



STEPHENSON COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2020



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STEPHENSON COUNTY, ILLINOIS
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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman
Members of the County Board
Stephenson County
Freeport, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Stephenson County, Illinois (the County), as of and for the year ended December 31, 2020, and the related notes to 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 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.

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 County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Stephenson County, Illinois, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As part of our audit of the 2020 financial statements, we also audited the adjustments described in Note 12 that were applied to restate the 2019 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2019 financial statements of the County other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2019 financial statements as a whole.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States 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.

Management implemented GASB S-75 in the fiscal year ended December 31, 2020. Therefore, only one year of data is presented as 2018 and 2019 data are not available. Such missing information, although not a part of the basic financial statements, is required by GASB. Our opinion on the basic financial statements is not affected by this missing information.

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 fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on this.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated August 5, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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.

Sikich LLP

Naperville, Illinois
August 5, 2021

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2020

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and cash equivalents	\$ 15,125,557	\$ 2,802,865	\$ 17,928,422
Investments	1,447,488	-	1,447,488
Property tax receivable	9,611,439	500,000	10,111,439
Accounts receivable	1,652,997	769,714	2,422,711
Prepaid expenses	100,000	-	100,000
Inventory	160,477	-	160,477
Other assets	1,680,000	-	1,680,000
Restricted assets			
Restricted cash	-	14,492	14,492
Net pension asset	668,676	299,805	968,481
Capital assets			
Not depreciated	288,555	-	288,555
Depreciated (net of accumulated depreciation)	15,210,498	1,185,527	16,396,025
	<hr/>	<hr/>	<hr/>
Total assets	45,945,687	5,572,403	51,518,090
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	327,530	-	327,530
Pension items - IMRF - County	1,235,591	553,985	1,789,576
Pension items - IMRF - SLEP	2,364,923	-	2,364,923
Pension items - OPEB	473,758	145,729	619,487
	<hr/>	<hr/>	<hr/>
Total deferred outflows of resources	4,401,802	699,714	5,101,516
LIABILITIES			
Accounts payable	1,264,051	439,164	1,703,215
Accrued payroll	450,279	92,332	542,611
Accrued interest payable	18,337	-	18,337
Noncurrent liabilities			
Due within one year	1,374,721	77,466	1,452,187
Due in more than one year	13,708,103	1,418,138	15,126,241
	<hr/>	<hr/>	<hr/>
Total liabilities	16,815,491	2,027,100	18,842,591
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF - County	1,734,006	777,452	2,511,458
Pension items - IMRF - SLEP	2,352,112	-	2,352,112
Deferred revenue - property taxes	9,611,439	500,000	10,111,439
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	13,697,557	1,277,452	14,975,009
NET POSITION			
Net investment in capital assets	9,412,293	1,185,527	10,597,820
Restricted for			
Retirement	124,691	-	124,691
Public safety	3,039,652	-	3,039,652
Judiciary and court related	476,463	-	476,463
Highways and streets	5,131,613	-	5,131,613
Insurance	1,031,950	-	1,031,950
Health and welfare	824,999	-	824,999
Specific purposes	-	14,492	14,492
Unrestricted (deficit)	(207,220)	1,767,546	1,560,326
	<hr/>	<hr/>	<hr/>
TOTAL NET POSITION	\$ 19,834,441	\$ 2,967,565	\$ 22,802,006

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
General government	\$ 4,304,182	\$ 815,311	\$ 319,167	\$ -
Public safety	7,851,936	506,156	611,844	-
Judiciary and court related	6,052,470	874,545	983,400	-
Public works	6,431,541	342,307	4,563,878	-
Health and welfare	4,152,286	438,288	3,090,573	-
Interest	210,767	-	-	-
Total governmental activities	29,003,182	2,976,607	9,568,862	-
Business-type activities				
Nursing Center	5,980,212	4,264,664	2,018,395	-
TOTAL PRIMARY GOVERNMENT	\$ 34,983,394	\$ 7,241,271	\$ 11,587,257	\$ -

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (3,169,704)	\$ -	\$ (3,169,704)
	(6,733,936)	-	(6,733,936)
	(4,194,525)	-	(4,194,525)
	(1,525,356)	-	(1,525,356)
	(623,425)	-	(623,425)
	(210,767)	-	(210,767)
	(16,457,713)	-	(16,457,713)
	-	302,847	302,847
	(16,457,713)	302,847	(16,154,866)
General revenues			
Taxes			
Property	9,213,674	490,424	9,704,098
Sales	4,057,672	-	4,057,672
E-911 surcharge	772,143	-	772,143
Other	583,017	-	583,017
Shared income taxes	1,556,790	-	1,556,790
Investment income	46,435	4,012	50,447
Miscellaneous	983,862	27,364	1,011,226
Transfers in (out)	681,349	(681,349)	-
Total	17,894,942	(159,549)	17,735,393
CHANGE IN NET POSITION	1,437,229	143,298	1,580,527
NET POSITION, JANUARY 1	24,995,871	3,837,461	28,833,332
Prior period adjustment	(6,598,659)	(1,013,194)	(7,611,853)
NET POSITION, JANUARY 1, AS RESTATED	18,397,212	2,824,267	21,221,479
NET POSITION, DECEMBER 31	\$ 19,834,441	\$ 2,967,565	\$ 22,802,006

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2020

	General	County Health Department	IMRF	Nonmajor Governmental	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,815,839	\$ 66,325	\$ 540,792	\$ 9,384,884	\$ 14,807,840
Investments	-	-	-	1,447,488	1,447,488
Property taxes receivable	5,284,035	40,722	1,207,338	3,079,344	9,611,439
Accounts receivable					
Due from other governments	902,053	750,944	-	-	1,652,997
Prepaid items	100,000	-	-	-	100,000
Inventory	-	9,970	-	150,507	160,477
TOTAL ASSETS	\$ 11,101,927	\$ 867,961	\$ 1,748,130	\$ 14,062,223	\$ 27,780,241
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 105,212	\$ 48,052	\$ 155,829	\$ 954,958	\$ 1,264,051
Accrued payroll	270,832	73,076	-	106,371	450,279
Total liabilities	376,044	121,128	155,829	1,061,329	1,714,330
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - grants	-	211,787	-	-	211,787
Unavailable revenue - property taxes	5,284,035	40,722	1,207,338	3,079,344	9,611,439
Total deferred inflows of resources	5,284,035	252,509	1,207,338	3,079,344	9,823,226
FUND BALANCES					
Nonspendable - prepaid items and inventory	100,000	9,970	-	150,507	260,477
Restricted for					
Retirement	-	-	-	124,691	124,691
Public safety	-	-	-	3,039,652	3,039,652
Judiciary and court related	-	-	-	476,463	476,463
Public works	-	-	384,963	4,746,650	5,131,613
Health and welfare	-	484,354	-	547,596	1,031,950
Specific purpose	-	-	-	824,999	824,999
Unrestricted					
Assigned for capital projects	-	-	-	123,536	123,536
Assigned for debt service	-	-	-	119,410	119,410
Assigned for subsequent year's budget	1,331,107	-	-	-	1,331,107
Unassigned (deficit)	4,010,741	-	-	(231,954)	3,778,787
Total fund balances	5,441,848	494,324	384,963	9,921,550	16,242,685
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 11,101,927	\$ 867,961	\$ 1,748,130	\$ 14,062,223	\$ 27,780,241

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

December 31, 2020

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 16,242,685
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	15,499,053
Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	211,787
Differences between expected and actual experiences, assumption changes, contributions after the measurement date and net difference between projected and actual earnings for the IMRF - County are recognized as deferred outflows and inflows of resources on the statement of net position	(498,415)
Differences between expected and actual experiences, assumption changes, contributions after the measurement date and net difference between projected and actual earnings for the IMRF - SLEP plan are recognized as deferred outflows and inflows of resources on the statement of net position	12,811
Differences between expected and actual experiences, assumption changes, contributions after the measurement date and net difference between projected and actual earnings for the OPEB plan are recognized as deferred outflows and inflows of resources on the statement of net position	473,758
Other assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds	1,680,000
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	(1,269,164)
Total OPEB liability	(4,598,970)
Net pension asset - IMRF - County	668,676
Net pension liability - IMRF - ECO	(3,127,930)
Bonds payable	(6,086,760)
Unamortized loss on refunding	327,530
Interest payable	(18,337)
The net position of the internal service funds are included in the governmental activities in the statement of net position	<u>317,717</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 19,834,441</u></u>

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	General	County Health Department	IMRF	Nonmajor Governmental	Total Governmental Funds
REVENUES					
Taxes	\$ 8,905,554	\$ 40,017	\$ 1,478,796	\$ 9,371,263	\$ 19,795,630
Charges for services	1,909,562	341,362	-	1,747,575	3,998,499
Intergovernmental	1,451,119	3,021,931	-	603,360	5,076,410
Investment income	3,551	4,420	1,580	36,884	46,435
Miscellaneous	-	5,577	8,747	615,977	630,301
Total revenues	12,269,786	3,413,307	1,489,123	12,375,059	29,547,275
EXPENDITURES					
Current					
General government	2,740,765	-	167,336	1,325,009	4,233,110
Public safety	2,497,168	-	395,519	2,736,858	5,629,545
Judiciary and court related	4,666,248	-	532,429	322,030	5,520,707
Public works	-	-	136,910	5,365,186	5,502,096
Health and welfare	-	3,316,642	289,033	420,237	4,025,912
Capital outlay	-	-	-	1,007,638	1,007,638
Debt service					
Principal	-	-	-	753,162	753,162
Interest and fiscal charges	-	-	-	219,853	219,853
Payment to escrow agent	-	-	-	4,357,530	4,357,530
Total expenditures	9,904,181	3,316,642	1,521,227	16,507,503	31,249,553
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,365,605	96,665	(32,104)	(4,132,444)	(1,702,278)
OTHER FINANCING SOURCES (USES)					
Principal on bonds sold	-	-	-	4,132,000	4,132,000
Transfers in	151,310	163,967	517,080	4,240,941	5,073,298
Transfers (out)	(1,684,913)	(315,460)	-	(2,391,576)	(4,391,949)
Total other financing sources (uses)	(1,533,603)	(151,493)	517,080	5,981,365	4,813,349
NET CHANGE IN FUND BALANCES	832,002	(54,828)	484,976	1,848,921	3,111,071
FUND BALANCES (DEFICIT), JANUARY 1	4,770,835	514,569	(100,013)	6,422,741	11,608,132
Prior period adjustments	(160,989)	34,583	-	1,649,888	1,523,482
FUND BALANCES (DEFICIT), JANUARY 1, AS RESTATED	4,609,846	549,152	(100,013)	8,072,629	13,131,614
FUND BALANCES, DECEMBER 31	\$ 5,441,848	\$ 494,324	\$ 384,963	\$ 9,921,550	\$ 16,242,685

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 3,111,071
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	258,825
Some expenses associated with capital assets do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Depreciation	(1,299,974)
Certain revenue included in the statement of activities does not provide current financial resources and, therefore, is deferred in the governmental funds statements	211,787
Some expenses associated with long-term obligations do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Change in compensated absences Change in accrued interest payable	(877,814) 9,086
The issuance of long-term bonds payable is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(4,132,000)
The payment to escrow agent is reported as an other financing source when due in governmental funds but as a reduction of principal on the government-wide financial statements	4,357,530
The current year amortizations of loss on refunding is reported as interest expense on the statement of activities Current year loss on refunding	-
The repayment of long-term debt is reported as an expenditures when due in governmental funds but as a reduction of principal on the government-wide financial statements	753,162
The change in the IMRF - County net pension liability and deferred inflows/ outflows of resources is not a source or use of a financial resource	(259,211)
The change in the IMRF - SLEP plan net pension liability and deferred inflows/ outflows of resources is not a source or use of a financial resource	(441,861)
The change in the total OPEB liability and deferred inflows/outflows of resources is not a source or use of a financial resource	(312,097)
The change in net position of certain activities of internal service funds is reported with governmental activities	58,725
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,437,229</u>

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

December 31, 2020

	Enterprise Fund Center Center Fund	Governmental Activities Internal Service Funds
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,802,865	\$ 317,717
Receivables		
Property taxes	500,000	-
Accounts	769,714	-
Restricted cash and cash equivalents	14,492	-
	<hr/>	<hr/>
Total current assets	4,087,071	317,717
NONCURRENT ASSETS		
Capital assets, net of accumulated depreciation	1,185,527	-
Net pension asset	299,805	-
	<hr/>	<hr/>
Total noncurrent assets	1,485,332	-
	<hr/>	<hr/>
Total assets	5,572,403	317,717
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	553,985	-
Deferred outflows - OPEB	145,729	-
	<hr/>	<hr/>
Total deferred outflows of resources	699,714	-
	<hr/>	<hr/>
Total assets and deferred outflows of resources	6,272,117	317,717
CURRENT LIABILITIES		
Accounts payable	439,164	-
Accrued payroll	92,332	-
Compensated absences payable	12,143	-
Total OPEB liability	65,323	-
	<hr/>	<hr/>
Total current liabilities	608,962	-
NONCURRENT LIABILITIES		
Compensated absences payable	68,809	-
Total OPEB liability	1,349,329	-
	<hr/>	<hr/>
Total noncurrent liabilities	1,418,138	-
	<hr/>	<hr/>
Total liabilities	2,027,100	-
DEFERRED INFLOWS OF RESOURCES		
Deferred property taxes	500,000	-
Pension items - IMRF	777,452	-
	<hr/>	<hr/>
Total deferred inflows of resources	1,277,452	-
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	3,304,552	-
NET POSITION		
Net investment in capital assets	1,185,527	-
Restricted	14,492	-
Unrestricted	1,767,546	317,717
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 2,967,565	\$ 317,717

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2020

	Enterprise Fund	Governmental Activities
	Nursing Center Fund	Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 4,264,664	\$ -
Employee contributions	-	845,214
Employer contributions	-	3,612,871
Total operating revenues	4,264,664	4,458,085
OPERATING EXPENSES		
Nursing center	5,865,011	-
Depreciation	113,084	-
Health and life insurance premiums	-	4,400,982
Total operating expenses	5,978,095	4,400,982
OPERATING INCOME (LOSS)	(1,713,431)	57,103
NON-OPERATING REVENUES (EXPENSES)		
Property taxes	490,424	-
Investment income	4,012	1,622
Grants	2,018,395	-
Loss on sale of asset	(2,117)	-
Miscellaneous	27,364	-
Total non-operating revenues (expenses)	2,538,078	1,622
INCOME BEFORE TRANSFERS	824,647	58,725
TRANSFERS		
Transfers (out)	(681,349)	-
CHANGE IN NET POSITION	143,298	58,725
NET POSITION, JANUARY 1	3,837,461	258,992
Prior period adjustment	(1,013,194)	-
NET POSITION, JANUARY 1, AS RESTATED	2,824,267	258,992
NET POSITION, DECEMBER 31	\$ 2,967,565	\$ 317,717

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended December 31, 2020

	Enterprise Fund Nursing Cetner Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 5,240,067	\$ 845,214
Receipts from interfund service transactions	-	3,612,871
Payments to suppliers	(2,433,603)	(4,403,793)
Payments to employees	(3,023,985)	-
Net cash from operating activities	<u>(217,521)</u>	<u>54,292</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipt of general property taxes	490,424	-
Grant receipts	2,018,395	-
Transfers (out)	(681,349)	-
Net cash from noncapital financing activities	<u>1,827,470</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
None	-	-
Net cash from capital and related financing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	4,012	1,622
Net cash from investing activities	<u>4,012</u>	<u>1,622</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,613,961	55,914
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,188,904</u>	<u>261,803</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 2,802,865</u></u>	<u><u>\$ 317,717</u></u>

(This statement is continued on the following page.)

STEPHENSON COUNTY, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2020

	Enterprise Fund	Governmental Activities
	Nursing Center Fund	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (loss)	\$ (1,713,431)	\$ 57,103
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	113,084	-
Receipts of miscellaneous income	27,364	
Effects of changes in operating assets and liabilities		
Accounts receivable	948,039	-
Accounts payable	209,692	(2,811)
Accrued payroll	(1,510)	-
Compensated absences payable	(12,978)	-
Pension items	(1,249,260)	-
OPEB items	1,461,479	-
NET CASH FROM OPERATING ACTIVITIES	\$ (217,521)	\$ 54,292

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

December 31, 2020

	<u>Custodial</u>
ASSETS	
Cash and cash equivalents	\$ 1,205,434
Investments	<u>430,018</u>
Total assets	<u>1,635,452</u>
LIABILITIES	
Amounts due to others	<u>1,609,342</u>
Total liabilities	<u>1,609,342</u>
NET POSITION	
Restricted	
Individuals, organizations and other governments	385
Fund participants	<u>25,725</u>
TOTAL NET POSITION	<u><u>\$ 26,110</u></u>

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS**

December 31, 2020

ADDITIONS

Property taxes and related item collections for other governments	\$ 66,680,420
Fines and fees collected for others	4,270,652
Fund participant deposits	<u>1,588,788</u>
Total additions	<u>72,539,860</u>

DEDUCTIONS

Payments of property taxes and related items to other governments	66,892,331
Payments of fines and fees to others	4,058,741
Reimbursement to or on behalf of fund participants	<u>1,612,492</u>
Total deductions	<u>72,563,564</u>

NET DECREASE (23,704)

RESTRICTED NET POSITION

January 1, as restated	<u>49,814</u>
December 31	<u><u>\$ 26,110</u></u>

See accompanying notes to financial statements.

STEPHENSON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Stephenson County, Illinois (the County), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

a. Reporting Entity

The County was incorporated under the laws of the State of Illinois in 1837 and operates under an elected 22-member County Board and provides services to the public such as public safety and judicial system, health and social services, road construction and maintenance, planning and zoning and general administrative services. The reporting entity for the County consists of Stephenson County.

The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board if the primary government must approve the organization's budget, tax levies, rates and charges, or issuance of bonded debt and there is a financial benefit or burden to the County.

Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. The County presents the 911 Emergency Fund as a blended component unit. The County has no discretely presented component units.

b. Fund Accounting

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the County's general activities, including the collection and disbursement of revenue sources that are legally restricted or committed for specific purposes (special revenue funds), the funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund (capital projects funds), the servicing of bonded general long-term debt using funds restricted, committed or assigned for debt service (debt service fund) and the management of funds held in trust that can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the County (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The County's utilized custodial funds which are generally used to account for assets that the County holds in a fiduciary capacity on behalf of others as their agent.

c. 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. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. It is used to account for all the financial resources except those accounted for in another fund.

The County Health Department Fund, a special revenue fund, accounts for tax monies, fees, grants and other reimbursements used to operate the County's Health Department.

The Illinois Municipal Retirement Fund (IMRF), a special revenue fund, accounts for tax monies and other reimbursements used to pay the employer portion of IMRF on employees salaries.

The County reports the following major enterprise fund:

The Nursing Center Fund is used to account for the revenues and expenses associated with the operation of the County Nursing Home.

The County reports the following internal service funds:

The Internal Service Fund is used to account for revenues and expenses related to the County's employee health plan.

The County reports a variety of custodial funds as fiduciary funds to account for assets held by county officials on behalf of others.

d. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County recognizes property taxes when they become both measurable and available in the year intended to finance. A 60-day availability period is used for revenue recognition for most other governmental fund revenues except for sales taxes which is 90 days. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt is recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue and charges for services. Sales and motor fuel taxes, collected and held by the state at year end on behalf of the County are also recognized as revenue. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The County reports unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the County before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability and deferred inflows of resources for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the County’s proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Restricted Cash

As of December 31, 2020, the Nursing Center has \$14,492 in restricted cash. In accordance with the provisions of donors and bequests, a special account has been established.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due to/from other funds.” Short-term interfund loans, if any, are also classified as “due to/from other funds.” Long-term interfund loans, if any, are classified as “advances to/from other funds.”

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumption method.

h. Inventories

Inventories (immunization inventories) are valued at cost, which approximates market using the consumption method.

i. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, right of ways, bridges and storm sewer) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are as defined by the County as individual assets with an initial, individual cost of more \$5,000 and an estimated useful life in excess of two years.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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 asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40
Infrastructure	20-50
Equipment and vehicles	5-7

j. Compensated Absences

Vacation

The County’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

Depending on the employee contract, each employee’s earned sick days can accumulate to a maximum of 60 to 120 days, and at the end of each calendar year, the employee can receive pay for sick days accumulated above the maximum days. Additionally, certain union agreements within the County allow for payment of sick leave balance upon retirement.

k. Long-Term Obligations

In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund financial statements. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued))

k. Long-Term Obligations (Continued)

In the fund financial statements, governmental funds 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or internally restricted via enabling legislation. Committed fund balance is constrained by formal actions of the County Board of Trustees, which is considered the County's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose. Any residual fund balance in the General Fund and deficit balances in other funds are reported as unassigned.

The County's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the County considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

m. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used and reimbursements, are reported as transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position/balance sheet 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position/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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

p. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the County has delayed the implementation of GASB Statement No. 87, *Leases*, to December 31, 2022.

2. DEPOSITS AND INVESTMENTS

The County categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Investment of the County funds, by statute, is vested with the County Treasurer. The County Treasurer's investment policy guides the investments of the County. The investment policy permits the County to make deposits/investments in any investments set forth by Illinois Compiled Statutes (ILCS). These investments include debt securities guaranteed by the United States of America, interest accounts and certificates of a bank (also savings and loans if fully FDIC insured, and credit unions if main office is located in Illinois), certain commercial paper, municipal bonds, certain obligations of the Federal National Mortgage Association, certain money market mutual funds, certain repurchase agreements and The Illinois Funds (a money market fund created by the State Legislature under the control of the State Treasurer that maintains a \$1 share value).

2. DEPOSITS AND INVESTMENTS (Continued)

It is the policy of the County to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are safety of principal, diversity, liquidity, yield, public confidence and positive community involvement.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the County’s deposits may not be returned to it. The County’s investment policy states that it is the discretion of the County Treasurer to determine whether pledging of collateral is required. At all times, deposits in excess of 35% of the capital and surplus of a financial institution is required to be collateralized. When collateral is required the policy requires pledging of collateral with a fair value of 110% for all bank balances in excess of federal depository insurance with the collateral held by a third party acting as the agent of the County.

b. Investments

In accordance with its investment policy, the County limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a short-term (annual) period. The investment policy does not limit the maximum maturity length of investments. The investment policy also requires all investments and deposits be placed in interest bearing accounts and that all financial institutions provide a monthly analysis that would shown any excess funds that could be invested in longer term higher yield investments.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity.

The County’s investment policy does not address credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the County will not be able to recover the value of its investments that are in possession of an outside party. The County’s investment policy does not address custodial credit risk.

Concentration of credit risk - the County’s investment policy requires diversification of the portfolio but does not contain any specific diversification targets.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES - PROPERTY TAXES

Property taxes for 2019 attached as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills were prepared by the County and issued on or about May 1, 2020 and were payable in two installments on or about June 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically.

The County has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the entire 2020 tax levy (adopted in November 2020) has been recorded as receivable and unavailable/deferred revenue on the financial statements.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balances January 1, as Restated	Increases	Decreases	Balances December 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 288,555	\$ -	\$ -	\$ 288,555
Total capital assets not being depreciated	288,555	-	-	288,555
Capital assets being depreciated				
Infrastructure	651,215,498	-	-	651,215,498
Intangible assets	108,400	-	-	108,400
Buildings and improvements	15,995,372	217,250	-	16,212,622
Equipment and vehicles	6,920,641	41,575	283,693	6,678,523
Total capital assets being depreciated	674,239,911	258,825	283,693	674,215,043
Less accumulated depreciation for				
Infrastructure	643,458,345	591,994	-	644,050,339
Intangible assets	74,073	21,680	-	95,753
Buildings and improvements	8,329,448	374,525	-	8,703,973
Equipment and vehicles	6,126,398	311,775	283,693	6,154,480
Total accumulated depreciation	657,988,264	1,299,974	283,693	659,004,545
Total capital assets being depreciated, net	16,251,647	(1,041,149)	-	15,210,498
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 16,540,202	\$ (1,041,149)	\$ -	\$ 15,499,053

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General control and administration	\$ 35,694
Public safety	506,049
Judicial and court related	11,286
Public works	728,691
Health, sanitation and welfare	<u>18,254</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,299,974</u>

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets being depreciated				
Building and improvements	\$ 3,710,778	\$ -	\$ 9,752	\$ 3,701,026
Equipment and vehicles	950,897	-	347,072	603,825
Total capital assets being depreciated	<u>4,661,675</u>	<u>-</u>	<u>356,824</u>	<u>4,304,851</u>
Less accumulated depreciation for				
Building and improvements	2,529,704	88,759	8,463	2,610,000
Equipment and vehicles	831,242	24,325	346,243	509,324
Total accumulated depreciation	<u>3,360,946</u>	<u>113,084</u>	<u>354,706</u>	<u>3,119,324</u>
Total capital assets being depreciated, net	<u>1,300,729</u>	<u>(113,084)</u>	<u>2,118</u>	<u>1,185,527</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 1,300,729</u>	<u>\$ (113,084)</u>	<u>\$ 2,118</u>	<u>\$ 1,185,527</u>

5. OTHER ASSETS

During the years ended December 31, 2006 through 2011, the County purchased land, incurred engineering costs and made land improvements totaling \$4,592,378 related to the Mill Race Crossing Economic Development Project. With the cooperation of the Northwest Illinois Development Alliance, the County intends to develop infrastructure in the area and use the land for new business development. Any proceeds from the sale of land will go to the County to offset the cost of the original purchase and further costs the County incurs to develop the land. Of the total 147 acres, 20 acres were given to a commercial development who has since brought electricity to the property. 43 acres have been deemed unimprovable leaving 84 acres for potential development. The County has estimated the 84 acres to be worth \$20,000 per acre, therefore, the value of the asset has been written down \$2,912,378 to \$1,680,000.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities during the fiscal year:

	Beginning Balances, as restated	Increases	Decreases	Ending Balances	Current Portions
GOVERNMENTAL ACTIVITIES					
Compensated absences*	\$ 391,350	\$ 1,269,164	\$ 391,350	\$ 1,269,164	\$ 190,375
Debt certificates	6,737,922	4,132,000	4,783,162	6,086,760	971,986
Net pension liability - Reg*	3,206,677	-	3,875,353	(668,676)	-
Net pension liability - SLEP*	7,286,422	-	4,158,492	3,127,930	-
Total OPEB liability*	3,813,115	785,855	-	4,598,970	212,360
TOTAL GOVERNMENTAL ACTIVITIES	\$ 21,435,486	\$ 6,187,019	\$ 13,208,357	\$ 14,414,148	\$ 1,374,721
BUSINESS-TYPE ACTIVITIES					
Compensated absences	\$ 93,930	\$ 80,952	\$ 93,930	\$ 80,952	\$ 12,143
Net pension liability - Reg	1,437,732	-	1,737,537	(299,805)	-
Total OPEB liability	1,172,922	241,730	-	1,414,652	65,323
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 2,704,584	\$ 322,682	\$ 1,831,467	\$ 1,195,799	\$ 77,466

*The compensated absences, net pension liability and other postemployment benefit liability for governmental activities typically have been liquidated by the General Fund. The net pension liability typically are been liquidated by the IMRF Fund.

b. Debt Certificates

In 2012, the County issued \$4,330,000 of Taxable Refunding Debt Certificates, Series 2012A and \$1,315,000 Refunding Debt Certificates, Series 2012B, to refund all of the outstanding 2006 Debt Certificates. The Certificates bear interest at 4.000% to 6.375%. Principal and interest are payable annually on December 1 each year, ending December 1, 2031. These bonds were refunded during the year ended December 31, 2020.

In 2014, the County issued \$915,000 of Taxable Refunding Debt Certificates, Series 2014, to refund all of the outstanding 2002 Debt Certificates. The Certificates bear interest at 2.00% to 3.25%. Principal and interest are payable annually on August 1 each year, ending August 1, 2020 in amounts ranging from \$115,000 to \$140,000.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Certificates (Continued)

In 2018, the County issued \$3,740,000 of Refunding Debt Certificates, Series 2018 (direct placement), to refund all of the outstanding 2007 Debt Certificates. The Certificates bear interest at 3.07%. Interest is payable semiannually on June 1 and December 1 and the bonds mature serially on December 1 annually beginning on December 1, 2018 through December 1, 2023 in amounts ranging from \$577,179 to \$671,386.

In 2020, the County issued \$2,717,000 of Taxable Refunding Debt Certificates, Series 2020A (direct placement) and \$1,415,000 Taxable Refunding Debt Certificates, Series 2020B (direct placement), to refund all of the outstanding 2012A and 2012B Debt Certificates. The Certificates bear interest at 1.25% to 3.05%. Interest is payable semiannually on June 1 and December 1 and the bonds mature serially on December 1 annually beginning on December 1, 2021 through December 1, 2031 in amounts ranging from \$173,000 to \$427,000.

The current refunding was undertaken to reduce total debt service payments over the next 12 years by \$354,441 and resulted in an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$342,329.

Debt service to maturity on the debt certificates is as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 971,986	\$ 155,368	\$ 1,127,354
2022	996,388	127,371	1,123,759
2023	1,021,386	102,716	1,124,102
2024	356,000	77,030	433,030
2025	363,000	70,800	433,800
2026-2029	1,951,000	225,966	2,176,966
2030	427,000	13,023	440,023
TOTAL	\$ 6,086,760	\$ 772,274	\$ 6,859,034

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Legal Debt Margin

2019 assessed valuation (latest information available)	<u>\$ 674,900,030</u>
Legal debt limit - 5.75% of assessed valuation	\$ 38,806,752
Amount of debt applicable to debt limit	<u>6,086,760</u>
LEGAL DEBT MARGIN	<u><u>\$ 32,719,992</u></u>

7. INTERFUND ACTIVITY

Interfund Transfers

Individual fund transfers are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 151,310	\$ 1,684,913
County Health	163,967	315,460
Illinois Municipal Retirement Fund	517,080	-
Nonmajor Governmental	4,240,941	2,391,576
Nursing Center	-	<u>681,349</u>
TOTAL	<u><u>\$ 5,073,298</u></u>	<u><u>\$ 5,073,298</u></u>

All transfers were made for budgeted capital outlays or to subsidize certain funds.

Fund Deficits

The following funds had a deficit in fund balance at December 31, 2020:

<u>Fund</u>	<u>Deficit</u>
Capital	\$ 231,954

8. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. In order to handle such risks of loss, the County purchases insurance coverages through various agencies. The deductibles in effect through these policies varied, with the maximum being \$25,000. The amounts of settlements have not exceeded insurance coverage for the current year or any of the past three years.

9. COMMITMENTS AND CONTINGENCIES

a. Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the County.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

10. DEFINED BENEFIT PENSION PLANS

The County contributes to two agent multiple-employer defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF-County and the Sheriff's Law Enforcement Personnel (IMRF-SLEP)). The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF online at www.imrf.org. The net pension liability for the governmental activities has been liquidated by the IMRF Fund.

a. Plan Descriptions

Illinois Municipal Retirement Fund - County

Plan Administration

All employees (other than those covered by IMRF-SLEP) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - County (Continued)

Plan Membership

At December 31, 2019 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	242
Inactive employees entitled to but not yet receiving benefits	344
Active employees	<u>246</u>
 TOTAL	 <u><u>832</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January, 2011 are eligible for Tier 2 benefits.

For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The County is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for fiscal year 2020 was 8.44% of covered payroll.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - County (Continued)

Actuarial Assumptions

The County's net pension liability was measured as of December 31, 2019 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Interest rate	7.25%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate at December 31, 2019 used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - County (Continued)

Changes in the Net Pension Liability (asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2019	\$ 53,572,093	\$ 48,927,684	\$ 4,644,409
Changes for the period			
Service cost	959,539	-	959,539
Interest	3,807,775	-	3,807,775
Difference between expected and actual experience	524,908	-	524,908
Changes in assumptions	-	-	-
Employer contributions	-	573,875	(573,875)
Employee contributions	-	447,405	(447,405)
Net investment income	-	9,489,256	(9,489,256)
Benefit payments and refunds	(3,061,664)	(3,061,664)	-
Administrative/other (net transfer)	-	394,576	(394,576)
Net changes	2,230,558	7,843,448	(5,612,890)
BALANCES AT DECEMBER 31, 2019	\$ 55,802,651	\$ 56,771,132	\$ (968,481)

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - County (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the County recognized pension expense of \$1,931,284. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 666,379	\$ -
Changes in assumption	356,399	-
Net difference between projected and actual earnings on pension plan investments	-	2,511,458
Contributions made after measurement date	766,798	-
TOTAL	\$ 1,789,576	\$ 2,511,458

\$766,798 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2021	\$ 132,743
2022	(639,826)
2023	218,734
2024	<u>(1,200,331)</u>
TOTAL	\$ (1,488,680)

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - County (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the County calculated using the discount rate of 7.25% as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 5,652,458	\$ (968,481)	\$ (6,457,877)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel

Plan Membership

At December 31, 2019 (most recent available), IMRF-SLEP membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	64
Inactive employees entitled to but not yet receiving benefits	18
Active employees	47
TOTAL	129

Plan Administration

All eligible public safety officials are enrolled in IMRF as participating members.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
(Continued)

Benefits Provided

SLEP having accumulated at least 20 years of SLEP service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. SLEP members meeting the two qualifications described in the first sentence of this paragraph are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies.

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 members who retire at age 55 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. The pension for participating members who retire between age 50 and 55 will be reduced by 1/2% for each month under age 55. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.

Contributions

Participating members are required to contribute 7.50% of their annual salary to SLEP. The County is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contributions for fiscal year 2020 was 26.10% of covered payroll.

Actuarial Assumptions

The County's net pension liability was measured as of December 31, 2019 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
 (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Interest rate	7.25%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate at December 31, 2019 used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
(Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2019	\$ 33,548,305	\$ 26,261,883	\$ 7,286,422
Changes for the period			
Service cost	613,168	-	613,168
Interest	2,392,898	-	2,392,898
Difference between expected and actual experience	(1,108,939)	-	(1,108,939)
Changes in assumptions	-	-	-
Employer contributions	-	563,718	(563,718)
Employee contributions	-	224,121	(224,121)
Net investment income	-	5,255,652	(5,255,652)
Benefit payments and refunds	(1,698,807)	(1,698,807)	-
Administrative/other (net transfer)	-	12,128	(12,128)
Net changes	198,320	4,356,812	(4,158,492)
BALANCES AT DECEMBER 31, 2019	\$ 33,746,625	\$ 30,618,695	\$ 3,127,930

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
(Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the County recognized pension expense of \$1,929,537. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,118,940	\$ 889,272
Changes in assumption	503,423	128,407
Net difference between projected and actual earnings on pension plan investments	-	1,334,433
Contributions made after measurement date	742,560	-
TOTAL	<u><u>\$ 2,364,923</u></u>	<u><u>\$ 2,352,112</u></u>

\$742,560 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2021	\$ (36,130)
2022	18,661
2023	(35,432)
2024	<u>(676,848)</u>
TOTAL	<u><u>\$ (729,749)</u></u>

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
 (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the County calculated using the discount rate of 7.25% as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 7,496,897	\$ 3,127,930	\$ (477,219)

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the County provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel manual. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report. The activity of the plan is reported in the County's governmental activities.

b. Benefits Provided

The County provides pre-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under the County's retirement plan. For SLEP and IMRF employees, the County pays 50% to 70% of the COBRA premium (depending on union agreement) for earlier of five years or attainment of Medicare eligibility. Spouses of retirees not yet eligible for Medicare may receive coverage if the full premium is paid for the earlier of three years or attainment of Medicare eligibility. All other employees (non SLEP and IMRF) and their eligible dependents are allowed to remain on the County's insurance plans into retirement if they pay the entire premium. Coverage can continue upon Medicare eligibility. Coverage ceases when premium payments cease. County Board members and part-time employees are not eligible to participate in the County's retiree medical plan.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2020, membership consisted of:

Retirees and beneficiaries currently receiving benefits	5
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>278</u>
TOTAL	<u>283</u>
Participating employers	<u><u>1</u></u>

d. Total OPEB Liability

The County's total OPEB liability of \$6,013,622 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2020, as determined by an actuarial valuation as of that date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Market value
Inflation	3.00%
Salary increases	4.00%
Discount rate	1.93%
Healthcare cost trend rates	7.00% initial to an ultimate trend rate of 4.50% in 2035

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the S&P Municipal Bond 20 year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2020.

The actuarial assumptions used in the December 31, 2020 valuation are based on 100% of active employees with a subsidy and 20% of all other are assumed to elect medical coverage at retirement. 30% of active employees electing retiree coverage are assumed to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2020	<u>\$ 4,986,037</u>
Changes for the period	
Service cost	277,683
Interest	160,782
Changes in assumptions	697,292
Benefit payments	<u>(108,172)</u>
Net changes	<u>1,027,585</u>
BALANCES AT DECEMBER 31, 2020	<u>\$ 6,013,622</u>

Changes in assumptions related to the discount rate were made since the prior measurement date.

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the County calculated using the discount rate of 1.93% as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.93%) or 1 percentage point higher (2.93%) than the current rate:

	1% Decrease (0.93%)	Current Discount Rate (1.93%)	1% Increase (2.93%)
Total OPEB liability	\$ 5,500,581	\$ 6,013,622	\$ 6,570,546

The table below presents the total OPEB liability of the County calculated using the healthcare rate of 4.50% to 7.00% as well as what the County's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 6.00%) or 1 percentage point higher (5.50% to 8.00%) than the current rate:

	1% Decrease (3.50% to 6.00%)	Current Healthcare Rate (4.50% to 7.00%)	1% Increase (5.50% to 8.00%)
Total OPEB liability	\$ 5,296,559	\$ 6,013,622	\$ 6,855,502

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

For the year ended December 31, 2020, the County recognized OPEB expense of \$516,270. At December 31, 2020, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	619,487	-
TOTAL	\$ 619,487	\$ -

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2021	\$ 77,805
2022	77,805
2023	77,805
2024	77,805
2025	77,805
Thereafter	<u>230,462</u>
 TOTAL	 <u>\$ 619,487</u>

12. PRIOR PERIOD ADJUSTMENT

The County has restated fund balances/net position of governmental activities as of January 1, 2020 as follows:

	<u>Governmental</u> <u>Activities</u>	<u>General Fund</u>	<u>County Health</u> <u>Department</u>	<u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
FUND BALANCES/NET POSITION, JANUARY 1, AS PREVIOUSLY REPORTED	\$ 24,995,871	\$ 4,770,835	\$ 514,569	\$ 6,422,741
Allocate portion of IMRF net pension liability and related deferred items to Nursing Home	(192,556)	-	-	-
Beginning net OPEB liability	(3,813,115)	-	-	-
To correct revenue recognition	261,058	(160,989)	34,583	387,464
Implementation of GASB S-84	1,158,549	-	-	1,158,549
To correct beginning fund balance	103,875	-	-	103,875
To modify reporting entity (remove blended component unit)	(30,806)	-	-	-
Correct beginning capital assets	<u>(4,085,664)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES/NET POSITION, JANUARY 1, AS RESTATED	<u>\$ 18,397,212</u>	<u>\$ 4,609,846</u>	<u>\$ 549,152</u>	<u>\$ 8,072,629</u>

STEPHENSON COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. PRIOR PERIOD ADJUSTMENT (Continued)

The County has restated fund balances/net position of business-type activities as of January 1, 2020 as follows:

FUND BALANCES/NET POSITION, JANUARY 1, AS PREVIOUSLY REPORTED	\$ 3,837,461
Correct beginning petty cash balance	(32,828)
Allocate portion of IMRF net pension liability and related deferred items to Nursing Home	192,556
Beginning net OPEB liability	<u>(1,172,922)</u>
 FUND BALANCES/NET POSITION, JANUARY 1, AS RESTATED	 <u><u>\$ 2,824,267</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

STEPHENSON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 8,744,534	\$ 8,905,554	\$ 161,020
Charges for services	1,924,350	1,909,562	(14,788)
Intergovernmental	1,029,351	1,451,119	421,768
Investment income	1,500	3,551	2,051
Miscellaneous	838,514	-	(838,514)
	<hr/>	<hr/>	<hr/>
Total revenues	12,538,249	12,269,786	(268,463)
EXPENDITURES			
Current			
General government			
County properties	187,515	146,844	(40,671)
County board	107,760	83,605	(24,155)
County treasurer	99,347	101,143	1,796
County clerk and elections	191,570	176,156	(15,414)
Zoning	70,993	72,690	1,697
Administrative services	192,185	157,182	(35,003)
Facilities management	72,243	64,098	(8,145)
Election expense	390,569	379,768	(10,801)
Assessor	241,026	203,282	(37,744)
Recreation and conservation	22,056	3,683	(18,373)
Economic development	66,036	65,949	(87)
Miscellaneous	1,367,442	1,286,365	(81,077)
Public safety			
Sheriff	2,510,921	2,497,168	(13,753)
Judiciary and court related			
State's attorney	618,474	607,820	(10,654)
Public defender	406,348	403,994	(2,354)
Circuit clerk	388,945	376,419	(12,526)
Judiciary	27,086	10,104	(16,982)
Corrections	2,520,323	2,215,017	(305,306)
Court ordered	44,250	24,302	(19,948)
Jury commission	27,840	4,476	(23,364)
Probation	864,460	965,210	100,750
Merit commission	10,250	2,889	(7,361)
Jail building	61,548	56,017	(5,531)
Contingency	190,300	-	(190,300)
	<hr/>	<hr/>	<hr/>
Total expenditures	10,679,487	9,904,181	(775,306)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	1,858,762	2,365,605	506,843
OTHER FINANCING SOURCES (USES)			
Transfers in	-	151,310	151,310
Transfers (out)	(2,024,598)	(1,684,913)	339,685
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(2,024,598)	(1,533,603)	490,995
NET CHANGE IN FUND BALANCE			
	<hr/>	<hr/>	<hr/>
	\$ (165,836)	832,002	\$ 997,838
FUND BALANCE, JANUARY 1			
		4,770,835	
Prior period adjustments		<hr/>	(160,989)
FUND BALANCE, JANUARY 1, AS RESTATED			
		<hr/>	4,609,846
FUND BALANCE, DECEMBER 31			
		<hr/>	\$ 5,441,848

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY HEALTH DEPARTMENT FUND**

For the Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Taxes	\$ 40,722	\$ 40,017	\$ (705)
Charges for service	422,784	341,362	(81,422)
Intergovernmental	2,717,039	3,021,931	304,892
Investment income	2,950	4,420	1,470
Miscellaneous	402,624	5,577	(397,047)
	<hr/>		
Total revenues	3,586,119	3,413,307	(172,812)
	<hr/>		
EXPENDITURES			
Current			
Health and welfare	3,349,017	3,316,642	(32,375)
	<hr/>		
Total expenditures	3,349,017	3,316,642	(32,375)
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	237,102	96,665	(140,437)
	<hr/>		
OTHER FINANCING SOURCES (USES)			
Transfers in	224,264	163,967	(60,297)
Transfers (out)	(311,366)	(315,460)	(4,094)
	<hr/>		
Total other financing sources (uses)	(87,102)	(151,493)	(64,391)
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 150,000</u>	<u>(54,828)</u>	<u>\$ (204,828)</u>
FUND BALANCE, JANUARY 1		514,569	
Prior period adjustments		<u>34,583</u>	
FUND BALANCE, JANUARY 1, AS RESTATED		<u>549,152</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 494,324</u></u>	

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY**

For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 1,500,000	\$ 1,478,796	\$ (21,204)
Investment income	2,000	1,580	(420)
Miscellaneous	-	8,747	8,747
	<hr/>	<hr/>	<hr/>
Total revenues	1,502,000	1,489,123	(12,877)
EXPENDITURES			
Current			
General government	214,931	167,336	(47,595)
Public safety	508,019	395,519	(112,500)
Judiciary and court related	683,872	532,429	(151,443)
Public works	175,853	136,910	(38,943)
Health and welfare	371,245	289,033	(82,212)
	<hr/>	<hr/>	<hr/>
Total expenditures	1,953,920	1,521,227	(432,693)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(451,920)	(32,104)	419,816
OTHER FINANCING SOURCES (USES)			
Transfers in	496,756	517,080	20,324
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	496,756	517,080	20,324
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$ 44,836	484,976	\$ 440,140
FUND BALANCE (DEFICIT), JANUARY 1		<hr/>	(100,013)
FUND BALANCE, DECEMBER 31		<hr/>	\$ 384,963

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY

Last Seven Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 796,866	\$ 777,295	\$ 665,259	\$ 719,714	\$ 750,713	\$ 551,708	\$ 766,798
Contribution in relation to the actuarially determined contribution	833,192	777,235	690,362	736,240	750,705	551,617	766,798
CONTRIBUTION DEFICIENCY (Excess)	\$ (36,326)	\$ 60	\$ (25,103)	\$ (16,526)	\$ 8	\$ 91	\$ -
Covered payroll	\$ 8,283,429	\$ 8,773,077	\$ 8,083,343	\$ 8,359,047	\$ 9,001,351	\$ 9,578,261	\$ 9,085,271
Contributions as a percentage of covered payroll	10.06%	8.86%	8.54%	8.81%	8.34%	5.76%	8.44%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SHERIFF'S LAW ENFORCEMENT PERSONNEL

Last Seven Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 580,075	\$ 629,158	\$ 572,304	\$ 584,957	\$ 610,192	\$ 560,269	\$ 742,560
Contribution in relation to the actuarially determined contribution	626,776	629,218	569,063	645,289	610,211	561,162	742,560
CONTRIBUTION DEFICIENCY (EXCESS)	\$ (46,701)	\$ (60)	\$ 3,241	\$ (60,332)	\$ (19)	\$ (893)	\$ -
Covered payroll	\$ 2,751,781	\$ 3,036,479	\$ 2,805,410	\$ 2,813,647	\$ 3,130,796	\$ 2,972,251	\$ 2,845,054
Contributions as a percentage of covered payroll	22.78%	20.72%	20.28%	22.93%	19.49%	18.88%	26.10%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2014	2015*	2016**
TOTAL PENSION LIABILITY			
Service cost	\$ 970,453	\$ 911,840	\$ 898,865
Interest	3,183,911	3,394,929	3,536,522
Differences between expected and actual experience	(591,620)	145,935	(1,007,289)
Changes of assumptions	1,654,801	54,558	(54,619)
Benefit payments, including refunds of member contributions	(2,281,012)	(2,468,316)	(2,631,512)
Net change in total pension liability	2,936,533	2,038,946	741,967
Total pension liability - beginning	43,107,423	46,043,956	48,082,902
TOTAL PENSION LIABILITY - ENDING	\$ 46,043,956	\$ 48,082,902	\$ 48,824,869
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 833,192	\$ 777,235	\$ 690,362
Contributions - member	391,175	394,788	363,582
Net investment income	2,772,783	235,758	3,100,794
Benefit payments, including refunds of member contributions	(2,281,012)	(2,468,316)	(2,631,512)
Administrative/other (net transfer)	99,910	(1,056,920)	(182,199)
Net change in plan fiduciary net position	1,816,048	(2,117,455)	1,341,027
Plan fiduciary net position - beginning	45,983,784	47,799,832	45,682,377
PLAN FIDUCIARY NET POSITION - ENDING	\$ 47,799,832	\$ 45,682,377	\$ 47,023,404
EMPLOYER'S NET PENSION LIABILITY			
Plan fiduciary net position as a percentage of the total pension liability	103.80%	95.00%	96.30%
Covered payroll	\$ 8,283,429	\$ 8,773,077	\$ 8,083,343
Employer's net pension liability as a percentage of covered payroll	(21.20%)	27.40%	22.30%

*Changes in assumptions related to investment rate of return, retirement age and mortality were made since the prior measurement date.

**Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

***Changes in assumptions related to discount rate, retirement age and mortality were made since the prior measurement date.

****Changes in assumptions related to discount rate were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

2017***	2018****	2019
\$ 854,910	\$ 855,723	\$ 959,539
3,592,518	3,620,732	3,807,775
312,141	1,288,934	524,908
(1,591,037)	1,398,809	-
(2,704,176)	(2,881,330)	(3,061,664)
464,356	4,282,868	2,230,558
48,824,869	49,289,225	53,572,093
<u>\$ 49,289,225</u>	<u>\$ 53,572,093</u>	<u>\$ 55,802,651</u>
\$ 736,240	\$ 750,705	\$ 573,875
379,154	435,505	447,405
8,472,149	(3,163,453)	9,489,256
(2,704,176)	(2,881,330)	(3,061,664)
(1,147,857)	1,027,343	394,576
5,735,510	(3,831,230)	7,843,448
47,023,404	52,758,914	48,927,684
<u>\$ 52,758,914</u>	<u>\$ 48,927,684</u>	<u>\$ 56,771,132</u>
<u>\$ (3,469,689)</u>	<u>\$ 4,644,409</u>	<u>\$ (968,481)</u>
107.00%	91.30%	101.70%
\$ 8,359,047	\$ 9,001,351	\$ 9,578,261
(41.50%)	51.60%	(10.10%)

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
SHERIFF'S LAW ENFORCEMENT PERSONNEL**

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2014	2015*	2016**
TOTAL PENSION LIABILITY			
Service cost	\$ 529,175	\$ 546,471	\$ 544,228
Interest	1,790,859	1,902,503	2,053,850
Differences between expected and actual experience	(263,153)	786,895	(658,550)
Changes of assumptions	507,049	34,004	(69,243)
Benefit payments, including refunds of member contributions	(966,322)	(1,133,951)	(1,288,912)
Net change in total pension liability	1,597,608	2,135,922	581,373
Total pension liability - beginning	24,096,700	25,694,308	27,830,230
TOTAL PENSION LIABILITY - ENDING	\$ 25,694,308	\$ 27,830,230	\$ 28,411,603
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 626,776	\$ 629,218	\$ 569,063
Contributions - member	209,477	227,737	209,681
Net investment income	1,373,969	117,885	1,630,767
Benefit payments, including refunds of member contributions	(966,322)	(1,133,951)	(1,288,912)
Administrative/other (net transfer)	(117,580)	(22,358)	54,146
Net change in plan fiduciary net position	1,126,320	(181,469)	1,174,745
Plan fiduciary net position - beginning	22,589,122	23,715,442	23,533,973
PLAN FIDUCIARY NET POSITION - ENDING	\$ 23,715,442	\$ 23,533,973	\$ 24,708,718
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 1,978,866	\$ 4,296,257	\$ 3,702,885
Plan fiduciary net position as a percentage of the total pension liability	92.30%	84.60%	87.00%
Covered payroll	\$ 2,751,781	\$ 3,036,479	\$ 2,805,410
Employer's net pension liability (asset) as a percentage of covered payroll	71.90%	141.50%	132.00%

*Changes in assumptions related to investment rate of return, retirement age and mortality were made since the prior measurement date.

**Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

***Changes in assumptions related to discount rate, retirement age and mortality were made since the prior measurement date.

****Changes in assumptions related to discount rate were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

2017***	2018****	2019
\$ 551,290	\$ 512,561	\$ 613,168
2,097,024	2,175,176	2,392,898
318,574	1,960,803	(1,108,939)
(355,003)	977,257	-
(1,453,865)	(1,647,115)	(1,698,807)
1,158,020	3,978,682	198,320
28,411,603	29,569,623	33,548,305
<u>\$ 29,569,623</u>	<u>\$ 33,548,305</u>	<u>\$ 33,746,625</u>
\$ 645,289	\$ 610,211	\$ 563,718
211,024	254,293	224,121
4,440,159	(1,886,326)	5,255,652
(1,453,865)	(1,647,115)	(1,698,807)
(379,759)	759,254	12,128
3,462,848	(1,909,683)	4,356,812
24,708,718	28,171,566	26,261,883
<u>\$ 28,171,566</u>	<u>\$ 26,261,883</u>	<u>\$ 30,618,695</u>
<u>\$ 1,398,057</u>	<u>\$ 7,286,422</u>	<u>\$ 3,127,930</u>
95.30%	78.30%	90.70%
\$ 2,813,647	\$ 3,130,796	\$ 2,972,251
49.70%	232.70%	105.20%

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Fiscal Year

MEASUREMENT DATE DECEMBER 31,	2020
TOTAL OPEB LIABILITY	
Service cost	\$ 277,683
Interest	160,782
Changes in assumptions	697,292
Benefit payments	<u>(108,172)</u>
Net change in total OPEB liability	1,027,585
Total OPEB liability - beginning	<u>4,986,037</u>
TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 6,013,622</u></u>
Covered payroll	\$ 11,930,325
Employers total OPEB liability as a percentage of covered payroll	50.41%

Notes to Required Supplementary Information

There were changes in assumptions related to the discount rate made in 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available. The County implemented GASB 75 in fiscal year ending December 31, 2020.

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

1. BUDGETS

Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required. The County adopted a budget for all governmental funds during the year ended December 31, 2020, except for the DUI Equipment Fund, Circuit Clerk Administration and Operations, Drug Fund, Court Supervision Fund, Collector Mobile Home, Sale in Error, Collector Special, Collector Indemnity and Zoning Public Hearing.

The County utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- a. At least 15 days prior to the enactment of the budget, the Finance Committee submits to the County Board of Trustees a proposed means of financing and expenditure appropriation for the fiscal year commencing the following January 1.
- b. No later than three months after the beginning of the fiscal year, the budget is required to be legally enacted through passage of the appropriation ordinance.
- c. Budgeted amounts are as originally reported or as amended by the County Board of Trustees. Individual amendments were not material in relation to the original appropriations.
- d. Unexpended budget amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for each department, but management control is exercised at the budgetary line item levels.
- e. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

2. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following fund over expended appropriations in fiscal year 2020:

Fund	Budget	Actual
Veteran's Assistance	\$ 165,619	\$ 223,261
Capital	748,000	814,516
Mental Health	309,554	309,580

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

STEPHENSON COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue					
	County Highway	County Bridge	Township Bridge	County Matching	County Motor Fuel Tax	Township Motor Fuel Tax
ASSETS						
Cash and investments	\$ 794,648	\$ 466,283	\$ 1,039	\$ 299,066	\$ 864,020	\$ 1,562,062
Accounts receivable	-	-	-	149,944	89,406	135,775
Property taxes receivable	630,000	310,000	-	310,000	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
TOTAL ASSETS	\$ 1,424,648	\$ 776,283	\$ 1,039	\$ 759,010	\$ 953,426	\$ 1,697,837
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 446	\$ 12,937	\$ -	\$ 584	\$ 13,216	\$ 39,115
Accrued payroll	26,824	-	-	-	12,524	-
Total liabilities	27,270	12,937	-	584	25,740	39,115
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	630,000	310,000	-	310,000	-	-
Total deferred inflows of resources	630,000	310,000	-	310,000	-	-
FUND BALANCES						
Nonspendable - prepaid items	-	-	-	-	-	-
Restricted for						
Retirement	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public works	767,378	453,346	1,039	448,426	927,686	1,658,722
Health and welfare	-	-	-	-	-	-
Specific purpose	-	-	-	-	-	-
Assigned						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances (deficit)	767,378	453,346	1,039	448,426	927,686	1,658,722
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,424,648	\$ 776,283	\$ 1,039	\$ 759,010	\$ 953,426	\$ 1,697,837

Special Revenue										
Geographic Information Systems	DUI Equipment	Youth Diversion	Mental Health	Tuberculosis	Animal Control	Veteran's Assistance Commission	Circuit Clerk Administration and Operations	Social Security Contribution	Educational Extension Service	
\$ 166,507	\$ 19,967	\$ 3,032	\$ 124,864	\$ 374,345	\$ 50,046	\$ 95,936	\$ 28,486	\$ 161,643	\$ 164,528	
-	-	-	-	-	-	-	-	-	-	-
-	-	-	315,060	58,665	-	165,619	-	400,000	190,000	
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
\$ 166,507	\$ 19,967	\$ 3,032	\$ 439,924	\$ 433,010	\$ 50,046	\$ 261,555	\$ 28,486	\$ 561,643	\$ 354,528	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,986	-	-	-	-	2,239	-	-	36,952	-	
1,986	-	-	-	-	2,239	-	-	36,952	-	
-	-	-	315,060	58,665	-	165,619	-	400,000	190,000	
-	-	-	315,060	58,665	-	165,619	-	400,000	190,000	
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	124,691	-	-
-	19,967	-	-	-	-	-	-	-	-	-
-	-	3,032	-	-	-	-	-	-	-	-
164,521	-	-	-	-	-	95,936	-	-	-	-
-	-	-	124,864	374,345	47,807	-	-	-	-	-
-	-	-	-	-	-	-	28,486	-	164,528	
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
164,521	19,967	3,032	124,864	374,345	47,807	95,936	28,486	124,691	164,528	
\$ 166,507	\$ 19,967	\$ 3,032	\$ 439,924	\$ 433,010	\$ 50,046	\$ 261,555	\$ 28,486	\$ 561,643	\$ 354,528	

(This schedule is continued on the following pages.)

STEPHENSON COUNTY, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue					
	Emergency Service and Disaster Agency	ETSB 911	Drug Funds	Waste Management	Mechanical Document Storage	Public Safety
ASSETS						
Cash and investments	\$ 117,169	\$ 1,881,719	\$ 49,631	\$ -	\$ 108,547	\$ 112,600
Accounts receivable	19,648	180,993	-	-	-	853,070
Property taxes receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	42,226	-	-	-	-
TOTAL ASSETS	\$ 136,817	\$ 2,104,938	\$ 49,631	\$ -	\$ 108,547	\$ 965,670
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 2,696	\$ 192,276	\$ -	\$ -	\$ -	\$ 7,161
Accrued payroll	2,386	1,846	-	-	-	13,412
Total liabilities	5,082	194,122	-	-	-	20,573
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
FUND BALANCES						
Nonspendable - prepaid items	-	42,226	-	-	-	-
Restricted for						
Retirement	-	-	-	-	-	-
Public safety	131,735	1,868,590	49,631	-	-	945,097
Judiciary and court related	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Specific purpose	-	-	-	-	108,547	-
Assigned						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances (deficit)	131,735	1,910,816	49,631	-	108,547	945,097
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 136,817	\$ 2,104,938	\$ 49,631	\$ -	\$ 108,547	\$ 965,670

Special Revenue								
Coroner's Fund	Court Automation	Probation Service Fee	Document Storage - Circuit Clerk	Treasurer Automation	Court Supervision	Environmental Remediation	Law Library	
\$ 9,106	\$ 33,908	\$ 418,709	\$ 13,342	\$ 103,976	\$ 12,001	\$ 580	\$ 2,209	
18,652	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ 27,758	\$ 33,908	\$ 418,709	\$ 13,342	\$ 103,976	\$ 12,001	\$ 580	\$ 2,209	
\$ 394	\$ -	\$ 1,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,732	3,213	-	2,257	-	-	-	-	-
3,126	3,213	1,268	2,257	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
24,632	-	-	-	-	-	-	-	-
-	30,695	417,441	11,085	-	12,001	-	2,209	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	580	-	-
-	-	-	-	103,976	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
24,632	30,695	417,441	11,085	103,976	12,001	580	2,209	
\$ 27,758	\$ 33,908	\$ 418,709	\$ 13,342	\$ 103,976	\$ 12,001	\$ 580	\$ 2,209	

(This schedule is continued on the following page.)

STEPHENSON COUNTY, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue					
	Liability Insurance	County Collector	Collector Mobile Home	Sale In Error	Collector Special	Collector Indemnity
ASSETS						
Cash and investments	\$ 229,596	\$ 48,927	\$ 56,060	\$ 93,084	\$ 103,161	\$ 51,587
Accounts receivable	-	-	-	-	-	-
Property taxes receivable	700,000	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	108,281	-	-	-	-	-
TOTAL ASSETS	\$ 1,037,877	\$ 48,927	\$ 56,060	\$ 93,084	\$ 103,161	\$ 51,587
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	700,000	-	-	-	-	-
Total deferred inflows of resources	700,000	-	-	-	-	-
FUND BALANCES						
Nonspendable - prepaid items	108,281	-	-	-	-	-
Restricted for						
Retirement	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public works	229,596	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Specific purpose	-	48,927	56,060	93,084	103,161	51,587
Assigned						
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances	337,877	48,927	56,060	93,084	103,161	51,587
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,037,877	\$ 48,927	\$ 56,060	\$ 93,084	\$ 103,161	\$ 51,587

Special Revenue		Capital Projects			Debt Service		Total
Zoning Public Hearing	Capital	Mill Race Crossing	Highway Building	Debt Service	Nonmajor Governmental Funds		
\$ 66,643	\$ 452,911	\$ 123,536	\$ -	\$ 119,410	\$ 9,384,884		
-	-	-	-	-	1,447,488		
-	-	-	-	-	3,079,344		
-	-	-	-	-	-		
-	-	-	-	-	150,507		
\$ 66,643	\$ 452,911	\$ 123,536	\$ -	\$ 119,410	\$ 14,062,223		
\$ -	\$ 684,865	\$ -	\$ -	\$ -	\$ 954,958		
-	-	-	-	-	106,371		
-	684,865	-	-	-	1,061,329		
-	-	-	-	-	3,079,344		
-	-	-	-	-	3,079,344		
-	-	-	-	-	150,507		
-	-	-	-	-	-		
-	-	-	-	-	124,691		
-	-	-	-	-	3,039,652		
-	-	-	-	-	476,463		
-	-	-	-	-	4,746,650		
-	-	-	-	-	547,596		
66,643	-	-	-	-	824,999		
-	-	123,536	-	-	123,536		
-	-	-	-	119,410	119,410		
-	(231,954)	-	-	-	(231,954)		
66,643	(231,954)	123,536	-	119,410	9,921,550		
\$ 66,643	\$ 452,911	\$ 123,536	\$ -	\$ 119,410	\$ 14,062,223		

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	Special Revenue					
	County Highway	County Bridge	Township Bridge	County Matching	County Motor Fuel Tax	Township Motor Fuel Tax
REVENUES						
Taxes	\$ 525,708	\$ 152,033	\$ -	\$ 304,056	\$ 1,985,411	\$ 2,392,028
Charges for services	98,102	-	-	-	-	-
Intergovernmental	-	-	36,495	149,944	-	-
Investment income	1,802	687	7	963	1,094	3,455
Miscellaneous	110,344	55,723	-	-	-	174,461
Total revenues	735,956	208,443	36,502	454,963	1,986,505	2,569,944
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public works	582,155	266,853	36,495	297,901	1,136,957	1,607,090
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Total expenditures	582,155	266,853	36,495	297,901	1,136,957	1,607,090
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	153,801	(58,410)	7	157,062	849,548	962,854
OTHER FINANCING SOURCES (USES)						
Principal on bonds sold	-	-	-	-	-	-
Transfers in	601,187	75,000	-	-	61,562	-
Transfers (out)	-	(497,534)	-	(75,000)	(180,000)	(115,530)
Total other financing sources (uses)	601,187	(422,534)	-	(75,000)	(118,438)	(115,530)
NET CHANGE IN FUND BALANCES	754,988	(480,944)	7	82,062	731,110	847,324
FUND BALANCES (DEFICIT), JANUARY 1	12,390	934,290	-	175,325	196,576	-
Prior period adjustments	-	-	1,032	191,039	-	811,398
FUND BALANCES (DEFICIT), JANUARY 1, AS RESTATED	12,390	934,290	1,032	366,364	196,576	811,398
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 767,378	\$ 453,346	\$ 1,039	\$ 448,426	\$ 927,686	\$ 1,658,722

Special Revenue										
Geographic Information Systems	DUI Equipment	Youth Diversion	Mental Health	Tuberculosis	Animal Control	Veteran's Assistance Commission	Circuit Clerk Administration and Operations	Social Security Contribution	Educational Extension Service	
\$ -	\$ -	\$ -	\$ 303,649	\$ 57,591	\$ -	\$ 162,441	\$ -	\$ 430,717	\$ 182,379	
244,205	-	10,094	-	-	81,354	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
661	-	-	69	-	501	-	-	9	170	
-	10,225	-	-	-	-	12,881	45,049	36,153	-	
244,866	10,225	10,094	303,718	57,591	81,855	175,322	45,049	466,879	182,549	
-	-	-	-	-	-	-	32,925	995,621	185,930	
-	3,430	-	-	-	-	-	-	-	-	
-	-	14,533	-	-	-	-	-	-	-	
152,964	-	-	-	-	-	223,261	-	-	-	
-	-	-	309,580	-	110,657	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	
152,964	3,430	14,533	309,580	-	110,657	223,261	32,925	995,621	185,930	
91,902	6,795	(4,439)	(5,862)	57,591	(28,802)	(47,939)	12,124	(528,742)	(3,381)	
-	-	-	-	-	-	-	-	-	-	
25,772	-	-	-	49,335	-	-	-	591,226	-	
-	-	-	-	-	-	-	-	-	-	
25,772	-	-	-	49,335	-	-	-	591,226	-	
117,674	6,795	(4,439)	(5,862)	106,926	(28,802)	(47,939)	12,124	62,484	(3,381)	
46,847	13,172	7,471	130,726	267,419	76,609	-	16,362	62,207	167,909	
-	-	-	-	-	-	143,875	-	-	-	
46,847	13,172	7,471	130,726	267,419	76,609	143,875	16,362	62,207	167,909	
\$ 164,521	\$ 19,967	\$ 3,032	\$ 124,864	\$ 374,345	\$ 47,807	\$ 95,936	\$ 28,486	\$ 124,691	\$ 164,528	

(This schedule is continued on the following pages.)

STEPHENSON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	Special Revenue					
	Emergency Service and Disaster Agency	ETSB 911	Drug Funds	Waste Management	Mechanical Document Storage	Public Safety
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,806,237
Charges for services	-	772,143	-	-	62,794	-
Intergovernmental	19,648	-	-	-	-	374,286
Investment income	142	21,397	-	-	228	171
Miscellaneous	31,433	-	873	-	-	29,223
Total revenues	51,223	793,540	873	-	63,022	2,209,917
EXPENDITURES						
Current						
General government	-	-	-	-	13,853	-
Public safety	123,876	772,306	14,107	-	-	1,655,792
Judiciary and court related	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	192,000
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Total expenditures	123,876	772,306	14,107	-	13,853	1,847,792
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(72,653)	21,234	(13,234)	-	49,169	362,125
OTHER FINANCING SOURCES (USES)						
Principal on bonds sold	-	-	-	-	-	-
Transfers in	82,783	-	-	-	-	704,476
Transfers (out)	-	(250,657)	-	-	-	(938,305)
Total other financing sources (uses)	82,783	(250,657)	-	-	-	(233,829)
NET CHANGE IN FUND BALANCES	10,130	(229,423)	(13,234)	-	49,169	128,296
FUND BALANCES (DEFICIT), JANUARY 1	121,605	1,943,814	62,865	30,000	59,378	816,801
Prior period adjustments	-	196,425	-	(30,000)	-	-
FUND BALANCES (DEFICIT), JANUARY 1, AS RESTATED	121,605	2,140,239	62,865	-	59,378	816,801
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 131,735	\$ 1,910,816	\$ 49,631	\$ -	\$ 108,547	\$ 945,097

Special Revenue							
Coroner's Fund	Court Automation	Probation Service Fee	Document Storage - Circuit Clerk	Treasurer Automation	Court Supervision	Environmental Remediation	Law Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,572	104,711	103,580	97,399	23,259	-	-	17,230
22,987	-	-	-	-	-	-	-
-	388	2,963	409	186	-	-	5
-	826	-	1,655	-	1,547	-	-
38,559	105,925	106,543	99,463	23,445	1,547	-	17,235
-	-	-	-	19,389	-	-	-
167,347	-	-	-	-	-	-	-
-	124,477	43,706	115,612	-	1,423	-	22,279
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,122	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
167,347	124,477	43,706	116,734	19,389	1,423	-	22,279
(128,788)	(18,552)	62,837	(17,271)	4,056	124	-	(5,044)
-	-	-	-	-	-	-	-
170,167	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
170,167	-	-	-	-	-	-	-
41,379	(18,552)	62,837	(17,271)	4,056	124	-	(5,044)
(16,747)	49,247	354,604	28,356	99,920	11,877	580	7,253
-	-	-	-	-	-	-	-
(16,747)	49,247	354,604	28,356	99,920	11,877	580	7,253
\$ 24,632	\$ 30,695	\$ 417,441	\$ 11,085	\$ 103,976	\$ 12,001	\$ 580	\$ 2,209

(This schedule is continued on the following page.)

STEPHENSON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	Special Revenue					
	Liability Insurance	County Collector	Collector Mobile Home	Sale In Error	Collector Special	Collector Indemnity
REVENUES						
Taxes	\$ 588,505	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	8,151	29,244	-	19,402
Intergovernmental	-	-	-	-	-	-
Investment income	17	-	-	-	-	-
Miscellaneous	96,160	1,277	-	-	-	-
Total revenues	684,682	1,277	8,151	29,244	-	19,402
EXPENDITURES						
Current						
General government	32,225	-	10,100	9,269	2,791	-
Public safety	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public works	1,009,760	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Total expenditures	1,041,985	-	10,100	9,269	2,791	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(357,303)	1,277	(1,949)	19,975	(2,791)	19,402
OTHER FINANCING SOURCES (USES)						
Principal on bonds sold	-	-	-	-	-	-
Transfers in	519,637	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	519,637	-	-	-	-	-
NET CHANGE IN FUND BALANCES	162,334	1,277	(1,949)	19,975	(2,791)	19,402
FUND BALANCES (DEFICIT), JANUARY 1	175,543	-	-	-	-	-
Prior period adjustments	-	47,650	58,009	73,109	105,952	32,185
FUND BALANCES (DEFICIT), JANUARY 1, AS RESTATED	175,543	47,650	58,009	73,109	105,952	32,185
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 337,877	\$ 48,927	\$ 56,060	\$ 93,084	\$ 103,161	\$ 51,587

Special Revenue	Capital Projects			Debt Service		Total
Zoning Public Hearing	Capital	Mill Race Crossing	Highway Building	Debt Service		Nonmajor Governmental Funds
\$ -	\$ 230,000	\$ 250,508	\$ -	\$ -	\$ -	\$ 9,371,263
60,335	-	-	-	-	-	1,747,575
-	-	-	-	-	-	603,360
-	434	425	60	641	-	36,884
-	-	8,147	-	-	-	615,977
60,335	230,434	259,080	60	641	-	12,375,059
22,906	-	-	-	-	-	1,325,009
-	-	-	-	-	-	2,736,858
-	-	-	-	-	-	322,030
-	-	51,750	-	-	-	5,365,186
-	-	-	-	-	-	420,237
-	814,516	-	-	-	-	1,007,638
-	-	-	-	753,162	-	753,162
-	-	-	-	219,853	-	219,853
-	-	-	-	4,357,530	-	4,357,530
22,906	814,516	51,750	-	5,330,545	-	16,507,503
37,429	(584,082)	207,330	60	(5,329,904)	-	(4,132,444)
-	-	-	-	4,132,000	-	4,132,000
-	220,000	-	113,248	1,026,548	-	4,240,941
-	-	(190,000)	(144,550)	-	-	(2,391,576)
-	220,000	(190,000)	(31,302)	5,158,548	-	5,981,365
37,429	(364,082)	17,330	(31,242)	(171,356)	-	1,848,921
-	142,128	106,206	31,242	290,766	-	6,422,741
29,214	(10,000)	-	-	-	-	1,649,888
29,214	132,128	106,206	31,242	290,766	-	8,072,629
\$ 66,643	\$ (231,954)	\$ 123,536	\$ -	\$ 119,410	\$ -	\$ 9,921,550

(See independent auditor's report.)

CUSTODIAL FUNDS

STEPHENSON COUNTY, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS**

For the Year Ended December 31, 2020

	County Collector	Collector's Special	Collector's Mobile Home	Nursing Center	Enterprise Zone
ASSETS					
Cash and cash equivalents	\$ 196,540	\$ 37,629	\$ 21,544	\$ 3,300	\$ 13,784
Investments	-	-	-	-	-
Total assets	196,540	37,629	21,544	3,300	13,784
LIABILITIES					
Amounts due to others	196,540	37,629	21,544	-	13,784
Total liabilities	196,540	37,629	21,544	-	13,784
NET POSITION					
Restricted					
Individuals, organizations and other governments	-	-	-	-	-
Fund participants	-	-	-	3,300	-
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ 3,300	\$ -

Prisoner Account	Jail Pop	Civil Process	Circuit Clerk	Delinquent Taxes	Trustee Payment	Probation Restitution	Total
\$ 109,138	\$ 385	\$ 59,643	\$ 564,558	\$ 176,488	\$ 10,805	\$ 11,620	\$ 1,205,434
-	-	-	430,018	-	-	-	430,018
109,138	385	59,643	994,576	176,488	10,805	11,620	1,635,452
109,138	-	59,643	994,576	176,488	-	-	1,609,342
109,138	-	59,643	994,576	176,488	-	-	1,609,342
-	385	-	-	-	-	-	385
-	-	-	-	-	10,805	11,620	25,725
\$ -	\$ 385	\$ -	\$ -	\$ -	\$ 10,805	\$ 11,620	\$ 26,110

(See independent auditor's report.)

STEPHENSON COUNTY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
CUSTODIAL FUNDS

For the Year Ended December 31, 2020

	County Collector	Collector's Special	Collector's Mobile Home	Nursing Center	Enterprise Zone
ADDITIONS					
Property taxes and related item collections for other governments	\$ 66,390,037	\$ -	\$ -	\$ -	\$ 290,383
Fines and fees collected for others	-	156,778	55,133	-	-
Fund participant deposits	-	-	-	142,204	-
Total additions	66,390,037	156,778	55,133	142,204	290,383
DEDUCTIONS					
Payments of property taxes and related items to other governments	66,390,037	156,778	55,133	-	290,383
Payments of fines and fees to others	-	-	-	-	-
Payments of amounts released by courts	-	-	-	-	-
Reimbursement to or on behalf of fund participants	-	-	-	144,145	-
Total deductions	66,390,037	156,778	55,133	144,145	290,383
NET INCREASE (DECREASE)	-	-	-	(1,941)	-
RESTRICTED NET POSITION					
January 1, as restated	-	-	-	5,241	-
December 31	\$ -	\$ -	\$ -	\$ 3,300	\$ -

Prisoner Account	Jail Pop	Civil Process	Circuit Clerk	Delinquent Taxes	Trustee Payment	Probation Restitution	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,680,420
-	-	-	1,736,924	2,321,817	-	-	4,270,652
1,117,688	269	180,874	-	-	147,753	-	1,588,788
1,117,688	269	180,874	1,736,924	2,321,817	147,753	-	72,539,860
-	-	-	-	-	-	-	66,892,331
-	-	-	1,736,924	2,321,817	-	-	4,058,741
-	-	-	-	-	-	-	-
1,117,688	141	180,874	-	-	169,644	-	1,612,492
1,117,688	141	180,874	1,736,924	2,321,817	169,644	-	72,563,564
-	128	-	-	-	(21,891)	-	(23,704)
-	257	-	-	-	32,696	11,620	49,814
\$ -	\$ 385	\$ -	\$ -	\$ -	\$ 10,805	\$ 11,620	\$ 26,110

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

STEPHENSON COUNTY, ILLINOIS

PROPERTY TAX ASSESSED VALUATION, RATES, EXTENSIONS AND COLLECTIONS

Last Three Levy Years

Tax Levy Year	2019		2018		2017	
ASSESSED VALUATION	<u>\$ 1,590,755,924</u>		<u>\$ 679,200,247</u>		<u>\$ 661,300,453</u>	
	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX RATES AND EXTENSIONS						
County General	0.78021	\$ 5,265,638	0.81758	\$ 5,334,921	0.82148	\$ 5,432,451
County Highway	0.07771	524,465	0.09336	609,198	0.09943	657,531
County Bridge	0.02249	151,785	0.02298	149,950	0.00395	26,121
County Matching	0.04498	303,570	0.04594	299,770	0.04893	323,574
Tuberculosis	0.00852	57,501	0.00870	56,770	0.00926	61,236
Mental Health	0.04492	303,165	0.04816	314,256	0.04891	323,442
Illinois Municipal Retirement	0.15959	1,077,073	0.10373	676,865	0.09470	626,252
Educational Extension Service	0.02698	182,088	0.02846	185,709	0.02605	172,269
Liability Insurance	0.08706	587,568	0.08891	580,161	0.09470	626,252
County Health Department	0.00592	39,954	0.00605	39,478	0.00643	42,522
Social Security Contribution	0.04354	293,851	0.04446	290,113	0.04735	313,126
Veterans Assistance	0.02403	162,178	0.02707	176,639	0.02883	190,653
Nursing Home	0.07255	489,640	0.07410	483,522	0.07892	521,898
TOTAL TAX RATES AND EXTENSIONS	1.39850	\$ 9,438,476	1.40950	\$ 9,197,352	1.40894	\$ 9,317,327
TAX COLLECTIONS						
County General		\$ 5,273,735		\$ 5,332,672		\$ 5,245,652
County Highway		525,274		608,660		634,925
County Bridge		152,023		149,866		25,227
County Matching		304,036		299,733		312,446
Tuberculosis		57,587		57,004		59,128
Mental Health		303,630		314,444		312,320
Illinois Municipal Retirement		1,078,728		676,698		604,722
Educational Extension Service		182,367		185,724		166,345
Liability Insurance		588,467		580,158		604,722
County Health Department		40,015		39,535		41,062
Social Security Contribution		294,300		289,619		302,361
Veterans Assistance		162,431		176,530		184,096
Nursing Home		490,392		483,618		503,956
TOTAL TAX COLLECTIONS		\$ 9,452,985		\$ 9,194,261		\$ 8,996,962
PERCENTAGE COLLECTED		100.15%		99.97%		96.56%

(See independent auditor's report.)