Other financing sources and (uses):				
Operating transfers in	0	0	0	0
Operating transfers out	0	(29,000)	(19,000)	0
Net change in fund balance	4,085	889	1,360	2,466
Fund balances (deficit), beginning of year	7,034	9,516	94,197	26,340
Fund balances (deficit), end of year	\$11,119	\$10,405	\$95,557	\$28,806

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Liability Insurance	County Health Department	Grant	State's Attorney Task Force	Public Tax Safety
Revenues:					
Property taxes	\$137,036	\$10,015	\$0	\$0	\$0
Intergovernmental revenue	0	223,787	6,342	0	210,463
Licenses and permits	0	0	0	0	0
Revenues from services, fees, and fines	0	89,113	0	0	0
Revenue from use of money and property	1,892	1,319	43	37	384
Other revenue	0	76	10,627	0	0
Total revenues	138,928	324,310	17,012	37	210,847
Expenditures:					
Current:					
General control and administration	116,240	0	0	0	0
Public safety	0	0	10,627	5,147	0
Judiciary and court related	0	0	0	0	0
Public health	0	348,289	0	0	0
Public welfare	0	0	0	0	0
Transportation	0	0	0	0	0
Corrections	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	116,240	348,289	10,627	5,147	0
Excess (deficiency) of revenues over expenditures	22,688	(23,979)	6,385	(5,110)	210,847
Other financing sources and (uses):					
Operating transfers in	0	38,188	0	0	0
Operating transfers out	(10,000)	0	0	(738)	(195,000)
Net change in fund balance	12,688	14,209	6,385	(5,848)	15,847
Fund balances (deficit), beginning of year	508,096	372,555	4,649	11,060	60,136
Fund balances (deficit), end of year	\$520,784	\$386,764	\$11,034	\$5,212	\$75,983

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Pet Population Control	Squad Car Acquisition And Maintenance	Victims Impact Fund	Transportation Grant
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	236,442
Licenses and permits	0	0	0	0
Revenues from services, fees, and fines	1,998	1,780	420	0
Revenue from use of money and property	54	26	20	0
Other revenue	0	0	0	0
Total revenues	2,052	1,806	440	236,442
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	4,157	0	0	0
Judiciary and court related	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	236,442
Transportation	0	0	0	0
Corrections	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	4,157	0	0	236,442
Excess (deficiency) of revenues over expenditures	(2,105)	1,806	440	0
Other financing sources and (uses):				
Operating transfers in	0	0	0	0
Operating transfers out	0	(1,000)	0	0
Net change in fund balance	(2,105)	806	440	0
Fund balances (deficit), beginning of year	13,900	5,475	4,466	0
Fund balances (deficit), end of year	\$11,795	\$6,281	\$4,906	\$0

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2017

	Failure to Appear	Circuit Clerk Operation and Administration	Sex Offender Registry	Historical Society	Coroner's Fees
Revenues:					
Property taxes	\$0	\$0	\$0	\$6,221	\$0
Intergovernmental revenue	0	0	0	0	0
Licenses and permits	0	0	0	0	0
Revenues from services, fees, and fines	1,528	1,855	1,950	0	7,654
Revenue from use of money and property	28	2	0	0	73
Other revenue	0	0	0	0	0
Total revenues	1,556	1,857	1,950	6,221	7,727
Expenditures:					
Current:					
General control and administration	0	0	0	6,221	0
Public safety	0	0	0	0	0
Judiciary and court related	0	0	1,139	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Transportation	0	0	0	0	0
Corrections	0	0	0	0	0
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	0	0	1,139	6,221	0
Excess (deficiency) of revenues over expenditures	1,556	1,857	811	0	7,727
Other financing sources and (uses):					
Operating transfers in	0	0	0	0	0
Operating transfers out	0	0	0	0	0
Net change in fund balance	1,556	1,857	811	0	7,727
Fund balances (deficit), beginning of year	6,214	11,544	1,712	0	13,792
Fund balances (deficit), end of year	\$7,770	\$13,401	\$2,523	\$0	\$21,519

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

November 30, 2017

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Township Motor Fuel Tax Fund				
Assets:				
Cash in banks	\$495,217	\$685,781	\$711,982	\$469,016
Due from other governments	58,213	58,106	58,213	58,106
Total assets	\$553,430	\$743,887	\$770,195	\$527,122
Liabilities:				
Accounts payable	\$1,435	30,465	1,435	\$30,465
Agency funds due to others	551,995	713,422	768,760	496,657
Total liabilities	\$553,430	\$743,887	770,195	\$527,122
Township Bridge Program Fund				
Assets -				
Cash in banks	\$4,781	\$11	\$0	\$4,792
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Agency funds due to others	4,781	11	0	4,792
Total liabilities	\$4,781	\$11	\$0	\$4,792
Non-Resident Heirs Fund				
Assets -				
Cash in banks	\$12,895	\$901	\$0	\$13,796
Liabilities -				
Agency funds due to others	\$12,895	\$901	\$0	\$13,796
Rental Housing Surcharge Fund				
Assets -				
Cash in banks	\$0	\$22,500	\$22,500	\$0
Accounts receivable	1,728	1,809	1,728	1,809
Total assets	\$1,728	\$24,309	\$24,228	\$1,809
Liabilities:				
Accounts payable	\$1,728	\$1,809	\$1,728	\$1,809
Agency funds due to others	0	22,500	22,500	0
Total liabilities	\$1,728	\$24,309	\$24,228	\$1,809

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2017

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Circuit Clerk				
Assets :				
Cash in banks	\$113,202	\$890,460	\$886,417	\$117,245
Deposits	40,693	305	305	40,693
Investments	0	65,042	64,209	833
Total assets	\$153,895	\$955,807	\$950,931	\$158,771
Liabilities -				
Agency funds due to others	\$153,895	\$955,807	\$950,931	\$158,771
County Clerk's Tax Redemption Fund				
Assets -				
Cash in banks	\$1,349	\$232,751	\$233,471	\$629
Accounts receivable	15,323	53,400	15,323	53,400
Total assets	\$16,672	\$286,151	\$248,794	\$54,029
Liabilities :				
Accounts payable	\$16,043	\$53,400	\$16,043	\$53,400
Agency funds due to others	629	232,751	232,751	629
Total liabilities	\$16,672	\$286,151	\$248,794	\$54,029
Death and Fetal Death Fees Account				
Assets -				
Cash in banks	\$60	\$4,308	\$4,016	\$352
Accounts receivable	320	572	320	572
Total assets	\$380	\$4,880	\$4,336	\$924
Liabilities -				
Accounts payable	\$60	\$352	\$60	\$352
Agency funds due to others	\$320	\$4,528	\$4,276	\$572
Total liabilities	\$380	\$4,880	\$4,336	\$924
Clerk & Recorder's Fees Account				
Assets -				
Cash in banks	\$26,488	\$279,503	\$277,875	\$28,116
Accounts receivable	30,934	32,637	30,934	32,637
Total assets	\$57,422	\$312,140	\$308,809	\$60,753
Liabilities :				
Accounts payable	\$22,478	\$18,595	\$22,478	\$18,595
Agency funds due to others	34,944	293,545	286,331	42,158
Total liabilities	\$57,422	\$312,140	\$308,809	\$60,753

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2017

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Sheriff Fees Account				
Assets -				
Cash in banks	\$145	\$47,913	\$44,731	\$3,327
Liabilities -				
Agency funds due to others	\$145	\$47,913	\$44,731	\$3,327
Prisoner Commissary Account				
Assets -				
Cash in banks	\$2,283	\$20,182	\$14,466	\$7,999
Liabilities -				
Agency funds due to others	\$2,283	\$20,182	\$14,466	\$7,999
Sheriff's Trust Account Fund				
Assets -				
Cash in banks	\$5,562	\$17,620	\$17,418	\$5,764
Liabilities -				
Agency funds due to others	\$5,562	\$17,620	\$17,418	\$5,764
County Trustee				
Assets -				
Cash in banks	\$0	\$2,611	\$1,911	\$700
Liabilities -				
Agency funds due to others	\$0	\$2,611	\$1,911	\$700
Probation Restitution Fund				
Assets -				
Cash in banks	\$421	\$0	\$49	\$372
Liabilities -				
Agency funds due to others	\$421	\$0	\$49	\$372

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2017

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Marriage Fund				
Assets -				
Cash in banks	\$1,668	\$181	\$390	\$1,459
Liabilities -				
Agency funds due to others	\$1,668	\$181	\$390	\$1,459
K-9 Fund				
Assets -				
Cash in banks	\$2,505	\$100	\$451	\$2,154
Liabilities -				
Agency funds due to others	\$2,505	\$100	\$451	\$2,154
Tax Collection Fund				
Assets :				
Cash in banks	\$14,666	\$29,027,206	\$29,027,110	\$14,762
Investments	78	286,711	286,187	602
Total assets	\$14,744	\$29,313,917	\$29,313,297	\$15,364
Liabilities -				
Agency funds due to others	\$14,744	\$29,313,917	\$29,313,297	\$15,364
All Agency Funds				
Assets:				
Cash in banks	\$681,242	\$31,232,028	\$31,242,787	\$670,483
Deposits	40,693	305	305	40,693
Investments	78	351,753	350,396	1,435
Accounts Receivable	48,305	88,418	48,305	88,418
Due from other governments	58,213	58,106	58,213	58,106
Total assets	\$828,531	\$31,730,610	\$31,700,006	\$859,135
Liabilities:				
Accounts payable	\$41,744	\$104,621	\$41,744	\$104,621
Agency funds due to others	786,787	31,625,989	31,658,262	754,514
Total liabilities	\$828,531	\$31,730,610	\$31,700,006	\$859,135

Carroll County, Illinois

Schedule of Expenditures from Taxes Extended for Tort Immunity Purposes

For the year ended November 30, 2017

Property, liability, and workers' compensation insurance	\$112,269
Unemployment	1,081
County's share of insurance costs paid by the Regional Superintendent's Trust Fund	2,392
Arbitration and litigation	0
Miscellaneous	498
Total	\$116,240



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the County Board
Carroll County, Illinois
Mount Carroll, Illinois

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carroll County, Illinois (the "County") as of and for the year ended November 30, 2017 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 8, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control that we consider to be significant deficiencies, which are described in the accompanying schedule of findings and responses as items 2017-001 and 2017-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were not subjected to the audit procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Sterling, Illinois
February 8, 2018

Carroll County, Illinois

Schedule of Findings and Responses

Finding 2017-001:

Criteria – *Governmental Auditing Standards* require that management prepare the financial statements with footnote disclosures.

Condition – The County relies on the external auditors to prepare the financial statements with footnote disclosures.

Cause - The County does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and ensure related footnote disclosures are complete and presented in accordance with the modified accrual basis of accounting.

Effects or Potential Effects – The completeness of the financial statement disclosures and the accuracy of the overall financial presentation is negatively impacted as external auditors do not have the same comprehensive understanding of the County as its internal financial staff.

Recommendation - It does not appear to be economically feasible to hire additional personnel to help prepare the financial statements and required footnote disclosures in accordance with accounting principles generally accepted in the United States of America. However, the County's close review of financial statements and required footnotes prepared by the external auditors appears to be the most economical and appropriate manner to help ensure complete and proper financial reporting.

View of responsible officials and planned corrective actions - The County will continue to review the financial statements and required footnotes prepared by the external auditors. The County believes this process to be the most economical and appropriate to help ensure complete and proper financial reporting.

Finding 2017-002:

Criteria - Internal controls should be in place that provide reasonable assurance that not one individual handles a transaction from its inception to its completion.

Condition – There is inadequate control over the functions of processing and recording the financial transactions in the Health Department, Highway Department, and Circuit Clerk's Office due to the inadequate segregation of duties stemming from limited personnel.

Cause – The County has a limited number of staff to allow for adequate segregation of duties.

Effects or Potential Effects – As a result of this condition, there is a higher risk that errors or irregularities could occur and not be detected and corrected within a timely period.

Recommendation – It does not appear to be economically feasible to hire additional personnel to help segregate the accounting functions. However, the Board's close supervision and review of accounting information appears to be the most economical and appropriate manner to help prevent and detect errors and irregularities in the County's accounting and financial reporting.

View of responsible officials and planned corrective actions – The County's management and County Board's close supervision and review of accounting information is the most economical and appropriate manner to help prevent and detect errors and irregularities in the county's accounting and financial reporting. There is no anticipated completion date for this item.