



**Comprehensive
Annual Financial Report for
The Fiscal Year Ended
November 30, 2016**

ROCK ISLAND COUNTY, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended November 30, 2016

Prepared by:
April Palmer, County Auditor
Amanda Van Daele, Chief Deputy Auditor

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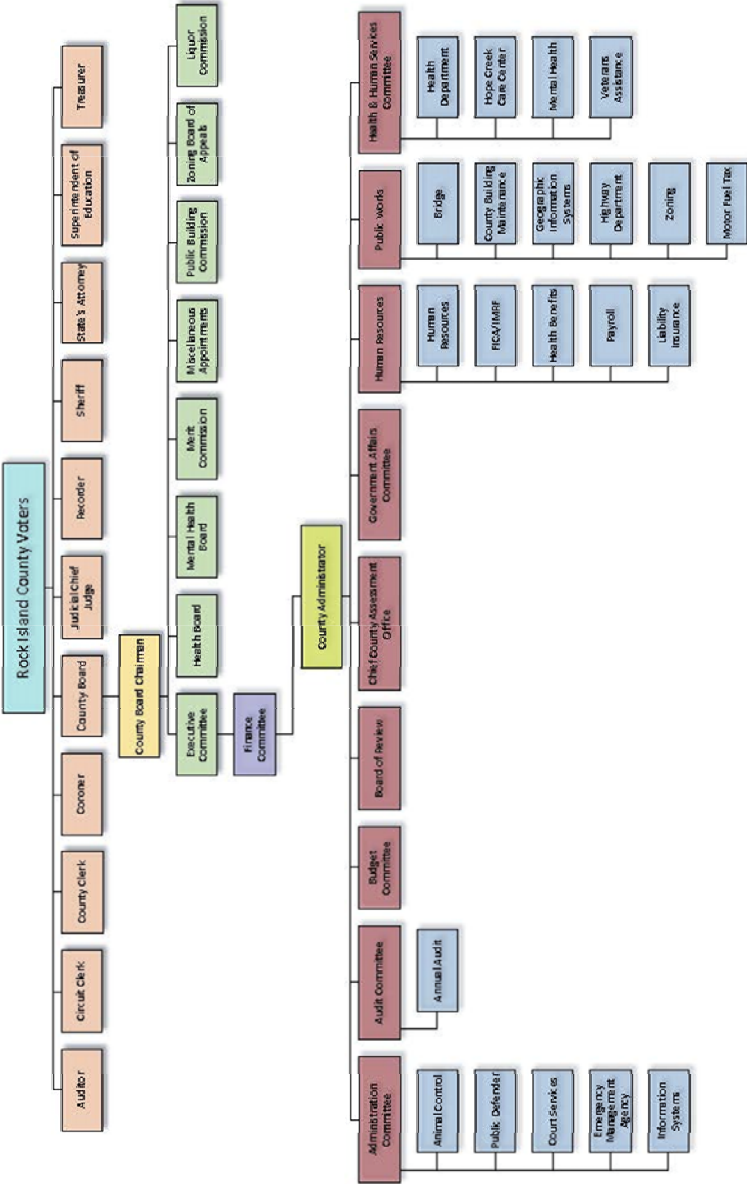
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Rock Island County Organizational Chart



Rock Island County, Illinois

List of Elected and Appointed Officials November 30, 2016

Elected Officials

County Board Members

District 1 Christine Filbert
District 2 Dewayne Cremeens
District 3 Michael Burns
District 4 Patrick Moreno
District 5 Larry Burns
District 6 Donald L. Jacobs
District 7 Steve Doye
District 8 Brian Vyncke
District 9 Jeffrey Deppe
District 10 Steven Ballard
District 11 Donald Johnston
District 12 K. Mike Steffen
District 13 Richard H. Brunk

District 14 Virginia "Ginny" Shelton
District 15 Nick Camlin
District 16 Kai Swanson
District 17 Edwin M. Langdon Jr.
District 18 Dr. Rodney K. Simmer
District 19 Kim Callaway-Thompson
District 20 Mia D. Mayberry
District 21 Scott Terry
District 22 Drue Mielke
District 23 Ken "Moose" Maranda
District 24 Ron Oelke
District 25 J. Robert Westpfahl

Auditor April Palmer
Circuit Clerk Tammy Wiekert
County Clerk Karen Kinney
Coroner Brian Gustafson
Recorder of Deeds Kelly Fisher
Sheriff Gerald Bustos
States Attorney John McGehee
Regional Supt. Of Education Tammy Muerhoff
Treasurer Louisa A. Ewert

Appointed Officials

Animal Control Coordinator Samantha DeYoung
Court Services Director Trent Vandersnick
EMA Director Jerry Shirk & Randy Heisch
Forest Preserve Director Jeff Craver
GIS Director Josh Boudi
IS Director Kurt Davis
Board of Review Joan Russell
708 Mental Health Board Larry Pollard
Human Resources Director Gerald Clyde

Civil Division Chief Patty Castro
Public Defender Baron Heintz
Public Health Administrator Nita Ludwig
County Engineer John Massa
Supervisor of Assessments Larry Wilson
Veterans Assistance Todd Harlow
Zoning Director Greg Thorpe



Rock Island County

May 16, 2017

To the County Board and the Citizens of Rock Island County:

The Comprehensive Annual Financial Report (CAFR) of the County of Rock Island, Illinois for fiscal year ended November 30, 2016 is submitted herewith. The CAFR is management's annual financial report to its taxpayers, governing board, oversight bodies, investors and creditors.

This report consists of management's representation concerning the finances of the County of Rock Island. Consequently, management assumes full responsibility for all the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by RSM US LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended November 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by

APRIL L PALMER
COUNTY AUDITOR
AMANDA VAN DAELE
CHIEF DEPUTY

Rock Island County, Illinois

1504 Third Avenue, Rock Island, IL 61201
Phone: (309) 558-3518 · Fax: (309) 558-3516
E-Mail: apalmer@co.rock-island.il.us
Website: <http://www.rockislandcounty.org>

Pat Koranda
Internal Auditor

Martha Nieto
Financial Reporting Accountant

management; and evaluating the overall financial statement presentation. For the year ended November 30, 2016 RSM US LLP have issued an unmodified ("clean") opinion on Rock Island County's financial statements. The independent auditor's report is presented as the first component of the financial section of the report.

The independent audit of the financial statements of the County was part of a broader federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on those involving the administration of federal awards. These reports are Schedules of Expenditures of Federal Awards and are available issued separately with Rock Island County's Audit package.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Rock Island County was incorporated in March 1831 with its Charter adopted in July 1833. It is located in the north-western portion of Illinois and currently occupies a land area of 452 square miles and serves a population of 144,784 residents (Source: U.S. Census Bureau, 2016 Population Estimates). Major cities within Rock Island County include the City of Rock Island, the City of Moline, the City of East Moline, the City of Silvis, the Village of Milan and 10 other smaller communities with populations less than 5,000 residents each.

Rock Island County operates as a township form of government. Policy-making and legislative authority are vested in a County Board consisting of a County Board Chairman and twenty-four other members. The governing board is responsible for, among other things, passing resolutions, adopting the budget, and passing policies and procedures. The Chairman or specific committees of the County Board appoint board members to Bi-State Regional Commission, Rock Island County Emergency Telephone System Board, Rock Island County Merit Commission, Illini Hospital District, and various fire protection, conservancy and sanitary districts within the County. Because these appointments do

not include a majority of the County Board these organizations are not part of the financial statements of the County. Each Board member is elected in 4 or 2 year staggered terms with all 25 member's positions up for election every 10 years, and with one member elected per district, by district. In May of 2015 the board hired a County Administrator to bring professional knowledge and organizational structure and consistency to the County. The Administrator reports directly to the Board and has supervisory responsibilities of all non-elected leadership offices of the County.

Illinois law determines the functions and services of county government. Rock Island County provides a full range of services to its residents. Some of these services include education; construction and maintenance of roads and bridges; veteran's assistance; physical and mental health services; zoning & GIS, general administration and recreational activities. The largest portion of the County's expenditures are for judicial, public safety, and correctional facility services, which include the State's Attorney, Public Defender, Circuit Clerk, Circuit Court, Court Services (adult and juvenile probation); and the Sheriff's functions (law enforcement and the county correctional center), Emergency Management Agency, Animal Control, and Coroner services.

Other functions mandated by state statute include the maintenance of the property tax system; voter registration and the election system; maintaining vital records such as birth, marriage, and death certificates; and the recording of deeds and other real estate records.

The County also operates a nursing home, primarily from patient fees and Medicare/Medicaid reimbursements. Voters approved a special property tax levy in 1983 to help support the nursing home. Voters also approved special property taxes in 1976 to help fund mental health services, in 1995 to fund a Cooperative Extension Education Service, and in 2000 to fund a Children's Advocacy Center.

The financial statements of Rock Island County include as part of its primary government the Rock Island County Forest Preserve Commission and the Public Building Commission. Both are blended component units with separate tax levies and fiscal year ends. They are also audited independently from the County by other external auditors. The Forest Preserve District has operated under its own FEIN since August 2013, and operates separately from the County except its governing commission is comprised of the same 25 members as the County Board.

The Rock Island Tri-County Consortium which is legally separate from the County is presented as a discrete component unit.

Rock Island County is empowered to levy a property tax on properties within its boundaries. Taxes assessed the prior year are due and payable in four equal installments in the current year beginning in June, with subsequent installments due in August, September and November.

Formal budgetary integration is employed as a management control device during the year for the general fund and most special revenue funds. The annual budget serves as the foundation for Rock Island County's financial planning and control. The County follows these procedures in establishing the budgetary data reflected in the combined financial statements: 1.) At a regular or special called meeting of the County Board in November, the proposed budget for the fiscal year commencing on the following December 1 is submitted. The budget includes proposed expenditures and means of financing them. 2.) Prior to December 1, the budget is legally enacted through passage of an appropriation ordinance. 3.) Transfers of budgeted amounts among object categories, or any budget increases by means of an emergency or supplemental appropriation can occur throughout the year but require approval by two-thirds of the County Board Members. 4.) Budgets for the general and certain special revenue funds are adopted on a basis consistent with generally accepted accounting principles. 5.) Expenditures may not legally exceed the total amount of the revised budget appropriations of individual funds and departments.

Formal budgetary integration is not employed for debt service and capital projects funds, because effective budgetary control is alternatively achieved through the debt payment provisions of the obligations outstanding or County Board approval of the specific capital project.

Factors Affecting Financial Condition

Local Economy

State of Illinois The State of Illinois has continued to experience budgetary problems, which in turn has an impact on Rock Island County. State Income Tax and other tax portions received by Rock Island County, as well as many of the salary reimbursements from the State continue to be paid later than 30 days after due. Some are multiple months behind and can be that the county won't receive until well after the fiscal year end. Some months get skipped permanently and never paid to the County as due. This is the result of the on-going cash flow problem at the State level. This can make budgeting and making timely expenditures very difficult for the County.

Population Rock Island County is part of the Davenport-Moline-Rock Island, IA-IL MSA (metropolitan statistical area) commonly referred to as the "Quad Cities", which also includes Henry County, IL; Mercer County, IL; and Scott County, IA. In 2010 the total population of the MSA was 379,690 (2010 Census). According to the U.S. Census Population Division's Annual Estimates of the Resident Population, in 2016 the MSA had increased to 382,268 or 0.7% over the past six years. Rock Island County's total population in 2016 was 144,784, a decrease of 1.9% since 2010 (147,546). It is projected that Rock Island County's population will increase by 1.8% by 2025 to 148,738. In comparison the MSA is expected to grow by 2.5% (Source: Woods & Poole Economics, 2015).

Labor Force In 2016 the annual average labor force of Rock Island County was 72,002, down 5.2% over the past 5 years, from a 2011 labor force of 75,965. The MSA's labor force has also seen a decrease in the past 5 years of 3.2% and as of 2016 had an annual average of 191,573. Rock Island County's unemployment rates have been steadily declining since reaching 8.54% in 2011, with an annual average of 6.3% in 2016. The MSA's annual unemployment rate in 2016 was 5.1% (Source: Illinois Department of Employment Securities and Iowa Workforce Development)

Employment The economy of the area has traditionally centered on farm implement manufacturing and agriculture. In the last twenty years there has been a shift from manufacturing jobs into a service providing sector. This shift in the Quad Cities area economy has been in the professional, non-professional, retail and wholesale sectors of the economy. Within that sector, Professional and Business Services and Health Care and Social Assistance both showed the greatest increase, growing approximately 60% within the last 20 years. Also within the Service Providing Sector, the Education and Health Services area has seen substantial growth increasing by approximately 49% within the same time frame. The largest decreases in the Goods Producing sector were in Durable Goods & Manufacturing, off-setting some of those service sector increases. As of 2015, the top industry for employment in Rock Island County was educational services, and health care and social assistance which employ 21.6% of the employed work force. Manufacturing and Retail Trade were the next highest employed with 18.9% and 11.6% respectively. The MSA overall is very similar with 22.0% of the employed work force being employed in educational services, and health care and social assistance (U.S. Census Bureau, American Community Survey 5-year estimates, 2015).

Among some of the major businesses in the area with significant increases in their work force are The Rock Island Arsenal, Deere & Company, Tyson

Fresh Meats, Unity Point-Trinity Medical Center, Group O and X-Pac (Export Packaging).

Education is also a major employer in the County. There are 10 total traditional public school districts operating within Rock Island County. Moline and Rock Island school districts are still in the top twenty employers in the County, and Black Hawk College, a post-secondary education facility, retains its position within those top twenty as well. The County also has a major presence within the area of Augustana College and Western Illinois University.

Rock Island County, along with the Quad Cities area continues to recover from the economic downturn of 2008 and 2009. The Illinois Quad Cities metro area continues to enjoy relatively low levels of unemployment compared to other Illinois metro areas. The region is showing signs of continued, but slow, recovery in 2016. The unemployment rate is improving, however the Gross Regional Product and the total labor has had a slight decline in the past year.

In the past five years in the Bi-State Region (Quad Cities MSA and Muscatine County, Iowa), there have been an estimated 3,514 jobs added across all industries from 2011-2016 (Source: Chmura Economics & Analytics, JobsEQ). As for the development of major infrastructure, the I-74 Bridge Replacement and installation of the Sterilite facility in Davenport, IA ranks high as noteworthy developments. The City of Rock Island is accruing new industries as well, including the expansion of AFS Classico and the installation of Techno Block Midwest Manufacturing.

The center of the region's economy from an employment perspective continues to be the Rock Island Arsenal, with over 6,000 civilian and military personnel working on the base. Military budget cuts, sequestration and base realignment are all possible threats to this vital economic asset. The FY 2012 National Defense Authorization Act (NDAA) provided contracting flexibility to the Rock Island Arsenal. The 2012 NDAA gave the Arsenal's manufacturing center the unlimited ability to partner with the private sector.

Other regional assets include the Mississippi River, Interstate Network and multiple Fortune 500 companies, such as John Deere. The John Deere Foundation has awarded St Ambrose University a \$500,000 grant to support its Industrial Engineering and Mechanical Engineering programs. Augustana College, Black Hawk College, Eastern Iowa Community Colleges, St. Ambrose University, and Western Illinois University have all made significant investments to the buildings on their campuses, as well

as improving the quality of education and programs provided at their facilities.

Long-term financial planning

Particular focus has been placed on the General Fund regarding its deteriorating fund balance and cash flow issues. The County Board has been directed through the budget and finance committees to concentrate on long-term additional revenue options. The first had taken the form of a referendum to collect a county wide additional quarter cent sales tax for public safety. The designation of public safety is due to the fact that over half the General Fund expenditure budget is for public safety services. This question was presented to the voters on the March 2014 ballot, and with additional support and proper marketing was increased to a half cent sales tax for public safety on the November 2016 ballot. Both failed despite almost a year of budget research and significant public outreach by the County Administrator and other officials, who all recommended this action as well. Cash flow needs will require inter fund and bank loans to continue current capacity operations in the General Fund. The County Board wishes to employ staff and provide services at the levels currently provided into the future. This is just not going to be possible without other options as predicted within the next 18 months.

The second method to generate more General Fund revenue was to perform an updated fee cost study by an independent company. The results of this study have increased fee revenue to the maximum with the understanding that we need to remain competitive. This revenue generation is fairly significant. However, the study also concluded the General Fund was charging administrative services to certain other funds within the county at too high a rate. In comparing this study with the prior administrative cost study the differences were very large in many areas. It was researched as to the reason and based upon this study being done using estimated information instead of actual, the Board decided to continue use of the original study. A new in depth study by an independent firm will be performed at the beginning of 2017 to be used in billing other funds proper current administrative costs owed the General Fund and Liability Insurance Fund in the County's 2017 fiscal year.

In its concern for voter opinion and as an additional attempt to make significant financial changes, hopefully for the better, the County Board adopted the policy to hire a County Administrator. This position was installed May of 2015. The contractual obligations include economic development expertise to the county. Also of high priority is bonding and grant knowledge to decrease bond interest due and increase grant

revenue. The position is taking a professional approach to the county's budget as well in the hope of bringing insight and policy improvements so to operate as the clients it serves have become accustomed.

The County Board approved offering long time employees at a minimum age of 50 an early retirement incentive option. This option was available for one year from 7/31/14-7/30/15. Many high paid employees choosing this option were replaced at much lower starting wages. Some were not replaced at all. If possible, offices would delay replacement for many months for additional cost savings. This savings was both in wage and benefit costs. Some departments will be able to maintain this reduced number of employees and still offer services at current or minimum levels. Others may be able to hire additional employees to go back to levels of staffing needed to function with the idea that two starting wage employees is still equating to cost savings replacing the "seasoned veteran" employee high on the wage scale. The downside of this is the learning curve required of new hires and the multiple decades of knowledge lost by the county.

Rock Island County secured funding through two bond issues to construct a new 245 bed nursing home in the County and replace the existing facility. The opening of the new facility was in May of 2009. By the end of the 2009 fiscal year the facility was at 95% capacity. During FY10 repayment of said bonds had begun with the first interest payment due in May of 2010 and principal in November of 2010 thus increasing expenditures for the home exponentially. With the economic conditions of the area bringing interest rates to historic lows, the County Board researched and refinanced some future years of the home's current bond issues in 2013. This was researched again in 2016 and found to be a cost savings for most of the remaining payments due of current issues. Therefore, an additional refunding was approved by the County Board. This front-loaded most of the savings over the next couple of years until other cost savings steps can be put into full force and effect. These save substantial interest costs over the term of the now four bond issues.

Financial conditions worsened at the home due to the State of IL enacting a nursing home bed tax at a rate of \$6.07 per bed per day retro-active to the assessment month of June 2011. The first payment was withheld in October of 2012 and continuing. Through 2015 this has created over a half million dollar decrease in Medicaid revenue per year. The home was forced to issue the first of many future local bank loans in May 2013 for \$750,000 with a 1% interest rate due April 1, 2014. This loan was paid off in March of 2014 so that a new loan of \$1,000,000 could be utilized. This new loan was a tax anticipation warrant. Therefore, pay-off had to be done in the same incremental percentages as the home collected its property tax

revenue throughout the 2014 fiscal year. The entire loan obligation was paid back by fiscal year end. Then in 2015 a \$500,000 tax anticipation loan was issued and paid back throughout the 2015 fiscal year in the same way as the 2014 loan with the full amount paid by year-end. In 2016 the tax anticipation loan grew to \$1 million. At this time it is predicted additional bank loans will be needed to continue operations to the home in future years. The maximum available to borrow is 85% of the current year property tax levy collection amount.

An Ad Hoc committee was formed to research and advise the County Board of short and long-term options for continued operations of the home with this revenue reduction. A referendum question was placed on the ballot in November 2014 to attain permission from the voters to increase the property tax levy for the home temporarily, so long term remedies could be put in place. One of the long-term remedies could be legislation changes to abolish the new bed tax. This referendum failed. Despite this, the County Board desires to continue to operate the home as a County owned facility to provide the best options for Rock Island County's senior and nursing care needs populations. The Board researched and decided among various alternatives to run the home with a new management style. Health Dimensions Group, a private and professional nursing home management company, was researched and hired in 2015. This company was contracted to receive a monthly payment as well as incentives to achieve various goals, mostly financial, with the home. This company reported to an independent, volunteer member board as well as the County Board, who ultimately still ran and made top level decisions of Hope Creek to maintain County ownership. The County Board ended the management contract in July 2016 and the county administrator took over management of the facility effective August 2016. Numerous positive financial changes occurred at the facility since coming under county management including running the facility with an entrepreneurial spirit and business-minded decisions.

The county board voted to put a referendum question on the ballot in March 2013 to facilitate funding for building a new courthouse and/or any other County facilities/properties. The public voted this question down as well. The Ad Hoc Committee that was formed consisting of various public officials and citizens continued to research and inform the County Board and public about the County's options regarding any new County facility/property into fiscal year 2014. Funds to hire independent experts were loaned to the County General Fund from the courts at a 2% per annum interest rate to provide this information. In mid-2014 talks on this issue came to a standstill with no definite funding sources being discovered. After this happened the loan plus all interest due was paid back to the courts. As always the County Board has the best interest of

the tax payers in mind while promoting efficiency and effectiveness for the County as a whole. The placement of the County Administrator and Chief Judge Braud brought new insight to this issue as discussion began again into fiscal year 2015. The fact remained that ignoring this issue too long could create the potential for lawsuits considering the courthouse conditions for employees and visitors. Therefore, a study was done regarding an annex that would be added to the existing Justice Center and whether funding could be done through the existing Public Building Commission's authority. This process was ruled lawful, so it began. It will alleviate the use of the existing Courthouse except for one office. That office's needs will be addressed elsewhere. This annex will therefore eliminate the current Courthouse Building use, and liability & safety issues.

Major Initiatives

In November 2011, members of the County Board, Elected Officials, Department Heads, and other county employees met to determine goals for the County to work on in the future. No meetings of this type have taken place since. Therefore, the County Board continues to strive to achieve these goals through adversity. The following are the top ten goals and future actions those members of this session felt important to the continued development of the County.

1. Investigate new revenue sources.
2. Attract new businesses and keep existing, specifically John Deere.
3. Develop a Courthouse/Justice complex – specifically new courtrooms.
4. Better understand the County's workforce.
5. Have help from an economic development professional for the County.
6. Begin developing Loud Thunder and Martin Farm there.
7. Continue to implement I-74/Amtrak.
8. Promote early voting.
9. Look at existing expertise in the County and leverage it.
10. Tap into the existing area resources such as the Casino.

The first goal is constantly being considered, as in "Long-term Financial Planning" above, so that services are kept updated and impact to employees is minimal. A new program was approved by the board with Commerce Bank in 2015 to generate cash back for vendor payments through them. The hopeful estimate of new revenue per year is about \$25,000-\$35,000. The program was delayed during contract signing to clear up language. Therefore, actual implementation began June 2016.

Rock Island County has continued its relationship with the Quad Cities Chamber of Commerce. The Chamber has been bringing new businesses to Rock Island County.

The County hired a County Administrator in 2015 to focus highly upon economic development into the future. This individual will assist the county board in a professional capacity to accomplish parts of many of the other goals listed as well.

Our current elected district Congresswoman was appointed to the I74 and Amtrak implementation committees to help further infrastructure and tourism progress for our area.

Early voting initiatives continue through federal grant funds whenever possible to keep the designation that Rock Island County attained in 2012 as the top in voter turnout in the State of Illinois. We are constantly battling new unfunded State mandates, however. The County had in place for the 2016 primary, as required, the ability to register to vote at all polling places including Election Day. New software was required to comply.

Annual continuation of a new health plan choice has occurred since it was revealed in 2012. This new premier plan promotes health. A mandatory screening is administered to see how many metabolic syndrome risk factors a participating employee has. If more than two risk factors are found the employee is required to complete a naturally slim program. The goal is to have a healthy workforce and the program also saves the employee and the County money. The rising costs of health care however, have made the savings of this program obsolete.

Therefore, the program will be discontinued after 2016 as the Health Care Committee has determined.

In 2016 the County engaged in numerous cost-reduction strategies including negotiating zero percent general wage increases with four employee unions (saving the county hundreds of thousands over the life of the cumulative contracts), the elimination of a previously approved county holiday (saving significant money), consolidation of the County Board committee structure (saving approximately \$30,000 annually), the County Board giving up retirement benefits and healthcare benefits (saving tens of thousands of dollars annually), and renegotiating existing vendor contracts (saving over \$60,000 annually). County management continues to operate with an entrepreneurial spirit and a business-minded focus – willing to challenge the status quo and always putting customer service at the forefront of operations.

Cash management policies and practices. Cash temporarily idle during the year was invested in Black Hawk State Bank, and certificates of deposits. The maturities of the investments vary. Investments, which consist primarily of mutual funds, are reported at fair value as determined by the fund's current share price. Earnings from these pooled investments

are allocated monthly to the appropriate funds based on the average daily investment balance for each fund. All funds are collateralized or insured by the Federal Reserve or an agency of the federal government through the FDIC, FSLIC, NCUA and/or held in a safekeeping account by pledged securities through a third party Custodial Bank.

Risk Management. The County is self-insured for risk exposures related to worker's compensation claims, general and automobile liability claims, and also in its Employee Health Benefit Plan. Times of unfortunate health circumstances within membership will adversely affect the financial stability of a self-insured entity's fund. Claims settlement and loss expenses are accrued in the Employee Health Benefit Plan Fund for the estimated settlement value of claims reported and unreported arising from incidents in health care of members during the period. All claims handling procedures are performed by an independent claims administrator. The County levies for a liability reserve property tax, recorded in the Liability Insurance or Tort Liability fund within these financial statements to provide for claims settlement and loss expenses for the estimated settlement value of worker's compensation, general liability, and auto liability claims reported and unreported arising from incidents during the year. An independent Third Party Administrator has been contracted and has been handling worker's comp claims since May of 2015. The efficiencies of processing claims and proper assistance in cases of legal dispute is proving invaluable to the County Human Resources Department in time and cost saving ways. The liability reserve is in exception to the long term portion of such estimated claim settlements which are recorded until spendable resources become available to liquidate such liabilities.

Pension and other Post-employment Benefits. Rock Island County participates in a defined benefit pension plan through the Illinois Municipal Retirement Fund, which provides retirement benefits for all officials and employees of the County whose position normally requires at least 1000 hours of service per year. These benefits are paid in addition to social security benefits. The County also provides for postretirement health care benefits to employees under the required provisions. Additional information on Rock Island County's pension and post-employment benefits can be found in the notes to the financial statements.

Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rock Island County for its comprehensive annual financial report (CAFR) for the fiscal year ended November 30, 2015. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied

both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staffs of the Auditor's Office and the Treasurer's Offices. Credit also should be given to the Bi-State Regional Commission for providing the statistics used in this report. We also wish to express our appreciation for the excellent assistance received from our independent auditors RSM US LLP. Acknowledgement must also be given to the County Board for their support for maintaining the highest standards of professionalism in the management of Rock Island County finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'April L. Palmer', with a large, stylized initial 'A'.

April L Palmer
Rock Island County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Rock Island County
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

November 30, 2015

Executive Director/CEO

Independent Auditor's Report

To the County Board of
Rock Island County, Illinois
Rock Island, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Rock Island County, Illinois (the County) as of and for the year ended November 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 did not audit the financial statements of the discretely presented component unit, the Rock Island Tri-County Consortium. We did not audit the blended component unit, the Forest Preserve Commission, a major governmental fund, which represents 10 percent, 19 percent and 7 percent, respectively of the assets, net position and revenues of the governmental activities. We did not audit the blended component unit, the Public Building Commission, which represents 40 percent, 65 percent, and 6 percent, respectively, of the assets, fund balance, and revenues of the aggregate remaining fund information and 19 percent, 52 percent, and 2 percent, respectively, of the assets, net position, and revenues of the governmental activities. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement. The financial statements of the Public Building Commission and the Forest Preserve Commission were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement 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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of November 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Illinois Municipal Retirement Fund schedule of changes in the net pension liability and related ratios and schedule of employer contributions, Other Postemployment Benefit Plan and budgetary comparison 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 and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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.

Other 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 combining and individual nonmajor fund financial statements and budget and actual schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described previously and the reports of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2017, 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 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 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.

RSM US LLP

Davenport, Iowa
May 16, 2017

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

As management of Rock Island County, we offer readers of Rock Island County's financial statements this narrative overview and analysis of the financial activities of Rock Island County for the fiscal year ended November 30, 2016. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, identifying material deviations from the financial plan (approved budget), and identifying individual fund issues or concerns.

We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

The assets and deferred outflows of resources of Rock Island County, Illinois (the County) exceeded its liabilities and deferred inflows of resources by \$58,552,064 and \$56,794,893 (net position) at the close of fiscal years 2016 and 2015, respectively. Of this amount, \$(14,923,489) for fiscal year 2016 and \$(15,438,845) for fiscal year 2015 may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position increased by \$1,757,171 and decreased by \$5,463,556 in fiscal years 2016 and 2015, respectively.

As of the close of this current fiscal year, the County's governmental funds reported combined ending fund balances of \$23,164,108, an increase of \$510,742 in comparison with the prior year. Approximately one percent of this total amount, \$307,018, is available for spending at the government's discretion (unrestricted fund balance) subject to the limitations imposed by the nature of the fund type.

Unrestricted fund balance for the General Fund was \$1,417,816 and \$2,971,136 or 5 percent and 12 percent of total General Fund expenditures for fiscal years ended 2016 and 2015, respectively.

The County's total long-term debt excluding compensated absences and estimated claims settlements, increased by \$28,547,693 (120 percent) during fiscal year ended November 30, 2016. The increase was a result of issuance of \$28,000,000 of revenue bonds by the Public Building Commission. Future annual payments are secured by a lease agreement with the County through December 31, 2045.

As of the close of the fiscal year 2016, the Rock Island County Forest Preserve District's governmental funds reported combined ending fund balances of \$3,216,630, an increase of \$559,659 in comparison to prior year. Both bond principal and interest payments began 12/1/06. The current interest rate ranges from 2.0 percent to 4.4 percent. The future annual payments range from \$355,250 to \$460,862 and end on December 1, 2028. These payments will be made through increased revenue and property taxes in the Rock Island County Forest Preserve District's General and Niabi Zoo funds.

Hope Creek Care Center entered into bonds issued 2006, 2007, 2013 and 2016 to build a new facility for the center in 2008. The first interest payments were due in 2007 with the first principal payment due on 12/1/09. The future annual payments range from \$1,548,905 to \$1,612,000 and will end on 12/1/27. These payments will be made through fees and property taxes levied for the facility.

Rock Island County cost savings measures throughout fiscal year 2016 continued. Replacement employees for retiree or resigned positions were not filled whenever possible or at least as long as possible. Increases for expense budgets have been restricted without additional supporting revenue sources, so as not to consume unencumbered fund balance. Equipment purchases are being delayed or forgone when possible.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

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 basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The County only has functions that are principally supported by taxes (governmental activities). The governmental activities of the County include general government, public safety, judiciary and legal, corrections, transportation and public works, social services and culture and recreation.

The government-wide financial statements include Rock Island County, Illinois and the discretely presented component unit, the Rock Island Tri-County Consortium. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of 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. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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 financial requirements.

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 42 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Forest Preserve Commission, Hope Creek Care Center, Illinois Municipal Retirement Fund and Liability Insurance Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

The County adopts an annual appropriated budget for most of its funds. A budgetary comparison schedule has been provided as required supplementary information for the General Fund, Forest Preserve Commission Fund, Hope Creek Care Center Fund, Illinois Municipal Retirement Fund and Liability Insurance Fund to demonstrate compliance with this budget on pages 74 through 78.

The basic governmental fund financial statements can be found on pages 81 through 118 of this report.

Proprietary funds: The County maintains one type of proprietary fund: Internal Service. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 119 through 121 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The fiduciary funds of the County are considered agency funds. Total assets of the fiduciary funds were \$11,902,075 and \$10,739,652 for fiscal years ended 2016 and 2015, respectively.

The basic fiduciary fund financial statements can be found on pages 122 through 131 of this report.

Notes to basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's Illinois Municipal Retirement Fund, other postemployment benefit plan and the General, Forest Preserve Commission, Hope Creek Care Center Fund, Illinois Municipal Retirement Fund and Liability Insurance Funds' budgetary comparisons. This information can be found on pages 62 through 80 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to basic financial statements and the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's total net position has increased from a year ago. This total net position of \$58,552,064 in 2016 compared to the stated net position of \$56,794,893 during 2015 represents that increase.

Of the County's net position, 96 percent and 99 percent for the fiscal years ended 2016 and 2015, respectively, reflect its investment in capital assets (e.g., land, construction-in-progress, buildings, improvements other than buildings, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

Table 1 - Rock Island County, Illinois' Net Position

| | Governmental Activities 2016 | Governmental Activities 2015 |
|--|---|---|
| Current assets | \$ 97,954,940 | \$ 61,413,568 |
| Capital assets, net | 78,331,744 | 79,378,790 |
| Total assets | 176,286,684 | 140,792,358 |
| Deferred outflows of resources | 26,921,506 | 12,065,879 |
| Current liabilities outstanding | 16,965,011 | 16,460,793 |
| Other liabilities | 98,256,332 | 52,264,210 |
| Total liabilities | 115,221,343 | 68,725,003 |
| Deferred inflows of resources | 29,434,783 | 27,338,341 |
| Net position: | | |
| Net investment in capital assets | 56,038,605 | 56,092,370 |
| Restricted for: | | |
| Capital improvements | 6,706,113 | 6,309,563 |
| Collector's tax fees, sale & error refunds | 173,873 | 159,215 |
| Document storage | 2,621,506 | 2,639,218 |
| Working cash | 524,878 | 523,517 |
| GIS | 149,053 | 154,847 |
| Judicial | 1,629,470 | 1,554,261 |
| Parks and recreation | 3,213,119 | 2,653,597 |
| Public health | 2,314,021 | 1,245,061 |
| Public safety | 104,915 | 902,089 |
| Unrestricted | (14,923,489) | (15,438,845) |
| Total net position | \$ 58,552,064 | \$ 56,794,893 |

A restricted portion of the County's net position (30 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, a negative \$(14,923,489), may be used to meet the government's ongoing obligations to citizens and creditors. In 2016 no unrestricted net position was available since capital assets and restricted resource totals exceed total net position.

The County's total net position increased by \$1,757,171 during the current fiscal year. This increase was mainly attributable to capital asset increases through highway improvement projects, and forest preserve and other fund increases through debt refunding savings and fee and property tax revenue increases.

Table 2 highlights the County's revenues and expenses for the fiscal year ended November 30, 2016. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method of accounting.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales and services, operating grants and contributions and capital grants and contributions. General revenue includes taxes, investment income and other unrestricted revenue sources.

Table 2 - Rock Island County, Illinois' Changes in Net Position

| | Governmental Activities 2016 | Governmental Activities 2015 |
|--|---|---|
| Revenues: | | |
| Program revenues: | | |
| Charges for services | \$ 29,227,211 | \$ 28,009,948 |
| Operating grants and contributions | 13,367,019 | 12,798,057 |
| Capital grants and contributions | 109,540 | 46,970 |
| General revenues: | | |
| Property taxes | 30,437,034 | 25,836,301 |
| Intergovernmental revenue | 10,004,950 | 9,751,707 |
| Investment earnings | 131,151 | 95,221 |
| Gain on disposal of capital assets | - | 15,454 |
| Miscellaneous | 624,578 | 447,037 |
| Total revenues | 83,901,483 | 77,000,695 |
| Expenses: | | |
| General government | 17,849,679 | 23,640,666 |
| Public safety | 9,936,891 | 7,824,986 |
| Corrections | 4,839,517 | 4,953,932 |
| Judiciary and legal | 9,278,027 | 8,163,305 |
| Transportation and public works | 4,630,884 | 5,457,263 |
| Social services | 28,442,320 | 26,928,225 |
| Culture and recreation | 5,183,351 | 4,530,496 |
| Debt service, interest on long-term debt | 1,983,643 | 965,378 |
| Total expenses | 82,144,312 | 82,464,251 |
| Increase/(Decrease) in net position | 1,757,171 | (5,463,556) |
| Net position, beginning | 56,794,893 | 62,258,449 |
| Net position, ending | \$ 58,552,064 | \$ 56,794,893 |

General government expenses decreased approximately \$5,790,000 or 24 percent. Despite expenses for a presidential election year and increases in health costs, IMRF, and FICA, and a full year of expenses for the County Administrator that was only established for half the year of 2015, expenses decreased. This was mostly due to the legal liability settlement required reporting for 2016 being much lower than the uncertain possibilities that existed at the end of 2015 needing to be recorded. Many large settlements were actually settled at a lower than recorded amount. Also, in being mindful of revenue and depleted fund balance constraints most offices reduce spending. The IT office did not spend as much for services and software. The Recorder's office slowed costly document storage procedures, and since Hotel Motel Tax revenue was less in 2016 the expense out to Niabi Zoo was down.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

Public safety expenses increased approximately \$2,112,000 or 27 percent. Much of the state and federal seized property revenue, as well as grant revenue that was allowed to be carried from prior years was beginning to be expensed on needs of the Sheriff's Office, such as new squad cars. The Coroner experienced increased costs for autopsies and transportation in 2016 than in years past. Civil Defense's expenses were higher. Also, the time when offices could do without replacing employees that chose to take the ERI in 2015 came to an end, so many of those positions were filled. The expenses of the new bonds became due for the first time in 2016.

Transportation and public works expenses decreased approximately \$826,000 or 15 percent. This is primarily due to county aid and other projects not being done due to the state budget crisis and the fact that Motor Fuel Tax was not coming in a timely schedule. Also, a large grant has begun slowing down as the end of the grant period gets closer and most of the work gets done.

Judiciary and Legal expenses increased approximately \$1,115,000 or 14 percent. This is primarily due to more high profile cases in 2016. Also, the time when offices could do without replacing employees that chose to take the ERI in 2015 came to an end, so those positions were filled. The newly settled IUOE collective bargaining agreement provided for salary increases for its members. There have also been new mandates placed upon the Circuit Clerk to electronically file, as well as preparation steps beginning for the move in a couple of years to the new court site being built in 2017-2018.

Debt service expenses increased approximately \$1,018,000 or 105 percent. A new issue of bonds for \$28,000,000 was received for the Public Building Commission to build an annex onto the existing County Justice Center. Issue costs were expensed and interest payments became due in 2016.

Table 3 below discloses cost of services for Governmental Activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by local taxes or other general revenue or transfers.

Table 3

| Programs | Total Cost of Services 2016 | Net Revenue (Expense) of Services 2016 |
|--|--------------------------------|--|
| General government | \$ 17,849,679 | \$ (12,053,792) |
| Public safety | 9,936,891 | (7,637,650) |
| Corrections | 4,839,517 | (3,110,529) |
| Judiciary and legal | 9,278,027 | (6,401,469) |
| Transportation and public works | 4,630,884 | (1,493,500) |
| Social services | 28,442,320 | (4,419,134) |
| Culture and recreation | 5,183,351 | (2,340,825) |
| Debt service, interest on long-term debt | 1,983,643 | (1,983,643) |
| Total | \$ 82,144,312 | \$ (39,440,542) |

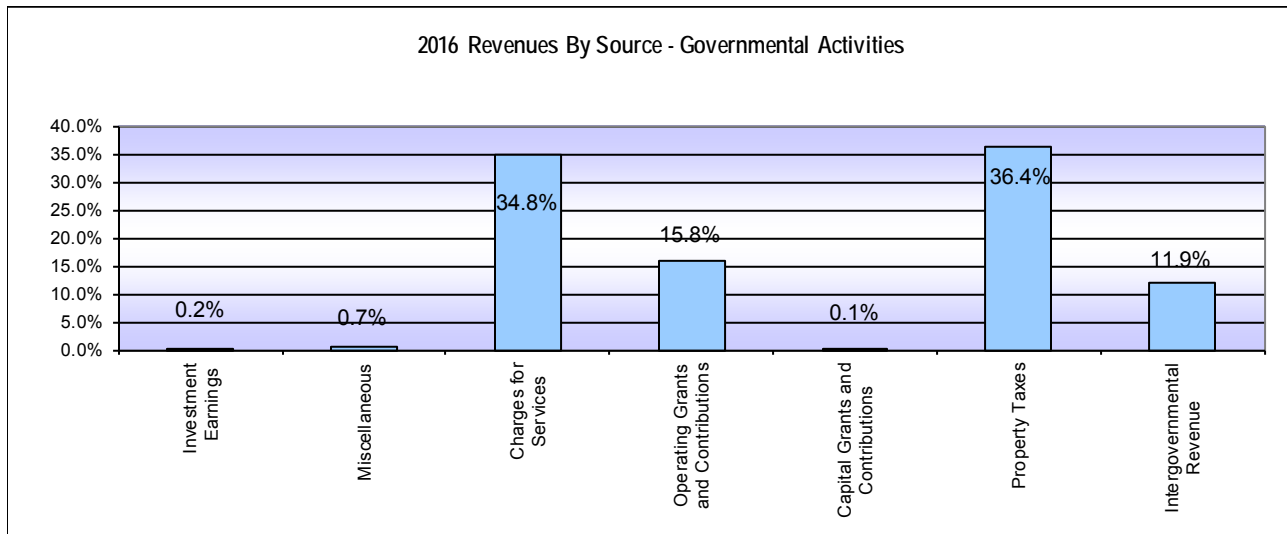
Net cost of services is 48 percent of total cost of services in 2016. This reflects a continued reliance on taxes and other general revenue sources to fund the cost of services.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

Governmental Activities

The graph below shows the percentage of the total governmental activities revenues allocated by each revenue type for the year ended November 30, 2016.



Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unrestricted fund balance 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 \$23,164,108, an increase of \$510,742 in comparison with the prior year. Approximately 1 percent of this total amount, \$307,018, constitutes unrestricted fund balance, which is available for spending at the government's discretion subject to the limitations imposed by the nature and purpose of fund type.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,417,816 while total fund balance reached \$2,626,991. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures of \$26,158,666. Unassigned fund balance represents 5 percent of total General Fund expenditures, while total fund balance represents a little higher amount at approximately 10 percent of that same amount.

The County's General Fund net change in fund balance was a decrease of \$1,529,165 during the current fiscal year. The key factor in this decrease was basically a planned budget deficit due to revenue being insufficient to cover the County's needs to pay for the level of services its citizens deserve and as mandated by law.

The Forest Preserve Commission Fund has a total fund balance of \$3,216,630 for 2016 and \$2,656,971 for 2015. The net increase in fund balance during the current year was \$559,659. The increase is due to property taxes being raised in certain funds as well as fees. An additional property tax revenue fund, Development of Forests and Construction Improvements fund, contributed to this. Also, keeping expenditures to a minimum provide a fund balance increase within each individual Forest Preserve fund.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

The Hope Creek Care Center Fund has a total fund deficit of \$(750,838) for 2016 and had a fund deficit of \$(209,803) for 2015. The net decrease in fund balance during the current year was \$541,036. Fee revenue continued to drop even lower in 2016. The home began researching different patient pay mixes to take care of this declining fee trend. So despite expenses being over all lower in 2016 and savings from the bond refunding of over \$100,000, revenues cannot sustain the home's expenses therefore, decreasing fund balance.

The Illinois Municipal Retirement Fund has a total fund balance of \$2,893,975 for 2016 and \$1,627,375 for 2015. The net increase in fund balance during the current year was \$1,266,600 from property tax increases. The property tax increase was necessary to carry this fund through the over 6 month period each year when no property taxes are collected. This is this fund's only revenue source.

The Liability Insurance Fund has a total fund balance of \$36,555 for 2016 and \$1,254,894 for 2015. The net decrease in fund balance during the current year was \$1,218,339. Large settlement payments were required in 2016 to close years' old lawsuit cases. Rock Island County is self-insured for these expenses. Therefore, property tax revenue to this fund is raised to compensate these and other liability expenditures in the year following. So until this revenue is received fund balance reserves were depleted.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for the General Fund can be summarized as follows:

- The total original revenue budget of \$23,102,579, excluding transfers in, was increased to \$23,122,745 (an increase of \$20,166). This increase is almost solely due to grant revenue being received. Therefore in keeping with County policy of not over stating revenues, grants that are new, unanticipated for sure or covering multiple years are not budgeted. Then, upon receipt the corresponding expense is budgeted as well. So the increase is due to:
 - Continued Sheriff Justice Assistance grant revenue being awarded, and additional State Criminal Alien Assistance funds received both from the US Bureau of Justice.
 - Federal and State grants were received to help promote emergency preparedness
 - A local grant was received from the County Waste Management Agency for promoting recycling county wide.

Variances in the final budgeted revenues over actual revenues totaling \$186,265 were due in part to various fees revenues coming in under anticipated. Only about 96 percent of revenue budgeted was collected in fees such as Circuit Clerk fees & fines, Recorder fees and County Clerk fees. Also, due to the actual lower than estimated equalized assessed value of property tax came in slightly under budget. This offset the higher than anticipated intergovernmental taxes received such as ¼ cent sales tax, local use tax, sales and use tax, and Exelon tax.

Variances in actual expenditures under final budget total \$1,247,203. After the ERI in the two previous years many offices were concerned for the General Fund's financial deterioration, decided to use this as an opportunity to either evaluate never filling these open positions or delay filling them to the extent they could and not jeopardize the services performed. Major office savings due to this came from Auditor, Circuit Clerk, Sheriff, and Court Services. This in turn created substantial savings in health insurance costs to the tune of about \$266,000. The other area of major under budget spending was in costs of services. The Sheriff saved money by reevaluating contracts. They decided upon a new medical service provider for the jail inmates with substantial savings and also the Racom service for telecommunications was under estimated. In a couple of instances the General Fund makes payments to outside providers for services such as property insurance and postage as a whole county for price consciousness. Much of this is then reimbursed to the general fund later. Therefore, the perception is that the line items are under budget since the large initial payment has to be budgeted to pay.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

Capital Asset and Debt Administration

Capital assets: The County's investment in capital assets for its governmental activities amounted to \$78,331,744 and \$79,378,790 (net of accumulated depreciation) as of November 30, 2016 and 2015, respectively. This investment in capital assets includes land, construction-in-progress, buildings, improvements other than buildings, equipment and infrastructure.

Major capital assets additions for the year include the highway department purchase of two new dump trucks at a cost of \$272,577. The highway department also invested \$1,524,832 improving County highways number 18, 46, and 59. These highway projects are in process at November 30, 2016 and will be completed in 2017. The sheriff's office purchased one new patrol car, one unmarked patrol car, and seven squad cars for a total investment of \$343,738. The above additions account for 83% of our \$2.587 million in additions.

Table 4 - Rock Island County, Illinois' Capital Assets

| | Governmental Activities | |
|-----------------------------------|-------------------------|----------------------|
| | 2016 | 2015 |
| Land | \$ 6,638,780 | \$ 6,567,011 |
| Construction-in-progress | 2,007,857 | 290,293 |
| Buildings | 57,727,779 | 57,695,879 |
| Improvements other than buildings | 92,909 | 92,909 |
| Equipment | 14,763,547 | 14,066,551 |
| Infrastructure | 61,044,059 | 60,974,682 |
| Accumulated depreciation | (63,943,187) | (60,308,535) |
| Total | \$ 78,331,744 | \$ 79,378,790 |

Additional information on the County's capital assets can be found in Note 6 of this report.

Debt: The County had revenue bonds outstanding totaling \$30,670,000 and \$3,525,000 and general obligation bonds outstanding totaling \$18,430,000 and \$19,955,000, as of November 30, 2016 and 2015, respectively. The County paid \$2,230,000 in principal and \$1,648,435 in interest on outstanding debt. Additional information about the County's long-term debt can be found in Note 7 to the financial statements.

Table 5 - Rock Island County, Illinois' Outstanding Debt, November 30

| | 2016 | 2015 | Maturity |
|--------------------------|---------------|---------------|----------|
| Governmental activities: | | | |
| General obligation bonds | \$ 18,430,000 | \$ 19,955,000 | 2028 |
| Revenue bonds | 30,670,000 | 3,525,000 | 2045 |

Economic Factors and Next Year's Budgets and Rates

The 2017 fiscal year budget is based in part on an increase in assessed valuation of 3.0 percent. Additionally, there is a slight increase to expected sales tax revenue. These increases are not enough to cover needed expenses in the General Fund, currently at its maximum levy percentage, and this occurrence results in an FY17 budgeted general fund deficit of \$1.6 million. The county has lowered expenses significantly and increased revenues over the past two years; however, for the FY18 budget year there will need to be a balanced budget to ensure a general fund balance at the end of the year.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

The County continues its attempt to address the deterioration of its facilities. The County Board voted to allow the Public Building Commission (PBC) to build a \$28M annex and this will help significantly with deferred maintenance at the existing courthouse; however, there are many other deferred maintenance needs in the county that must be addressed. The county adopted a detailed 5-year Capital Improvement Plan (CIP); however, voters did not approve a funding mechanism to pay for the needed capital equipment and repairs. Without a funding mechanism, the county expects very limited ability to maintain its existing facilities.

For fiscal years 2018 and beyond, the objective is to provide a surplus general fund budget so that by the year 2021, the General Fund has a fund balance of at least 20 percent of the budgeted expenditures for that year. The County Board will need additional general fund revenues sufficient to accomplish this objective or general fund expenses will need to be significantly reduced. A comparison of staffing levels and expenses from three other similarly sized counties in Illinois revealed that Rock Island County is understaffed and generally spends less per capita than those other counties. Since staffing levels are low, the workload continues to increase, and other parts of the budget have already been cut, the only thing left to cut is additional personnel-related costs. Any additional cuts to personnel may bring staffing to dangerous levels considering we are required to provide certain services to the public.

To increase revenues through non-taxing sources and to decrease expenditures, the County entered into an agreement with Commerce Bank to provide additional revenue to the County for them processing certain accounts payable. Additionally, the County began website advertising to increase revenues. To cut expenses, certain employee positions were held open, other positions were eliminated, and certain layoffs occurred. The County Board agreed to end retirement benefits for County Board members and to end the practice of allowing County Board members to participate in the employee health plan. Additionally, we renegotiated existing vendor contracts with our managed print services provider and our elevator maintenance provider. These negotiations will save the county at least \$50,000 each year for the next several years.

The County closed four collective bargaining agreements (CBAs) in FY16. The County worked cooperatively with AFSCME and the FOP during collective bargaining negotiations to accomplish significant cost savings for the taxpayer through a freeze in the union employee pay scale for two years and by eliminating a previously approved County employee holiday. Over five years, these revenue and expenditure changes are estimated to save county taxpayers over \$2 million. The County will have one open CBA in 2017 with the Teamsters union. The County plans to begin negotiations on that contract before it expires.

In 2015 the County hired its first County Administrator to provide professional management for County operations under the County Board's control/authority. After hiring the Administrator, the County Board adopted a County Board Code of Conduct policy and the Board held a series of strategy meetings designed to both improve Board functionality and provide focus for a vision of professional Board action moving forward. With the hiring of a County Administrator, the County now has a 5-year capital improvement plan, a 5-year operating budget plan, revised employee policies, and someone with both training and experience to manage the day-to-day operations of the County under the County Board's control.

Total general fund budgeted revenue for fiscal year 2017 is \$25,921,708 and \$27,571,065 in expenditures. With limited revenue options and the need to provide minimum services to the public, the County plans to seek another sales tax ballot question in the spring of 2018. Even with voter approval, revenues will not start coming in until later in the year and therefore the county must reduce FY18 general fund expenses by approximately \$2M.

The County is self-insured and to help mitigate risk, the County is actively working on its risk management efforts. The County is working to ensure thorough investigations occur for all reported worker's compensation injuries as well as any possible tort liability incidents. The county now works with a Third Party Administrator to manage claims and we employed the use of Company Nurse to manage initial reports of injuries. The County is budgeting for prior year worker's compensation and tort incidents out of the Liability Insurance Fund. The County analyzed the option of obtaining insurance in the open market; however, the quotes received were not cost effective and would have cost the taxpayer more money than by remaining self-insured.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2016

For FY17 and FY18, the County will be budgeting only the minimum amount necessary in both FICA and IMRF to pay annual employee expenses plus maintain a fund reserve of 50 percent of annual expenditures. The reserve is to ensure the county does not borrow money and pay interest expense during non-tax collection months. The County's sales tax revenues increased in 2016 by 1.71 percent over 2015 levels. The Mental Health levy is budgeted to increase annually by 3 percent and in 2021 that fund is estimated to have a healthy 43.2 percent reserve. The Veteran's Affairs levy is budgeted to remain flat in 2017 and then increase by 3 percent each year for the next four years. That fund is estimated to have a very healthy 83.28 percent reserve. The highway department levy is budgeted to increase 5% in both FY17 and FY18 to help ensure adequate road maintenance occurs. Even with these individual levy increases, the cumulative net difference to the overall property tax levy for county operations is anticipated to remain flat for several years.

Requests for Information

These financial statements and discussions are designed to provide our citizens, taxpayers, investors and creditors with a complete disclosure of the County's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write April Palmer, County Auditor, Rock Island County Office Building at 1504 Third Avenue, Rock Island, Illinois 61201.

Rock Island County, Illinois

**Statement of Net Position
November 30, 2016**

| | Primary Government Governmental Activities | Component Unit Rock Island Tri-County Consortium |
|---|--|--|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 57,139,740 | \$ 49,843 |
| Receivables: | | |
| Property taxes | 31,374,627 | - |
| Accounts, net allowance for uncollectibles of \$300,000 | 2,116,436 | 911 |
| Accrued interest | 10,617 | - |
| Due from other governments, net allowance for uncollectibles of \$500,480 | 5,772,333 | 183,999 |
| Other assets | 1,541,187 | - |
| Total current assets | 97,954,940 | 234,753 |
| Noncurrent assets: | | |
| Capital assets: | | |
| Nondepreciable: | | |
| Land | 6,638,780 | - |
| Construction-in-progress | 2,007,857 | - |
| Depreciable: | | |
| Buildings | 57,727,779 | - |
| Improvements other than building | 92,909 | - |
| Equipment | 14,763,547 | 368,769 |
| Infrastructure | 61,044,059 | - |
| Less accumulated depreciation | (63,943,187) | (366,656) |
| Total capital assets | 78,331,744 | 2,113 |
| Total noncurrent assets | 78,331,744 | 2,113 |
| Total assets | 176,286,684 | 236,866 |
| Deferred Outflows of Resources | | |
| Deferred charge on refunding | 526,591 | - |
| Pension related amounts | 26,394,915 | 401,318 |
| Total deferred outflows of resources | 26,921,506 | 401,318 |

See notes to basic financial statements.

| | Primary Government Governmental Activities | Component Unit Rock Island Tri-County Consortium |
|---|--|--|
| Liabilities | | |
| Current liabilities: | | |
| Accounts payable | \$ 4,931,853 | \$ 222,567 |
| Current portion of estimated claims settlements | 2,170,016 | - |
| Accrued liabilities | 3,200,190 | 35,037 |
| Due to other governmental units | 7,434 | - |
| Unearned revenue | 1,788,908 | 4,148 |
| Compensated absences | 2,571,610 | 28,889 |
| Current portion of general obligation bonds | 1,420,000 | - |
| Current portion of revenue bonds payable | 875,000 | - |
| Other liabilities | - | 15,415 |
| Total current liabilities | 16,965,011 | 306,056 |
| Noncurrent liabilities: | | |
| Estimated claims settlements | 1,818,769 | - |
| Net other postemployment benefits obligation | 3,687,485 | 6,539 |
| Net pension liability | 42,776,186 | 612,442 |
| General obligation bonds, net bond premiums | 18,114,344 | - |
| Revenue bonds payable, net bond premiums | 31,859,548 | - |
| Total noncurrent liabilities | 98,256,332 | 618,981 |
| Total liabilities | 115,221,343 | 925,037 |
| Deferred Inflows of Resources | | |
| Property taxes | 29,156,741 | - |
| Pension related amounts | 278,042 | - |
| Total deferred inflows of resources | 29,434,783 | - |
| Net Position (Deficit) | | |
| Net investment in capital assets | 56,038,605 | 2,113 |
| Restricted for: | | |
| Capital improvements | 6,706,113 | - |
| Collector's tax fees, sale and error refunds | 173,873 | - |
| Document storage | 2,621,506 | - |
| Working Cash | 524,878 | - |
| GIS | 149,053 | - |
| Judicial | 1,629,470 | - |
| Parks and recreation | 3,213,119 | - |
| Public health | 2,314,021 | - |
| Public safety | 104,915 | - |
| Donor requirements | - | 1,164 |
| Unrestricted (deficit) | (14,923,489) | (290,130) |
| Total net position (deficit) | \$ 58,552,064 | \$ (286,853) |

Rock Island County, Illinois

Statement of Activities
Year Ended November 30, 2016

| Functions/ Programs | Expenses | Program Revenues | | |
|--|---------------|--------------------------------|------------------------------------|----------------------------------|
| | | Charges for Sales and Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government | | | | |
| Governmental activities: | | | | |
| General government | \$ 17,849,679 | \$ 5,748,019 | \$ 47,868 | \$ - |
| Public safety | 9,936,891 | 1,801,957 | 497,284 | - |
| Corrections | 4,839,517 | 647,912 | 971,536 | 109,540 |
| Judiciary and legal | 9,278,027 | 2,663,518 | 213,040 | - |
| Transportation and public works | 4,630,884 | 138,351 | 2,999,033 | - |
| Social services | 28,442,320 | 15,854,091 | 8,169,095 | - |
| Culture and recreation | 5,183,351 | 2,373,363 | 469,163 | - |
| Debt service, interest on long-term debt | 1,983,643 | - | - | - |
| Total governmental activities | \$ 82,144,312 | \$ 29,227,211 | \$ 13,367,019 | \$ 109,540 |
| Component Unit | \$ 2,579,489 | \$ - | \$ 2,671,364 | \$ - |

General Revenues

Property taxes
Intergovernmental revenue, unrestricted:
Replacement tax
Sales and use taxes
Income tax
Hotel/Motel taxes
Other taxes
Investment earnings
Miscellaneous
Total general revenues
Changes in net position
Net position (deficit), beginning of year

Net position (deficit), end of year

See notes to basic financial statements.

Net (Expense) Revenue and Changes
in Net Position

| Primary Government | Component Unit |
|----------------------------|---|
| Governmental Activities | Rock Island Tri-County Consortium |
| \$ (12,053,792) | \$ - |
| (7,637,650) | - |
| (3,110,529) | - |
| (6,401,469) | - |
| (1,493,500) | - |
| (4,419,134) | - |
| (2,340,825) | - |
| (1,983,643) | - |
| (39,440,542) | - |
| - | 91,875 |
| 30,437,034 | - |
| 2,312,675 | - |
| 5,230,609 | - |
| 1,722,697 | - |
| 287,845 | - |
| 451,124 | - |
| 131,151 | 406 |
| 624,578 | 2,000 |
| 41,197,713 | 2,406 |
| 1,757,171 | 94,281 |
| 56,794,893 | (381,134) |
| \$ 58,552,064 | \$ (286,853) |

Rock Island County, Illinois

**Balance Sheet
Governmental Funds
November 30, 2016**

| | Primary Government | | |
|--|----------------------|-------------------------------|---------------------------|
| | General | Forest Preserve Commission | Hope Creek Care Center |
| Assets | | | |
| Cash and cash equivalents | \$ 1,519,513 | \$ 2,880,538 | \$ 704,285 |
| Receivables: | | | |
| Property taxes receivable | 7,076,333 | 1,942,768 | 2,548,557 |
| Accounts receivable, net allowance for uncollectibles of \$300,000 | 391,067 | 120,877 | 1,388,201 |
| Accrued interest receivable | 3,091 | 660 | 152 |
| Due from other funds | 410,944 | - | 80,241 |
| Due from other governmental units, net allowance for uncollectibles of \$500,480 | 2,285,941 | 34,054 | 1,947,289 |
| Other assets | 114,795 | 4,770 | 119 |
| Advances to other funds | 562,850 | - | - |
| Total assets | \$ 12,364,534 | \$ 4,983,667 | \$ 6,668,844 |
| Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | | | |
| Liabilities: | | | |
| Accounts payable | \$ 964,831 | \$ 279,488 | \$ 2,144,793 |
| Accrued liabilities | 779,487 | 150,664 | 280,933 |
| Due to other funds | 282,739 | - | 119,293 |
| Due to other governmental units | 6 | - | - |
| Unearned revenues | 582,366 | - | - |
| Advances from other funds | - | - | 396,850 |
| Total liabilities | 2,609,429 | 430,152 | 2,941,869 |
| Deferred inflows of resources: | | | |
| Unavailable revenue - property taxes | 6,170,936 | 1,336,885 | 2,468,374 |
| Unavailable revenue - intergovernmental | 957,178 | - | 2,009,439 |
| Total deferred inflows of resources | 7,128,114 | 1,336,885 | 4,477,813 |
| Fund balances: | | | |
| Nonspendable | 677,645 | 4,770 | 119 |
| Restricted | 531,530 | 3,211,860 | - |
| Unassigned | 1,417,816 | - | (750,957) |
| Total fund balances (deficits) | 2,626,991 | 3,216,630 | (750,838) |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | \$ 12,364,534 | \$ 4,983,667 | \$ 6,668,844 |

See notes to basic financial statements.

| Primary Government | | | |
|-------------------------------|--------------------------|-----------------------|----------------------|
| Illinois Municipal Retirement | Liability Insurance Fund | Nonmajor Governmental | Total |
| \$ 3,199,552 | \$ 32,165 | \$ 16,110,183 | \$ 24,446,236 |
| 3,520,551 | 5,883,196 | 10,403,222 | 31,374,627 |
| - | 2,044 | 211,529 | 2,113,718 |
| 814 | 110 | 5,238 | 10,065 |
| - | 10,365 | 210,886 | 712,436 |
| - | 6,028 | 1,456,194 | 5,729,506 |
| - | - | 12,961 | 132,645 |
| - | - | 441,850 | 1,004,700 |
| <u>\$ 6,720,917</u> | <u>\$ 5,933,908</u> | <u>\$ 28,852,063</u> | <u>\$ 65,523,933</u> |

| | | | |
|----------------|---------------|------------------|------------------|
| \$ - | \$ 38,312 | \$ 1,182,065 | \$ 4,609,489 |
| 478,789 | 52,706 | 542,717 | 2,285,296 |
| - | 439 | 356,427 | 758,898 |
| - | - | 7,428 | 7,434 |
| - | - | 400,540 | 982,906 |
| - | - | 607,850 | 1,004,700 |
| <u>478,789</u> | <u>91,457</u> | <u>3,097,027</u> | <u>9,648,723</u> |

| | | | |
|------------------|------------------|-------------------|-------------------|
| 3,348,156 | 5,805,899 | 10,026,491 | 29,156,741 |
| - | - | 587,744 | 3,554,361 |
| <u>3,348,156</u> | <u>5,805,899</u> | <u>10,614,235</u> | <u>32,711,102</u> |

| | | | |
|------------------|---------------|-------------------|-------------------|
| - | - | 12,961 | 695,495 |
| 2,893,972 | 36,552 | 15,487,681 | 22,161,595 |
| - | - | (359,841) | 307,018 |
| <u>2,893,972</u> | <u>36,552</u> | <u>15,140,801</u> | <u>23,164,108</u> |

| | | | |
|---------------------|---------------------|----------------------|----------------------|
| <u>\$ 6,720,917</u> | <u>\$ 5,933,908</u> | <u>\$ 28,852,063</u> | <u>\$ 65,523,933</u> |
|---------------------|---------------------|----------------------|----------------------|

Rock Island County, Illinois

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

| | | | |
|--|----|--------------|-------------------|
| Total governmental fund balances | | \$ | 23,164,108 |
| Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the funds: | | | |
| Land | \$ | 6,181,968 | |
| Construction-in-progress | | 1,685,010 | |
| Buildings | | 56,961,755 | |
| Equipment | | 14,739,455 | |
| Infrastructure | | 61,044,059 | |
| Accumulated depreciation | | (63,725,938) | 76,886,309 |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows in the funds: | | | |
| Unavailable revenue in the funds | | | 3,554,361 |
| The internal service funds are used by management to charge the costs of self-funding the County's health insurance benefit plans and costs associated with the Public Building Commission. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position: | | | |
| Current assets | | 34,148,143 | |
| Internal balances | | 46,462 | |
| Capital assets, net | | 1,445,435 | |
| Current liabilities | | (2,832,260) | 32,807,780 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | | | |
| Estimated claims settlements | | (3,199,785) | |
| Compensated absences | | (2,571,610) | |
| Other postemployment benefits obligation | | (3,687,485) | |
| Net pension liability | | (42,776,186) | |
| Deferred outflows of resources, pension related | | 26,394,915 | |
| Deferred inflows of resources, pension related | | (278,042) | |
| Bond premium, net | | (3,168,892) | |
| Deferred charge on refunding, net | | 526,591 | |
| General obligation bonds | | (18,430,000) | |
| Revenue bonds payable | | (30,670,000) | (77,860,494) |
| Net position of governmental activities | | \$ | 58,552,064 |

See notes to basic financial statements.

Rock Island County, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Governmental Funds
Year Ended November 30, 2016

| | Primary Government | | |
|---|---------------------|-------------------------------|---------------------------|
| | General | Forest Preserve Commission | Hope Creek Care Center |
| Revenues: | | | |
| Fees | \$ 5,642,951 | \$ 2,172,437 | \$ 14,643,637 |
| Property taxes | 6,627,105 | 2,807,646 | 2,396,663 |
| Intergovernmental | 10,565,414 | 469,163 | - |
| Investment earnings | 26,395 | 8,995 | 2,439 |
| Miscellaneous | 76,810 | 313,263 | 3 |
| Total revenues | 22,938,675 | 5,771,504 | 17,042,742 |
| Expenditures: | | | |
| Current: | | | |
| General government | 8,043,339 | - | - |
| Public safety | 6,563,081 | - | - |
| Corrections | 4,280,262 | - | - |
| Judiciary and legal | 6,777,725 | - | - |
| Transportation and public works | - | - | - |
| Social services | - | - | 15,382,869 |
| Culture and recreation | - | 4,420,762 | - |
| Capital outlay | 494,259 | 227,935 | 26,544 |
| Debt service: | | | |
| Principal | - | 345,000 | 1,030,000 |
| Interest | - | 192,111 | 454,319 |
| Bond issuance costs | - | 81,982 | 215,840 |
| Total expenditures | 26,158,666 | 5,267,790 | 17,109,572 |
| Excess (deficiency) of revenue over expenditures | (3,219,991) | 503,714 | (66,830) |
| Other financing sources (uses): | | | |
| Transfers in | 1,860,836 | - | - |
| Transfers out | (201,551) | - | (694,134) |
| Refunding bond issuance | - | 3,125,000 | 9,105,000 |
| Premium on bonds | - | 97,067 | 805,561 |
| Payments to escrow | - | (3,170,004) | (9,690,635) |
| Proceeds from sale of capital assets | 31,541 | 3,882 | - |
| Total other financing sources (uses) | 1,690,826 | 55,945 | (474,208) |
| Net change in fund balances | (1,529,165) | 559,659 | (541,038) |
| Fund balances (deficits), beginning of year | 4,156,156 | 2,656,971 | (209,800) |
| Fund balances (deficits), end of year | <u>\$ 2,626,991</u> | <u>\$ 3,216,630</u> | <u>\$ (750,838)</u> |

See notes to basic financial statements.

| Primary Government | | | |
|-------------------------------|--------------------------|-----------------------|---------------|
| Illinois Municipal Retirement | Liability Insurance Fund | Nonmajor Governmental | Total |
| \$ - | \$ - | \$ 3,336,810 | \$ 25,795,835 |
| 5,146,200 | 2,311,087 | 11,148,333 | 30,437,034 |
| - | 102,480 | 12,258,039 | 23,395,096 |
| 4,855 | 3,365 | 47,475 | 93,524 |
| - | 11,144 | 628,368 | 1,029,588 |
| 5,151,055 | 2,428,076 | 27,419,025 | 80,751,077 |
| 3,874,623 | 4,060,064 | 2,996,123 | 18,974,149 |
| - | - | 1,686,250 | 8,249,331 |
| - | - | - | 4,280,262 |
| - | - | 1,437,391 | 8,215,116 |
| - | - | 3,427,538 | 3,427,538 |
| - | - | 10,719,803 | 26,102,672 |
| - | - | - | 4,420,762 |
| - | - | 1,978,866 | 2,727,604 |
| - | - | 875,000 | 2,250,000 |
| - | - | 993,790 | 1,640,220 |
| - | - | - | 297,822 |
| 3,874,623 | 4,060,064 | 24,114,761 | 80,585,476 |
| 1,276,432 | (1,631,988) | 3,304,264 | 165,601 |
| - | 413,648 | 391,398 | 2,665,882 |
| (9,833) | - | (1,730,386) | (2,635,904) |
| - | - | - | 12,230,000 |
| - | - | - | 902,628 |
| - | - | - | (12,860,639) |
| - | - | 7,751 | 43,174 |
| (9,833) | 413,648 | (1,331,237) | 345,141 |
| 1,266,599 | (1,218,340) | 1,973,027 | 510,742 |
| 1,627,373 | 1,254,892 | 13,167,774 | 22,653,366 |
| \$ 2,893,972 | \$ 36,552 | \$ 15,140,801 | \$ 23,164,108 |

Rock Island County, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities Year Ended November 30, 2016

| | | |
|--|----|---------|
| Net change in fund balances - governmental funds | \$ | 510,742 |
|--|----|---------|

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of capital outlay and the amount by which capital outlays exceeded depreciation in the current year:

| | | |
|---------------------------------|--------------------|-------------|
| Capital outlay | | 2,656,356 |
| Depreciation: | | |
| General government | \$ (207,094) | |
| Public safety | (282,404) | |
| Corrections | (559,255) | |
| Judiciary and legal | (117,244) | |
| Transportation and public works | (1,518,108) | |
| Social services | (583,808) | |
| Culture and recreation | (724,948) | |
| | <u>(3,992,861)</u> | (3,992,861) |

The net effect of various miscellaneous transactions involving capital assets:

| | | |
|--------------------------------------|----------|---------|
| Capital contributions | 109,540 | |
| Loss on disposal of capital assets | (72,117) | |
| Proceeds from sale of capital assets | (43,174) | (5,751) |

| | |
|---|-----------|
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds | 1,428,483 |
|---|-----------|

The issuance of long-term debt (e.g., bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

| | |
|---|--------------|
| Repayment of debt principal | 2,250,000 |
| Bond premium amortization | 60,851 |
| Bond discount amortization | (21,368) |
| Deferred amount on refunding amortization | (408,827) |
| Issuance of Bonds | (12,230,000) |
| Premium on Issuance of Bonds | (902,628) |
| Issuance of Bonds - Public Building Commission | (28,000,000) |
| Premium on Issuance of Bonds - Public Building Commission | (2,064,548) |
| Payments to escrow agent | 12,860,639 |

(Continued)

Rock Island County, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of
Governmental Funds to the Statement of Activities (Continued)
Year Ended November 30, 2016**

| | | |
|---|-----------|-------------------------|
| Internal service funds net change | \$ | 29,917,382 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds: | | |
| Change in claims payable | | 4,955,859 |
| Change in compensated absences | | (63,746) |
| Change in other postemployment benefits obligation | | (43,434) |
| Pension expense | | <u>(5,149,978)</u> |
| Change in net position of governmental activities | \$ | <u>1,757,171</u> |

See notes to basic financial statements.

Rock Island County, Illinois

**Statement of Net Position
Governmental Activities - Internal Service Funds
November 30, 2016**

Assets

Current assets:

| | | |
|-----------------------------------|----|-------------------|
| Cash and cash equivalents | \$ | 32,693,504 |
| Receivables: | | |
| Accounts | | 2,718 |
| Interest | | 552 |
| Due from other funds | | 46,462 |
| Due from other governmental units | | 42,827 |
| Accrued rental income | | 1,373,074 |
| Other assets | | 35,468 |
| Total current assets | | 34,194,605 |

Noncurrent assets:

Capital assets:

Nondepreciable:

| | |
|--------------------------|---------|
| Land | 456,812 |
| Construction-in-progress | 322,847 |

Depreciable:

| | |
|-----------------------------------|-----------|
| Equipment | 24,092 |
| Improvements other than buildings | 92,909 |
| Buildings | 766,024 |
| Less accumulated depreciation | (217,249) |

Total capital assets

Total assets

1,445,435

35,640,040

Liabilities

Current liabilities:

| | |
|-----------------------------|------------------|
| Accounts payable | 322,364 |
| Estimated claims settlement | 751,000 |
| Accrued liabilities | 952,894 |
| Unearned revenue | 806,002 |
| Total liabilities | 2,832,260 |

Net position

| | |
|------------------------------|----------------------|
| Investment in capital assets | 1,445,435 |
| Unrestricted | 31,362,345 |
| Total net position | \$ 32,807,780 |

See notes to basic financial statements.

Rock Island County, Illinois

**Statement of Revenues, Expenses and Changes in Net Position
Governmental Activities - Internal Service Funds
Year Ended November 30, 2016**

| | |
|--|----------------------|
| Operating revenues: | |
| Charges for services | \$ 10,747,434 |
| Other | 168,617 |
| Total operating revenue | 10,916,051 |
| Operating expenses: | |
| Other services and charges | 11,052,184 |
| Depreciation expense | 27,637 |
| Total operating expenses | 11,079,821 |
| Operating income | (163,770) |
| Nonoperating revenue, investment earnings | 46,582 |
| Income before transfers | (117,188) |
| Bonds issued on behalf of primary government | 28,000,000 |
| Premium on bonds | 2,064,548 |
| Transfers out | (29,978) |
| Change in net position | 29,917,382 |
| Total net position, beginning of year | 2,890,398 |
| Total net position, end of year | \$ 32,807,780 |

See notes to basic financial statements.

Rock Island County, Illinois

Statement of Cash Flows Governmental Activities - Internal Service Funds Year Ended November 30, 2016

| | |
|---|----------------------------------|
| Cash flows from operating activities: | |
| Cash received from employee contributions and other charges | \$ 8,744,895 |
| Cash received from other operating revenue | 168,617 |
| Cash payments for claims | (8,873,373) |
| Cash received for jail lease | 1,441,471 |
| Cash payments for jail lease | (1,693,954) |
| Cash payments for jail operations | 196,440 |
| Net cash provided by operating activities | (15,904) |
| Cash flows from noncapital financing activities: | |
| Interfund payments | 37,980 |
| Transfers out | (29,978) |
| Net cash provided by noncapital financing activities | 8,002 |
| Cash flows from capital and related financing activities: | |
| Purchase of property | (322,847) |
| Bond issuance, net of premiums | 30,064,548 |
| Net cash provided by capital and related financing activities | 29,741,701 |
| Cash flows from investing activities, interest received | 46,558 |
| Net increase in cash | 29,780,357 |
| Cash and cash equivalents: | |
| Beginning | 2,913,147 |
| Ending | <u><u>\$ 32,693,504</u></u> |
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating income | \$ (163,770) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation | 27,637 |
| (Increase) decrease in: | |
| Receivables | (1,586) |
| Due from other governmental units | (9,173) |
| Other assets | (545,031) |
| Increase (decrease) in: | |
| Estimated claims settlement | 10,000 |
| Accounts payable | (47,052) |
| Accrued liabilities | 363,848 |
| Unearned revenue | 349,223 |
| Net cash provided by operating activities | <u><u>\$ (15,904)</u></u> |

See notes to basic financial statements.

Rock Island County, Illinois

**Statement of Assets and Liabilities
Agency Funds
November 30, 2016**

Assets

| | | |
|-----------------------------|-----------|--------------------------|
| Cash and cash equivalents | \$ | 11,446,459 |
| Receivables: | | |
| Accounts receivable | | 118,092 |
| Accrued interest receivable | | <u>337,524</u> |
| Total assets | \$ | <u>11,902,075</u> |

Liabilities

| | | |
|---|-----------|--------------------------|
| Due to other governmental units | \$ | 7,485,055 |
| Due to individuals and private entities | | <u>4,417,020</u> |
| Total liabilities | \$ | <u>11,902,075</u> |

See notes to basic financial statements.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies

Nature of operations: The County provides many functions and services to citizens, including law enforcement, health and social services, planning and zoning and general administrative services.

Reporting entity: Rock Island County, Illinois (County) is a municipal entity governed by a 25-member board. As required by accounting principles generally accepted in the United States of America, these basic financial statements present Rock Island County, Illinois and its blended component units (the primary government) and its discretely presented component unit (the Rock Island Tri-County Consortium). The Rock Island Tri-County Consortium (Consortium) is presented in a separate column to emphasize that it is legally separate from the County. The Rock Island County board, acting on its own behalf and on behalf of the boards of Mercer County, Illinois and Henry County, Illinois, appoints the board of the Private Industry Council which governs the Consortium. In addition, the sole source of the Consortium's financial resources is Workforce Investment Act funds granted to the County by the Illinois Department of Commerce and Community Affairs and administered by the Consortium. The Consortium operates on a June 30 fiscal year. The basic financial statements of the County include the financial statements of the Consortium as of and for the year ended June 30, 2016. The financial statements of the Rock Island Tri-County Consortium can be obtained from its administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

The financial statements of the following entities are included as part of the primary government for the reasons indicated:

Forest Preserve District, Rock Island County, Illinois (District): The District provides a broad range of services to citizens of the County, including the operation of Niabi Zoo, Loud Thunder Park, Illiniwek Park and Indian Bluff Park and Golf Course. Although it is legally separate from the County, the District is reported as if it were part of the primary government because the members of the District's board are the same as the County's board and the County is operationally responsible for the District. The District operates on a June 30 fiscal year. The basic financial statements of the County include the funds of the District in the special revenue fund type as of and for the year ended June 30, 2016. Complete financial statements of the District can be obtained from the District's administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

Public Building Commission, Rock Island County, Illinois (PBC): The PBC was formed for the purpose of providing a new jail for the use of the County. Although it is legally separate from the County, the PBC is reported as if it were part of the primary government because all of the PBC board members are appointed by the County board and the PBC's sole purpose is to finance and construct the County's jail and courthouse. The County is also responsible to pay the debt of the PBC. The PBC operates on a June 30 fiscal year. The basic financial statements of the County include the funds of the PBC in the corrections function and as an internal service fund type as of and for the year ended June 30, 2016. Complete financial statements of the PBC can be obtained from its administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Related organization: The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making such appointments. The County board chairman, or specific committees of the County board, appoint board members of the Bi-State Regional Commission, the Rock Island County Emergency Telephone System Board, the Rock Island County Merit Commission, the Illini Hospital District and various fire protection, conservancy and sanitary districts within the County. Such appointments do not constitute a majority of the board members of any such related organizations. Such related organizations are, therefore, excluded from the financial statements of the County.

Basis of presentation: The County's basic financial statements consist of government-wide statements, which include a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided or used are not eliminated in the process of consolidation. Governmental activities are primarily supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds (internal service) and fiduciary funds (agency), the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

General Fund: The General 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.

Forest Preserve Commission Fund, a special revenue fund accounts for culture and recreation services provided to County citizens. The forest preserve is funded through property taxes and charges for culture and recreation services and is presented as major for public interest purposes.

Hope Creek Care Center Fund, a special revenue fund accounts for the activities of the County's nursing home facility. Property tax revenue is used to subsidize Hope Creek Care Center's shortfall in Medicare payments.

Illinois Municipal Retirement Fund, a special revenue fund accounts for property tax revenue used to provide retirement, disability and death benefits to employees.

Liability Insurance Fund, a special revenue fund: To account for property tax used to pay liability claims for self-insurance or in defense and prevention thereof.

Proprietary fund types: Proprietary fund types (Enterprise Funds and Internal Service Funds) are used to account for a government's activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

Internal Service Funds: To finance and account for services provided by designated departments to other departments of the County. The following are the County's internal service funds:

Employee Health Benefit Fund accounts for the premium and claim payments for the self-insured health insurance plan for County employees.

Public Building Commission Fund, a blended component unit, accounts for the activity of the County jail and courthouse.

These financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Measurement focus and basis of accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied and budgeted for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collectible within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension expense, other postemployment benefits and claims and judgments, are recorded only when payment is due.

Proprietary (internal service) funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are charges to internal customers for services and jail lease payments. Operating expenses for the internal service funds include cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Significant accounting policies:

Cash and cash equivalents: Cash and cash equivalents, which consist primarily of money market funds, are reported at amortized cost as determined by the fund's current share price. Available cash balances from all funds are combined and invested on a short-term basis. Earnings from these pooled funds are allocated monthly to the appropriate funds based on the average daily balances for each fund.

Statement of cash flows: For purposes of cash flows, the County considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents.

Other assets: Included in other assets are inventories and prepaid items.

All inventories are carried at lower of cost or market (first-in, first-out). The consumption method of accounting is applied to the governmental fund type inventories.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Revenue recognition: In applying the susceptible to accrual concept to intergovernmental revenues, the eligibility (including time) requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. For derived tax revenues (i.e., sales taxes), revenues are recorded when the underlying exchange has occurred and the resources meet the liability criteria. For government-mandated or voluntary nonexchange transactions, revenues are recognized when all eligibility requirements have been met and the resources meet the availability criteria.

Licenses and permits, fines and forfeitures, charges for sales and services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Property tax revenue and receivable: The County's property tax is levied each year on all taxable real property located in the County on or before November 30. Property taxes attach as an enforceable lien on property as of the preceding January 1, at which time they are recognized. These taxes are due in four installments on June 6, August 6, September 6 and November 6 of the following year. Since the 2016 tax levy is budgeted for fiscal year 2017, the revenue from this tax levy is reported as a deferred inflow of resources.

Accounts receivable: Primarily from Hope Creek Care Center private pay patient receivables and miscellaneous services provided to citizens. Patient receivables are presented net of an allowance for uncollectible determined by historical experience applied to an aging of accounts and a review of troubled accounts by the County and any contractual allowances. Fiscal year ended November 30, 2016 included an allowance for an uncollectible amount of \$300,000 for private pay patient receivables.

Due from other governments: The County's due from other governments include receivables from federal and state governmental units related to grants, taxes and charges for services. These receivables are shown net of an allowance for uncollectible determined by historical experience applied to an aging of accounts and a review of troubled accounts by the County. Fiscal year ended November 30, 2016 included an allowance for an uncollectible amount of \$500,480 for amounts due from Medicaid and Medicare in the Nursing Home Fund included in due from other governments.

Capital assets: Capital assets, including land, buildings, improvements other than buildings, equipment and infrastructure, are reported in the governmental activities column in the government-wide financial statements and in the proprietary (internal service) fund financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets except land and construction-in-progress are depreciated.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives for each capital asset type are as follows:

| | |
|-----------------------------------|---------------|
| Buildings | 25 - 40 years |
| Infrastructure | 20 - 50 years |
| Equipment | 5 - 15 years |
| Improvements other than buildings | 20 years |

The County's collection of works of art, books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to County policy that requires proceeds from the sale of these items, if any, to be used to acquire other collection items.

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Unearned revenues: Unearned revenues in the government-wide statements and the governmental fund financial statements include grant awards received but unearned by the fulfillment of an eligibility provision.

Deferred outflows 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In the County's government-wide statements, deferred outflows of resources consist of a deferred charge on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources also include unrecognized items not yet charged to pension expense related to the net pension liability and contributions paid by the employer after the measurement date of the net pension liability but before the end of the employer's reporting period.

Deferred inflows of resources: In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from two sources: property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the County's government-wide statements, the property tax revenues remain under the modified accrual basis of accounting and will become an inflow in the year for which the taxes are levied and budgeted for use. Also, the unamortized portion of the difference between the expected and actual experience and the unamortized change in proportion and difference between employer contributions and proportionate share of contributions are recorded in the government-wide statements as a deferred inflow of resources.

Interfund transactions: Transactions from County funds that would be treated as revenues and expenditures or expenses if they involved organizations external to County government are accounted for as revenues and expenditures or expenses in the funds involved.

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

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

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances to funds in the General Fund, as reported in the fund financial statements, are offset by a fund balance nonspendable amount to indicate that they are not available for appropriation and are not expendable financial resources.

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Compensated absences: County employees are granted vacation in varying amounts based upon length of employment by the County. Vacations are not cumulative and shall be forfeited if not used within one year of earning such vacation. Nonunion employees are allowed to carry over one week of vacation. Any employee who has completed one year of service will be paid for all or part of their accrued but unused vacation upon termination of employment depending on the anniversary year that termination of employment occurs. Expenditures for compensated absences are recorded in the governmental funds when due. The expense and related liability is recorded in the government-wide financial statements when incurred.

Employees' rights to sick pay accumulate generally at the rate of one day per month of service. However, such rights do not vest and can only be paid upon an employee's absence due to any nonservice connected sickness or injury. Sick pay is, therefore, recorded as an expenditure when paid.

Pensions: For purposes of measuring the net pension liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF 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.

Long-term obligations: In the government-wide financial statements and the proprietary fund type fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Issuance costs are reported as an expense in the year the costs are incurred.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bond principal payments are reported as debt service expenditures.

Fund balance: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the County Board through resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the County Board removes or changes the specified use by taking the same action it employed to commit those amounts.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation and Significant Accounting Policies (Continued)

Assigned: Amounts constrained by the County's intent to use them for a specific purpose. The authority to assign fund balance remains with the County Board.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the County's procedure is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

Net position: Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds of \$29,449,162 in the internal service fund. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted through enabling legislation consists of \$2,314,021 for public health and \$7,230,991 for capital improvements.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of the financial statements and related note disclosures. Actual results could differ from these estimates.

Note 2. Cash and Cash Equivalents

As of November 30, 2016, the County's cash and cash equivalents and investments were as follows:

| | |
|---|----------------------|
| Cash and cash equivalents statement of net position | \$ 57,139,740 |
| Cash and cash equivalents fiduciary funds | 11,446,459 |
| Cash and cash equivalents component unit | 49,843 |
| | <u>\$ 68,636,042</u> |

Authorized Investments: The County and Rock Island Tri-County Consortium, Rock Island Forest Preserve District and the Public Building Commission (PBC), (blended component units) are authorized by state statutes and their investment policies to make deposits in interest bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations, or other financial institutions as designated by ordinances, and to invest available funds in direct obligation of, or obligations guaranteed by, the United States Treasury or agencies of the United States, money market mutual funds whose portfolios consist of government securities, Illinois Funds Money Market Funds and annuities. The County maintains a money market pool for certain funds where the resources have been pooled in order to maximize investment opportunities. Income from investments is allocated between the funds who own the shares in the fund.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 2. Cash and Cash Equivalents (Continued)

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

Custodial credit risk: The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The County's and District's investment policy allow the County Treasurer to determine whether collateral will be required of the financial institutions. The policy further requires collateral be held for financial institutions with County and District deposits in excess of 35% of the capital surplus of the financial institution. When collateral is required, 110 percent of the deposit is required only U.S. Government direct securities, obligations of Federal Agencies or Federal Instrumentalities, obligations of the State of Illinois, obligations of the County of Rock Island, obligations of municipalities located within the County, or acceptable collateral as identified in the state statutes may be held as collateral.

The carrying amount of the County's deposits as of November 30, 2016 was \$68,632,430. The bank balance was covered by Federal depository insurance or collateralized by securities held by pledging financial institution's trust department or agent in the County's name.

The carrying amount and bank balance of the Consortium's deposits as of June 30, 2016 was \$49,843. The bank balance was covered by federal depository insurance or collateralized by securities held by pledging financial institution's trust department or agent in the Consortium's name.

Note 3. Individual Fund Disclosures

The following is a summary of deficit fund balances of individual funds as of November 30, 2016:

| Fund | Deficit Fund Balance |
|---|-------------------------|
| Major Funds: | |
| Hope Creek Care Center | \$ 750,838 |
| Nonmajor Funds: | |
| Animal Control Fund | 283,788 |
| Court Security Fund | 22,000 |
| Maintenance and Child Support Collection Fund | 54,053 |

The deficits will be funded with future fees, grant money and/or transfers from the General Fund.

Rock Island County, Illinois**Notes to Basic Financial Statements
Year Ended November 30, 2016****Note 4. Interfund Account Balances**

The interfund receivable and payable balances as of November 30, 2016 are as follows:

| | Due From Other Funds | Due To Other Funds |
|------------------------------------|-------------------------|-----------------------|
| General | \$ 410,944 | \$ 282,739 |
| Hope Creek Care Center | 80,241 | 119,293 |
| Illinois Municipal Retirement Fund | - | - |
| Liability insurance fund | 10,365 | 439 |
| Nonmajor governmental funds | 210,886 | 356,427 |
| Internal Service Funds | 46,462 | - |
| Total | <u>\$ 758,898</u> | <u>\$ 758,898</u> |

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made and (4) to cover operating deficits.

Advances to and from other funds as of November 30, 2016, were as follows:

| | Advances To Other Funds | Advances From Other Funds |
|-----------------------------|----------------------------|------------------------------|
| General | \$ 562,850 | \$ - |
| Hope Creek Care Center | - | 396,850 |
| Nonmajor governmental funds | 441,850 | 607,850 |
| | <u>\$ 1,004,700</u> | <u>\$ 1,004,700</u> |

Advances are the result of internal borrowings to cover cash shortages which are not expected to be collected in the subsequent year.

Note 5. Interfund Transfers

The following is a schedule of transfers as included in the basic financial statements of the County:

| | Transfers In | Transfers Out |
|-------------------------------|---------------------|---------------------|
| General | \$ 1,860,836 | \$ 201,551 |
| Hope Creek Care Center | - | 694,134 |
| Illinois Municipal Retirement | - | 9,833 |
| Liability insurance fund | 413,648 | - |
| Nonmajor governmental funds | 391,398 | 1,730,386 |
| Internal service funds | - | 29,978 |
| Total | <u>\$ 2,665,882</u> | <u>\$ 2,665,882</u> |

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

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 6. Capital Assets

The following is a summary of changes in capital assets for the year ended November 30, 2016:

| | 2015 Balance | Additions | Deletions | 2016 Balance |
|--|----------------------|---------------------|---------------------|----------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 6,567,011 | \$ 71,769 | \$ - | \$ 6,638,780 |
| Construction-in-progress | 290,293 | 1,847,679 | (130,115) | 2,007,857 |
| Total capital assets not being depreciated | 6,857,304 | 1,919,448 | (130,115) | 8,646,637 |
| Capital assets being depreciated: | | | | |
| Buildings | 57,695,879 | 31,900 | - | 57,727,779 |
| Improvements other than buildings | 92,909 | - | - | 92,909 |
| Equipment | 14,066,551 | 1,198,133 | (501,137) | 14,763,547 |
| Infrastructure | 60,974,682 | 69,377 | - | 61,044,059 |
| Total capital assets being depreciated | 132,830,021 | 1,299,410 | (501,137) | 133,628,294 |
| Less accumulated depreciation for: | | | | |
| Buildings | 21,991,504 | 1,408,883 | - | 23,400,387 |
| Improvements other than buildings | 46,259 | 6,315 | - | 52,574 |
| Equipment | 10,760,975 | 875,635 | (385,846) | 11,250,764 |
| Infrastructure | 27,509,797 | 1,729,665 | - | 29,239,462 |
| Total accumulated depreciation | 60,308,535 | 4,020,498 | (385,846) | 63,943,187 |
| Total capital assets being depreciated, net | 72,521,486 | (2,721,088) | (115,291) | 69,685,107 |
| Governmental activities capital assets, net | \$ 79,378,790 | \$ (801,640) | \$ (245,406) | \$ 78,331,744 |

The following is a summary of the changes in capital assets of the discretely presented component unit for the year ended June 30, 2016:

| | 2015 Balance | Additions | Deletions | 2016 Balance |
|---|-----------------|-------------------|-------------|-----------------|
| Discretely Presented Component Unit: | | | | |
| Capital assets being depreciated, equipment | \$ 368,769 | \$ - | \$ - | \$ 368,769 |
| Less accumulated depreciation for equipment | 363,553 | 3,103 | - | 366,656 |
| Component unit capital assets, net | \$ 5,216 | \$ (3,103) | \$ - | \$ 2,113 |

Depreciation expense was charged to the functions of the primary government as follows:

| | |
|--|---------------------|
| General government | \$ 207,094 |
| Public safety | 310,041 |
| Corrections | 559,255 |
| Judiciary and legal | 117,244 |
| Transportation and public works | 1,518,108 |
| Social services | 583,808 |
| Culture and recreation | 724,948 |
| Total depreciation expense, governmental activities | \$ 4,020,498 |

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 7. Long-Term Liabilities and Revenue Anticipation Loan

Short-term liabilities: A summary of changes in short-term liabilities for the year ended November 30, 2016 is as follows:

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|------------------------|---------------------------------|--------------|--------------|---------------------------------|
| Tax Anticipation Loans | \$ - | \$ 2,000,000 | \$ 2,000,000 | \$ - |

On January 21, 2016, November 28, 2016, and March 31, 2016 the County of Rock Island, Illinois activated four Tax Anticipation Warrants of \$500,000 a piece with an interest rate of 2.02 percent (Hope Creek) and 2.65 percent (General Fund). The warrants were obtained as a partial advance of the approximately \$2,396,706 of property taxes due to Hope Creek in fiscal year 2016 and \$5,991,765 of property taxes due to the General Fund in fiscal year 2016. The warrants were used to pay salaries and other operating expenses and liabilities for the Hope Creek Care Center and the General Fund and were due in January 2017 but were paid in November 2016. Subsequent to year-end the County activated tax anticipation warrants of \$1,000,000 for Hope Creek and \$500,000 for the general fund.

The following is a summary of changes in long-term debt for the year ended November 30, 2016:

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 | Due Within One Year |
|---------------------------------------|---------------------------------|---------------|---------------|---------------------------------|------------------------|
| Governmental Activities: | | | | | |
| General obligation bonds | \$ 19,955,000 | \$ 12,230,000 | \$ 13,755,000 | \$ 18,430,000 | \$ 1,420,000 |
| Revenue bonds payable | 3,525,000 | 28,000,000 | 855,000 | 30,670,000 | 875,000 |
| Add premiums | 262,567 | 2,967,176 | 60,851 | 3,168,892 | - |
| Less discounts | (21,368) | - | (21,368) | - | - |
| | 23,721,199 | 43,197,176 | 14,649,483 | 52,268,892 | 2,295,000 |
| Compensated absences | 2,507,864 | 2,571,610 | 2,507,864 | 2,571,610 | 2,571,610 |
| Net pension liability | 22,962,332 | 19,813,854 | - | 42,776,186 | - |
| Estimated claims settlements | 8,926,644 | 5,899,437 | 10,837,296 | 3,988,785 | 2,170,016 |
| | \$ 58,118,039 | \$ 71,482,077 | \$ 27,994,643 | \$ 101,605,473 | \$ 7,036,626 |
| | | | | | |
| | Balance November 30, 2015 | Additions | Retirements | Balance November 30, 2016 | Due Within One Year |
| Discretely Presented Component | | | | | |
| Unit, compensated absences | \$ 24,580 | \$ 28,889 | \$ 24,580 | \$ 28,889 | \$ 28,889 |

General obligation bonds: On May 9, 2013, the County issued \$3,700,000 in General Obligation Refunding Bonds, Series 2013 maturing December 1, 2015 through December 1, 2025 with interest rates ranging from 2.00 to 3.50 percent to advance refund \$1,210,000 of the outstanding General Obligation Bonds, Series 2006 with interest rates ranging from 3.65 to 5.50 percent and \$1,995,000 of outstanding General Obligation Bonds, Series 2007 with interest rates at 4.00 percent. A portion of the net proceeds related to the partial refunding of \$3,907,178 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the General Obligation Bonds, Series 2006 and 2007 being refunded.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 7. Long-Term Liabilities and Revenue Anticipation Loan (Continued)

On September 27, 2016 the County issued \$9,105,000 in General Obligation Refunding Bonds, Series 2016 maturing December 1, 2018 through December 1, 2027 with interest rates ranging from 2.00 to 4.00 percent to advance refund \$4,255,000 of the outstanding General Obligation Bonds, Series 2006 with interest rates ranging from 3.65 to 5.50 percent and \$5,245,000 of outstanding General Obligation Bonds, Series 2007 with interest rates at 4.00 percent. A portion of the net proceeds related to the partial refunding of \$9,690,635 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the General Obligation Bonds, Series 2006 and 2007 being refunded.

On December 1, 2008, the Forest Preserve District issued \$4,585,000 in General Obligation (Alternative Revenue Source) Bonds. The purpose of the bonds is to defray the costs of Niabi Zoo facilities and improvements. The interest rate ranges from 3.7 percent to 5.1 percent. The annual payments range from \$160,000 to \$355,000. The last payment due is \$355,000 on December 1, 2028.

Revenue bonds: On December 1, 2016, Rock Island County (Public Building Commission) issued \$28,000,000 in Justice Center Revenue Bonds, Series 2016 with interest rates ranging from 3.0 percent to 5.0 percent. On September 1, 2012, the Rock Island County (Public Building Commission) issued \$5,625,000 in Justice Center Revenue Refunding Bonds, Series 2012 maturing December 1, 2013 through December 1, 2019 with interest rates ranging from 1.50 percent to 2.05 percent to current refund \$5,625,000 of the outstanding Justice Center Revenue Bonds, Series 2005 with interest rates ranging from 3.70 percent to 4.30 percent. A portion of the net proceeds related to the current refunding of \$5,693,694 were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Justice Center Revenue Bonds, Series 2005 being refunded.

On October 1, 2009, Rock Island County (Public Building Commission) issued \$555,000 in Justice Center Refunding Revenue Bonds with interest rates ranging from 3.7 percent to 8.5 percent to advance refund \$555,000 of Local Government Revenue Bonds, Series 1998 with interest rates from 4.65 percent to 5.0 percent.

The County has a noncancelable lease agreement with the Public Building Commission (PBC) to lease the criminal justice facility through December 31, 2014. The present value of the capital lease payments is not capitalized as a lease receivable on the PBC or as a lease payable on the County because the PBC is a blended component unit and included in the primary government reporting of the County's financial statements.

The County has pledged as security for bonds issued by the Public Building Commission, a portion of the County's property tax. The bonds issued by the Public Building Commission in 2009 in the amount of \$555,000, for the purpose of advance refunding of Local Government Program Revenue Bonds, Series 1998, which are payable through 2018. The bonds issued by the Public Building Commission in 2012 in the amount of \$5,625,000 for the purpose of current refunding of Justice Center Revenue Bonds, Series 2005 which are payable through 2019. The Bonds issued by the Public Building Commission in 2016 in the amount of \$28,000,000 for the purpose of courthouse construction which are payable through 2045. The County has committed to appropriate each year, from the property tax, an amount sufficient to cover the principal and interest requirements on the Public Building Commission's debt. The Public Building Commission has pledged as sole security for the bonds the appropriation from the County. Total principal and interest remaining on the debt is \$54,668,975 with annual requirements ranging from \$1,851,200 to \$2,172,494. For the current year, principal and interest paid by the Public Building Commission and the total property tax revenue recognized by the County were \$1,868,790 and \$2,368,434, respectively.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 7. Long-Term Liabilities and Revenue Anticipation Loan (Continued)

The County has pledged as security for bonds issued by the Hope Creek Care Center, a portion of the County's property tax. The bonds issued by Hope Creek Care Center in 2013 in the amount of \$3,700,000, for the purpose of advance refunding \$3,205,000 of General Obligation Bonds, Series 2006 and Series 2007, which are payable through 2027. The bonds issued by Hope Creek Care Center in 2016 in the amount of \$9,105,000, for the purpose of advance refunding \$9,500,000 of General Obligation Bonds, Series 2006 and Series 2007, which are payable through 2027. The County has committed to appropriate each year, from the property tax, an amount sufficient to cover the principal and interest requirements on the Hope Creek Care Center's debt. The Hope Creek Care Center has pledged as sole security for the bonds the appropriation from the County. Total principal and interest remaining on the debt is \$17,201,795 with annual requirements ranging from \$1,097,865 to \$1,639,375. For the current year, principal and interest paid by the Hope Creek Care Center and the total property tax revenue recognized by the County were \$1,287,548 and \$2,268,224, respectively.

Compensated absences and claims settlements attributable to governmental activities are generally liquidated by the General Fund.

As of November 30, 2016, the County's future cash flow requirements for the retirement of the general obligation bonds is as follows:

| Year ending November 30: | Principal | Interest | Total |
|--------------------------|----------------------|---------------------|----------------------|
| 2017 | \$ 1,420,000 | \$ 589,767 | \$ 2,009,767 |
| 2018 | 1,065,000 | 556,676 | 1,621,676 |
| 2019 | 1,580,000 | 522,918 | 2,102,918 |
| 2020 | 1,660,000 | 481,362 | 2,141,362 |
| 2021 | 1,650,000 | 433,638 | 2,083,638 |
| 2022-2026 | 8,490,000 | 1,399,150 | 9,889,150 |
| 2027-2029 | 2,565,000 | 108,425 | 2,673,425 |
| Total | \$ 18,430,000 | \$ 4,091,936 | \$ 22,521,936 |

As of November 30, 2016, the County's future cash flow requirements for the retirement of the revenue bonds is as follows:

| Year ending November 30: | Principal | Interest | Total |
|--------------------------|----------------------|----------------------|----------------------|
| 2017 | \$ 875,000 | \$ 1,294,172 | \$ 2,169,172 |
| 2018 | 895,000 | 1,277,494 | 2,172,494 |
| 2019 | 900,000 | 1,262,419 | 2,162,419 |
| 2020 | 605,000 | 1,246,219 | 1,851,219 |
| 2021 | 625,000 | 1,228,069 | 1,853,069 |
| 2022-2026 | 3,510,000 | 5,756,995 | 9,266,995 |
| 2027-2031 | 4,295,000 | 4,966,107 | 9,261,107 |
| 2032-2036 | 5,375,000 | 3,893,000 | 9,268,000 |
| 2037-2041 | 6,860,000 | 2,408,500 | 9,268,500 |
| 2042-2045 | 6,730,000 | 686,000 | 7,416,000 |
| Total | \$ 30,670,000 | \$ 24,018,975 | \$ 54,688,975 |

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 7. Long-Term Liabilities and Revenue Anticipation Loan (Continued)

As of November 30, 2016, the County did not exceed its legal debt margin:

| | |
|---------------------------------------|----------------------|
| Assessed value, net of tax exemptions | \$ 2,393,600,915 |
| Debt limit, 2.875% of assessed value | \$ 68,816,026 |
| Debt applicable to debt limit | 49,100,000 |
| Legal debt margin | \$ 19,716,026 |

Note 8. Retirement System

Illinois Municipal Retirement Fund

Each qualified County employee is included in one of four pension plans administered by Illinois Municipal Retirement Fund. Below is a summary of amounts reported by the County as of and for the year ended November 30, 2016:

| | Regular | Sheriff's Law Enforcement Personnel | Elected County Officials | Forest Preserve District | Total |
|--------------------------------|-----------------|---|--------------------------------|--------------------------------|-----------------|
| Net pension liability | \$ (26,019,513) | \$ (10,450,134) | \$ (4,428,647) | \$ (1,877,892) | \$ (42,776,186) |
| Deferred outflows of resources | 19,434,213 | 5,046,093 | 782,992 | 1,131,617 | 26,394,915 |
| Deferred inflows of resources | - | (115,704) | (140,043) | (22,295) | (278,042) |
| Pension expense | 6,900,388 | 1,618,595 | 751,056 | 232,384 | 9,502,423 |

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

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees covered by benefit terms: As of November 30, 2016, the following employees were covered by the benefit terms:

| | Regular | Sheriff's Law Enforcement Personnel | Elected County Officials | Forest Preserve District | Total |
|---|---------|---|--------------------------------|--------------------------------|-------|
| Retirees and beneficiaries currently receiving benefits | 664 | 74 | 24 | 46 | 808 |
| Inactive plan members entitled to but not yet receiving benefits | 598 | 6 | 6 | 23 | 633 |
| Active plan members | 565 | 63 | 9 | 30 | 667 |
| Total | 1,827 | 143 | 39 | 99 | 2,108 |

Contributions: As set by statute, the County's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. SLEP and ECO employees participating in IMRF are required to contribute 7.5 percent of their 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 rates for calendar year 2016 was 11.17 percent, 24.71 percent, 69.14 percent, and 13.37 percent for RP, SLEP, ECO, and the Forest Preserve District, respectively. For the fiscal year ended November 30, 2016 the County and Forest Preserve District contributed \$3,907,369 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net pension liability: The County's net pension liability was measured as of December 31, 2015. 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, 2015:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75 percent.
- Salary Increases were expected to be 3.75 percent to 14.5 percent, including inflation.
- The Investment Rate of Return was assumed to be 7.5 percent.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 8. Retirement System (Continued)

- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for mortality (for non-disabled retirees) were developed from the RP 2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class | Portfolio Target Percentage | Long-Term Expected Real Rate of Return |
|-------------------------|-----------------------------|--|
| Domestic equity | 38% | 7.60% |
| International equity | 17 | 7.80 |
| Fixed income | 27 | 3.00 |
| Real estate | 8 | 6.15 |
| Alternative investments | 9 | 5.25-8.50 |
| Cash equivalents | 1 | 2.25 |
| Total | 100% | |

Discount rate: Discount rates of 7.48 percent, 7.47 percent, 7.38 percent and 7.48 percent for RP, SLEP, ECO, and Forest Preserve District, respectively, were used to measure the total pension liability. The projection of cash flow used to determine these discount rates assumed that the plan members' contributions will be made at the current contribution rates, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The discount rates reflect:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50 percent, the municipal bond rate is 3.57 percent and the resulting discount rates are 7.48 percent, 7.47 percent, 7.38 percent and 7.48 percent for RP, SLEP, ECO, and Forest Preserve District, respectively.

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Changes in the net pension liability:

| | Regular | | |
|---|-------------------------------------|-----------------------------|-----------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (A) | (B) | (A)-(B) |
| Balances at November 30, 2015 | \$ 133,131,189 | \$ 122,511,468 | \$ 10,619,721 |
| Changes for the year: | | | |
| Service cost | 2,544,816 | - | 2,544,816 |
| Interest on the total pension liability | 9,800,790 | - | 9,800,790 |
| Differences between expected and actual experience of the total pension liability | 8,114,360 | - | 8,114,360 |
| Changes of assumptions | 373,468 | - | 373,468 |
| Contributions - employer | - | 2,810,537 | (2,810,537) |
| Contributions - employees | - | 1,745,941 | (1,745,941) |
| Net investment income | - | 605,317 | (605,317) |
| Benefit payments, including refunds of employee contributions | (7,452,807) | (7,452,807) | - |
| Other (net transfer) | - | 271,847 | (271,847) |
| Net changes | 13,380,627 | (2,019,165) | 15,399,792 |
| Balances at November 30, 2016 | \$ 146,511,816 | \$ 120,492,303 | \$ 26,019,513 |
| | Sheriff's Law Enforcement Personnel | | |
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (A) | (B) | (A)-(B) |
| Balances at November 30, 2015 | \$ 42,925,398 | \$ 36,186,476 | \$ 6,738,922 |
| Changes for the year: | | | |
| Service cost | 741,027 | - | 741,027 |
| Interest on the total pension liability | 3,154,549 | - | 3,154,549 |
| Differences between expected and actual experience of the total pension liability | 1,602,321 | - | 1,602,321 |
| Changes of assumptions | 59,010 | - | 59,010 |
| Contributions - employer | - | 1,078,094 | (1,078,094) |
| Contributions - employees | - | 491,132 | (491,132) |
| Net investment income | - | 179,241 | (179,241) |
| Benefit payments, including refunds of employee contributions | (2,245,580) | (2,245,580) | - |
| Other (net transfer) | - | 97,228 | (97,228) |
| Net changes | 3,311,327 | (399,885) | 3,711,212 |
| Balances at November 30, 2016 | \$ 46,236,725 | \$ 35,786,591 | \$ 10,450,134 |

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2016**

Note 8. Retirement System (Continued)

| | Elected County Officials | | |
|---|--------------------------|----------------|--------------|
| | Total Pension | Plan Fiduciary | Net Pension |
| | Liability | Net Position | Liability |
| | (A) | (B) | (A)-(B) |
| Balances at November 30, 2015 | \$ 11,769,026 | \$ 7,178,819 | \$ 4,590,207 |
| Changes for the year: | | | |
| Service cost | 125,920 | - | 125,920 |
| Interest on the total pension liability | 841,550 | - | 841,550 |
| Differences between expected and actual experience of the total pension liability | (290,142) | - | (290,142) |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | 320,896 | (320,896) |
| Contributions - employees | - | 55,364 | (55,364) |
| Net investment income | - | 34,690 | (34,690) |
| Benefit payments, including refunds of employee contributions | (857,734) | (857,734) | - |
| Other (net transfer) | - | 427,938 | (427,938) |
| Net changes | (180,406) | (18,846) | (161,560) |
| Balances at November 30, 2016 | \$ 11,588,620 | \$ 7,159,973 | \$ 4,428,647 |

| | Forest Preserve District | | |
|---|--------------------------|----------------|--------------|
| | Total Pension | Plan Fiduciary | Net Pension |
| | Liability | Net Position | Liability |
| | (A) | (B) | (A)-(B) |
| Balances at November 30, 2015 | \$ 7,556,963 | \$ 6,543,481 | \$ 1,013,482 |
| Changes for the year: | | | |
| Service cost | 137,329 | - | 137,329 |
| Interest on the total pension liability | 554,650 | - | 554,650 |
| Differences between expected and actual experience of the total pension liability | 635,906 | - | 635,906 |
| Changes of assumptions | 9,521 | - | 9,521 |
| Contributions - employer | - | 187,357 | (187,357) |
| Contributions - employees | - | 112,172 | (112,172) |
| Net investment income | - | 32,364 | (32,364) |
| Benefit payments, including refunds of employee contributions | (440,879) | (440,879) | - |
| Other (net transfer) | - | 141,103 | (141,103) |
| Net changes | 896,527 | 32,117 | 864,410 |
| Balances at November 30, 2016 | \$ 8,453,490 | \$ 6,575,598 | \$ 1,877,892 |

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the plan's net pension liability, calculated using the discount rates of 7.48 percent, 7.47 percent, 7.38 percent, and 7.48 percent for RP, SLEP, ECO, and Forest Preserve District, respectively, as well as what the plan's net pension liability would be if it were calculated using discount rates that are 1 percent lower or 1 percent higher:

| | 1% Decrease (6.48%) | Current Discount (7.48%) | 1% Increase (8.48%) |
|--|------------------------|-----------------------------|------------------------|
| Net pension liability - Regular | \$ 46,386,231 | \$ 26,019,513 | \$ 9,496,484 |
| | | | |
| | 1% Decrease (6.47%) | Current Discount (7.47%) | 1% Increase (8.47%) |
| Net pension liability- Sheriff's Law Enforcement Personnel | \$ 16,880,829 | \$ 10,450,134 | \$ 5,199,449 |
| | | | |
| | 1% Decrease (6.38%) | Current Discount (7.38%) | 1% Increase (8.38%) |
| Net pension liability - Elected County Officials | \$ 5,638,637 | \$ 4,428,647 | \$ 3,407,868 |
| | | | |
| | 1% Decrease (6.48%) | Current Discount (7.48%) | 1% Increase (8.48%) |
| Net pension liability - Forest Preserve District | \$ 2,914,636 | \$ 1,877,892 | \$ 1,037,368 |

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Pension expense, deferred outflows of resources, and deferred inflows of resources related to pension: For the year ended November 30, 2016, the County recognized pension expense of \$9,502,423. At November 30, 2016, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| Deferred Amounts Related to Pensions | Regular | |
|--|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Deferred amounts to be recognized in pension expense in future periods: | | |
| Differences between expected and actual experience | \$ 7,058,660 | \$ - |
| Changes of assumptions | 2,137,979 | - |
| Net difference between projected and actual earnings on pension plan investments | 7,768,909 | - |
| Total deferred amounts to be recognized in pension expense in future periods | 16,965,548 | - |
| Pension contributions made subsequent to the measurement date | 2,468,665 | - |
| Total deferred amounts related to pensions | \$ 19,434,213 | \$ - |

| Deferred Amounts Related to Pensions | Sheriff's Law Enforcement Personnel | |
|--|-------------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Deferred amounts to be recognized in pension expense in future periods: | | |
| Differences between expected and actual experience | \$ 1,314,149 | \$ 115,704 |
| Changes of assumptions | 486,742 | - |
| Net difference between projected and actual earnings on pension plan investments | 2,297,733 | - |
| Total deferred amounts to be recognized in pension expense in future periods | 4,098,624 | 115,704 |
| Pension contributions made subsequent to the measurement date | 947,469 | |
| Total deferred amounts related to pensions | \$ 5,046,093 | \$ 115,704 |

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

| Deferred Amounts Related to Pensions | Elected County Officials | |
|--|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Deferred amounts to be recognized in pension expense in future periods: | | |
| Differences between expected and actual experience | \$ 12,031 | \$ 140,043 |
| Changes of assumptions | 9,798 | - |
| Net difference between projected and actual earnings on pension plan investments | 459,299 | - |
| Total deferred amounts to be recognized in pension expense in future periods | 481,128 | 140,043 |
| Pension contributions made subsequent to the measurement date | 301,864 | - |
| Total deferred amounts related to pensions | \$ 782,992 | \$ 140,043 |

| Deferred Amounts Related to Pensions | Forest Preserve District | |
|--|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Deferred amounts to be recognized in pension expense in future periods: | | |
| Differences between expected and actual experience | \$ 493,658 | \$ 22,295 |
| Changes of assumptions | 115,349 | - |
| Net difference between projected and actual earnings on pension plan investments | 418,905 | - |
| Total deferred amounts to be recognized in pension expense in future periods | 1,027,912 | 22,295 |
| Pension contributions made subsequent to the measurement date | 103,705 | - |
| Total deferred amounts related to pensions | \$ 1,131,617 | \$ 22,295 |

\$3,821,703 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended November 30, 2017.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to differences between expected and actual experience and changes of assumptions will be recognized in pension expense in future periods over the average remaining service life of all employees of the Plans and amounts related to net difference between projected and actual earnings on plan investments will be recognized over 5 years as follows:

Year ending November 30:

| | |
|-------|----------------------|
| 2016 | \$ 7,270,721 |
| 2017 | 7,108,384 |
| 2018 | 4,939,290 |
| 2019 | 2,809,369 |
| 2020 | 167,406 |
| Total | <u>\$ 22,295,170</u> |

As of November 30, 2016, the County owed IMRF \$485,948 for outstanding amount of legally required contributions to the pension plans which had been withheld but not yet remitted to IMRF.

Rock Island Tri-County Consortium

Plan description: Employees of the Consortium are provided with pensions through the Illinois Municipal Retirement Fund (IMRF) – an agent multiple-employer defined benefit pension plan. Established by the Illinois State Legislature for the benefit of Illinois municipal employed outside the city of Chicago, IMRF is governed by the Illinois Pension Code. IMRF issues a publicly available financial report that can be obtained at <http://imrf.org>.

Benefits provided: IMRF provides retirement, disability and death benefits. Benefits are established by statute and may only be changed by the General Assembly. The benefit provisions in effect on the member's date of participation determine a member's minimum benefit while the benefit provisions in effect on the member's date of termination determine a member's maximum benefit. Public Act 96-0889 added a new section to the Pension Code that applies different benefits to anyone who first contributes to IMRF on or after January 1, 2011 and does not have any other previous service credit with one of the reciprocal retirement systems in Illinois.

Members who first participate on or after that date are members of Tier II. Anyone who made contributions to IMRF prior to January 1, 2011 remain participants of Tier I. Tier I retirement benefit are determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. The pension amount is 1 2/3 percent of the final rate of earnings for each of the first fifteen years of service and 2 percent for each year of service credit in excess of fifteen years, up to a maximum of 75 percent of the final rate of earnings.

Tier II benefits are determined by the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Pension earnings are initially capped at \$110,631 increasing annually by 3 percent or ½ of the increase in consumer price index, whichever is less.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Employees covered by the benefit terms: At the December 31, 2015 valuation date, the following employees were covered by the benefit terms:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits | 37 |
| Inactive plan members entitled to but not yet receiving benefits | 9 |
| Active plan members | 9 |
| Total | <u>55</u> |

Contributions: Employees are required to contribute 4.5 percent of their annual pay as set by statute. The statutes require each participating employer to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. Employer contributions for disability benefits, death benefits, and the supplemental retirement benefits are pooled. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net pension liability: The employer's Net Pension Liability was measured as of December 31, 2015, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|------------------------------|--------------|
| Discount rate | 7.50% |
| Inflation | 3.00 |
| Projected salary increases * | 3.80 - 10.50 |
| Investment rate of return | 7.50 |

* Includes inflation and merit and longevity increase assumptions.

Mortality rates were based on the RP-2014 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a generational basis.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study dated April 15, 2016 for the period January 1, 2015 through December 31, 2015. As a result of the December 31, 2015 actuarial experience study, new assumptions for the assumed rate of return, salary increase, inflation and related economic assumptions were adopted in the December 31, 2015 actuarial valuation to more closely reflect actual experience.

Discount rate: The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Consortium contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Changes in Net Pension Liability:

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A)-(B) |
|--|-----------------------------------|---------------------------------------|-------------------------------------|
| Balances at January 1, 2015 | \$ 5,252,086 | \$ 4,799,010 | \$ 453,076 |
| Changes for the year: | | | |
| Service cost | 40,021 | - | 40,021 |
| Interest on the total pension liability | 379,831 | - | 379,831 |
| Differences between expected and actual experience of the total pension liability | 97,844 | - | 97,844 |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | 170,450 | (170,450) |
| Contributions - employees | - | 18,939 | (18,939) |
| Net investment income | - | 23,430 | (23,430) |
| Benefit payments - net of refunds | (415,365) | (415,365) | - |
| Other (net transfer) | - | 145,511 | (145,511) |
| Net changes | 102,331 | (57,035) | 159,366 |
| Balances at December 31, 2016 | \$ 5,354,417 | \$ 4,741,975 | \$ 612,442 |

Sensitivity of the Consortium's proportionate share of the net pension liability to changes in the discount rate: The following presents the Consortium's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Consortium's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

| | 1% Decrease (6.50%) | Current Discount (7.50%) | 1% Increase (8.50%) |
|--|------------------------|-----------------------------|------------------------|
| Consortium's proportionate share of the net pension liability | \$ 1,157,303 | \$ 612,442 | \$ 152,469 |

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report which is publicly available at <http://imrf.org>.

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2016

Note 8. Retirement System (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended June 30, 2016, the Consortium recognized pension expense of \$153,862. At June 30, 2016, the Consortium reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Deferred Amounts Related to Pensions | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Deferred amounts to be recognized in pension expense in future periods: | | |
| Differences between expected and actual experience | \$ 28,838 | \$ - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 308,095 | - |
| Total deferred amounts to be recognized in pension expense in future periods | 336,933 | - |
| Pension contributions made subsequent to the measurement date | 64,385 | - |
| Total deferred amounts related to pensions | \$ 401,318 | \$ - |

The Consortium reported \$64,385 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to differences between expected and actual experience and changes of assumptions will be recognized in pension expense over the average remaining service life of all employees of the Plan and amounts related to net difference between projected and actual earnings on plan investments will be recognized over 5 years as follows:

Year ending November 30:

| | |
|-------|------------|
| 2016 | \$ 109,305 |
| 2017 | 80,467 |
| 2018 | 80,467 |
| 2019 | 66,694 |
| Total | \$ 336,933 |

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 9. Deferred Compensation Plan

The County (and its component units) offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457(g). The plan, available to all County (and its component units) employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The assets are placed in trust for the exclusive benefit of participants and their beneficiaries. The County is not fiduciarily accountable for the amount deferred by employees and, therefore, the liability and corresponding investments are not reflected in the financial statements.

Note 10. Risk Management and Insurance

The County is self-insured for risk exposure related to health benefits, worker's compensation claims and general and automobile liability claims.

The County accounts for its self insurance related to its employees' health benefits in an internal service fund. All claims handling procedures are performed by an independent claims administrator. Liabilities are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Recognized liabilities include a provision for all estimated claims incurred but not reported. For medical claims, self-insurance is in effect up to a specific stop loss of \$500,000.

The County records all other risk management activities, including those relating to worker's compensation, general and automobile liability claims in its Liability Insurance Fund, a special revenue fund. The fund receives actuarially determined premiums from other County funds and covered employees which are recorded as revenues (and expenditures of the payor funds for the County portion) as well as property taxes revenues for the liability insurance. Claims settlement and loss expenses are accrued in the government-wide statements, for the estimated settlement value of worker's compensation, general liability and auto liability claims reported and unreported arising from incidents during the year except the portion that is due and payable, which is recorded in the Liability Insurance Fund a special revenue fund. These claims are administered by the County except for worker's compensation, which is administered by a third-party administrator.

As of November 30, 2016, the amount of liabilities recorded for estimated claim settlements for health benefits, worker's compensation, general and auto liability claims was \$3,988,785, of which \$751,000 was recorded in the Internal Service Fund and \$38,000 was recorded in the Liability Insurance Fund as accrued liabilities. The entire balance of \$3,988,785 was recorded in the government-wide statements.

Changes in reported liabilities during fiscal 2016 and 2015 were:

| | Self-Insurance | |
|---|---------------------|---------------------|
| | 2016 | 2015 |
| Claims payable, beginning of year | \$ 8,926,644 | \$ 1,419,516 |
| Claims expense and changes in estimates | 5,899,437 | 14,736,045 |
| Claims payments | (10,837,296) | (7,228,917) |
| Claims payable, end of year | <u>\$ 3,988,785</u> | <u>\$ 8,926,644</u> |

There has been no significant reduction in insurance coverage from coverage in the prior year. Settled claims have not exceeded the insurance coverage purchased for each of the past three fiscal years.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 11. Other Postemployment Benefits

Plan description: The County, as approved by the County Board, provides a single-employer postretirement health care benefits plan to all employees who (1) retire from the County on or after attaining age 60 with at least 12 years of service, (2) retire from the County on or after attaining age 55 with at least 35 years of credited service under the Illinois Municipal Retirement Fund ("IMRF"), (3) retired from the County between June 1, 1997 and June 1, 1998 after attaining age 50 with at least 20 years of service, or (4) retired from the County after January 1, 2001 after participating in the group health insurance plan for at least eight years, eligible for immediate receipt of pension from IMRF or SLEP, and insurance coverage was in effect the day before retirement began. The plan does not issue a stand-alone financial report.

Funding policy: The County establishes and amends contribution requirements. The County pays approximately 87 percent of the pre-Medicare retirees' health insurance premiums for single coverage or 83 percent of the premium for family coverage for all retirees qualifying under (1) or (2) above. The County pays 50 percent of the pre-Medicare retirees' health insurance premiums for all retirees qualifying under (3) above. The County pays between 2 percent and 50 percent, depending on the length of employee's service, for all retirees qualifying under (4) above. For fiscal year 2016, the County contributed \$1,545,246. Active members receiving benefits have required monthly contributions of:

| Coverage Type | Rate |
|---------------|----------|
| Single | \$ 66.26 |
| Single + One | 149.06 |
| Single + Two | 196.40 |
| Family | 231.78 |
| Single COBRA | 533.19 |
| Family COBRA | 1,377.49 |

The current funding policy of the County is to pay premiums as they occur on a pay-as-you-go basis. Other postemployment obligations are generally liquidated by the employee health benefits internal service fund.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 11. Other Postemployment Benefits (Continued)

Annual OPEB cost and net OPEB obligation: The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the County's annual OPEB obligation:

| | |
|--|--------------|
| Annual required contribution | \$ 1,028,407 |
| Interest on net OPEB obligation | 182,203 |
| Adjustment to annual required contribution | (124,468) |
| Annual OPEB cost (expense) | 1,086,142 |
| Contributions and payments made | (1,042,708) |
| Decrease in net OPEB obligation | 43,434 |
| Net OPEB obligation, beginning of year | 3,644,051 |
| Net OPEB obligation, end of year | \$ 3,687,485 |

The County's annual OPEB cost, the percent of annual OPEB cost contributed to the plan and to the net OPEB obligations for 2016 and the two preceding years are as follows.

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------|---------------------|--|------------------------|
| November 30, 2014 | \$ 947,444 | 61.9% | \$ 4,007,383 |
| November 30, 2015 | 1,080,823 | 133.6% | 3,644,051 |
| November 30, 2016 | 1,086,142 | 96.0% | 3,687,485 |

Funded status and funding progress: As of November 30, 2015, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$19,566,902 and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$19,566,902. The covered payroll (annual payroll of active employees covered by the plan) was \$26,545,406 and the ratio of the UAAL to the covered payroll was 73.71 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents only the initial year trend information.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2016**

Note 11. Other Postemployment Benefits (Continued)

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

In the November 30, 2015 actuarial valuation, entry age method was used. The actuarial assumptions included a 5 percent investment rate of return, salary increases of 5 percent and health care cost trend rate (which is considered the general inflation rate assumption for the plan) of 7 percent initially and an ultimate rate of 5 percent. The UAAL is being amortized as a level percentage of pay on an open basis. The amortization of UAAL is done over a period of 30 years.

See separately issued financial statements for details on the Tri-County Consortium other postemployment benefits.

Note 12. Commitments and Contingencies

The County is a defendant in a number of lawsuits, including complaints involving worker's compensation, personal injury and other matters, arising from the normal conduct of the County's operations. A liability has been recorded by the County as of November 30, 2016 for the lawsuits which, in the opinion of the County's officials and the County's legal counsel, are probable to result in a loss to the County and for which the loss can be reasonably estimated. Generally, the County may levy a tax for judgments entered against it.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 13. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances in specifically defined classifications and clarifies definitions for governmental fund types. The classifications of fund balances by opinion unit as of November 30, 2016 are as follows:

| | General | Forest Preserve Commission | Hope Creek Care Center | Illinois Municipal Retirement | Liability Insurance Fund | Nonmajor Governmental | Total |
|---|---------------------|----------------------------------|---------------------------|-------------------------------------|--------------------------------|--------------------------|----------------------|
| Fund balances: | | | | | | | |
| Nonspendable: | | | | | | | |
| Advances | \$ 562,850 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 562,850 |
| Inventories | 89,622 | - | - | - | - | 10,050 | 99,672 |
| Prepays | 25,173 | 4,770 | 119 | - | - | 2,911 | 32,973 |
| Total nonspendable | 677,645 | 4,770 | 119 | - | - | 12,961 | 695,495 |
| Restricted: | | | | | | | |
| Capital improvements | - | - | - | - | - | 6,706,113 | 6,706,113 |
| Collector's tax fees, sale and error refunds | - | - | - | - | - | 173,873 | 173,873 |
| Document storage | - | - | - | - | - | 2,621,506 | 2,621,506 |
| Working Cash | 524,878 | - | - | - | - | - | 524,878 |
| GIS | - | - | - | - | - | 149,053 | 149,053 |
| IMRF/FICA | - | - | - | 2,893,972 | - | 1,794,122 | 4,688,094 |
| Judicial | - | - | - | - | - | 1,629,470 | 1,629,470 |
| Parks and recreation | - | 3,211,860 | - | - | - | 1,259 | 3,213,119 |
| Public health | - | - | - | - | - | 2,314,021 | 2,314,021 |
| Public safety | 6,652 | - | - | - | - | 98,262 | 104,914 |
| Liability | - | - | - | - | 36,552 | 2 | 36,554 |
| Total restricted | 531,530 | 3,211,860 | - | 2,893,972 | 36,552 | 15,487,681 | 22,161,595 |
| Unassigned | 1,417,816 | - | (750,957) | - | - | (359,841) | 307,018 |
| Total fund balances | \$ 2,626,991 | \$ 3,216,630 | \$ (750,838) | \$ 2,893,972 | \$ 36,552 | \$ 15,140,801 | \$ 23,164,108 |

Note 14. Conduit Debt Obligations

In fiscal year 2008, the County Board amended the original resolution to authorize, but not issue, an amount not to exceed \$600,000,000 in mortgage revenue bonds as a part of a state-wide program for the purpose of financing mortgage loans to low and moderate income persons for one to four family residences in the County of Rock Island, Illinois. These bonds will be payable solely from the repayment of the mortgage loans. These bonds and interest thereon will not be considered as obligations of the County and do not constitute an indebtedness, liability, general or moral obligation or pledge of the faith or loan of credit of the County. The County is unable to determine the amount outstanding as of year ended November 30, 2016.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 15. Pending Governmental Accounting Standards Board (GASB) Statements

The GASB has issued several statements not yet implemented by the County. The statements which may impact the County are as follows:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the County beginning with its fiscal year ending November 30, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

GASB Statement No. 77, *Tax Abatement Disclosures*, issued August 2015, will be effective for the County beginning with its fiscal year ending November 30, 2017. This statement requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The disclosures about the government's own tax abatement agreements includes the purpose of the tax abatement program, the tax being abated, the amount of tax being abated, the provisions of recapturing abated taxes, the types of commitments made by tax abatement recipients, and other commitments made by government in tax abatement agreements. The disclosures about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues includes the name of the government entering into the abatement agreement, the tax being abated, and the amount of the reporting government's tax being abated.

GASB Statement No. 80, *Blending Requirements for Certain Component Units*, issued February 2016, will be effective for the County beginning with its fiscal year ending November 30, 2017. Statement No. 80 clarifies the display requirements in GASB Statement No. 14, *The Financial Reporting Entity*, by requiring component units incorporated as not-for-profit corporations to be blended into the primary state or local government's financial statements in a manner similar to a department or activity of the primary government. The guidance addresses diversity in practice regarding the presentation of not-for-profit corporations in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

GASB Statement No. 82, *Pension Issues*, issued April 2016, will be effective for the County beginning with its fiscal year ending November 30, 2017. Statement No. 82 is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2016

Note 15. Pending Governmental Accounting Standards Board (GASB) Statements (Continued)

GASB Statement No. 83, *Certain Asset Retirement Obligations*, issued December 2016, will be effective for the County beginning with its fiscal year ending November 30, 2019. Under Statement No. 83, a government that has legal obligations to perform future asset retirement activities related to its tangible capital assets is required to recognize a liability and a corresponding deferred outflow of resources. The Statement identifies the circumstances that trigger the recognition of these transactions. The Statement also requires the measurement of an asset retirement obligation to be based on the best estimate of the current value of outlays expected to be incurred while the deferred outflow of resources associated with the asset retirement obligation will be measured at the amount of the corresponding liability upon initial measurement and generally recognized as an expense during the reporting periods that the asset provides service. The Statement requires disclosures including a general description of the asset retirement obligation and associated tangible capital assets; the source of the obligation to retire the assets; the methods and assumptions used to measure the liability; and other relevant information.

GASB Statement No. 84, *Fiduciary Activities*, issued February 2017, will be effective for the County beginning with its fiscal year ending November 20, 2020. The objective of Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. 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. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

GASB Statement No. 85, *Omnibus 2017*, issued March 2017, will be effective for the County beginning with its fiscal year ending November 30, 2018. Statement No. 85 is designed to address the practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits).

The County's management has determined the implementation of GASB Statement No. 75 will have a significant impact on the County's financial statements but has not yet determined the effect of statement Nos. 77, 80, 82, 83, 84 and 85.

Note 16. Subsequent Events

As of May 16, 2017, the state of Illinois had not approved a budget for the state's fiscal years ended June 30, 2016 or June 30, 2017. This could potentially impact certain revenues the state appropriates and pays to the County.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund - Regular
Primary Government**

| | November 30, 2016 | November 30, 2015 |
|---|-----------------------|-----------------------|
| Total Pension Liability | | |
| Service cost | \$ 2,544,816 | \$ 2,877,758 |
| Interest on the total pension liability | 9,800,790 | 8,941,007 |
| Difference between expected and actual experience of the total pension liability | 8,114,360 | 2,430,156 |
| Changes of assumptions | 373,468 | 3,906,049 |
| Net investment income | - | - |
| Benefit payments, including refunds of employee contributions | (7,452,807) | (5,596,657) |
| Net change in total pension liability | 13,380,627 | 12,558,313 |
| Total pension liability, beginning | 133,131,189 | 120,572,876 |
| Total pension liability, ending (A) | \$ 146,511,816 | \$ 133,131,189 |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 2,810,537 | \$ 3,084,483 |
| Contributions-employees | 1,745,941 | 1,398,585 |
| Net investment income | 605,317 | 7,048,472 |
| Benefit payments, including refunds of employee contributions | (7,452,807) | (5,596,657) |
| Other | 271,847 | 471,065 |
| Net change in plan fiduciary net position | (2,019,165) | 6,405,948 |
| Plan fiduciary net position, beginning | 122,511,468 | 116,105,520 |
| Plan fiduciary net position, ending (B) | \$ 120,492,303 | \$ 122,511,468 |
| Net pension liability - ending (A) - (B) | \$ 26,019,513 | \$ 10,619,721 |
| Plan fiduciary net position as a percentage of the total pension liability | 82.24% | 92.02% |
| Covered valuation payroll | \$ 24,180,686 | \$ 23,552,737 |
| Net pension liability as a percentage of covered valuation payroll | 107.60% | 45.09% |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund - Regular
Primary Government**

| Year Ended November 30, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a Percentage of Covered Valuation Payroll |
|----------------------------|---|------------------------|--|---------------------------------|--|
| 2016 | \$ 2,700,983 | \$ 2,810,537 | \$ (109,554) | \$ 24,180,686 | 11.62% |
| 2015 | 2,894,638 | 3,084,483 | (189,845) | 23,552,737 | 13.10 |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
Primary Government**

| | November 30, 2016 | November 30, 2015 |
|---|----------------------|----------------------|
| Total Pension Liability | | |
| Service cost | \$ 741,027 | \$ 772,158 |
| Interest on the total pension liability | 3,154,549 | 2,994,200 |
| Difference between expected and actual experience of the total pension liability | 1,602,321 | (179,796) |
| Changes of assumptions | 59,010 | 681,161 |
| Net investment income | - | - |
| Benefit payments, including refunds of employee contributions | (2,245,580) | (1,864,433) |
| Net change in total pension liability | 3,311,327 | 2,403,290 |
| Total pension liability, beginning | 42,925,398 | 40,522,108 |
| Total pension liability, ending (A) | \$ 46,236,725 | \$ 42,925,398 |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 1,078,094 | \$ 1,002,718 |
| Contributions-employees | 491,132 | 311,233 |
| Net investment income | 179,241 | 2,101,649 |
| Benefit payments, including refunds of employee contributions | (2,245,580) | (1,864,433) |
| Other | 97,228 | (93,188) |
| Net change in plan fiduciary net position | (399,885) | 1,457,979 |
| Plan fiduciary net position, beginning | 36,186,476 | 34,728,497 |
| Plan fiduciary net position, ending (B) | \$ 35,786,591 | \$ 36,186,476 |
| Net pension liability - ending (A) - (B) | \$ 10,450,134 | \$ 6,738,922 |
| Plan fiduciary net position as a percentage of the total pension liability | 77.40% | 84.30% |
| Covered valuation payroll | \$ 4,151,427 | \$ 3,769,513 |
| Net pension liability as a percentage of covered valuation payroll | 251.72% | 178.77% |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

Required Supplementary Information

Schedule of Employer Contributions

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel

Primary Government

| Year Ended November 30, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a Percentage of Covered Valuation Payroll |
|----------------------------|---|------------------------|--|---------------------------------|--|
| 2016 | \$ 1,025,818 | \$ 1,078,094 | \$ (52,276) | \$ 4,151,427 | 25.97% |
| 2015 | 981,204 | 1,002,718 | (21,514) | 3,769,513 | 26.60 |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund - Elected County Officials
Primary Government**

| | November 30, 2016 | November 30, 2015 |
|---|----------------------|----------------------|
| Total Pension Liability | | |
| Service cost | \$ 125,920 | \$ 187,169 |
| Interest on the total pension liability | 841,550 | 757,026 |
| Difference between expected and actual experience of the total pension liability | (290,142) | - |
| Changes of assumptions | - | 514,880 |
| Net investment income | - | 632,205 |
| Benefit payments, including refunds of employee contributions | (857,734) | (752,944) |
| Net change in total pension liability | (180,406) | 1,338,336 |
| Total pension liability, beginning | 11,769,026 | 10,430,690 |
| Total pension liability, ending (A) | \$ 11,588,620 | \$ 11,769,026 |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 320,896 | \$ 348,899 |
| Contributions-employees | 55,364 | 57,526 |
| Net investment income | 34,690 | 423,789 |
| Benefit payments, including refunds of employee contributions | (857,734) | (752,944) |
| Other | 427,938 | (19,064) |
| Net change in plan fiduciary net position | (18,846) | 58,206 |
| Plan fiduciary net position, beginning | 7,178,819 | 7,120,613 |
| Plan fiduciary net position, ending (B) | \$ 7,159,973 | \$ 7,178,819 |
| Net pension liability - ending (A) - (B) | \$ 4,428,647 | \$ 4,590,207 |
| Plan fiduciary net position as a percentage of the total pension liability | 61.78% | 61.00% |
| Covered valuation payroll | \$ 464,125 | \$ 501,476 |
| Net pension liability as a percentage of covered valuation payroll | 954.19% | 915.34% |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund - Elected County Officials
Primary Government**

| Year Ended November 30, | Actuarily Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a Percentage of Covered Valuation Payroll |
|----------------------------|---|------------------------|--|---------------------------------|--|
| 2016 | \$ 320,896 | \$ 320,896 | \$ - | \$ 464,125 | 69.14% |
| 2015 | 335,638 | 348,899 | (13,261) | 501,476 | 69.57 |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund - Forest Preserve District
Primary Government**

| | November 30, 2016 | November 30, 2015 |
|---|----------------------|----------------------|
| Total Pension Liability | | |
| Service cost | \$ 137,329 | \$ 165,733 |
| Interest on the total pension liability | 554,650 | 521,737 |
| Difference between expected and actual experience of the total pension liability | 635,906 | (38,861) |
| Changes of assumptions | 9,521 | 186,368 |
| Net investment income | - | - |
| Benefit payments, including refunds of employee contributions | (440,879) | (321,839) |
| Net change in total pension liability | 896,527 | 513,138 |
| Total pension liability, beginning | 7,556,963 | 7,043,825 |
| Total pension liability, ending (A) | \$ 8,453,490 | \$ 7,556,963 |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 187,357 | \$ 244,822 |
| Contributions-employees | 112,172 | 85,860 |
| Net investment income | 32,364 | 374,277 |
| Benefit payments, including refunds of employee contributions | (440,879) | (321,839) |
| Other | 141,103 | 29,088 |
| Net change in plan fiduciary net position | 32,117 | 412,208 |
| Plan fiduciary net position, beginning | 6,543,481 | 6,131,273 |
| Plan fiduciary net position, ending (B) | \$ 6,575,598 | \$ 6,543,481 |
| Net pension liability - ending (A) - (B) | \$ 1,877,892 | \$ 1,013,482 |
| Plan fiduciary net position as a percentage of the total pension liability | 77.79% | 86.59% |
| Covered valuation payroll | \$ 1,401,782 | \$ 1,454,045 |
| Net pension liability as a percentage of covered valuation payroll | 133.96% | 69.70% |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund - Forest Preserve District
Primary Government**

| Year Ended November 30, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a Percentage of Covered Valuation Payroll |
|----------------------------|---|------------------------|--|---------------------------------|--|
| 2016 | \$ 194,708 | \$ 187,357 | \$ 7,351 | \$ 1,401,782 | 13.37% |
| 2015 | 173,904 | 244,822 | (70,918) | 1,454,045 | 16.84 |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund - Rock Island Tri-County Consortium,
Discretely Presented Component Unit**

| Fiscal year ended November 30, | 2015 | 2014 |
|---|---------------------|---------------------|
| Total Pension Liability | | |
| Service cost | \$ 40,021 | \$ 33,905 |
| Interest on the total pension liability | 379,831 | 355,487 |
| Difference between expected and actual experience of the total pension liability | 97,844 | 128,849 |
| Changes of assumptions | - | 191,053 |
| Benefit payments, including refunds of employee contributions | (415,365) | (360,163) |
| Net change in total pension liability | 102,331 | 349,131 |
| Total pension liability, beginning | 5,252,086 | 4,902,955 |
| Total pension liability, ending (A) | \$ 5,354,417 | \$ 5,252,086 |
| Plan Fiduciary Net Position | | |
| Contributions-employer | \$ 170,450 | \$ 119,442 |
| Contributions-employees | 18,939 | 15,684 |
| Net investment income | 23,430 | 272,805 |
| Benefit payments, including refunds of employee contributions | (415,365) | (360,163) |
| Other | 145,511 | 166,505 |
| Net change in plan fiduciary net position | (57,035) | 214,273 |
| Plan fiduciary net position, beginning | 4,799,010 | 4,584,737 |
| Plan fiduciary net position, ending (B) | \$ 4,741,975 | \$ 4,799,010 |
| Net pension liability - ending (A) - (B) | \$ 612,442 | \$ 453,076 |
| Plan fiduciary net position as a percentage of the total pension liability | 88.56% | 91.37% |
| Covered valuation payroll | \$ 420,866 | \$ 348,533 |
| Net pension liability as a percentage of covered valuation payroll | 145.52% | 130.00% |

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

See notes to required supplementary information.

Rock Island County, Illinois

**Required Supplementary Information
Schedule of Employer Contributions
Illinois Municipal Retirement Fund - Rock Island Tri-County Consortium,
Discretely Presented Component Unit**

| Year Ended December 31, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a Percentage of Covered Valuation Payroll |
|----------------------------|---|------------------------|--|---------------------------------|--|
| 2015 | \$ 147,977 | \$ 147,977 | * \$ - | \$ 391,683 | 37.78% |
| 2014 | 138,437 | 119,442 | * 18,995 | 348,533 | 34.27 |
| 2013 | 156,799 | 104,892 | 51,907 | 359,218 | 29.20 |
| 2012 | 133,442 | 83,493 | 49,949 | 406,712 | 20.53 |
| 2011 | 144,099 | 90,901 | 53,198 | 493,491 | 18.42 |
| 2010 | 101,303 | 101,303 | - | 580,867 | 17.44 |
| 2009 | 99,548 | 99,548 | - | 610,349 | 16.31 |
| 2008 | 105,034 | 105,034 | - | 567,141 | 18.52 |
| 2007 | 105,932 | 105,932 | - | N/A | N/A |
| 2006 | 103,934 | 103,934 | - | N/A | N/A |

* Estimated based on contribution rate of 34.27% and covered valuation payroll of \$348,533

N/A - Information not available.

See notes to required supplementary information.

Rock Island County, Illinois

Notes to Required Supplementary Information – Illinois Municipal Retirement System Year Ended November 30, 2016

Summary of Actuarial Methods and Assumptions used in the Calculation of the 2015 Contribution Rate*

Valuation Date:

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

Methods and Assumptions used to Determine 2015 Contribution Rates:

Actuarial Cost Method: Aggregate entry age = normal

Amortization Method: Level percentage of payroll, closed

Remaining
Amortization Period: 28-year closed period

Asset Valuation
Method: 5-year smoothed market, 20% corridor

Wage Growth: 4%

Price Inflation: 3%, approximate; no explicit price inflation assumption is used in valuation

Salary Increases: 4.40% to 16%, including inflation

Investment Rate of
Return: 7.50%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

Mortality: RP-2000 combined healthy mortality table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to nondisabled lives set forward 10 years.

Other information:

Notes: There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

Rock Island County, Illinois

Required Supplementary Information

Other Postemployment Benefit Plan - County, Primary Government

Schedule of Funding Progress

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------------|--------------------------------|--|---|--------------------------|--------------------------|---------------------------|---|
| 2016 | 11/30/15 | \$ - | \$ 19,744,641 | \$ 19,744,641 | - % | \$ 26,545,406 | 74.38% |
| 2015 | 11/30/15 | - | 19,744,641 | 19,744,641 | - | 26,545,406 | 74.38 |
| 2014 | 11/30/13 | - | 12,951,581 | 12,951,581 | - | 21,747,298 | 59.55 |
| 2013 | 11/30/13 | - | 12,462,566 | 12,462,566 | - | 20,711,712 | 60.17 |
| 2012 | 11/30/11 | - | 17,289,916 | 17,289,916 | - | 22,971,245 | 75.27 |

The information presented in the required supplementary schedules was determined as part of the actuarial valuation date as of November 30, 2015. Additional information follows:

- The cost method used to determine the ARC is the Entry Age Actuarial Cost method.
- There are no plan assets.
- The actuarial assumptions included: 1) 5 percent investment rate of return 2) salary increases of 5 percent and 3) health care cost trend rate of 7 percent initially and an ultimate rate of 5 percent.
- The amortization method is level percentage of pay on an open basis.

Rock Island County, Illinois

Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|-----------------------|-----------------------|-----------------------|---------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Fees | \$ 5,861,482 | \$ 5,864,196 | \$ 5,642,138 | \$ (222,058) |
| Property taxes | 6,693,765 | 6,693,765 | 6,627,105 | (66,660) |
| Intergovernmental | 10,447,362 | 10,459,934 | 10,565,414 | 105,480 |
| Investment earnings | 21,720 | 21,720 | 25,013 | 3,293 |
| Miscellaneous | 78,250 | 83,130 | 76,810 | (6,320) |
| Total revenues | 23,102,579 | 23,122,745 | 22,936,480 | (186,265) |
| Expenditures: | | | | |
| Current: | | | | |
| Salaries and wages | 17,290,734 | 17,381,799 | 17,014,579 | 367,220 |
| Personal benefits | 3,947,187 | 3,945,994 | 3,652,435 | 293,559 |
| Supplies | 285,657 | 343,610 | 295,815 | 47,795 |
| Other services and charges | 4,201,760 | 4,287,716 | 3,833,558 | 454,158 |
| Capital outlay | 445,741 | 578,730 | 494,259 | 84,471 |
| Total expenditures | 26,171,079 | 26,537,849 | 25,290,646 | 1,247,203 |
| Excess (deficiency) of revenues over expenditures | (3,068,500) | (3,415,104) | (2,354,166) | 1,060,938 |
| Other financing sources (uses): | | | | |
| Transfers in | 1,688,520 | 1,697,580 | 1,862,247 | 164,667 |
| Transfers out | (2,003,628) | (2,006,592) | (1,070,982) | 935,610 |
| Proceeds from sale of capital asset | 2,500 | 32,500 | 31,541 | (959) |
| Total other financing sources | (312,608) | (276,512) | 822,806 | 1,099,318 |
| Net change in fund balance | \$ (3,381,108) | \$ (3,691,616) | \$ (1,531,360) | \$ 2,160,256 |
| Reconciliation to GAAP Basis: | | | | |
| Activities reported within the Child Welfare Fund, Working Cash Fund, and Sheriff Crime Lab Fund (sub-funds of the General Fund): | | | | |
| Total revenue | | | \$ 2,195 | |
| Total expenditures | | | 867,886 | |
| Total other financing sources | | | (867,886) | |
| Total reconciling items | | | 2,195 | |
| Net change in fund balance | | | (1,529,165) | |
| Fund balances, beginning of year | | | 4,156,156 | |
| Fund balances, end of year | | | \$ 2,626,991 | |

See note to required supplementary information.

Rock Island County, Illinois

Required Supplementary Information
Budgetary Comparison Schedule
Forest Preserve Commission
Year Ended November 30, 2016

| | Budget | | | Variance with |
|---|-------------------|-------------------|---------------------|-------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Fees | \$ 2,067,486 | \$ 2,067,486 | \$ 2,141,472 | \$ 73,986 |
| Property taxes | 2,799,368 | 2,799,368 | 2,724,021 | (75,347) |
| Intergovernmental | 236,131 | 236,131 | 469,163 | 233,032 |
| Investment earnings | 4,793 | 4,793 | 8,146 | 3,353 |
| Miscellaneous | 303,180 | 303,180 | 313,263 | 10,083 |
| Total revenues | 5,410,958 | 5,410,958 | 5,656,065 | 245,107 |
| Expenditures: | | | | |
| Current: | | | | |
| Salaries and wages | 2,127,668 | 1,858,718 | 1,855,294 | 3,424 |
| Personal benefits | 755,429 | 656,872 | 610,421 | 46,451 |
| Supplies | 660,747 | 650,706 | 632,859 | 17,847 |
| Other services and charges | 1,087,248 | 1,159,424 | 1,175,466 | (16,042) |
| Capital outlay | - | 155,836 | 227,935 | (72,099) |
| Transfers to other agencies | - | 146,722 | 146,722 | - |
| Debt service: | | | | |
| Principal retirement | 130,000 | 376,223 | 345,000 | 31,223 |
| Interest and fiscal charges | 31,828 | 192,112 | 192,111 | 1 |
| Bond issuance costs | - | - | 81,982 | (81,982) |
| Total expenditures | 4,792,920 | 5,196,613 | 5,267,790 | (71,177) |
| Excess (deficiency) of revenues over expenditures | 618,038 | 214,345 | 388,275 | 173,930 |
| Other financing sources (uses), | | | | |
| Transfers from other funds | - | 10,000 | 16,000 | 6,000 |
| Transfers to other funds | (369,693) | (16,000) | (16,000) | - |
| Refunding bond issuance | - | - | 3,125,000 | - |
| Premium on bonds | - | - | 97,067 | - |
| Payments to escrow | - | - | (3,170,004) | - |
| Proceeds from sale of capital assets | - | - | 3,882 | 3,882 |
| Total other financing sources (uses) | (369,693) | (6,000) | 55,945 | 9,882 |
| Net change in fund balance | \$ 248,345 | \$ 208,345 | 444,220 | \$ 183,812 |
| Reconciliation to GAAP Basis: | | | | |
| Activities reported within the Marvin Martin Trust Fund, Golf Course Improvement Fund and Bike Path Project Fund (subfunds of the Forest Preserve Commission Fund): | | | | |
| Total revenue | | | 115,439 | |
| Total expenditures | | | - | |
| Total reconciling items | | | 115,439 | |
| Net change in fund balance | | | 559,659 | |
| Fund balance, beginning of year | | | 2,656,971 | |
| Fund balance, end of year | | | <u>\$ 3,216,630</u> | |

See note to required supplementary information.

Rock Island County, Illinois

Required Supplementary Information
Budgetary Comparison Schedule
Hope Creek Care Center Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|---------------------|---------------------|---------------------|-------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Fees | \$ 17,758,982 | \$ 14,826,700 | \$ 14,643,637 | \$ (183,063) |
| Investment earnings | 2,000 | 2,000 | 2,080 | 80 |
| Intergovernmental | - | - | - | - |
| Miscellaneous | 500 | 500 | 3 | (497) |
| Total revenues | 17,761,482 | 14,829,200 | 14,645,720 | (183,480) |
| Expenditures: | | | | |
| Current: | | | | |
| Salaries and wages | 10,274,922 | 8,230,002 | 7,932,572 | 297,430 |
| Personal benefits | 2,756,242 | 1,719,163 | 1,698,985 | 20,178 |
| Supplies | 1,328,539 | 1,513,588 | 1,468,864 | 44,724 |
| Other services and charges | 4,197,831 | 4,382,561 | 4,282,448 | 100,113 |
| Capital outlay | 215,720 | 27,942 | 26,544 | 1,398 |
| Debt service: | | | | |
| Principal retirement | 1,030,000 | 1,030,000 | 1,030,000 | - |
| Interest and fiscal charges | 589,600 | 589,600 | 454,319 | 135,281 |
| Bond issuance costs | - | 114,685 | 114,685 | - |
| Total expenditures | 20,392,854 | 17,607,541 | 17,008,417 | 599,124 |
| (Deficiency) of revenues over expenditures | (2,631,372) | (2,778,341) | (2,362,697) | 415,644 |
| Other financing sources (uses): | | | | |
| Transfers in | 2,396,706 | 2,396,706 | 2,397,022 | 316 |
| Transfers out | (694,134) | (694,134) | (694,134) | - |
| Refunding bond issuance | - | 9,105,000 | 9,105,000 | - |
| Premium on bonds | - | 902,630 | 704,406 | (198,224) |
| Payments to escrow | - | (9,690,635) | (9,690,635) | - |
| Total other financing sources | 1,702,572 | 2,019,567 | 1,821,659 | (197,908) |
| Net change in fund balance | \$ (928,800) | \$ (758,774) | (541,038) | \$ 217,736 |
| Reconciliation to GAAP Basis: | | | | |
| Activities reported within the Nursing Home Tax Levy Fund: | | | | |
| Total revenue | | | 2,397,022 | |
| Total other financing (uses) | | | (2,397,022) | |
| Total reconciling items | | | - | |
| Net change in fund balance | | | (541,038) | |
| Fund balance (deficit), beginning of year | | | (209,800) | |
| Fund balance (deficit), end of year | | | \$ (750,838) | |

See note to required supplementary information.

Rock Island County, Illinois

Required Supplementary Information
Budgetary Comparison Schedule
Illinois Municipal Retirement Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|-------------------|-------------------|---------------------|-------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Property taxes | \$ 5,135,477 | \$ 5,135,477 | \$ 5,146,200 | \$ 10,723 |
| Investment earnings | - | - | 4,855 | 4,855 |
| Total revenues | 5,135,477 | 5,135,477 | 5,151,055 | 15,578 |
| Expenditures: | | | | |
| Current: | | | | |
| Personal benefits | 4,148,997 | 4,148,997 | 3,874,623 | 274,374 |
| Other services and charges | - | - | - | - |
| Total expenditures | 4,148,997 | 4,148,997 | 3,874,623 | 274,374 |
| Excess (deficiency) of revenues over expenditures | 986,480 | 986,480 | 1,276,432 | 289,952 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (9,832) | (9,832) | (9,833) | (1) |
| Total other financing sources | (9,832) | (9,832) | (9,833) | (1) |
| Net change in fund balance | \$ 976,648 | \$ 976,648 | 1,266,599 | \$ 289,951 |
| Fund balance, beginning of year | | | 1,627,373 | |
| Fund balance, end of year | | | \$ 2,893,972 | |

See note to required supplementary information.

Rock Island County, Illinois

Required Supplementary Information
Budgetary Comparison Schedule
Liability Insurance Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|-----------------------|-----------------------|--------------------|---------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Property taxes | \$ 2,300,000 | \$ 2,300,000 | \$ 2,311,087 | \$ 11,087 |
| Intergovernmental | 72,339 | 72,339 | 102,480 | 30,141 |
| Investment earnings | - | - | 3,365 | 3,365 |
| Miscellaneous | - | - | 11,144 | 11,144 |
| Total revenues | 2,372,339 | 2,372,339 | 2,428,076 | 55,737 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | 463,933 | 463,933 | 463,932 | 1 |
| Personal benefits | 200,495 | 200,495 | 178,100 | 22,395 |
| Supplies | 14,492 | 14,492 | 14,150 | 342 |
| Other services and charges | 3,564,240 | 3,564,240 | 3,403,882 | 160,358 |
| Total expenditures | 4,243,160 | 4,243,160 | 4,060,064 | 183,096 |
| Excess (deficiency) of revenues over expenditures | (1,870,821) | (1,870,821) | (1,631,988) | (127,359) |
| Other financing sources (uses): | | | | |
| Transfers in | 393,090 | 393,090 | 413,648 | 20,558 |
| Total other financing sources (uses) | 393,090 | 393,090 | 413,648 | 20,558 |
| Net change in fund balances | \$ (1,477,731) | \$ (1,477,731) | (1,218,340) | \$ (106,801) |
| Fund balances (deficits), beginning of year | | | <u>1,254,892</u> | |
| Fund balances (deficits), end of year | | | <u>\$ 36,552</u> | |

Rock Island County, Illinois

Note to Required Supplementary Information – Budgetary Comparison Schedules Year Ended November 30, 2016

Budgetary Comparison Schedules

The budgetary comparison schedules are presented for the General Fund and the major special revenue funds, Forest Preserve Commission Fund, Hope Creek Care Center Fund and Illinois Municipal Retirement Fund. These schedules are presented on the modified accrual basis of accounting and are, therefore, presented in accordance with accounting principles generally accepted in the United States of America.

Through the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, various funds were reclassified and are now included with the General Fund. These funds have not been included with the General Fund budgetary comparison schedule as they were not included with the legally adopted budget of the General Fund. The budgetary comparison schedules for the General Fund Sub-Funds are presented as supplementary information.

The Marvin Martin Trust Fund, Golf Course Improvement Fund and Bike Path Project Fund are sub-funds of the Forest Preserve Commission. These funds were not budgeted for the year ended June 30, 2016 and are not included in the budgetary comparison schedule.

There were several budget amendments during the year.

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

The County follows these procedures in establishing their operational budget:

1. At a regular or special call meeting of the County Board in October or November, the proposed budget by fund for the fiscal year commencing on the following December 1 is submitted. The budget includes proposed expenditures and the means of financing them.
2. Prior to December 1, the budget is legally enacted through passage or an appropriation ordinance.
3. Transfers of budgeted amounts among a fund's object classifications, or any budget increases by means of an emergency or supplemental appropriations, require approval by two-thirds of the County Board members. Adjustments made during the year are reflected in the budget information included in the basic financial statements. The original budget was increased by \$2,086,708 primarily due to the availability of revenues during the year from grants and unexpected changes in various costs and building improvements not originally budgeted for.
4. Budgets for the General and certain special revenue funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Expenditures may not legally exceed the total amount of the revised budget appropriations of individual funds.

Rock Island County, Illinois

Note to Required Supplementary Information – Budgetary Comparison Schedules
Year Ended November 30, 2016

The following fund overexpended their budgeted amounts during the year:

| | Final Budget | Actual | Amount Over Final Budget |
|--|-----------------|--------------|-----------------------------|
| Forest Preserve Commission | \$ 5,196,613 | \$ 5,267,790 | \$ (71,177) |
| County Health Fund | 4,218,433 | 5,830,509 | (1,612,076) |
| State's Attorney Drug Enforcement Fund | - | 106,921 | (106,921) |
| Hotel/Motel Tax Fund | - | 287,846 | (287,846) |

Formal budgetary integration is employed as a management control device during the year for the General Fund and most special revenue funds. The Workforce Investment Act and Metropolitan Enforcement Group Special Revenue Funds and Capital Project Fund were not budgeted for the year ended November 30, 2016 and are not included in the Budgetary Comparison Schedules.

Rock Island County, Illinois

Schedule of Revenues and Other Financing Sources - Budget and Actual
General Fund
Year Ended November 30, 2016

| | Budget | | | Variance With |
|---|----------------------|----------------------|----------------------|--------------------|
| | Original | Final | Actual | Final Budget |
| Revenues: | | | | |
| Fees: | | | | |
| Circuit clerk fees | \$ 2,315,000 | \$ 2,315,000 | \$ 1,984,237 | \$ (330,763) |
| County recorder fees | 769,000 | 771,714 | 722,586 | (49,128) |
| States attorney fees | 29,950 | 29,950 | 33,661 | 3,711 |
| County sheriff fees | 300,000 | 300,000 | 281,494 | (18,506) |
| Other | 2,447,532 | 2,447,532 | 2,620,160 | 172,628 |
| Total fees | 5,861,482 | 5,864,196 | 5,642,138 | (222,058) |
| Property taxes: | | | | |
| Property taxes | 5,993,765 | 5,993,765 | 5,954,447 | (39,318) |
| Penalties and interest | 700,000 | 700,000 | 672,658 | (27,342) |
| Total property taxes | 6,693,765 | 6,693,765 | 6,627,105 | (66,660) |
| Intergovernmental: | | | | |
| Salary reimbursements | 1,316,662 | 1,316,662 | 1,138,944 | (177,718) |
| Sales and use tax | 4,530,000 | 4,530,000 | 4,982,831 | 452,831 |
| State income tax | 1,700,000 | 1,700,000 | 1,628,577 | (71,423) |
| Tax replacement revenue | 2,500,000 | 2,500,000 | 2,312,675 | (187,325) |
| Other | 400,700 | 413,272 | 502,387 | 89,115 |
| Total intergovernmental | 10,447,362 | 10,459,934 | 10,565,414 | 105,480 |
| Investment earnings | 21,720 | 21,720 | 25,013 | 3,293 |
| Miscellaneous | 78,250 | 83,130 | 76,810 | (6,320) |
| Total revenues | 23,102,579 | 23,122,745 | 22,936,480 | (186,265) |
| Other financing sources: | | | | |
| Transfers from other funds | 1,688,520 | 1,697,580 | 1,862,247 | 164,667 |
| Proceeds from sale of fixed asset | 2,500 | 32,500 | 31,541 | (959) |
| Total other financing sources | 1,691,020 | 1,730,080 | 1,893,788 | 163,708 |
| Total revenues and other financing sources | \$ 24,793,599 | \$ 24,852,825 | \$ 24,830,268 | \$ (22,557) |

Rock Island County, Illinois

**Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual
General Fund
Year Ended November 30, 2016**

| | Budget | | | Variance with |
|--------------------------------------|----------------|----------------|----------------|---------------|
| | Original | Final | Actual | Final Budget |
| Expenditures: | | | | |
| Assessment Map: | | | | |
| Salaries and wages | \$ 256,439 | \$ 257,162 | \$ 257,162 | \$ - |
| Supplies | 2,395 | 3,672 | 3,220 | 452 |
| Other services and charges | 35,998 | 35,998 | 35,859 | 139 |
| Capital outlay | 2,000 | - | - | - |
| Total | 296,832 | 296,832 | 296,241 | 591 |
| Auditor: | | | | |
| Salaries and wages | 233,431 | 233,431 | 215,907 | 17,524 |
| Supplies | 320 | 320 | 225 | 95 |
| Other services and charges | 5,461 | 5,461 | 5,230 | 231 |
| Capital outlay | - | - | - | - |
| Total | 239,212 | 239,212 | 221,362 | 17,850 |
| County Board: | | | | |
| Salaries and wages | 209,100 | 234,904 | 234,904 | - |
| Supplies | 1,100 | 1,100 | 472 | 628 |
| Other services and charges | 14,350 | 14,350 | 7,465 | 6,885 |
| Total | 224,550 | 250,354 | 242,841 | 7,513 |
| Circuit Clerk, salaries and wages | 1,322,028 | 1,322,028 | 1,248,500 | 73,528 |
| Circuit Court: | | | | |
| Salaries and wages | 105,913 | 114,527 | 114,527 | - |
| Supplies | 10,083 | 11,259 | 11,259 | - |
| Other services and charges | 447,268 | 563,622 | 563,622 | - |
| Total | 563,264 | 689,408 | 689,408 | - |
| Civil Defense: | | | | |
| Salaries and wages | 54,599 | 59,386 | 58,060 | 1,326 |
| Supplies | 100 | 5,618 | 5,393 | 225 |
| Other services and charges | 5,517 | 22,710 | 22,145 | 565 |
| Capital outlays | - | 26,325 | 24,995 | 1,330 |
| Total | 60,216 | 114,039 | 110,593 | 3,446 |

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
General Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|------------------|------------------|------------------|---------------|
| | Original | Final | Actual | Final Budget |
| County Clerk: | | | | |
| Salaries and wages | \$ 614,166 | \$ 619,882 | \$ 596,437 | \$ 23,445 |
| Supplies | 7,875 | 42,875 | 41,872 | 1,003 |
| Other services and charges | 468,550 | 457,834 | 428,270 | 29,564 |
| Total | 1,090,591 | 1,120,591 | 1,066,579 | 54,012 |
| Coroner: | | | | |
| Salaries and wages | 196,335 | 198,335 | 198,083 | 252 |
| Personal benefits | - | 707 | 707 | - |
| Other services and charges | 59,000 | 67,280 | 67,280 | - |
| Total | 255,335 | 266,322 | 266,070 | 252 |
| Information Systems: | | | | |
| Salaries and wages | 346,877 | 346,877 | 346,753 | 124 |
| Supplies | 13,820 | 15,559 | 6,428 | 9,131 |
| Other services and charges | 91,586 | 82,047 | 80,147 | 1,900 |
| Capital outlay | - | 7,800 | 4,961 | 2,839 |
| Total | 452,283 | 452,283 | 438,289 | 13,994 |
| Liquor Commission, other services and charges | 75 | 75 | - | 75 |
| Building Maintenance: | | | | |
| Salaries and wages | 113,037 | 113,037 | 111,140 | 1,897 |
| Supplies | 12,450 | 12,450 | 11,167 | 1,283 |
| Other services and charges | 43,500 | 43,500 | 36,948 | 6,552 |
| Capital outlay | 12,500 | 12,500 | - | 12,500 |
| Total | 181,487 | 181,487 | 159,255 | 22,232 |
| County Zoning: | | | | |
| Salaries and wages | 287,687 | 289,259 | 289,259 | - |
| Supplies | 2,100 | 2,100 | 1,067 | 1,033 |
| Other services and charges | 26,639 | 25,067 | 21,900 | 3,167 |
| Total | 316,426 | 316,426 | 312,226 | 4,200 |

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
General Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|-------------------|-------------------|-------------------|----------------|
| | Original | Final | Actual | Final Budget |
| General County Services: | | | | |
| Salaries and wages | \$ 2,970 | \$ 2,970 | \$ 365 | \$ 2,605 |
| Supplies | 3,000 | 3,345 | 408 | 2,937 |
| Other services and charges | 497,825 | 529,423 | 413,291 | 116,132 |
| Total | 503,795 | 535,738 | 414,064 | 121,674 |
| Court Services: | | | | |
| Salaries and wages | 1,881,413 | 1,881,413 | 1,776,116 | 105,297 |
| Supplies | 5,750 | 5,750 | 4,216 | 1,534 |
| Other services and charges | 72,580 | 72,580 | 51,562 | 21,018 |
| Total | 1,959,743 | 1,959,743 | 1,831,894 | 127,849 |
| Recorder, salaries and wages | 321,004 | 321,004 | 320,973 | 31 |
| Sheriff: | | | | |
| Salaries and wages | 8,462,310 | 8,494,425 | 8,378,130 | 116,295 |
| Personal benefits | 92,281 | 92,281 | 64,608 | 27,673 |
| Supplies | 207,485 | 218,980 | 189,887 | 29,093 |
| Other services and charges | 2,254,759 | 2,191,596 | 1,961,573 | 230,023 |
| Capital outlay | 427,241 | 530,105 | 464,303 | 65,802 |
| Total | 11,444,076 | 11,527,387 | 11,058,501 | 468,886 |
| States Attorney: | | | | |
| Salaries and wages | 1,440,769 | 1,439,053 | 1,419,720 | 19,333 |
| Supplies | 11,404 | 12,825 | 12,825 | - |
| Other services and charges | 70,704 | 70,998 | 70,998 | - |
| Total | 1,522,877 | 1,522,876 | 1,503,543 | 19,333 |
| Superintendent of Educational Services Region: | | | | |
| Salaries and wages | 37,876 | 37,876 | 37,855 | 21 |
| Other services and charges | 15,000 | 15,000 | 15,000 | - |
| Total | 52,876 | 52,876 | 52,855 | 21 |
| Human Resources: | | | | |
| Salaries and wages | 151,166 | 151,166 | 149,126 | 2,040 |
| Personal benefits | 3,853,006 | 3,853,006 | 3,587,120 | 265,886 |
| Total | 4,004,172 | 4,004,172 | 3,736,246 | 267,926 |

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
General Fund
Year Ended November 30, 2016

| | Budget | | | Variance with |
|--|----------------------|----------------------|----------------------|---------------------|
| | Original | Final | Actual | Final Budget |
| Treasurer: | | | | |
| Salaries and wages | \$ 335,693 | \$ 335,693 | \$ 335,061 | \$ 632 |
| Supplies | 1,900 | 1,907 | 1,907 | - |
| Other services and charges | 43,368 | 43,361 | 39,597 | 3,764 |
| Total | 380,961 | 380,961 | 376,565 | 4,396 |
| Board of Review: | | | | |
| Salaries and wages | 54,413 | 54,413 | 53,950 | 463 |
| Supplies | 1,075 | 1,075 | 938 | 137 |
| Other services and charges | 9,340 | 9,340 | 2,513 | 6,827 |
| Total | 64,828 | 64,828 | 57,401 | 7,427 |
| Public Defender: | | | | |
| Salaries and wages | 639,529 | 650,979 | 650,979 | - |
| Supplies | 4,950 | 3,025 | 3,010 | 15 |
| Other services and charges | 9,990 | 7,224 | 7,169 | 55 |
| Capital outlay | 2,000 | - | - | - |
| Total | 656,469 | 661,228 | 661,158 | 70 |
| County Administration: | | | | |
| Salaries and wages | 223,979 | 223,979 | 221,572 | 2,407 |
| Supplies | 1,750 | 1,750 | 1,521 | 229 |
| Other services and charges | 30,250 | 30,250 | 2,989 | 27,261 |
| Capital outlay | 2,000 | 2,000 | - | 2,000 |
| Total | 257,979 | 257,979 | 226,082 | 31,897 |
| Total General Fund: | | | | |
| Salaries and wages | 17,290,734 | 17,381,799 | 17,014,579 | 367,220 |
| Personal benefits | 3,947,187 | 3,945,994 | 3,652,435 | 293,559 |
| Supplies | 285,657 | 343,610 | 295,815 | 47,795 |
| Other services and charges | 4,201,760 | 4,287,716 | 3,833,558 | 454,158 |
| Capital outlay | 445,741 | 578,730 | 494,259 | 84,471 |
| Total expenditures | 26,171,079 | 26,537,849 | 25,290,646 | 1,247,203 |
| Other financing uses, transfers to other funds | 2,003,628 | 2,006,592 | 1,070,982 | 935,610 |
| Total expenditures and other financing uses | \$ 28,174,707 | \$ 28,544,441 | \$ 26,361,628 | \$ 2,182,813 |

Rock Island County, Illinois

**Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
General Fund Sub-Funds
Year Ended November 30, 2016**

| | Child Welfare Fund | | Working Cash Fund | |
|--|--------------------|-------------|-------------------|-------------------|
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ - | \$ - | \$ - | \$ - |
| Investment earnings | - | - | - | 1,361 |
| Total revenues | - | - | - | 1,361 |
| Expenditures, current operating, other services and charges | 1,090,000 | 867,886 | - | - |
| Excess (deficiency) of revenues over expenditures | (1,090,000) | (867,886) | - | 1,361 |
| Other financing sources (uses): | | | | |
| Transfers in | 1,090,000 | 867,886 | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | 1,090,000 | 867,886 | - | - |
| Net change in fund balances | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>1,361</u> |
| Fund balances, beginning of year | | - | | 523,517 |
| Fund balances, end of year | | <u>\$ -</u> | | <u>\$ 524,878</u> |

| Sheriff Crime Lab Fund | | | |
|------------------------|-------|--------|-------|
| Budget | | Actual | |
| \$ | 1,000 | \$ | 813 |
| | - | | 21 |
| | 1,000 | | 834 |
| | - | | - |
| | 1,000 | | 834 |
| | - | | - |
| | - | | - |
| | - | | - |
| \$ | 1,000 | | 834 |
| | | | 5,818 |
| | | \$ | 6,652 |

Rock Island County, Illinois

**Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
Hope Creek Care Center Fund Sub-Fund
Year Ended November 30, 2016**

| | Nursing Home Tax Levy Fund | |
|---------------------------------------|----------------------------|--------------------|
| | Budget | Actual |
| Revenues: | | |
| Property taxes | \$ 2,396,663 | \$ 2,396,663 |
| Investment earnings | 359 | 359 |
| Total revenues | <u>2,397,022</u> | <u>2,397,022</u> |
| Other financing (uses), transfers out | <u>(2,397,022)</u> | <u>(2,397,022)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>-</u> |
| Fund balances, beginning of year | | <u>-</u> |
| Fund balances, end of year | | <u><u>\$ -</u></u> |

Nonmajor Governmental Funds

Special Revenue Funds: are used to account for the proceeds of specific revenue sources.

Animal Control Fund: To account for revenue received from pet licenses and fines.

Arrestee Medical Costs Fund: To account for funds used to provide medical care to arrestees.

Child Advocacy Fund: To account for property tax revenue distributed to the Child Advocacy Center.

Collector Tax Fee Fund: To account for revenue received from the County's property tax sale.

Community Mental Health Fund: To account for property tax revenue used to provide mental health services.

COPS Grant Fund: To account for grant funds used to pay sheriff salaries and benefits.

County Bridge Fund: To account for property tax revenue used for bridge study, design and construction.

County Clerk Document Fund: To account for funds used to automate records in the County Clerk's office.

County Extension Education Fund: To account for property tax revenue used to provide educational services to the community.

County Health Fund: To account for property tax and grant revenue used to support programs conducted by the Health Department.

County Highway Fund: To account for property tax revenue used for general maintenance and improvements to highways.

County Law Library Fund: To account for fee revenue used to purchase law books.

Court Automation Fund: To account for funds used to automate records in the Circuit Clerk's office.

Court Document Storage Fund: To account for funds used to store records in the Circuit Clerk's office.

Court Security Fund: To account for funds used to purchase court security equipment and pay bailiffs.

Federal Social Security Fund: To account for property tax revenue used to pay FICA taxes.

GIS 2005 Fund: To account for fee revenue used to computerize the mapping system.

Hillsdale Special Service Area Fund: To account for property tax revenues used for flood control of levies.

Workforce Investment Act Fund: To account for grant revenue passed on to the Rock Island Tri-County Consortium.

Maintenance and Child Support Collection Fund: To account for fee revenue used to administer the child support program.

Metropolitan Enforcement Group Fund: To account for funds passed through to one of nine drug enforcement groups in the state of Illinois.

Motor Fuel Tax Fund: To account for engineering costs, contract construction, snow removal, sign maintenance and right of ways.

Probation Services Fee Fund: To account for fee revenue used to provide judicial services.

Recorders Document Fund: To account for funds used to automate records in the Recorder's office.

States Attorney Drug Enforcement Fund: To account for revenues from drug prosecutions used for drug enforcement and education.

Treasurer's Automation Fund: To account for funds used to automate records in the Treasurer's office.

Veterans Assistance Fund: To account for property tax revenue used in assistance for veterans.

Zuma-Canoe Creek Special Service Area Fund: To account for property tax revenue used for flood control of levies.

Circuit Clerk Administration Cost Fund: To account for revenue received from court fees to be used for the administrative and operation costs of the Circuit Clerk.

Hotel/Motel Tax Fund: To account for revenue received from hotel/motel tax.

Drug Court Grant Fund: To account for grant revenue used to provide alcohol and drug treatment services.

Coroner Fee Fund: To account for revenue received from coroner fees to be used for the administrative and operation costs of the Coroner.

Federal Seized and Forfeited Property Fund: To account for revenues from seized or forfeited of federal property to the Sheriff's Department. To help facilitate the reporting to the federal government on how the funds are being collected and used.

Covemakers Buy-Out Fund: To account for grant revenue used in flood buy-outs.

IDOT Grant Fund: To account for IDOT grant revenues.

Debt Service Fund: is used to account for the accumulation of resources for, and the payment of, County long-term debt principal, interest and related costs.

Capital Project Fund: is used to account for funds used to purchase or maintain County buildings. Also, bond proceeds are received into the fund and expended as capital outlay is incurred.

Rock Island County, Illinois

Combining Balance Sheet
Nonmajor Governmental Funds
November 30, 2016

| | | Special Revenue | | | | | | |
|--|----|---------------------------|-----------------------------------|---------------------------|----|--------|----|--------|
| | | Animal Control Fund | Arrestee Medical Costs Fund | Child Advocacy Fund | | | | |
| Total | | | | | | | | |
| Assets | | | | | | | | |
| Cash and cash equivalents | \$ | 16,110,183 | \$ | 162,855 | \$ | 30,012 | \$ | - |
| Receivables: | | | | | | | | |
| Property taxes receivable | | 10,403,222 | | - | | - | | 72,589 |
| Accounts receivable | | 211,529 | | 33,805 | | 1,121 | | - |
| Accrued interest receivable | | 5,238 | | 44 | | 8 | | 2 |
| Due from other funds | | 210,886 | | - | | - | | - |
| Due from other governmental units | | 1,456,194 | | - | | - | | - |
| Other assets | | 12,961 | | - | | - | | - |
| Advances to other funds | | 441,850 | | - | | - | | - |
| Total assets | | | | | | | | |
| | \$ | 28,852,063 | \$ | 196,704 | \$ | 31,141 | \$ | 72,591 |
| Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable | \$ | 1,182,065 | \$ | 42,070 | \$ | - | \$ | 2,407 |
| Accrued liabilities | | 542,717 | | 303,758 | | - | | - |
| Due to other funds | | 356,427 | | 3,236 | | - | | - |
| Due to other governmental units | | 7,428 | | 7,428 | | - | | - |
| Unearned revenues | | 400,540 | | - | | - | | - |
| Advances from other funds | | 607,850 | | 124,000 | | - | | - |
| Total liabilities | | | | | | | | |
| | | 3,097,027 | | 480,492 | | - | | 2,407 |
| Deferred inflows of resources: | | | | | | | | |
| Deferred revenue - property taxes | | 10,026,491 | | - | | - | | 70,184 |
| Deferred revenue - intergovernmental | | 587,744 | | - | | - | | - |
| Total deferred inflows of resources | | | | | | | | |
| | | 10,614,235 | | - | | - | | 70,184 |
| Fund balances (deficits): | | | | | | | | |
| Nonspendable | | 12,961 | | - | | - | | - |
| Restricted | | 15,487,681 | | - | | 31,141 | | - |
| Unassigned | | (359,841) | | (283,788) | | - | | - |
| Total fund balances (deficits) | | | | | | | | |
| | | 15,140,801 | | (283,788) | | 31,141 | | - |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | | | | | | | | |
| | \$ | 28,852,063 | \$ | 196,704 | \$ | 31,141 | \$ | 72,591 |

(Continued)

| Special Revenue | | | | | |
|------------------------------|------------------------------------|--------------------|--------------------------|----------------------------------|--|
| Collector Tax Fee Fund | Community Mental Health Fund | COPS Grant Fund | County Bridge Fund | County Clerk Document Fund | County Extension Education Fund |
| \$ 109,725 | \$ 1,059,107 | \$ - | \$ 1,493,111 | \$ 84,955 | \$ - |
| - | 1,695,345 | - | 608,287 | - | 233,284 |
| - | 300 | - | - | 5,379 | - |
| 18 | 314 | - | 427 | 24 | 6 |
| - | - | 80,140 | - | - | - |
| 64,130 | - | 13,261 | - | - | - |
| - | 5,536 | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 173,873</u> | <u>\$ 2,760,602</u> | <u>\$ 93,401</u> | <u>\$ 2,101,825</u> | <u>\$ 90,358</u> | <u>\$ 233,290</u> |
| | | | | | |
| \$ - | \$ 198,062 | \$ - | \$ - | \$ 644 | \$ 7,703 |
| - | 1,739 | 18,074 | - | - | - |
| - | 3,234 | 75,327 | - | 266 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>-</u> | <u>203,035</u> | <u>93,401</u> | <u>-</u> | <u>910</u> | <u>7,703</u> |
| | | | | | |
| - | 1,641,943 | - | 589,365 | - | 225,587 |
| - | - | - | - | - | - |
| <u>-</u> | <u>1,641,943</u> | <u>-</u> | <u>589,365</u> | <u>-</u> | <u>225,587</u> |
| | | | | | |
| - | 5,536 | - | - | - | - |
| 173,873 | 910,088 | - | 1,512,460 | 89,448 | - |
| - | - | - | - | - | - |
| <u>173,873</u> | <u>915,624</u> | <u>-</u> | <u>1,512,460</u> | <u>89,448</u> | <u>-</u> |
| | | | | | |
| <u>\$ 173,873</u> | <u>\$ 2,760,602</u> | <u>\$ 93,401</u> | <u>\$ 2,101,825</u> | <u>\$ 90,358</u> | <u>\$ 233,290</u> |

Rock Island County, Illinois

Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
November 30, 2016

| | Special Revenue | | | |
|--|--------------------------|---------------------------|-------------------------------|-----------------------------|
| | County Health Fund | County Highway Fund | County Law Library Fund | Court Automation Fund |
| Assets | | | | |
| Cash and cash equivalents | \$ 772,998 | \$ 1,936,218 | \$ 47,082 | \$ 1,233,285 |
| Receivables: | | | | |
| Property taxes receivable | 1,268,656 | 1,622,042 | - | - |
| Accounts receivable | 57,252 | 419 | 10,245 | 732 |
| Accrued interest receivable | 230 | 567 | 14 | 874 |
| Due from other funds | - | - | - | - |
| Due from other governmental units | 679,692 | - | - | 15,612 |
| Other assets | 1,535 | 5,890 | - | - |
| Advances to other funds | - | - | - | - |
| Total assets | \$ 2,780,363 | \$ 3,565,136 | \$ 57,341 | \$ 1,250,503 |
| Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 128,839 | \$ 75,507 | \$ 14,168 | \$ 65,615 |
| Accrued liabilities | 83,950 | 32,529 | - | - |
| Due to other funds | 113,122 | 11,738 | - | 9,266 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | 3,427 | 13,679 | - | - |
| Advances from other funds | - | - | - | - |
| Total liabilities | 329,338 | 133,453 | 14,168 | 74,881 |
| Deferred inflows of resources: | | | | |
| Deferred revenue - property taxes | 1,228,722 | 1,571,851 | - | - |
| Deferred revenue - intergovernmental | 348,956 | - | - | - |
| Total deferred inflows of resources | 1,577,678 | 1,571,851 | - | - |
| Fund balances (deficits): | | | | |
| Nonspendable | 1,535 | 5,890 | - | - |
| Restricted | 871,812 | 1,853,942 | 43,173 | 1,175,622 |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 873,347 | 1,859,832 | 43,173 | 1,175,622 |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | \$ 2,780,363 | \$ 3,565,136 | \$ 57,341 | \$ 1,250,503 |

(Continued)

| Special Revenue | | | | | |
|-----------------------------|---------------------|------------------------------|---------------|-------------------------------------|---|
| Court Document Storage Fund | Court Security Fund | Federal Social Security Fund | GIS 2005 Fund | Hillsdale Special Service Area Fund | Maintenance and Child Support Collection Fund |
| \$ 905,520 | \$ - | \$ 1,743,362 | \$ 150,129 | \$ 38,646 | \$ 3,292 |
| - | - | 1,716,166 | - | 10,305 | - |
| 16,491 | 17,744 | 941 | 1,501 | - | 3,391 |
| 266 | - | 494 | 41 | 11 | - |
| - | 121,410 | - | 2,040 | - | - |
| - | - | 941 | 120 | - | 9,735 |
| - | - | - | - | - | - |
| 45,000 | - | - | - | - | - |
| <hr/> | | | | | |
| \$ 967,277 | \$ 139,154 | \$ 3,461,904 | \$ 153,831 | \$ 48,962 | \$ 16,418 |
| <hr/> | | | | | |
| | | | | | |
| \$ 1,893 | \$ - | \$ 941 | \$ 164 | \$ 1,600 | \$ - |
| 3,944 | 10,906 | 58,603 | 3,689 | - | 1,523 |
| 2,117 | 128,248 | - | 924 | 1,215 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 22,000 | - | - | - | 65,000 |
| 7,954 | 161,154 | 59,544 | 4,777 | 2,815 | 66,523 |
| <hr/> | | | | | |
| - | - | 1,608,236 | - | 8,820 | - |
| - | - | - | - | - | 3,948 |
| <hr/> | | | | | |
| - | - | 1,608,236 | - | 8,820 | 3,948 |
| <hr/> | | | | | |
| - | - | - | - | - | - |
| 959,323 | - | 1,794,124 | 149,054 | 37,327 | - |
| - | (22,000) | - | - | - | (54,053) |
| 959,323 | (22,000) | 1,794,124 | 149,054 | 37,327 | (54,053) |
| <hr/> | | | | | |
| | | | | | |
| \$ 967,277 | \$ 139,154 | \$ 3,461,904 | \$ 153,831 | \$ 48,962 | \$ 16,418 |
| <hr/> | | | | | |

Rock Island County, Illinois

Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
November 30, 2016

| | Special Revenue | | | |
|--|------------------------|-----------------------------------|-------------------------------|--|
| | Motor Fuel Tax Fund | Probation Services Fee Fund | Recorders Document Fund | States Attorney Drug Enforcement Fund |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,150,494 | \$ 1,100,914 | \$ 271,809 | \$ 143,976 |
| Receivables: | | | | |
| Property taxes receivable | - | - | - | - |
| Accounts receivable | 730 | 28,199 | - | 9,467 |
| Accrued interest receivable | 896 | - | 75 | - |
| Due from other funds | - | 3,232 | 2,849 | - |
| Due from other governmental units | 337,631 | - | - | 23,390 |
| Other assets | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Total assets | \$ 3,489,751 | \$ 1,132,345 | \$ 274,733 | \$ 176,833 |
| Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 354,731 | \$ 32,033 | \$ 11,367 | \$ 3,351 |
| Accrued liabilities | 10,868 | 200 | 4,305 | 1,132 |
| Due to other funds | - | 3,667 | 452 | 1,821 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Advances from other funds | - | - | - | - |
| Total liabilities | 365,599 | 35,900 | 16,124 | 6,304 |
| Deferred inflows of resources: | | | | |
| Deferred revenue - property taxes | - | - | - | - |
| Deferred revenue - intergovernmental | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund balances (deficits): | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 3,124,152 | 1,096,445 | 258,609 | 170,529 |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 3,124,152 | 1,096,445 | 258,609 | 170,529 |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | \$ 3,489,751 | \$ 1,132,345 | \$ 274,733 | \$ 176,833 |

(Continued)

| Special Revenue | | | | | |
|-----------------------------------|--------------------------------|---|---|----------------------------|-----------------------------|
| Treasurer's Automation Fund | Veterans Assistance Fund | Zuma-Canoe Creek Special Service Area Fund | Circuit Clerk Administration Cost Fund | Hotel/Motel Tax Fund | Drug Court Grant Fund |
| \$ 120,556 | \$ 536,541 | \$ 135,341 | \$ 171,415 | \$ 1,259 | \$ 144,046 |
| - | 362,770 | 47,070 | - | - | - |
| 17,120 | - | - | 2,453 | - | 1,720 |
| 20 | 701 | 39 | 50 | - | 41 |
| - | - | 1,215 | - | - | - |
| 2,590 | - | - | - | 74,252 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 140,286</u> | <u>\$ 900,012</u> | <u>\$ 183,665</u> | <u>\$ 173,918</u> | <u>\$ 75,511</u> | <u>\$ 145,807</u> |
| \$ 1,516 | \$ 11,946 | \$ 5,999 | \$ - | \$ 74,252 | \$ - |
| - | 4,934 | 342 | 401 | - | - |
| 266 | 98 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>1,782</u> | <u>16,978</u> | <u>6,341</u> | <u>401</u> | <u>74,252</u> | <u>-</u> |
| - | 350,906 | 43,551 | - | - | - |
| - | - | - | - | - | - |
| - | 350,906 | 43,551 | - | - | - |
| - | - | - | - | - | - |
| 138,504 | 532,128 | 133,773 | 173,517 | 1,259 | 145,807 |
| - | - | - | - | - | - |
| <u>138,504</u> | <u>532,128</u> | <u>133,773</u> | <u>173,517</u> | <u>1,259</u> | <u>145,807</u> |
| <u>\$ 140,286</u> | <u>\$ 900,012</u> | <u>\$ 183,665</u> | <u>\$ 173,918</u> | <u>\$ 75,511</u> | <u>\$ 145,807</u> |

Rock Island County, Illinois

Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
November 30, 2016

| | Special Revenue | | | |
|--|---------------------|---|-------------------------------|-----------------------|
| | Coroner Fee Fund | Federal Seized and Forfeited Property Fund | Covemakers Buy-Out Fund | IDOT Grant Fund |
| Assets | | | | |
| Cash and cash equivalents | \$ 38,945 | \$ 30,217 | \$ 451,992 | \$ 42,164 |
| Receivables: | | | | |
| Property taxes receivable | - | - | - | - |
| Accounts receivable | 2,400 | - | - | 119 |
| Accrued interest receivable | 10 | 8 | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | 234,840 |
| Other assets | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Total assets | \$ 41,355 | \$ 30,225 | \$ 451,992 | \$ 277,123 |
| Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 3,178 | \$ - | \$ 64,639 | \$ - |
| Accrued liabilities | - | - | 1,820 | - |
| Due to other funds | 1,285 | - | - | 145 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | 383,434 | - |
| Advances from other funds | - | - | - | - |
| Total liabilities | 4,463 | - | 449,893 | 145 |
| Deferred inflows of resources: | | | | |
| Deferred revenue - property taxes | - | - | - | - |
| Deferred revenue - intergovernmental | - | - | - | 234,840 |
| Total deferred inflows of resources | - | - | - | 234,840 |
| Fund balances (deficits): | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 36,892 | 30,225 | 2,099 | 42,138 |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 36,892 | 30,225 | 2,099 | 42,138 |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | \$ 41,355 | \$ 30,225 | \$ 451,992 | \$ 277,123 |

(Continued)

| Debt Service Fund | Capital Project Fund |
|----------------------|-------------------------|
| \$ - | \$ 217 |
| 2,766,708 | - |
| - | - |
| 58 | - |
| - | - |
| - | - |
| - | - |
| - | 396,850 |
| \$ 2,766,766 | \$ 397,067 |

| | |
|-----------|---------|
| \$ 79,440 | \$ - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | 396,850 |
| 79,440 | 396,850 |

| | |
|-----------|---|
| 2,687,326 | - |
| - | - |
| 2,687,326 | - |

| | |
|---|-----|
| - | - |
| - | 217 |
| - | - |
| - | 217 |

| | |
|--------------|------------|
| \$ 2,766,766 | \$ 397,067 |
|--------------|------------|

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits)
Nonmajor Governmental Funds
Year Ended November 30, 2016**

| | Total | Special Revenue | | |
|--|--------------------|---------------------------|-----------------------------------|---------------------------|
| | | Animal Control Fund | Arrestee Medical Costs Fund | Child Advocacy Fund |
| Revenues: | | | | |
| Fees | \$ 3,336,810 | \$ 790,810 | \$ 18,400 | \$ - |
| Property taxes | 11,148,333 | - | - | 71,922 |
| Intergovernmental | 12,258,039 | - | - | - |
| Investment earnings | 47,475 | 851 | 88 | 11 |
| Miscellaneous | 628,368 | 83,846 | - | - |
| Total revenues | 27,419,025 | 875,507 | 18,488 | 71,933 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 2,996,123 | - | - | - |
| Public safety | 1,686,250 | 885,630 | - | - |
| Corrections | - | - | - | - |
| Judiciary and legal | 1,437,391 | - | - | - |
| Transportation and public works | 3,427,538 | - | - | - |
| Social services | 10,719,803 | - | - | 71,933 |
| Capital outlay | 1,978,866 | - | - | - |
| Debt service: | | | | |
| Principal retirement | 875,000 | - | - | - |
| Interest and fiscal charges | 993,790 | - | - | - |
| Total expenditures | 24,114,761 | 885,630 | - | 71,933 |
| Excess (deficiency) of revenues over expenditures | 3,304,264 | (10,123) | 18,488 | - |
| Other financing sources (uses): | | | | |
| Transfers in | 391,398 | - | - | - |
| Transfers out | (1,730,386) | - | (10,000) | - |
| Proceeds from sale of capital assets | 7,751 | - | - | - |
| Total other financing sources (uses) | (1,331,237) | - | (10,000) | - |
| Net change in fund balances | 1,973,027 | (10,123) | 8,488 | - |
| Fund balances (deficits), beginning of year | 13,167,774 | (273,665) | 22,653 | - |
| Fund balances (deficits), end of year | \$ 15,140,801 | \$ (283,788) | \$ 31,141 | \$ - |

(Continued)

| Special Revenue | | | | | |
|------------------------------|------------------------------------|--------------------|--------------------------|----------------------------------|--|
| Collector Tax Fee Fund | Community Mental Health Fund | COPS Grant Fund | County Bridge Fund | County Clerk Document Fund | County Extension Education Fund |
| \$ 64,130 | \$ - | \$ - | \$ - | \$ 41,850 | \$ - |
| - | 1,596,960 | - | 565,617 | - | 230,127 |
| - | - | 619,175 | - | - | - |
| 881 | 4,223 | - | 3,943 | 262 | 34 |
| - | - | - | 78,892 | - | - |
| 65,011 | 1,601,183 | 619,175 | 648,452 | 42,112 | 230,161 |
| 23,290 | - | - | - | 6,131 | - |
| - | - | 715,955 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 56,136 | - | - |
| - | 1,378,219 | - | - | - | 230,161 |
| - | - | - | - | 522 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 23,290 | 1,378,219 | 715,955 | 56,136 | 6,653 | 230,161 |
| 41,721 | 222,964 | (96,780) | 592,316 | 35,459 | - |
| - | - | 80,140 | - | - | - |
| (27,063) | (40,252) | - | (4,259) | (6,750) | - |
| - | - | - | - | - | - |
| (27,063) | (40,252) | 80,140 | (4,259) | (6,750) | - |
| 14,658 | 182,712 | (16,640) | 588,057 | 28,709 | - |
| 159,215 | 732,912 | 16,640 | 924,403 | 60,739 | - |
| \$ 173,873 | \$ 915,624 | \$ - | \$ 1,512,460 | \$ 89,448 | \$ - |

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|--------------------------|---------------------------|-------------------------------|-----------------------------|
| | County Health Fund | County Highway Fund | County Law Library Fund | Court Automation Fund |
| Revenues: | | | | |
| Fees | \$ 443,812 | \$ 15,022 | \$ 120,104 | \$ 206,546 |
| Property taxes | 1,193,936 | 1,499,889 | - | - |
| Intergovernmental | 4,793,678 | - | - | - |
| Investment earnings | 2,255 | 5,554 | 150 | 5,345 |
| Miscellaneous | 4,746 | 356,506 | 134 | - |
| Total revenues | 6,438,427 | 1,876,971 | 120,388 | 211,891 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Corrections | - | - | - | - |
| Judiciary and legal | - | - | 95,893 | 252,200 |
| Transportation and public works | - | 1,299,443 | - | - |
| Social services | 5,822,295 | - | - | - |
| Capital outlay | 8,215 | 373,096 | - | 65,537 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 5,830,510 | 1,672,539 | 95,893 | 317,737 |
| Excess (deficiency) of revenues over expenditures | 607,917 | 204,432 | 24,495 | (105,846) |
| Other financing sources (uses): | | | | |
| Transfers in | 3,334 | 168,942 | - | - |
| Transfers out | (500,819) | (310,450) | (12,115) | (15,452) |
| Proceeds from sale of capital assets | 750 | 7,001 | - | - |
| Total other financing sources (uses) | (496,735) | (134,507) | (12,115) | (15,452) |
| Net change in fund balances | 111,182 | 69,925 | 12,380 | (121,298) |
| Fund balances (deficits), beginning of year | 762,165 | 1,789,907 | 30,793 | 1,296,920 |
| Fund balances (deficits), end of year | \$ 873,347 | \$ 1,859,832 | \$ 43,173 | \$ 1,175,622 |

(Continued)

| Special Revenue | | | | | |
|-----------------------------|---------------------|------------------------------|---------------|-------------------------------------|-------------------------------|
| Court Document Storage Fund | Court Security Fund | Federal Social Security Fund | GIS 2005 Fund | Hillsdale Special Service Area Fund | Workforce Investment Act Fund |
| \$ 225,252 | \$ 232,330 | \$ - | \$ 241,446 | \$ - | \$ - |
| - | - | 3,217,122 | - | 8,480 | - |
| - | - | - | - | - | 2,926,531 |
| 3,159 | - | 2,270 | 454 | 129 | - |
| - | - | 1,205 | - | - | - |
| 228,411 | 232,330 | 3,220,597 | 241,900 | 8,609 | 2,926,531 |
| - | - | 1,945,842 | 220,736 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 211,473 | 362,995 | - | - | - | - |
| - | - | - | - | 8,261 | - |
| - | - | - | - | - | 2,926,531 |
| - | - | - | 522 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 211,473 | 362,995 | 1,945,842 | 221,258 | 8,261 | 2,926,531 |
| 16,938 | (130,665) | 1,274,755 | 20,642 | 348 | - |
| - | 121,410 | - | - | - | - |
| (8,484) | - | (7,659) | (26,435) | - | - |
| - | - | - | - | - | - |
| (8,484) | 121,410 | (7,659) | (26,435) | - | - |
| 8,454 | (9,255) | 1,267,096 | (5,793) | 348 | - |
| 950,869 | (12,745) | 527,028 | 154,847 | 36,979 | - |
| \$ 959,323 | \$ (22,000) | \$ 1,794,124 | \$ 149,054 | \$ 37,327 | \$ - |

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|--|--|------------------------|-----------------------------------|
| | Maintenance and Child Support Collection Fund | Metropolitan Enforcement Group Fund | Motor Fuel Tax Fund | Probation Services Fee Fund |
| Revenues: | | | | |
| Fees | \$ 57,839 | \$ - | \$ - | \$ 351,070 |
| Property taxes | - | - | - | - |
| Intergovernmental | 32,149 | 25,516 | 3,085,913 | - |
| Investment earnings | - | - | 11,557 | - |
| Miscellaneous | - | - | 99,226 | 1,000 |
| Total revenues | 89,988 | 25,516 | 3,196,696 | 352,070 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | 25,516 | - | - |
| Corrections | - | - | - | - |
| Judiciary and legal | 85,303 | - | - | 323,128 |
| Transportation and public works | - | - | 1,796,479 | - |
| Social services | - | - | - | - |
| Capital outlay | - | - | 1,524,832 | 255 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 85,303 | 25,516 | 3,321,311 | 323,383 |
| Excess (deficiency) of revenues over expenditures | 4,685 | - | (124,615) | 28,687 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | 17,572 |
| Transfers out | (14,214) | - | (168,942) | (7,818) |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | (14,214) | - | (168,942) | 9,754 |
| Net change in fund balances | (9,529) | - | (293,557) | 38,441 |
| Fund balances (deficits), beginning of year | (44,524) | - | 3,417,709 | 1,058,004 |
| Fund balances (deficits), end of year | \$ (54,053) | \$ - | \$ 3,124,152 | \$ 1,096,445 |

(Continued)

| Special Revenue | | | | | |
|-------------------------------|--|-----------------------------------|--------------------------------|---|---|
| Recorders Document Fund | States Attorney Drug Enforcement Fund | Treasurer's Automation Fund | Veterans Assistance Fund | Zuma-Canoe Creek Special Service Area Fund | Circuit Clerk Administration Cost Fund |
| \$ 360,246 | \$ 43,336 | \$ 41,937 | \$ - | \$ - | \$ 25,604 |
| - | - | - | 354,819 | 41,027 | - |
| - | 50,507 | - | - | - | 5,621 |
| 810 | - | 813 | 2,385 | 460 | 572 |
| - | - | - | 2,813 | - | - |
| 361,056 | 93,843 | 42,750 | 360,017 | 41,487 | 31,797 |
| 304,111 | - | 21,228 | - | - | 15,718 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 106,399 | - | - | - | - |
| - | - | - | - | 35,965 | - |
| - | - | - | 290,664 | - | - |
| 522 | 522 | 522 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 304,633 | 106,921 | 21,750 | 290,664 | 35,965 | 15,718 |
| 56,423 | (13,078) | 21,000 | 69,353 | 5,522 | 16,079 |
| - | - | - | - | - | - |
| (7,395) | (3,280) | (3,605) | (54,910) | - | - |
| - | - | - | - | - | - |
| (7,395) | (3,280) | (3,605) | (54,910) | - | - |
| 49,028 | (16,358) | 17,395 | 14,443 | 5,522 | 16,079 |
| 209,581 | 186,887 | 121,109 | 517,685 | 128,251 | 157,438 |
| \$ 258,609 | \$ 170,529 | \$ 138,504 | \$ 532,128 | \$ 133,773 | \$ 173,517 |

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|----------------------------|-----------------------------|---------------------|---|
| | Hotel/Motel Tax Fund | Drug Court Grant Fund | Coroner Fee Fund | Federal Seized and Forfeited Property Fund |
| Revenues: | | | | |
| Fees | \$ - | \$ 24,201 | \$ 32,875 | \$ - |
| Property taxes | - | - | - | - |
| Intergovernmental | 287,845 | - | - | - |
| Investment earnings | 4 | 467 | 203 | 130 |
| Miscellaneous | - | - | - | - |
| Total revenues | 287,849 | 24,668 | 33,078 | 130 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 287,846 | - | - | - |
| Public safety | - | - | 50,317 | 8,832 |
| Corrections | - | - | - | - |
| Judiciary and legal | - | - | - | - |
| Transportation and public works | - | - | - | - |
| Social services | - | - | - | - |
| Capital outlay | - | - | 3,692 | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 287,846 | - | 54,009 | 8,832 |
| Excess (deficiency) of revenues over expenditures | 3 | 24,668 | (20,931) | (8,702) |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | 3 | 24,668 | (20,931) | (8,702) |
| Fund balances (deficits), beginning of year | 1,256 | 121,139 | 57,823 | 38,927 |
| Fund balances (deficits), end of year | \$ 1,259 | \$ 145,807 | \$ 36,892 | \$ 30,225 |

| Special Revenue | | | | |
|-------------------------------|---------|-----------------------|----------------------|-------------------------|
| Covemakers Buy-Out Fund | | IDOT Grant Fund | Debt Service Fund | Capital Project Fund |
| \$ | - | \$ | - | \$ |
| | - | | 2,368,434 | - |
| | 171,850 | 259,254 | - | - |
| | - | 109 | 356 | - |
| | - | - | - | - |
| | 171,850 | 259,363 | 2,368,790 | - |
| | 171,221 | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | - | 231,254 | - | - |
| | - | - | - | - |
| | 629 | - | - | - |
| | - | - | 875,000 | - |
| | - | - | 993,790 | - |
| | 171,850 | 231,254 | 1,868,790 | - |
| | - | 28,109 | 500,000 | - |
| | - | - | - | - |
| | - | (484) | (500,000) | - |
| | - | - | - | - |
| | - | (484) | (500,000) | - |
| | - | 27,625 | - | - |
| | 2,099 | 14,513 | - | 217 |
| \$ | 2,099 | \$ 42,138 | \$ - | \$ 217 |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|---------------------|---------------------|-----------------------------|------------------|
| | Animal Control Fund | | Arrestee Medical Costs Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ 735,500 | \$ 790,810 | \$ 15,000 | \$ 18,400 |
| Property taxes | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Investment earnings | - | 851 | - | 88 |
| Miscellaneous | 109,050 | 83,846 | - | - |
| Total revenues | 844,550 | 875,507 | 15,000 | 18,488 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | 425,758 | 407,117 | - | - |
| Personal benefits | 402 | 400 | - | - |
| Supplies | 42,000 | 25,862 | - | - |
| Other services and charges | 468,800 | 452,251 | - | - |
| Capital outlay | 3,000 | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 939,960 | 885,630 | - | - |
| Excess (deficiency) of revenues over expenditures | (95,410) | (10,123) | 15,000 | 18,488 |
| Other financing sources (uses): | | | | |
| Transfers in | 94,346 | - | - | - |
| Transfers out | - | - | (10,000) | (10,000) |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | 94,346 | - | (10,000) | (10,000) |
| Net change in fund balances | \$ (1,064) | (10,123) | \$ 5,000 | 8,488 |
| Fund balances (deficits), beginning of year | | (273,665) | | 22,653 |
| Fund balances (deficits), end of year | | \$ (283,788) | | \$ 31,141 |

(Continued)

| Special Revenue | | | | | | | | | | | |
|---------------------|--------|--------|--------|------------------------|----------|--------|----------|------------------------------|-----------|--------|-----------|
| Child Advocacy Fund | | | | Collector Tax Fee Fund | | | | Community Mental Health Fund | | | |
| Budget | | Actual | | Budget | | Actual | | Budget | | Actual | |
| \$ | - | \$ | - | \$ | 70,245 | \$ | 64,130 | \$ | - | \$ | - |
| | 71,922 | | 71,922 | | - | | - | | 1,590,163 | | 1,596,960 |
| | - | | - | | - | | - | | - | | - |
| | 11 | | 11 | | 250 | | 881 | | 5,400 | | 4,223 |
| | - | | - | | - | | - | | - | | - |
| | 71,933 | | 71,933 | | 70,495 | | 65,011 | | 1,595,563 | | 1,601,183 |
| | | | | | | | | | | | |
| | - | | - | | - | | - | | 41,298 | | 41,296 |
| | - | | - | | - | | - | | 13,824 | | 13,307 |
| | - | | - | | - | | - | | 500 | | 121 |
| | 71,933 | | 71,933 | | 24,000 | | 23,037 | | 1,484,520 | | 1,323,495 |
| | - | | - | | - | | - | | - | | - |
| | - | | - | | - | | - | | - | | - |
| | - | | - | | - | | - | | - | | - |
| | 71,933 | | 71,933 | | 24,000 | | 23,037 | | 1,540,142 | | 1,378,219 |
| | | | | | | | | | | | |
| | - | | - | | 46,495 | | 41,974 | | 55,421 | | 222,964 |
| | | | | | | | | | | | |
| | - | | - | | - | | - | | - | | - |
| | - | | - | | (27,316) | | (27,316) | | (44,680) | | (40,252) |
| | - | | - | | - | | - | | - | | - |
| | - | | - | | (27,316) | | (27,316) | | (44,680) | | (40,252) |
| | | | | | | | | | | | |
| \$ | - | \$ | - | \$ | 19,179 | | 14,658 | \$ | 10,741 | | 182,712 |
| | | | | | | | | | | | |
| | | | - | | | | 159,215 | | | | 732,912 |
| | | \$ | - | | \$ | | 173,873 | | \$ | | 915,624 |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|--------------------|-----------------|--------------------|---------------------|
| | COPS Grant Fund | | County Bridge Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ - | \$ - | \$ - | \$ - |
| Property taxes | - | - | 559,925 | 565,617 |
| Intergovernmental | 615,067 | 619,175 | 78,000 | - |
| Investment earnings | - | - | 1,000 | 3,943 |
| Miscellaneous | - | - | - | 78,892 |
| Total revenues | 615,067 | 619,175 | 638,925 | 648,452 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | 620,324 | 611,250 | 40,000 | - |
| Personal benefits | 108,113 | 104,705 | 7,936 | - |
| Supplies | - | - | 39,999 | 3,567 |
| Other services and charges | - | - | 545,000 | 52,569 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 728,437 | 715,955 | 632,935 | 56,136 |
| Excess (deficiency) of revenues over expenditures | (113,370) | (96,780) | 5,990 | 592,316 |
| Other financing sources (uses): | | | | |
| Transfers in | 47,000 | 80,140 | - | - |
| Transfers out | (6,550) | - | (4,259) | (4,259) |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | 40,450 | 80,140 | (4,259) | (4,259) |
| Net change in fund balances | \$ (72,920) | (16,640) | \$ 1,731 | 588,057 |
| Fund balances (deficits), beginning of year | | 16,640 | | 924,403 |
| Fund balances (deficits), end of year | | <u>\$ -</u> | | <u>\$ 1,512,460</u> |

(Continued)

Special Revenue

| County Clerk Document Fund | | County Extension Education Fund | | County Health Fund | |
|----------------------------|------------------|---------------------------------|-------------|--------------------|-------------------|
| Budget | Actual | Budget | Actual | Budget | Actual |
| \$ 47,500 | \$ 41,850 | \$ - | \$ - | \$ 496,620 | \$ 443,812 |
| - | - | 230,127 | 230,127 | 1,190,079 | 1,193,936 |
| - | - | - | - | 3,011,080 | 4,793,678 |
| 280 | 262 | 34 | 34 | 1,600 | 2,255 |
| - | - | - | - | 4,000 | 4,746 |
| 47,780 | 42,112 | 230,161 | 230,161 | 4,703,379 | 6,438,427 |
| | | | | | |
| - | - | - | - | 2,480,346 | 2,197,088 |
| - | - | - | - | 958,077 | 857,274 |
| 7,000 | 5,893 | - | - | 232,291 | 2,348,474 |
| 278 | 238 | 230,161 | 230,161 | 491,306 | 419,459 |
| 522 | 522 | - | - | 56,413 | 8,215 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 7,800 | 6,653 | 230,161 | 230,161 | 4,218,433 | 5,830,510 |
| | | | | | |
| 39,980 | 35,459 | - | - | 484,946 | 607,917 |
| | | | | | |
| - | - | - | - | 21,000 | 3,334 |
| (7,116) | (6,750) | - | - | (500,819) | (500,819) |
| - | - | - | - | - | 750 |
| (7,116) | (6,750) | - | - | (479,819) | (496,735) |
| <u>\$ 32,864</u> | <u>28,709</u> | <u>\$ -</u> | <u>-</u> | <u>\$ 5,127</u> | <u>111,182</u> |
| | <u>60,739</u> | | <u>-</u> | | <u>762,165</u> |
| | <u>\$ 89,448</u> | | <u>\$ -</u> | | <u>\$ 873,347</u> |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|---------------------|---------------------|-------------------------|------------------|
| | County Highway Fund | | County Law Library Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ 28,000 | \$ 15,022 | \$ 105,000 | \$ 120,104 |
| Property taxes | 1,494,353 | 1,499,889 | - | - |
| Intergovernmental | - | - | - | - |
| Investment earnings | - | 5,554 | 200 | 150 |
| Miscellaneous | 400,000 | 356,506 | - | 134 |
| Total revenues | 1,922,353 | 1,876,971 | 105,200 | 120,388 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | 644,692 | 595,335 | - | - |
| Personal benefits | 449,273 | 353,705 | - | - |
| Supplies | 341,185 | 204,257 | 100,200 | 95,893 |
| Other services and charges | 167,816 | 146,146 | - | - |
| Capital outlay | 397,617 | 373,096 | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 2,000,583 | 1,672,539 | 100,200 | 95,893 |
| Excess (deficiency) of revenues over expenditures | (78,230) | 204,432 | 5,000 | 24,495 |
| Other financing sources (uses): | | | | |
| Transfers in | 204,597 | 168,942 | - | - |
| Transfers out | (310,450) | (310,450) | (12,115) | (12,115) |
| Proceeds from sale of capital assets | 35,000 | 7,001 | - | - |
| Total other financing sources (uses) | (70,853) | (134,507) | (12,115) | (12,115) |
| Net change in fund balances | \$ (149,083) | 69,925 | \$ (7,115) | 12,380 |
| Fund balances (deficits), beginning of year | | 1,789,907 | | 30,793 |
| Fund balances (deficits), end of year | | <u>\$ 1,859,832</u> | | <u>\$ 43,173</u> |

(Continued)

| Special Revenue | | | | | |
|-----------------------|---------------------|-----------------------------|-------------------|---------------------|--------------------|
| Court Automation Fund | | Court Document Storage Fund | | Court Security Fund | |
| Budget | Actual | Budget | Actual | Budget | Actual |
| \$ 225,000 | \$ 206,546 | \$ 240,000 | \$ 225,252 | \$ 239,107 | \$ 232,330 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 8,000 | 5,345 | 3,600 | 3,159 | - | - |
| - | - | - | - | - | - |
| 233,000 | 211,891 | 243,600 | 228,411 | 239,107 | 232,330 |
| - | - | 202,343 | 102,514 | 443,017 | 337,534 |
| - | - | 95,346 | 30,283 | 16,390 | 15,476 |
| 40,718 | 40,718 | 35,200 | 17,014 | 1,473 | 1,040 |
| 212,122 | 211,482 | 84,360 | 61,662 | 19,009 | 8,945 |
| 65,541 | 65,537 | 44,788 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 318,381 | 317,737 | 462,037 | 211,473 | 479,889 | 362,995 |
| (85,381) | (105,846) | (218,437) | 16,938 | (240,782) | (130,665) |
| - | - | - | - | 240,782 | 121,410 |
| (15,452) | (15,452) | (8,484) | (8,484) | - | - |
| - | - | - | - | - | - |
| (15,452) | (15,452) | (8,484) | (8,484) | 240,782 | 121,410 |
| <u>\$ (100,833)</u> | <u>(121,298)</u> | <u>\$ (226,921)</u> | 8,454 | <u>\$ -</u> | <u>(9,255)</u> |
| | <u>1,296,920</u> | | <u>950,869</u> | | <u>(12,745)</u> |
| | <u>\$ 1,175,622</u> | | <u>\$ 959,323</u> | | <u>\$ (22,000)</u> |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|------------------------------|---------------------|--------------------|-------------------|
| | Federal Social Security Fund | | GIS 2005 Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ - | \$ - | \$ 236,000 | \$ 241,446 |
| Property taxes | 3,216,955 | 3,217,122 | - | - |
| Intergovernmental | - | - | - | - |
| Investment earnings | - | 2,270 | 750 | 454 |
| Miscellaneous | - | 1,205 | - | - |
| Total revenues | 3,216,955 | 3,220,597 | 236,750 | 241,900 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | - | - | 139,436 | 139,436 |
| Personal benefits | 2,224,805 | 1,945,842 | 55,621 | 54,101 |
| Supplies | - | - | 1,218 | 776 |
| Other services and charges | - | - | 30,801 | 26,423 |
| Capital outlay | - | - | 522 | 522 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 2,224,805 | 1,945,842 | 227,598 | 221,258 |
| Excess (deficiency) of revenues over expenditures | 992,150 | 1,274,755 | 9,152 | 20,642 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (7,660) | (7,659) | (26,435) | (26,435) |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | (7,660) | (7,659) | (26,435) | (26,435) |
| Net change in fund balances | \$ 984,490 | 1,267,096 | \$ (17,283) | (5,793) |
| Fund balances (deficits), beginning of year | | 527,028 | | 154,847 |
| Fund balances (deficits), end of year | | <u>\$ 1,794,124</u> | | <u>\$ 149,054</u> |

(Continued)

| Special Revenue | | | | | |
|-------------------------------------|------------------|---|--------------------|-----------------------|---------------------|
| Hillsdale Special Service Area Fund | | Maintenance and Child Support Collection Fund | | Motor Fuel Tax Fund | |
| Budget | Actual | Budget | Actual | Budget | Actual |
| \$ - | \$ - | \$ 130,000 | \$ 57,839 | \$ - | \$ - |
| 8,400 | 8,480 | - | - | - | - |
| - | - | 34,000 | 32,149 | 2,711,515 | 3,085,913 |
| 100 | 129 | - | - | 10,000 | 11,557 |
| - | - | - | - | 5,000 | 99,226 |
| 8,500 | 8,609 | 164,000 | 89,988 | 2,726,515 | 3,196,696 |
| 2,500 | 2,021 | 79,657 | 79,657 | 701,733 | 676,614 |
| 191 | 146 | 5,653 | 5,646 | 152,871 | 135,574 |
| 10,000 | - | - | - | 682,282 | 490,044 |
| 23,500 | 6,094 | - | - | 607,818 | 494,247 |
| - | - | - | - | 1,529,053 | 1,524,832 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 36,191 | 8,261 | 85,310 | 85,303 | 3,673,757 | 3,321,311 |
| (27,691) | 348 | 78,690 | 4,685 | (947,242) | (124,615) |
| - | - | - | - | - | - |
| - | - | (14,214) | (14,214) | (204,597) | (168,942) |
| - | - | - | - | - | - |
| - | - | (14,214) | (14,214) | (204,597) | (168,942) |
| <u>\$ (27,691)</u> | <u>348</u> | <u>\$ 64,476</u> | <u>(9,529)</u> | <u>\$ (1,151,839)</u> | <u>(293,557)</u> |
| | <u>36,979</u> | | <u>(44,524)</u> | | <u>3,417,709</u> |
| | <u>\$ 37,327</u> | | <u>\$ (54,053)</u> | | <u>\$ 3,124,152</u> |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|-----------------------------|---------------------|-------------------------|-------------------|
| | Probation Services Fee Fund | | Recorders Document Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ 396,500 | \$ 351,070 | \$ 366,500 | \$ 360,246 |
| Property taxes | - | - | - | - |
| Intergovernmental | 17,000 | - | - | - |
| Investment earnings | - | - | 500 | 810 |
| Miscellaneous | 1,000 | 1,000 | - | - |
| Total revenues | 414,500 | 352,070 | 367,000 | 361,056 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | - | - | 139,825 | 139,825 |
| Personal benefits | - | - | 50,326 | 50,284 |
| Supplies | 65,312 | 51,227 | 6,050 | 4,153 |
| Other services and charges | 366,962 | 271,901 | 150,778 | 109,983 |
| Capital outlay | 15,943 | 255 | 522 | 522 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 448,217 | 323,383 | 347,501 | 304,767 |
| Excess (deficiency) of revenues over expenditures | (33,717) | 28,687 | 19,499 | 56,289 |
| Other financing sources (uses): | | | | |
| Transfers in | 22,000 | 17,572 | - | - |
| Transfers out | (24,818) | (7,818) | (7,143) | (7,261) |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | (2,818) | 9,754 | (7,143) | (7,261) |
| Net change in fund balances | \$ (36,535) | 38,441 | \$ 12,356 | 49,028 |
| Fund balances (deficits), beginning of year | | 1,058,004 | | 209,581 |
| Fund balances (deficits), end of year | | <u>\$ 1,096,445</u> | | <u>\$ 258,609</u> |

(Continued)

| Special Revenue | | | | | |
|---------------------------------------|-------------------|-----------------------------|-------------------|--------------------------|-------------------|
| States Attorney Drug Enforcement Fund | | Treasurer's Automation Fund | | Veterans Assistance Fund | |
| Budget | Actual | Budget | Actual | Budget | Actual |
| \$ - | \$ 43,336 | \$ 39,300 | \$ 41,937 | \$ - | \$ - |
| - | - | - | - | 350,000 | 354,819 |
| - | 50,507 | - | - | - | - |
| - | - | 300 | 813 | - | 2,385 |
| - | - | - | - | - | 2,813 |
| - | 93,843 | 39,600 | 42,750 | 350,000 | 360,017 |
| | | | | | |
| - | 30,500 | - | - | 99,917 | 99,917 |
| - | 18,233 | - | - | 62,702 | 46,025 |
| - | 16,352 | 1,736 | 1,319 | 26,443 | 27,872 |
| - | 41,314 | 22,002 | 19,909 | 141,341 | 116,850 |
| - | 522 | 522 | 522 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 106,921 | 24,260 | 21,750 | 330,403 | 290,664 |
| | | | | | |
| - | (13,078) | 15,340 | 21,000 | 19,597 | 69,353 |
| | | | | | |
| - | - | - | - | - | - |
| - | (3,280) | (3,605) | (3,605) | (54,910) | (54,910) |
| - | - | - | - | - | - |
| - | (3,280) | (3,605) | (3,605) | (54,910) | (54,910) |
| | | | | | |
| <u>\$ -</u> | <u>(16,358)</u> | <u>\$ 11,735</u> | <u>17,395</u> | <u>\$ (35,313)</u> | <u>14,443</u> |
| | | | | | |
| | <u>186,887</u> | | <u>121,109</u> | | <u>517,685</u> |
| | <u>\$ 170,529</u> | | <u>\$ 138,504</u> | | <u>\$ 532,128</u> |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|---|-------------------|--|-------------------|
| | Zuma-Canoe Creek Special Service Area Fund | | Circuit Clerk Administration Cost Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ - | \$ - | \$ 30,000 | \$ 25,604 |
| Property taxes | 41,477 | 41,027 | - | - |
| Intergovernmental revenues | - | - | 5,000 | 5,621 |
| Investment earnings | 200 | 460 | 600 | 572 |
| Miscellaneous | - | - | - | - |
| Total revenues | 41,677 | 41,487 | 35,600 | 31,797 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | 10,000 | 8,855 | 33,439 | 15,301 |
| Personal benefits | 765 | 625 | 4,462 | 417 |
| Supplies | 5,000 | - | - | - |
| Other services and charges | 106,000 | 26,485 | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 121,765 | 35,965 | 37,901 | 15,718 |
| Excess (deficiency) of revenues over expenditures | (80,088) | 5,522 | (2,301) | 16,079 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | \$ (80,088) | 5,522 | \$ (2,301) | 16,079 |
| Fund balances (deficits), beginning of year | | 128,251 | | 157,438 |
| Fund balances (deficits), end of year | | <u>\$ 133,773</u> | | <u>\$ 173,517</u> |

(Continued)

| Special Revenue | | | | | | | |
|----------------------|---------|----------|-----------------------|-------------|------------------|-----------|---|
| Hotel/Motel Tax Fund | | | Drug Court Grant Fund | | Coroner Fee Fund | | |
| Budget | Actual | | Budget | Actual | Budget | Actual | |
| \$ - | \$ - | \$ - | 25,000 | 24,201 | 30,000 | \$ 32,875 | |
| - | - | - | - | - | - | - | - |
| - | 287,845 | - | - | - | - | - | - |
| - | 4 | - | - | 467 | 150 | 203 | |
| - | - | - | - | - | - | - | - |
| - | 287,849 | 25,000 | 24,668 | 30,150 | 33,078 | | |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 95 | 95 | |
| - | - | 15,800 | - | 2,497 | 1,966 | | |
| - | 287,846 | 8,000 | - | 48,365 | 48,256 | | |
| - | - | - | - | 3,692 | 3,692 | | |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 287,846 | 23,800 | - | 54,649 | 54,009 | | |
| - | 3 | 1,200 | 24,668 | (24,499) | (20,931) | | |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| \$ - | 3 | \$ 1,200 | 24,668 | \$ (24,499) | (20,931) | | |
| | 1,256 | | 121,139 | | 57,823 | | |
| \$ | 1,259 | \$ | 145,807 | \$ | 36,892 | | |

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2016**

| | Special Revenue | | | |
|--|---|------------------|--------------------------|-----------------|
| | Federal Seized and Forfeited Property Fund | | Covermakers Buy-Out Fund | |
| | Budget | Actual | Budget | Actual |
| Revenues: | | | | |
| Fees | \$ - | \$ - | \$ - | \$ - |
| Property taxes | - | - | - | - |
| Intergovernmental | 954 | - | 171,895 | 171,850 |
| Investment earnings | - | 130 | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | 954 | 130 | 171,895 | 171,850 |
| Expenditures: | | | | |
| Current operating: | | | | |
| Salaries and wages | - | - | - | - |
| Personal benefits | - | - | - | - |
| Supplies | 7,878 | 7,878 | - | - |
| Other services and charges | 954 | 954 | 171,266 | 171,221 |
| Capital outlay | 338 | - | 629 | 629 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 9,170 | 8,832 | 171,895 | 171,850 |
| Excess (deficiency) of revenues over expenditures | (8,216) | (8,702) | - | - |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | \$ (8,216) | (8,702) | \$ - | - |
| Fund balances (deficits), beginning of year | | <u>38,927</u> | | <u>2,099</u> |
| Fund balances (deficits), end of year | | <u>\$ 30,225</u> | | <u>\$ 2,099</u> |

| Special Revenue | | | |
|-----------------|------------------|-------------------|-------------|
| IDOT Grant Fund | | Debt Service Fund | |
| Budget | Actual | Budget | Actual |
| \$ - | \$ - | \$ - | \$ - |
| - | - | 2,368,434 | 2,368,434 |
| 231,680 | 259,254 | - | - |
| - | 109 | 355 | 356 |
| - | - | - | - |
| 231,680 | 259,363 | 2,368,789 | 2,368,790 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 231,619 | 231,254 | - | - |
| - | - | - | - |
| - | - | - | 875,000 |
| - | - | 1,868,790 | 993,790 |
| 231,619 | 231,254 | 1,868,790 | 1,868,790 |
| 61 | 28,109 | 499,999 | 500,000 |
| - | - | - | - |
| (121) | (484) | (500,000) | (500,000) |
| - | - | - | - |
| (121) | (484) | (500,000) | (500,000) |
| <u>\$ (60)</u> | 27,625 | <u>\$ (1)</u> | - |
| | <u>14,513</u> | | <u>-</u> |
| | <u>\$ 42,138</u> | | <u>\$ -</u> |

Rock Island County, Illinois

**Combining Statement of Net Position
Internal Service Funds
November 30, 2016**

| | Public Building Commission | Employee Health Benefits | Total |
|-----------------------------------|-------------------------------|-----------------------------|----------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 30,515,916 | \$ 2,177,588 | \$ 32,693,504 |
| Receivables: | | | |
| Accounts | - | 2,718 | 2,718 |
| Interest | - | 552 | 552 |
| Due from other funds | - | 46,462 | 46,462 |
| Due from other governmental units | - | 42,827 | 42,827 |
| Other assets | 1,373,074 | 35,468 | 1,408,542 |
| Total current assets | 31,888,990 | 2,305,615 | 34,194,605 |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Nondepreciable: | | | |
| Land | 456,812 | - | 456,812 |
| Construction-in-progress | 322,847 | - | 322,847 |
| Depreciable: | | | |
| Equipment and fixtures | 24,092 | - | 24,092 |
| Improvements other than buildings | 92,909 | - | 92,909 |
| Buildings | 766,024 | - | 766,024 |
| Less accumulated depreciation | (217,249) | - | (217,249) |
| Total capital assets | 1,445,435 | - | 1,445,435 |
| Total assets | 33,334,425 | 2,305,615 | 35,640,040 |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 196,735 | 125,629 | 322,364 |
| Estimated claims settlement | - | 751,000 | 751,000 |
| Accrued liabilities | 952,894 | - | 952,894 |
| Unearned Revenue | 806,002 | - | 806,002 |
| Total liabilities | 1,955,631 | 876,629 | 2,832,260 |
| Net Position | | | |
| Investment in capital assets | 1,445,435 | - | 1,445,435 |
| Unrestricted | 29,933,359 | 1,428,986 | 31,362,345 |
| Total net position | \$ 31,378,794 | \$ 1,428,986 | \$ 32,807,780 |

Rock Island County, Illinois

**Combining Statement of Revenues, Expenses and Changes in Net Position
Governmental Activities - Internal Service Funds
Year Ended November 30, 2016**

| | Public Building Commission | Employee Health Benefits | Total |
|--|-------------------------------|-----------------------------|----------------------|
| Operating revenue: | | | |
| Charges for services | \$ 1,991,779 | \$ 8,755,655 | \$ 10,747,434 |
| Other | - | 168,617 | 168,617 |
| Total operating revenue | 1,991,779 | 8,924,272 | 10,916,051 |
| Operating expenses: | | | |
| Other services and charges | 2,210,585 | 8,841,599 | 11,052,184 |
| Depreciation expense | 27,637 | - | 27,637 |
| Total operating expenses | 2,238,222 | 8,841,599 | 11,079,821 |
| Operating income | (246,443) | 82,673 | (163,770) |
| Nonoperating revenue, investment earnings | 37,627 | 8,955 | 46,582 |
| Income before transfers | (208,816) | 91,628 | (117,188) |
| Bonds issued on behalf of primary government | 28,000,000 | - | 28,000,000 |
| Premium on bonds | 2,064,548 | - | 2,064,548 |
| Transfers out | - | (29,978) | (29,978) |
| Change in net position | 29,855,732 | 61,650 | 29,917,382 |
| Total net position, beginning of year | 1,523,062 | 1,367,336 | 2,890,398 |
| Total net position, end of year | \$ 31,378,794 | \$ 1,428,986 | \$ 32,807,780 |

Rock Island County, Illinois

Combining Statement of Cash Flows Governmental Activities - Internal Service Funds Year Ended November 30, 2016

| | Public Building Commission | Employee Health Benefits | Total |
|---|-------------------------------|-----------------------------|----------------------|
| Cash flows from operating activities: | | | |
| Cash received from employee contributions and other charges | \$ - | \$ 8,744,895 | \$ 8,744,895 |
| Cash received from other operating revenue | - | 168,617 | 168,617 |
| Cash payments for claims | - | (8,873,373) | (8,873,373) |
| Cash received for jail lease | 1,441,471 | - | 1,441,471 |
| Cash payments for jail lease | (1,693,954) | - | (1,693,954) |
| Cash payments for jail operations | 196,440 | - | 196,440 |
| Net cash provided by operating activities | (56,043) | 40,139 | (15,904) |
| Cash flows from noncapital financing activities: | | | |
| Interfund payments | - | 37,980 | 37,980 |
| Transfers out | - | (29,978) | (29,978) |
| Net cash provided by noncapital financing activities | - | 8,002 | 8,002 |
| Cash flows from capital and related financing activities: | | | |
| Purchase of property | (322,847) | - | (322,847) |
| Bond issuance | 30,064,548 | - | 30,064,548 |
| Net cash provided by capital and related financing activities | 29,741,701 | - | 29,741,701 |
| Cash flows from investing activities, interest received | 37,627 | 8,931 | 46,558 |
| Net increase in cash | 29,723,285 | 57,072 | 29,780,357 |
| Cash: | | | |
| Beginning | 792,631 | 2,120,516 | 2,913,147 |
| Ending | <u>\$ 30,515,916</u> | <u>\$ 2,177,588</u> | <u>\$ 32,693,504</u> |
| Reconciliation of operating income to net cash provided by operating activities: | | | |
| Operating income | \$ (246,443) | \$ 82,673 | \$ (163,770) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation expense | 27,637 | - | 27,637 |
| (Increase) decrease in: | | | |
| Receivables | - | (1,586) | (1,586) |
| Due from other governmental units | - | (9,173) | (9,173) |
| Other assets | (550,308) | 5,277 | (545,031) |
| Increase (decrease) in: | | | |
| Accounts payable | - | (47,052) | (47,052) |
| Estimated claims settlement | - | 10,000 | 10,000 |
| Accrued liabilities | 363,848 | - | 363,848 |
| Unearned revenue | 349,223 | - | 349,223 |
| Net cash provided by operating activities | \$ (56,043) | \$ 40,139 | \$ (15,904) |

Fiduciary Fund

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

Circuit Clerk Fund and Circuit Clerk Probation Funds: To account for assets the Circuit Clerk holds for others.

County Clerk Redemption Fund: To account for delinquent property taxes collected by the County.

County Collector's Fund: To account for property taxes collected by the County for other taxing bodies.

Emergency Telephone Service Fund: To account for telephone bill taxes collected by the County.

Employee Indebtedness Fund: To account for wage garnishments.

Inheritance Tax Fund: To account for funds collected from estates for the state of Illinois.

Rock Island County Waste Management Agency Fund: To account for grant monies collected by the County to be used to promote waste management throughout the County.

Treasurer's Fund: To account for unclaimed property collected by the County for the state of Illinois.

Hope Creek Care Center Patient's Fund: To account for funds for those individuals at Hope Creek Care Center.

TBA Fund: To account for funds used for the defease of commercial appeals at Rock Island County Board of Review or Property Tax Appeal Board of the state of Illinois.

Township Bridge Fund: To account for funds to repair or replace Township structures meeting IDOT policies.

Township Motor Fuel Tax Fund: To account for engineering maintenance and construction of Rock Island County Township funds as approved by IDOT standards and policies.

Hope Creek Care Center Vending Fund: To account for vending services held on site at Hope Creek Care Center.

Prisoner Welfare Fund: To account for funds confiscated or deposited for inmates.

Hope Creek Care Center Activities Fund: To account for funds received from donations and fundraisers and used for entertainment programs for the residents of Hope Creek Care Center.

Hope Creek Care Center Grandparents Fund: To account for funds received from donations and fundraisers and used for miscellaneous purchases for Hope Creek Care Center.

Hope Creek Care Center Memorial Fund: To account for funds received from donations and used for miscellaneous purchases for Hope Creek Care Center.

Sheriff Foreclosure Sale Fund: To account for foreclosure fee revenue used for law enforcement costs.

DUI Fund: To account for funds collected for the state of Illinois for DUI fines and used for DUI blood draws from accidents.

Youth Education/SAFE Fund: To account for revenue from interest, donations and reimbursement for clothing purchased and expenses for County Sheriff embroidered clothing.

Evidence Savings Fund: To account for funds confiscated, but used as court case evidence.

Honor Guard Fund: To account for fundraising efforts and other donations toward honor guard uniforms.

Rock Island County, Illinois

Combining Statement of Assets and Liabilities - Agency Funds
November 30, 2016

| | Total | Circuit Clerk Fund | Circuit Clerk Probation Fund | County Clerk Redemption Fund |
|---|----------------------|-----------------------|------------------------------------|------------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 11,446,459 | \$ 3,869,051 | \$ 6,004 | \$ 222,580 |
| Receivables: | | | | |
| Accounts receivable | 118,092 | - | - | - |
| Accrued interest receivable | 337,524 | - | - | - |
| Due from other governmental units | - | - | - | - |
| Total assets | \$ 11,902,075 | \$ 3,869,051 | \$ 6,004 | \$ 222,580 |
| Liabilities | | | | |
| Due to other governmental units | \$ 7,485,055 | \$ 529,200 | \$ - | \$ - |
| Due to individuals and private entities | 4,417,020 | 3,339,851 | 6,004 | 222,580 |
| Total liabilities | \$ 11,902,075 | \$ 3,869,051 | \$ 6,004 | \$ 222,580 |

(Continued)

| County Collector's Fund | Emergency Telephone Service Fund | Employee Indebtedness Fund | Inheritance Tax Fund | Rock Island County Waste Management Agency Fund | Treasurer's Fund |
|-------------------------------|---|----------------------------------|----------------------------|---|---------------------|
| \$ 4,446,239 | \$ 681,393 | \$ 2,340 | \$ 31 | \$ 443,445 | \$ 485,922 |
| - | 19,932 | - | 8,641 | - | - |
| 337,256 | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 4,783,495</u> | <u>\$ 701,325</u> | <u>\$ 2,340</u> | <u>\$ 8,672</u> | <u>\$ 443,445</u> | <u>\$ 485,922</u> |
| \$ 4,783,495 | \$ 701,325 | \$ - | \$ 8,672 | \$ 443,445 | \$ - |
| - | - | 2,340 | - | - | 485,922 |
| <u>\$ 4,783,495</u> | <u>\$ 701,325</u> | <u>\$ 2,340</u> | <u>\$ 8,672</u> | <u>\$ 443,445</u> | <u>\$ 485,922</u> |

Rock Island County, Illinois

Combining Statement of Assets and Liabilities - Agency Funds (Continued)
November 30, 2016

| | Hope Creek Care Center Patient's Fund | TBA Fund | Township Bridge Fund | Township Motor Fuel Tax Fund |
|---|--|-------------------|----------------------------|---------------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 13,452 | \$ 132,555 | \$ 17,222 | \$ 675,295 |
| Receivables: | | | | |
| Accounts receivable | - | - | - | 87,897 |
| Accrued interest receivable | - | 38 | 5 | 198 |
| Due from other governmental units | - | - | - | - |
| Total assets | \$ 13,452 | \$ 132,593 | \$ 17,227 | \$ 763,390 |
| Liabilities | | | | |
| Due to other governmental units | \$ - | \$ - | \$ 17,227 | \$ 763,390 |
| Due to individuals and private entities | 13,452 | 132,593 | - | - |
| Total liabilities | \$ 13,452 | \$ 132,593 | \$ 17,227 | \$ 763,390 |

(Continued)

| Hope Creek Care Center Vending Fund | Prisoner Welfare Fund | Hope Creek Care Center Activities Fund | Hope Creek Care Center Grandparents Fund | Hope Creek Care Center Memorial Fund | Sheriff Foreclosure Sale Fund |
|--|-----------------------------|---|---|---|--|
| \$ 8,555 | \$ 173,255 | \$ 2,095 | \$ - | \$ 10,164 | \$ 145,022 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| \$ 8,555 | \$ 173,255 | \$ 2,095 | \$ - | \$ 10,164 | \$ 145,022 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 145,022 |
| 8,555 | 173,255 | 2,095 | - | 10,164 | - |
| \$ 8,555 | \$ 173,255 | \$ 2,095 | \$ - | \$ 10,164 | \$ 145,022 |

Rock Island County, Illinois

Combining Statement of Assets and Liabilities - Agency Funds (Continued)
November 30, 2016

| | DUI Fund | Youth Education/SAFE Fund | Evidence Savings Fund | Honor Guard Fund |
|---|------------------|---------------------------------|-----------------------------|------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 89,569 | \$ 2,061 | \$ 20,006 | \$ 203 |
| Receivables: | | | | |
| Accounts receivable | 1,235 | 387 | - | - |
| Accrued interest receivable | 26 | 1 | - | - |
| Due from other governmental units | - | - | - | - |
| Total assets | \$ 90,830 | \$ 2,449 | \$ 20,006 | \$ 203 |
| Liabilities | | | | |
| Due to other governmental units | \$ 90,830 | \$ 2,449 | \$ - | \$ - |
| Due to individuals and private entities | - | - | 20,006 | 203 |
| Total liabilities | \$ 90,830 | \$ 2,449 | \$ 20,006 | \$ 203 |

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds
Year Ended November 30, 2016**

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|--|---------------------------------|----------------|----------------|---------------------------------|
| Circuit Clerk Fund | | | | |
| Assets , cash and cash equivalents | \$ 3,436,191 | \$ 13,485,442 | \$ 13,052,582 | \$ 3,869,051 |
| Liabilities | | | | |
| Due to other governmental units | \$ 506,581 | \$ 7,250,870 | \$ 7,228,251 | \$ 529,200 |
| Due to individuals and private entities | 2,929,610 | 6,099,740 | 5,689,499 | 3,339,851 |
| Maintenance/child support deposits | - | 134,832 | 134,832 | - |
| Total liabilities | \$ 3,436,191 | \$ 13,485,442 | \$ 13,052,582 | \$ 3,869,051 |
| Circuit Clerk Probation Fund | | | | |
| Assets , cash and cash equivalents | \$ 4,435 | \$ 9,074 | \$ 7,505 | \$ 6,004 |
| Liabilities , due to individuals and private entities | \$ 4,435 | \$ 8,374 | \$ 6,805 | \$ 6,004 |
| County Clerk Redemption Fund | | | | |
| Assets , cash and cash equivalents | \$ 491,132 | \$ 3,900,082 | \$ 4,168,634 | \$ 222,580 |
| Liabilities , due to individuals and private entities | \$ 491,132 | \$ 3,900,082 | \$ 4,168,634 | \$ 222,580 |
| County Collector's Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,661,862 | \$ 986,658,603 | \$ 985,874,226 | \$ 4,446,239 |
| Accrued interest receivable | 337,256 | - | - | 337,256 |
| Total assets | \$ 3,999,118 | \$ 986,658,603 | \$ 985,874,226 | \$ 4,783,495 |
| Liabilities , due to other governmental units | \$ 3,999,118 | \$ 986,658,603 | \$ 985,874,226 | \$ 4,783,495 |
| Emergency Telephone Service Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 462,796 | \$ 4,200,885 | \$ 3,982,288 | \$ 681,393 |
| Accounts receivable | 19,932 | - | - | 19,932 |
| Total assets | \$ 482,728 | \$ 4,200,885 | \$ 3,982,288 | \$ 701,325 |
| Liabilities , due to other governmental units | \$ 482,728 | \$ 1,620,885 | \$ 1,402,288 | \$ 701,325 |

(Continued)

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2016**

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|--|---------------------------------|--------------|--------------|---------------------------------|
| Employee Indebtedness Fund | | | | |
| Assets , cash and cash equivalents | \$ 5,644 | \$ 45,837 | \$ 49,141 | \$ 2,340 |
| Liabilities , due to individuals and private entities | \$ 5,644 | \$ 45,837 | \$ 49,141 | \$ 2,340 |
| Inheritance Tax Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 31 | \$ - | \$ - | \$ 31 |
| Accounts receivable | 8,641 | - | - | 8,641 |
| Total assets | \$ 8,672 | \$ - | \$ - | \$ 8,672 |
| Liabilities , due to other governmental units | \$ 8,672 | \$ - | \$ - | \$ 8,672 |
| Rock Island County Waste Management Agency Fund | | | | |
| Assets , cash and cash equivalents | \$ 363,135 | \$ 1,496,371 | \$ 1,416,061 | \$ 443,445 |
| Liabilities , due to other governmental units | \$ 363,135 | \$ 540,371 | \$ 460,061 | \$ 443,445 |
| Treasurer's Fund | | | | |
| Assets , cash and cash equivalents | \$ 468,800 | \$ 867,522 | \$ 850,400 | \$ 485,922 |
| Liabilities , due to individuals and private entities | \$ 468,800 | \$ 295,662 | \$ 278,540 | \$ 485,922 |
| Hope Creek Care Center Patient's Fund | | | | |
| Assets , cash and cash equivalents | \$ 62,633 | \$ 667,440 | \$ 716,621 | \$ 13,452 |
| Liabilities , due to individuals and private entities | \$ 62,633 | \$ 667,440 | \$ 716,621 | \$ 13,452 |

(Continued)

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2016**

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|--|---------------------------------|---------------------|---------------------|---------------------------------|
| TBA Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 132,536 | \$ 915 | \$ 896 | \$ 132,555 |
| Accrued interest receivable | 39 | 38 | 39 | 38 |
| Total assets | \$ 132,575 | \$ 953 | \$ 935 | \$ 132,593 |
| Liabilities , due to individuals and private entities | \$ 132,575 | \$ 1,810 | \$ 1,792 | \$ 132,593 |
| Township Bridge Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 17,113 | \$ 237,002 | \$ 236,893 | \$ 17,222 |
| Accounts receivable | 78,892 | - | 78,892 | - |
| Accrued interest receivable | 5 | 5 | 5 | 5 |
| Total assets | \$ 96,010 | \$ 237,007 | \$ 315,790 | \$ 17,227 |
| Liabilities , due to other governmental units | \$ 96,010 | \$ 79,001 | \$ 157,784 | \$ 17,227 |
| Township Motor Fuel Tax Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 430,169 | \$ 1,738,045 | \$ 1,492,919 | \$ 675,295 |
| Accounts receivable | 254,646 | 87,897 | 254,646 | 87,897 |
| Accrued interest receivable | 134 | 198 | 134 | 198 |
| Total assets | \$ 684,949 | \$ 1,826,140 | \$ 1,747,699 | \$ 763,390 |
| Liabilities , due to other governmental units | \$ 684,949 | \$ 984,738 | \$ 906,297 | \$ 763,390 |
| Hope Creek Care Center Vending Fund | | | | |
| Assets , cash and cash equivalents | \$ 6,012 | \$ 8,568 | \$ 6,025 | \$ 8,555 |
| Liabilities , due to individuals and private entities | \$ 6,012 | \$ 8,568 | \$ 6,025 | \$ 8,555 |

(Continued)

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2016**

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|--|---------------------------------|--------------|--------------|---------------------------------|
| Prisoner Welfare Fund | | | | |
| Assets , cash and cash equivalents | \$ 204,871 | \$ 590,887 | \$ 622,503 | \$ 173,255 |
| Liabilities , due to individuals and private entities | \$ 204,871 | \$ 590,890 | \$ 622,506 | \$ 173,255 |
| Hope Creek Care Center Activities Fund | | | | |
| Assets , cash and cash equivalents | \$ 633 | \$ 24,202 | \$ 22,740 | \$ 2,095 |
| Liabilities , due to individuals and private entities | \$ 633 | \$ 24,202 | \$ 22,740 | \$ 2,095 |
| Hope Creek Care Center Grandparents Fund | | | | |
| Assets , cash and cash equivalents | \$ 10 | \$ - | \$ 10 | \$ - |
| Liabilities , due to individuals and private entities | \$ 10 | \$ - | \$ 10 | \$ - |
| Hope Creek Care Center Memorial Fund | | | | |
| Assets , cash and cash equivalents | \$ 14,971 | \$ 10,626 | \$ 15,433 | \$ 10,164 |
| Liabilities , due to individuals and private entities | \$ 14,971 | \$ 10,626 | \$ 15,433 | \$ 10,164 |
| Sheriff Foreclosure Sale Fund | | | | |
| Assets , cash and cash equivalents | \$ 151,119 | \$ 1,807,701 | \$ 1,813,798 | \$ 145,022 |
| Liabilities , due to other governmental units | \$ 151,119 | \$ 691,701 | \$ 697,798 | \$ 145,022 |
| DUI Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 85,355 | \$ 50,578 | \$ 46,364 | \$ 89,569 |
| Accounts receivable | 1,861 | 26,261 | 26,887 | 1,235 |
| Accrued interest receivable | - | 26 | - | 26 |
| Total assets | \$ 87,216 | \$ 76,865 | \$ 73,251 | \$ 90,830 |
| Liabilities , due to other governmental units | \$ 87,216 | \$ 45,984 | \$ 42,370 | \$ 90,830 |

(Continued)

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2016**

| | Balance November 30, 2015 | Additions | Deletions | Balance November 30, 2016 |
|---|---------------------------------|-------------------------|-------------------------|---------------------------------|
| Youth Education/SAFE Fund | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 2,199 | \$ 7,584 | \$ 7,722 | \$ 2,061 |
| Accounts receivable | - | 387 | - | 387 |
| Accrued interest receivable | - | 1 | - | 1 |
| | <u>\$ 2,199</u> | <u>\$ 7,972</u> | <u>\$ 7,722</u> | <u>\$ 2,449</u> |
| Liabilities, due to other governmental units | <u>\$ 2,199</u> | <u>\$ 2,480</u> | <u>\$ 2,230</u> | <u>\$ 2,449</u> |
| Evidence Savings Fund | | | | |
| Assets, cash and cash equivalents | | | | |
| | <u>\$ 34,186</u> | <u>\$ 79,800</u> | <u>\$ 93,980</u> | <u>\$ 20,006</u> |
| Liabilities, due to individuals and private entities | <u>\$ 34,186</u> | <u>\$ 79,800</u> | <u>\$ 93,980</u> | <u>\$ 20,006</u> |
| Honor Guard Fund | | | | |
| Assets, cash and cash equivalents | | | | |
| | <u>\$ 2,413</u> | <u>\$ 50</u> | <u>\$ 2,260</u> | <u>\$ 203</u> |
| Liabilities, due to individuals and private entities | <u>\$ 2,413</u> | <u>\$ 50</u> | <u>\$ 2,260</u> | <u>\$ 203</u> |
| Totals - All Agency Funds | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 10,038,246 | \$ 1,015,887,214 | \$ 1,014,479,001 | \$ 11,446,459 |
| Accounts receivable | 363,972 | 114,545 | 360,425 | 118,092 |
| Accrued interest receivable | 337,434 | 268 | 178 | 337,524 |
| Total assets | <u>\$ 10,739,652</u> | <u>\$ 1,016,002,027</u> | <u>\$ 1,014,839,604</u> | <u>\$ 11,902,075</u> |
| Liabilities | | | | |
| Due to other governmental units | \$ 6,381,727 | \$ 997,874,633 | \$ 996,771,305 | \$ 7,485,055 |
| Due to individuals and private entities | 4,357,925 | 11,733,081 | 11,673,986 | 4,417,020 |
| Maintenance/child support deposits | - | 134,832 | 134,832 | - |
| Total liabilities | <u>\$ 10,739,652</u> | <u>\$ 1,009,742,546</u> | <u>\$ 1,008,580,123</u> | <u>\$ 11,902,075</u> |

Rock Island County, Illinois

Statistical Section

Contents

The statistical section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the County's overall financial health.

| Contents | Page |
|--|-----------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time. | 132 - 137 |
| Revenue Capacity | |
| These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax (or sales tax). | 138 - 144 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future. | 145 - 148 |
| Demographic and Economic Information | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 149 - 150 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. | 151 - 157 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

Rock Island County, Illinois

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 55,397,748 | \$ 59,757,904 | \$ 55,081,292 | \$ 58,966,301 | \$ 58,578,183 | \$ 57,491,519 | \$ 55,811,412 | \$ 55,295,528 | \$ 56,092,370 | \$ 56,038,605 |
| Restricted for: | | | | | | | | | | |
| Capital improvements | 5,105,154 | 4,724,600 | 9,482,412 | 6,777,336 | 4,496,999 | 4,383,342 | 5,767,453 | 6,003,424 | 6,309,563 | 6,706,113 |
| Collector's tax fees, sale & error refunds | - | - | - | - | 195,240 | 184,298 | 154,674 | 162,749 | 159,215 | 173,873 |
| Document storage | - | - | - | - | 2,512,590 | 2,645,926 | 2,685,955 | 2,531,334 | 2,639,218 | 2,621,506 |
| Working cash | - | - | - | - | - | 469,705 | 521,449 | 522,607 | 523,517 | 524,878 |
| GIS | - | - | - | - | 142,898 | 215,796 | 243,673 | 191,100 | 154,847 | 149,053 |
| Employee benefits | 1,724,848 | 1,834,406 | 2,041,777 | 2,018,901 | 697,967 | 450,453 | 422,814 | 862,412 | - | - |
| Judicial | - | - | - | - | 2,048,858 | 1,996,801 | 1,682,374 | 1,541,443 | 1,554,261 | 1,629,470 |
| Parks and recreation | - | - | - | - | 2,264,348 | 2,356,952 | 2,292,541 | 2,612,591 | 2,653,597 | 3,213,119 |
| Public health | 1,156,589 | 785,629 | 901,404 | 1,176,783 | 2,947,507 | 2,314,051 | 3,407,011 | 2,319,436 | 1,245,061 | 2,314,021 |
| Public safety | - | - | - | - | 25,020 | 62,032 | 105,763 | 109,588 | 902,089 | 104,915 |
| Liability | - | - | - | - | - | - | 12,042 | 595,970 | - | - |
| Debt service | 52,914 | 59,286 | 470 | 470 | - | - | - | - | - | - |
| Tort liability | 650,000 | 967,000 | - | - | - | - | - | - | - | - |
| Capital items | 25,323 | - | - | - | - | - | - | - | - | - |
| Unrestricted | 17,406,020 | 15,362,448 | 16,683,631 | 13,740,126 | 8,791,293 | 4,970,060 | 2,600,835 | (258,466) | (15,438,845) | (14,923,489) |
| Total governmental activities net position | \$ 81,518,596 | \$ 83,491,273 | \$ 84,190,986 | \$ 82,679,917 | \$ 82,700,903 | \$ 77,540,935 | \$ 75,707,996 | \$ 72,489,716 | \$ 56,794,893 | \$ 58,552,064 |

Source: County records.

Rock Island County, Illinois

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 13,236,109 | \$ 15,185,680 | \$ 14,277,348 | \$ 14,579,299 | \$ 13,893,527 | \$ 14,472,833 | \$ 14,211,912 | \$ 15,020,507 | \$ 23,640,666 | \$ 17,849,679 |
| Public safety | 7,714,258 | 8,486,743 | 7,634,662 | 8,264,879 | 8,296,587 | 9,257,762 | 8,526,408 | 8,822,100 | 7,824,986 | 9,936,891 |
| Corrections | 3,607,818 | 3,804,707 | 3,945,665 | 4,181,571 | 4,200,768 | 4,322,930 | 4,882,400 | 4,894,231 | 4,953,932 | 4,839,517 |
| Judiciary and legal | 6,989,607 | 7,992,555 | 8,677,746 | 8,435,950 | 8,655,974 | 9,145,232 | 8,818,638 | 8,865,436 | 8,163,305 | 9,278,027 |
| Transportation and public works | 3,945,958 | 4,590,942 | 4,311,647 | 4,331,923 | 5,653,179 | 5,368,108 | 5,201,442 | 7,963,156 | 5,457,263 | 4,630,884 |
| Social services | 21,681,369 | 21,458,449 | 26,422,028 | 28,151,986 | 28,178,765 | 30,529,579 | 28,668,004 | 27,670,302 | 26,928,225 | 28,442,320 |
| Culture and recreation | 2,961,912 | 3,290,340 | 3,656,939 | 3,999,084 | 4,449,081 | 4,715,067 | 4,803,366 | 5,308,707 | 4,530,496 | 5,183,351 |
| Debt service, interest on long-term debt | 3,733,381 | 1,617,387 | 1,893,214 | 2,211,533 | 2,488,329 | 2,310,074 | 983,576 | 1,479,172 | 965,378 | 1,983,643 |
| Total governmental activities expenses | 63,870,412 | 66,426,803 | 70,819,249 | 74,156,225 | 75,816,210 | 80,121,585 | 76,095,746 | 80,023,611 | 82,464,251 | 82,144,312 |
| Program revenues: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for sales and services: | | | | | | | | | | |
| General government | 4,648,948 | 4,629,246 | 6,028,775 | 6,258,607 | 5,106,965 | 5,035,416 | 5,143,428 | 5,098,498 | \$ 5,474,740 | \$ 5,748,019 |
| Judiciary and legal | 3,599,036 | 3,346,176 | 3,216,797 | 3,024,986 | 2,950,128 | 2,870,730 | 2,851,047 | 2,694,147 | 2,855,475 | 2,663,518 |
| Social Services | 11,757,305 | 11,792,762 | 13,980,107 | 13,637,170 | 18,200,961 | 15,946,557 | 16,422,585 | 13,631,237 | 14,792,932 | 15,854,091 |
| Other | 4,485,701 | 4,805,574 | 4,806,878 | 4,822,465 | 4,864,643 | 5,593,201 | 5,082,625 | 5,192,470 | 4,886,801 | 4,961,583 |
| Operating grants and contributions | 10,131,726 | 9,885,815 | 12,894,411 | 13,910,831 | 12,511,952 | 13,750,605 | 13,000,156 | 13,847,910 | 12,798,057 | 13,367,019 |
| Capital grants and contributions | 2,178,447 | 2,594,923 | 268,846 | 596,997 | 1,074,604 | 214,114 | 394,893 | 59,552 | 46,970 | 109,540 |
| Total governmental activities program revenues | 36,801,163 | 37,054,496 | 41,195,814 | 42,251,056 | 44,709,253 | 43,410,623 | 42,894,734 | 40,523,814 | 40,854,975 | 42,703,770 |
| Net (expense)/revenue, governmental activities | | (29,372,307) | (29,623,435) | (31,905,169) | (31,106,957) | (36,710,962) | (33,201,012) | (39,499,797) | (41,609,276) | (39,440,542) |
| General revenues and other changes in net position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | 17,200,641 | 17,992,705 | 19,548,214 | 20,095,583 | 21,158,786 | 21,648,137 | 21,830,000 | 24,732,827 | 25,836,301 | 30,437,035 |
| Motor fuel tax | 2,906,481 | - | - | - | - | - | - | - | - | - |
| Replacement tax | 4,673,128 | 2,890,775 | 2,445,606 | 2,585,073 | 2,342,739 | 2,330,484 | 2,567,408 | 2,447,607 | 2,309,983 | 2,312,675 |
| Sales and use taxes | 1,735,783 | 4,595,064 | 4,803,890 | 4,303,323 | 4,374,278 | 4,823,291 | 4,542,277 | 4,915,542 | 5,143,355 | 5,230,609 |
| Income tax | 107,051 | 1,856,456 | 1,406,806 | 1,488,379 | 1,459,269 | 1,574,494 | 1,665,912 | 1,694,378 | 1,883,018 | 1,722,697 |
| Hotel/Motel taxes | - | 123,356 | 115,592 | 124,013 | 138,900 | 222,783 | 264,705 | 235,094 | 287,532 | 287,845 |
| Other | 340,571 | 930,804 | 993,075 | 1,083,941 | 1,082,991 | 168,984 | 95,216 | 165,672 | 127,819 | 451,124 |
| Investment earnings | 2,012,831 | 1,053,360 | 497,877 | 327,793 | 165,741 | 125,898 | 88,643 | 92,718 | 95,221 | 131,151 |
| Gain on disposal of capital assets | - | 115,348 | - | - | 53,266 | 83,573 | 61,830 | - | 15,454 | - |
| Internal transfers - blended component unit | - | - | - | - | - | - | - | - | - | - |
| Transfers to discretely presented component unit | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | 1,618,765 | 1,787,116 | 512,088 | 385,995 | 351,976 | 573,350 | 252,082 | 1,997,679 | 447,037 | 624,578 |
| Total governmental activities | 30,595,251 | 31,344,984 | 30,323,148 | 30,394,100 | 31,127,946 | 31,550,994 | 31,368,073 | 36,281,517 | 36,145,720 | 41,197,714 |
| Change in net position, governmental activities | \$ 30,595,251 | \$ 1,972,677 | \$ 699,713 | \$ (1,511,069) | \$ 20,989 | \$ (5,159,968) | \$ (1,832,939) | \$ (3,218,280) | \$ (5,463,556) | \$ 1,757,172 |

Source: County records.

Rock Island County, Illinois

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| General Fund: | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ 1,017,004 | \$ 762,542 | \$ 733,088 | \$ 637,142 | \$ 655,685 | \$ 677,645 |
| Restricted | - | - | - | - | - | 472,239 | 525,580 | 527,713 | 529,335 | 531,531 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | 309,312 | - | - | - | - |
| Unassigned | - | - | - | - | 5,251,711 | 3,767,825 | 3,330,268 | 3,211,179 | 2,971,136 | 1,417,816 |
| Reserved: | | | | | | | | | | |
| Tort liability | 650,000 | 967,000 | 613,000 | 1,052,965 | - | - | - | - | - | - |
| Advances | - | - | - | - | - | - | - | - | - | - |
| Other assets | 257,882 | 179,404 | 232,976 | 154,432 | - | - | - | - | - | - |
| Capital improvements | - | - | - | - | - | - | - | - | - | - |
| Employee health claims | - | - | - | - | - | - | - | - | - | - |
| Unreserved, undesignated | 9,630,945 | 8,380,655 | 7,191,755 | 5,281,977 | - | - | - | - | - | - |
| Total general fund | 10,538,827 | 9,527,059 | 8,037,731 | 6,489,374 | 6,268,715 | 5,311,918 | 4,588,936 | 4,376,034 | 4,156,156 | 2,626,992 |
| All other governmental funds: | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | 790,344 | 432,503 | 16,221 | 17,332 | 18,728 | 17,850 |
| Restricted | - | - | - | - | 16,561,547 | 16,155,996 | 18,432,075 | 18,743,077 | 19,020,696 | 21,630,064 |
| Committed | - | - | - | - | - | - | - | 4,727 | - | - |
| Assigned | - | - | - | - | 894,243 | 995,559 | 3,663 | (200,027) | - | - |
| Unassigned | - | - | - | - | (1,274,191) | (699,855) | (327,869) | - | (542,214) | (1,110,798) |
| Reserved for: | | | | | | | | | | |
| Advances | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | 54,341 | 55,364 | 64,212 | - | - | - | - | - | - |
| Capital projects/improvements | 872,600 | 869,146 | 4,667,109 | 1,248,114 | - | - | - | - | - | - |
| Contributed capital | - | - | - | - | - | - | - | - | - | - |
| Employee health claims | - | - | - | - | - | - | - | - | - | - |
| Unreserved, undesignated: | | | | | | | | | | |
| Special revenue funds | 15,067,774 | 15,946,443 | 18,666,278 | 18,622,877 | - | - | - | - | - | - |
| Debt service fund | 52,914 | 59,286 | 470 | 470 | - | - | - | - | - | - |
| Capital project fund | 12,396,652 | (1,711,813) | (1,839,667) | (711,633) | - | - | - | - | - | - |
| Total all other governmental funds | 28,440,915 | 15,217,403 | 21,549,554 | 19,224,040 | 16,971,943 | 16,884,203 | 18,124,090 | 18,565,109 | 18,497,210 | 20,537,116 |
| Total fund balances | \$ 38,979,742 | \$ 24,744,462 | \$ 29,587,285 | \$ 25,713,414 | \$ 23,240,658 | \$ 22,196,121 | \$ 22,713,026 | \$ 22,941,143 | \$ 22,653,366 | \$ 23,164,108 |

Source: County records.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, implemented Fiscal Year 2011

Rock Island County, Illinois

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Revenues: | | | | | | | | | | |
| Fees | \$ 22,460,644 | \$ 22,497,129 | \$ 24,164,218 | \$ 24,164,211 | \$ 25,135,841 | \$ 26,932,907 | \$ 27,283,118 | \$ 26,463,440 | \$ 26,105,500 | \$ 25,795,835 |
| Property taxes | 17,200,641 | 17,992,705 | 19,548,214 | 20,095,583 | 21,158,786 | 21,648,137 | 21,830,000 | 24,732,827 | 25,836,301 | 30,437,034 |
| Intergovernmental | 19,961,889 | 20,276,592 | 20,138,445 | 21,696,497 | 20,121,877 | 20,601,950 | 20,576,882 | 21,256,496 | 22,917,241 | 23,395,096 |
| Investment earnings | 1,878,701 | 980,197 | 460,860 | 302,418 | 145,976 | 109,832 | 79,956 | 84,357 | 84,765 | 93,524 |
| Miscellaneous | 2,640,588 | 2,693,899 | 2,988,554 | 2,611,576 | 1,300,233 | 1,564,819 | 1,082,020 | 2,388,757 | 889,023 | 1,029,588 |
| Total revenues | 64,142,463 | 64,440,522 | 67,300,291 | 68,870,285 | 67,862,713 | 70,857,645 | 70,851,976 | 74,925,877 | 75,832,830 | 80,751,077 |
| Expenditures: | | | | | | | | | | |
| General government | 11,780,026 | 13,029,416 | 13,204,642 | 13,385,011 | 12,541,194 | 12,716,575 | 12,912,548 | 13,515,566 | 13,915,816 | 18,974,149 |
| Social services | 21,175,990 | 20,758,376 | 22,605,178 | 24,872,514 | 24,182,901 | 26,100,424 | 25,440,678 | 24,281,720 | 27,187,043 | 26,102,672 |
| Public safety and corrections | 11,023,401 | 11,396,157 | 11,522,782 | 11,838,276 | 11,949,188 | 12,234,403 | 12,241,940 | 12,277,952 | 12,866,362 | 12,529,593 |
| Transportation and public works | 3,016,355 | 3,559,737 | 3,228,474 | 3,318,136 | 4,521,836 | 4,268,216 | 3,757,138 | 5,560,272 | 4,282,153 | 3,427,538 |
| Judiciary and legal/legislative | 6,681,335 | 7,602,173 | 8,260,036 | 8,030,651 | 8,199,630 | 8,273,144 | 8,572,973 | 8,456,529 | 8,459,320 | 8,215,116 |
| Debt service: | | | | | | | | | | |
| Principal | 505,000 | 575,000 | 1,130,000 | 1,170,000 | 1,380,000 | 1,435,000 | 1,540,000 | 3,060,000 | 2,150,000 | 2,250,000 |
| Interest | 2,942,387 | 579,829 | 794,142 | 1,219,431 | 1,473,826 | 1,314,991 | 701,280 | 1,476,895 | 957,693 | 1,640,220 |
| Bond issue costs | 143,893 | - | 35,331 | - | - | - | 144,014 | - | - | 297,822 |
| Culture and recreation | 2,748,073 | 2,955,491 | 3,299,684 | 3,663,183 | 3,772,263 | 4,064,480 | 4,107,709 | 4,591,630 | 4,196,679 | 4,420,762 |
| Expenditures in capital outlay not capitalized | - | 1,072,243 | 363,041 | - | 79,814 | (22,679) | 154,544 | 129,610 | 674,605 | 71,248 |
| Capitalized capital outlay | 8,423,589 | 17,289,471 | 2,789,755 | 5,344,022 | 2,328,774 | 1,661,927 | 998,069 | 1,854,135 | 1,480,033 | 2,656,356 |
| Total expenditures | 68,440,049 | 78,817,893 | 67,233,065 | 72,841,224 | 70,429,426 | 72,046,481 | 70,570,893 | 75,204,309 | 76,169,704 | 80,585,476 |
| Excess of revenues over (under) expenditures | | (14,377,371) | 67,226 | (3,970,939) | (2,566,713) | (1,188,836) | 281,083 | (278,432) | (336,874) | 165,601 |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds from installment purchase | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 7,511,860 | 8,727,078 | 8,839,273 | 6,443,042 | 2,935,669 | 2,421,080 | 2,023,127 | 2,550,531 | 4,741,187 | 2,665,882 |
| Transfers out | (7,511,860) | (8,727,078) | (8,839,273) | (6,443,042) | (2,905,691) | (2,391,102) | (1,993,149) | (2,517,555) | (4,708,211) | (2,635,904) |
| Transfers to component units | - | - | - | - | - | - | - | - | - | - |
| Issuance of debt | 19,885,000 | - | 5,140,000 | - | - | - | 9,325,000 | - | - | 12,230,000 |
| Proceeds from refunded bond escrow agent | - | - | (555,000) | - | - | - | (9,455,400) | - | - | (12,860,639) |
| Bond premiums / discounts | 219,887.00 | - | (21,824) | - | - | - | 274,414 | - | - | 902,628 |
| Proceeds from sale of capital assets | 74,190 | 142,091 | 212,421 | 97,068 | 63,979 | 114,321 | 61,830 | 473,573 | 16,121 | 43,174 |
| Total other financing sources (uses) | 20,179,077 | 142,091 | 4,775,597 | 97,068 | 93,957 | 144,299 | 235,822 | 506,549 | 49,097 | 345,141 |
| Net change in fund balances | 20,179,077 | (14,235,280) | 4,842,823 | (3,873,871) | (2,472,756) | (1,044,537) | 516,905 | 228,117 | (287,777) | 510,742 |
| Fund balances, beginning of year | 23,098,251 | 43,277,328 | 29,042,048 | 33,884,871 | 30,011,000 | 23,240,658 | 22,196,121 | 22,713,026 | 22,941,143 | 22,653,366 |
| Residual equity transfer in | - | - | - | - | - | - | - | - | - | - |
| Residual equity transfer (out) | - | - | - | - | - | - | - | - | - | - |
| Fund balances, end of year | \$ 43,277,328 | \$ 29,042,048 | \$ 33,884,871 | \$ 30,011,000 | \$ 27,538,244 | \$ 22,196,121 | \$ 22,713,026 | \$ 22,941,143 | \$ 22,653,366 | \$ 23,164,108 |
| Debt service as a percentage of noncapital expenditures | 5.98% | 1.88% | 3.04% | 3.54% | 4.19% | 3.91% | 3.22% | 6.20% | 4.16% | 4.99% |

Source: County records.

Rock Island County, Illinois

Program Revenues by Function/Program

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 4,945,177 | \$ 4,629,246 | \$ 6,124,916 | \$ 6,362,931 | \$ 5,263,530 | \$ 5,415,594 | \$ 5,624,842 | \$ 5,151,043 | \$ 5,484,160 | \$ 5,795,887 |
| Public safety | 2,017,911 | 2,652,182 | 2,020,965 | 1,973,997 | 1,879,664 | 1,997,786 | 2,074,541 | 2,740,603 | 2,130,497 | 2,299,241 |
| Corrections | 1,796,405 | 2,070,042 | 1,972,720 | 2,329,619 | 1,918,160 | 1,861,097 | 1,971,852 | 1,921,302 | 1,932,739 | 1,728,988 |
| Judiciary and legal | 3,763,486 | 3,520,729 | 3,400,282 | 3,321,141 | 3,173,899 | 3,176,261 | 3,117,385 | 2,859,863 | 2,983,079 | 2,876,558 |
| Transportation and public works | 5,063,944 | 2,419,149 | 2,568,909 | 2,572,344 | 2,698,791 | 3,113,301 | 2,940,242 | 3,174,517 | 2,794,058 | 3,137,384 |
| Social services | 17,463,119 | 17,381,418 | 23,033,473 | 23,499,877 | 26,947,382 | 24,965,852 | 24,862,657 | 21,930,665 | 22,821,774 | 24,023,186 |
| Culture and recreation | 1,751,121 | 4,381,730 | 2,074,549 | 2,191,147 | 2,827,827 | 2,880,732 | 2,303,215 | 2,745,821 | 2,708,668 | 2,842,526 |
| Debt service, interest on long-term debt | - | - | - | - | - | - | - | - | - | - |
| Total governmental activities | 36,801,163 | 37,054,496 | 41,195,814 | 42,251,056 | 44,709,253 | 43,410,623 | 42,894,734 | 40,523,814 | 40,854,975 | 42,703,770 |
| Component unit | 2,212,303 | 1,902,858 | 1,899,111 | 3,268,082 | 2,534,864 | 2,327,137 | 2,463,917 | 1,968,630 | 2,388,515 | 2,671,364 |
| Total government | \$ 39,013,466 | \$ 38,957,354 | \$ 43,094,925 | \$ 45,519,138 | \$ 47,244,117 | \$ 45,737,760 | \$ 45,358,651 | \$ 42,492,444 | \$ 43,243,490 | \$ 45,375,134 |

Source: County records.

Rock Island County, Illinois

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

| Fiscal Year | Property Taxes | Replacement Tax | Sales and Use Taxes | Income Taxes | Other Taxes | Total |
|----------------|-------------------|------------------|------------------------|------------------|----------------|-------------------|
| 2007 | \$ 17,200,641 | \$ 2,906,481 | \$ 4,673,128 | \$ 1,735,783 | \$ 447,622 | \$ 26,963,655 |
| 2008 | 17,992,705 | 2,890,775 | 4,595,064 | 1,856,456 | 1,054,160 | 28,389,160 |
| 2009 | 19,548,214 | 2,253,034 | 4,380,839 | 1,406,806 | 710,653 | 28,299,546 |
| 2010 | 20,095,583 | 2,429,284 | 4,295,193 | 1,363,729 | 321,162 | 28,504,951 |
| 2011 | 21,158,786 | 2,140,709 | 4,384,197 | 1,589,763 | 323,649 | 29,597,104 |
| 2012 | 21,648,137 | 2,144,630 | 4,821,483 | 1,587,659 | 298,234 | 30,500,143 |
| 2013 | 21,830,000 | 2,377,514 | 4,544,596 | 1,889,108 | 211,570 | 30,852,788 |
| 2014 | 24,732,827 | 2,447,607 | 4,915,542 | 1,694,378 | 165,672 | 33,956,026 |
| 2015 | 25,836,301 | 2,309,983 | 5,143,355 | 1,883,018 | 415,351 | 35,588,008 |
| 2016 | 30,437,035 | 2,312,675 | 5,230,609 | 1,722,697 | 738,969 | 40,441,985 |

Source: County records.

Rock Island County, Illinois

Assessed Value and Actual Value of Equalized Assessed Property Last Ten Fiscal Years

(Unaudited)

| Fiscal Year | Real Property | | Railroad Property | |
|----------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| | Equalized Net Assessed Value | Assessed Value (1) | Equalized Net Assessed Value | Assessed Value (1) |
| 2006-07 | \$ 2,085,767,636 | \$ 6,257,928,701 | \$ 3,557,759 | \$ 10,674,344 |
| 2007-08 | 2,187,803,005 | 6,564,065,422 | 4,064,278 | 12,194,053 |
| 2008-09 | 2,248,860,332 | 6,747,255,722 | 4,818,097 | 14,455,736 |
| 2009-10 | 2,278,470,703 | 6,836,095,719 | 4,801,309 | 14,405,367 |
| 2010-11 | 2,375,173,415 | 7,126,232,868 | 6,049,350 | 18,149,865 |
| 2011-12 | 2,393,843,331 | 7,182,248,218 | 7,280,752 | 21,844,440 |
| 2012-13 | 2,371,579,526 | 7,115,450,123 | 9,365,973 | 28,100,729 |
| 2013-14 | 2,348,019,552 | 7,044,763,132 | 10,624,126 | 31,875,566 |
| 2014-15 | 2,350,460,958 | 7,052,088,083 | 11,574,135 | 34,725,878 |
| 2015-16 | 2,382,132,179 | 7,147,111,248 | 11,468,736 | 34,409,649 |

| Fiscal Year | Total | | Ratio of Equalized Net to Assessed Value | Tax Increment | |
|----------------|---------------------------------|-----------------------|---|------------------------------|--------------------------|
| | Equalized Net Assessed Value | Assessed Value (1) | | Financing District Values | Total Direct Tax Rate |
| 2006-07 | \$ 2,089,325,395 | \$ 6,268,603,045 | 33.3 | \$ 136,763,705 | 0.72600 |
| 2007-08 | 2,191,867,283 | 6,576,259,475 | 33.3 | 173,741,645 | 0.72000 |
| 2008-09 | 2,253,678,429 | 6,761,711,458 | 33.3 | 186,397,699 | 0.75700 |
| 2009-10 | 2,283,272,012 | 6,850,501,086 | 33.3 | 212,184,030 | 0.76040 |
| 2010-11 | 2,381,222,765 | 7,144,382,733 | 33.3 | 191,760,157 | 0.76320 |
| 2011-12 | 2,401,124,083 | 7,204,092,658 | 33.3 | 192,984,430 | 0.77400 |
| 2012-13 | 2,380,945,499 | 7,143,550,852 | 33.3 | 180,298,543 | 0.78980 |
| 2013-14 | 2,358,643,678 | 7,076,638,698 | 33.3 | 176,188,912 | 0.90360 |
| 2014-15 | 2,362,035,093 | 7,086,813,961 | 33.3 | 178,253,847 | 0.94060 |
| 2015-16 | 2,393,600,915 | 7,181,520,897 | 33.3 | 187,760,135 | 1.12500 |

(1) Assessed value equals estimate actual value

Source: County Assessor and County Clerk Records

Rock Island County, Illinois

Principal Property Taxpayers Current Year and Nine Years Ago

(Unaudited)

| Taxpayer | 2016 | | |
|--|------------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total County Taxable Assessed Value |
| Exelon Generation | \$ 155,000,000 | 1 | 6.48% |
| Deere & Co. | 29,522,793 | 2 | 1.23% |
| DNC Gaming & Entertainment/Jumers Casino | 22,484,383 | 3 | 0.94% |
| SDG Macerich Property/Southpark Mall | 9,871,086 | 4 | 0.41% |
| Modern Woodmen of America | 7,781,019 | 5 | 0.33% |
| Minnesota Mining & Mfg Co | 6,636,836 | 6 | 0.28% |
| Piret USA/Fed Ex | 6,045,635 | 7 | 0.25% |
| Friendship Manor Property | 5,340,413 | 8 | 0.22% |
| Fed EX Freight | 5,073,840 | 9 | 0.21% |
| Walmart-Silvis | 5,052,388 | 10 | 0.21% |
| 2015 Total | \$ 252,808,393 | | 10.56% |

| Taxpayer | 2007 | | |
|-------------------------|------------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total County Taxable Assessed Value |
| Commonwealth Edison | \$ 100,000,000 | 1 | 4.79% |
| Deere & Co. | 39,380,077 | 2 | 1.88% |
| SDG Macerich | 10,971,932 | 3 | 0.53% |
| Modern Woodmen | 8,651,135 | 4 | 0.41% |
| PFG Thoms Proestler Co. | 5,470,572 | 5 | 0.26% |
| Barjan | 4,811,002 | 6 | 0.23% |
| Cordova Energy | 4,344,539 | 7 | 0.21% |
| IBP Inc | 4,167,478 | 8 | 0.20% |
| Walmart Stores | 3,529,373 | 9 | 0.17% |
| Heritage Place | 3,333,333 | 10 | 0.16% |
| 2006 Total | \$ 184,659,441 | | 8.84% |

Source: County Assessor

Total Taxable Value 2015-2016 \$ 2,393,600,915

Total Taxable Value 2006-2007 \$ 2,089,325,395

Rock Island County, Illinois

Property Tax Levies and Collections Last Ten Fiscal Years (Unaudited)

| Fiscal Year Ended June 30 | Total Tax Levy (Extended) | Current Tax Collections | Percentage of Levy to Collections | Delinquent Tax Collections (Forfeitures Paid) | Total Tax Collections | Collections as Percentage of Current Levy | Delinquent Taxes (Forfeited) | As Percentage of Current Levy |
|------------------------------------|---------------------------------|----------------------------|---|---|--------------------------|---|------------------------------------|-------------------------------------|
| 2006-07 | \$ 15,159,697 | \$ 15,142,051 | 99.88% | \$ 5,925 | \$ 15,147,976 | 99.92% | \$ 19,878 | 0.13% |
| 2007-08 | 15,770,214 | 15,797,683 | 100.17 | 11,256 | 15,808,939 | 100.25 | 27,515 | 0.17 |
| 2008-09 | 17,026,818 | 17,101,407 | 100.44 | 4,237 | 17,105,644 | 100.46 | 41,565 | 0.24 |
| 2009-10 | 17,326,233 | 17,408,781 | 100.48 | 5,293 | 17,414,074 | 100.51 | 33,890 | 0.20 |
| 2010-11 | 18,139,336 | 18,276,082 | 100.75 | 10,535 | 18,286,617 | 100.81 | 32,566 | 0.18 |
| 2011-12 | 18,558,124 | 18,708,221 | 100.81 | 3,913 | 18,712,134 | 100.83 | 36,820 | 0.20 |
| 2012-13 | 18,781,290 | 18,873,442 | 100.49 | 10,909 | 18,884,351 | 100.55 | 26,415 | 0.14 |
| 2013-14 | 21,291,544 | 21,558,810 | 101.26 | 16,885 | 21,575,695 | 101.33 | 49,113 | 0.23 |
| 2014-15 | 22,194,099 | 22,365,660 | 100.77 | 10,371 | 22,376,031 | 100.82 | 49,734 | 0.22 |
| 2015-16 | 26,890,778 | 26,945,784 | 100.20 | 15,775 | 26,961,559 | 100.26 | 74,973 | 0.28 |

Source:

Tax Settlement Book Treasurer's Office

Levy Confirmation Sheet from County Clerk Certified to Collect

NOTE: 2006-07 reports only Rock Island County, Illinois portion of total tax levy.

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates

Last Ten Years

(rate per \$1,000 of assessed value)

(Unaudited)

| | Rock Island | Moline | East Moline | | Silvis | | Milan |
|---------------------------|-------------|---------|-------------|---------|---------|---------|-------------|
| | Rock Island | Moline | East Moline | UTHS | Silvis | UTHS | Rock Island |
| 2015-16: | | | | | | | |
| City | 2.40020 | 2.07820 | 2.18260 | 2.18260 | 1.70240 | 1.70240 | 1.00420 |
| Black Hawk College | 0.55980 | 0.55980 | 0.55980 | 0.55980 | 0.55980 | 0.55980 | 0.55980 |
| School District | 5.46100 | 5.15940 | 4.15500 | 1.93380 | 4.16340 | 1.93380 | 5.46100 |
| Forest Preserve | 0.12300 | 0.12300 | 0.12300 | 0.12300 | 0.12300 | 0.12300 | 0.12300 |
| County | 1.12500 | 1.12500 | 1.12500 | 1.12500 | 1.12500 | 1.12500 | 1.12500 |
| Total levy | 9.66900 | 9.04540 | 8.14540 | 5.92420 | 7.67360 | 5.44400 | 8.27300 |
| Ratio of County to totals | 0.11635 | 0.12437 | 0.13811 | 0.18990 | 0.14661 | 0.20665 | 0.13598 |
| 2014-15: | | | | | | | |
| City | 2.38520 | 2.06380 | 2.15500 | 2.15500 | 1.69500 | 1.69500 | 1.01900 |
| Black Hawk College | 0.54850 | 0.54850 | 0.54850 | 0.54850 | 0.54850 | 0.54850 | 0.54850 |
| School District | 5.29820 | 5.11200 | 3.93340 | 1.88020 | 3.93420 | 1.88020 | 5.29820 |
| Forest Preserve | 0.11900 | 0.11900 | 0.11900 | 0.11900 | 0.11900 | 0.11900 | 0.11900 |
| County | 0.94060 | 0.94060 | 0.94060 | 0.94060 | 0.94060 | 0.94060 | 0.94060 |
| Total levy | 9.29150 | 8.78390 | 7.69650 | 5.64330 | 7.23730 | 5.18330 | 7.92530 |
| Ratio of County to totals | 0.10123 | 0.10708 | 0.12221 | 0.16668 | 0.12997 | 0.18147 | 0.11868 |
| 2013-14: | | | | | | | |
| City | 2.39780 | 2.05000 | 2.12600 | 2.12600 | 1.69000 | 1.69000 | 0.98280 |
| Black Hawk College | 0.54270 | 0.54270 | 0.54270 | 0.54270 | 0.54270 | 0.54270 | 0.54270 |
| School District | 5.30660 | 5.10900 | 3.73000 | 1.90180 | 3.90360 | 1.90180 | 5.30660 |
| Forest Preserve | 0.11480 | 0.11480 | 0.11480 | 0.11480 | 0.11480 | 0.11480 | 0.11480 |
| County | 0.90360 | 0.90360 | 0.90360 | 0.90360 | 0.90360 | 0.90360 | 0.90360 |
| Total levy | 9.26550 | 8.72010 | 7.41710 | 5.58890 | 7.15470 | 5.15290 | 7.85050 |
| Ratio of County to totals | 0.09752 | 0.10362 | 0.12183 | 0.16168 | 0.12629 | 0.17536 | 0.11510 |
| 2012-13: | | | | | | | |
| City | 2.40020 | 2.02680 | 2.11500 | 2.11500 | 1.61880 | 1.61880 | 0.94160 |
| Black Hawk College | 0.54030 | 0.54030 | 0.54030 | 0.54030 | 0.54030 | 0.54030 | 0.54030 |
| School District | 5.25900 | 5.05900 | 3.69760 | 1.89560 | 3.88900 | 1.89560 | 5.25900 |
| Forest Preserve | 0.09740 | 0.09740 | 0.09740 | 0.09740 | 0.09740 | 0.09740 | 0.09740 |
| County | 0.78980 | 0.78980 | 0.78980 | 0.78980 | 0.78980 | 0.78980 | 0.78980 |
| Total levy | 9.08670 | 8.51330 | 7.24010 | 5.43810 | 6.93530 | 4.94190 | 7.62810 |
| Ratio of County to totals | 0.08692 | 0.09277 | 0.10909 | 0.14523 | 0.11388 | 0.15982 | 0.10354 |

(Continued)

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

(rate per \$1,000 of assessed value)

(Unaudited)

| | Rock Island | Moline | East Moline | | Silvis | | Milan |
|---------------------------|-------------|---------|-------------|---------|---------|---------|-------------|
| | Rock Island | Moline | East Moline | UTHS | Silvis | UTHS | Rock Island |
| 2011-12: | | | | | | | |
| City | 2.40840 | 1.97440 | 2.11180 | 2.11180 | 1.61560 | 1.61560 | 0.94020 |
| Black Hawk College | 0.53690 | 0.53690 | 0.53690 | 0.53690 | 0.53690 | 0.53690 | 0.53690 |
| School District | 5.12000 | 5.06000 | 3.71940 | 1.89820 | 3.88520 | 1.89820 | 5.12000 |
| Forest Preserve | 0.09440 | 0.09440 | 0.09440 | 0.09440 | 0.09440 | 0.09440 | 0.09440 |
| County | 0.77400 | 0.77400 | 0.77400 | 0.77400 | 0.77400 | 0.77400 | 0.77400 |
| Total levy | 8.93370 | 8.43970 | 7.23650 | 5.41530 | 6.90610 | 5.41530 | 7.46550 |
| Ratio of County to totals | 0.08664 | 0.09171 | 0.10696 | 0.14293 | 0.11207 | 0.14293 | 0.10368 |
| 2010-11: | | | | | | | |
| City | 2.40920 | 1.93240 | 1.92900 | 1.92900 | 1.61320 | 1.61320 | 0.90280 |
| Black Hawk College | 0.53240 | 0.53240 | 0.53240 | 0.53240 | 0.53240 | 0.53240 | 0.53240 |
| School District | 5.11480 | 5.05840 | 3.93920 | 1.89460 | 3.90440 | 1.89460 | 5.11480 |
| Forest Preserve | 0.09420 | 0.09420 | 0.09420 | 0.09420 | 0.09420 | 0.09420 | 0.09420 |
| County | 0.76320 | 0.76320 | 0.76320 | 0.76320 | 0.76320 | 0.76320 | 0.76320 |
| Total levy | 8.91380 | 8.38060 | 7.25800 | 5.21340 | 6.90740 | 5.21340 | 7.40740 |
| Ratio of County to totals | 0.08562 | 0.09107 | 0.10515 | 0.14639 | 0.11049 | 0.14639 | 0.10303 |
| 2009-10: | | | | | | | |
| City | 2.38520 | 1.92880 | 1.84060 | 1.84060 | 1.64980 | 1.64980 | 0.89200 |
| Black Hawk College | 0.53370 | 0.53370 | 0.53370 | 0.53370 | 0.53370 | 0.53370 | 0.53370 |
| School District | 5.06100 | 5.02660 | 3.86300 | 1.94880 | 3.59400 | 1.94880 | 5.06100 |
| Forest Preserve | 0.09380 | 0.09380 | 0.09380 | 0.09380 | 0.09380 | 0.09380 | 0.09380 |
| County | 0.76040 | 0.76040 | 0.76040 | 0.76040 | 0.76040 | 0.76040 | 0.76040 |
| Total levy | 8.83410 | 8.34330 | 7.09150 | 5.17730 | 6.63170 | 4.98650 | 7.34090 |
| Ratio of County to totals | 0.08608 | 0.09114 | 0.10723 | 0.14687 | 0.11466 | 0.15249 | 0.10358 |
| 2008-09: | | | | | | | |
| City | 2.36380 | 1.99660 | 1.77380 | 1.77380 | 1.61780 | 1.61780 | 0.89680 |
| Black Hawk College | 0.53560 | 0.53560 | 0.53560 | 0.53560 | 0.53560 | 0.53560 | 0.53560 |
| School District | 5.05580 | 5.01880 | 3.82840 | 1.94760 | 3.59600 | 1.94760 | 5.05580 |
| Forest Preserve | 0.09100 | 0.09100 | 0.09100 | 0.09100 | 0.09100 | 0.09100 | 0.09100 |
| County | 0.75700 | 0.75700 | 0.75700 | 0.75700 | 0.75700 | 0.75700 | 0.75700 |
| Total levy | 8.80320 | 8.39900 | 6.98580 | 5.10500 | 6.59740 | 4.94900 | 7.33620 |
| Ratio of County to totals | 0.08599 | 0.09013 | 0.10836 | 0.14829 | 0.11474 | 0.15296 | 0.10319 |

(Continued)

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

(rate per \$1,000 of assessed value)

(Unaudited)

| | Rock Island | Moline | East Moline | | Silvis | | Milan |
|---------------------------|-------------|---------|-------------|---------|---------|---------|-------------|
| | Rock Island | Moline | East Moline | UTHS | Silvis | UTHS | Rock Island |
| 2007-08: | | | | | | | |
| City | 2.35020 | 2.00620 | 1.81160 | 1.81160 | 1.71040 | 1.71040 | 0.87220 |
| Black Hawk College | 0.50160 | 0.50160 | 0.50160 | 0.50160 | 0.50160 | 0.50160 | 0.50160 |
| School District | 5.07880 | 5.05860 | 3.77540 | 1.96580 | 3.52520 | 1.96580 | 5.07880 |
| Forest Preserve | 0.06900 | 0.06900 | 0.06900 | 0.06900 | 0.06900 | 0.06900 | 0.06900 |
| County | 0.72000 | 0.72000 | 0.72000 | 0.72000 | 0.72000 | 0.72000 | 0.72000 |
| Total levy | 8.71960 | 8.35540 | 6.87760 | 5.06800 | 6.52620 | 4.96680 | 7.24160 |
| Ratio of County to totals | 0.08257 | 0.08617 | 0.10469 | 0.14207 | 0.11032 | 0.14496 | 0.09943 |
| 2006-07: | | | | | | | |
| City | 2.36520 | 1.96460 | 1.88700 | 1.88700 | 1.81160 | 1.81160 | 0.87100 |
| Black Hawk College | 0.45790 | 0.45790 | 0.45790 | 0.45790 | 0.45790 | 0.45790 | 0.45790 |
| School District | 5.11920 | 5.11520 | 3.77540 | 1.94280 | 3.43360 | 1.94280 | 5.11920 |
| Forest Preserve | 0.06960 | 0.06960 | 0.06960 | 0.06960 | 0.06960 | 0.06960 | 0.06960 |
| County | 0.72600 | 0.72600 | 0.72600 | 0.72600 | 0.72600 | 0.72600 | 0.72600 |
| Total levy | 8.73790 | 8.33330 | 6.91590 | 5.08330 | 6.49870 | 5.00790 | 7.24370 |
| Ratio of County to totals | 0.08309 | 0.08712 | 0.10498 | 0.14282 | 0.11171 | 0.14497 | 0.10023 |

Source: County Clerk Current Tax Extensions

All tax rates are expressed in dollars per \$100 of taxable valuation

Included in this report are the major cities within Rock Island County

Not shown:

a.) 10 Cities & Villages (populations <5,000)

b.) 18 Townships

c.) 17 Fire Protection Districts

d.) 14 Road & Bridge Districts

e.) 1 Metro Transit Authority

f.) 1 Metro Airport Authority

g.) 1 Illini Ambulance

h.) 2 Flood Plain Districts

i.) 1 River Conserv. District

j.) 3 Sanitary Districts

k.) 3 Multi. Townships

l.) 3 Special Service Districts

m.) 9 School Districts <130,000,000 Total Valuation

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

(rate per \$1,000 of assessed value)

(Unaudited)

| | Fiscal Year | | | | | | | | | |
|----------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| County Direct Rates: | | | | | | | | | | |
| Corporate | 0.24120 | 0.23920 | 0.24880 | 0.25000 | 0.25000 | 0.24820 | 0.25000 | 0.25000 | 0.24920 | 0.25000 |
| Bond & Interest | 0.07200 | 0.06840 | 0.06680 | 0.06560 | 0.06700 | 0.06240 | 0.06280 | 0.06480 | 0.06060 | 0.09900 |
| IMRF | 0.09120 | 0.08860 | 0.08900 | 0.08900 | 0.09260 | 0.10520 | 0.11780 | 0.14020 | 0.15240 | 0.21500 |
| County Highway | 0.03640 | 0.03840 | 0.04080 | 0.04240 | 0.04260 | 0.04220 | 0.04480 | 0.05360 | 0.05640 | 0.06260 |
| Bridges | 0.00260 | 0.00480 | 0.00680 | 0.00700 | 0.00700 | 0.00680 | 0.00700 | 0.02140 | 0.02260 | 0.02360 |
| Mental Health | 0.06240 | 0.06120 | 0.06180 | 0.06160 | 0.05900 | 0.05840 | 0.05900 | 0.06160 | 0.06980 | 0.06660 |
| Health | 0.02400 | 0.02380 | 0.02720 | 0.02820 | 0.03000 | 0.02980 | 0.03000 | 0.03780 | 0.05060 | 0.04980 |
| Liability Insurance | 0.02760 | 0.02860 | 0.03160 | 0.03200 | 0.03580 | 0.04180 | 0.03800 | 0.09140 | 0.09740 | 0.09640 |
| Social Security | 0.05400 | 0.05340 | 0.05340 | 0.05500 | 0.05260 | 0.05380 | 0.05380 | 0.05520 | 0.05860 | 0.13460 |
| Extension Education | 0.01040 | 0.01020 | 0.00980 | 0.01000 | 0.00960 | 0.00940 | 0.00960 | 0.00960 | 0.00960 | 0.00960 |
| Veterans Assistance | 0.01220 | 0.01220 | 0.01780 | 0.01760 | 0.01920 | 0.01900 | 0.01920 | 0.01500 | 0.01500 | 0.01480 |
| Nursing Home | 0.08860 | 0.08800 | 0.10000 | 0.09880 | 0.09480 | 0.09400 | 0.09480 | 0.10000 | 0.09540 | 0.10000 |
| Child Advocacy | 0.00340 | 0.00320 | 0.00320 | 0.00320 | 0.00300 | 0.00300 | 0.00300 | 0.00300 | 0.00300 | 0.00300 |
| Total Direct Rates | 0.72600 | 0.72000 | 0.75700 | 0.76040 | 0.76320 | 0.77400 | 0.78980 | 0.90360 | 0.94060 | 1.12500 |

Source: County Clerk Current Tax Extensions

All tax rates are expressed in dollars per \$100 of taxable valuation

Rock Island County, Illinois

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(Unaudited)

| | General Obligation Bonds ⁽¹⁾ | Revenue Bonds Payable ⁽¹⁾ | Capital Leases | Installment Purchase | Total Primary Government | Percentage of Personal Income | Per Capita |
|------|---|---|-------------------|-------------------------|-----------------------------|----------------------------------|------------|
| 2007 | \$ 21,600,000 | \$ 8,280,000 | \$ - | \$ - | \$ 29,880,000 | 0.1162% | 203.17 |
| 2008 | 21,515,000 | 7,790,000 | - | - | 29,305,000 | 0.1242% | 199.81 |
| 2009 | 25,610,000 | 8,110,000 | - | - | 33,720,000 | 0.1152% | 229.66 |
| 2010 | 25,105,000 | 7,445,000 | - | - | 32,550,000 | 0.1152% | 220.61 |
| 2011 | 24,420,000 | 6,750,000 | - | - | 31,170,000 | 0.1212% | 211.44 |
| 2012 | 23,812,859 | 6,100,105 | - | - | 29,912,964 | 0.1326% | 202.78 |
| 2013 | 23,786,104 | 5,237,887 | - | - | 29,023,991 | 0.1403% | 197.10 |
| 2014 | 21,518,475 | 4,397,420 | - | - | 25,915,895 | 0.1589% | 177.43 |
| 2015 | 20,171,585 | 3,549,614 | - | - | 23,721,199 | 0.1642% | 161.41 |
| 2016 | 19,534,344 | 32,734,548 | 110,171 | - | 52,379,063 | 0.0761% | 361.77 |

Note: The County does not have any Business-Type Activities.

⁽¹⁾ Presented net of original issuance discounts and premiums.

Rock Island County, Illinois

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

(Unaudited)

| Fiscal Year | Total County Bonded Debt Outstanding (1) | Total Equalized Net Assessed Value | Percent of Debt to Equalized Net Assessed Value | Estimated Population | Debt Per Capita |
|----------------|---|--|--|-------------------------|--------------------|
| 2006-07 | 29,880,000 | 2,089,325,395 | 0.01430 | 147,071 | 203.17 |
| 2007-08 | 29,305,000 | 2,191,867,283 | 0.01337 | 146,661 | 199.81 |
| 2008-09 | 33,720,000 | 2,253,678,429 | 0.01496 | 146,826 | 229.66 |
| 2009-10 | 32,550,000 | 2,283,272,012 | 0.01426 | 147,546 | 220.61 |
| 2010-11 | 31,170,000 | 2,381,222,765 | 0.01309 | 147,418 | 211.44 |
| 2011-12 | 29,912,964 | 2,401,124,083 | 0.01246 | 147,514 | 202.78 |
| 2012-13 | 29,023,991 | 2,380,945,499 | 0.01133 | 147,258 | 197.10 |
| 2013-14 | 25,915,895 | 2,358,643,678 | 0.01099 | 146,063 | 177.43 |
| 2014-15 | 23,721,199 | 2,362,035,093 | 0.01004 | 146,964 | 161.41 |
| 2015-16 | 52,292,078 | 2,393,600,915 | 0.02185 | 144,784 | 361.17 |

(1) The fund balance of the Debt Service Fund has been excluded due to the immateriality of such balances.

Source: County records

Rock Island County, Illinois

Direct and Overlapping Governmental Activities Debt As of November 30, 2016

(Unaudited)

| Governmental Unit | Gross Debt | Percentage of Debt to County * | County Share of Debt |
|---|-----------------------|--------------------------------------|-------------------------|
| Rock Island County Direct Debt: | | | |
| Building Commission | \$ 31,525,000 | 100.00% | \$ 31,525,000 |
| Rock Island Nursing Home | 14,975,000 | 100.00% | 14,975,000 |
| Rock Island County Forest Preserve | 4,485,000 | 100.00% | 4,485,000 |
| Overlapping Debt: | | | |
| School Districts: | | | |
| #1 Erie | - | 75.22% | - |
| #29 Hampton | 595,000 | 100.00% | 595,000 |
| #30 UTHS | 3,000,000 | 92.33% | 2,769,768 |
| #34 Silvis | 3,752,000 | 100.00% | 3,752,000 |
| #36 Carbon Cliff | 700,000 | 100.00% | 700,000 |
| #37 East Moline | 17,765,000 | 100.00% | 17,765,000 |
| #40 Moline | 23,846,653 | 100.00% | 23,846,653 |
| #41 Rock Island | 33,000,000 | 100.00% | 33,000,000 |
| #100 Riverdale | 3,495,000 | 100.00% | 3,495,000 |
| #190 Colona | 1,075,000 | 0.11% | 1,217 |
| #200 Sherrard | 6,344,895 | 32.34% | 2,052,084 |
| #223 Orion | 7,285,000 | 8.04% | 586,002 |
| #300 Rockridge | 9,740,000 | 98.14% | 9,559,126 |
| #404 Mercer County | 2,075,000 | 1.79% | 37,207 |
| #503 Black Hawk College | 26,580,000 | 65.36% | 17,372,260 |
| Cities and Villages: | | | |
| Andalusia | 470,000 | 100.00% | 470,000 |
| Coal Valley | 975,000 | 88.18% | 859,760 |
| East Moline | 25,978,380 | 100.00% | 25,978,380 |
| Hampton | 150,000 | 100.00% | 150,000 |
| Milan | 9,425,000 | 100.00% | 9,425,000 |
| Moline | 52,550,000 | 100.00% | 52,550,000 |
| Rock Island | 68,076,666 | 100.00% | 68,076,666 |
| Silvis | 8,210,000 | 100.00% | 8,210,000 |
| Special Districts: | | | |
| Carbon Cliff Spec. Svc. 3 | 45,000 | 100.00% | 45,000 |
| Rock Island Spec. Svc. 3 | 1,440,000 | 100.00% | 1,440,000 |
| Illini Hospital (Ambulance) | 4,940,000 | 86.54% | 4,275,053 |
| Metropolitan Airport | 20,725,000 | 100.00% | 20,725,000 |
| Silvis Special Svc. 1 | 480,000 | 100.00% | 480,000 |
| Coal Valley FPD | 380,000 | 86.85% | 330,034 |
| Subtotal, overlapping debt | 333,098,594 | | 308,546,208 |
| Totals | \$ 384,083,594 | | \$ 359,531,208 |
| Total underlying long-term debt | \$ 384,083,594 | | |
| Total direct and underlying long-term debt | \$ 359,531,208 | | |

Source:

Rock Island County Clerk's Office, Current Tax Extension Book

* Percentage of Debt to County calculated as follows:

100% - overlapping valuation debt / total valuation

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Rock Island County, Illinois

Legal Debt Margin Information
As of November 30, 2016

(Unaudited)

| | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | | | | | | | | | | Legal Debt Margin Calculation for Fiscal Year 2016 |
| | | | | | | | | | | Assessed value |
| | | | | | | | | | | <u><u>\$ 2,393,600,915</u></u> |
| | | | | | | | | | | Debt limit (2.875% of assessed value) |
| | | | | | | | | | | <u><u>\$ 68,816,026</u></u> |
| | | | | | | | | | | Debt applicable to limit: |
| | | | | | | | | | | General obligation bonds |
| | | | | | | | | | | 18,430,000 |
| | | | | | | | | | | Revenue bonds |
| | | | | | | | | | | <u>30,670,000</u> |
| | | | | | | | | | | Total net applicable to limit |
| | | | | | | | | | | <u>49,100,000</u> |
| | | | | | | | | | | Legal debt margin |
| | | | | | | | | | | <u><u>\$ 19,716,026</u></u> |
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Assessed value | \$ 2,234,908,738 | \$ 2,365,608,928 | \$ 2,440,076,128 | \$ 2,495,456,042 | \$ 2,572,982,922 | \$ 2,594,108,513 | \$ 2,561,244,042 | \$ 2,358,643,678 | \$ 2,362,035,093 | \$ 2,393,600,915 |
| Debt limit | \$ 64,253,626 | \$ 68,011,257 | \$ 70,152,189 | \$ 71,744,361 | \$ 73,973,259 | \$ 74,580,620 | \$ 73,635,766 | \$ 67,811,006 | \$ 67,908,509 | \$ 68,816,026 |
| Debt applicable to debt limit | 29,880,000 | 29,305,000 | 33,720,000 | 32,550,000 | 31,170,000 | 29,735,000 | 28,690,000 | 25,630,000 | 23,480,000 | 49,100,000 |
| Legal debt margin | \$ 34,373,626 | \$ 38,706,257 | \$ 36,432,189 | \$ 39,194,361 | \$ 42,803,259 | \$ 44,845,620 | \$ 44,945,766 | \$ 42,181,006 | \$ 44,428,509 | \$ 19,716,026 |
| Total net debt applicable to the limit as a percentage of debt limit | 46.50% | 43.09% | 48.07% | 45.37% | 42.14% | 39.87% | 38.96% | 37.80% | 34.58% | 71.35% |

Source: County records

NOTE: As per 50ILCS405/1.10 & 50ILCS20/16.1 any indebtedness of a county with a population less than 1,000,000 inhabitants for building necessary buildings through a Public Building Commission is not limited to the above debt limit rate. Those occurrences of debt issue instead shall not exceed 5% of the total assessed value of taxable property in the county.

Rock Island County, Illinois

Demographic and Economic Statistics Last Ten Calendar Years (Unaudited)

| Year | Population ¹ | Personal Income | | Median Age ¹ | Unemployment Rate ⁴ | School Enrollment ⁵ |
|----------------|-------------------------|--|-----------------------------------|-------------------------|-----------------------------------|-----------------------------------|
| | | (Thousands of Dollars) ² | Per Capita Income ³ | | | |
| 2005-06 | 146,341 | 5,109,481 | 34,727 | 38.0 | 4.8 | 22,774 |
| 2006-07 | 147,071 | 5,381,801 | 36,384 | 38.0 | 4.6 | 22,577 |
| 2007-08 | 146,661 | 5,731,715 | 38,859 | 38.0 | 4.8 | 22,484 |
| 2008-09 | 146,826 | 5,533,178 | 37,500 | 39.0 | 5.6 | 22,105 |
| 2009-10 | 147,546 | 5,578,667 | 37,784 | 40.0 | 9.1 | 22,273 |
| 2010-11 | 147,418 | 5,846,554 | 39,660 | 40.1 | 9.6 | 22,301 |
| 2011-12 | 147,514 | 6,006,915 | 40,721 | 40.2 | 7.8 | 22,499 |
| 2012-13 | 147,258 | 6,062,820 | 41,171 | 40.5 | 7.9 | 22,505 |
| 2013-14 | 146,063 | 5,718,952 | 38,956 | 40.5 | 7.1 | 22,707 |
| 2014-15 | 146,964 | 5,823,296 | 39,868 | 40.1 | 7.1 | 22,731 |
| 2015-16 | 144,784 | 5,893,826 | 40,332 | 40.0 | 6.3 | 23,452 |

Data Compiled by: Bi-State Regional Commission

⁽¹⁾ U.S. Census Bureau, Population Division Annual Estimates of the Resident Population

⁽²⁾ U.S. Bureau of Economic Analysis, Personal Income by County

⁽³⁾ U.S. Census Bureau Economic Analysis, Per Capita Personal Income by County

⁽⁴⁾ Illinois Department of Employment Security, Local Area Unemployment Statistics

⁽⁵⁾ Illinois State Board of Education, Fall enrollment Counts, District Summary

Update: 4/21/17

Rock Island County, Illinois

Principal Employers Current Year and Nine Years Ago (Unaudited)

| Employer | 2007 | |
|--------------------------------------|-----------|------|
| | Employees | Rank |
| Rock Island Arsenal | 6,000+ | 1 |
| Deere & Company | 5,000+ | 2 |
| Tyson Fresh Meats Inc. | 2,500+ | 3 |
| Trinity Medical Center | 2,000+ | 4 |
| Exelon | 700+ | 5 |
| Black Hawk College | 700+ | 6 |
| Moline Community School District #40 | 600+ | 7 |
| Xpac (Export Packing, Inc.) | 580+ | 8 |
| Rock Island School District #41 | 500+ | 9 |
| Kone Inc. | 450+ | 10 |

Source: Bi-State Regional Commission

| | 2016 | |
|--|-----------|------|
| | Employees | Rank |
| Deere & Company | 6,400 | 1 |
| Rock Island Arsenal | 6,301 | 2 |
| Trinity-Unity Point-Trinity (Rock Island & Moline) | 4,748 | 3 |
| Tyson Fresh Meats | 2,400 | 4 |
| Black Hawk College | 1,006 | 5 |
| Moline Community School District #40 | 1,002 | 6 |
| XPAC | 1,000 | 7 |
| Rock Island/Milan School District #41 | 937 | 8 |
| HyVee (all Rock Island County Locations) | 920 | 9 |
| Exelon | 800 | 10 |
| Rock Island County Employment | 66,994 | |

Sources: InfoGroup, Reference USA GOV and individual employers
 IL State Board of education Report Cards
 Bureau of Labor Statistics, Local Area Unemployment Statistics
 Data Compiled By: Bi-State Regional Commission
 NOTE: Data subject to change

Rock Island County, Illinois

Full-Time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Social service: | | | | | | | | | | |
| Hope Creek | 174.0 | 183.0 | 232.0 | 231.5 | 239.3 | 249.3 | 247.10 | 213.00 | 203.50 | 225.00 |
| Veteran's Administration | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 3.00 | 2.00 | 2.00 | 2.00 |
| Health Department | 72.5 | 62.5 | 66.5 | 63.0 | 64.0 | 56.5 | 58.25 | 58.50 | 49.00 | 44.00 |
| Mental Health | 1.0 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.50 | 0.50 | 0.50 | 0.50 |
| Total social service | 249.5 | 248.0 | 301.0 | 297.0 | 305.8 | 308.3 | 308.85 | 274.00 | 255.00 | 271.50 |
| General government: | | | | | | | | | | |
| Auditor | 3.5 | 3.5 | 4.0 | 3.5 | 3.5 | 3.5 | 3.50 | 3.50 | 4.00 | 3.00 |
| County Board | 14.0 | 13.5 | 14.0 | 13.5 | 14.0 | 13.5 | 7.00 | 7.00 | 6.50 | 12.50 |
| County Clerk | 11.0 | 11.0 | 12.0 | 10.0 | 12.0 | 11.0 | 11.00 | 12.00 | 12.00 | 11.00 |
| Recorder | 9.0 | 8.0 | 10.0 | 9.0 | 8.0 | 8.0 | 7.00 | 6.00 | 6.00 | 6.00 |
| Superintendent of Education | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.00 | 1.00 | 1.00 | 1.00 |
| Treasurer | 7.0 | 7.0 | 7.0 | 7.0 | 6.0 | 6.0 | 6.00 | 6.00 | 6.00 | 6.00 |
| Assessment Map | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.00 | 4.00 | 5.00 | 5.00 |
| Board of Review | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.50 | 1.50 | 1.50 | 1.50 |
| Information Systems | 10.0 | 10.0 | 9.0 | 9.0 | 8.0 | 8.0 | 7.00 | 6.00 | 6.00 | 6.00 |
| County Building Maintenance | 4.5 | 4.5 | 4.5 | 4.0 | 4.0 | 4.0 | 3.60 | 3.00 | 3.00 | 3.00 |
| Human Resources | 2.0 | 5.0 | 4.5 | 2.5 | 2.3 | 1.3 | - | - | - | 4.00 |
| HR/Liability/Civil | 6.0 | 4.0 | 4.0 | 1.5 | 1.3 | 1.3 | 15.30 | 14.80 | 15.80 | 4.30 |
| GIS | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.00 | 2.50 | 2.50 | 2.00 |
| Document Storage | 2.0 | 2.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.50 | 2.50 | 1.00 | 3.00 |
| Recorder Document | 2.0 | 1.0 | 2.0 | 3.0 | 3.0 | 3.0 | 4.00 | 4.00 | 4.00 | 4.00 |
| County Administration | - | - | - | - | - | - | - | - | 3.00 | 3.00 |
| Purchasing | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | - | - | - | - | - |
| Total general government | 83.5 | 81.0 | 86.0 | 78.0 | 77.1 | 70.6 | 75.40 | 73.80 | 77.30 | 75.30 |

(Continued)

Rock Island County, Illinois

Full-Time Equivalent County Government Employees by Function/Program (Continued)
Last Ten Fiscal Years
(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Public safety & corrections: | | | | | | | | | | |
| Coroner | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.00 | 3.00 | 3.00 | 3.00 |
| Sheriff | 133.0 | 126.5 | 134.0 | 123.0 | 125.0 | 128.0 | 128.00 | 123.00 | 126.00 | 128.00 |
| EMA | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.50 | 0.50 | 0.50 | 0.50 |
| Zoning | 7.0 | 6.0 | 4.0 | 5.0 | 4.0 | 3.0 | 4.50 | 4.00 | 4.00 | 4.50 |
| Animal Control | 8.0 | 7.0 | 9.5 | 10.5 | 11.0 | 11.5 | 12.50 | 11.50 | 11.50 | 11.00 |
| Court Security | 15.0 | 13.0 | 16.0 | 15.0 | 15.5 | 15.5 | 16.00 | 15.00 | 15.50 | 15.00 |
| COPS | 9.0 | 8.0 | 11.0 | 11.0 | 10.0 | 10.0 | 11.00 | 11.00 | 11.00 | 10.00 |
| Total public safety & corrections | 176.0 | 164.5 | 178.5 | 168.5 | 169.5 | 172.0 | 175.50 | 168.00 | 171.50 | 172.00 |
| Public works & transportation: | | | | | | | | | | |
| Highway | 20.0 | 20.0 | 18.5 | 15.0 | 11.0 | 15.0 | 9.50 | 14.50 | 15.67 | 15.50 |
| Motor Fuel Tax | 2.0 | 2.0 | 1.0 | 7.5 | 9.0 | 4.0 | 7.50 | 3.50 | 3.33 | 4.50 |
| Total public works & transportation | 22.0 | 22.0 | 19.5 | 22.5 | 20.0 | 19.0 | 17.00 | 18.00 | 19.00 | 20.00 |
| Judiciary & legal/legislative: | | | | | | | | | | |
| Circuit Clerk | 32.5 | 31.5 | 33.5 | 33.5 | 33.5 | 32.5 | 32.50 | 33.50 | 33.50 | 29.50 |
| Circuit Court | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.50 | 3.50 | 3.50 | 3.50 |
| States Attorney | 25.5 | 26.5 | 29.5 | 27.5 | 25.5 | 25.5 | 21.20 | 20.70 | 21.20 | 21.20 |
| Court Services | 38.0 | 36.0 | 40.0 | 37.0 | 38.0 | 37.0 | 37.00 | 34.00 | 35.00 | 35.00 |
| Ostrom Maintenance | 0.5 | 0.5 | 0.5 | - | 0.5 | 0.5 | 0.50 | 0.50 | 0.50 | 0.50 |
| Public Defender | 7.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.00 | 7.00 | 8.00 | 8.00 |
| Law Library | - | - | - | - | - | - | - | - | - | - |
| Child Support | 4.0 | 3.0 | 4.0 | 4.0 | 3.0 | 3.0 | 3.00 | 2.00 | 2.00 | 2.00 |
| Courthouse/Justic Center Maintenance | 11.0 | 11.0 | 13.0 | 11.0 | 13.0 | 13.0 | 13.00 | 11.00 | 11.00 | 11.00 |
| Total judiciary & legal/legislative | 122.5 | 120.5 | 132.5 | 125.0 | 125.5 | 123.5 | 118.70 | 112.20 | 114.70 | 110.70 |
| Total | 653.5 | 636.0 | 717.5 | 691.0 | 697.9 | 693.4 | 695.45 | 646.00 | 637.50 | 649.50 |

Source: County year-end payroll report

Rock Island County, Illinois

Operating Indicators by Function/Program

Last Ten Fiscal Years

(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|---|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Public safety and legal services: | | | | | | | | | | |
| Public defender: | | | | | | | | | | |
| # of cases closed-felony | 1,042 | 1,059 | 966 | 1,008 | 926 | 911 | 945 | 805 | 763 | 752 |
| # of cases closed-misdemeanor/traffic | 1,987 | 2,650 | 3,440 | 3,318 | 3,422 | 2,764 | 2,728 | 2,890 | 2,774 | 3,177 |
| # of cases closed-petition to revoke | 337 | 282 | 306 | 285 | 230 | 238 | 253 | 243 | 228 | 227 |
| # of cases closed-other | 18 | 26 | 39 | 35 | 57 | 66 | 42 | 38 | 30 | 23 |
| # of cases closed-juvenile | 259 | 254 | 220 | 209 | 249 | 224 | 231 | 190 | 223 | 254 |
| Sheriff: | | | | | | | | | | |
| # of civil papers served | 7,135 | 4,697 | 6,254 | 5,795 | 5,624 | 5,599 | 4,999 | 3,448 | 3,679 | 6,150 |
| # of jail bookings | 11,944 | 12,741 | 12,512 | 10,091 | 9,618 | 9,063 | 8,381 | 7,190 | 7,412 | 7,285 |
| # of traffic citations written | 3,210 | 2,632 | 2,765 | 2,619 | 1,210 | 3,378 | 3,398 | 2,403 | 3,074 | 2,733 |
| # of 911 calls(in-coming,out-going; & admn) | 20,534 | 14,270 | 14,300 | 13,188 | 13,795 | 14,426 | 43,477 | 43,567 | 45,239 | 61,759 |
| # prisoner days per year | 118,598 | 115,052 | 83,950 | 107,461 | 95,080 | 99,085 | 98,564 | 95,817 | 92,108 | 91,798 |
| average daily count | 269 | 251 | 230 | 270 | 259 | 258 | 263 | 238 | 232 | 231 |
| Emergency Management Agency | | | | | | | | | | |
| # of Exercises performed & evaluated | 1 | 1 | 1 | 3 | 3 | 3 | 4 | 6 | 3 | 5 |
| # of Activations for severe weather | - | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 |
| # of Participation in Regional Emergency | 1 | 1 | 2 | 1 | 1 | 4 | - | - | - | - |
| Judicial: | | | | | | | | | | |
| Court Administration | | | | | | | | | | |
| # of Juror Summons Mailed | 1,525 | 13,200 | 14,500 | 17,600 | 15,200 | 15,305 | 15,549 | 15,924 | 15,956 | 15,690 |
| # of Juror Summons Returned | 6,025 | 5,280 | 5,950 | 7,900 | 4,764 | 6,170 | 5,963 | 5,239 | 6,376 | 5,920 |
| # of Trials conducted | 53 | 55 | 46 | 55 | 55 | 31 | 31 | 39 | 49 | 42 |
| State Attorney | | | | | | | | | | |
| # of felonies filed | 1,251 | 1,274 | 1,151 | 1,176 | 1,164 | 1,149 | 1,098 | 1,024 | 1,002 | 1,051 |
| Circuit clerk: | | | | | | | | | | |
| # of New Criminal Cases Filed | 3,661 | 3,625 | 3,435 | 3,000 | 3,008 | 3,123 | 3,027 | 2,774 | 2,782 | 2,644 |
| # of Criminal Cases Closed | 2,573 | 2,455 | 2,366 | 3,185 | 2,917 | 2,923 | 3,105 | 2,775 | 2,585 | 2,485 |
| # of Bonds Processed | 15,406 | 16,056 | 13,992 | 12,433 | 12,851 | 13,537 | 14,052 | 12,906 | 8,204 | 7,740 |
| # of DUI Cases Filed | 998 | 1,133 | 1,260 | 1,173 | 1,185 | 1,058 | 931 | 846 | 794 | 795 |
| # of Traffic Cases Filed | 31,497 | 28,700 | 27,010 | 23,883 | 20,954 | 22,784 | 18,925 | 18,467 | 18,803 | 19,093 |
| Veteran's assistance: | | | | | | | | | | |
| # of veterans assisted | 910 | 1,621 | 2,246 | 1,283 | 3,082 | 3,084 | 1,187 | 2,335 | 3,593 | 4,473 |
| # of cases | 734 | 1,194 | 2,981 | 899 | 862 | 804 | 728 | 888 | 978 | 1,045 |
| value of assistance | 138,709 | 249,785 | 358,472 | 163,994 | 152,536 | 133,042 | 110,690 | 116,486 | 129,883 | 138,820 |
| # of claims | 226 | 218 | 160 | 196 | 195 | 162 | 247 | 194 | 210 | 230 |
| # of referrals | 162 | 125 | 82 | 44 | 49 | 51 | 35 | 42 | 102 | 112 |
| # of med equipment | 75 | 82 | 67 | 145 | 81 | 149 | 79 | 143 | 83 | 70 |
| Health Department: | | | | | | | | | | |
| # of common disease requiring investigation | 438 | 413 | 422 | 490 | 539 | 493 | 336 | 469 | 938 | 1,177 |
| # of environ health inspections conducted | 3,112 | 2,853 | 2,797 | 2,920 | 2,877 | 2,681 | 2,935 | 2,658 | 2,889 | 2,877 |
| # of grants | 34 | 39 | 35 | 32 | 30 | 29 | 29 | 29 | 30 | 25 |
| Coroner: | | | | | | | | | | |
| # of coroner cases in Rock Island County | 1,042 | 1,109 | 1,103 | 1,105 | 1,123 | 1,228 | 1,242 | 1,462 | 1,475 | 1,612 |
| # of autopsies held | 45/44* | 42/42* | 39/39* | 26/26* | 32/32* | 28/28* | 41/41* | 41/41* | 40/40* | 42/38* |
| # of inquests no jury | 84 | 90 | 49 | 57 | 57 | 62 | 78 | 83 | 73 | 78 |
| # of cremation permits issued | 395 | 408 | 405 | 442 | 517 | 564 | 604 | 555 | 654 | 687 |
| # of cremation permit fees waived | N/A | N/A | N/A | N/A | N/A | 44 | 42 | 49 | 48/12* | 20/17* |

* County paid

(Continued)

Rock Island County, Illinois

Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years
(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|--|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| County recreation & culture: | | | | | | | | | | |
| Forest preserve: | | | | | | | | | | |
| # of boat launch ramps | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| # of ball diamonds | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| # of forest preserves | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| # of zoos 287.3 acres | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| # of campgrounds | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| # of playgrounds | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 4 | 4 |
| # manmade lakes 167 acres | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| # of golf courses | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Planning and development, zoning: | | | | | | | | | | |
| # of building permits issued | 762 | 758 | 764 | 781 | 766 | 659 | 805 | 792 | 834 | 1,573 |
| Value of issued permits | 23,680,059 | 47,594,263 | 12,362,128 | 33,220,103 | 40,768,445 | 17,263,743 | 17,038,858 | 24,402,546 | 20,165,321 | 24,019,422 |
| # of contractor registrations | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 251 | 286 |
| Value of contractor registrations | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 12,550 | 14,300 |
| Transportation & public works: | | | | | | | | | | |
| Highway: | | | | | | | | | | |
| # of miles of road state, co, city, township | 1,394.36 | 1,401.73 | 1,418.90 | 1,416.57 | 1,425.63 | 1,429.12 | 1,440.06 | 1,445.75 | 1,446.41 | 1,446.72 |
| # of miles of road paved-concrete & bituminous | 1,179.07 | 1,187.14 | 1,204.45 | 1,205.91 | 1,235.59 | 1,247.76 | 1,268.12 | 1,268.50 | 1,270.03 | 1,270.34 |
| # of miles of road improved-rock & oiled | 209.51 | 208.34 | 208.14 | 204.87 | 184.67 | 175.39 | 170.59 | 171.90 | 171.03 | 171.03 |
| # of bridges repaired/replaced | 2 | 1 | 1 | - | - | 1 | - | 3 | 1 | - |
| Governmental services to residents: | | | | | | | | | | |
| County clerk elections: | | | | | | | | | | |
| # of elections | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| # of registered voters | 95,314 | 99,048 | 99,141 | 101,858 | 80,153 | 91,636 | 91,092 | 93,478 | 93,058 | 100,163 |
| # of votes cast in general election | 8,360 | 68,933 | 22,480 | 47,053 | 6,248 | 65,574 | 16,283 | 45,527 | 17,012 | 64,672 |
| % of registered voters cast ballots | 8.77% | 60.13% | 22.67% | 46.19% | 7.80% | 71.56% | 18.37% | 48.70% | 18.28% | 64.57% |
| County clerk: | | | | | | | | | | |
| # of original birth certificates issued | 10,463 | 10,647 | 9,841 | 9,357 | 8,414 | 8,186 | 8,288 | 7,637 | 7,569 | 8,413 |
| # of birth certificate copies issued | 1,502 | 1,312 | 1,214 | 1,194 | 1,200 | 1,236 | 1,339 | 1,026 | 1,108 | 1,366 |
| # of original death certificates issued | 541 | 686 | 556 | 633 | 618 | 576 | 573 | 462 | 380 | 395 |
| # of death certificate copies issued | 194 | 239 | 209 | 216 | 240 | 196 | 204 | 150 | 151 | 113 |
| # of marriage licenses | 1,137 | 1,104 | 1,096 | 1,092 | 995 | 1,000 | 1,000 | 1,075 | 962 | 943 |
| # of original marriage certificates issued | 1,764 | 2,031 | 2,066 | 2,183 | 2,149 | 1,982 | 2,186 | 2,140 | 2,000 | 2,163 |
| # of marriage certificate copies issued | 949 | 863 | 833 | 1,069 | 992 | 1,091 | 939 | 997 | 930 | 976 |
| # of original civil union certificates issued | N/A | N/A | N/A | N/A | 18 | 21 | 8 | 4 | - | 2 |
| # of civil union certificate copies issued | N/A | N/A | N/A | N/A | 18 | 13 | 6 | 2 | - | - |
| # of civil union licenses | N/A | N/A | N/A | N/A | N/A | N/A | 9 | 3 | - | - |
| Recorder: | | | | | | | | | | |
| # of real estate transactions recorded | 30,859 | 27,736 | 29,296 | 31,968 | 28,194 | 31,145 | 28,066 | 22,484 | 22,450 | 21,620 |
| # of discharged service men/women | 44 | 38 | 52 | 54 | 63 | 46 | 40 | 50 | 44 | 49 |

(Continued)

Rock Island County, Illinois

Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years
(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|-----------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Administration: | | | | | | | | | | |
| Auditor: | | | | | | | | | | |
| # of vouchers processed | 20,759 | 21,443 | 21,478 | 22,465 | 21,889 | 23,054 | 20,738 | 21,392 | 20,953 | 20,713 |
| Information technology: | | | | | | | | | | |
| # of network users | 553 | 553 | 553 | 432 | 445 | 511 | 487 | 541 | 656 | 701 |
| Treasurer: | | | | | | | | | | |
| # of tax bills mailed | 58,143 | 63,438 | 63,373 | 63,340 | 63,354 | 63,318 | 63,273 | 63,150 | 63,107 | 62,776 |
| # mobile home tax bills | 1,720 | 1,815 | 1,740 | 1,719 | 1,682 | 1,654 | 1,648 | 1,588 | 1,596 | 1,298 |
| # of tax distributions made | | | 8 | 9 | 10 | 10 | 9 | 10 | 10 | 10 |
| Human resources: | | | | | | | | | | |
| Payroll checks | 20,108 | 21,038 | 21,040 | 23,182 | 27,034 | 28,245 | 26,453 | 25,931 | 25,264 | 25,171 |
| Superintendent of Education: | | | | | | | | | | |
| Schools within the County: | | | | | | | | | | |
| Public schools: | | | | | | | | | | |
| # of elementary schools | 42 | 41 | 41 | 40 | 40 | 40 | 40 | 37 | 35 | 35 |
| # of junior high schools | 10 | 10 | 11 | 11 | 10 | 10 | 10 | 12 | 12 | 12 |
| # of senior high schools | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| # of alternative high schools | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| # of total students (Pre-K to 12) | 23,569 | 23,307 | 23,213 | 23,212 | 23,279 | 24,132 | 24,172 | 24,224 | 24,207 | 23,965 |
| Nonpublic schools: | | | | | | | | | | |
| # of Pre-K to 8 schools | 9 | 9 | 9 | 6 | 7 | 7 | 7 | 7 | 7 | 7 |
| # of high schools | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| # of total students | 2,723 | 2,140 | 2,122 | 2,119 | 2,132 | 2,449 | 2,290 | 2,198 | 2,216 | 2,218 |
| Higher education: | | | | | | | | | | |
| # of universities | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| # of colleges | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| # of junior colleges | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other: | | | | | | | | | | |
| # of industrial land parcels | 558 | 559 | 559 | 555 | 549 | 549 | 584 | 579 | 561 | 554 |
| # of farming acres | 196,006 | 193,233 | 196,121 | 192,973 | 192,887 | 192,887 | 192,987 | 193,310 | 193,176 | 193,257 |
| # of farms | 4,201 | 4,102 | 4,102 | 4,132 | 4,153 | 4,153 | 4,173 | 4,196 | 4,229 | 4,243 |

Rock Island County, Illinois

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

| Function / Program | Fiscal Year | | | | | | | | | |
|--------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Social Services: | | | | | | | | | | |
| # of vehicles | 19 | 22 | 16 | 20 | 19 | 24 | 27 | 29 | 29 | 30 |
| # of buildings | 8 | 7 | 7 | 3 | 3 | 3 | 3 | 3 | 4 | 4 |
| General Government: | | | | | | | | | | |
| # of vehicles | 2 | 4 | 3 | 4 | 5 | 5 | 12 | 12 | 12 | 11 |
| # of buildings | 1 | 1 | 2 | 3 | 2 | 2 | 2 | 2 | 2 | 2 |
| Public Safety/Judiciary: | | | | | | | | | | |
| # of patrol cars | 49 | 52 | 62 | 66 | 74 | 74 | 78 | 79 | 77 | 87 |
| # of other vehicles | 55 | 55 | 38 | 29 | 22 | 28 | 33 | 38 | 36 | 37 |
| # of buildings | 8 | 8 | 8 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Public Works & Transportation: | | | | | | | | | | |
| # of vehicles | 31 | 28 | 25 | 24 | 24 | 30 | 30 | 29 | 29 | 31 |
| # of buildings | 7 | 7 | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Culture & Recreation: | | | | | | | | | | |
| # of acres managed | 2,489.6 | 2,489.6 | 2,489.6 | 2,489.6 | 2,496.9 | 2,496.9 | 2,496.9 | 2,496.9 | 2,496.9 | 2,465.4 |
| # of vehicles | 28 | 32 | 34 | 35 | 35 | 34 | 33 | 37 | 38 | 38 |
| # of buildings | 60 | 61 | 59 | 57 | 58 | 58 | 59 | 59 | 62 | 62 |

