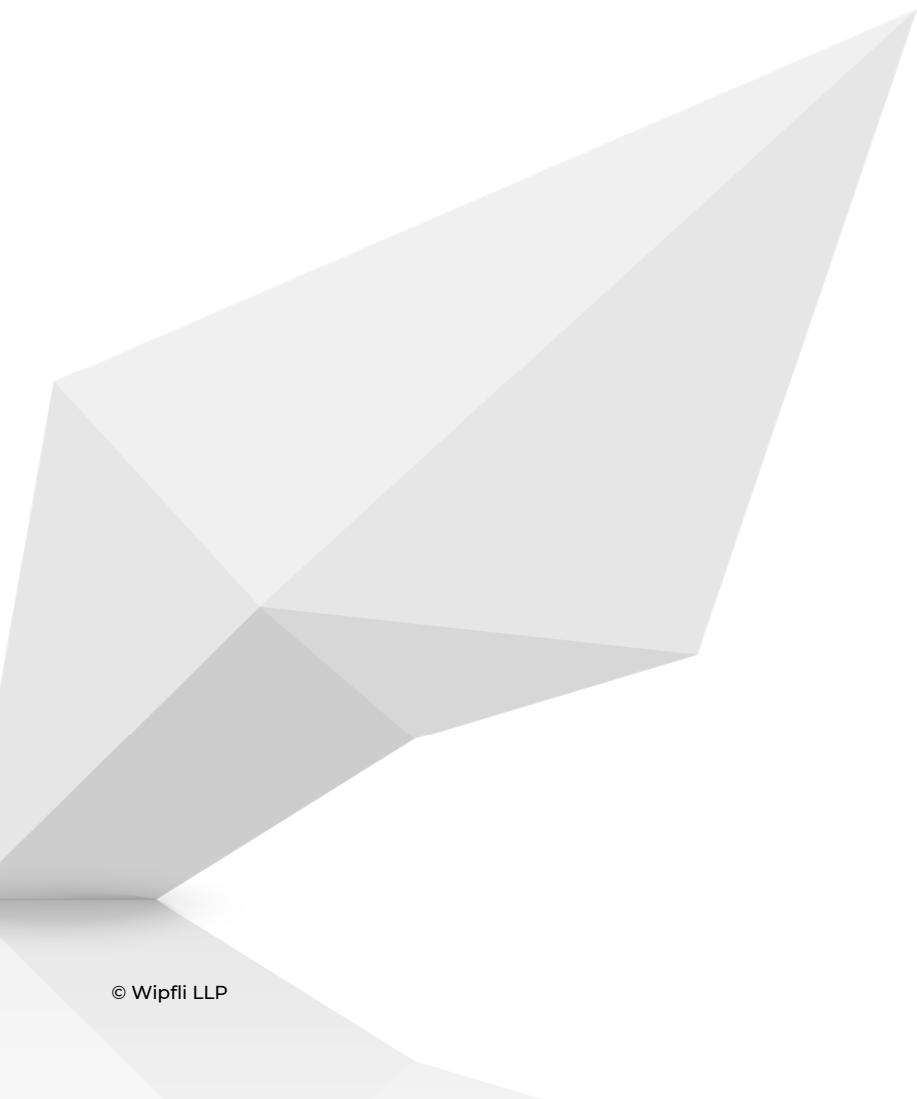


Carroll County, Illinois Mt. Carroll, Illinois

Financial Report

Year Ended November 30, 2020



Carroll County, Illinois

Year Ended November 30, 2020

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Carroll County, Illinois
Year Ended November 30, 2020

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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, 2020, 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, 2020, 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 as listed in the table of contents 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 basic financial statements. The schedules listed as supplementary information in the table contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic 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, 2021, 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, 2021

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, 2020 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

- The County's assets exceeded its liabilities at the close of the fiscal year by \$13,854,238 (net position). Of this amount, \$447,363 (unrestricted net position) may be used to meet the County's ongoing obligations.
- The County's total net position increased by \$2,017,479 during fiscal year 2020 as reported in the statement of activities.
- The County's major revenue consisted of \$3,188,296 in property tax distributions, \$2,316,055 in operating grants and contributions, and \$1,064,753 in charges for services.
- At the close of fiscal year 2020, the County's governmental funds reported combined ending fund balances of \$8,253,659, an increase of \$1,858,389 in comparison to the prior year.
- At the end of fiscal year 2020, the unassigned fund balance in the General Fund was \$1,392,110.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: (1) government-wide financial statements (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required supplementary and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the County's assets including deferred outflows of resources and liabilities including deferred inflows of resources, with the difference between the amount 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 the County include general control and administration, public safety, judiciary and court related, corrections, transportation, public health, public welfare, and interest on long-term debt. There are no business-type activities accounted for by the County.

Fund Financial Statements

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

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

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

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for major funds, (the General Fund, County Bridge, County Highway, County Motor Fuel, Matching, and Illinois Municipal Retirement). 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. The accounting used for fiduciary funds is the same as that used for proprietary funds.

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 Schedule of Changes in Net Pension Liability and Related Ratios, and the Multiyear Schedule 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 \$13,854,238 for FY2020.

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:

Net Position Governmental Activities November 30		
	2020	2019
Current assets	\$12,115,024	\$10,029,307
Noncurrent assets	6,698,433	6,682,555
Total assets	18,813,457	16,711,862
Deferred outflows of resources	875,950	1,961,928
Total assets and deferred outflows of resources	19,689,407	18,673,790
Current liabilities	609,027	414,932
Noncurrent liabilities	776,088	2,647,298
Total liabilities	1,385,115	3,062,230
Deferred inflows of resources	4,450,054	3,774,801
Total liabilities and deferred inflows of resources	5,835,169	6,837,031
Net position		
Net investment in capital assets	6,611,771	6,646,085
Restricted	6,795,104	5,144,402
Unrestricted	447,363	46,272
Total net position	\$13,854,238	\$11,836,759

At November 30, 2020, 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 Governmental Activities For the year ended November 30		
	2020	2019
Revenues:		
Program revenues:		
Charge for services	\$1,064,753	\$1,145,825
Operating grants and contributions	2,316,055	1,723,613
Capital grants and contributions	1,289,687	755,610
General revenue:		
Property taxes	3,188,296	3,109,023
Sales taxes	424,800	442,489
Income taxes	676,029	662,156
Public safety taxes	191,060	204,367
Other taxes	442,248	404,008
Unrestricted investment earnings	35,974	55,611
Miscellaneous	165,563	130,765
Total revenues	9,794,465	8,633,467
Expenses:		
General control and administration	1,654,385	1,696,993
Public safety	1,745,951	1,646,305
Judiciary and court related	825,772	972,041
Corrections	373,421	376,116
Transportation	1,905,839	1,368,989
Public health	482,639	373,956
Public welfare	788,978	753,128
Interest	1	1,516
Total expenses	7,776,986	7,189,044
Change in net position	\$2,017,479	\$1,444,423

The County's 2020 total revenues come from a variety of sources including 33% from property taxes, and 18% of every dollar raised comes from some other type of tax. Another 24% comes from operating grants and contributions along with 11% from fees charged for services.

The County's 2020 expenses cover a range of services, with about 25% related to transportation and 21% related to general control and administration. Another 22% is devoted to public safety along with 11% towards judiciary and court related services.

Net position increased \$2,017,479 from the previous year. For the fiscal year ended November 30, 2020 revenues from governmental activities totaled \$9,794,465. Tax revenues (\$4,922,433, or 51%) represent the largest source. Operating grants and contributions in 2020 account for \$2,316,055 million (24%) of the governmental activities revenue. These are mainly derived from federal and state grants.

Carroll County, Illinois

Management's Discussion and Analysis

Government-Wide Financial Analysis (continued)

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, 2020		
	Total Cost of Service	Net Cost of Service
General control and administration	\$1,654,385	(\$1,136,818)
Public safety	1,745,951	(1,264,834)
Judiciary and court related	825,772	(183,273)
Corrections	373,421	(373,421)
Transportation	1,905,839	389,769
Public health	482,639	(32,831)
Public welfare	788,978	(505,082)
Interest	1	(1)
Total governmental activities	\$7,776,986	(\$3,106,491)

For the year ended November 30, 2019		
	Total Cost of Service	Net Cost of Service
General control and administration	\$1,696,993	(\$1,248,087)
Public safety	1,646,305	(1,225,878)
Judiciary and court related	972,041	(350,538)
Corrections	376,116	(376,116)
Transportation	1,368,989	143,801
Public health	373,956	(25,330)
Public welfare	753,128	(480,332)
Interest	1,516	(1,516)
Total governmental activities	\$7,189,044	(\$3,563,996)

For the fiscal year ended November 30, 2020, expenses for governmental activities totaled \$7,776,986. Transportation related expenses accounted for \$1,905,839 (25%) of the total governmental activities expenses in 2020. Various funds established for the County Highway Department account for these expenses.

General control and administrative expenses accounted for \$1,654,385 or 21% 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.

Public Safety (22% of the total) accounted for \$1,745,951 in expenses during 2020. 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 are also part of this activity group.

Judiciary and Court related expenses totaled \$825,772 (11%) in 2020. Expenses relating to the circuit court, public defender, court services, and the State's Attorney relate to this function.

Carroll County, Illinois

Management's Discussion and Analysis

Government-Wide Financial Analysis (continued)

Public Welfare related expenses represented \$788,978 (10%) of the total governmental expense activity. The highest percentage of public welfare is directly tied to the operations of the public transportation grant.

Public Health related expenses represented \$482,639 (6%) of the total governmental expense activity. These expenses are used for the operations of the health department.

Corrections related expenses represented \$373,421 (5%) of the total governmental expense 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 \$8,253,659, an increase of \$1,858,389 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 \$1,392,110. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures.

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.

County General Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2020 continue to be property taxes and intergovernmental sources. Intergovernmental revenues for 2020 were \$1,938,616 compared with the budgeted amount of \$1,878,798. The County received more Use Taxes (\$262,369) than budgeted (\$189,000) for resulting in the larger positive variance in this category.

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 service costs. Pension, FICA and Health Insurance rates have all affected the total cost of personnel services.

Carroll County, Illinois

Management's Discussion and Analysis

Financial Analysis Of The County's Funds (continued)

County General Fund Budgetary Variances

Expenditures

General control and administration expenditures for 2020 were \$1,203,436 compared with budgeted amount of \$1,337,427. The County over budgeted for litigation expenditures, contingency, and general utilities.

County Bridge Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2020 continue to be property taxes and intergovernmental revenues. Intergovernmental revenue for 2020 was \$798,967 compared with the budgeted amount of \$2,123,580. The County over budgeted for revenue from Township work.

Expenditures

Total expenditures for 2020 were \$515,164 compared with budgeted amount of \$2,348,580. The County over budgeted for Township work.

Highway Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2020 continue to be property taxes, intergovernmental revenues, and revenues from services. Charges for services revenue for 2020 was \$112,224 compared with the budgeted amount of \$200,400. The County over budgeted for sale of materials and labor.

Expenditures

Transportation expenditures for 2020 were \$729,927 compared with budgeted amount of \$933,755. The County over budgeted for maintenance of highway and equipment.

Motor Fuel Tax Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2020 continue to be intergovernmental revenues. Intergovernmental revenue for 2020 was \$1,112,364 compared with the budgeted amount of \$659,943. The County under budgeted for Rebuild Illinois Program and County Apportionment revenue line items

Expenditures

Transportation expenditures for 2020 were \$593,477 compared with budgeted amount of \$935,365. 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)

Matching Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

Transportation expenditures for 2020 were \$60,881 compared with budgeted amount of \$1,015,385. The County did not have as many County road projects as anticipated.

Illinois Municipal Retirement Fund Budgetary Variances

Revenues

There were no significant variances compared to budget.

Expenditures

IMRF expenditures for 2020 were \$353,602 compared with budgeted amount of \$378,306. The County over budgeted for employer's share of IMRF.

Capital Asset And Long-Term Debt Activity

Capital Assets

The County's investment in capital assets for its governmental activities at year end totaled \$6,698,433 (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 \$527,932 of capital asset additions recorded during the year and \$515,054 of depreciation charges were expensed on the total capital assets. More detailed information can be found in Note 5 of the financial statements.

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

- Office furniture, equipment and vehicles = \$351,977
- Construction in progress = \$119,152

Net Book Value of Capital Assets at November 30		
	2020	2019
Land and other nondepreciable assets	\$155,732	\$155,732
Construction in progress	714,234	835,210
Buildings	213,288	223,175
Building improvements	849,970	857,765
Office furniture, equipment and vehicle	985,096	877,097
Infrastructure	3,780,113	3,733,576
Total	\$6,698,433	\$6,682,555

Carroll County, Illinois

Management's Discussion and Analysis

Capital Asset And Long-Term Debt Activity (Continued)

Debt Administration

The County had \$233,702 in governmental activities long term debt which consisted of a capital lease, notes payable, and accrued compensated absences. See Note 12 for details of debt.

Governmental Activities Outstanding Debt at November 30		
	2020	2019
Capital leases payable	\$0	\$36,470
Notes payable	86,662	0
Accrued compensated absences	147,040	156,800
Total	\$233,702	\$193,270

Economic Factors

Unemployment is stable with very little change from November of 2019 at 3.5% to November of 2020 at 4.4%.

Based on the U.S. Census Bureau, the County's population for 2020 is estimated at 14,296 a decrease from the 2010 census of 15,387.

Municipal and Supplemental sales tax revenue have increased more than anticipated in 2020. County property tax revenues collected in 2020 were approximately one percent more than 2019 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, 2020

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Cash, deposits, and investments	\$7,961,332
Accounts receivable	208,270
Property taxes receivable	3,339,000
Due from other governments	533,755
Inventory	1,623
Prepaid items	71,044
Total current assets	12,115,024
Capital assets:	
Land and other non-depreciable assets	869,966
Depreciable property and equipment, net of depreciation	5,828,467
Total capital assets	6,698,433
Deferred outflows of resources -	
Deferred outflows of pension resources	875,950
Total assets and deferred outflows of resources	19,689,407
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable and accrued payroll	522,365
Notes payable	86,662
Total current liabilities	609,027
Noncurrent liabilities:	
Accrued compensated absences	147,040
Notes payable	0
Net pension liability	629,048
Total noncurrent liabilities	776,088
Deferred inflows of resources -	
Deferred inflows of pension resources	1,111,054
Unavailable property taxes	3,339,000
Total deferred inflows of resources	4,450,054
Total liabilities and deferred inflows of resources	5,835,169
NET POSITION	
Net investment in capital assets	6,611,771
Restricted	6,795,104
Unrestricted	447,363
Total net position	\$13,854,238

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Statement of Activities

For the year ended November 30, 2020

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	\$1,654,385	\$459,630	\$57,937	\$0	(\$1,136,818)
Public safety	1,745,951	87,576	393,541	0	(1,264,834)
Judiciary and court related	825,772	311,338	331,161	0	(183,273)
Corrections	373,421	0	0	0	(373,421)
Transportation	1,905,839	112,224	893,697	1,289,687	389,769
Public health	482,639	93,985	355,823	0	(32,831)
Public welfare	788,978	0	283,896	0	(505,082)
Interest	1	0	0	0	(1)
Total governmental activities	\$7,776,986	\$1,064,753	\$2,316,055	\$1,289,687	(3,106,491)

General revenues:

Taxes:

Property taxes	3,188,296
Sales taxes	424,800
State income taxes	676,029
Public safety taxes	191,060
Other	442,248
Unrestricted investment earnings	35,974
Miscellaneous	165,563
Total general revenues	5,123,970

Change in net position 2,017,479

Net position - beginning 11,836,759

Net position - ending \$13,854,238

Carroll County, Illinois

Governmental Funds

Balance Sheet

November 30, 2020

ASSETS	General	County Bridge	County Highway	County Motor Fuel
Cash, deposits, and investments	\$1,274,873	\$1,051,664	\$489,267	\$893,939
Accounts receivable	58,951	104,180	2,276	0
Property taxes receivable	1,080,000	200,000	400,000	0
Due from other governments	278,676	0	0	42,686
Inventory	0	0	0	0
Prepaid items	71,044	0	0	0
Due from other funds	0	0	3,819	0
Total assets	\$2,763,544	\$1,355,844	\$895,362	\$936,625
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$68,725	\$148,980	\$14,878	\$0
Accrued payroll	151,665	0	17,344	6,546
Due to other funds	0	0	0	0
Total liabilities	220,390	148,980	32,222	6,546
Deferred inflows of resources - Unavailable property taxes	1,080,000	200,000	400,000	0
Fund balances:				
Nonspendable	71,044	0	0	0
Restricted	0	1,006,864	463,140	930,079
Committed	0	0	0	0
Unassigned	1,392,110	0	0	0
Total fund balances	1,463,154	1,006,864	463,140	930,079
Total liabilities, deferred inflows of resources and fund balances	\$2,763,544	\$1,355,844	\$895,362	\$936,625

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Governmental Funds

Balance Sheet (Continued)

November 30, 2020

ASSETS	Matching	Illinois Municipal Retirement	Other Governmental Funds	Total Governmental Funds
Cash, deposits, and investments	\$1,062,589	\$458,969	\$2,730,031	\$7,961,332
Accounts receivable	0	0	42,863	208,270
Property taxes receivable	200,000	425,000	1,034,000	3,339,000
Due from other governments	0	0	212,393	533,755
Inventory	0	0	1,623	1,623
Prepaid items	0	0	0	71,044
Due from other funds	0	0	0	3,819
Total assets	\$1,262,589	\$883,969	\$4,020,910	\$12,118,843
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$757	\$90,021	\$323,361
Accrued payroll	0	0	23,449	199,004
Due to other funds	0	0	3,819	3,819
Total liabilities	0	757	117,289	526,184
Deferred inflows of resources -				
Unavailable property taxes	200,000	425,000	1,034,000	3,339,000
Fund balances:				
Nonspendable	0	0	1,623	72,667
Restricted	1,062,589	458,212	2,874,220	6,795,104
Committed	0	0	0	0
Unassigned	0	0	(6,222)	1,385,888
Total fund balances	1,062,589	458,212	2,869,621	8,253,659
Total liabilities, deferred inflows of resources and fund balances	\$1,262,589	\$883,969	\$4,020,910	\$12,118,843

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, 2020

Total fund balances - governmental funds	\$8,253,659
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.	6,698,433
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	(864,152)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds -	
Notes payable	(86,662)
Compensated absences not due and payable from current resources are not reported in the governmental funds.	<u>(147,040)</u>
Total net position - governmental activities	<u><u>\$13,854,238</u></u>

Carroll County, Illinois

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

For the year ended November 30, 2020

	General	County Bridge	County Highway	County Motor Fuel
Revenues:				
Property taxes	\$1,021,087	\$189,091	\$378,183	\$0
Intergovernmental revenue	1,938,616	798,967	272,053	1,112,364
Charges for services	523,881	0	112,224	0
Licenses and permits	0	0	0	0
Interest	7,134	3,774	1,260	4,732
Other revenue	39,533	0	8,973	0
Total revenues	3,530,251	991,832	772,693	1,117,096
Expenditures:				
Current:				
General control and administration	1,203,436	0	0	0
Public safety	1,261,368	0	0	0
Judiciary and court related	737,807	0	0	0
Corrections	325,257	0	0	0
Transportation	1,000	426,959	473,502	593,477
Public health	2,500	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal	0	0	36,470	0
Interest	0	0	1	0
Capital outlay	74,977	88,205	219,954	0
Total expenditures	3,606,345	515,164	729,927	593,477
Excess (deficiency) of revenues over expenditures	(76,094)	476,668	42,766	523,619
Other financing sources and (uses) and (uses):				
Proceeds from note payable	0	0	86,662	0
Transfers in	299,612	0	1,837	0
Transfers out	(14,000)	0	0	0
Net other financing sources and (uses)	285,612	0	88,499	0
Net change in fund balance	209,518	476,668	131,265	523,619
Fund balances, beginning of year	1,253,636	530,196	331,875	406,460
Fund balances, end of year	\$1,463,154	\$1,006,864	\$463,140	\$930,079

See Accompanying Notes to Financial Statements.

Carroll County, Illinois

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

For the year ended November 30, 2020

	Matching	Illinois Municipal Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$189,091	\$417,626	\$993,218	\$3,188,296
Intergovernmental revenue	0	0	1,217,879	5,339,879
Charges for services	0	0	422,288	1,058,393
Licenses and permits	0	0	6,360	6,360
Interest	4,970	1,727	12,377	35,974
Other revenue	48,494	0	68,563	165,563
Total revenues	242,555	419,353	2,720,685	9,794,465
Expenditures:				
Current:				
General control and administration	0	81,496	384,502	1,669,434
Public safety	0	124,848	247,907	1,634,123
Judiciary and court related	0	72,781	86,868	897,456
Corrections	0	27,520	17,033	369,810
Transportation	53,261	46,730	28,923	1,623,852
Public health	0	227	478,658	481,385
Public welfare	0	0	782,275	782,275
Debt service:				
Principal	0	0	0	36,470
Interest	0	0	0	1
Capital outlay	7,620	0	137,176	527,932
Total expenditures	60,881	353,602	2,163,342	8,022,738
Excess (deficiency) of revenues over expenditures	181,674	65,751	557,343	1,771,727
Other financing sources and (uses)				
and (uses):				
Proceeds from note payable	0	0	0	86,662
Transfers in	0	4,670	112,189	418,308
Transfers out	0	(25,377)	(378,931)	(418,308)
Net other financing sources and (uses)	0	(20,707)	(266,742)	86,662
Net change in fund balance	181,674	45,044	290,601	1,858,389
Fund balances, beginning of year	880,915	413,168	2,579,020	6,395,270
Fund balances, end of year	\$1,062,589	\$458,212	\$2,869,621	\$8,253,659

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, 2020

Net change in fund balance - Governmental funds	\$1,858,389
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.	15,878
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.	183,644
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	(86,662)
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/note payable repayment	36,470
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.	9,760
Change in net position of governmental activities	<u><u>\$2,017,479</u></u>

Carroll County, Illinois

Statement of Fiduciary Net Position

November 30, 2020

	Agency Funds
ASSETS	
Cash, deposits, and investments	\$1,767,446
Accounts receivable	56,176
Due from other governments	82,376
Total assets	\$1,905,998
LIABILITIES	
Accounts payable	\$199,842
Agency funds due to others	1,706,156
Total liabilities	\$1,905,998

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

The Financial Reporting Entity

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

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

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, 2020 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

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

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

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental 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 – This fund is the County's primary operating 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 Bridge Fund – This fund is used for funding County and township bridge projects, culver replacements and project design.

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.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

County Motor Fuel Fund – This fund is used for maintenance of County roads using state approved materials and contractors.

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 (IMRF) – This fund is used to pay retirement for SLEP and non-SLEP employees of the County.

Fiduciary

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

Measurement Focus and Basis of Accounting

Basis of Accounting

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

The 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 (susceptible to accrual). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers all imposed nonexchange revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include (1) charges to customers of applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenues. Likewise, general revenues include all taxes.

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

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

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.

Cash and Investments

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

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices.

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.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs' therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on techniques that maximize the use of relevant observable inputs and minimizes the use of unobservable inputs.

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Accounts Receivable

The County's property tax is levied each year on all taxable real property located in the County. The 2019 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2020. The County must file its tax levy by the last Tuesday of December each year. The 2019 levy was approved on November 21, 2019. The 2020 levy was approved on November 19, 2020.

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 2020 became due and payable in two installments, generally in July 2021 and September 2021. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Inventories and Prepaid Items

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

Prepaid items represent payments made by the County for which benefits extend beyond November 30, 2020. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Capital Assets

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

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

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

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)

Capital Assets (continued)

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (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.

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.

Net Position

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

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

Carroll County, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (continued)

Fund Balances

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

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

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

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

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

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

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

Subsequent Events

Subsequent events have been evaluated through February 8, 2021, which is the date the financial statements were available to be issued.

Carroll County, Illinois

Notes to Financial Statements

Note 2 Stewardship, Compliance and Accountability

Excess of expenditures over appropriations

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

Fund	Amount
Law Library	\$3,161
Public Safety Tax	\$2,065
Court Security Fee	\$9,638
State's Attorney VOCA	\$198
Sex Offender Registry	\$1,040

Deficit Fund Equity

As of November 30, 2020, the State's Attorney VOCA Fund had a deficit fund balance of (\$3,205) and the States Attorney Task Force Fund had a deficit fund balance of (\$3,017).

Note 3 Cash Deposits with Financial Institutions

Deposits

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County has a deposit policy for custodial credit risk. As of November 30, 2020, the County's bank balance was \$6,449,316 and the entire balance was insured and collateralized with securities in the County's name.

Note 4 Investments

As of November 30, 2020, the County had the following investments:

	Governmental Activities	Fair Value Statement of Fiduciary Net Position	Total
Illinois Funds Money Market Fund	\$3,578,867	\$0	\$3,578,867

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	Total	Remaining Maturity (in Years)			
		0-1	1-5	5-10	More Than 10
Local government investment pool	\$3,578,867	\$3,578,867	\$0	\$0	\$0

Carroll County, Illinois

Notes to Financial Statements

Note 4 Investments (continued)

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, 2020	AAAm	Aa	Unrated
Local government investment pool	\$3,578,867	\$3,578,867	\$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, 2020, 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.

Note 5 Capital Assets

The governmental activities capital asset activity for the year ended November 30, 2020 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases and Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$155,732	\$0	\$0	\$155,732
Construction in progress	835,210	119,152	(240,128)	714,234
Total capital assets, not being depreciated:	990,942	119,152	(240,128)	869,966
Capital assets, being depreciated:				
Buildings	588,081	0	0	588,081
Building improvements	1,386,776	33,500	0	1,420,276
Office furniture, equipment and vehicle	4,270,386	351,977	(175,703)	4,446,660
Infrastructure	6,124,420	23,303	240,128	6,387,851
Total capital assets, being depreciated:	12,369,663	408,780	64,425	12,842,868

Carroll County, Illinois

Notes to Financial Statements

Note 5 Capital Assets (continued)

Governmental activities:	Beginning Balance	Increases	Decreases and Transfers	Ending Balance
Accumulated depreciation:				
Buildings	364,906	9,887	0	374,793
Building improvements	529,011	41,295	0	570,306
Office furniture, equipment and vehicle	3,393,289	243,978	(175,703)	3,461,564
Infrastructure	2,390,844	216,894	0	2,607,738
Total accumulated depreciation	6,678,050	512,054	(175,703)	7,014,401
Total capital assets, being depreciated, net	5,691,613	(103,274)	240,128	5,828,467
Governmental activities capital assets, net	\$6,682,555	\$15,878	\$0	\$6,698,433

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General control and administration	\$51,602
Public safety	101,444
Judiciary and court related	11,134
Public health	8,014
Transportation	339,860
Total depreciation expense, governmental activities	\$512,054

Note 6 Retirement Plans

Illinois Municipal Retirement Fund

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

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

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

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

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

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

Regular Plan (RP)

Employees Covered by the Benefit Terms - As of December 31, 2019, 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	22
Active plan members	48
Total	115

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 2019 was 9.32%. For the fiscal year ended November 30, 2020, the County contributed \$231,310 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, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued)

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2019:

- **Actuarial Cost Method** used was Entry Age Normal.
- **Asset Valuation Method** used was Market Value of Assets.
- **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.35% to 14.25%, including inflation.
- **Investment Rate of Return** was assumed to be 7.25%.
- **Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- **Mortality**, For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2019:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	5.75%
International Equity	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	3.60-7.60%
Cash Equivalents	1%	1.85%
Total	100%	

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued)

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at January 1, 2019	\$13,448,507	\$11,667,913	\$1,780,594
Changes for the year:			
Service cost	220,518	0	220,518
Interest on the total pension liability	964,075	0	964,075
Changes of benefit terms			
Differences between expected and actual experience of the total pension liability	(6,186)	0	(6,186)
Changes in assumptions	0	0	0
Contributions – employer	0	248,454	(248,454)
Contributions – employees	0	95,820	(95,820)
Net investment income	0	2,117,093	(2,117,093)
Benefit payments, including refunds of employee contributions	(522,350)	(522,350)	0
Other (net transfer)	0	68,499	(68,499)
Net changes	656,057	2,007,516	(1,351,459)
Balances at December 31, 2019	\$14,104,564	\$13,675,429	\$429,135

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued)

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

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability	\$2,186,888	\$429,135	(\$1,014,049)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the year ended November 30, 2020, the County recognized pension expense of \$44,207. At November 30, 2020, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$4,339	\$135,661
Changes of assumptions	200,354	136,770
Net difference between projected and actual earnings on pension plan investments	0	541,435
Total deferred amounts to be recognized in pension expense in future periods	204,693	813,866
Pension contributions made subsequent to the measurement date	215,974	0
Total deferred amounts related to pensions	\$420,667	\$813,866

The County reported \$215,974 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2021.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Regular Personnel (RP) (continued)

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

<u>Year Ending November 30:</u>	<u>Net Deferred Inflows of Resources</u>
2021	(\$236,071)
2022	(182,411)
2023	64,628
2024	(255,319)
2025	0
Thereafter	0
<u>Total</u>	<u>(\$609,173)</u>

Sheriff's Law Enforcement (SLEP):

Employees Covered by the Benefit Terms - As of December 31, 2019, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	15
-Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	14
<u>Total</u>	<u>38</u>

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 2019 was 11.31%. For the fiscal year ended November 30, 2020, the County contributed \$106,682 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, 2019. 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, 2019:

- **Actuarial Cost Method** used was Entry Age Normal.
- **Asset Valuation Method** used was Market Value of Assets.
- **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.35% to 14.25%, including inflation.
- **Investment Rate of Return** was assumed to be 7.25%.

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP) (continued)

- **Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- **Mortality**, For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMFR specific mortality table was used with fully generational projection scale MP-2017(base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2019:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	5.75%
International Equity	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	3.60-7.60%
Cash Equivalents	1%	1.85%
Total	100%	

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Sheriff's Law Enforcement (SLEP) (continued)

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at January 1, 2019	\$5,824,890	\$5,114,986	\$709,904
Changes for the year:			
Service cost	129,664	0	129,664
Interest on the total pension liability	415,891	0	415,891
Differences between expected and actual experience of the total pension liability	140,662	0	140,662
Changes in assumptions	0	0	0
Contributions – employer	0	129,349	(129,349)
Contributions – employees	0	52,619	(52,619)
Net investment income	0	984,148	(984,148)
Benefit payments, including refunds of employee contributions	(306,583)	(306,583)	0
Other (net transfer)	0	30,092	(30,092)
Net changes	379,634	889,625	(509,991)
Balances at December 31, 2019	\$6,204,524	\$6,004,611	\$199,913

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

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability	\$907,723	\$199,913	(\$386,883)

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, 2020, the County recognized pension expense of \$149,953. At November 30, 2020, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$265,828	\$9,018
Changes of assumptions	89,123	32,116
Net difference between projected and actual earnings on pension plan investments	0	256,054
Total deferred amounts to be recognized in pension expense in future periods	354,951	297,188
Pension contributions made subsequent to the measurement date	100,332	0
Total deferred amounts related to pensions	\$455,283	\$297,188

The County reported \$100,332 as deferred outflows related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending November 30, 2021.

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
2021	\$12,202
2022	17,777
2023	118,060
2024	(96,448)
2025	6,172
Thereafter	0
Total	\$57,763

Carroll County, Illinois

Notes to Financial Statements

Note 6 Retirement Plans (continued)

Aggregate Pension Amounts - At November 30, 2020, the County reported the following from all pension plans:

	IMRF- Regular	IMRF- SLEP	All Pension Plans
Net pension liability/(asset)	\$429,135	\$199,913	\$629,048
Deferred outflows of resources	420,667	455,283	875,950
Deferred inflows of resources	813,866	297,188	1,111,054
Pension expense	44,207	149,953	194,160

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. 75, *Accounting and Financial Reporting 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, 2020.

Note 9 Construction and Other Significant Commitments

Construction commitments. The County has entered into an agreement with a contractor for work relating to the Ideal Road Project. The estimated cost for this project is approximately \$7,100,000 with costs being shared between the Grade Crossing Protection Fund ("GCPF"), the County, and Burlington Northern Santa Fe ("BNSF") Railway. The County is responsible for approximately \$2,200,000 of the estimated construction costs. GCPF is responsible for approximately \$4,000,000 of the estimated construction, land acquisition, preliminary engineering, and utility costs. BNSF is responsible for approximately \$900,000 of the estimated construction costs. Total costs incurred by the County on this project are approximately \$600,000 as of November 30, 2020. The estimated completion date for the project is by November 30, 2021.

Carroll County, Illinois

Notes to Financial Statements

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, 2020 was \$1,000. During the year ended November 30, 2020, 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.

Note 11 Lease Obligations

Capital Lease

In September 2016, the County obtained a capital lease with Exchange State Bank 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%. Final payment was made in fiscal year 2020.

Operating Lease

The County leases various software under operating lease agreements which expire in 2025. Total lease expense paid for November 30, 2020 was \$121,411. The following is a schedule of future minimum lease payments under operating leases at November 30, 2020:

Fiscal Year Ended November 30,	Operating Leases
2021	\$52,578
2022	52,578
2023	52,578
2024	52,578
2025	52,578
	\$262,890

Carroll County, Illinois

Notes to Financial Statements

Note 12 Long-Term Debt

Mack Dump Truck Note Payable

The County obtained a \$86,662 loan from State Bank of Pearl City for a dump truck for the Highway Department with an interest rate of 1.50% payable in an annual installment of \$86,662 through May 7, 2021.

Note Payable	Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding 11/30/20
Mack Dump Truck	5/7/2020	\$86,662	1.50	5/7/2021	\$86,662

Debt service requirements to maturity are as follows:

Governmental activities

Year ending November 30:	Notes Payable	
	Principal	Interest
2021	\$86,662	\$1,300

Long term liability activity for the year ended November 30, 2020 is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Long-term debt:					
Capital lease	\$36,470	\$0	\$36,470	\$0	\$0
Note payable	0	86,662	0	86,662	86,662
Compensated absences	156,800	224,042	233,802	147,040	0
Totals	\$193,270	\$310,704	\$270,272	\$233,702	\$86,662

The County is subject to a debt limitation of 5.75% of its assessed valuation of \$378,529,098. As of November 30, 2020, the County had \$21,765,423 remaining legal debt margin.

Carroll County, Illinois

Notes to Financial Statements

Note 13 Net Position

Net position reported on the government wide statement of net position at November 30, 2020:

Governmental Activities:

Net investment in capital assets:

Land and other non-depreciable assets	\$869,966
Other capital assets, net of accumulated depreciation	5,828,467
Less: related long-term debt outstanding	(86,662)
Total net investment in capital assets	6,611,771

Restricted:

State statutes and enabling legislation	6,762,500
Externally imposed by grantors	32,604
Total restricted	6,795,104

Unrestricted	447,363
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Total governmental activities net position	\$13,854,238
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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 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.

Carroll County, Illinois

Notes to Financial Statements

Note 14 Fund Balance (continued)

Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board to assign amounts to be used for specific purposes. The County has no assigned balances at year end.

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	\$71,044
Non-Major Funds -	
Health Department - Inventory	1,623
Total nonspendable fund balance	\$72,667

Restricted Fund Balance

Major Funds:	
State statutes and enabling legislation:	
County Bridge	\$1,006,864
County Highway	463,140
Motor Fuel Tax	930,079
Matching	1,062,589
Illinois Municipal Retirement	458,212
Non-Major Funds:	
State statutes and enabling legislation:	
911	603,225
Veteran's Assistance	30,212
Community Mental Health	16,210
Law Library	6,227
State's Attorney Drug Fines and Forfeiture	22,616
Senior Citizen	5,294
Social Security	401,921
Tourism Promotion	27,604
Maintenance and Child Support	109,655
Court Automation	68,910
Probation Service Fee	70,651
Document Storage Fee	47,315
Geographic Information Systems	50,972
Animal Control	3,896
Tax Sale Automation	21,890
DUI Enforcement Equipment	4,042
Geographic Information Systems Fee Resolution	29,980
County Recorder's Automation	120,012
Vital Records Automation	32,755
Liability Insurance	508,031

Carroll County, Illinois

Notes to Financial Statements

Note 14 Fund Balance (continued)

Restricted Fund Balance (continued)

Non-Major Funds:

State statutes and enabling legislation:

County Health Department	453,276
Public Safety Tax	59,357
Pet Population Control	7,211
Squad Car Acquisition and Maintenance	3,954
Victims Impact	5,580
Failure to Appear	12,739
Circuit Clerk Operation and Administration	15,976
Sex Offender Registry	4,503
Coroner's Fees	31,427
Court Security Fee	44,870
States Attorney Records Automation	325
Public Defends Records Automation	788
Law Enforcement Operation	18,770
Probation Court Fee	1,422
Externally imposed by grantors- Grant	32,604

Total restricted fund balance	\$6,795,104
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Unassigned Fund Balance

Major Funds -

General Fund	\$1,392,110
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Non-Major Funds -

State's Attorney VOCA	(3,205)
States Attorney Task Force	(3,017)

Total unassigned fund balance	\$1,385,888
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Note 15 Minimum Year-End Fund Balance Policies

The County has adopted minimum year-end fund balance policies. According to the County's policy the county will attempt to maintain a minimum fund balance of 30% of annual expenses and transfers for funds that routinely pay wages and benefits. The funds that the county is maintaining 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 30% of annual expenses and transfers the finance committee will develop an action plan to restore the fund balance to the desired level. The County has managed to maintain all of these fund balances at the desired level so no action plan is necessary.

Carroll County, Illinois

Notes to Financial Statements

Note 16 Interfund Receivables and Payables

Individual fund interfund receivable and payable balances. Balances at November 30, 2020 were as follows:

Receivable Fund	Payable Fund	Amount
County Highway	Nonmajor governmental funds	\$3,819

Note 17 Interfund Transfers

Below are the interfund transfers as of November 30, 2020:

	Transfers In	Transfers Out
Major funds:		
General Fund	\$299,612	\$14,000
County Highway	1,837	0
Illinois Municipal Retirement Fund	4,670	25,377
Nonmajor funds	112,189	378,931
Total all funds	\$418,308	\$418,308

The purpose of the significant transfers to/from other funds are as followed:

- \$185,000 was transferred from the Public Safety Sales Tax to the General Fund to offset public safety expenditures in the General Fund.
- \$48,561 was transferred from the Liability Insurance Fund to the General, County Highway, GIS, and Health Department Funds to offset the County's risk management.
- \$49,806 was transferred from the 911 Fund to the General, Social Security, and IMRF funds to offset the 911 payroll and benefit related expenditures.

Note 18 Impact of Pending Accounting Principles

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. 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 fiscal years beginning after June 15, 2021. 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. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which supersedes GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement (1) enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) simplifies accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The County has not determined the effect of this Statement

GASB Statement No. 90, *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The County has not determined the effect of this Statement.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The County has not determined the effect of this Statement.

GASB Statement No. 92, *Omnibus*, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The County has not determined the effect of this Statement.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. The County has not determined the effect of this Statement.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides for more guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The County has not determined the effect of this Statement.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. 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. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, amends GASB Statements Nos. 14 and 84, and a suppression of GASB Statement No.32, provides more guidance for determining whether a primary government is financially accountable for a potential component unit, when the financial burden criterion in paragraph 7 of GASB Statement No. 84 applies, and this statement clarifies that GASB Statement No. 84 should applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged if GASB Statement No. 84 has been implemented. The County has not determined the effect of this Statement.

Note 19 Risks and Uncertainties

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Virus Crisis ("CV19 Crisis"). The long-term impact of the CV19 Crisis on the County cannot be reasonably estimated at this time.

Required Supplementary Information

Carroll County, Illinois

General Fund

Budgetary Comparison Schedule for the General Fund

Required Supplementary Information

For the year ended November 30, 2020

	Budgeted Amounts Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$1,056,700	\$1,021,087	(\$35,613)
Intergovernmental revenue	1,878,798	1,938,616	59,818
Charges for services	532,000	523,881	(8,119)
Interest	10,750	7,134	(3,616)
Other revenue	26,000	39,533	13,533
Total revenues	3,504,248	3,530,251	26,003
Expenditures:			
General control and administration	1,337,427	1,203,436	133,991
Public safety	1,355,509	1,261,368	94,141
Judiciary and court related	803,879	737,807	66,072
Corrections	352,609	325,257	27,352
Transportation	11,500	1,000	10,500
Public welfare	2,500	2,500	0
Capital outlay	0	74,977	(74,977)
Total expenditures	3,863,424	3,606,345	257,079
Excess (deficiency) of revenues over expenditures	(359,176)	(76,094)	283,082
Other financing sources and (uses):			
Transfers in	332,089	299,612	(32,477)
Transfers out	(14,000)	(14,000)	0
Net other financing sources and (uses)	318,089	285,612	(32,477)
Net change in fund balance	<u>(\$41,087)</u>	209,518	<u>\$250,605</u>
Fund balance, beginning of year		<u>1,253,636</u>	
Fund balance, end of year		<u>\$1,463,154</u>	

See Notes to Required Supplementary Information.

Carroll County, Illinois

County Bridge Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2020

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$197,125	\$189,091	(\$8,034)
Intergovernmental revenue	2,123,580	798,967	(1,324,613)
Charges for services	0	0	0
Interest	500	3,774	3,274
Other revenue	0	0	0
Total revenues	2,321,205	991,832	(1,329,373)
Expenditures:			
Transportation	2,348,580	426,959	1,921,621
Capital outlay	0	88,205	(88,205)
Total expenditures	2,348,580	515,164	1,833,416
Net change in fund balance	<u>(\$27,375)</u>	476,668	<u>\$504,043</u>
Fund balance, beginning of year		<u>530,196</u>	
Fund balance, end of year		<u>\$1,006,864</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, 2020

	Budgeted Amounts Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$393,775	\$378,183	(\$15,592)
Intergovernmental revenue	227,931	272,053	44,122
Charges for services	200,400	112,224	(88,176)
Interest	1,500	1,260	(240)
Other revenue	4,000	8,973	4,973
Total revenues	827,606	772,693	(54,913)
Expenditures -			
Transportation	933,755	473,502	460,253
Debt service:			
Principal	0	36,470	(36,470)
Interest and fiscal charges	0	1	(1)
Capital outlay	0	219,954	(219,954)
Total expenditures	933,755	729,927	203,828
Excess (deficiency) of revenues over expenditures	(106,149)	42,766	148,915
Other financing sources and (uses) -			
Proceeds from note payable	87,000	86,662	(338)
Transfers in	1,837	1,837	0
Net other financing sources and (uses)	88,837	88,499	(338)
Net change in fund balance	(\$17,312)	131,265	\$148,577
Fund balance, beginning of year		331,875	
Fund balance, end of year		\$463,140	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Motor Fuel Tax Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2020

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$0	\$0	\$0
Intergovernmental revenue	659,943	1,112,364	452,421
Charges for services	0	0	0
Interest	2,000	4,732	2,732
Other revenue	0	0	0
Total revenues	661,943	1,117,096	455,153
Expenditures -			
Transportation	935,365	593,477	341,888
Capital Outlay	0	0	0
Total expenses	935,365	593,477	341,888
Net change in fund balance	<u>(\$273,422)</u>	523,619	<u>\$797,041</u>
Fund balance, beginning of year		<u>406,460</u>	
Fund balance, end of year		<u>\$930,079</u>	

See Notes to Required Supplementary Information.

Carroll County, Illinois

Matching Fund

Budgetary Comparison Schedule

Required Supplementary Information

For the year ended November 30, 2020

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$197,100	\$189,091	(\$8,009)
Intergovernmental revenue	0	0	0
Charges for services	0	0	0
Interest	8,500	4,970	(3,530)
Other revenue	0	48,494	48,494
Total revenues	205,600	242,555	36,955
Expenditures -			
Transportation	1,015,385	53,261	962,124
Capital Outlay	0	7,620	(7,620)
Total expenses	1,015,385	60,881	954,504
Net change in fund balance	<u><u>(\$809,785)</u></u>	181,674	<u><u>\$991,459</u></u>
Fund balance, beginning of year		<u>880,915</u>	
Fund balance, end of year		<u><u>\$1,062,589</u></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, 2020

	Budgeted Amounts		
	Original and Final	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$418,300	\$417,626	(\$674)
Intergovernmental revenue	0	0	0
Interest	700	1,727	1,027
Total revenues	419,000	419,353	353
Expenditures:			
General control and administration	378,306	81,496	296,810
Public safety	0	124,848	(124,848)
Judiciary and court related	0	72,781	(72,781)
Corrections	0	27,520	(27,520)
Transportation	0	46,730	(46,730)
Public health	0	227	(227)
Public welfare	0	0	0
Total expenditures	378,306	353,602	24,704
Excess (deficiency) of revenues over expenditures	40,694	65,751	25,057
Other financing sources and (uses):			
Transfers in	5,208	4,670	(538)
Transfers out	(25,377)	(25,377)	0
Net other financing sources and (uses)	(20,169)	(20,707)	(538)
Net change in fund balance	\$20,525	45,044	\$24,519
Fund balance, beginning of year		413,168	
Fund balance, end of year		\$458,212	

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)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$220,518	\$208,716	\$211,479	\$225,997	\$223,551	\$235,052				
Interest on the total pension liability	964,075	929,736	931,351	884,445	844,274	759,959				
Changes of benefit changes	0	0	0	0	0	0				
Difference between expected and actual experience of the total pension liability	(6,186)	(87,400)	(249,152)	25,667	(60,454)	136,774				
Changes of assumptions	0	376,150	(388,483)	(30,640)	14,957	429,979				
Benefit payments, including refunds of employee contributions	(522,350)	(541,635)	(509,048)	(499,619)	(443,251)	(390,316)				
Net change in total pension liability	656,057	885,567	(3,853)	605,850	579,077	1,171,448				
Total pension liability - beginning	13,448,507	12,562,940	12,566,793	11,960,943	11,381,866	10,210,418				
Total pension liability - ending (a)	\$14,104,564	\$13,448,507	\$12,562,940	\$12,566,793	\$11,960,943	\$11,381,866				
Plan fiduciary net position:										
Contributions - employer	\$248,454	\$255,177	\$262,170	\$308,195	\$301,109	\$293,354				
Contributions - employees	95,820	95,723	99,834	93,100	93,542	92,647				
Net investment income	2,117,093	(590,871)	1,900,102	705,250	51,211	588,000				
Benefit payments, including refunds of employee contributions	(522,350)	(541,635)	(509,048)	(499,619)	(443,251)	(390,316)				
Other (net transfers)	68,499	160,874	(381,612)	76,343	(35,229)	41,358				
Net change in plan fiduciary net position	2,007,516	(620,732)	1,371,446	683,269	(32,618)	625,043				
Plan fiduciary net position - beginning	11,667,913	12,288,645	10,917,199	10,233,930	10,266,548	9,641,505				
Plan fiduciary net position - ending (b)	\$13,675,429	\$11,667,913	\$12,288,645	\$10,917,199	\$10,233,930	\$10,266,548				
Net pension liability(asset) - Ending (a) - (b)	429,135	1,780,594	274,295	1,649,594	1,727,013	1,115,318				
Plan fiduciary net position as a percentage of total pension liability	96.96%	86.76%	97.82%	86.87%	85.56%	90.20%				
Covered valuation payroll	2,129,332	2,121,178	2,067,911	2,066,163	2,074,773	2,004,567				
Net pension liability as a percentage of covered valuation payroll	20.15%	83.94%	13.26%	79.84%	83.24%	55.64%				

See Notes to Required Supplementary Information.

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)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$129,664	\$124,970	\$118,621	\$119,567	\$132,357	\$135,571				
Interest on the total pension liability	415,891	383,852	369,937	348,819	331,999	304,438				
Changes of benefit changes	0	0	0	0	0	0				
Difference between expected and actual experience of the total pension liability	140,662	236,116	4,032	29,337	(54,068)	(34,557)				
Changes of assumptions	0	148,069	(80,299)	(5,482)	5,393	94,344				
Benefit payments, including refunds of employee contributions	(306,583)	(247,309)	(212,574)	(220,233)	(137,369)	(124,046)				
Net change in total pension liability	379,634	645,698	199,717	272,008	278,312	375,750				
Total pension liability - beginning	5,824,890	5,179,192	4,979,475	4,707,467	4,429,155	4,053,405				
Total pension liability - ending (a)	\$6,204,524	\$5,824,890	\$5,179,192	\$4,979,475	\$4,707,467	\$4,429,155				
Plan fiduciary net position:										
Contributions - employer	\$129,349	\$101,613	\$140,290	\$136,111	\$114,848	\$118,513				
Contributions - employees	52,619	53,294	52,920	50,401	66,088	52,782				
Net investment income	984,148	(299,602)	820,206	295,879	21,605	245,249				
Benefit payments, including refunds of employee contributions	(306,583)	(247,309)	(212,574)	(220,233)	(137,369)	(124,046)				
Other (net transfers)	30,092	140,567	(63,729)	83,676	(80,922)	9,875				
Net change in plan fiduciary net position	889,625	(251,437)	737,113	345,834	(15,750)	302,373				
Plan fiduciary net position - beginning	5,114,986	5,366,423	4,629,310	4,283,476	4,299,226	3,996,853				
Plan fiduciary net position - ending (b)	\$6,004,611	\$5,114,986	\$5,366,423	\$4,629,310	\$4,283,476	\$4,299,226				
Net pension liability(asset) - Ending (a) - (b)	199,913	709,904	(187,231)	350,165	423,991	129,929				
Plan fiduciary net position as a percentage of total pension liability	96.78%	87.81%	103.62%	92.97%	90.99%	97.07%				
Covered valuation payroll	701,582	710,582	705,597	672,016	690,766	696,800				
Net pension liability as a percentage of covered valuation payroll	28.49%	99.90%	-26.54%	52.11%	61.38%	18.65%				

See Notes to Required Supplementary Information.

Carroll County, Illinois

Required Supplementary Information

Required Supplementary Information

Last Ten Fiscal Years

Regular Plan

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2020	\$231,310	\$231,310	\$0	\$2,192,470	10.55%
2019	202,482	202,482	0	2,125,752	9.53%
2018	243,647	243,647	0	2,028,229	12.01%
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 10.65% 2020 calendar year contribution rate, 9.32% 2019 calendar year contribution rate, and covered valuation payroll of \$2,192,470.

SLEP Plan

Fiscal Year Ending November 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2020	\$106,682	\$106,682	\$0	\$696,428	15.32%
2019	79,946	79,946	0	694,016	11.52%
2018	99,324	99,324	0	690,584	14.38%
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 15.67% 2020 calendar year contribution rate, 11.31% 2019 calendar year contribution rate, and covered valuation payroll of \$696,428.

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 had no major funds with expenditures exceeding appropriations for fiscal year 2020.

Note 3 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2019 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 2019 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): 24-year closed 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 19 years for most employers (three employers were financed over 28 years and four others were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation

Carroll County, Illinois

Notes to Required Supplementary Information

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

Investment Rate of Return 7.50%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Mortality For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed 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-2017 (base year 2015). 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-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

** Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation.*

Supplementary Information

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds

November 30, 2020

ASSETS	Total Nonmajor Governmental	911	Veteran's Assistance	Community Mental Health
Cash, deposits, and investments	\$2,730,031	\$497,725	\$30,212	\$16,210
Accounts receivable	42,863	0	0	0
Property taxes receivable	1,034,000	0	45,800	380,000
Due from other governments	212,393	108,062	0	0
Inventory	1,623	0	0	0
Prepaid items	0	0	0	0
Total assets	\$4,020,910	\$605,787	\$76,012	\$396,210
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$90,021	\$2,562	\$0	\$0
Accrued payroll	23,449	0	0	0
Due to other funds	3,819	0	0	0
Total liabilities	117,289	2,562	0	0
Deferred inflows of resources -				
Unavailable property taxes	1,034,000	0	45,800	380,000
Fund balances:				
Nonspendable	1,623	0	0	0
Restricted	2,874,220	603,225	30,212	16,210
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	(6,222)	0	0	0
Total fund balances	2,869,621	603,225	30,212	16,210
Total liabilities, deferred inflows of resources and fund balances	\$4,020,910	\$605,787	\$76,012	\$396,210

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Law Library	State's Attorney Drug Fines and Forfeiture	Senior Citizen	Social Security
Cash, deposits, and investments	\$6,783	\$22,616	\$5,294	\$401,921
Accounts receivable	175	0	0	0
Property taxes receivable	0	0	95,000	250,000
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$6,958	\$22,616	\$100,294	\$651,921
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$731	\$0	\$0	\$0
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	731	0	0	0
Deferred inflows of resources -				
Unavailable property taxes	0	0	95,000	250,000
Fund balances:				
Nonspendable	0	0	0	0
Restricted	6,227	22,616	5,294	401,921
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	6,227	22,616	5,294	401,921
Total liabilities, deferred inflows of resources and fund balances	\$6,958	\$22,616	\$100,294	\$651,921

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Agriculture Co-op Extension	Tourism Promotion	Maintenance and Child Support	Court Automation
Cash, deposits, and investments	\$0	\$27,436	\$109,655	\$66,073
Accounts receivable	0	228	0	3,037
Property taxes receivable	75,000	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$75,000	\$27,664	\$109,655	\$69,110
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$60	\$0	\$200
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	60	0	200
Deferred inflows of resources -				
Unavailable property taxes	75,000	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	0	27,604	109,655	68,910
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balance	0	27,604	109,655	68,910
Total liabilities, deferred inflows of resources and fund balances	\$75,000	\$27,664	\$109,655	\$69,110

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Electronic Monitoring	Probation Service Fee	Document Storage Fee	State's Attorney VOCA
Cash, deposits, and investments	\$0	\$69,652	\$44,404	\$0
Accounts receivable	0	1,411	2,911	0
Property taxes receivable	0	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$0	\$71,063	\$47,315	\$0
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$412	\$0	\$1,712
Accrued payroll	0	0	0	691
Due to other funds	0	0	0	802
Total liabilities	0	412	0	3,205
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	0	70,651	47,315	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	(3,205)
Total fund balance	0	70,651	47,315	(3,205)
Total liabilities, deferred inflows of resources and fund balances	\$0	\$71,063	\$47,315	\$0

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Geographic Information Systems	Animal Control	Tax Sale Automation	DUI Enforcement Equipment
Cash, deposits, and investments	\$53,465	\$3,896	\$21,890	\$4,042
Accounts receivable	818	0	0	0
Property taxes receivable	0	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$54,283	\$3,896	\$21,890	\$4,042
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$56	\$0	\$0	\$0
Accrued payroll	3,255	0	0	0
Due to other funds	0	0	0	0
Total liabilities	3,311	0	0	0
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	50,972	3,896	21,890	4,042
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances	50,972	3,896	21,890	4,042
Total liabilities, deferred inflows of resources and fund balances	\$54,283	\$3,896	\$21,890	\$4,042

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

	Geographic Information Systems Fee Resolution	County Recorder's Automation	Vital Records Automation	Liability Insurance
ASSETS				
Cash, deposits, and investments	\$24,239	\$115,851	\$32,500	\$508,040
Accounts receivable	5,741	4,261	255	0
Property taxes receivable	0	0	0	170,000
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$29,980	\$120,112	\$32,755	\$678,040
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$100	\$0	\$9
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	100	0	9
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	170,000
Fund balances:				
Nonspendable	0	0	0	0
Restricted	29,980	120,012	32,755	508,031
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balance	29,980	120,012	32,755	508,031
Total liabilities, deferred inflows of resources and fund balances	\$29,980	\$120,112	\$32,755	\$678,040

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	County Health Department	Grant	States Attorney Task Force	Public Safety Tax	Pet Population Control
Cash, deposits, and investments	\$482,354	\$32,854	\$0	\$9,524	\$7,565
Accounts receivable	15,767	500	0	0	0
Property taxes receivable	12,000	0	0	0	0
Due from other governments	5,547	0	0	49,833	0
Inventory	1,623	0	0	0	0
Prepaid items	0	0	0	0	0
Total assets	\$517,291	\$33,354	\$0	\$59,357	\$7,565
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$33,889	\$750	\$0	\$0	\$354
Accrued payroll	16,503	0	0	0	0
Due to other funds	0	0	3,017	0	0
Total liabilities	50,392	750	3,017	0	354
Deferred inflows of resources -					
Unavailable property taxes	12,000	0	0	0	0
Fund balances:					
Nonspendable	1,623	0	0	0	0
Restricted	453,276	32,604	0	59,357	7,211
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	(3,017)	0	0
Total fund balance	454,899	32,604	(3,017)	59,357	7,211
Total liabilities, deferred inflows of resources and fund balances	\$517,291	\$33,354	\$0	\$59,357	\$7,565

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Squad Car Acquisition And Maintenance	Victims Impact Fund	Transportation Grant	Failure to Appear
Cash, deposits, and investments	\$3,943	\$5,580	\$0	\$12,739
Accounts receivable	11	0	0	0
Property taxes receivable	0	0	0	0
Due from other governments	0	0	48,951	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$3,954	\$5,580	\$48,951	\$12,739
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$0	\$48,951	\$0
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	0	48,951	0
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	3,954	5,580	0	12,739
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balance	3,954	5,580	0	12,739
Total liabilities, deferred inflows of resources and fund balances	\$3,954	\$5,580	\$48,951	\$12,739

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

ASSETS	Circuit Clerk Operation and Administration	Sex Offender Registry	Historical Society	Coroner's Fees	Court Security Fee
Cash, deposits, and investments	\$15,425	\$4,503	\$0	\$31,277	\$42,259
Accounts receivable	717	0	0	150	5,680
Property taxes receivable	0	0	6,200	0	0
Due from other governments	0	0	0	0	0
Inventory	0	0	0	0	0
Prepaid items	0	0	0	0	0
Total assets	\$16,142	\$4,503	\$6,200	\$31,427	\$47,939
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$166	\$0	\$0	\$0	\$69
Accrued payroll	0	0	0	0	3,000
Due to other funds	0	0	0	0	0
Total liabilities	166	0	0	0	3,069
Deferred inflows of resources -					
Unavailable property taxes	0	0	6,200	0	0
Fund balances:					
Nonspendable	0	0	0	0	0
Restricted	15,976	4,503	0	31,427	44,870
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total fund balance	15,976	4,503	0	31,427	44,870
Total liabilities, deferred inflows of resources and fund balances	\$16,142	\$4,503	\$6,200	\$31,427	\$47,939

Carroll County, Illinois

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

November 30, 2020

	States Attorney Records Automation	Public Defender Records Automation	Law Enforcement Operation	Probation Court Fee
ASSETS				
Cash, deposits, and investments	\$299	\$728	\$17,895	\$1,182
Accounts receivable	26	60	875	240
Property taxes receivable	0	0	0	0
Due from other governments	0	0	0	0
Inventory	0	0	0	0
Prepaid items	0	0	0	0
Total assets	\$325	\$788	\$18,770	\$1,422
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Accrued payroll	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	0	0	0
Deferred inflows of resources -				
Unavailable property taxes	0	0	0	0
Fund balances:				
Nonspendable	0	0	0	0
Restricted	325	788	18,770	1,422
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balance	325	788	18,770	1,422
Total liabilities, deferred inflows of resources and fund balances	\$325	\$788	\$18,770	\$1,422

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the year ended November 30, 2020

	Total Nonmajor Governmental	911	Veteran's Assistance	Community Mental Health
Revenues:				
Property taxes	\$993,218	\$0	\$44,776	\$369,673
Intergovernmental revenue	1,217,879	334,919	0	0
Charges for services	422,288	2,665	0	0
Licenses and permits	6,360	0	0	0
Interest	12,377	1,719	0	138
Other revenue	68,563	0	0	0
Total revenues	2,720,685	339,303	44,776	369,811
Expenditures:				
Current:				
General control and administration	384,502	991	0	0
Public safety	247,907	87,721	0	0
Judiciary and court related	86,868	0	0	0
Corrections	17,033	0	0	0
Transportation	28,923	0	0	0
Public health	478,658	0	0	0
Public welfare	782,275	0	44,517	363,930
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	137,176	98,544	0	0
Total expenditures	2,163,342	187,256	44,517	363,930
Excess (deficiency) of revenues over expenditures	557,343	152,047	259	5,881
Other financing sources and (uses):				
Transfers in	112,189	0	0	0
Transfers out	(378,931)	(49,806)	0	0
Net other financing sources and (uses)	(266,742)	(49,806)	0	0
Net change in fund balance	290,601	102,241	259	5,881
Fund balances (deficit), beginning of year	2,579,020	500,984	29,953	10,329
Fund balances (deficit), end of year	\$2,869,621	\$603,225	\$30,212	\$16,210

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Law Library	State's Attorney Drug Fines and Forfeiture	Senior Citizen	Social Security
Revenues:				
Property taxes	\$0	\$0	\$89,932	\$246,800
Intergovernmental revenue	0	0	0	0
Charges for services	1,715	44	0	0
Licenses and permits	0	0	0	0
Interest	48	169	0	1,883
Other revenue	0	0	0	0
Total revenues	1,763	213	89,932	248,683
Expenditures:				
Current:				
General control and administration	0	0	0	50,441
Public safety	0	0	0	77,274
Judiciary and court related	4,661	0	0	45,046
Corrections	0	0	0	17,033
Transportation	0	0	0	28,923
Public health	0	0	0	140
Public welfare	0	0	89,932	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	4,661	0	89,932	218,857
Excess (deficiency) of revenues over expenditures	(2,898)	213	0	29,826
Other financing sources and (uses):				
Transfers in	0	0	0	3,706
Transfers out	0	0	0	(15,715)
Net other financing sources and (uses)	0	0	0	(12,009)
Net change in fund balance	(2,898)	213	0	17,817
Fund balances (deficit), beginning of year	9,125	22,403	5,294	384,104
Fund balances (deficit), end of year	\$6,227	\$22,616	\$5,294	\$401,921

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Agriculture Co-op Extension	Tourism Promotion	Maintenance and Child Support	Court Automation
Revenues:				
Property taxes	\$74,957	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0
Charges for services	0	27,335	9,972	30,362
Licenses and permits	0	0	0	0
Interest	0	159	475	435
Other revenue	0	46	0	0
Total revenues	74,957	27,540	10,447	30,797
Expenditures:				
Current:				
General control and administration	74,957	26,516	0	0
Public safety	0	0	0	0
Judiciary and court related	0	0	6,556	4,516
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	10,592	3,698
Total expenditures	74,957	26,516	17,148	8,214
Excess (deficiency) of revenues over expenditures	0	1,024	(6,701)	22,583
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	(1,355)	(7,104)	0
Net other financing sources and (uses)	0	(1,355)	(7,104)	0
Net change in fund balance	0	(331)	(13,805)	22,583
Fund balances (deficit), beginning of year	0	27,935	123,460	46,327
Fund balances (deficit), end of year	\$0	\$27,604	\$109,655	\$68,910

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Electronic Monitoring	Probation Service Fee	Document Storage Fee	State's Attorney VOCA
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	11,250
Charges for services	0	23,704	30,049	0
Licenses and permits	0	0	0	0
Interest	0	324	275	0
Other revenue	0	0	0	0
Total revenues	0	24,028	30,324	11,250
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	0	0	0	0
Judiciary and court related	0	4,880	4,454	15,198
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	2,178	0
Total expenditures	0	4,880	6,632	15,198
Excess (deficiency) of revenues over expenditures	0	19,148	23,692	(3,948)
Other financing sources and (uses):				
Transfers in	0	4,390	0	0
Transfers out	(4,390)	0	0	0
Net other financing sources and (uses)	(4,390)	4,390	0	0
Net change in fund balance	(4,390)	23,538	23,692	(3,948)
Fund balances (deficit), beginning of year	4,390	47,113	23,623	743
Fund balances (deficit), end of year	\$0	\$70,651	\$47,315	(\$3,205)

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Geographic Information Systems	Animal Control	Tax Sale Automation	DUI Enforcement Equipment
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0
Charges for services	2,203	2,406	3,335	2,884
Licenses and permits	0	6,360	0	0
Interest	168	2	110	16
Other revenue	6,720	0	0	0
Total revenues	9,091	8,768	3,445	2,900
Expenditures:				
Current:				
General control and administration	67,361	0	813	0
Public safety	0	3,102	0	2,000
Judiciary and court related	0	0	0	0
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	3,000
Total expenditures	67,361	3,102	813	5,000
Excess (deficiency) of revenues over expenditures	(58,270)	5,666	2,632	(2,100)
Other financing sources and (uses):				
Transfers in	61,116	0	0	0
Transfers out	0	0	0	0
Net other financing sources and (uses)	61,116	0	0	0
Net change in fund balance	2,846	5,666	2,632	(2,100)
Fund balances (deficit), beginning of year	48,126	(1,770)	19,258	6,142
Fund balances (deficit), end of year	\$50,972	\$3,896	\$21,890	\$4,042

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Geographic Information Systems Fee Resolution	County Recorder's Automation	Vital Records Automation	Liability Insurance
Revenues:				
Property taxes	\$0	\$0	\$0	\$149,873
Intergovernmental revenue	0	0	0	0
Charges for services	62,761	51,425	3,350	0
Licenses and permits	0	0	0	0
Interest	140	593	171	2,363
Other revenue	0	0	0	0
Total revenues	62,901	52,018	3,521	152,236
Expenditures:				
Current:				
General control and administration	0	15,884	1,179	139,409
Public safety	0	0	0	0
Judiciary and court related	0	0	0	0
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	0	15,884	1,179	139,409
Excess (deficiency) of revenues over expenditures	62,901	36,134	2,342	12,827
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	(45,000)	(17,000)	0	(48,561)
Net other financing sources and (uses)	(45,000)	(17,000)	0	(48,561)
Net change in fund balance	17,901	19,134	2,342	(35,734)
Fund balances (deficit), beginning of year	12,079	100,878	30,413	543,765
Fund balances (deficit), end of year	\$29,980	\$120,012	\$32,755	\$508,031

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	County Health Department	Grant	State's Attorney Task Force	Public Tax Safety	Pet Population Control
Revenues:					
Property taxes	\$11,006	\$0	\$0	\$0	\$0
Intergovernmental revenue	355,623	41,131	0	191,060	0
Charges for services	93,985	0	0	0	1,747
Licenses and permits	0	0	0	0	0
Interest	2,193	22	0	391	49
Other revenue	36,641	10,701	0	0	0
Total revenues	499,448	51,854	0	191,451	1,796
Expenditures:					
Current:					
General control and administration	0	750	0	0	0
Public safety	0	20,428	(423)	7,901	4,266
Judiciary and court related	0	0	0	0	0
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	478,518	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	19,164	0
Total expenditures	478,518	21,178	(423)	27,065	4,266
Excess (deficiency) of revenues over expenditures	20,930	30,676	423	164,386	(2,470)
Other financing sources and (uses):					
Transfers in	42,977	0	0	0	0
Transfers out	0	0	0	(185,000)	0
Net other financing sources and (uses)	42,977	0	0	(185,000)	0
Net change in fund balance	63,907	30,676	423	(20,614)	(2,470)
Fund balances (deficit), beginning of year	390,992	1,928	(3,440)	79,971	9,681
Fund balances (deficit), end of year	\$454,899	\$32,604	(\$3,017)	\$59,357	\$7,211

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Squad Car Acquisition And Maintenance	Victims Impact Fund	Transportation Grant	Failure to Appear
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	283,896	0
Charges for services	172	0	0	1,115
Licenses and permits	0	0	0	0
Interest	47	0	0	66
Other revenue	0	0	0	0
Total revenues	219	0	283,896	1,181
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	0	0	0	0
Judiciary and court related	0	0	0	0
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	283,896	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	0	0	283,896	0
Excess (deficiency) of revenues over expenditures	219	0	0	1,181
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	(5,000)	0	0	0
Net other financing sources and (uses)	(5,000)	0	0	0
Net change in fund balance	(4,781)	0	0	1,181
Fund balances (deficit), beginning of year	8,735	5,580	0	11,558
Fund balances (deficit), end of year	\$3,954	\$5,580	\$0	\$12,739

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	Circuit Clerk Operation and Administration	Sex Offender Registry	Historical Society	Coroner's Fees	Court Security Fee
Revenues:					
Property taxes	\$0	\$0	\$6,201	\$0	\$0
Intergovernmental revenue	0	0	0	0	0
Charges for services	8,133	1,895	0	3,375	56,317
Licenses and permits	0	0	0	0	0
Interest	6	0	0	160	206
Other revenue	0	0	0	0	0
Total revenues	8,139	1,895	6,201	3,535	56,523
Expenditures:					
Current:					
General control and administration	0	0	6,201	0	0
Public safety	0	0	0	0	45,638
Judiciary and court related	517	1,040	0	0	0
Corrections	0	0	0	0	0
Transportation	0	0	0	0	0
Public health	0	0	0	0	0
Public welfare	0	0	0	0	0
Debt service:					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total expenditures	517	1,040	6,201	0	45,638
Excess (deficiency) of revenues over expenditures	7,622	855	0	3,535	10,885
Other financing sources and (uses):					
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Net other financing sources and (uses)	0	0	0	0	0
Net change in fund balance	7,622	855	0	3,535	10,885
Fund balances (deficit), beginning of year	8,354	3,648	0	27,892	33,985
Fund balances (deficit), end of year	\$15,976	\$4,503	\$0	\$31,427	\$44,870

Carroll County, Illinois

Combining Statement of Revenues and Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the year ended November 30, 2020

	States Attorney Records Automation	Public Defender Records Automation	Law Enforcement Operation	Probation Court Fee
Revenues:				
Property taxes	\$0	\$0	\$0	\$0
Intergovernmental revenue	0	0	0	0
Charges for services	282	634	0	423
Licenses and permits	0	0	0	0
Interest	1	2	44	2
Other revenue	0	0	14,455	0
Total revenues	283	636	14,499	425
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	0	0	0	0
Judiciary and court related	0	0	0	0
Corrections	0	0	0	0
Transportation	0	0	0	0
Public health	0	0	0	0
Public welfare	0	0	0	0
Debt service:				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over expenditures	283	636	14,499	425
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net other financing sources and (uses)	0	0	0	0
Net change in fund balance	283	636	14,499	425
Fund balances (deficit), beginning of year	42	152	4,271	997
Fund balances (deficit), end of year	\$325	\$788	\$18,770	\$1,422

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds

November 30, 2020

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Township Motor Fuel Tax Fund				
Assets:				
Cash, deposits, and investments	\$511,159	\$1,577,847	\$977,639	\$1,111,367
Due from other governments	96,293	82,376	96,293	82,376
Total assets	\$607,452	\$1,660,223	\$1,073,932	\$1,193,743
Liabilities:				
Accounts payable	\$12,007	\$3,697	\$12,007	\$3,697
Agency funds due to others	595,445	1,656,526	1,061,925	1,190,046
Total liabilities	\$607,452	\$1,660,223	\$1,073,932	\$1,193,743
Township Bridge Program Fund				
Assets -				
Cash, deposits, and investments	\$4,815	\$327,487	\$55,037	\$277,265
Liabilities:				
Accounts payable	\$0	\$79,980	\$0	\$79,980
Agency funds due to others	4,815	247,507	55,037	197,285
Total liabilities	\$4,815	\$327,487	\$55,037	\$277,265
Non-Resident Heirs Fund				
Assets -				
Cash, deposits, and investments	\$17,333	\$1,566	\$10	\$18,889
Liabilities -				
Agency funds due to others	\$17,333	\$1,566	\$10	\$18,889
Rental Housing Surcharge Fund				
Assets -				
Cash, deposits, and investments	\$0	\$28,063	\$28,062	\$1
Accounts receivable	1,845	2,619	1,845	2,619
Total assets	\$1,845	\$30,682	\$29,907	\$2,620
Liabilities:				
Accounts payable	\$1,845	\$0	\$1,845	\$0
Agency funds due to others	0	30,682	28,062	2,620
Total liabilities	\$1,845	\$30,682	\$29,907	\$2,620

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2020

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Circuit Clerk				
Assets :				
Cash, deposits, and investments	\$133,098	\$633,673	\$560,437	\$206,334
Liabilities -				
Agency funds due to others	\$133,098	\$633,673	\$560,437	\$206,334
County Clerk's Tax Redemption Fund				
Assets -				
Cash, deposits, and investments	\$5,076	\$323,500	\$267,614	\$60,962
Accounts receivable	11,291	17,861	11,291	17,861
Total assets	\$16,367	\$341,361	\$278,905	\$78,823
Liabilities :				
Accounts payable	\$16,367	\$341,361	\$278,905	\$78,823
Agency funds due to others	0	0	0	0
Total liabilities	\$16,367	\$341,361	\$278,905	\$78,823
Death and Fetal Death Fees Account				
Assets -				
Cash, deposits, and investments	\$452	\$4,564	\$4,592	\$424
Accounts receivable	116	412	116	412
Total assets	\$568	\$4,976	\$4,708	\$836
Liabilities -				
Accounts payable	\$452	\$424	\$452	\$424
Agency funds due to others	116	4,552	4,256	412
Total liabilities	\$568	\$4,976	\$4,708	\$836
Clerk & Recorder's Fees Account				
Assets -				
Cash, deposits, and investments	\$30,948	\$391,111	\$381,851	\$40,208
Accounts receivable	24,876	35,284	24,876	35,284
Total assets	\$55,824	\$426,395	\$406,727	\$75,492
Liabilities :				
Accounts payable	\$28,431	\$36,918	\$28,431	\$36,918
Agency funds due to others	27,393	389,477	378,296	38,574
Total liabilities	\$55,824	\$426,395	\$406,727	\$75,492

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2020

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Sheriff Fees Account				
Assets -				
Cash, deposits, and investments	\$4,512	\$39,996	\$37,250	\$7,258
Liabilities -				
Agency funds due to others	\$4,512	\$39,996	\$37,250	\$7,258
Prisoner Commissary Account				
Assets -				
Cash, deposits, and investments	\$8,433	\$28,472	\$25,270	\$11,635
Liabilities -				
Agency funds due to others	\$8,433	\$28,472	\$25,270	\$11,635
Sheriff's Trust Account Fund				
Assets -				
Cash, deposits, and investments	\$5,586	\$8,976	\$8,971	\$5,591
Liabilities -				
Agency funds due to others	\$5,586	\$8,976	\$8,971	\$5,591
County Trustee				
Assets -				
Cash, deposits, and investments	\$0	\$11,528	\$10,559	\$969
Liabilities -				
Agency funds due to others	\$0	\$11,528	\$10,559	\$969
Probation Restitution Fund				
Assets -				
Cash, deposits, and investments	\$0	\$0	\$0	\$0
Liabilities -				
Agency funds due to others	\$0	\$0	\$0	\$0

Carroll County, Illinois

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

November 30, 2020

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Marriage Fund				
Assets -				
Cash, deposits, and investments	\$1,264	\$30	\$0	\$1,294
Liabilities -				
Agency funds due to others	\$1,264	\$30	\$0	\$1,294
K-9 Fund				
Assets -				
Cash, deposits, and investments	\$2,161	\$1	\$0	\$2,162
Liabilities -				
Agency funds due to others	\$2,161	\$1	\$0	\$2,162
Tax Collection Fund				
Assets :				
Cash, deposits, and investments	\$22,309	\$32,417,621	\$32,416,843	\$23,087
Liabilities -				
Agency funds due to others	\$22,309	\$32,417,621	\$32,416,843	\$23,087
All Agency Funds				
Assets:				
Cash, deposits, and investments	\$747,146	\$35,794,435	\$34,774,135	\$1,767,446
Accounts receivable	38,128	56,176	38,128	56,176
Due from other governments	96,293	82,376	96,293	82,376
Total assets	\$881,567	\$35,932,987	\$34,908,556	\$1,905,998
Liabilities:				
Accounts payable	\$59,102	\$462,380	\$321,640	\$199,842
Agency funds due to others	822,465	35,470,607	34,586,916	1,706,156
Total liabilities	\$881,567	\$35,932,987	\$34,908,556	\$1,905,998

Carroll County, Illinois

Schedule of Expenditures from Taxes Extended for Tort Immunity Purposes

For the year ended November 30, 2020

Property, liability, and workers' compensation insurance	\$132,159
Unemployment	3,792
County's share of insurance costs paid by the Regional Superintendent's Trust Fund	2,381
Arbitration and litigation	899
Miscellaneous	178
Total	\$139,409

Compliance

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

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, 2020 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, 2021.

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) as a basis for designing audit 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 significant deficiencies may exist that have not been 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, described in the accompanying schedule of findings and responses as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

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 financial statements. 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, 2021

Carroll County, Illinois

Schedule of Findings and Responses

Finding 2020-001:

Criteria – Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, in conformity with U.S. generally accepted accounting principles (GAAP).

Condition – 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 GAAP.

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.

Auditor's Recommendation – Management should continue to review and approve the annual financial statements and the related footnote disclosure.

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

Finding 2020-002:

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 Highway Department and Health Department due to the inadequate 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.

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

Auditor's Recommendation – 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 prevent and detect errors and irregularities in the County's accounting and financial reporting.