

ST. CLAIR COUNTY

ILLINOIS



COMPREHENSIVE ANNUAL AUDIT REPORT

For the Fiscal Year Ended December 31, 2016

ST. CLAIR COUNTY, ILLINOIS
Comprehensive Annual Financial Report
For the year ended December 31, 2016

Prepared by the Auditor's Office of St. Clair County

ST. CLAIR COUNTY, ILLINOIS
Comprehensive Annual Financial Report
For the year ended December 31, 2016

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INTRODUCTORY SECTION



PATTY A. SPRAGUE

**COUNTY AUDITOR
ST. CLAIR COUNTY
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August 28, 2017

To the Honorable Chairman, Members of the Board,
and the Citizens of St. Clair County,

We hereby issue the annual financial report of St. Clair County, Illinois for the fiscal year ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America (GAAP). The financial statements have been audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

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

St. Clair County's financial statements have been audited by Scheffel Boyle, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of St. Clair County, Illinois, for the year ended December 31, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an opinion that the financial statements for the year ended December 31, 2016 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in St. Clair County's separately issued Single Audit Report and may be obtained in the County Board Office.

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

Profile of the Government

St. Clair County, Illinois was incorporated on April 27, 1790. It is Illinois' first county having been created 28 years prior to the State being created. It is located along the Mississippi River across from St. Louis, Missouri. The County encompasses 673 square miles of both rural and urban areas. Its largest city is the City of Belleville, which is also the county seat. The County is the ninth largest in the state with a population of approximately 270,056 and is the largest south of the greater Chicagoland region.

The County is comprised of 21 townships that lie in 29 County Board districts. Board members are elected to serve four-year staggered terms. The County Board Chairman is elected at large to a four-year term. This Board is responsible for, among other things, passing ordinances and adopting the budget. The Chairman is responsible for carrying out the policies and ordinances of the Board, overseeing day-to-day operations of the government, and for appointing the heads of the various departments. The Chairman also makes committee assignments and appoints ad hoc committees.

Also overseeing offices of County government and the judiciary are the following elected county officials: Assessor, Auditor, Board of Review Members, Circuit Clerk, Circuit Judges, County Clerk, Coroner, Recorder of Deeds, Sheriff, States Attorney, Superintendent of Schools, and the Treasurer. The County Treasurer acts as the County Collector for purposes of property tax collection as well as the Treasurer. These officials are elected to four-year staggered terms, except the Board of Review members who are elected to staggered six-year terms.

St. Clair County provides a wide range of services including police protection, jail and juvenile detention home operations, emergency service and dispatch, court services, health and welfare services, highway construction and maintenance, building inspection, parks, economic development and planning services. The County is not involved in hospital or nursing home operations. The County also operates MidAmerica St Louis Airport, a joint military-civilian use airport facility adjacent to Scott Air Force Base.

The annual budget is on the cash basis and serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation on a cash basis to the County Administrator each year. The Administrator uses these requests as a starting point for developing a proposed budget. The Finance Committee of the County Board works with the Administrator and the department heads to finalize a budget proposal for presentation to the full Board for approval. The approved budget is by fund and department on a line-item basis. The Finance Committee reviews all budget transfers and transfers from the contingency line are presented to the full Board for approval. Budget to actual comparisons are provided in this report for all major funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which St. Clair County operates.

The County continues to make adjustments to its operations due to the current economic environment of the State of Illinois and the County. Sales, Personal Property Replacement and Income Tax revenues have rebounded to the 2007 levels; total revenues have not. Recent State actions to improve the State's revenue position include a 10% reduction in its future distribution to local units of government. Other revenues from the State have been dramatically reduced or significantly delayed. In some cases, the State has shifted its financial responsibilities to local governments. Although possibilities of payment are diminishing, the State owes the County an excess of \$5.5 million in salary reimbursements alone. Other State legislative actions, especially those related to the courts, have dramatically impacted collections of criminal fines and costs.

The County has made concentrated efforts to hold down property taxes. Real estate taxes collected in 2016 were \$31.7 million while in 2007 they were \$31.8 million. Tax revenues continue to be impacted by the use of Tax Increment Financing (TIF) agreements by its municipalities. Designed as a tool to promote economic development, growth in tax revenues from increased valuations have been thwarted by TIFs resulting in lost County tax revenues of \$3.5 million for taxes extended in 2016 and \$4.2 million for taxes collectible in 2017. These losses are exacerbated by the extension of the TIFs beyond their initial 23 year period. There are currently 77 TIF districts in the County with expiration dates ranging from 2017 to 2039 and several more in progress. Assuming there are no further extensions or new TIF districts created, lost tax revenue for the County alone will continue to be more than the \$3.5 million annually.

In addition to lost revenues relating to TIFs, the recent state mandated veteran's 100% property tax exemption, which has no income eligibility requirement, resulted in a negative revenue effect of \$864,000 in 2016; the 2017 impact is expected to be in excess of \$1.2 million, using the applicable tax rates for these years. These again are only the amounts applicable to the County's portion of tax bills. Any reductions in taxable values, whether it is from TIFs or exemptions, cause increases in taxes paid by other taxpayers to keep current County services.

The County's unemployment rate for its entire labor force for December, 2016 was 5.5%. Due to its varied industries and its proximity to St. Louis, the metropolitan region's rate was 5.3%. The rate for the State of Illinois was 5.6%. The County provides industrial, manufacturing, service and agricultural employment and has a highly skilled workforce. Scott Air Force Base is the largest employer with 13,000 government, civilian, and military employees. The Base continues to expand bringing additional jobs to the County and is assisted in that task by a regional, civilian task force co-created by the County Board Chairman. Scott AFB has an annual economic impact of more than \$3 billion.

There continues to be growth and development in the County. A significant development has broken ground on the East St. Louis riverfront known as the River Bridge District. Using both public and private funds, road reconstruction and realignment will provide access to large tracts of land for commercial and industrial development. Along with the Casino Queen, the four agri-business giants known as ABCD are now located or expanding on the riverfront: A is Archer Daniels Midland (Sauget), B is Bunge (Fairmont City), C is Cargill (East St. Louis), and D is Louis Dreyfus (Cahokia). Although smaller, but still significant, Continental Grain is also expanding on the Cahokia riverfront. Other significant growth continues in the eastern part of the County with the latest expansions made at Scott Air Force Base and MidAmerica St. Louis Airport.

The County is in the center of major transportation networks. Highway interstates 64, 55/70, and 255 are supplemented by many other U.S. and state highways. There are multiple bridges across the Mississippi River providing highway connections between St. Clair County and the City of St. Louis. Five Class 1 railroads and two Class 3 railroads provide rail freight service to the area. Amtrak currently serves residents who wish to travel from current stations in downtown St. Louis or Alton, Illinois. The Mississippi and Kaskaskia Rivers provide barge freight service connecting the Great Lakes and the St. Lawrence Seaway to the Gulf of Mexico.

In addition, two airports are located in the County: St. Louis Downtown Airport and MidAmerica St. Louis Airport (MidAmerica). St. Louis Downtown Airport is the base for several service, MRO, and charter operations. MidAmerica is one of Illinois' 13 primary airports. Along with scheduled passenger service, MidAmerica and Scott Air Force Base jointly operate a civilian/military airport hosting scheduled and charter passenger service, charter cargo service, general aviation, and military operations. Allegiant Airlines provides passenger service. The airline has continued to expand its passenger services since 2014 and continues in 2017 with nine destinations from MidAmerica. An aircraft maintenance service operation is based at the airport and Boeing has certain aircraft parts manufacturing operations in a 50,000 square foot facility. The Illinois State Police hanger is the base for various law enforcement operations and the Illinois Army Guard's "MidAmerica Armory" also resides at the Airport. The Airport holds a foreign trade zone location designation and has a Customs and Border Patrol facility on site. A 56,000 square foot refrigerated warehouse houses North Bay Produce which operates a redistribution center for perishable fruits and vegetables. North Bay Produce looks to expand its international import/export activities of perishable goods. International cargo operations are anticipated as overseas markets are looking for American produce.

A commuter mass-transit system connects St. Clair County to St. Louis, Missouri. The system currently links St. Louis Lambert International Airport to Scott Air Force Base in Mascoutah, Illinois. Scott Air Force Base is adjacent to the MidAmerica St. Louis Airport. Additional expansion of MetroLink in Missouri has increased connections to other southwest St. Louis County locations. Initial plans for the extension of the commuter system to the civilian air terminal have already been developed.

St. Clair County has several institutions of higher education within its borders as well as the exceptional educational opportunities in neighboring St. Louis, Missouri including but not limited to Washington University and St. Louis University. Southern Illinois University at Edwardsville is located approximately 20 miles north of the County. Located in the County, Southwestern Illinois College is a community college offering various associate degrees while McKendree University, the oldest college in Illinois, and Lindenwood University, offer more advanced degrees. Lindenwood University-Belleville has continued to grow both full-time traditional age student attendance and evening adult students. The Lindenwood University-Belleville campus has experienced over \$16 million in new construction and major renovations.

Long-term Planning

As development continues to expand along the Interstate 64 corridor, the County has invested millions of dollars to expand roadways to better connect various parts of the County and facilitate travel for its residents. A major interchange is being constructed by the state near Scott Air Force Base/MidAmerica St. Louis Airport. This interchange should facilitate current expansion at the Base and is expected to increase commercial development in the area where the County owns significant acreage. It is estimated that the value of the County's investment in the property around the airport has already risen substantially in the last few years. Leaders continue to work diligently to expand mass transit by securing federal funding for the expansion of the MetroLink mass transit system in addition to providing certain sales tax revenue earmarked for the Bi-State Transit District growth.

The County, along with other adjacent communities, was able to establish a special flood prevention district funded primarily by a sales tax to improve existing levies along the Mississippi River. Representatives of these metro-east communities formed a task force to work closely with the Corps of Engineers to mitigate flood hazards in the areas along the river. These improvements have become especially critical as more than \$50 million has been invested in the expansion of barge/rail/truck terminals within the County along the Mississippi River with more projects in the engineering phases. The tax has a sunset clause of 2040.

As development in the County continues to expand, the needs of County government also increase. The County has committed to major improvements and expansions to its 911 emergency systems. The County continues to evaluate operating and storage needs as well as building repairs, improvements and renovations. The County, in conjunction with the Public Building Commission, has compiled a list of major upgrades for existing buildings under its five-year plan detailing certain renovations and improvements.

The County continues to explore development opportunities for the region, especially at MidAmerica St. Louis Airport, in conjunction with the expansion of Scott Air Force Base (Scott). The military base is the #1 employer in the County. Military, County and other local leaders continue to work on joint-use planning. Built as a joint-use facility, the connection between the Scott runway and the runway at MidAmerica St Louis Airport provides the military additional runway space. Expansion of military activities at the base over the last several years has lead to increased personnel working at the base and the expansion of military housing. The Defense Information Systems Agency (DISA) completed a new facility that opened in late 2015 and houses 750 employees

MidAmerica St Louis Airport has a Customs and Border Patrol facility to comply with stricter requirements under Homeland Security regulations. U.S. legislators from Illinois and other local leaders were able to secure an international port of entry status for MidAmerica. The cargo facilities that can accommodate both dry and refrigerated commodities, will allow for operations for importing and exporting perishable fruits and vegetables. Concentrated efforts to bring scheduled international cargo flights continue as well as increasing passenger service.

The return of passenger service continues to expand leading to the increased collection of Passenger Facility Charges and eligibility for additional Airport Improvement funding from the FAA. Enplanements grew from 33,000 passengers in 2015 to 82,000 in 2016. The airline added two additional destinations in 2017 with another being added in November. Enplanements are expected to be in excess of 123,000 in 2017. As normally reported by airports, this translates into 246,000 passengers going through the MidAmerica terminal.

With the rapid growth at the Airport, the FAA and the Transportation Security Administration (TSA) have been watching closely. In 2017, the TSA invested more than \$1 million dollars in new and expanded security/screening equipment to accommodate the increased number of passengers and their luggage. The County upgraded the passenger gates and the concession area was expanded while more seating was added at the gates. The parking lots were expanded in 2016 and again in 2017 adding a total of 712 parking spots, more than doubling the original parking spaces. The rental car company that currently services the Airport is also reviewing options to increase their footprint at the Airport.

Cash Management Policies and Practices

The County Treasurer concentrates on ensuring that cash balances are invested at all times. Cash balances fluctuate considerably during the year due predominantly to the timing of real estate tax collections, but delayed state revenues and increasing operational costs and debt service reduced average

cash balances. The Treasurer pools the money from all funds of the County to maximize investment opportunities using certificates of deposit, money markets, U.S. obligations, commercial paper, repurchase agreements, and the State Treasurer Pool. State statutes and collateral requirements of the County's investment policy, both established to protect public funds, limit investment options.

Interest rates and investment earnings also have an impact on the County's plans for acquiring and retiring debt. In June 2015, the County took advantage of the lower long-term bond rates by refinancing certain bonds. However, with the current problems at the state, interest rates available for those in Illinois are not attractive.

Risk Management

St. Clair County maintains self-insurance programs for employee medical, tort, and worker's compensation. The County purchases commercial insurance for excess coverage over the self-insured retention amounts and has elected to fully insure selected exposures. The County uses a third party actuary to help determine funding requirements based on trends in actual claims experience, stop loss coverage, and provision for catastrophic losses.

The County continues to make concentrated efforts to control insurance costs through its self-insurance programs. Costs had been rising significantly each year and the County is in constant review of its coverages, deductibles, and other ways to reduce costs including petitioning legislators regarding workmen's compensation reform. Trying to maximize the cost benefits, the County continues to explore other plan options and vendors in the marketplace. The insured assets and activities of the County continue to increase thereby increasing the overall insurance exposures and costs for the County. General government premiums for general liability, property, and worker's compensation insurance premiums increased from \$1,596,000 in 2015 to \$1,665,000 in 2016. Airport insurance premiums were reduced to \$412,000 in 2016 from \$481,000 in 2015. Other self-insured claims fell by more than \$1.3 million.

The County has been aggressive in its attempts to curtail rising employee medical costs while still providing good benefits. Claims and premium costs have seen dramatic changes and fluctuation in recent years. In addition to rising medical costs, the number and types of medical incidents affect the annual costs. The 2016 costs, net of stop loss reimbursements, were \$11.7 million, a drop from 2015 of nearly \$760,000. Beginning in 2017, changes made to the pharmaceutical broker/consultant arrangement appear to be providing substantial saving already. The County has also been evaluating the current and long-term effects of changes in retiree medical benefits as part of new governmental accounting standards. The County also funds, on an actuarially basis, future medical costs for current and future retirees to minimize the cost burdens in later years. The funding requirements include current and prior service costs. This is expected to increase as medical costs and the number of retirees increases. The County continues to take steps to monitor dependant coverage and review other service options as it struggles to minimize the effects of the Affordable Care Act on costs.

Employee Retirement System

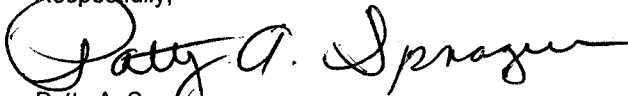
The County is a participating member, by state statute, in a contributory multi-employer retirement plan administered by the Illinois Municipal Retirement Fund (IMRF), which covers all employees who meet certain criteria. The annual County contribution is based upon rates fixed annually by IMRF to provide funding of prior service costs, including interest, as determined actuarially, over a period of not more than thirty years. The County continues to pay its annual required contribution each year as actuarially determined by IMRF for all three plans: Regular, Special Law Enforcement (SLEP) and Elected County Officials (ECO). From 2003 to 2016, the rates have changed as follows: Regular employees, .96% to 10.54%; SLEP (law enforcement), 12.80% to 22.34%; and ECO (elected officials), 44.31% to 57.81%. These changed slightly for 2017.

In 2015, the County was required to implement a new governmental accounting standard related to reporting pension costs and pension liabilities. GASB Statement 68, *Accounting and Financial Reporting for Pensions* required the restatement as state and local governments must report their net pension liabilities and associated deferrals on the face of their financial statements. Each year this estimated liability and related deferrals are recalculated and the net change is included in the expenses on the Statement of Activities. For 2016, this change, and accordingly additional pension expense, was \$2.1 million more than the contributions

made of \$5.6 million. At December 31, 2016, the estimated net pension liability was \$35 million with deferral offsets of \$13.8 million.

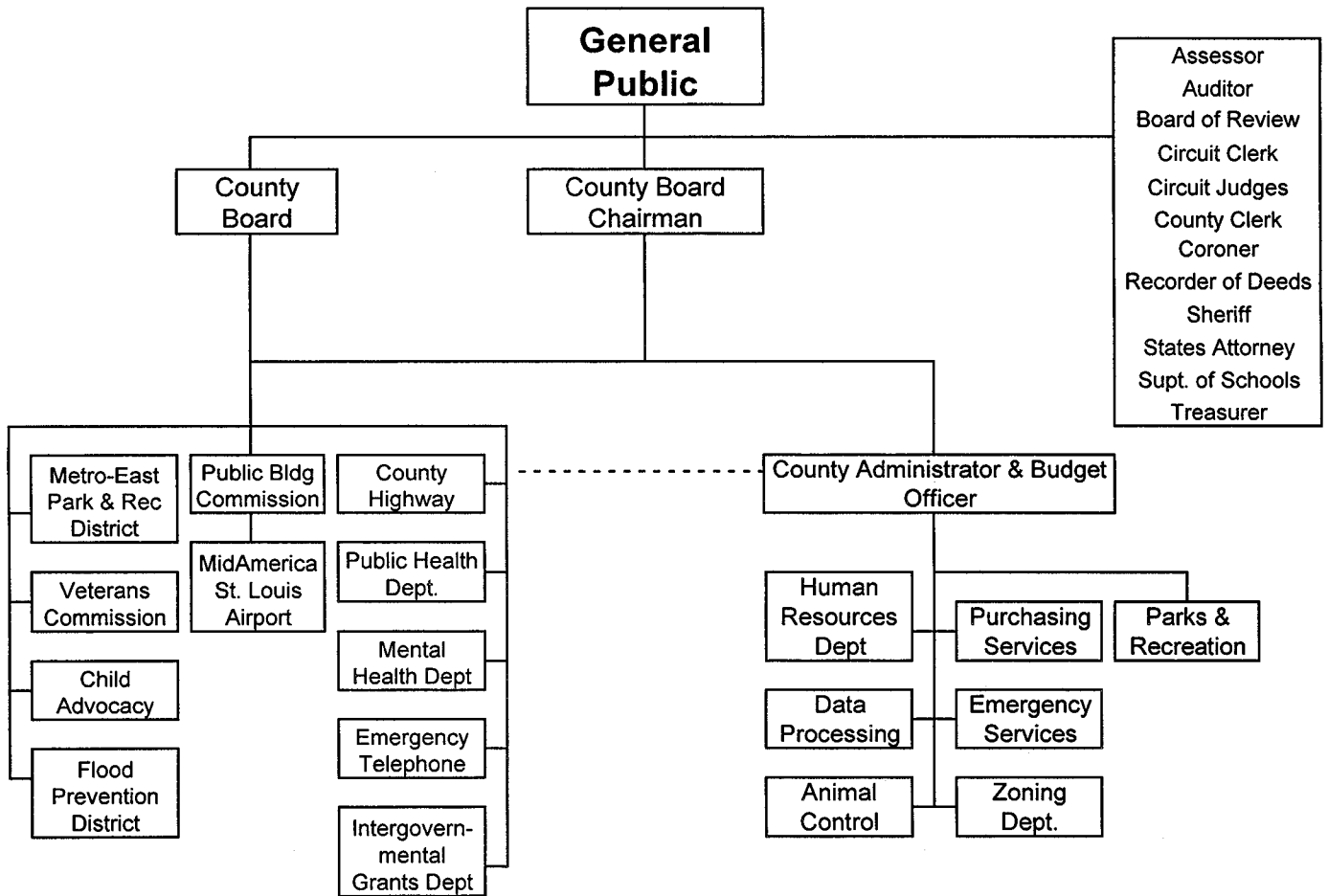
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the St. Clair County Auditor's office and the Administration. We would like to express our appreciation to those who assisted and contributed to the preparation of this report. Credit also must be given to the Chairman and County Board for their support for maintaining integrity and ethical values and for their commitment to competence and professionalism in the management of St. Clair County finances.

Respectfully,

A handwritten signature in black ink, reading "Patty A. Sprague". The signature is fluid and cursive, with a large initial "P" and "S".

Patty A. Sprague
St. Clair County Auditor

St. Clair County, Illinois
Organizational Chart
 December 31, 2016



ST. CLAIR COUNTY, ILLINOIS

Principal Officials

December 31, 2016

County Board Members

DIST	BOARD MEMBER
------	--------------

1	Robert Allen Jr.
2	Joan McIntosh
3	Willie Dancy
4	Nicholas J. Miller
5	Lonnie Mosley
6	Roy Mosley Jr.
7	Bryan Bingel
8	Ken Easterley
9	C. Richard Vernier
10	Paul Siebert
11	Jerry Dinges
12	Susan Gruberman
13	Stephen Reeb
14	Robert Trentman
15	John West

DIST	BOARD MEMBER
------	--------------

16	June Chartrand
17	Steve Gomerick
18	Craig Hubbard
19	C. David Tiedemann
20	Kevin Dauson
21	Frank Heiligenstein
22	Michael O'Donnell
23	Fred Boch
24	Marty Crawford
25	James Haywood
26	Scott Tieman
27	Ken Sharkey
28	Joseph Kassly
29	Carol Clark

Other Elected Officials

Mark Kern, County Board Chairman
Tom Holbrook, County Clerk
Kahalal Clay, Circuit Clerk
Charles Suarez, County Treasurer
Patty Sprague, County Auditor
Brendan Kelly, State's Attorney
Michael T. Costello, Recorder of Deeds
Calvin Dye, County Coroner
Susan Sarfaty, Regional Supt. of Schools
Rick Watson, Sheriff
Jennifer Gomric-Minton, County Assessor
Angela Grosseemann-Rowe, Board of Review
Jim Wilson, Board of Review
Michael Crockett, Board of Review
Andrew Gleeson, Chief Judge of the Circuit Court

Appointed Officials

Debra Moore, Director of Administration
Barbara Hohlt, Public Health Administrator
Dana Rosenzweig, Executive Director, Mental Health Board
Terry Beach, Director, Intergovernmental Grants/Economic Development
James Fields, Superintendant of Highways
Dave Lang, Director, Data Processing
John Hughes, Manager, Central Services
Frank Bergman, Manager, Human Resources
Anne Markezich, Director, Zoning/Mapping & Platting
Herb Simmons, Emergency Services & Disaster Agency
Ernest Rush, Probation
Don Schaefer, Detention Home
Jim Jacquot, Animal Control
Norman Touchette, Parks
Jim Brede, Director of Buildings

FINANCIAL SECTION



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON BARTELSO

INDEPENDENT AUDITOR'S REPORT

Mr. Mark Kern, Chairman
St. Clair County Board
Belleville, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Clair County, Illinois (County), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents. We did not audit the financial statements of the Grants Department, which is 36.30 percent, 11.53 percent, and 1.15 percent, respectively, of the assets/deferred outflows, net position, and general revenues of the discretely presented component units.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of St. Clair County Intergovernmental Grants Department, which represents 36.30 percent, 11.53 percent, and 1.15 percent, respectively, of the assets, net position, and general revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for St. Clair County Intergovernmental Grants Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for St. Clair County, Illinois, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, the Multiyear Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions, and the notes to Net Pension Liability and Contribution Schedules on pages A1-A3, the Other Post Employment Benefits Schedule of Funding Progress on page A4, the budgetary comparison information on pages A5 through A8 and the Notes to Required Supplementary Information on page A9 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Clair County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Mr. Mark Kern, Chairman
St. Clair County Board
Page 3

The introductory and statistical sections have 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 them.

Scheffel Boyle

Scheffel Boyle
Belleville, Illinois
August 28, 2017

ST. CLAIR COUNTY, ILLINOIS
Management's Discussion and Analysis
December 31, 2016

As management of St. Clair County, Illinois, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the County's financial statements, which follow this section. It should also be noted that the financial statements for 2016 included the activities of the Public Building Commission as a blended component unit in compliance with accounting principles generally accepted in the United States of America. For comparative purposes, 2015 balances have been restated to include the activities of the Public Building Commission. The discussions as noted in this management discussion and analysis will focus only on the primary government.

Financial Highlights

- The assets of St. Clair County exceeded its liabilities at the close of the year by \$302,230,000 (net position). Of this amount, \$111,784,000 is restricted for specific purposes of governmental activities. \$211,402,000 accounts for the net capital assets less related debt.
- The County's operating expenses for governmental activities decreased by \$10 million from the prior year of which \$4.8 million was a result of the pension related estimates and an additional \$2.1 million decreases in insurance costs.
- Increased passenger service at the Airport has resulted in more than \$1.7 million in additional gross revenues from landing fees, fuel sales, passenger facility charges, and related concession revenues.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of St. Clair County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, transportation, judicial and public health. The business-type activities of the County are the MidAmerica St. Louis Airport operations.

The government-wide financial statements discretely present the financial information for the County's component units: St. Clair County Intergovernmental Grants Department, which includes a consortium of multiple counties, and the Flood Prevention District. Separately issued audited financial statements for the Grants Department may be obtained from their administrative offices at 19 Public Square, Belleville, Illinois 62220. Separately issued audited financial statements for the Flood District may be obtained from the County Board office at 10 Public Square, Belleville, Illinois 62220.

The government-wide financial statements can be found on pages 12-14 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Classifications of expenditures within functions in the governmental fund statements are based on the County's budget document. Certain costs reported as general government expenditures in the funds statements have been distributed to the various functions for the government-wide financial statements reporting purposes. These include employee social security, retirement, and insurance benefits, occupancy costs, supplies, and other insurance costs.

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

The County maintains multiple governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Lease Payable Fund, Transportation Fund and the Debt Service Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages B7-B16 of this report.

The basic governmental fund financial statements can be found on pages 15 and 18 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its Airport operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions, including employee medical self-insurance, unemployment, and occupancy costs. The services provided by these funds predominantly benefit the governmental rather than the business-type functions. They have been included with the governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the MidAmerica St. Louis Airport. The Airport is considered to be a major fund of St. Clair County. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements on pages B17-B21 of this report.

The basic proprietary funds financial statements can be found on pages 19-23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. Details can be found on pages B22-B23.

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 26.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning St. Clair County beginning on page A1. The County adopts an annual appropriated budget on the cash basis for its governmental funds. Budgetary comparison schedules have been provided for the General, the Transportation, the Lease Payable, and the Debt Service funds to demonstrate compliance with the budget on pages A5-A8. Budgetary comparison for the non-major governmental funds can be found as part of the combining statements.

The combining statements referred to earlier in connection with non-major governmental funds, internal service funds, and the fiduciary funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages B1-B23 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of St. Clair County, assets exceeded liabilities by \$302,230,000 at the close of 2016.

The governmental activities' total assets/deferred outflows account for 72% of total assets/deferred outflows of the County; 67% of the liabilities/deferred inflows; and 75% of net position. Nearly 54% of total assets are invested in capital assets of which nearly half of the capital assets are attributable to the Airport.

St. Clair County's Net Position

(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (restated)	2016	2015 (restated)	2016	2015 (restated)
Current assets	\$ 208,373	\$ 206,980	\$ (2,079)	\$ (2,392)	\$ 206,294	\$ 204,588
Restricted assets	311	311	1,762	2,115	2,073	2,426
Capital assets	140,938	138,004	134,221	139,059	275,159	277,063
Deferred outflows-pension	15,528	20,085	238	374	15,766	20,459
Deferred outflows-other	1,450	1,682	9,246	10,419	10,696	12,101
Total assets/deferred outflows	<u>366,600</u>	<u>367,062</u>	<u>143,388</u>	<u>149,575</u>	<u>509,988</u>	<u>516,637</u>
Current liabilities	16,595	12,258	3,808	3,478	20,403	15,736
Net pension liabilities	33,596	36,665	466	459	34,062	37,124
Other long-term liabilities	47,459	48,165	64,165	66,392	111,624	114,557
Deferred inflows-pension	2,421	1,673	14	10	2,435	1,683
Deferred inflows-other	39,234	33,416	-	46	39,234	33,462
Total liabilities/deferred inflows	<u>139,305</u>	<u>132,177</u>	<u>68,453</u>	<u>70,385</u>	<u>207,758</u>	<u>202,562</u>
Net position						
Net investment in capital assets	121,647	131,253	89,754	87,929	211,401	219,182
Restricted	109,924	111,051	1,061	731	110,985	111,782
Unrestricted	(4,276)	(7,419)	(15,880)	(9,470)	(20,156)	(16,889)
Total net position	<u>\$ 227,295</u>	<u>\$ 234,885</u>	<u>\$ 74,935</u>	<u>\$ 79,190</u>	<u>\$ 302,230</u>	<u>\$ 314,075</u>

Current and restricted assets, comprised predominantly of cash and investments and receivables, increased \$1.9 million from 2015. Cash and investments dropped significantly, \$7 million, as a result of declining revenues, capital expenditures, and debt service payments even though expenditures were also reduced. Receivables increased \$2.8 million; predominately from federal/state revenues and reimbursements. Taxes receivable increased \$5.8 million. Property tax receivables of \$37.4 million in 2016 are included in current assets but will not be collected until mid-2017 to finance the 2017/2018 expenditures. Revenue recognition for these receivables has been deferred (included in deferred inflows) and not included in the County's net position. In restricted assets, the Airport holds investments of approximately \$701,000 at the end of 2016 that have been placed in trust as required collateral for bond payments due in 2017 and discussed in more detail in the notes to the financial statements.

The most significant portion of St. Clair County's net position is its investment in capital assets (e.g., land, buildings, equipment, and infrastructure) less any related debt used to acquire these capital assets that is still outstanding. The County uses these capital assets to provide services to its citizens or, for Airport assets, provide services to its customers; consequently, these assets are not available for future spending. Although St. Clair County's investments in its capital assets are net of related debt, it should be noted that the resources needed to repay this debt must generally be provided from future resources since the capital assets themselves cannot be used to liquidate these liabilities.

The governmental activities for 2016 included the addition of nearly \$5 million in completed capital asset additions: road infrastructure, \$428,000; equipment, \$2.9 million; and land and buildings, \$1.6 million. Another \$10.2 was added to in progress. Road infrastructure (including related land), net of accumulated depreciation continues to be the more significant part of the capital assets of the governmental funds at nearly \$85.4 million or 61% of the total governmental activities capital assets. Major infrastructure assets that were acquired (purchased, constructed, or donated) after June 30, 1980, or that received major renovations, restorations, or improvements after that date have been capitalized and reported in the government-wide financial statements. At December 31, 2016, the County maintained 240 miles of roads. Of this, 148 miles are considered oil and chip roads and another 22 miles are asphalt roads, both of which were acquired or constructed prior to 1980. In most cases these roads have had little improvements other than routine maintenance. Accordingly, these roads have not been capitalized. The County uses a threshold of \$100,000 per road mile for its capitalization policy.

The business-type activity capital assets are with MidAmerica St. Louis Airport operations. These assets, which account for 94% of Airport assets, have been financed with County, state, and federal contributions in addition to debt proceeds. The County continues to make improvements with the financial assistance of FAA and state grant funds when feasible as well as County contributions.

Long-term debt represents a major component of liabilities/deferred inflows (90%); \$112 million or 54% is a direct result of financing capital assets and improvements and interest accretion on outstanding debt. Liabilities related to pensions accounts for \$36.5 million while other current liabilities was nearly \$18 million and tend to fluctuate with operations and the timing of payments for both operations and construction projects.

At the end of the year, the County reported positive net position for both the governmental and business-type activities. The assets of St. Clair County exceeded its liabilities at the close of the year by \$302,230,000 (net position). Almost 37% of net position is restricted for specific use; \$110,985,000 are restricted for specific purposes of governmental activities and business-type activities. The investment in net capital assets less related debt was \$211,401,000 at the end of 2016.

Net position of St. Clair County decreased by \$11.8 million from 2015. Governmental activities experienced a positive change of \$695,000 before transfers to Airport activities.

St. Clair County's Changes in Net Position

(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (restated)	2016	2015 (restated)	2016	2015 (restated)
Revenues						
Program revenues						
Charges for services	\$ 25,639	\$ 26,787	\$ 5,341	\$ 3,626	\$ 30,980	\$ 30,413
Operating grants & contributions	17,735	16,059	-	-	17,735	16,059
Capital grants & contributions	2,504	1,160	483	501	2,987	1,661
General revenues						
Property taxes	31,696	31,994	-	-	31,696	31,994
Other taxes	17,751	17,872	-	-	17,751	17,872
Investment earnings	1,149	888	38	83	1,187	971
Other	87	526	-	15	87	541
Total revenues	96,561	95,286	5,862	4,225	102,423	99,511
Expenses						
General government	21,899	24,226	-	-	21,899	24,226
Public safety	36,176	40,268	-	-	36,176	40,268
Judicial	12,677	14,292	-	-	12,677	14,292
Public health	11,130	11,894	-	-	11,130	11,894
Transportation	13,274	14,551	-	-	13,274	14,551
Interest	710	711	4,920	5,340	5,630	6,051
Airport operations	-	-	13,482	12,075	13,482	12,075
Total expenses	95,866	105,942	18,402	17,415	114,268	123,357
Changes in net position before transfers	695	(10,656)	(12,540)	(13,190)	(11,845)	(23,846)
Transfers	(8,285)	(6,629)	8,285	6,629	-	-
Changes in net position	(7,590)	(17,285)	(4,255)	(6,561)	(11,845)	(23,846)
Net position-beginning (restated)	234,885	252,170	79,190	85,751	314,075	337,921
Net position-ending	\$ 227,295	\$ 234,885	\$ 74,935	\$ 79,190	\$ 302,230	\$ 314,075

Governmental Activities

Total governmental revenues increased almost \$1.3 million from 2015. Charges for services were down \$1,148,000. Operating grants and contributions increased by \$1,676,000. Funding slashes in 2015 were partially reinstated in 2016. Capital grants rose by \$1.3 million due in large part to funding for road construction projects. There was a decrease in property taxes of nearly \$298,000. Taxable assessments rose slightly but exemptions and TIF adjustments reduced the collectible amounts while delinquencies also increased slightly. Property taxes account for approximately 33% of governmental revenues. Other taxes declined by \$121,000. While sales and personal property taxes rose, state income taxes dropped more than \$709,000. Investment earnings were up slightly, \$261,000.

Overall governmental expenses decreased by \$10 million. Of this reduction, \$4.8 million is attributable to the requirements for calculating and reporting changes in pension liability estimates (GASB 68). Payroll decreases spread across all functional areas totaled nearly \$797,000 but were offset by increases of \$1.2 million in payroll related costs. Decreases in insurance costs, employee medical and tort, were \$2.1 million. The more significant changes in Transportation costs tend to fluctuate with weather and scheduled projects and whether a project is an improvement to a County road or maintenance only.

Business-type Activities

Built as a joint-use military/civilian facility with Scott Air Force Base, the operating deficits of the Airport have included a significant amount of fixed costs required to keep the runway open as part of the compliance with FAA grant assurances and the joint-use agreement with Scott Air Force Base. These costs include, but are not limited to, fire safety and security, insurance, and runway maintenance. The Airport posted a \$4.3 million reduction in net position for 2016 of which \$6.1 was from depreciation. Airport revenues rose by \$1,637,000 due in large part to increased fuel sales, fees, and terminal concessions. There was little change in capital funding from the FAA and the state while there was a significant increase (\$142,000) in Passenger Facility Charges as passenger service continues to expand. Expenses increased \$987,000 from the prior year largely due to resale fuel purchases.

Net sales for fuel nearly tripled from 2015. Fuel prices continued to fluctuate slightly but remained lower than in previous years. The number of gallons sold rose by more than 900,000 gallons as passenger service increased. The increase of more than 49,000 passengers attributed to the increased Passenger Facility Charges revenue as well as landing fees and food and rental car concession revenues.

The Airport received capital grants for airfield improvements from the FAA and other equipment from the government surplus program totaling \$483,000. The timing of eligible FAA participation projects impacts the recognition of capital grant revenues from year to year and requires a 5% to 10% County match. Generally annual awards can be carried forward from year to year. The increased passenger traffic also makes the Airport eligible for additional Airport Improvement Program grant funds from the FAA.

Overall expenses were more by \$987,000. Fuel purchases rose \$1,226,000, while other operating expenses increased by \$181,000 and interest decreased by \$420,000. A decrease of \$76,000 was attributable to depreciation. Depreciation accounts for 33% of total expenses.

Interest continues to be a major expense of the Airport. Interest expense was \$4.9 million in 2016. Interest of \$148,000 was accrued as part of the accretion of the capital appreciation bonds and \$3,582,000 was charged for the current interest bonds and other debt. Amortization of premiums and deferred loss was \$1,189,000 in 2016.

The County continues to provide support to the Airport through operating transfers from other County funds. These transfers included cash of \$1,798,000 and costs paid on behalf of the Airport. These costs included personnel benefit costs of \$403,000, insurance of \$454,000, and debt service of \$4,938,000. In addition the County made capital grant matching payments of \$27,000. The Public Building Commission also contributed \$665,000 toward the parking lot expansion.

Financial Analysis of the County's Funds

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

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

At the end of 2016, St. Clair County's governmental funds reported combined ending fund balances of approximately \$129 million, a decrease of \$13 million from 2015, after a transfer of \$7.6 million to the Airport, inclusive of benefits, insurance, and debt service as discussed above under business-type activities. Approximately \$1.8 million constitutes an unassigned fund balance which is available for spending at the government's discretion. The remainder of the fund balance is non-spendable, restricted, committed, or assigned; not available for new spending because it has already been committed to pay debt service, insurance costs and claims, or other restrictive purposes as designated by statute or management.

The *General Fund* is the chief operating fund of St. Clair County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was nearly \$3.6 million, while the total fund balance was \$29 million. Certain prepaid expenses and inventory account for \$1.8 million of non-spendable fund balances while \$177,000 is contractually restricted. The County has committed \$5.5 million to fund certain County capital projects in 2016, \$933,000 for GIS and automation expenses, and another \$16.7 million for working cash which approximates six months operating expenses.

There was a \$13 million decrease in the fund balance for the General Fund. Revenues decreased by \$1.2 million and expenditures were less by approximately \$4.7 million; net transfers to other funds were \$14.9 higher than 2015 as \$13.2 was transferred to the Debt Service Fund to meet certain reserve requirements set in bond documents. Property taxes were lower by \$77,000 and state income, personal property replacement, and sales taxes increased by \$64,000. Revenues for licenses and fees declined \$141,000 from 2015 due in part to decreases in the collections of court fees and fines. Revenues from federal and state agencies were \$666,000 less in 2016. Investment earnings were higher by \$115,000.

The *Transportation Fund* had a fund balance of \$43.5 million at the end of 2016. This was down \$3.4 million from 2015. Revenues and expenditures fluctuate from year to year due to construction projects and participation by federal, state, and other local units. Revenues dropped almost \$408,000; motor fuel tax increased \$212,000 while federal, state, and local contributions for projects went down \$539,000. Expenditures increased \$165,000. Transfers of \$1,979,000 were paid to the debt service fund during the year to fund principal and interest payments on the outstanding highway construction bonds.

The *Lease Payable* fund balance was lower by nearly \$2.1 million. Property taxes decreased \$158,000. Taxes are levied to fund capital lease payment requirements, including operations, and maintenance, on certain County owned property. Expenditures and transfers increased \$242,000.

The *Debt Service Fund* increased \$9.4 million for 2016 as \$13.2 was transferred in from the General Fund in large part to meet reserve requirements set in the bond document. Revenues, consisting of investment earnings, declined by \$52,000. Debt service payments were basically unchanged from 2015. Debt service payments are offset by the transfer-in from the Transportation Fund for the Highway Revenue bonds. The payments made on the behalf of the Airport were \$3.8 million, \$478,000 less than 2015, and are included as transfers.

Proprietary funds. The County's proprietary funds consist of both enterprise and internal service funds. St. Clair County's enterprise fund activity is the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances have already been addressed in the discussion of the County's business-type activities.

The internal service activities are comprised of employee medical and unemployment insurance activities and occupancy costs. The net result from these activities was a net income of \$2,942,000 compared to income of \$1,417,000 in 2015. Medical insurance premiums charged increased \$263,000 while insurance premiums and claims decreased by \$738,000. Rents and other revenues increased by \$235,000 as other operating costs decreased by \$295,000.

General Fund Budgetary Highlights

The County uses the cash basis of accounting for budgeting purposes. This differs from the basis of accounting used in the funds' statements whereby uncollected revenues and unpaid expenses are not recognized in budget to actual reporting.

Actual revenues were lower than anticipated revenues by \$6.8 million. Property taxes were lower than budgeted by \$6.8 million due to abatements. General licenses, fines and fees and revenues from other agencies were lower by \$695,000; State income, personal property replacement, and sales and other taxes were lower than anticipated by \$1,228,000.

As in prior years, the most significant variance in the General Fund is in general government expenditures. This difference of \$15.7 million relates predominantly in the Capital Replacement (\$10,604,000) and Tort (\$4,479,000) activities. The County budgeted the Capital Replacement Fund to fund possible Airport and County building improvements and expansions from fund balances. Self-insurance budgets anticipate possible risk exposures. Other general fund variances were minimal.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities at the end of 2016 was \$275,159,000, net of accumulated depreciation. This investment included land, buildings and improvements, machinery and equipment, office equipment, roads, and bridges. It also includes the infrastructure of the Airport consisting of airfields, ramps, terminal, utility systems, roads and parking, service, and tenant facilities.

St. Clair County's Capital Assets

Net of Accumulated Depreciation
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (restated)	2016	2015	2016	2015 (restated)
Land & Improvements	\$ 18,505	\$ 17,833	\$ 42,542	\$ 42,610	\$ 61,047	\$ 60,443
Buildings & support facilities	29,774	30,139	29,094	30,290	58,868	60,429
Construction in progress	933	1,155	437	595	1,370	1,750
Machinery & equipment	10,959	10,476	4,861	4,851	15,820	15,327
Projects in progress	2,033	2,959	-	28	2,033	2,987
Infrastructure-highway	67,071	71,272	-	-	67,071	71,272
Infrastructure-airport	-	-	57,287	60,685	57,287	60,685
Infrastructure in progress	11,663	4,170	-	-	11,663	4,170
Total	\$ 140,938	\$ 138,004	\$ 134,221	\$ 139,059	\$ 275,159	\$ 277,063

In 2016, the County completed certain jail renovations, County building improvements, and other smaller improvements in the amount of \$1.6 million. There was another \$932,000 of improvements still in progress at the end of the year. Equipment additions were nearly \$2.9 million with \$1.9 million in 911 towers and equipment, in addition to other public safety vehicles and equipment, highway maintenance equipment and data processing equipment. There was \$2 million remaining in 911 systems in progress at the end of the year. The County posted almost \$9 million of depreciation expense in 2016 for its governmental funds.

The Highway Department is constantly expanding and improving the road system as there continues to be growth in the eastern part of County. Major road improvements continued in 2016; however many were joint projects with local districts with federal and state participation. County projects underway at the end of the year were \$11.7 million while the County completed \$428,000 in County road projects. Land acquisitions during 2015 and 2016 allowed the County to begin various projects that had previously been delayed.

The Airport continued to make investments in equipment and facilities during 2016. The Airport completed a \$647,000 Airport Improvement Project (FAA/state participation) to upgrade the airfield lighting and started 3 more totaling \$348,000 to be completed in 2017. Due to increased passenger service, \$547,000 was spent on the expansion of the passenger terminal parking lot. Other building improvements and equipment totaling nearly \$405,000 were acquired during the year. Depreciation expense for 2016 was \$6.1 million.

Additional information on St. Clair County's capital assets can be found in the Notes to the Financial Statements of this report.

Long-term debt. St. Clair County's long-term debt decreased by \$2,900,000 from 2015. At the end of the year, St. Clair County had outstanding long-term debt in the amount of \$114,312,000. Of the total, 58% of the debt was from the Airport activities.

St. Clair County's Long-term Obligations

(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (restated)	2016	2015 (restated)	2016	2015 (restated)
Revenue bonds						
Highway	\$ 27,531	\$ 28,362	\$ -	\$ -	\$ 27,531	\$ 28,362
Land & buildings	11,022	11,045	11,352	11,957	22,374	23,002
General obligation bonds	-	-	51,890	53,341	51,890	53,341
Capital lease obligations						
Equipment	2,981	2,879	-	-	2,981	2,879
Debt certificates	4,265	4,550	3,248	3,398	7,513	7,948
General obligation contract	167	219	-	-	167	219
Insurance claims	1,856	1,463	-	-	1,856	1,463
Total	\$ 47,822	\$ 48,518	\$ 66,490	\$ 68,696	\$ 114,312	\$ 117,214

Governmental Activities

Long-term obligations for governmental activities decreased by \$694,000 in 2016. Highway funds were used to make principal payments of \$837,000 on Highway revenue bonds and equipment leases during the year and \$46,000 in amortization of the premium. The Lease Payable fund is servicing capital lease obligation debt to the Public Building Commission for County office buildings, animal control facilities, and public safety facilities. Principal reductions were \$22,000. The reduction in the Emergency Telephone System debt certificates was \$285,000 while there was \$102,000 in interest accretion on equipment leases. The estimated long-term insurance claims increased by \$393,000. Changes are discussed in more detail in the notes to the financial statements.

Business-type Activities

The Airport made principal payments of \$1,615,000 on its general obligation debt. Accretion of interest on the general obligation capital appreciation bonds was \$148,000 with net amortization of premiums/discounts of \$16,000. Certain capital lease obligations were reduced by \$605,000 (funded by the Lease Payable Fund). Principal payments of \$150,000 were also made to reduce the debt certificates that were issued in 2013.

Additional information on St. Clair County's long-term debt can be found in the Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budgets and Rates

- Assessed valuations have increased but exemptions passed on by the State and TIF district expansion or extensions are impacting the real estate tax revenues collectible by the County.
- Supporting the Scott Air Force Base activities has increased the need for changes in government facilities and infrastructure.
- Investment earnings are not likely to increase in the near future.
- Tort insurance rates and claims continue to fluctuate while medical costs continue to rise. The effect of the federal healthcare plan is still unclear.
- State of Illinois budget deficits are affecting state funding.
- Additional State mandates being pushed to the local level are continuing.
- MidAmerica St Louis Airport sees extensive growth in passenger activity.

These factors were considered in preparing St. Clair County's budget for 2017.

With the continued uncertainty of the state actions, the County continues to look at alternatives for reduced state funding and the increases in unfunded state mandates. It is anticipated that the County will not be able to increase budgets again and that general fund balances will continue to help finance Airport operations in the near future.

Requests for Information

This financial report is designed to provide a general overview of St. Clair County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to St. Clair County Auditor's Office, 10 Public Square, Belleville, Illinois 62220.

BASIC FINANCIAL STATEMENTS

ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
December 31, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Grants Department	Flood Prevention
ASSETS					
Current assets					
Cash	\$ 1,543,065	\$ 295,982	\$ 1,839,047	\$ 3,046,558	\$ -
Equity in cash and investment pool	125,837,902	100,789	125,938,691	-	13,309,556
Investments	24,664,237	-	24,664,237	241,809	-
Funds held in trust	-	518,758	518,758	-	-
Accounts receivable	13,045,094	292,721	13,337,815	1,318,540	1,462,351
Taxes receivable (net)	37,414,388	-	37,414,388	-	-
Revolving/forgivable loans receivable	-	-	-	1,113,803	-
Interest receivable	94,116	59	94,175	-	7,599
Internal balances	3,780,689	(3,780,689)	-	-	-
Inventory	314,305	493,453	807,758	-	-
Other assets	-	-	-	102,242	-
Prepaid expenditures	1,679,533	-	1,679,533	-	-
Total current assets	<u>208,373,329</u>	<u>(2,078,927)</u>	<u>206,294,402</u>	<u>5,822,952</u>	<u>14,779,506</u>
Restricted assets					
Cash	-	18,886	18,886	-	-
Equity in cash and investment pool	-	637,302	637,302	-	-
Investments	310,836	268,711	579,547	-	-
Funds held in trust	-	701,411	701,411	-	-
Accounts receivable	-	20,467	20,467	-	-
Interest receivable	-	6,296	6,296	-	-
Deposits	-	109,329	109,329	-	-
Total restricted assets	<u>310,836</u>	<u>1,762,402</u>	<u>2,073,238</u>	<u>-</u>	<u>-</u>
Noncurrent assets					
Revolving/forgivable loans receivable	-	-	-	2,093,230	-
Capital assets	<u>140,937,742</u>	<u>134,221,232</u>	<u>275,158,974</u>	<u>13,565</u>	<u>-</u>
Total noncurrent assets	<u>140,937,742</u>	<u>134,221,232</u>	<u>275,158,974</u>	<u>2,106,795</u>	<u>-</u>
Deferred outflows of resources					
Deferred outflows related to pensions	15,528,288	237,852	15,766,140	494,299	-
Deferred charges on refinancing	<u>1,449,507</u>	<u>9,246,147</u>	<u>10,695,654</u>	<u>-</u>	<u>-</u>
Total outflows of resources	<u>16,977,795</u>	<u>9,483,999</u>	<u>26,461,794</u>	<u>494,299</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$366,599,702</u>	<u>\$143,388,706</u>	<u>\$509,988,408</u>	<u>\$ 8,424,046</u>	<u>\$ 14,779,506</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
(continued)
December 31, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Grants Department	Flood Prevention
LIABILITIES					
Current liabilities					
Accounts payable	\$ 4,466,668	\$ 515,149	\$ 4,981,817	\$ 885,004	\$ 1,462,351
Accrued salaries	2,633,574	74,699	2,708,273	151,914	-
Accrued payroll related costs	3,744,904	111,608	3,856,512	144,780	-
Accrued interest	50,146	767,816	817,962	-	-
Funds held in escrow	53,771	13,755	67,526	71,956	-
Insurance claims	2,236,686	-	2,236,686	-	-
Unearned income	3,045,565	-	3,045,565	1,261,308	-
Debt certificates - current	290,000	150,000	440,000	-	-
General obligation bonds - current	-	1,550,137	1,550,137	-	-
General obligation contract - current	53,575	-	53,575	-	-
Revenue bonds - current	20,000	625,000	645,000	-	-
Revolving/forgivable loans liability	-	-	-	1,113,803	-
Total current liabilities	<u>16,594,889</u>	<u>3,808,164</u>	<u>20,403,053</u>	<u>3,628,765</u>	<u>1,462,351</u>
Noncurrent liabilities					
Debt certificates	3,975,000	3,098,249	7,073,249	-	-
General obligation bonds payable	-	50,339,584	50,339,584	-	-
General obligation contract	113,570	-	113,570	-	-
Revenue bonds	38,533,543	10,726,979	49,260,522	-	-
Obligations under capital lease-equipment	2,980,776	-	2,980,776	-	-
Revolving/forgivable loans liability	-	-	-	2,093,230	-
Net pension liability	33,596,567	466,383	34,062,950	939,428	-
Insurance claims	1,855,896	-	1,855,896	-	-
Total noncurrent liabilities	<u>81,055,352</u>	<u>64,631,195</u>	<u>145,686,547</u>	<u>3,032,658</u>	<u>-</u>
Total liabilities	<u>97,650,241</u>	<u>68,439,359</u>	<u>166,089,600</u>	<u>6,661,423</u>	<u>1,462,351</u>
Deferred inflows of resources					
Deferred taxes and related fees	38,850,962	-	38,850,962	-	-
Deferred inflows on refinancing	382,610	-	382,610	-	-
Deferred inflows related to pensions	2,421,340	13,955	2,435,295	27,691	-
	<u>41,654,912</u>	<u>13,955</u>	<u>41,668,867</u>	<u>27,691</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>139,305,153</u>	<u>68,453,314</u>	<u>207,758,467</u>	<u>6,689,114</u>	<u>1,462,351</u>
NET POSITION					
Net investment in capital assets	121,647,109	89,754,539	211,401,648	13,565	-
Restricted	109,923,310	1,060,992	110,984,302	1,957,051	13,317,155
Unrestricted	(4,275,870)	(15,880,139)	(20,156,009)	(235,684)	-
Total net position	<u>\$227,294,549</u>	<u>\$ 74,935,392</u>	<u>\$302,229,941</u>	<u>\$ 1,734,932</u>	<u>\$ 13,317,155</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Activities
For the year ended December 31, 2016

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Goods and Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Grants Department	Flood Prevention
Primary Government									
Governmental activities									
General government	\$ 21,898,547	\$ 9,235,811	\$ 1,160,770	\$ -	\$ (11,501,966)	\$ -	\$ (11,501,966)		
Public safety	36,176,339	7,878,059	4,005,533	476,015	(23,816,732)	-	(23,816,732)		
Judicial	12,676,821	7,095,359	1,280,450	-	(4,301,012)	-	(4,301,012)		
Public health	11,130,129	632,543	6,130,501	-	(6,511,307)	-	(6,511,307)		
Transportation	13,274,351	796,827	5,157,271	2,028,161	(3,147,870)	-	(3,147,870)		
Unallocated interest	<u>709,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(709,677)</u>	<u>-</u>	<u>(709,677)</u>		
Total governmental activities	95,865,864	25,638,599	17,734,525	2,504,176	(49,988,564)	-	(49,988,564)		
Business-type activities									
Airport	<u>18,401,966</u>	<u>5,340,970</u>	<u>315</u>	<u>483,441</u>	<u>-</u>	<u>(12,577,240)</u>	<u>(12,577,240)</u>		
Total primary government	<u>\$114,267,830</u>	<u>\$ 30,979,569</u>	<u>\$ 17,734,840</u>	<u>\$ 2,987,617</u>	<u>(49,988,564)</u>	<u>(12,577,240)</u>	<u>(62,565,804)</u>		
Component units									
Grants Department	\$ 17,035,820	\$ 339,965	\$ 16,474,942	\$ -				\$ (220,913)	\$ -
Flood prevention	<u>4,704,758</u>	<u>-</u>	<u>-</u>	<u>-</u>					<u>(4,704,758)</u>
	<u>\$ 21,740,578</u>	<u>\$ 339,965</u>	<u>\$ 16,474,942</u>	<u>\$ -</u>					
General revenues									
Taxes									
Property taxes					31,696,240	-	31,696,240	-	-
Sales taxes					9,460,659	-	9,460,659	-	5,385,885
Personal property replacement tax					2,839,639	-	2,839,639	-	-
State income tax					5,252,383	-	5,252,383	-	-
Other taxes					198,338	-	198,338	-	-
Unrestricted investment earnings					1,148,740	37,750	1,186,490	7,306	93,053
Miscellaneous					36,721	-	36,721	1,685	-
Gain (loss) on disposal of assets					50,653	(624)	50,029	-	-
Transfers					<u>(8,284,728)</u>	<u>8,284,728</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>42,398,645</u>	<u>8,321,854</u>	<u>50,720,499</u>	<u>8,991</u>	<u>774,180</u>
Changes in net position					(7,589,919)	(4,255,386)	(11,845,305)	(211,922)	774,180
Net position - beginning (restated)					<u>234,884,468</u>	<u>79,190,778</u>	<u>314,075,246</u>	<u>1,946,854</u>	<u>12,542,975</u>
Net position - ending					<u>\$ 227,294,549</u>	<u>\$ 74,935,392</u>	<u>\$ 302,229,941</u>	<u>\$ 1,734,932</u>	<u>\$ 13,317,155</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Balance Sheet
Governmental Funds
December 31, 2016

	General	Transportation Fund	Lease Payable Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 959,545	\$ 500	\$ -	\$ -	\$ 373,339	\$ 1,333,384
Equity in cash and investment pool	24,485,993	46,978,213	206,429	16,673,736	37,379,477	125,723,848
Accounts receivable	3,478,470	394,249	-	-	4,071,990	7,944,709
Taxes receivable	11,869,985	4,500,747	11,849,324	-	9,194,332	37,414,388
Interest receivable	22,686	27,980	2,444	2,878	21,443	77,431
Internal balances	5,730,997	116,709	-	-	4,560,297	10,408,003
Inventory	136,346	175,734	-	-	2,225	314,305
Prepaid expenditures	1,684,730	-	164,250	-	20,464	1,869,444
Total assets	<u>\$ 48,368,752</u>	<u>\$ 52,194,132</u>	<u>\$ 12,222,447</u>	<u>\$ 16,676,614</u>	<u>\$ 55,623,567</u>	<u>\$ 185,085,512</u>
LIABILITIES						
Accounts payable	\$ 663,940	\$ 1,309,198	\$ -	\$ -	\$ 2,189,313	\$ 4,162,451
Accrued salaries	1,593,295	161,112	-	-	632,612	2,387,019
Accrued payroll related costs	-	-	-	-	551,379	551,379
Internal balances	3,626,148	-	-	-	2,934,404	6,560,552
Funds held in escrow	19,092	-	-	-	-	19,092
Other liabilities	1,110,859	-	-	-	-	1,110,859
Unearned income	-	2,704,666	-	-	186,801	2,891,467
Total liabilities	<u>7,013,334</u>	<u>4,174,976</u>	<u>-</u>	<u>-</u>	<u>6,494,509</u>	<u>17,682,819</u>
DEFERRED INFLOWS OF RESOURCES						
	<u>12,487,717</u>	<u>4,500,746</u>	<u>11,849,324</u>	<u>-</u>	<u>10,013,175</u>	<u>38,850,962</u>
Total liabilities and deferred inflows of resources	<u>19,501,051</u>	<u>8,675,722</u>	<u>11,849,324</u>	<u>-</u>	<u>16,507,684</u>	<u>56,533,781</u>
FUND BALANCES						
Nonspendable	1,821,076	175,734	164,250	-	22,689	2,183,749
Restricted	177,383	43,342,676	208,873	4,277,813	40,924,502	88,931,247
Committed	23,269,595	-	-	3,787,126	-	27,056,721
Assigned	-	-	-	8,611,675	-	8,611,675
Unassigned	3,599,647	-	-	-	(1,831,308)	1,768,339
Total fund balances	<u>28,867,701</u>	<u>43,518,410</u>	<u>373,123</u>	<u>16,676,614</u>	<u>39,115,883</u>	<u>128,551,731</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 48,368,752</u>	<u>\$ 52,194,132</u>	<u>\$ 12,222,447</u>	<u>\$ 16,676,614</u>	<u>\$ 55,623,567</u>	<u>\$ 185,085,512</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Reconciliation of Balance Sheet of Governmental Funds to
the Statement of Net Position
December 31, 2016

Total fund balances for governmental funds	\$ 128,551,731
Total net position reported for governmental activities in the statement of net position is different because:	
Receivables and funds held in trust applicable to the County's governmental activities that do not provide current financial resources are not reported as receivables in the funds.	4,778,137
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	140,374,140
Internal service funds are used by the County to account for the financing and maintenance of facilities, employee medical benefits and unemployment benefits provided to the other County departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal services funds that are included in governmental activities in the statement of net position. Internal service funds net position is:	23,217,626
Long-term liabilities, net of deferred outflows, applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.	(49,519,160)
Pension obligations, net of deferred outflows and inflows of resources related to pensions, that are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(20,107,925)</u>
Total net position of governmental activities	<u>\$ 227,294,549</u>

ST. CLAIR COUNTY, ILLINOIS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2016

	General	Transportation Fund	Lease Payable Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 6,974,195	\$ 4,809,284	\$ 9,425,966	\$ -	\$ 10,486,795	\$ 31,696,240
State income tax	5,321,993	-	-	-	-	5,321,993
Personal property replacement tax	2,839,639	-	-	-	-	2,839,639
Sales tax	9,447,143	-	-	-	-	9,447,143
Motor fuel tax	-	4,752,915	-	-	-	4,752,915
Other taxes	198,338	-	-	-	-	198,338
Revenue from federal/state agencies	375,228	-	-	-	8,352,863	8,728,091
Revenue from local agencies	106,985	494,011	18,496	-	2,675,739	3,295,231
Licenses, permits, fines, fees and services	13,531,468	36,099	-	-	8,112,236	21,679,803
Earnings on investments	332,475	365,925	32,212	17,923	307,181	1,055,716
Miscellaneous revenues	16,988	-	-	-	50,475	67,463
	<u>39,144,452</u>	<u>10,458,234</u>	<u>9,476,674</u>	<u>17,923</u>	<u>29,985,289</u>	<u>89,082,572</u>
EXPENDITURES						
Current						
General government	18,596,524	-	8,336,181	-	9,444,706	36,377,411
Public safety	12,580,705	-	-	-	10,961,593	23,542,298
Judicial	4,589,390	-	-	-	3,031,417	7,620,807
Public health	41,216	-	-	-	8,871,347	8,912,563
Transportation	-	5,635,584	-	-	-	5,635,584
Capital outlay						
General government	108,455	-	1,459,968	-	28,785	1,597,208
Public safety	87,116	-	50,519	-	1,301,593	1,439,228
Judicial	-	-	-	-	39,086	39,086
Public health	-	-	-	-	23,570	23,570
Transportation	-	6,230,069	-	-	-	6,230,069
Debt service						
General government	-	-	567,538	-	-	567,538
Public safety	-	-	-	-	553,146	553,146
Transportation	-	60,165	-	1,978,656	-	2,038,821
	<u>36,003,406</u>	<u>11,925,818</u>	<u>10,414,206</u>	<u>1,978,656</u>	<u>34,255,243</u>	<u>94,577,329</u>
Excess (deficiency) of revenues over (under)expenditures	<u>3,141,046</u>	<u>(1,467,584)</u>	<u>(937,532)</u>	<u>(1,960,733)</u>	<u>(4,269,954)</u>	<u>(5,494,757)</u>
Other financing sources (uses):						
Operating transfers-in	98,683	-	-	15,178,656	552,434	15,829,773
Operating transfers-out	(16,216,827)	(1,978,656)	(1,150,288)	(3,787,638)	(312,216)	(23,445,625)
Total other financing sources (uses)	<u>(16,118,144)</u>	<u>(1,978,656)</u>	<u>(1,150,288)</u>	<u>11,391,018</u>	<u>240,218</u>	<u>(7,615,852)</u>
Net changes in fund balances	(12,977,098)	(3,446,240)	(2,087,820)	9,430,285	(4,029,736)	(13,110,609)
Beginning fund balances	<u>41,844,799</u>	<u>46,964,650</u>	<u>2,460,943</u>	<u>7,246,329</u>	<u>43,145,619</u>	<u>141,662,340</u>
Ending fund balances	<u>\$ 28,867,701</u>	<u>\$ 43,518,410</u>	<u>\$ 373,123</u>	<u>\$ 16,676,614</u>	<u>\$ 39,115,883</u>	<u>\$ 128,551,731</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the year ended December 31, 2016

Net change in fund balances - total governmental funds	\$ (13,110,609)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures and proceeds from disposals as miscellaneous revenue. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense and gains and losses are reported on disposals.	2,897,003
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,939,112
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	850,948
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(398,594)
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Internal service funds are used by management to charge the costs of certain financing and maintenance of facilities and certain insurance activities to individual funds. The net income (loss) of certain internal service funds is reported with governmental activities (net of amounts allocated to business-type activities):	2,246,909
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The changes in net pension obligations and deferred outflows and inflows related to pensions, that do not require the use of current financial resources and, therefore, are not reported as expenditure in the funds.	(2,014,688)
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Changes in net position of governmental activities	\$ <u>(7,589,919)</u>
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ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
Proprietary Funds
December 31, 2016

	<u>Enterprise Fund</u> <u>MidAmerica</u> <u>St. Louis Airport</u>	<u>Internal</u> <u>Service</u> <u>Funds</u>
ASSETS		
Current assets		
Cash	\$ 295,982	\$ 209,681
Equity in cash and investment pool	100,789	114,054
Investments	-	24,664,237
Funds held in trust	518,758	-
Accounts receivable	292,721	322,248
Interest receivable	59	16,685
Internal balances	(3,761,645)	11,397
Inventory	493,453	-
Net investment in direct financing leases	-	649,613
Prepaid expenses	-	1,257
Total current assets	<u>(2,059,883)</u>	<u>25,989,172</u>
Restricted assets		
Cash	18,886	-
Equity in investment pool	637,302	-
Investments	-	579,547
Funds held in trust	701,411	-
Accounts receivable	20,467	-
Interest receivable	6,297	-
Deposits	109,329	-
Total restricted assets	<u>1,493,692</u>	<u>579,547</u>
Noncurrent assets		
Net investment in direct financing leases	-	22,004,363
Capital assets	134,221,231	563,602
	<u>134,221,231</u>	<u>22,567,965</u>
Deferred outflows of resources		
Deferred outflows related to pensions	237,852	421,439
Deferred charges on refinancing	9,246,147	-
	<u>9,483,999</u>	<u>421,439</u>
Total assets and deferred outflows of resources	<u>\$ 143,139,039</u>	<u>\$ 49,558,123</u>

ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
Proprietary Funds
(continued)
December 31, 2016

	Enterprise Fund MidAmerica St. Louis Airport	Internal Service Funds
LIABILITIES		
Current liabilities		
Accounts payable	\$ 515,149	\$ 304,217
Accrued salaries	74,699	246,555
Accrued payroll related costs	111,608	74,369
Accrued interest	723,031	90,812
Internal balances	-	97,203
Other liabilities	-	1,125,827
Unearned income	-	345,266
Funds held in escrow	13,755	-
Revenue bonds - current	-	645,000
General obligation bonds - current	1,550,137	-
Debt certificates - current	150,000	-
Obligations under capital lease - current	627,321	-
Total current liabilities	<u>3,765,700</u>	<u>2,929,249</u>
Noncurrent liabilities		
Internal balances	12,540,113	(12,540,113)
Funds held in escrow	-	34,679
Debt certificates	3,098,249	-
Revenue bonds	-	21,729,465
General obligation bonds	50,339,584	-
Obligations under capital lease	10,981,137	-
Net pension liability	466,383	780,425
Total noncurrent liabilities	<u>77,425,466</u>	<u>10,004,456</u>
Total liabilities	<u>81,191,166</u>	<u>12,933,705</u>
Deferred inflows of resources		
Unamortized gain on refinancing	-	382,610
Deferred inflows related to pensions	13,955	22,708
Total deferred inflows of resources	<u>13,955</u>	<u>405,318</u>
Total liabilities and deferred inflows of resources	<u>81,205,121</u>	<u>13,339,023</u>
NET POSITION		
Net investment in capital assets	89,754,539	563,602
Restricted	792,281	36,742,911
Unrestricted	(28,612,902)	(1,087,413)
Total net position	<u>\$ 61,933,918</u>	<u>\$ 36,219,100</u>

ST. CLAIR COUNTY, ILLINOIS
Statement of Revenues, Expenses,
and Changes in Net Position
Proprietary Funds
For the year ended December 31, 2016

	Enterprise Fund MidAmerica St. Louis Airport	Internal Service Funds
CHARGES FOR GOODS AND SERVICES		
Landing fees and terminal area use charges	\$ 60,406	\$ -
Rents, concessions and other services	835,303	11,970,169
Intergovernmental revenues	315	371,457
Other	16,810	33,523
Fuel sales (less costs of \$3,190,770)	300,688	-
Insurance premiums	-	10,822,794
Total operating revenues	<u>1,213,522</u>	<u>23,197,943</u>
OPERATING EXPENSES		
Operating expenses	4,037,932	7,353,232
Insurance claims and premiums	-	11,800,986
Post-employment benefit contribution	-	172,918
Interest expense	-	1,007,322
Depreciation and amortization	6,114,575	14,677
Total operating expenses	<u>10,152,507</u>	<u>20,349,135</u>
Operating income (loss)	<u>(8,938,985)</u>	<u>2,848,808</u>
NONOPERATING REVENUES (EXPENSES)		
Investment earnings	37,750	93,024
Interest expense	(4,920,010)	-
Passenger facility charges	235,919	-
Loss on disposal of assets	(624)	-
Real estate leases (net of expenses)	532,792	-
Total nonoperating expenses	<u>(4,114,173)</u>	<u>93,024</u>
Net income (loss)	<u>(13,053,158)</u>	<u>2,941,832</u>
Transfers-in	7,619,399	-
Capital contributions	483,441	-
Change in net assets	<u>(4,950,318)</u>	<u>2,941,832</u>
Net position - beginning of year (restated)	<u>66,884,236</u>	<u>33,277,268</u>
Net position - end of year	<u>\$ 61,933,918</u>	<u>\$ 36,219,100</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2016

	Enterprise Fund MidAmerica St. Louis Airport	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments from customers and tenants	\$ 4,288,349	\$ 2,100,488
Operating grants received	315	-
Payments from interfund services provided	-	21,288,839
Payments to vendors	(5,174,663)	(17,164,734)
Payments to employees	(1,019,042)	(1,579,974)
Net cash provided (used) by operating activities	<u>(1,905,041)</u>	<u>4,644,619</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Interest paid	-	(1,105,916)
Principal payments on bonds	-	(620,000)
Payments on behalf of business-type activities	-	(665,328)
Transfers from general fund	1,797,900	-
Net cash provided (used) by non-capital financing activities	<u>1,797,900</u>	<u>(2,391,244)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on debt certificates	(150,000)	-
Interest paid	(137,624)	-
Passenger facility charges	18,889	-
Proceeds from disposal of assets	5,000	-
Construction deposit reimbursements	1,896	-
Capital grant contributions	36,010	-
Capital expenditures	(111,325)	(51,438)
Net cash provided (used) by capital and related financing activities	<u>(337,154)</u>	<u>(51,438)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment interest	416	80,089
Redemption of investments	450,000	(1,026,603)
Purchase of Investments	(450,000)	-
Non-aeronautical real estate revenues	458,067	-
Net cash provided (used) by investing activities	<u>458,483</u>	<u>(946,514)</u>
Net increase (decrease) in cash and cash equivalents	14,188	1,255,423
Cash and cash equivalents - beginning of year	300,680	16,250,376
Cash and cash equivalents - end of year	<u>\$ 314,868</u>	<u>\$ 17,505,799</u>
Cash and cash equivalents		
Cash	\$ 295,982	\$ 209,681.0
Equity in cash and investment pool	-	114,054
Investments	-	16,637,196
Restricted cash	18,886	-
Restricted investments	-	544,868
	<u>\$ 314,868</u>	<u>\$ 17,505,799</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Cash Flows
Proprietary Funds
(continued)
For the year ended December 31, 2016

	<u>Enterprise Fund</u> MidAmerica St. Louis Airport	<u>Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH		
PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (8,938,985)	\$ 2,848,808
Adjustments to reconcile		
Depreciation and amortization	6,114,575	14,677
Operating costs paid by capital contributions	861,668	-
Interest expense related to direct financing leases	-	1,007,322
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	(112,334)	(15,181)
Decrease (increase) in inventory	(102,731)	-
Decrease (increase) in net investment in direct financing lease	-	614,018
Decrease (increase) in due from other funds	31,530	(6,050)
Decrease (increase) in deferred outflows of resources	136,044	205,212
Increase (decrease) in accounts payable	101,980	72,183
Increase (decrease) in accrued wages and related costs	(581)	42,309
Increase (decrease) in due to other funds	-	97,203
Increase (decrease) in other liabilities	-	(241,047)
Increase (decrease) in funds held in escrow	(7,622)	-
Increase (decrease) in unearned income	-	(12,052)
Increase (decrease) in net pension liability	7,349	11,085
Increase (decrease) in deferred inflows of resources	4,066	6,132
Net cash provided (used) by operating activities	<u>\$ (1,905,041)</u>	<u>\$ 4,644,619</u>

SCHEDULE OF NON-CASH FINANCING AND INVESTING ACTIVITIES

Interest accreted on bonds and leases (net of amortization)	\$ 1,337,017	\$ -
Interest paid on bonds from escrowed funds	719,488	-
Capital contributions		
Capital assets	346,370	-
Capital lease principal and interest	1,150,288	-
Bond principal and interest	1,165,000	-
Capital assets transferred from St Clair County	3,545	-
Capital payments made by the St Clair County for the Airport	23,360	-
Capital payments made by the Public Building Commission for the Airport	633,798	-
Increase (decrease) in market value of investments	(360)	6,857

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
Fiduciary Funds
December 31, 2016

	Agency Funds	Post- Employment Health Insurance Trust
ASSETS		
Cash	\$ 5,394,150	\$ -
Equity in cash and investment pool	1,318,939	928
Investments	1,259,219	2,886,884
Accounts receivable	8,013	-
Interest receivable	709	6,778
	<u>7,981,030</u>	<u>2,894,590</u>
Total assets		
LIABILITIES		
Accounts payable	38,375	-
Due to taxing districts	669,368	-
Held pending protested tax settlement	215,504	-
Funds held in escrow	7,057,783	-
	<u>7,981,030</u>	<u>-</u>
Total liabilities		
NET POSITION		
Restricted for Other Post-Employment Benefits (OPEB)	<u>\$ -</u>	<u>\$ 2,894,590</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Statement of Changes in Net Position
Fiduciary Funds
For the year ended December 31, 2016

	Post- Employment Health Insurance Trust
ADDITIONS	
Contributions	
Employer	\$ 172,918
Total contributions	<u>172,918</u>
Investment income	
Interest, dividends and other investment earnings	81,710
Net appreciation (depreciation) in fair value of assets	<u>68,775</u>
Total investment earnings	150,485
Less investment expense	<u>22,491</u>
Net investment earnings	<u>127,994</u>
Total additions	<u>300,912</u>
DEDUCTIONS	
Benefits	<u>-</u>
Total deductions	<u>-</u>
Change in net position	<u>300,912</u>
Net position - restricted for Other Post-Employment Benefits (OPEB), beginning of the year	<u>2,593,678</u>
Net position - restricted for Other Post-Employment Benefits (OPEB), end of the year	<u>\$ 2,894,590</u>

See notes to the financial statements.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements
December 31, 2016

1. Summary of significant accounting policies

Reporting Entity

The accompanying financial statements present the activities of St. Clair County (the County) and its component units, legally separate organizations for which the County is financially accountable: the Public Building Commission of St. Clair County, St. Clair County Intergovernmental Grants Department and the St. Clair County Flood Prevention District. The Public Building Commission is so intertwined with the County that it is, in substance, the same as the County and, therefore, is blended and reported as if it were a part of the County. The Commissioners of the Public Building Commission are appointed by the County Board, however, the corporation exists solely to manage and to finance the acquisition, construction, enlarging, improving or replacing public buildings and facilities of the County and maintenance of said facilities. The Commission leases facilities to the County under operating/capital lease agreements.

St. Clair County Intergovernmental Grants Department (IGD) is a regional planning commission that administers economic development and rehabilitation, weatherization, job training, and other social service programs in St. Clair County and certain contiguous counties for the economically disadvantaged under various federal and state grants. Its activities also include the St. Clair County Intergovernmental Grants Community Action Commission (CAA), a 501(c)(3) formed to obtain additional grant funds. The County, through its Intergovernmental Grants Department, has entered into various agreements with federal and state agencies to administer certain programs. Funding for the programs is predominantly from the U.S. Department of Housing and Urban Development (HUD), the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Healthcare and Family Services.

The St. Clair County Flood Prevention District (Flood District) was established pursuant to an Illinois statute created for the purpose of performing emergency levee repair and flood prevention in order to prevent the loss of life or property. The County adopted a resolution to impose a sales tax to fund the operations and any debt service requirements of the District for this purpose. The District is part of the Southwestern Illinois Flood Prevention District Council which is a consortium of three contiguous counties and certain levee districts that is responsible for the construction of flood prevention systems along the Mississippi River.

Management, in determining what potential component entities should be included for financial reporting purposes, considered accountability for fiscal matters other manifestations of oversight responsibility, scope of public service, and special financing relationships. Fiscal accountability, the most significant of all the criteria, refers to conditions of financial interdependency between two entities including budgetary adoption, taxing authority, responsibility for debt, and control over or responsibility for financial management. Other manifestations of oversight responsibility encompass the ability to select governing authority, designate management or significantly influence operations. The scope of public service evaluates the benefits derived in terms of the citizenry served or the geographic boundaries included.

Based upon these criteria, IGD and the Flood District are considered component units and are discretely presented as part of the government-wide financial statements of St. Clair County. Together they are reported as separate columns or rows in the government-wide financial statements to emphasize that they are legally separate from the County although the County appoints its directors/board. The County issues separate audited financial statements on IGD because it services multiple counties with St. Clair County as the lead agency. The Flood District also issues separate financial statements in compliance with state statutes. These financial statements may be obtained at the County Board Office.

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 non-fiduciary activities of the County. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which would generally rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain expenses recorded as general government expenses in the funds' statements have been reclassified and allocated in the government-wide statement of activities by function. These include, among others, certain employee benefit costs, lease costs, and insurance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements but not necessarily on the fund financial statements.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Amounts recorded as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) operating and capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds, and discretely presented component units. Fiduciary funds are excluded from the government-wide financial statements. The notes to the financial statements only pertain to the primary government. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds. Taxes and other items not included among program revenues are reported instead as general revenues.

The County has established a number of funds for the purpose of accounting for its financial transactions. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or obtaining certain objectives in accordance with special regulations, restrictions, or limitations.

The various funds used by the County are categorized as follows for presentation in the financial statements:

Governmental Funds

General Fund is the government's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds account for the proceeds of specific revenue sources which are restricted or committed to finance specific functions or activities of the County other than debt service or capital projects.

Debt Service Fund accounts for the accumulation of resources that are restricted, committed or assigned to the payment of general long-term debt principal and interest not accounted for in another fund.

Proprietary Funds

Internal Service Funds account for the financing of the buildings and maintenance, medical self-insurance and the unemployment insurance programs provided by a department on a cost-reimbursement basis. Other services provided on a similar basis are recorded in the general fund.

Enterprise Fund accounts for the operation of the MidAmerica St. Louis Airport. These operations are financed and operated in a manner similar to private business enterprises.

Fiduciary Funds

Agency Funds account for assets held by the County in a trustee capacity or as an agent for individual private organizations, other governmental units or other funds.

Other Post-employment Benefits Trust accounts for the activities of the Post-Employment Health Trust Fund which accumulates the resources for post-employment health benefits for qualified retirees.

The County reports the following major governmental funds:

General fund (as described above)

Transportation fund. This fund accounts for the various revenues and expenditures related to the highway transportation system including, but not limited to, repairs, maintenance and construction.

Lease payable fund. This fund accounts for the property tax revenues required to make capital lease payments, including operations/maintenance, on certain County land and buildings used in the operations of County business.

Debt service fund. This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt obligation of governmental funds and funds reserved for enterprise fund long-term obligations.

The County reports the following major proprietary funds:

MidAmerica St. Louis Airport fund (as described above)

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Measurement focus, basis of accounting, and financial statement presentation

The general accounting records for the various funds of St. Clair County are maintained substantially on a cash basis. Revenues are recorded when cash is received and expenditures are recorded when cash payments are made, which is consistent with the County's basis for budgeting. However, the accounting principles used to present the financial statements are in conformity with generally accepted accounting principles for governmental entities.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues from categorical and other grants are considered available when eligibility criteria have been met and if received within one year. Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, however, property taxes collected after 60 days have been reported as deferred revenue. Fine and fee revenue items are considered to be measurable and available only when the government receives cash.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments and compensated absences, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, investment earnings, and farm land leases, result from non-exchange transactions or ancillary activities.

Estimates

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

Budgetary information

The County prepares an annual operating budget for revenues and expenditures on the cash basis. The County Board approves the budget. Appropriations are made on a detail line-item basis and lapse at year-end. Any adjustments to the budget or transfers between funds require County Board approval. The general fund, special revenue funds, the enterprise fund, and debt service funds are budgeted. Agency funds and the internal service funds are included in the budgetary process for purposes of estimation rather than budgetary controls.

Budgets are for the calendar year and include various Highway funds that are budgeted by project, although they lapse at year-end and require re-appropriation in the ensuing years. Budgets for the enterprise fund, certain internal service funds, and grant funds are flexible and are generally dependent on the projects and funding sources.

Encumbrances are defined as commitments related to unperformed contracts for goods and services that may be charged against an appropriation in the period of the commitment. The appropriated funds utilize encumbrance accounting. However, appropriations and encumbrances lapse at year-end and, therefore, there is no reserve for encumbered balances.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Deposits and investments

The County maintains and controls a cash and investment pool in which the primary government's funds share for the purpose of increasing earnings through investment activities. Each fund's portion of the pool is displayed on its balance sheet as "Equity in cash and investment pool." Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average daily balance of each participating fund. In addition, non-pooled cash and investments are separately held and reflected in their respective funds as "Cash" and "Investments." Both pooled and non-pooled investments are reported at fair value based on market prices. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the state pool is the same as the fair value of the pool shares.

Statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, certain commercial paper, repurchase agreements, interest-bearing deposit accounts, certain money market mutual funds, and the State Treasurer's Investment Pool. Investments of the Post-Employment Health Insurance Trust are also invested in certain equity securities as allowed by statutes covering retirement funds.

The County considers cash and cash equivalents in internal service funds to be cash on hand and demand deposits. The investment pool and certain investments are sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty; accordingly, equity in the pool is also deemed to be a cash equivalent for internal service funds.

Receivable and payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Management has provided an allowance based on amounts recorded at year-end for the enterprise fund that may be uncollectible using the specific write-off method.

Property taxes attach an enforceable lien on property as of January 1 and are levied one year in arrears. Accordingly, property tax revenues are accrued. However, property taxes are recognized as revenue when collected based on the intent of the County to use the revenue to finance operations of the following year. The 2015 property taxes were payable on July 1, 2016 and September 1, 2016 and recognized as revenue in 2016.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Internal balances" as well as other outstanding balances between funds. Long-term borrowings between funds not expected to be repaid in the foreseeable future have been eliminated and recorded as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal balances."

Inventories and prepaid items

Office supply room inventories and highway supply inventories at year-end have been recorded at cost using the first-in, first-out method in the government-wide financial statements. The enterprise fund records inventories of supplies and certain fuels held for resale and recognizes them as expenses when consumed or sold. These inventories are recorded at cost using the average cost method.

Prepaid expenditures generally represent insurance costs and rents that have been prepaid for the next year and will be recognized as expenses in the subsequent year. Prepaid expenditures are offset by the non-spendable fund balances that indicate that they do not constitute "available, spendable resources" in the governmental fund financial statements.

Capital assets

Capital assets, property, equipment, infrastructure assets (i.e., roads, bridges, sidewalks, and similar items acquired after June 30, 1980), are recorded in the applicable governmental or business-type activity columns in the government-wide financial statements. Expenditures for the acquisition, construction or equipping of capital projects, together with related design, architectural and engineering fees, are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The costs of capital assets are recorded as expenditures in the acquiring fund at the time of purchase and any proceeds from sales are recorded as receipts at the time of disposal in the governmental funds' statements for governmental activities.

All fixed assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Donated assets are recorded at estimated fair value in the year received. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The County capitalizes highway infrastructure additions or improvements of \$100,000 per road mile.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

The provision for depreciation on facilities is provided on a straight-line basis. Estimated useful lives are as follows:

Water drainage and sewer system	30-50 years
Runways, aprons, taxiways and paved road	30 years
Highway infrastructure	20-40 years
Buildings and improvements	20-40 years
Electrical systems	25 years
Equipment	5-20 years
Office equipment	3-10 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualify for reporting in this category: deferred charge on refinancing and deferred pension expenses.

In addition to liabilities, the statement of net position sometimes includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category: deferred taxes and related fees and inflows related to pensions.

Deferred charges on financing: A deferred charge on refinancing results from the difference in the carrying value of refinanced debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred outflows/inflows related to pensions: Differences between expected and actual experience in economic and demographic factors, changes in those assumptions, and differences in projected and actual investment earnings on pension plan assets not recognized in pension expense are aggregated and reported as net deferred outflows/inflows of resources.

Deferred taxes and related fees: As previously stated property taxes attach an enforceable lien on property as of January 1 and are levied one year in arrears. Accordingly, property tax revenues and related fees are accrued but revenue is recorded as a deferred inflow.

Bond issuance costs and capitalized interest

Bond issuance costs are expensed as a period cost in the year of bond acquisition. Interest expense, offset by interest earned on construction bond proceeds during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed and is being amortized over the depreciable life of the related assets on a straight-line basis.

Compensated absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, however these amounts may be limited. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or as part of annual settlements under union contracts.

Pensions

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

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable premiums or discounts and amortized over the term of the debt.

Net position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations on its use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Impact of recently issued accounting principles

Recently issued and adopted accounting pronouncement

GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, is effective for periods beginning after June 15, 2015. The County has implemented this reporting for the year ended December 31, 2017. There was no impact with the adoption of this statement on the County's financial statements.

In August 2015, Statement 77, Tax Abatement Disclosures was issued. This statement requires disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement is effective for fiscal years beginning after December 15, 2015. There was no impact with the adoption of this statement on the County's financial statements.

Recently issued accounting pronouncements

In June 2015, the GASB issued Statement 75, Accounting and Financial Reporting for Postemployment Benefits (OPEB) Other Than Pensions. This statement is intended to improve accounting and financial reporting by state and local governments for OPEB. It also improves information provided by state and local government employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for post-retirement benefits with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2016. Management is currently evaluating the impact of the adoption of this statement on the County's financial statements.

2. Cash deposits and investments

The County maintains a cash and investment pool that is available for use by all funds. Some agency fund accounts are controlled by other officeholders as custodians and are not included in the pool.

All cash and investments, including pooled and fiduciary accounts are as follows:

	Government- wide	Fiduciary Funds	Total
Cash	\$ 1,857,933	\$ 5,394,150	\$ 7,252,083
Investments	25,243,784	4,146,103	29,389,887
Pooled cash and investments	126,575,993	1,319,867	127,895,860
	<u>\$ 153,677,710</u>	<u>\$ 10,860,120</u>	<u>\$ 164,537,830</u>

Of the total cash and investments, cash deposits are \$24,849,210; investments account for \$139,534,483 of the total while remaining balances are undeposited cash holdings.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Both pooled and non-pooled investments are reported at fair value. The County categorizes its fair value measurements within the fair value hierarchy established by the generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs. All County investments are considered Level 1. Investments, pooled and non-pooled, held by the County are summarized as follows:

	Fair Value	Maturity
Certificates of deposit - non-negotiable	\$ 22,985,151	0 - 6 months
Certificates of deposit - non-negotiable	10,649,722	7 - 12 months
CDARS	7,027,512	0 - 6 months
CDARS	352,538	7 - 12 months
Insured Cash Sweep (ICS)	18,437,531	current
Money markets	13,085,906	current
Investments held by brokers/dealers:		
Certificates of deposit – negotiable	10,759,174	0 - 6 months
Certificates of deposit – negotiable	27,253,767	7 - 12 months
Certificates of deposit – negotiable	20,010,518	1 - 3 years
Money Market-government funds	11,357,117	current
U.S. Government obligations	25,219	0 - 6 months
U.S. Government obligations	2,629,346	7 - 12 months
U.S. Government security mutual fund	4,218,131	current
Investments in Illinois Funds Investment Pool	1,165,523	current
	<u>149,957,155</u>	
Component Unit-Flood Prevention District	13,309,556	
Primary Government	<u>\$ 136,647,599</u>	
Restricted investments - OPEB		
Investments held by brokers/dealers:		
Cash	\$ 1,254	
U.S. Government obligations	100,047	0 - 6 months
U.S. Government obligations	451,020	7 - 12 months
U.S. Government obligations	1,003,002	1 - 3 years
U.S. Government obligations	178,098	3+ years
U.S. Treasury money market	108,285	current
Equity securities-international	42,906	current
Mutual funds-international	234,050	current
Equity securities	496,813	current
Mutual funds	271,409	current
	<u>\$ 2,886,884</u>	

Interest rate risk: The County manages its exposure to declines in fair values by limiting the amount of its portfolio in long-term maturities based on market conditions and cash flow needs. There is no formal policy that requires a specific stratification of investment maturities within the portfolio.

Credit risk: Statutes impose various restrictions on deposits and investments. The County generally invests in certificates of deposit, U.S. Government obligations, repurchase agreements, money market accounts, the Illinois Funds Investment Pool and certain commercial paper in accordance with state statutes. Investment in corporate obligations must mature within 180 days of purchase and be rated within the top 3 classifications of two of the standard rating services. Accounts held by brokers/dealers in money markets not backed by government securities and mutual funds are nominal. The investment in the Illinois Funds Investment Pool is an external investment pool that is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 and is controlled by the Illinois State Treasurer.

Concentration of credit risk: The County places no limit on the amount invested in any one issuer other than those imposed by state statutes. Other than investments in securities and the Illinois Funds Investment Pool, the County's more significant investments in certificates of deposit, insured sweep accounts (ICS), and money markets were with the following institutions: \$69,386,857 in Morgan Stanley, \$45,026,051 in Bank of Edwardsville, and \$16,178,265 in Citizen's Community Bank.

Custodial credit risk-deposits: In the case of deposits, including non-negotiable certificates of deposit, the County minimizes its risks that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all monies deposited in banks and savings and loans that exceed 75% of the capital stock and surplus of such institution shall be

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

collateralized by specific securities. However, the County generally requires collateral on all deposits over FDIC or SIPC coverage. The pledging financial institution's trust department or the Federal Reserve holds the collateral. At December 31, 2016, all of the County's bank balances were insured or collateralized by specific securities or letters of credit.

It is the County's policy generally to hold investments until maturity; accordingly there are no realized gains or losses recognized.

3. Receivables

Accounts receivable consists of the following:

Governmental Activities	
Sales, income, motor fuel and other tax revenue	\$ 4,513,639
Service and fee revenues	2,265,413
Other	313,825
Grant and intergovernmental revenues	5,904,513
Related parties	47,704
	<u>\$ 13,045,094</u>
Business-type Activities	
Trade	126,512
Grant and intergovernmental revenues	181,386
Other	5,290
	<u>\$ 313,188</u>

State obligations not reflected in these receivables include Probation salary reimbursements from prior years in the amount of \$1,929,607 where collection is questionable. The Airport uses the direct write-off method for uncollectible amounts. During 2016, there were no write-offs.

Property taxes are collected one year in arrears. Although levied in 2016, property taxes will be collected in mid-2017. Accordingly property taxes are reported as deferred inflows because they are not available to liquidate liabilities of the current period nor are they intended to do so. Property taxes receivable are as follows:

Current and delinquent taxes	\$ 37,714,542
Less allowance for uncollectible amounts	300,154
Net taxes receivables	<u>\$ 37,414,388</u>

The Airport derives a substantial portion of its revenues from non-cancelable operating leases with various tenants. The Airport property's cost under these operating leases, consisting primarily of land, structures, and improvements, at December 31, 2016 was \$21,066,208 with a carrying value of \$16,686,247. Depreciation for 2016 was \$652,560. Rentals included in operation for 2016 were \$675,282. The future minimum rentals to be received under these leases as of December 31, 2016 are as follows:

Year	Lease
2017	\$ 675,282
2018	675,282
2019	660,171
2020	542,665
2021	288,452
2022-2026	1,443,010
2027-2031	1,446,010
2032-2036	1,308,085
2037-2040	31,500
Rental income under non-cancellable operating leases	<u>\$ 7,070,457</u>

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

4. Capital assets

Capital asset activity for 2016 was as follows:

Governmental Activities

	January 1, 2016 (restated)	Additions	Deletions	December 31, 2016
Assets not being depreciated:				
Land	\$ 11,616,829	\$ 194,698	\$ -	\$ 11,811,527
Construction in progress	1,155,369	1,426,498	1,649,416	932,451
Projects in progress	2,958,954	16,495	942,140	2,033,309
Infrastructure				-
Construction in progress	4,170,201	7,920,873	428,267	11,662,807
Land	6,216,528	605,588	128,208	6,693,908
	<u>26,117,881</u>	<u>10,164,152</u>	<u>3,148,031</u>	<u>33,134,002</u>
Assets being depreciated:				
Buildings and improvements	77,313,848	1,598,827	13,369	78,899,306
Equipment, furniture, and vehicles	35,736,430	2,942,001	1,022,586	37,655,845
Infrastructure-roads and bridges	116,782,393	428,268	1,494,885	115,715,776
	<u>229,832,671</u>	<u>4,969,096</u>	<u>2,530,840</u>	<u>232,270,927</u>
Total capital assets	255,950,552	15,133,248	5,678,871	265,404,929
Less accumulated depreciation for:				
Buildings and improvements	47,175,481	1,963,615	13,370	49,125,726
Equipment, furniture, and vehicles	25,260,529	2,392,461	956,369	26,696,621
Infrastructure-roads and bridges	45,510,562	4,673,130	1,538,852	48,644,840
	<u>117,946,572</u>	<u>9,029,206</u>	<u>2,508,591</u>	<u>124,467,187</u>
Government Activities capital assets, net	<u>\$ 138,003,980</u>	<u>\$ 6,104,042</u>	<u>\$ 3,170,280</u>	<u>\$ 140,937,742</u>

Depreciation charged to governmental activities during the period was as follows:

General government	\$ 857,994
Judicial	533,024
Transportation	4,840,207
Public safety	2,608,889
Public health	189,092
	<u>\$ 9,029,206</u>

Business-type Activities - MidAmerica St Louis Airport

	January 1, 2016	Additions	Deletions	December 31, 2016
Assets not being depreciated:				
Land	\$ 42,435,045	\$ -	\$ -	\$ 42,435,045
Construction in progress	622,746	501,588	687,005	437,329
	<u>43,057,791</u>	<u>501,588</u>	<u>687,005</u>	<u>42,872,374</u>
Assets being depreciated:				
Airfields	90,205,216	-	-	90,205,216
Land improvements	763,266	-	-	763,266
Ramps and aprons	20,866,812	-	-	20,866,812
Passenger terminal	18,264,675	53,098	-	18,317,773
Cargo terminal	9,697,411	-	-	9,697,411
Tenant facilities	11,007,794	9,500	-	11,017,294
Utilities	9,187,298	-	-	9,187,298
Roads and parking	6,862,822	547,493	-	7,410,315
Support facilities	5,513,676	-	-	5,513,676
Equipment, furniture, and vehicles	14,576,961	875,704	38,700	15,413,965
	<u>186,945,931</u>	<u>1,485,795</u>	<u>38,700</u>	<u>188,393,026</u>
Total capital assets	230,003,722	1,987,383	725,705	231,265,400
Less accumulated depreciation	90,944,354	6,132,890	33,076	97,044,168
Government Activities capital assets, net	<u>\$ 139,059,368</u>	<u>\$ (4,145,507)</u>	<u>\$ 692,629</u>	<u>\$ 134,221,232</u>

Depreciation charged to operations was \$6,114,575 for 2016. An asset costing \$21,861 with accumulated depreciation of \$18,315 was transferred to the Airport during the year. Construction deposits of \$109,329 are being held at the state and are included in restricted assets.

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Notes to the Financial Statements

5. Interfund receivables, payables, and transfers

Interfund balances have resulted from short-term borrowings and interfund charges not yet reimbursed as of the end of the reporting period before the consolidation of the Internal Service funds.

The composition of interfund balances at December 31, 2016 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Non-major governmental funds	\$ 1,872,150
General Fund	MidAmerica St Louis Airport	3,761,644
General Fund	Internal Service funds	97,203
Transportation Fund	General Fund	114,839
Transportation Fund	Non-major governmental funds	1,870
Non-major governmental funds	Non-major governmental funds	1,060,385
Non-major governmental funds	General Fund	3,499,912
		<u>10,408,003</u>
Internal Service funds	General Fund	11,397
		<u>\$ 10,419,400</u>

Advances to other funds made in prior and current years where the timing of repayment is not determinable have been eliminated and not reported on the face of the financial statements. Included in the advances to the Public Building Commission are funds advanced in 2016 for the extension of the parking facilities at the Airport in the amount of \$665,329.

The amounts that have been eliminated are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	MidAmerica St Louis Airport	\$ 49,028,547
Public Building Commission	MidAmerica St Louis Airport	\$ 12,540,113

Transfers between governmental funds include, but not limited to, County match for various grant programs, operating costs, and debt service funding.

Transfer-out	Transfer-in	Governmental Funds	Business-type Funds
General Fund	MidAmerica St Louis Airport	\$ -	\$ 2,497,535
General Fund	Debt Service Fund	13,200,000	-
General Fund	Non-major governmental funds	519,292	-
Transportation Fund	Debt Service Fund	1,978,656	-
Lease Payable Fund	MidAmerica St Louis Airport	-	1,150,288
Debt Service Fund	MidAmerica St Louis Airport	-	3,787,638
Non-major governmental funds	General Fund	98,683	-
Non-major governmental funds	Non-major governmental funds	33,142	-
Non-major governmental funds	MidAmerica St Louis Airport	-	180,391
		<u>\$ 15,829,773</u>	<u>\$ 7,615,852</u>

In the governmental funds financial statements, total transfers-out exceeded transfers-in by \$7,615,852 because of transfers made to the Enterprise fund. These transfers included cash transfers and expenses of the Enterprise fund paid by governmental funds on its behalf. Cash transfers of \$1,797,900 are expected to be repaid in the long-term future and are considered by the County as part of the "Advances to other funds" previously discussed.

6. Debt and Lease Obligations

The County uses various vehicles to finance the acquisition and construction or improvement of major capital facilities and equipment for both governmental and business-type activities.

Governmental Activities

Limited Obligation Revenue bonds

In 2013 the County issued \$28,375,000 in Highway Revenue Bonds, Series 2013A to advance refund outstanding bonds and provide funds to construct, maintain, and improve certain County highways, roads and bridges. The advance refunding met the requirements of an in-substance debt defeasance and the bond liability for those bonds has been removed from the balance sheet and will be paid by the escrow agent. At December 31, 2016, the outstanding balance of defeased debt was \$3,525,000.

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Notes to the Financial Statements

These bonds are limited obligations of the County with a claim for payment solely from Highway Revenues (2016 collections: Motor Fuel Tax \$3,946,780, County Highway Tax 2,475,566, and Matching Tax \$1,344,167). The County is required to deposit monthly into a separate fund fractional shares of principal and interest becoming due on the next succeeding payment. Debt service payments made from these pledged revenues was \$1,978,626. Interest is payable each January 1 and July 1 while principal is due each January 1.

Interest rates for the Taxable Highway Revenue Bonds, Series 2013A range from 3.625% to 5.00%, and principal is due each January 1 as follows:

Year		Principal	Interest	Total
2017		\$ -	\$ 577,203	\$ 577,203
2018	5.00%	820,000	1,133,906	1,953,906
2019	5.00%	865,000	1,091,781	1,956,781
2020	4.00%	905,000	1,052,056	1,957,056
2021	4.00%	945,000	1,015,056	1,960,056
2022-2026	3.625%-4.00%	5,310,000	4,468,527	9,778,527
2027-2031	3.75%-4.465%	6,435,000	3,317,976	9,752,976
2032-2036	4.464%-4.470%	7,960,000	1,747,251	9,707,251
2037-2038	4.47%	3,700,000	167,200	3,867,200
Outstanding bonds		26,940,000	<u>\$ 14,570,956</u>	<u>\$ 41,510,956</u>
Unamortized premium		591,057		
Carrying value		<u>\$ 27,531,057</u>		

The Series 2013A Bonds due on or after January 1, 2024, are subject to redemption prior to maturity at the option of the County in 2023 or thereafter at par plus accrued interest.

The unamortized deferred charges on refinancing were \$71,924 at December 31, 2016. Payments due January 1, 2017 were paid at December 31, 2016 and not included above. Total interest, net of amortization of premiums and refinancing losses, charged to operations for the Transportation functions was \$1,221,191.

General obligation debt

Revenue bonds

Through the Public Building Commission of St. Clair County, a component unit established under the Illinois Public Building Commission Act, the County has financed much of its land, facilities, and improvements using capital lease obligations for both its governmental and business-type activities. These non-cancelable leases are deemed general obligations of the County to pay net rentals using the property tax levy from the Lease Payable Fund or other appropriate operating revenues of the County. The leases have been eliminated in the government-wide financial statements.

The County Board has resolved to levy taxes to pay annual rents. Future minimum lease payments as of December 31, 2016 for governmental activities were as follows:

Year	Total Lease	Operations & Maintenance
2017	\$ 11,312,025	\$ 10,740,012
2018	11,561,666	10,990,254
2019	11,819,720	11,248,907
2020	12,076,316	11,506,103
2021	13,050,298	11,776,410
2022-2026	54,730,184	51,263,448
2027-2031	51,480,720	49,000,000
2032-2036	57,647,741	49,000,000
2037-2041	51,104,125	49,000,000
	<u>274,782,795</u>	<u>\$ 254,525,134</u>
Less: amount representing executory cost (i.e., maintenance, etc.)	254,525,134	
Less: amount representing interest and amortization	9,212,143	
Obligation under capital lease	<u>\$ 11,045,518</u>	

Rent payments under these leases were \$10,414,206 recorded in the Lease Payable Fund, \$73,964 included in the Emergency Telephone expenses, \$15,665 in the Veterans Assistance expenses, \$50,000 in the General Fund expenses, and \$245,570 in the County Health expenses. The County has been able to abate certain tax levies for the remaining lease commitments. Lease revenues from other lessees are currently financing the remaining lease commitments in the amount of

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

\$270,967 which includes \$172,133 from the Intergovernmental Grants Department. At such time that operating lease revenues are insufficient to meet debt service and executory cost requirements, the County will no longer abate this portion of the lease levy.

The unamortized deferred charges on refinancing these leases were \$1,377,584 at December 31, 2016. Interest expense, including the amortization of the deferred charges, charged to governmental activities for these leases was \$709,677 in 2016.

The underlying debt service for these leases being paid by the Public Building Commission are as follows.

Purpose	Interest rates	Amount
Governmental Activities		
Buildings	3.00-3.625%	\$ 1,690,000
Buildings	5.00%	4,935,000
Buildings	5.875%	4,245,000

The \$1,750,000 Taxable Revenue Refunding Bonds, Series 2013 carry interest rates of 3% to 3.625%. Debt service requirements for the Taxable Revenue Refunding Bonds, Series 2013 are as follows:

Year		Principal	Interest	Total
2017	3.00%	\$ 20,000	\$ 56,169	\$ 76,169
2018	3.00%	20,000	55,569	75,569
2019	3.00%	20,000	54,969	74,969
2020	3.00%	20,000	54,368	74,368
2021	3.00%	735,000	53,769	788,769
2022-2025	3.00%	875,000	126,875	1,001,875
Outstanding bonds		1,690,000	\$ 401,719	\$ 2,091,719
Unamortized discount		(4,316)		
Carrying value		<u>\$ 1,685,684</u>		

Interest and amortization charged to operation on the 2013 bonds was \$53,384. The unamortized deferred charges were \$26,316 at December 31, 2016.

The 2011 revenue bond issue was part of a refinancing and was divided into 3 series of taxable and non-taxable bonds: the Series 2011A Tax-Exempt bonds of \$4,935,000; the Series 2011B Taxable bonds of \$4,245,000; and the Series 2011C Taxable bonds of \$13,980,000. Lease payments made to cover the debt services are paid from the County's Lease Payable Fund.

The Series 2011A revenue bonds of \$4,935,000 are payable as follows:

Year		Principal	Interest	Total
2017		\$ -	\$ 246,750	\$ 246,750
2018		-	246,750	246,750
2019		-	246,750	246,750
2020		-	246,750	246,750
2021		-	246,750	246,750
2022-2026		-	1,233,750	1,233,750
2027-2031		-	1,233,750	1,233,750
2032-2036	5.00%	2,900,000	1,168,250	4,068,250
2037-2038	5.00%	2,035,000	120,000	2,155,000
Outstanding bonds		4,935,000	\$ 4,989,500	\$ 9,924,500
Unamortized premium		156,802		
Carrying value		<u>\$ 5,091,802</u>		

The Series 2011B taxable revenue bonds of \$4,245,000 are payable as follows:

Year		Principal	Interest	Total
2017		\$ -	\$ 249,394	\$ 249,394
2018		-	249,394	249,394
2019		-	249,394	249,394
2020		-	249,394	249,394
2021		-	249,394	249,394
2022-2026		-	1,246,968	1,246,968
2027-2031		-	1,246,968	1,246,968
2032-2035	5.875%	4,245,000	531,688	4,776,688
Outstanding bonds		<u>\$ 4,245,000</u>	<u>\$ 4,272,594</u>	<u>\$ 8,517,594</u>

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Notes to the Financial Statements

Interest and amortization charged to operation on the 2011A and B bonds was \$448,802. Unamortized deferred charges were \$356,294 at December 31, 2016.

Capital lease obligations

The County entered into a capital lease agreement in 2015 for the purchase of certain 911 radio equipment and systems at an interest rate of 3.55% to upgrade the 911 Emergency Telephone System. Costs are included in work-in-progress in the amount of \$2,016,813 and equipment of \$611,037. This lease is deemed to be a general obligation of the County and payable from the Emergency Telephone Fund. Future minimum lease payments at December 31, 2016 are as follows:

Year	Lease
2017	\$ -
2018	394,760
2019	394,760
2020	394,760
2021	394,760
2022-2025	1,973,799
	<u>3,562,839</u>
Less amount representing interest and amortization	572,063
Obligation under capital lease	<u>\$ 2,980,776</u>

As part of the lease agreement, the County entered into a 9-year maintenance and support agreement of \$4,743,692 payable annually over the term of the agreement. There is an additional cost in excess of \$1.5 million due for certain software upon acceptance of the system, payable from bond proceeds. Interest charged to operations in 2016 for the lease was \$102,190.

Debt certificates

In March 2014, the County issued \$5,125,000 Taxable General Obligation Debt Certificates (Limited Tax), Series 2014 to finance improvements to the County's 911 system. The certificates are general obligations of the County. Interest rates for the certificates ranged from .65% to 5.40%.

Interest payments are due June 30 and December 30 and principal is due each December 30 as follows:

Year		Principal	Interest	Total
2017	2.30%	\$ 290,000	\$ 187,838	\$ 477,838
2018	2.80%	295,000	181,167	476,167
2019	3.30%	305,000	172,908	477,908
2020	3.75%	315,000	162,842	477,842
2021	4.10%	325,000	151,030	476,030
2022-2026	4.35-5.40%	1,855,000	525,220	2,380,220
2027-2028	5.40%	880,000	71,820	951,820
		<u>\$ 4,265,000</u>	<u>\$ 1,452,825</u>	<u>\$ 5,717,825</u>

The Emergency Telephone System Fund is expected to make all of the debt service payments. Interest charged to operations in 2016 was \$192,540.

General obligation contract

In May 2014, the County entered into a general obligation contract for the purchase of highway maintenance equipment. The contract is a general obligation of the County, bears an interest rate of 3.94% and is secured by equipment. Annual payments of principal and interest are due May 15th of each year and payable from the Transportation Funds.

Year		Principal	Interest	Total
2017	3.94%	\$ 53,575	\$ 6,590	\$ 60,165
2018	3.94%	55,687	4,478	60,165
2019	3.94%	57,883	2,282	60,165
		<u>\$ 167,145</u>	<u>\$ 13,350</u>	<u>\$ 180,495</u>

Total interest charged to operations in 2016 for the Transportation functions was \$7,353.

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Business-type Activities

General obligation debt

General obligation bonds

In 2015, the County issued \$37,005,000 in General Obligation Refunding Bonds (Alternative Revenue Source) to advance refund certain outstanding 1999 principal and accreted interest and certain 2009 Series bonds. The advance refunding met the requirements of an in-substance debt defeasance and was done as an advance refunding. On December 31, 2016, \$4,695,000 of the 1999 defeased bonds and \$32,505,000 of the 2009 defeased bonds are outstanding.

Interest is payable each April 1 and October 1 while principal is due October 1. The current interest bonds that were not defeased in 2016 are payable as follows:

Year		Principal	Interest	Total
2017		\$ -	\$ 2,172,637	\$ 2,172,637
2018		-	2,172,638	2,172,638
2019		-	2,172,637	2,172,637
2020		-	2,172,638	2,172,638
2021		-	2,172,638	2,172,638
2022-2026		-	10,863,188	10,863,188
2027-2031	5.50%-5.75%	3,305,000	10,776,650	14,081,650
2032-2036	5.75%-6.00%	10,050,000	8,873,312	18,923,312
2037-2041	6.00%	13,380,000	5,534,700	18,914,700
2042-2044	6.00%	10,110,000	1,236,900	11,346,900
Outstanding bonds		36,845,000	\$ 48,147,938	\$ 84,992,938
Unamortized discount		(898,286.0)		
Carrying value		\$ 35,946,714		

In 2009, the County issued \$50,105,000 in General Obligation Refunding Bonds to advance refund certain outstanding 1999 Series bonds. Capital Appreciation Bonds due October 1, 2016 and 2017 were not subject to optional redemption prior to maturity.

Capital Appreciation bonds that were not defeased are payable as follows and accrete interest at 5.58%:

Year		Principal	Interest	Total	Accreted Value
2017	5.58%	\$ 590,880	\$ 1,024,120	\$ 1,615,000	\$ 1,550,137

The Series 2009 bonds (General Obligation Refunding Bonds-Alternative Revenue Source) are current interest bonds. The bonds and interest are payable from certain pledged revenues and real estate taxes, if necessary. Pledged revenues include grant revenues, Passenger Facility Charges, and net Airport revenues derived from the operation of the Airport. The balance of Passenger Facility Charges held as restricted assets at December 31, 2016 was \$656,188. Funds were placed in escrow for the 2016/2017 debt service payments as part of the 2009 transaction and required by the alternative debt refinancing. The escrow balance at December 31, 2016 was \$701,411 plus accrued interest and is included in restricted assets.

Interest is payable each April 1 and October 1 while principal is due each October 1. The current interest bonds that were not defeased in 2015 are payable as follows:

Year		Principal	Interest	Total
2017		\$ -	\$ 719,488	\$ 719,488
2018	4.50%	895,000	719,488	1,614,488
2019	5.00%	935,000	679,212	1,614,212
2020	4.50%	980,000	632,462	1,612,462
2021	5.00%	1,025,000	588,363	1,613,363
2022-2026	5.00%-5.25%	5,970,000	2,101,750	8,071,750
2027-2029	5.00%-5.25%	4,385,000	456,525	4,841,525
Outstanding bonds		14,190,000	\$ 5,897,288	\$ 20,087,288
Unamortized premium		202,869		
Carrying value		\$ 14,392,869		

Bonds due on or after October 1, 2020 are subject to redemption prior to maturity at the option of the County at par plus accrued interest.

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Debt service for these bonds was paid from the County Debt Service Fund in 2016 and is recorded as a transfer to the Airport for financial reporting purposes. The unamortized deferred charge on refinancing was \$9,246,147 at December 31, 2016. Total interest, net of amortization of premiums and refinancing losses, charged to operations for the general obligation bond issues amounted to \$3,846,152.

Revenue bonds

The Series 2011C revenue bonds associated with the Business-type Activities are also being financed through a lease agreement with the County. The 2016 lease payment of \$1,150,288 was paid by the Lease Payable and considered a capital contribution to the Enterprise Fund. Future minimum lease payments as of December 31, 2016 for Business-type Activities were as follows:

Year	Total Lease
2017	\$ 1,153,048
2018	1,152,708
2019	1,148,941
2020	1,151,719
2021	442,298
2022-2026	5,126,871
2027-2031	6,157,763
Obligation under capital lease	16,333,348
Less: Amount representing interest and amortization	4,983,348
Obligation under capital lease	<u>\$ 11,350,000</u>

The Series 2011C revenue bonds of \$13,980,000 were used to advance refund outstanding debt and accreted interest for Airport properties. The Series 2011C bond debt service requirements to maturity are as follows:

Year		Principal	Interest	Total
2017	3.00%	\$ 625,000	\$ 537,423	\$ 1,162,423
2018	3.40%	645,000	518,672	1,163,672
2019	3.85%	665,000	496,742	1,161,742
2020	4.15%	695,000	471,140	1,166,140
2021		-	442,298	442,298
2022-2026	4.45%-5.00%	3,320,000	1,885,118	5,205,118
2027-2031	5.00%-5.50%	5,400,000	900,665	6,300,665
Outstanding bonds		11,350,000	<u>\$ 5,252,058</u>	<u>\$ 16,602,058</u>
Unamortized premium		1,979		
Carrying value		<u>\$ 11,351,979</u>		

Interest and amortization charged to operation on the 2011C was \$505,161.

Debt Certificates

The County issued \$3,695,000 Taxable General Obligation Debt Certificates (Limited Tax), Series 2013 to construct facilities at MidAmerica St. Louis Airport in 2013. The certificates are general obligations of the County and paid by the Airport. Interest payments are due June 30 and December 30 and principal is due each December 30 as follows:

Year		Principal	Interest	Total
2017	2.00%	\$ 150,000	\$ 134,625	\$ 284,625
2018	3.50%	155,000	131,625	286,625
2019	3.50%	165,000	126,200	291,200
2020	3.50%	170,000	120,425	290,425
2021	3.50%	175,000	114,475	289,475
2022-2026	3.50%-4.25%	965,000	467,612	1,432,612
2027-2031	4.25%-4.75%	1,200,000	238,774	1,438,774
2032	4.75%	270,000	12,825	282,825
Outstanding bonds		3,250,000	<u>\$ 1,346,561</u>	<u>\$ 4,596,561</u>
Unamortized discount		(1,751)		
Carrying value		<u>\$ 3,248,249</u>		

Interest charged to Airport operations for 2016 was \$137,821.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Changes in long-term liabilities

The following is a summary of long-term obligation transactions during 2016.

Governmental Activities

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Limited obligation revenue bonds	\$ 28,362,132	\$ -	\$ 831,075	\$ 27,531,057	\$ -
General obligation revenue bonds	11,044,614	-	22,128	11,022,486	20,000
Capital leases - equipment	2,878,586	102,190	-	2,980,776	-
Debt certificates	4,550,000	-	285,000	4,265,000	290,000
General obligation contract	218,687	-	51,542	167,145	53,575
Insurance claims	1,462,530	393,366	-	1,855,896	-
	<u>\$ 48,516,549</u>	<u>\$ 495,556</u>	<u>\$ 1,189,745</u>	<u>\$ 47,822,360</u>	<u>\$ 363,575</u>

For General Debt, the combined interest cost was \$1,923,275. Interest of \$1,228,544 is charged directly to transportation functions while \$192,540 is charged directly to Public Safety and the remaining \$502,191 is unallocated.

Existing Highway debt issues are currently subject to federal arbitrage regulations at December 31, 2016 however no liability exists.

Business-type activities

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
General obligation bonds	\$ 53,340,722	\$ 147,869	\$ 1,598,870	\$ 51,889,721	\$ 1,550,137
General obligation revenue bonds	11,957,208	-	605,229	11,351,979	625,000
Debt certificates	3,398,054	-	149,805	3,248,249	150,000
	<u>\$ 68,695,984</u>	<u>\$ 147,869</u>	<u>\$ 2,353,904</u>	<u>\$ 66,489,949</u>	<u>\$ 2,325,137</u>

Total Airport interest and amortization expensed aggregated to \$4,489,104.

Debt service requirement are as follows:

Year	Governmental Activities		Business-type Activities		Total
	Debt	Leases	Debt	Leases	
2017	\$ 1,687,518	\$ -	\$ 5,954,172	\$ -	\$ 7,641,690
2018	3,061,951	394,760	5,237,423	-	8,694,134
2019	3,065,966	394,760	5,239,793	-	8,700,519
2020	3,005,411	394,760	5,241,665	-	8,641,836
2021	3,720,999	394,760	4,517,773	-	8,633,532
2022-2026	15,641,341	1,973,799	25,572,667	-	43,187,807
2027-2031	13,185,515	-	26,662,614	-	39,848,129
2032-2036	18,552,188	-	19,206,138	-	37,758,326
2037-2041	6,022,200	-	18,914,700	-	24,936,900
2042-2044	-	-	11,346,900	-	11,346,900
	<u>\$ 67,943,089</u>	<u>\$ 3,552,839</u>	<u>\$ 127,893,845</u>	<u>\$ -</u>	<u>\$ 199,389,773</u>

Under Illinois State statutes, the limit of long-term indebtedness is 2.875% of the value of the taxable property ascertained by the last assessment. This limit does not include indebtedness for the purpose of certain buildings, roads, and airports. The computation to ensure St. Clair County is within the limit is as follows:

Equalized assessed value of taxable property – 2016 tax year	<u>\$ 3,880,413,596</u>
Debt limit	\$ 111,561,891
Total debt authorized and issued:	
Deemed general obligations direct bonded indebtedness	-
Other direct general obligation	61,103,840
Legal debt margin	<u>\$ 50,458,051</u>

Other direct general obligations represent the present value of the operations and maintenance portion of the lease obligations with the Public Building Commission.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

7. Net Position

Restricted net position that has been restricted by enabling legislation was \$101,734,576 while \$8,188,734 for governmental activities and \$1,060,992 for business-type activities are restricted by 3rd party contracts and bond covenants.

The County's general spending prioritization policy is to consider restricted net position to have been used first, followed by unrestricted amounts when expenditures have been incurred for which resources in more than one classification could be used.

Prior Period Adjustment

In 2016, the County elected to include the activities of the Public Building Commission as a blended component unit in its governmental and business-type activities. This change necessitated a prior period adjustments as follows:

	Governmental Activities	Business-type Activities
Beginning net position as previously reported	\$ 214,684,434	\$ 66,883,700
Prior period adjustment	20,200,034	12,307,078
Beginning net position as adjusted	<u>\$ 234,884,468</u>	<u>\$ 79,190,778</u>

8. Fund Balances

Fund balances are classified as follows:

Non-spendable—Amounts that cannot be spent either because they are not in a spendable form (i.e.; inventories and prepaids) or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed—Amounts that can be used only for specific purposes determined by a formal action of the County. The County Board is the highest level of decision-making authority of the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the County.

Assigned—Amounts that do not meet the criteria to be classified as restricted or committed but that are intended by management to be used for specific purposes. The County's fund balances may be assigned by management as agreed upon by the finance committee of the County Board as to the County's intent to be used for specific purposes. Assigned balances also include amounts appropriated for subsequent year expenditures as authorized by the County Board in the adopted budget.

Unassigned—All other spendable amounts.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

As of December 31, 2016, fund balances are composed of the following:

	(in thousands)					
	General Fund	Transportation Fund	Lease Payable Fund	Debt Service Fund	Non-Major Fund	Total Governmental Funds
Non-spendable						
Inventory	\$ 136	\$ 176	\$ -	\$ -	\$ 2	\$ 314
Prepays	1,685	-	164	-	21	1,870
Restricted						
Tort	-	-	-	-	1,198	1,198
Public safety	177	-	-	-	6,385	6,562
Transportation	-	43,342	-	-	-	43,342
Leases	-	-	209	-	-	209
Debt service	-	-	-	4,278	-	4,278
Public health	-	-	-	-	7,844	7,844
Retirement	-	-	-	-	9,875	9,875
Court services	-	-	-	-	5,082	5,082
Parks & rec	-	-	-	-	5,570	5,570
Other	-	-	-	-	4,970	4,970
Committed						
Working cash	16,700	-	-	-	-	16,700
Capital Projects	5,537	-	-	-	-	5,537
Automation	933	-	-	-	-	933
Judicial	55	-	-	-	-	55
Economic Dev	45	-	-	-	-	45
Debt service	-	-	-	3,787	-	3,787
Assigned						
Debt service	-	-	-	8,612	-	8,612
Unassigned	3,600	-	-	-	(1,831)	1,769
	<u>\$ 28,868</u>	<u>\$ 43,518</u>	<u>\$ 373</u>	<u>\$ 16,677</u>	<u>\$ 39,116</u>	<u>\$ 128,552</u>

The County's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

The Detention Home, Bailiff and Mental Health Court funds had negative fund balances of \$913,904, \$916,685 and \$719 respectively, at December 31, 2016. The funds' deficits will be recovered at a later date.

9. Risk Management

Tort

Most insurance costs are funded and charged to the Tort Liability Fund which is included in the General Fund. The Tort Liability Fund is funded through a tax levy specifically established to cover insurance costs. Property tax revenues recognized in 2016 for tort purposes were \$3,066,599.

The County has a self-funded insurance program for property, worker's compensation, automobile, general liability, errors and omissions including public officials and police professional liability. The County purchases commercial insurance for excess coverage over the self-funded retention amounts and has elected to fully insure selected exposures. The County uses a third party actuary to help determine funding requirements based on trends in actual claims experiences, stop loss coverage, and provision for catastrophic losses. There have been no significant changes in the excess coverage in the prior 3 years and there have been no instances of settlements exceeding the excess coverage. The County participates in the Illinois Counties Risk Management Trust (ICRMT) program for many of its coverages. The ICRMT Program is a non-assessable plan.

Based upon specific circumstances pertaining to certain departments or coverage, the County has elected to fully insure the Intergovernmental Grants Department's worker's compensation. This policy provides first dollar coverage with nominal deductibles. The self-funded part of the program consists of all remaining property (real, personal, contractor's equipment and EDP exposures) and liability as well as the worker's compensation. The property coverage is written on a replacement cost basis with a total insurable value of \$175,018,565 exclusive of the airport, and \$100,000 self-funded retention amounts per loss. The property coverage includes flood, earthquake and mine subsidence of \$10 million (\$300 million program aggregate) with self-insured retention of the greater of \$100,000 or 5% of the damaged location for earthquake and \$100,000 for flood.

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Notes to the Financial Statements

The premises, products, law enforcement, dispatchers, professional, automobile, public officials, and health professional liabilities are included as part of the general liability coverage. The general liability has a per occurrence limit of \$1,000,000 with a general aggregate liability limit of \$3,000,000. The general liability is subject to a \$250,000 self-funded retention per occurrence. Public Officials liability is limited to \$1,000,000 while physical and sexual abuse coverage is limited to \$2,000,000 with \$250,000 retention for each and a \$4,000,000 aggregate. Law enforcement liability is limited to \$1,000,000 per occurrence and a \$3,000,000 annual aggregate with a \$250,000 self-funded retention. Auto liability coverage is limited to \$1,000,000 per incident with a \$250,000 self-insured retention while property damage is limited to \$7,407,854 in the aggregate. There is excess liability coverage with a limit of \$20,000,000 that applies to general liability, law enforcement, auto, and public officials. The worker's compensation coverage (not including the Intergovernmental Grants Department) is written on a statutory basis with an employer's liability limit per incident of \$2,500,000 and a \$500,000 self-funded retention. These coverages are included in the ICRMT program.

The Crime and Public Employee Blanket Bond coverage is also included in the ICRMT. The Crime coverage is written on a faithful performance basis with a limit of \$500,000 for Employee Dishonesty, Money and Securities (both inside/outside) and Depositors Forgery. All coverages are subject to a \$100,000 deductible.

Pollution liability insurance is limited to \$1,000,000 per pollution condition with an aggregate limit of \$2,000,000 with \$50,000 retention for each.

For the MidAmerica St. Louis Airport operations, the County is insuring specific coverages: contractors' equipment, airport owners and operators general liability, airport public officials liability, pollution liability, property and automobiles with varying deductibles. The airport owners and operators general liability policy includes first dollar coverage and includes aviation, hijacking and other aviation liability coverage with a \$100 million aggregate and a \$5 million terrorism aggregate. It also provides an excess \$50 million limit for auto and employer liability over the automobile liability coverage of \$1 million. Aviation public official liability carries a \$10 million limit and \$25,000 deductible while sexual misconduct liability is limited to \$1 million with a \$5,000 deductible.

Environmental impairment liability – select coverage is limited to \$10 million per occurrence with an annual aggregate of \$20 million. Deductible for each occurrence is \$100,000 and \$300,000 in the aggregate and business interruption.

The blanket coverage applies to building contents, runways, taxiways and aprons, and equipment with limits of \$220 million and \$25,000 per occurrence deductibles. Coverage also applies to flood, earthquake, and mine subsidence up to \$220 million with a \$100,000 deductible. Separate automobile coverage is limited to \$1 million.

International general and products liability coverage are limited to \$1 million per occurrence with an annual aggregate of \$2 million with no deductibles and contingent automobile coverage of \$1 million. Additional foreign workers' compensation is limited to \$1 million. A special crime policy is limited to \$1,000,000.

The insurance premiums and fees for Airport coverage are paid from the Tort Fund. Airport related insurance costs including premiums, legal fees and deductible payments have been recorded as transfers by the Tort Fund and charged to airport operations for the year ended December 31, 2016 in the amount of \$486,920.

Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Because actual claim liabilities depend on complex factors such as inflation, legal changes and damage awards, the process used in computing claims liability does not necessarily result in exact amounts. Liabilities are reevaluated periodically to take into consideration all of these factors.

The County is a defendant in a significant number of lawsuits. As of December 31, 2016, the County estimates settlement to be \$2,966,755 of which \$1,855,896 is recorded in long-term liabilities in the government-wide financial statements and are payable from Tort funds included with the General Fund accounts. Changes in the balances of claims liabilities were as follows:

Year	Claims Liability January 1	Claims and Changes in Estimates	Claim Payments	Claims Liability December 31
2016	\$ 3,062,884	\$ 800,191	\$ 896,320	\$ 2,966,755
2015	2,468,105	1,980,913	1,386,134	3,062,884
2014	3,105,962	1,018,975	1,656,832	2,468,105

ST. CLAIR COUNTY, ILLINOIS
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Employee Medical

The County has a self-insurance program covering certain health and welfare benefits for substantially all of its employees including the Intergovernmental Grants Department and the Public Building Commission. Aggregate health claims in excess of \$12,467,306 for the County with \$250,000 per individual and life insurance benefits are covered by third party insurance in conjunction with this program. There have been no significant decreases in the stop loss coverage in the prior 3 years. The employee medical plan is funded with the County contributing to the Employee Medical Trust Fund, an Internal Service Fund, the cost for its employees with a minimal contribution by the employee. The net cost is charged to the various funds of the County based upon a third party actuarial determination. The employee, through payroll deduction, pays the employees' portion of dependent coverage.

The County must also provide health coverage to certain retired employees and their eligible dependents under the Municipal Employee's Continuation Privilege law. Premiums for full coverage or Medicare supplement are withheld by IMRF from retirement pay and paid directly to the County. Premiums and costs are included in the Internal Service Fund. Funding for these post-employment benefits (OPEB) is discussed below.

The claims liability reported on the financial statements is based on the probability that as of the date of the financial statements, a liability was incurred and that the amount of the loss can be reasonably estimated. Claims are payable from the Internal Service Fund. Changes in fund claim liability amounts were:

Year	Claims Liability January 1	Claims and Changes in Estimates	Claim Payments	Claims Liability December 31
2016	\$ 1,366,874	\$ 11,444,632	\$ 11,685,679	\$ 1,125,827
2015	936,888	12,316,939	11,886,953	1,366,874
2014	960,998	9,038,912	9,063,022	936,888

10. Defined benefit pension plan - Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs and deputy sheriffs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). Plan totals below include amounts allocated to the component units: the Public Building Commission and the Intergovernmental Grants Department.

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

Employees hired after January 1, 2011, are eligible for Tier 2 benefits. Tier 2 employees are vested for pension benefits when they have at least ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any

ST. CLAIR COUNTY, ILLINOIS
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consecutive 96 months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

	Regular	SLEP	ECO
Retirees and Beneficiaries currently receiving benefits	679	100	26
Inactive Plan Members entitled to but not yet receiving benefits	420	40	16
Active Plan Members	648	125	16
	<u>1747</u>	<u>265</u>	<u>58</u>

Contributions

As set by statute, the County's Plan Members are required to contribute 4.5% of their annual covered salary; SLEP and ECO Plan Members are required to contribute 7.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement of its own employees. The County also contributes for disability benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

	Regular	SLEP	ECO
Annual 2016 County Contribution rate	10.54%	22.34%	57.81%
2016 Contributions	\$ 3,033,920	\$ 2,031,214	\$ 502,594

Net Pension Liability

The County's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and includes the Intergovernmental Grants Department.

Actuarial Assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal
- The **Asset Valuation Method** used was Market Value.
- The **Inflation Rate** was assumed to be 2.75%
- **Salary Increases** were expected to be 3.75% to 14.50%.
- The **Investment Rate of Return** was assumed to be 7.50% for Regular, 7.50% for SLEP, and 7.50% for ECO.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were used with fully generational projection scale MP-2014 (base year 2012). These were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, and IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected **Rate of Return** on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

There were no benefit changes during the year.

Single Discount Rate

A Single Discount Rate of 7.48% for Regular, 7.47% for SLEP, and 7.49% for ECO was used to measure the total pension liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

Regular Plan	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A-B)
Balances at December 31, 2015	\$ 191,227,188	\$ 172,865,840	\$ 18,361,348
Changes for the year:			
Service Cost	3,155,682	-	3,155,682
Interest on the Total Pension Liability	14,083,291	-	14,083,291
Changes on Benefit Terms	-	-	-
Differences Between Expected & Actual Experience of the Total Pension Liability	287,641	-	287,641
Changes of Assumptions	(458,482)	-	(458,482)
Contributions – Employer	-	3,033,920	(3,033,920)
Contributions – Employees	-	1,347,440	(1,347,440)
Net Investment Income	-	11,777,637	(11,777,637)
Benefit Payments, including Refunds			
Of Employee Contributions	(9,051,476)	(9,051,476)	-
Other (Net Transfer)	-	702,710	(702,710)
Net Changes	8,016,656	7,810,231	206,425
Balances at December 31, 2016	\$ 199,243,844	\$ 180,676,071	\$ 18,567,773

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SLEP Plan	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A-B)
Balances at December 31, 2015	\$ 76,749,019	\$ 60,568,062	\$ 16,180,957
Changes for the year:			
Service Cost	1,773,155	-	1,773,155
Interest on the Total Pension Liability	5,676,739	-	5,676,739
Changes on Benefit Terms	-	-	-
Differences Between Expected & Actual			
Experience of the Total Pension Liability	241,025	-	241,025
Changes of Assumptions	(314,617)	-	(314,617)
Contributions – Employer	-	2,031,214	(2,031,214)
Contributions – Employees	-	739,720	(739,720)
Net Investment Income	-	4,211,124	(4,211,124)
Benefit Payments, including Refunds			
Of Employee Contributions	(3,283,530)	(3,283,530)	-
Other (Net Transfer)	-	2,666,358	(2,666,358)
Net Changes	4,092,772	6,364,886	(2,272,114)
Balances at December 31, 2016	\$ 80,841,791	\$ 66,932,948	\$ 13,908,843

ECO Plan	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A-B)
Balances at December 31, 2015	\$ 18,579,867	\$ 15,073,204	\$ 3,506,663
Changes for the year:			
Service Cost	213,658	-	213,658
Interest on the Total Pension Liability	1,362,069	-	1,362,069
Changes on Benefit Terms	-	-	-
Differences Between Expected & Actual			
Experience of the Total Pension Liability	(1,077,166)	-	(1,077,166)
Changes of Assumptions	(19,477)	-	(19,477)
Contributions – Employer	-	502,594	(502,594)
Contributions – Employees	-	65,652	(65,652)
Net Investment Income	-	1,003,709	(1,003,709)
Benefit Payments, including Refunds			
Of Employee Contributions	(1,003,058)	(1,003,058)	-
Other (Net Transfer)	-	(111,970)	111,970
Net Changes	(523,974)	456,927	(980,901)
Balances at December 31, 2016	\$ 18,055,893	\$ 15,530,131	\$ 2,525,762

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50% for Regular, SLEP, and ECO%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

Regular Plan	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability	\$ 43,315,885	\$ 18,567,773	\$ (1,794,993)
SLEP Plan	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability	\$ 25,270,704	\$ 13,908,843	\$ 4,639,216
ECO Plan	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability	\$ 4,619,788	\$ 2,525,762	\$ 782,584

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

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

For the year ended December 31, 2016, the County recognized pension expense of \$7,176,005, \$549,205, and \$508,341 for Regular, SLEP and ECO, respectively. At December 31, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Regular Plan		Deferred Outflows of Resource	Deferred Inflows of Resources
Deferred Amounts Related to Pensions			
Deferred Amounts to be Recognized in Pension			
Expense in Future Periods			
Differences between expected and actual experience		\$ 446,851	\$ 177,921
Changes in assumptions		1,586,335	331,851
Net difference between projected and actual earnings on pension plan investments		9,101,223	-
Total Deferred Amounts to be recognized in pension expense in future periods		11,134,409	509,772
Pension Contributions made subsequent to the the Measurement Date		-	-
Total Deferred Amounts Related to Pensions		<u>\$ 11,134,409</u>	<u>\$ 509,772</u>
SLEP Plan		Deferred Outflows of Resource	Deferred Inflows of Resources
Deferred Amounts Related to Pensions			
Deferred Amounts to be Recognized in Pension			
Expense in Future Periods			
Differences between expected and actual experience		\$ 446,403	\$ 984,644
Changes in assumptions		674,140	259,287
Net difference between projected and actual earnings on pension plan investments		3,209,174	-
Total Deferred Amounts to be recognized in pension expense in future periods		4,329,717	1,243,931
Pension Contributions made subsequent to the the Measurement Date		-	-
Total Deferred Amounts Related to Pensions		<u>\$ 4,329,717</u>	<u>\$ 1,243,931</u>
ECO Plan		Deferred Outflows of Resource	Deferred Inflows of Resources
Deferred Amounts Related to Pensions			
Deferred Amounts to be Recognized in Pension			
Expense in Future Periods			
Differences between expected and actual experience		\$ -	\$ 697,152
Changes in assumptions		-	12,131
Net difference between projected and actual earnings on pension plan investments		796,313	-
Total Deferred Amounts to be recognized in pension expense in future periods		796,313	709,283
Pension Contributions made subsequent to the the Measurement Date		-	-
Total Deferred Amounts Related to Pensions		<u>\$ 796,313</u>	<u>\$ 709,283</u>

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

Year Ending December 31,	Net Deferred Outflows of Resources		
	Regular	SLEP	ECO
2017	\$ 4,534,868	\$ 1,128,760	\$ (168,065)
2018	3,259,557	1,128,758	2,367
2019	2,622,509	948,484	231,471
2020	207,703	(111,334)	21,257
2021	-	(8,882)	-
Thereafter	-	-	-
	<u>\$ 10,624,637</u>	<u>\$ 3,085,786</u>	<u>\$ 87,030</u>

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

The allocation of amounts related to pensions is as follows:

	Primary Government	Component Unit
Deferred outflows	\$ 15,766,140	\$ 494,299
Net pension liabilities	34,062,950	939,428
Deferred inflows	2,435,295	27,691
Net pension expense adjustment	2,384,577	281,247

11. Post-employment Benefits other than Pension

Plan description. In addition to providing the pension benefits described above, the County provides post-employment health care insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, and employee and employer contributions are governed by the County and can be amended by the County through its personnel manual. All health care benefits are provided through the County's self-insured health plan.

The County established an irrevocable trust to fund future benefits in 2007. Currently administrative costs for the trust are minimal and paid by the OPEB Trust Fund. The plan uses the accrual method of accounting in conformity with generally accepted accounting principles. The plan does not issue a separate report. The activity of the fund is reported in the County's Post-Employment Benefits Trust fund, a fiduciary fund.

Benefits provided. The County must provide health coverage to certain retired employees and their eligible dependents under the Municipal Employee's Continuation Privilege law. To be eligible, the retiree must retire from active service and be immediately eligible for an IMRF pension or disability benefit and covered by the County's health plan at retirement, or an IMRF SLEP (Sheriff Law Employment Personnel) participant who terminates employment with at least 20 years of SLEP credit and as reached 55 years of age. The benefits levels are the same as those afforded to active employees. The program becomes secondary to Medicare when the retiree or spouse reaches age 65. Premiums charged to retirees are at COBRA rates less a 2% administration fee as required by State statute. Premiums are withheld by IMRF from retirement pay or paid directly from former employees and paid directly to the County's Employee Medical Trust Fund, an internal service fund. Premiums and costs are included in the Internal Service Fund. In 2016, approximately 155 retirees (including spouses) participated in the program, 736 active employees, and 9 terminated employee eligible for temporary benefits (COBRA).

Funded Status and Funding Progress. The County adopted GASB Statement No. 45 and has actuarially determined the required annual contribution on a biannual basis that is prepared in accordance with certain parameters. The OPEB trust is funded by the County and participants make no contributions into the fund over and above their contribution for benefits made to the Employee Medical Trust Fund. As of December 31, 2016, the most recent actuarial valuation date, the County's plan was 58% funded. The actuarial accrued liability for benefits, the actuarial value of assets, and the under (over) funded actuarial accrued liability (UAAL), the covered payroll (annual payroll of active employees covered by the plan) and the ratio of the UAAL to the covered payroll for the employees are as follows:

Actuarial Valuation Date	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	(Over) Underfunded AAL
12/31/2016	\$ 4,995,586	\$ 2,893,666	\$ 2,101,920
12/31/2014	2,406,381	2,439,365	(32,984)
12/31/2012	2,312,166	1,767,845	544,321
	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll	
	\$ 38,740,066	5%	
	41,806,065	0%	
	39,318,765	1%	

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

Annual OPEB Cost. Based on the bi-annual actuarial study done as of December 31, 2014, the County's 2016 required OPEB contribution was \$172,918. The annual contribution includes the current year's service cost of \$153,586 as well as the amortization of the unfunded actuarial accrued liability (AAL) and investment earnings of \$19,332. This amortization is based on a 30-year amortization of the unfunded AAL as a level dollar amount on a closed basis. Since the County is self-insured, the employer contributions fluctuate on annual basis. Values at December 31, 2016 based on the newest study are as follows:

Actuarial accrued liability (AAL)	\$ 4,995,586
Actuarial value of plan assets	2,893,666
Unfunded actuarial accrued liability (UAAL)	<u>\$ 2,101,920</u>

The initial required contribution was determined as part of the December 31, 2006 biannual actuarial valuation using the Projected Unit Credit method. Since that time, assumptions and methods have changed. The December 31, 2016 valuation uses the Entry Age Normal Cost method. The actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future and are subject to continual revision. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities. The actuarial value of assets is based on the fair market value of the assets. The actuarial assumptions at December 31, 2016 included (a) 5.25% investment rate of return (net of administrative expenses); (b) projected medical increases of 6.8% grading down to 4.9% in year 2025 and then fluctuating each year thereafter, (c) rate of retirement based on ages, (d) turnover, (e) disability/mortality, and (f) percent of retiree and spousal participation.

Actuarial Valuation Date	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation (NPO)	Actuarial Accrued Liability (AAL)
12/31/2016	\$ 172,918	100%	\$ -	\$ 4,995,586
12/31/2014	208,362	100%	-	2,406,381
12/31/2012	231,127	100%	-	2,312,166

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

12. Deferred compensation plan

The County offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all permanent County employees through the National Association of Counties (NACO) and Massachusetts Mutual, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency, at which time it is taxable to the employee or other beneficiary.

ST. CLAIR COUNTY, ILLINOIS
Notes to the Financial Statements

13. Discretely presented component units

The Intergovernmental Grants Department and the Flood Prevention District have been discretely presented in the government-wide statement of net assets and statement of activities. More detailed information for the programs during 2016 were as follows:

	Expenses	Program Revenues			Flood Prevention
		Charges for Services	Operating Grants and Contributions	Grants Department	
Grants Department					
Governmental activities					
Job programs	\$ 3,687,021	\$ -	\$ 3,628,015	\$ (59,006)	
Housing programs	7,651,914	276,301	7,348,319	(27,294)	
Energy programs	5,000,305	925	4,849,970	(149,410)	
Community programs	659,207	62,739	648,638	52,170	
Support services	<u>37,373</u>	<u>-</u>	<u>-</u>	<u>(37,373)</u>	
	17,035,820	339,965	16,474,942	(220,913)	
Flood Prevention					
Governmental activities					
Flood prevention	<u>4,704,758</u>	<u>-</u>	<u>-</u>		\$ (4,704,758)
	<u>\$ 21,740,578</u>	<u>\$ 339,965</u>	<u>\$ 16,474,942</u>		
		General Revenue			
		Sales Tax	-	5,385,885	
		General	1,685	-	
		Interest	<u>7,306</u>	<u>93,053</u>	
			(211,922)	774,180	
		Changes in net position			
		Net position - beginning of year	<u>1,946,854</u>	<u>12,542,975</u>	
		Net position - end of year	<u>\$ 1,734,932</u>	<u>\$ 13,317,155</u>	

Various other grants not administered by the Intergovernmental Grants Department are included in the primary government.

14. MidAmerica St. Louis Airport

The MidAmerica St. Louis Airport project began as an expansion of Scott Air Force Base into a joint military and civilian use airport and constructed in accordance with the provisions of the Federal Airport Improvement Act. The County has financed its portion of construction from general tax revenues, bonds, and interest. In addition to bonds issued by the County, the Public Building Commission, who has been managing the airport on behalf of the County, issued additional bonds for construction and additional land acquisitions. The repayment of these obligations is included in the County's long-term lease agreements with the Public Building Commission and is being financed through the Lease Payable fund.

15. Related party

In addition to the lease arrangements, the Intergovernmental Grants Department and the Public Building Commission participate in the Tort and Medical Self-Insurance programs of the County including the unemployment insurance program. Reimbursements to the County for their portion of these programs were \$536,950 from the Grants Department and \$362,858 from the Public Building Commission.

16. Pending litigation, contingencies, and commitments

St. Clair County has been named as defendant in a number of lawsuits pending at December 31, 2016. Claims, which have not advanced to the stage of litigation, have also been made against the County. In the opinion of the State's Attorney and outside legal counsel, settlement of these matters is not expected to result in an unfunded liability to the County.

The County has entered into numerous highway construction contracts as part of the Transportation Funds continuing operations. Commitments for the 911 Emergency Telephone System have been previously discussed.

**REQUIRED SUPPLEMENTARY
INFORMATION**

ST. CLAIR COUNTY, ILLINOIS
Required Supplementary Information
Multi-year Schedule of Changes in Net Pension Liability and Related Ratios
December 31, 2016

Calendar year ending December 31,	ECO			Regular			SLEP		
	2016	2015	2014	2016	2015	2014	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 213,658	\$ 246,152	\$ 255,895	\$ 3,155,682	\$ 3,290,083	\$ 3,493,921	\$ 1,773,155	\$ 1,817,345	\$ 1,745,080
Interest on the Total Pension Liability	1,362,069	1,327,985	1,241,715	14,083,291	13,439,215	12,394,900	5,676,739	5,482,171	5,068,631
Changes in Benefit Terms	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience of the Total Pension Liability	(1,077,166)	(101,307)	83,912	287,641	516,342	(830,847)	241,025	(1,501,680)	501,338
Changes of Assumptions	(19,477)	-	562,186	(458,482)	445,229	6,446,777	(314,617)	202,867	1,094,927
Benefit Payments, including Refunds of Employee Contributions	(1,003,058)	(999,989)	(929,870)	(9,051,476)	(8,016,344)	(6,940,928)	(3,283,530)	(3,072,421)	(2,777,354)
Net Change in Total Pension Liability	(523,974)	472,841	1,213,838	8,016,656	9,674,525	14,563,823	4,092,772	2,928,282	5,632,622
Total Pension Liability - Beginning	18,579,867	18,107,026	16,893,188	191,227,188	181,552,663	166,988,840	76,749,019	73,820,737	68,188,115
Total Pension Liability - Ending (A)	\$ 18,055,893	\$ 18,579,867	\$ 18,107,026	\$ 199,243,844	\$ 191,227,188	\$ 181,552,663	\$ 80,841,791	\$ 76,749,019	\$ 73,820,737
Plan Fiduciary Net Position									
Employer Contributions	\$ 502,594	\$ 476,127	\$ 461,780	\$ 3,033,920	\$ 3,134,717	\$ 3,239,647	\$ 2,031,214	\$ 2,101,597	\$ 2,086,886
Employee Contributions	65,652	67,611	75,212	1,347,440	1,468,391	1,469,085	739,720	715,895	757,859
Net Investment Income	1,003,709	73,854	871,032	11,777,637	877,987	10,279,057	4,211,124	306,941	3,540,331
Benefit Payments, including Refunds of Employee Contributions	(1,003,058)	(999,989)	(929,870)	(9,051,476)	(8,016,344)	(6,940,928)	(3,283,530)	(3,072,421)	(2,777,354)
Other (Net Transfer)	(111,970)	456,609	45,182	702,710	(1,902,934)	(368,073)	2,666,358	(999,593)	(96,594)
Net Change in Plan Fiduciary Net Position	456,927	74,212	523,336	7,810,231	(4,438,183)	7,678,788	6,364,886	(947,581)	3,511,128
Plan Fiduciary Net Position - Beginning	15,073,204	14,998,992	14,475,656	172,865,840	177,304,023	169,625,235	60,568,062	61,515,643	58,004,515
Plan Fiduciary Net Position - Ending (B)	\$ 15,530,131	\$ 15,073,204	\$ 14,998,992	\$ 180,676,071	\$ 172,865,840	\$ 177,304,023	\$ 66,932,948	\$ 60,568,062	\$ 61,515,643
Net Pension Liability/(Asset) - Ending (A) - (B)	\$ 2,525,762	\$ 3,506,663	\$ 3,108,034	\$ 18,567,773	\$ 18,361,348	\$ 4,248,640	\$ 13,908,843	\$ 16,180,957	\$ 12,305,094
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.01%	81.13%	82.84%	90.68%	90.40%	97.66%	82.79%	78.92%	83.33%
Covered Valuation Payroll	\$ 869,390	\$ 890,371	\$ 995,647	\$ 28,784,814	\$ 29,997,292	\$ 30,472,234	\$ 9,092,277	\$ 9,436,894	\$ 9,370,839
Net Pension Liability as a Percentage of Covered Valuation Payroll	290.52%	393.84%	312.16%	64.51%	61.21%	13.94%	152.97%	171.46%	131.31%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

ST. CLAIR COUNTY, ILLINOIS
Required Supplementary Information
Schedule of Employer Contributions
December 31, 2016

Calendar year ending December 31,	ECO		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarilly Determined Contribution	\$ 502,594	\$ 474,479	\$ 461,781
Actual Contribution	502,594	476,127	461,780
Contribution Deficiency (Excess)	-	(1,648)	1
Covered Valuation Payroll	869,390	890,371	995,647
Actual Contribution as a % of Covered Valuation Payroll	57.81%	53.48%	46.38%

Estimate based on:

Contribution rate	57.81%	53.29%	47.00%
Covered valuation payroll	\$ 869,390	\$ 890,371	\$ 995,647

Calendar year ending December 31,	Regular		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarilly Determined Contribution	\$ 3,033,919	\$ 3,134,717	\$ 3,300,142
Actual Contribution	3,033,920	3,134,717	3,239,647
Contribution Deficiency (Excess)	(1)	-	60,495
Covered Valuation Payroll	28,784,814	29,997,292	30,472,234
Actual Contribution as a % of Covered Valuation Payroll	10.54%	10.45%	10.63%

Estimate based on:

Contribution rate	10.54%	10.45%	11.45%
Covered valuation payroll	\$ 28,784,814	\$ 29,997,292	\$ 30,472,234

Calendar year ending December 31,	SLEP		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarilly Determined Contribution	\$ 2,031,215	\$ 2,101,596	\$ 2,086,886
Actual Contribution	2,031,214	2,101,597	2,086,886
Contribution Deficiency (Excess)	1	(1)	-
Covered Valuation Payroll	9,092,277	9,436,894	9,370,839
Actual Contribution as a % of Covered Valuation Payroll	22.34%	22.27%	22.27%

Estimate based on:

Contribution rate	22.34%	22.27%	22.89%
Covered valuation payroll	\$ 9,092,277	\$ 9,436,894	\$ 9,370,839

ST. CLAIR COUNTY, ILLINOIS
Required Supplementary Information
Notes to Net Pension Liability and Contribution Schedules
December 31, 2016

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level percentage of payroll, Closed
Remaining Amortization Period:	27-year closed period until remaining period reaches 15 years. (then 15-year rolling period). Early Retirement Incentive Plan Liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers.
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.50%
Price Inflation:	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases:	3.75% to 14.50%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee mortality Table with adjustments to match current IMRF experience.
Other Information:	
Notes:	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2014, actuarial valuation.

ST. CLAIR COUNTY, ILLINOIS
Required Supplementary Information
Other Post-Employment Benefits
Schedule of Funding Progress
December 31, 2016

Actuarial Valuation Date	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
12/31/2016	\$ 172,918	100%	\$0
12/31/2014	208,362	100%	0
12/31/2012	231,127	100%	0
12/31/2010	289,520	100%	0
12/31/2008	275,087	100%	0
12/31/2006	-	NA	0

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2016	\$ 2,893,666	\$ 4,995,586	\$ 2,101,920	57.92%	\$ 38,740,066	5.43%
12/31/2014	2,439,365	2,406,381	(32,984)	101.37%	41,806,065	0.00%
12/31/2012	1,767,845	2,312,166	544,321	76.46%	39,318,765	1.38%
12/31/2010	1,190,799	2,173,919	983,120	54.78%	37,947,806	2.59%
12/31/2008	520,113	2,253,318	1,733,205	23.08%	38,230,339	4.53%
12/31/2006	-	1,946,738	1,946,738	0.00%	34,646,924	5.62%

ST. CLAIR COUNTY, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
General Fund
For the year ended December 31, 2016

	Budgeted Amounts		Budgetary Basis	Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	\$ 13,724,824	\$ 13,724,824	\$ 6,974,195	\$ (6,750,629)
State income tax	6,598,690	6,598,690	5,365,741	(1,232,949)
Personal property replacement tax	2,965,069	2,965,069	2,471,792	(493,277)
Sales tax	9,104,624	9,104,624	9,528,813	424,189
Other taxes	120,000	40,000	194,289	154,289
Revenue from federal/state agencies	182,214	182,214	556,835	374,621
Revenue from local government	315,000	315,000	144,455	(170,545)
Earnings on investments	161,252	161,252	295,952	134,700
Licenses, permits, fines, fees and services	12,681,118	12,681,118	13,546,234	865,116
Miscellaneous revenues	51,200	51,200	16,968	(34,232)
	<u>45,903,991</u>	<u>45,823,991</u>	<u>39,095,274</u>	<u>(6,728,717)</u>
EXPENDITURES				
General government	37,597,730	36,943,959	21,227,838	(15,716,121)
Public safety	11,598,659	12,469,543	12,330,636	(138,907)
Judicial	5,087,559	5,112,843	4,604,535	(508,308)
Public health	38,100	38,100	41,216	3,116
	<u>54,322,048</u>	<u>54,564,445</u>	<u>38,204,225</u>	<u>(16,360,220)</u>
Excess of revenues over (under) expenditures	<u>(8,418,057)</u>	<u>(8,740,454)</u>	<u>891,049</u>	<u>9,631,503</u>
Other financing sources (uses):				
Operating transfers-in	115,000	115,000	98,485	(16,515)
Operating transfers-out	<u>(3,429,915)</u>	<u>(3,195,212)</u>	<u>(15,620,813)</u>	<u>(12,425,601)</u>
Total other financing sources (uses)	<u>(3,314,915)</u>	<u>(3,080,212)</u>	<u>(15,522,328)</u>	<u>(12,442,116)</u>
Net changes in fund balances	<u>\$ (11,732,972)</u>	<u>\$ (11,820,666)</u>	<u>(14,631,279)</u>	<u>\$ (2,810,613)</u>
Reconciliation of budgetary basis to government fund statement of changes in fund balance:				
Effect of unrecorded assets			5,015,837	
Effect of market value adjustment on investments			63,192	
Effect of unrecorded liabilities			225,154	
Effect of unrecorded deferred inflows			(4,953,863)	
Effect of due to/from other funds			1,303,861	
Beginning fund balances			<u>41,844,799</u>	
Ending fund balances			<u>\$ 28,867,701</u>	

ST. CLAIR COUNTY, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
Transportation Fund
For the year ended December 31, 2016

	Budgeted Amounts		Budgetary Basis	Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	\$ 8,247,359	\$ 8,247,359	\$ 4,809,284	\$ (3,438,075)
Motor fuel tax	5,000,000	5,000,000	4,733,886	(266,114)
Earnings on investments	206,455	206,455	343,389	136,934
Licenses, permits, fines, fees and services	849,883	849,883	36,099	(813,784)
Revenue from federal/state agencies	-	-	-	-
Revenue from local government	510,000	510,000	3,247,329	2,737,329
Miscellaneous revenues	21,000	21,000	16,808	(4,192)
	<u>14,834,697</u>	<u>14,834,697</u>	<u>13,186,795</u>	<u>(1,647,902)</u>
EXPENDITURES				
Transportation	<u>22,876,324</u>	<u>22,876,324</u>	<u>11,427,007</u>	<u>(11,449,317)</u>
	<u>22,876,324</u>	<u>22,876,324</u>	<u>11,427,007</u>	<u>(11,449,317)</u>
Excess of revenues over (under) expenditures	<u>(8,041,627)</u>	<u>(8,041,627)</u>	<u>1,759,788</u>	<u>9,801,415</u>
Other financing sources (uses):				
Operating transfers-out	<u>(2,300,000)</u>	<u>(2,300,000)</u>	<u>(1,978,656)</u>	<u>321,344</u>
Total other financing sources (uses)	<u>(2,300,000)</u>	<u>(2,300,000)</u>	<u>(1,978,656)</u>	<u>321,344</u>
Net changes in fund balances	<u>\$ (10,341,627)</u>	<u>\$ (10,341,627)</u>	<u>(218,868)</u>	<u>\$ 10,122,759</u>
Reconciliation of budgetary basis to government fund statement of changes in fund balance:				
Effect of unrecorded assets			(224,477)	
Effect of market value adjustment on investments			22,592	
Effect of unrecorded liabilities			(3,325,597)	
Effect of unrecorded deferred inflows			299,286	
Effect of due to/from other funds			824	
Beginning fund balances			<u>46,964,650</u>	
Ending fund balances			<u>\$ 43,518,410</u>	

ST. CLAIR COUNTY, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
Lease Payable Fund
For the year ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Budgetary Basis</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
REVENUES				
Property taxes	\$ 12,332,755	\$ 12,332,755	\$ 9,425,966	\$ (2,906,789)
Revenue from local governments	25,000	25,000	18,496	(6,504)
Earnings on investments	<u>9,000</u>	<u>9,000</u>	<u>24,410</u>	<u>\$ 15,410</u>
	<u>12,366,755</u>	<u>12,366,755</u>	<u>9,468,872</u>	<u>(2,897,883)</u>
EXPENDITURES				
General government	<u>11,650,288</u>	<u>11,650,288</u>	<u>11,564,494</u>	<u>(85,794)</u>
	<u>11,650,288</u>	<u>11,650,288</u>	<u>11,564,494</u>	<u>(85,794)</u>
Net changes in fund balances	<u>\$ 716,467</u>	<u>\$ 716,467</u>	<u>(2,095,622)</u>	<u>\$ (2,812,089)</u>
Reconciliation of budgetary basis to government fund statement of changes in fund balance:				
Effect of unrecorded assets			2,442,207	
Effect of market value adjustment on investments			6,991	
Effect of unrecorded deferred inflows			(2,441,396)	
Beginning fund balances			<u>2,460,943</u>	
Ending fund balances			<u>\$ 373,123</u>	

See notes to the financial statements and independent auditors' report.

ST. CLAIR COUNTY, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
Debt Service Fund
For the year ended December 31, 2016

	Budgeted Amounts		Budgetary Basis	Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	\$ 6,170,974	\$ 6,170,974	\$ -	\$ (6,170,974)
Earnings on investments	30,000	30,000	44,507	14,507
	<u>6,200,974</u>	<u>6,200,974</u>	<u>44,507</u>	<u>(6,156,467)</u>
EXPENDITURES				
Debt service	<u>7,509,500</u>	<u>7,509,500</u>	<u>5,766,294</u>	<u>(1,743,206)</u>
	<u>7,509,500</u>	<u>7,509,500</u>	<u>5,766,294</u>	<u>(1,743,206)</u>
Excess of revenues over (under) expenditures	<u>(1,308,526)</u>	<u>(1,308,526)</u>	<u>(5,721,787)</u>	<u>(4,413,261)</u>
Other financing sources (uses):				
Operating transfers-in	<u>2,300,000</u>	<u>2,300,000</u>	<u>15,178,656</u>	<u>12,878,656</u>
Total other financing sources (uses)	<u>2,300,000</u>	<u>2,300,000</u>	<u>15,178,656</u>	<u>12,878,656</u>
Net changes in fund balances	<u>\$ 991,474</u>	<u>\$ 991,474</u>	9,456,869	<u>\$ 8,465,395</u>
Reconciliation of budgetary basis to government fund statement of changes in fund balance:				
Effect of unrecorded assets			(2,961)	
Effect of market value adjustment on investments			(23,623)	
Beginning fund balances			<u>7,246,329</u>	
Ending fund balances			<u>\$ 16,676,614</u>	

ST. CLAIR COUNTY, ILLINOIS
Notes to Required Supplementary Information
December 31, 2016

Major Funds

The General Fund, Transportation Fund, and Debt Service Fund are comprised of various fund accounts that provide additional control and information about specific resources and expenditures of these funds. The Lease Payable Fund has only one set of accounts. More detailed schedules of the General Fund, Transportation Fund, and Debt Service Fund have been provided.

Nonmajor Funds

Nonmajor governmental funds consist of the special revenue funds, except the Transportation and Lease Payable Funds. Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. Schedules have been provided for all nonmajor special revenue funds for purposes of additional analysis in the combining and individual funds statements and schedules.

Budgetary Information

The County prepares an annual operating budget for revenues and expenditures on the cash basis. The County Board approves the budget. Appropriations are made on a detailed line-item basis and lapse at year-end. Any adjustments to the budget or transfers between funds require County Board approval. The General Fund, special revenue funds, the enterprise fund and Debt Service Fund are budgeted with exceptions given for grant related funds. Agency funds, and the internal service funds are included in the budgetary process for purposes of estimation rather than budgetary control.

Budgets are for the calendar year and include various Highway funds that are budgeted by project, although they lapse at year-end and require re-appropriation in the ensuing year. Budgets for the enterprise fund and grant funds are flexible and are generally dependent on funding sources and opportunities.

Encumbrances are defined as commitments related to unperformed contracts for goods and services that may be charged against an appropriation in the period of the commitment. The appropriated funds utilize encumbrance accounting. However, appropriations and encumbrances lapse at year-end and, therefore, there is no reserve for encumbered balances.

**ADDITIONAL ANALYSIS -
COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet - All General Fund Accounts
December 31, 2016

	General County	General County Escrow	Working Cash	Personal Property Replacement Tax	County Automation	Geographic Information System	Pari- Mutuel	Tort Liability
ASSETS								
Cash	\$ 875,413	\$ 3,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,855
Equity in cash and investment pool	1,644,550	2,767,446	1,211,912	11,090,165	398,509	601,489	247,737	476,654
Accounts receivable	3,014,808	-	-	408,536	22,093	-	16,663	10,793
Taxes receivable	8,512,504	-	-	-	-	-	-	3,357,481
Interest receivable	15,903	1,612	708	-	-	334	-	729
Due from other funds	2,237,206	-	-	-	27,857	-	-	2,088
Inventory	136,346	-	-	-	-	-	-	-
Prepaid expenditures	6,454	-	-	-	-	-	-	1,678,276
Total assets	<u>\$ 16,443,184</u>	<u>\$ 2,772,308</u>	<u>\$ 1,212,620</u>	<u>\$ 11,498,701</u>	<u>\$ 448,459</u>	<u>\$ 601,823</u>	<u>\$ 264,400</u>	<u>\$ 5,569,876</u>
LIABILITIES								
Liabilities								
Accounts payable	\$ 483,678	\$ -	\$ -	\$ -	\$ 59,232	\$ 18,079	\$ -	\$ 64,369
Accrued salaries	1,444,151	-	-	-	5,374	12,219	2,428	15,809
Due to other funds	6,534	-	-	-	-	-	-	2,287
Funds held in escrow	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	1,110,859
Total liabilities	<u>1,934,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,606</u>	<u>30,298</u>	<u>2,428</u>	<u>1,193,324</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred taxes and related fees	<u>9,108,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,093</u>	<u>-</u>	<u>-</u>	<u>3,357,481</u>
FUND BALANCE								
Nonspendable	142,800	-	-	-	-	-	-	1,678,276
Restricted	-	-	-	-	-	-	-	-
Committed	1,216,093	2,772,308	1,212,620	11,498,701	361,760	571,525	44,905	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	<u>4,041,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,067</u>	<u>(659,205)</u>
Total fund balance	<u>5,400,678</u>	<u>2,772,308</u>	<u>1,212,620</u>	<u>11,498,701</u>	<u>361,760</u>	<u>571,525</u>	<u>261,972</u>	<u>1,019,071</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 16,443,184</u>	<u>\$ 2,772,308</u>	<u>\$ 1,212,620</u>	<u>\$ 11,498,701</u>	<u>\$ 448,459</u>	<u>\$ 601,823</u>	<u>\$ 264,400</u>	<u>\$ 5,569,876</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet - All General Fund Accounts
December 31, 2016

	Capital Replacement	MetroLink Security	State's Attorney Programs	Payroll Escrow	Pool	Total General Fund
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ 37,027	\$ 959,545
Equity in cash and investment pool	4,944,843	283,023	49,025	780,613	(9,973)	24,485,993
Accounts receivable	-	-	5,577	-	-	3,478,470
Taxes receivable	-	-	-	-	-	11,869,985
Interest receivable	2,947	-	24	429	-	22,686
Due from other funds	3,844,988	7,674	-	(388,792)	(24)	5,730,997
Inventory	-	-	-	-	-	136,346
Prepaid expenditures	-	-	-	-	-	1,684,730
Total assets	<u>\$ 8,792,778</u>	<u>\$ 290,697</u>	<u>\$ 54,626</u>	<u>\$ 392,250</u>	<u>\$ 27,030</u>	<u>\$ 48,368,752</u>
LIABILITIES						
Liabilities						
Accounts payable	\$ 38,582	\$ -	\$ -	\$ -	\$ -	\$ 663,940
Accrued salaries	-	113,314	-	-	-	1,593,295
Due to other funds	3,217,139	-	-	392,250	7,938	3,626,148
Funds held in escrow	-	-	-	-	19,092	19,092
Other liabilities	-	-	-	-	-	1,110,859
Total liabilities	<u>3,255,721</u>	<u>113,314</u>	<u>-</u>	<u>392,250</u>	<u>27,030</u>	<u>7,013,334</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred taxes and related fees	-	-	-	-	-	12,487,717
FUND BALANCE						
Nonspendable	-	-	-	-	-	1,821,076
Restricted	-	177,383	-	-	-	177,383
Committed	5,537,057	-	54,626	-	-	23,269,595
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	3,599,647
Total fund balance	<u>5,537,057</u>	<u>177,383</u>	<u>54,626</u>	<u>-</u>	<u>-</u>	<u>28,867,701</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 8,792,778</u>	<u>\$ 290,697</u>	<u>\$ 54,626</u>	<u>\$ 392,250</u>	<u>\$ 27,030</u>	<u>\$ 48,368,752</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
All General Fund Accounts
For the year ended December 31, 2016

	General County	General County Escrow	Working Cash	Personal Property Replacement Tax	County Automation	Geographic Information System	Pari- Mutuel	Tort Liability
REVENUES								
Property taxes	\$ 3,907,596	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,066,599
State income tax	5,321,993	-	-	-	-	-	-	-
Personal property replacement tax	-	-	-	2,839,639	-	-	-	-
Sales tax	9,447,143	-	-	-	-	-	-	-
Other taxes	(10,234)	-	-	-	-	-	208,572	-
Revenue from federal/state agencies	375,228	-	-	-	-	-	-	-
Revenue from local agencies	-	-	-	-	-	-	-	106,985
Licenses, permits, fines, fees and services	11,491,754	42,734	-	-	92,676	350,096	73,623	-
Earnings on investments	220,709	20,336	9,272	41,978	2,136	4,247	(646)	10,304
Miscellaneous revenues	14,960	-	-	-	-	-	-	2,028
	<u>30,769,149</u>	<u>63,070</u>	<u>9,272</u>	<u>2,881,617</u>	<u>94,812</u>	<u>354,343</u>	<u>281,549</u>	<u>3,185,916</u>
EXPENDITURES								
General government	14,661,881	-	-	-	714,470	340,517	36,120	2,878,184
Public safety	11,179,836	-	-	-	-	-	-	-
Judicial	4,543,642	-	-	-	-	-	-	-
Public Health	41,216	-	-	-	-	-	-	-
	<u>30,426,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>714,470</u>	<u>340,517</u>	<u>36,120</u>	<u>2,878,184</u>
Excess (deficiency) of revenues over (under) expenditures	<u>342,574</u>	<u>63,070</u>	<u>9,272</u>	<u>2,881,617</u>	<u>(619,658)</u>	<u>13,826</u>	<u>245,429</u>	<u>307,732</u>
Other financing sources (uses)								
Operating transfers-in	98,683	-	-	-	-	-	-	-
Operating transfers-out	(1,995,722)	-	-	(13,565,825)	-	-	-	(486,920)
Intra fund transfers (net)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(1,897,039)</u>	<u>-</u>	<u>-</u>	<u>(13,565,825)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(486,920)</u>
Net changes in fund balances	<u>(1,554,465)</u>	<u>63,070</u>	<u>9,272</u>	<u>(10,684,208)</u>	<u>(619,658)</u>	<u>13,826</u>	<u>245,429</u>	<u>(179,188)</u>
Beginning fund balances	<u>6,955,143</u>	<u>2,709,238</u>	<u>1,203,348</u>	<u>22,182,909</u>	<u>981,418</u>	<u>557,699</u>	<u>16,543</u>	<u>1,198,259</u>
Ending fund balances	<u>\$ 5,400,678</u>	<u>\$ 2,772,308</u>	<u>\$ 1,212,620</u>	<u>\$ 11,498,701</u>	<u>\$ 361,760</u>	<u>\$ 571,525</u>	<u>\$ 261,972</u>	<u>\$ 1,019,071</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
All General Fund Accounts
For the year ended December 31, 2016

	Capital Replacement	MetroLink Security	State's Attorney Programs	Payroll Escrow	Pool	Total General Fund
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,974,195
State income tax	-	-	-	-	-	5,321,993
Personal property replacement tax	-	-	-	-	-	2,839,639
Sales tax	-	-	-	-	-	9,447,143
Other taxes	-	-	-	-	-	198,338
Revenue from federal/state agencies	-	-	-	-	-	375,228
Revenue from local agencies	-	-	-	-	-	106,985
Licenses, permits, fines, fees and services	-	1,426,695	53,890	-	-	13,531,468
Earnings on investments	22,929	66	1,144	-	-	332,475
Miscellaneous revenues	-	-	-	-	-	16,988
	<u>22,929</u>	<u>1,426,761</u>	<u>55,034</u>	<u>-</u>	<u>-</u>	<u>39,144,452</u>
EXPENDITURES						
General government	160,923	-	-	-	-	18,792,095
Public safety	-	1,400,869	-	-	-	12,580,705
Judicial	-	-	45,748	-	-	4,589,390
Public Health	-	-	-	-	-	41,216
	<u>- 160,923</u>	<u>1,400,869</u>	<u>45,748</u>	<u>-</u>	<u>-</u>	<u>36,003,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(137,994)</u>	<u>25,892</u>	<u>9,286</u>	<u>-</u>	<u>-</u>	<u>3,141,046</u>
Other financing sources (uses)						
Operating transfers-in	-	-	-	-	-	98,683
Operating transfers-out	(23,360)	-	(145,000)	-	-	(16,216,827)
Intra fund transfers (net)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(23,360)</u>	<u>-</u>	<u>(145,000)</u>	<u>-</u>	<u>-</u>	<u>(16,118,144)</u>
Net changes in fund balances	<u>(161,354)</u>	<u>25,892</u>	<u>(135,714)</u>	<u>-</u>	<u>-</u>	<u>(12,977,098)</u>
Beginning fund balances	<u>5,698,411</u>	<u>151,491</u>	<u>190,340</u>	<u>-</u>	<u>-</u>	<u>41,844,799</u>
Ending fund balances	<u>\$ 5,537,057</u>	<u>\$ 177,383</u>	<u>\$ 54,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,867,701</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet
Transportation Fund Accounts
December 31, 2016

	County Highway	County Bridge	Matching Tax	Motor Fuel Tax	Highway Special Projects	Highway Equipment Trust	Township Motor Fuel Tax	Township Bridge	Highway Payroll	Total Transportation Fund
ASSETS										
Cash	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Equity in cash and investment pool	3,705,716	7,088,618	6,134,245	4,913,724	23,527,601	105,877	1,203,591	-	298,841	46,978,213
Accounts receivable	48	-	-	320,747	-	-	73,454	-	-	394,249
Taxes receivable	2,372,620	891,885	1,236,242	-	-	-	-	-	-	4,500,747
Interest receivable	1,483	4,059	3,735	3,253	14,560	134	756	-	-	27,980
Due from other funds	841,841	(232,786)	(2,672)	(5,534)	-	(298,896)	(47,515)	-	(137,729)	116,709
Inventory	-	-	-	175,734	-	-	-	-	-	175,734
Total assets	<u>\$ 6,922,208</u>	<u>\$ 7,751,776</u>	<u>\$ 7,371,550</u>	<u>\$ 5,407,924</u>	<u>\$ 23,542,161</u>	<u>\$ (192,885)</u>	<u>\$ 1,230,286</u>	<u>\$ -</u>	<u>\$ 161,112</u>	<u>\$ 52,194,132</u>
LIABILITIES										
Accounts payable	\$ 133,618	\$ 37,686	\$ 699,242	\$ 39,497	\$ 342,658	\$ 16,332	\$ 40,165	\$ -	\$ -	\$ 1,309,198
Accrued salaries	-	-	-	-	-	-	-	-	161,112	161,112
Unearned income	2,704,666	-	-	-	-	-	-	-	-	2,704,666
Total liabilities	<u>2,838,284</u>	<u>37,686</u>	<u>699,242</u>	<u>39,497</u>	<u>342,658</u>	<u>16,332</u>	<u>40,165</u>	<u>-</u>	<u>161,112</u>	<u>4,174,976</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred taxes and related fees	2,372,620	891,884	1,236,242	-	-	-	-	-	-	4,500,746
FUND BALANCE										
Nonspendable	-	-	-	175,734	-	-	-	-	-	175,734
Restricted	1,711,304	6,822,206	5,436,066	5,192,693	23,199,503	(209,217)	1,190,121	-	-	43,342,676
	<u>1,711,304</u>	<u>6,822,206</u>	<u>5,436,066</u>	<u>5,368,427</u>	<u>23,199,503</u>	<u>(209,217)</u>	<u>1,190,121</u>	<u>-</u>	<u>-</u>	<u>43,518,410</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 6,922,208</u>	<u>\$ 7,751,776</u>	<u>\$ 7,371,550</u>	<u>\$ 5,407,924</u>	<u>\$ 23,542,161</u>	<u>\$ (192,885)</u>	<u>\$ 1,230,286</u>	<u>\$ -</u>	<u>\$ 161,112</u>	<u>\$ 52,194,132</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Transportation Fund Accounts
For the year ended December 31, 2016

	County Highway	County Bridge	Matching Tax	Motor Fuel Tax	Highway Special Projects	Highway Equipment Trust	Township Motor Fuel Tax	Township Bridge	Highway Payroll	Total Transportation Fund
REVENUES										
Property taxes	\$ 2,475,566	\$ 989,550	\$ 1,344,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,809,284
Motor fuel tax	-	-	-	3,964,699	-	-	788,216	-	-	4,752,915
Revenue from local agencies	-	140,218	-	-	-	353,793	-	-	-	494,011
Licenses, permits, fines, fees and services	17,180	-	-	9,146	-	9,773	-	-	-	36,099
Earnings on investments	14,114	48,495	46,130	39,234	206,724	2,244	8,984	-	-	365,925
	<u>2,506,860</u>	<u>1,178,263</u>	<u>1,390,298</u>	<u>4,013,079</u>	<u>206,724</u>	<u>365,810</u>	<u>797,200</u>	<u>-</u>	<u>-</u>	<u>10,458,234</u>
EXPENDITURES										
Transportation	3,348,911	400,426	1,129,244	2,246,762	3,607,793	528,002	664,680	-	-	11,925,818
	<u>3,348,911</u>	<u>400,426</u>	<u>1,129,244</u>	<u>2,246,762</u>	<u>3,607,793</u>	<u>528,002</u>	<u>664,680</u>	<u>-</u>	<u>-</u>	<u>11,925,818</u>
Excess of revenues over (under) expenditures	<u>(842,051)</u>	<u>777,837</u>	<u>261,054</u>	<u>1,766,317</u>	<u>(3,401,069)</u>	<u>(162,192)</u>	<u>132,520</u>	<u>-</u>	<u>-</u>	<u>(1,467,584)</u>
Other financing sources (uses)										
Operating transfers-out	<u>(356,158)</u>	<u>-</u>	<u>(217,652)</u>	<u>(1,404,846)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,978,656)</u>
Total other financing sources (uses)	<u>(356,158)</u>	<u>-</u>	<u>(217,652)</u>	<u>(1,404,846)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,978,656)</u>
Net changes in fund balances	(1,198,209)	777,837	43,402	361,471	(3,401,069)	(162,192)	132,520	-	-	(3,446,240)
Beginning fund balances	<u>2,909,513</u>	<u>6,044,369</u>	<u>5,392,664</u>	<u>5,006,956</u>	<u>26,600,572</u>	<u>(47,025)</u>	<u>1,057,601</u>	<u>-</u>	<u>-</u>	<u>46,964,650</u>
Ending fund balances	<u>\$ 1,711,304</u>	<u>\$ 6,822,206</u>	<u>\$ 5,436,066</u>	<u>\$ 5,368,427</u>	<u>\$ 23,199,503</u>	<u>\$ (209,217)</u>	<u>\$ 1,190,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,518,410</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheets - All Nonmajor Governmental Funds
December 31, 2016

	Social Security	Retirement Fund	Sale and Error	Indemnity	Recorder's Office Escrow	Trustee Demolition Fund	Tourism Fund	Metro-East Park & Recreation	Veteran's Assistance	General Grants
ASSETS										
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,400	\$ -	\$ -	\$ -	\$ 45
Equity in cash and investment pool	5,219,117	5,201,583	360,913	997,146	783,508	3,696,806	-	5,539,656	368,174	12,129
Accounts receivable	-	-	98,559	44,205	-	676,079	-	87,140	371	292,560
Taxes receivable	1,780,326	3,877,460	-	-	-	-	-	-	368,462	-
Interest receivable	3,007	2,825	97	-	454	1,800	-	3,202	194	-
Due from other funds	-	-	-	-	-	-	-	-	3,943	2,641
Inventory	-	-	-	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 7,002,450</u>	<u>\$ 9,081,868</u>	<u>\$ 459,569</u>	<u>\$ 1,041,351</u>	<u>\$ 783,962</u>	<u>\$ 4,512,085</u>	<u>\$ -</u>	<u>\$ 5,629,998</u>	<u>\$ 741,144</u>	<u>\$ 307,375</u>
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ 160,385	\$ -	\$ 1,115	\$ 2,500	\$ -	\$ 43,067	\$ 2,972	\$ 112,564
Accrued salaries	-	-	-	-	8,261	-	-	17,168	7,766	20,416
Accrued payroll related costs	183,210	367,492	-	-	-	-	-	-	-	-
Due to other funds	683	3	-	-	-	-	-	-	-	78,830
Unearned income	-	-	-	-	-	-	-	-	-	16,729
Total liabilities	<u>183,893</u>	<u>367,495</u>	<u>160,385</u>	<u>-</u>	<u>9,376</u>	<u>2,500</u>	<u>-</u>	<u>60,235</u>	<u>10,738</u>	<u>228,539</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred taxes and related fees	<u>1,780,326</u>	<u>3,877,460</u>	<u>98,559</u>	<u>44,205</u>	<u>-</u>	<u>676,079</u>	<u>-</u>	<u>-</u>	<u>368,462</u>	<u>-</u>
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	5,038,231	4,836,913	200,625	997,146	774,586	3,833,506	-	5,569,763	361,944	78,836
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance	<u>5,038,231</u>	<u>4,836,913</u>	<u>200,625</u>	<u>997,146</u>	<u>774,586</u>	<u>3,833,506</u>	<u>-</u>	<u>5,569,763</u>	<u>361,944</u>	<u>78,836</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 7,002,450</u>	<u>\$ 9,081,868</u>	<u>\$ 459,569</u>	<u>\$ 1,041,351</u>	<u>\$ 783,962</u>	<u>\$ 4,512,085</u>	<u>\$ -</u>	<u>\$ 5,629,998</u>	<u>\$ 741,144</u>	<u>\$ 307,375</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheets - All Nonmajor Governmental Funds
December 31, 2016

							Court Services Accounts			
	County Health	Landfill Surcharge	Mental Health	Civil Defense Emergency	Emergency Telephone System	Pet Population	Court Automation	Court Document Storage	Electronic Citation	Circuit Clerk Title IV-D BSCE
ASSETS										
Cash	\$ 350	\$ -	\$ 1,500	\$ -	\$ 502	\$ -	\$ 42,128	\$ 42,126	\$ 4,912	\$ -
Equity in cash and investment pool	3,189,994	1,873,166	2,030,506	396,229	701,717	132,537	1,358,525	1,827,614	548,463	12,752
Accounts receivable	1,398,725	101,826	65	-	329,275	-	118	-	-	10,878
Taxes receivable	568,189	-	2,028,263	-	-	-	-	-	-	-
Interest receivable	1,911	1,480	1,119	232	446	89	760	1,109	313	-
Due from other funds	94,029	19,711	12,299	-	3,228,665	-	43,294	35,329	-	-
Inventory	2,225	-	-	-	-	-	-	-	-	-
Prepaid expenditures	20,464	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 5,275,887</u>	<u>\$ 1,996,183</u>	<u>\$ 4,073,752</u>	<u>\$ 396,461</u>	<u>\$ 4,260,605</u>	<u>\$ 132,626</u>	<u>\$ 1,444,825</u>	<u>\$ 1,906,178</u>	<u>\$ 553,688</u>	<u>\$ 23,630</u>
LIABILITIES										
Accounts payable	\$ 256,136	\$ 8,426	\$ 163,112	\$ -	\$ 1,352,141	\$ 3,871	\$ 314	\$ 1,250	\$ -	\$ -
Accrued salaries	130,166	139,325	10,125	-	25,317	3,990	21,995	31,369	-	6,211
Accrued payroll related costs	-	-	-	-	-	-	-	-	-	-
Due to other funds	4,184	1,870	2,641	-	-	-	83,344	-	-	-
Unearned income	166,343	-	-	-	-	-	-	-	-	-
Total liabilities	<u>556,829</u>	<u>149,621</u>	<u>175,878</u>	<u>-</u>	<u>1,377,458</u>	<u>7,861</u>	<u>105,653</u>	<u>32,619</u>	<u>-</u>	<u>6,211</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred taxes and related fees	568,189	-	2,028,263	-	-	-	-	-	-	-
FUND BALANCES										
Nonspendable	22,689	-	-	-	-	-	-	-	-	-
Restricted	4,128,180	1,846,562	1,869,611	396,461	2,883,147	124,765	1,339,172	1,873,559	553,688	17,419
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance	<u>4,150,869</u>	<u>1,846,562</u>	<u>1,869,611</u>	<u>396,461</u>	<u>2,883,147</u>	<u>124,765</u>	<u>1,339,172</u>	<u>1,873,559</u>	<u>553,688</u>	<u>17,419</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 5,275,887</u>	<u>\$ 1,996,183</u>	<u>\$ 4,073,752</u>	<u>\$ 396,461</u>	<u>\$ 4,260,605</u>	<u>\$ 132,626</u>	<u>\$ 1,444,825</u>	<u>\$ 1,906,178</u>	<u>\$ 553,688</u>	<u>\$ 23,630</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheets - All Nonmajor Governmental Funds
December 31, 2016

	Court Services Accounts (continued)									
	Maintenance/ Child Support Collection	Foerclosure Mediation	Custody Exchange	Law Library	Bailiff	Total Court Services	State's Attorney Title IV-D BSCE	CASA	Childrens Advocacy Center	ACCS State's Attorney
ASSETS										
Cash	\$ -	\$ -	\$ -	\$ -	\$ 25,073	\$ 114,239	\$ -	\$ 861	\$ -	\$ -
Equity in cash and investment pool	767,961	221,341	25,297	134,556	-	4,896,509	-	5,108	41,997	7,750
Accounts receivable	-	-	-	-	-	10,996	296,368	-	-	20
Taxes receivable	-	-	-	-	-	-	-	-	61,984	-
Interest receivable	457	119	11	82	(74)	2,777	-	1	24	4
Due from other funds	258	-	-	1,396	22,301	102,578	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 768,676</u>	<u>\$ 221,460</u>	<u>\$ 25,308</u>	<u>\$ 136,034</u>	<u>\$ 47,300</u>	<u>\$ 5,127,099</u>	<u>\$ 296,368</u>	<u>\$ 5,970</u>	<u>\$ 104,005</u>	<u>\$ 7,774</u>
LIABILITIES										
Accounts payable	\$ 335	\$ -	\$ 19,277	\$ 27,258	\$ -	\$ 48,434	\$ 122	\$ -	\$ 5,500	\$ -
Accrued salaries	1,482	-	-	2,042	45,681	108,780	23,831	-	-	-
Accrued payroll related costs	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	918,304	1,001,648	216,705	-	-	-
Unearned income	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,817</u>	<u>-</u>	<u>19,277</u>	<u>29,300</u>	<u>963,985</u>	<u>1,158,862</u>	<u>240,658</u>	<u>-</u>	<u>5,500</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred taxes and related fees	-	-	-	-	-	-	-	-	61,984	-
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	766,859	221,460	6,031	106,734	-	4,884,922	55,710	5,970	36,521	7,774
Unassigned	-	-	-	-	(916,685)	(916,685)	-	-	-	-
Total fund balance	<u>766,859</u>	<u>221,460</u>	<u>6,031</u>	<u>106,734</u>	<u>(916,685)</u>	<u>3,968,237</u>	<u>55,710</u>	<u>5,970</u>	<u>36,521</u>	<u>7,774</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 768,676</u>	<u>\$ 221,460</u>	<u>\$ 25,308</u>	<u>\$ 136,034</u>	<u>\$ 47,300</u>	<u>\$ 5,127,099</u>	<u>\$ 296,368</u>	<u>\$ 5,970</u>	<u>\$ 104,005</u>	<u>\$ 7,774</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheets - All Nonmajor Governmental Funds
December 31, 2016

	State's Attorney Records Automation	State's Attorney Forfeiture	Probation Services	Mental Health Court	Detention Home	Coroner's Fund	County Drug Traffic Prevention	Sheriff's DUI Fund	Transportation Safety	Sheriff's Asset Forfeiture
ASSETS										
Cash	\$ 1,559	\$ -	\$ 25,120	\$ 1,030	\$ -	\$ -	\$ 241	\$ 167	\$ -	\$ -
Equity in cash and investment pool	67,023	15,006	1,004,177	1	2	45,733	72,568	91,038	169	425,522
Accounts receivable	-	-	398,667	-	301,127	-	21,282	-	-	2,222
Taxes receivable	-	-	-	-	509,648	-	-	-	-	-
Interest receivable	37	7	1,219	1	26	31	48	52	-	225
Due from other funds	-	-	1,053,485	-	31,095	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 68,619</u>	<u>\$ 15,013</u>	<u>\$ 2,482,668</u>	<u>\$ 1,032</u>	<u>\$ 841,898</u>	<u>\$ 45,764</u>	<u>\$ 94,139</u>	<u>\$ 91,257</u>	<u>\$ 169</u>	<u>\$ 427,969</u>
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ 6,802	\$ -	\$ 4,266	\$ 196	\$ -	\$ -	\$ -	\$ 7,925
Accrued salaries	-	-	35,146	-	62,395	8,759	4,919	-	-	981
Accrued payroll related costs	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	419,624	1,751	1,179,493	-	17,320	-	-	-
Unearned income	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>461,572</u>	<u>1,751</u>	<u>1,246,154</u>	<u>8,955</u>	<u>22,239</u>	<u>-</u>	<u>-</u>	<u>8,906</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred taxes and related fees	-	-	-	-	509,648	-	-	-	-	-
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	68,619	15,013	2,021,096	-	-	36,809	71,900	91,257	169	419,063
Unassigned	-	-	-	(719)	(913,904)	-	-	-	-	-
Total fund balance	<u>68,619</u>	<u>15,013</u>	<u>2,021,096</u>	<u>(719)</u>	<u>(913,904)</u>	<u>36,809</u>	<u>71,900</u>	<u>91,257</u>	<u>169</u>	<u>419,063</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 68,619</u>	<u>\$ 15,013</u>	<u>\$ 2,482,668</u>	<u>\$ 1,032</u>	<u>\$ 841,898</u>	<u>\$ 45,764</u>	<u>\$ 94,139</u>	<u>\$ 91,257</u>	<u>\$ 169</u>	<u>\$ 427,969</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheets - All Nonmajor Governmental Funds
December 31, 2016

	Law Enforcement and Prosecution Grants					Total
	Commissary	Jail	Victim	Domestic	Total Law	Total
	Fund	Medical	Witness	Violence	Enforcement &	All Nonmajor
			Grant	Advocate	Prosecution	Governmental
				Grant	Grants	Funds
ASSETS						
Cash	\$ 89,595	\$ 730	\$ -	\$ -	\$ -	\$ 373,339
Equity in cash and investment pool	182,116	6	9,391	-	21,571	37,379,477
Accounts receivable	-	-	1,081	11,422	12,503	4,071,990
Taxes receivable	-	-	-	-	-	9,194,332
Interest receivable	131	4	-	-	-	21,443
Due from other funds	1,203	-	-	-	10,648	4,560,297
Inventory	-	-	-	-	-	2,225
Prepaid expenditures	-	-	-	-	-	20,464
Total assets	<u>\$ 273,045</u>	<u>\$ 740</u>	<u>\$ 10,472</u>	<u>\$ 11,422</u>	<u>\$ 44,722</u>	<u>\$ 55,623,567</u>
LIABILITIES						
Accounts payable	\$ 9,779	\$ -	\$ -	\$ -	\$ -	\$ 2,189,313
Accrued salaries	2,306	-	2,769	1,770	22,961	632,612
Accrued payroll related costs	-	-	-	-	677	551,379
Due to other funds	-	-	-	9,652	9,652	2,934,404
Unearned income	-	-	-	-	3,729	186,801
Total liabilities	<u>12,085</u>	<u>-</u>	<u>2,769</u>	<u>11,422</u>	<u>37,019</u>	<u>6,494,509</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred taxes and related fees	-	-	-	-	-	10,013,175
FUND BALANCES						
Nonspendable	-	-	-	-	-	22,689
Restricted	260,960	740	7,703	-	7,703	40,924,502
Unassigned	-	-	-	-	-	(1,831,308)
Total fund balance	<u>260,960</u>	<u>740</u>	<u>7,703</u>	<u>-</u>	<u>7,703</u>	<u>39,115,883</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 273,045</u>	<u>\$ 740</u>	<u>\$ 10,472</u>	<u>\$ 11,422</u>	<u>\$ 44,722</u>	<u>\$ 55,623,567</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the year ended December 31, 2016

	Social Security	Retirement Fund	Sale and Error	Indemnity	Recorders Office Escrow	Trustee Demolition Fund	Tourism Fund	Metro-East Park & Recreation	Veterans Assistance	General Grants
REVENUES										
Property taxes	\$ 2,279,683	\$ 4,377,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 368,171	\$ -
Other taxes	-	-	-	-	-	-	-	-	-	-
Revenue from federal/state agencies	-	-	-	-	-	-	-	-	-	1,420,300
Revenue from local agencies	-	-	-	-	-	902,402	-	1,023,492	-	7,187
Licenses, permits, fines, fees and services	-	-	265,380	118,240	293,610	-	-	11,528	4,454	150
Earnings on investments	39,363	35,294	2,065	464	6,233	22,780	112	40,292	2,894	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
	<u>2,319,046</u>	<u>4,412,311</u>	<u>267,445</u>	<u>118,704</u>	<u>299,843</u>	<u>925,182</u>	<u>112</u>	<u>1,075,312</u>	<u>375,519</u>	<u>1,427,637</u>
EXPENDITURES										
General government	2,431,842	4,570,323	368,972	19,557	337,367	496,382	8,928	919,039	318,683	2,398
Public safety	-	-	-	-	-	-	-	-	-	700,149
Judicial	-	-	-	-	-	-	-	-	-	137,991
Public health	-	-	-	-	-	-	-	-	-	640,091
Debt service	-	-	-	-	-	-	-	-	-	-
	<u>2,431,842</u>	<u>4,570,323</u>	<u>368,972</u>	<u>19,557</u>	<u>337,367</u>	<u>496,382</u>	<u>8,928</u>	<u>919,039</u>	<u>318,683</u>	<u>1,480,629</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,796)</u>	<u>(158,012)</u>	<u>(101,527)</u>	<u>99,147</u>	<u>(37,524)</u>	<u>428,800</u>	<u>(8,816)</u>	<u>156,273</u>	<u>56,836</u>	<u>(52,992)</u>
Other financing sources (uses)										
Operating transfers-in	-	365,825	-	-	-	-	198	-	-	4,399
Operating transfers-out	(74,939)	(105,452)	-	(98,683)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(74,939)</u>	<u>260,373</u>	<u>-</u>	<u>(98,683)</u>	<u>-</u>	<u>-</u>	<u>198</u>	<u>-</u>	<u>-</u>	<u>4,399</u>
Net changes in fund balances	(187,735)	102,361	(101,527)	464	(37,524)	428,800	(8,618)	156,273	56,836	(48,593)
Beginning fund balances	<u>5,225,966</u>	<u>4,734,552</u>	<u>302,152</u>	<u>996,682</u>	<u>812,110</u>	<u>3,404,706</u>	<u>8,618</u>	<u>5,413,490</u>	<u>305,108</u>	<u>127,429</u>
Ending fund balances	<u>\$ 5,038,231</u>	<u>\$ 4,836,913</u>	<u>\$ 200,625</u>	<u>\$ 997,146</u>	<u>\$ 774,586</u>	<u>\$ 3,833,506</u>	<u>\$ -</u>	<u>\$ 5,569,763</u>	<u>\$ 361,944</u>	<u>\$ 78,836</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the year ended December 31, 2016

							Court Services Accounts			
	County Health	Landfill Surcharge	Mental Health	Civil Defense Emergency	Emergency Telephone System	Pet Population	Court Automation	Court Document Storage	Electronic Citation	Circuit Clerk Title IV-D BSCE
REVENUES										
Property taxes	\$ 567,388	\$ -	\$ 2,326,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-	-	-
Revenue from federal/state agencies	4,405,417	-	-	-	-	-	-	-	-	53,429
Revenue from local agencies	237,966	-	-	-	-	-	-	-	-	-
Licenses, permits, fines, fees and services	361,466	432,729	-	-	2,457,953	54,990	873,192	876,395	65,306	-
Earnings on investments	23,347	29,469	13,231	3,024	25,546	1,507	8,661	13,964	3,774	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	-
	<u>5,595,584</u>	<u>462,198</u>	<u>2,340,205</u>	<u>3,024</u>	<u>2,483,499</u>	<u>56,497</u>	<u>881,853</u>	<u>890,359</u>	<u>69,080</u>	<u>53,429</u>
EXPENDITURES										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	1,850,156	-	-	3,818,419	124,260	-	-	-	-
Judicial	-	-	-	-	-	-	620,164	749,792	-	106,433
Public health	5,304,058	714,085	2,236,683	-	-	-	-	-	-	-
Debt service	-	-	-	-	477,540	-	-	-	-	-
	<u>5,304,058</u>	<u>2,564,241</u>	<u>2,236,683</u>	<u>-</u>	<u>4,295,959</u>	<u>124,260</u>	<u>620,164</u>	<u>749,792</u>	<u>-</u>	<u>106,433</u>
Excess (deficiency) of revenues over (under) expenditures	<u>291,526</u>	<u>(2,102,043)</u>	<u>103,522</u>	<u>3,024</u>	<u>(1,812,460)</u>	<u>(67,763)</u>	<u>261,689</u>	<u>140,567</u>	<u>69,080</u>	<u>(53,004)</u>
Other financing sources (uses)										
Operating transfers-in	-	-	-	-	-	-	-	-	-	-
Operating transfers-out	-	-	(25,000)	-	-	-	-	-	-	43,515
Total other financing sources (uses)	-	-	(25,000)	-	-	-	-	-	-	43,515
Net changes in fund balances	291,526	(2,102,043)	78,522	3,024	(1,812,460)	(67,763)	261,689	140,567	69,080	(9,489)
Beginning fund balances	<u>3,859,343</u>	<u>3,948,605</u>	<u>1,791,089</u>	<u>393,437</u>	<u>4,695,607</u>	<u>192,528</u>	<u>1,077,483</u>	<u>1,732,992</u>	<u>484,608</u>	<u>26,908</u>
Ending fund balances	<u>\$ 4,150,869</u>	<u>\$ 1,846,562</u>	<u>\$ 1,869,611</u>	<u>\$ 396,461</u>	<u>\$ 2,883,147</u>	<u>\$ 124,765</u>	<u>\$ 1,339,172</u>	<u>\$ 1,873,559</u>	<u>\$ 553,688</u>	<u>\$ 17,419</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the year ended December 31, 2016

	Court Services Accounts (continued)					State's Attorney Title IV-D BSCE	CASA	Childrens Advocacy Center	ACCS State's Attorney
	Maintenance/ Child Support Collection	Foreclosure Mediation	Custody Exchange	Law Library	Bailiff	Total Court Services			
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,793	\$ -
Other taxes	-	-	-	-	-	-	-	-	-
Revenue from federal/state agencies	-	-	-	-	-	53,429	680,681	-	-
Revenue from local agencies	-	-	-	-	-	-	-	-	-
Licenses, permits, fines, fees and services	75,058	72,100	75,534	198,266	720,350	2,956,201	-	12,800	1,159
Earnings on investments	6,385	1,202	39	1,132	(444)	34,713	-	22	53
Miscellaneous revenues	-	-	-	-	-	-	-	-	-
	<u>81,443</u>	<u>73,302</u>	<u>75,573</u>	<u>199,398</u>	<u>719,906</u>	<u>3,044,343</u>	<u>680,681</u>	<u>12,822</u>	<u>1,212</u>
EXPENDITURES									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	932,015	932,015	-	-	-
Judicial	105,030	-	70,855	223,919	-	1,876,193	680,780	14,000	66,000
Public health	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
	<u>105,030</u>	<u>-</u>	<u>70,855</u>	<u>223,919</u>	<u>932,015</u>	<u>2,808,208</u>	<u>680,780</u>	<u>14,000</u>	<u>66,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(23,587)</u>	<u>73,302</u>	<u>4,718</u>	<u>(24,521)</u>	<u>(212,109)</u>	<u>236,135</u>	<u>(99)</u>	<u>(1,178)</u>	<u>1,212</u>
Other financing sources (uses)									
Operating transfers-in	-	-	-	-	-	-	98	-	-
Operating transfers-out	(43,515)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(43,515)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(67,102)	73,302	4,718	(24,521)	(212,109)	236,135	(1)	(1,178)	1,212
Beginning fund balances	<u>833,961</u>	<u>148,158</u>	<u>1,313</u>	<u>131,255</u>	<u>(704,576)</u>	<u>3,732,102</u>	<u>55,711</u>	<u>7,148</u>	<u>6,562</u>
Ending fund balances	<u>\$ 766,859</u>	<u>\$ 221,460</u>	<u>\$ 6,031</u>	<u>\$ 106,734</u>	<u>\$ (916,685)</u>	<u>\$ 3,968,237</u>	<u>\$ 55,710</u>	<u>\$ 5,970</u>	<u>\$ 7,774</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the year ended December 31, 2016

	State's Attorney Records Automation	State's Attorney Forfeiture	Probation Services	Mental Health Court	Detention Home	Coroner's Fund	County Drug Traffic Prevention	Sheriff's DUI Fund	Transportation Safety	Sheriff's Asset Forfeiture
REVENUES										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 506,769	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-	-	-
Revenue from federal/state agencies	-	-	648,369	-	574,665	-	85,486	-	-	40,830
Revenue from local agencies	-	-	431,802	-	72,890	-	-	-	-	-
Licenses, permits, fines, fees and services	20,478	-	538,723	13,028	-	42,602	79,920	12,217	-	291,590
Earnings on investments	366	101	17,903	70	2,256	491	621	614	1	1,730
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	50,475
	<u>20,844</u>	<u>101</u>	<u>1,636,797</u>	<u>13,098</u>	<u>1,156,580</u>	<u>43,093</u>	<u>166,027</u>	<u>12,831</u>	<u>1</u>	<u>384,625</u>
EXPENDITURES										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	2,593,707	-	1,531,615	68,535	149,433	333	-	210,709
Judicial	-	87	-	24,431	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>87</u>	<u>2,593,707</u>	<u>24,431</u>	<u>1,531,615</u>	<u>68,535</u>	<u>149,433</u>	<u>333</u>	<u>-</u>	<u>210,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,844</u>	<u>14</u>	<u>(956,910)</u>	<u>(11,333)</u>	<u>(375,035)</u>	<u>(25,442)</u>	<u>16,594</u>	<u>12,498</u>	<u>1</u>	<u>173,916</u>
Other financing sources (uses)										
Operating transfers-in	-	-	145,000	-	-	-	-	-	-	-
Operating transfers-out	-	-	(3,180)	-	-	-	(4,962)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>141,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,962)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	20,844	14	(815,090)	(11,333)	(375,035)	(25,442)	11,632	12,498	1	173,916
Beginning fund balances	<u>47,775</u>	<u>14,999</u>	<u>2,836,186</u>	<u>10,614</u>	<u>(538,869)</u>	<u>62,251</u>	<u>60,268</u>	<u>78,759</u>	<u>168</u>	<u>245,147</u>
Ending fund balances	<u>\$ 68,619</u>	<u>\$ 15,013</u>	<u>\$ 2,021,096</u>	<u>\$ (719)</u>	<u>\$ (913,904)</u>	<u>\$ 36,809</u>	<u>\$ 71,900</u>	<u>\$ 91,257</u>	<u>\$ 169</u>	<u>\$ 419,063</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Nonmajor Governmental Funds
For the year ended December 31, 2016

	Law Enforcement and Prosecution Grants								
	Commissary fund	Jail Medical	Victim Witness Grant	Domestic Violence Advocate Grant	Stop Grant	Total Law Enforcement & Prosecution Grants	Total All Nonmajor Governmental Funds	Budgetary Basis	Final Budget
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,486,795	\$ 10,486,794	\$ 15,967,213
Other taxes	-	-	-	-	-	-	-	-	-
Revenue from federal/state agencies	-	-	31,000	37,675	375,011	443,686	8,352,863	7,851,186	11,600,037
Revenue from local agencies	-	-	-	-	-	-	2,675,739	2,813,776	2,291,945
Licenses, permits, fines, fees and services	133,458	9,560	-	-	-	-	8,112,236	8,109,388	8,355,700
Earnings on investments	2,076	40	-	-	-	-	307,181	261,087	172,132
Miscellaneous revenues	-	-	-	-	-	-	50,475	4,962	9,625
	<u>135,534</u>	<u>9,600</u>	<u>31,000</u>	<u>37,675</u>	<u>375,011</u>	<u>443,686</u>	<u>29,985,289</u>	<u>29,527,193</u>	<u>38,396,652</u>
EXPENDITURES									
General government	-	-	-	-	-	-	9,473,491	9,569,188	19,220,111
Public safety	139,952	9,930	-	-	209,579	209,579	12,338,792	8,080,022	13,370,693
Judicial	-	-	48,183	48,906	173,932	271,021	3,070,503	2,930,338	4,651,278
Public health	-	-	-	-	-	-	8,894,917	10,633,316	15,072,535
Debt service	-	-	-	-	-	-	477,540	477,540	477,540
	<u>139,952</u>	<u>9,930</u>	<u>48,183</u>	<u>48,906</u>	<u>383,511</u>	<u>480,600</u>	<u>34,255,243</u>	<u>31,690,404</u>	<u>52,792,157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,418)</u>	<u>(330)</u>	<u>(17,183)</u>	<u>(11,231)</u>	<u>(8,500)</u>	<u>(36,914)</u>	<u>(4,269,954)</u>	<u>(2,163,211)</u>	<u>(14,395,505)</u>
Other financing sources (uses)									
Operating transfers-in	-	-	17,183	11,231	8,500	36,914	552,434	552,463	618,420
Operating transfers-out	-	-	-	-	-	-	(312,216)	(131,825)	(278,512)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>17,183</u>	<u>11,231</u>	<u>8,500</u>	<u>36,914</u>	<u>240,218</u>	<u>420,638</u>	<u>339,908</u>
Net changes in fund balances	(4,418)	(330)	-	-	-	-	(4,029,736)	\$ (1,742,573)	\$ (14,055,597)
Beginning fund balances	<u>265,378</u>	<u>1,070</u>	<u>7,703</u>	<u>-</u>	<u>-</u>	<u>7,703</u>	<u>43,145,619</u>		
Ending fund balances	<u>\$ 260,960</u>	<u>\$ 740</u>	<u>\$ 7,703</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,703</u>	<u>\$ 39,115,883</u>		

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet
Internal Service Funds
December 31, 2016

	Employees' Medical Trust Fund	Unemployment Trust	Public Building Commission	Total
ASSETS				
Current assets				
Cash	\$ -	\$ -	\$ 209,681	\$ 209,681
Equity in cash and investment pool	55	113,999	-	114,054
Investments	-	-	24,664,237	24,664,237
Accounts receivable	300,320	-	21,928	322,248
Interest receivable	203	82	16,400	16,685
Due from other funds	11,397	-	-	11,397
Net investment in direct financing leases	-	-	649,613	649,613
Prepaid expenses	-	-	1,257	1,257
Total current assets	<u>311,975</u>	<u>114,081</u>	<u>25,563,116</u>	<u>25,989,172</u>
Restricted assets				
Investments	-	-	579,547	579,547
Total restricted assets	<u>-</u>	<u>-</u>	<u>579,547</u>	<u>579,547</u>
Noncurrent assets				
Due from St. Clair County	-	-	12,540,113	12,540,113
Net investment in direct financing leases	-	-	22,004,363	22,004,363
Capital assets	-	-	563,602	563,602
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>35,108,078</u>	<u>35,108,078</u>
Deferred outflows of resources				
Deferred outflows related to pensions	52,266	-	369,173	421,439
Total outflows of resources	<u>52,266</u>	<u>-</u>	<u>369,173</u>	<u>421,439</u>
Total assets and deferred outflows of resources	<u>\$ 364,241</u>	<u>\$ 114,081</u>	<u>\$ 61,619,914</u>	<u>\$ 62,098,236</u>

ST. CLAIR COUNTY, ILLINOIS
Statement of Net Position
Internal Service Funds
(continued)
December 31, 2016

	Employees' Medical Trust Fund	Unemployment Trust	Public Building Commission	Total
LIABILITIES				
Current liabilities				
Accounts payable	\$ 91,597	\$ -	\$ 212,620	\$ 304,217
Accrued payroll and related costs	9,146	11,652	300,126	320,924
Accrued interest	-	-	90,812	90,812
Due from other funds	97,203	-	-	97,203
Other liabilities	1,125,827	-	-	1,125,827
Unearned revenues	136,638	-	208,628	345,266
Revenue bonds - current	-	-	645,000	645,000
Total current liabilities	<u>1,460,411</u>	<u>11,652</u>	<u>1,457,186</u>	<u>2,929,249</u>
Noncurrent liabilities				
Funds held in escrow	-	-	34,679	34,679
Revenue bonds	-	-	21,729,465	21,729,465
Net pension liability	91,105	-	689,320	780,425
Total noncurrent liabilities	<u>91,105</u>	<u>-</u>	<u>22,453,464</u>	<u>22,544,569</u>
Total liabilities	<u>1,551,516</u>	<u>11,652</u>	<u>23,910,650</u>	<u>25,473,818</u>
Deferred inflows of resources				
Unamortized gain on refinancing	-	-	382,610	382,610
Deferred inflows related to pensions	2,567	-	20,141	22,708
	<u>2,567</u>	<u>-</u>	<u>402,751</u>	<u>405,318</u>
Total liabilities and deferred inflows of resources	<u>1,554,083</u>	<u>11,652</u>	<u>24,313,401</u>	<u>25,879,136</u>
NET POSITION				
Net investment in capital assets	-	-	563,602	563,602
Restricted	-	102,429	544,868	647,297
Unrestricted	(1,189,842)	-	36,198,043	35,008,201
	<u>\$ (1,189,842)</u>	<u>\$ 102,429</u>	<u>\$ 37,306,513</u>	<u>\$ 36,219,100</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the year ended December 31, 2016

	Employees' Medical Trust Fund	Unemployment Trust	Public Building Commission	Total
Operating revenues				
Insurance premiums	\$ 10,822,794	\$ -	\$ -	\$ 10,822,794
Operating lease income	-	-	10,502,834	10,502,834
Capital lease interest income	-	-	1,103,808	1,103,808
Parking fees	-	-	204,599	204,599
Phone and vending commissions	-	-	158,928	158,928
Intergovernmental revenues	-	-	371,457	371,457
Miscellaneous	8,290	-	25,233	33,523
Total revenue	<u>10,831,084</u>	<u>-</u>	<u>12,366,859</u>	<u>23,197,943</u>
Expenses				
Insurance claims and premiums	11,711,291	89,695	-	11,800,986
Post employment benefit contribution	172,918	-	-	172,918
Payroll and related costs	182,406	-	2,378,430	2,560,836
Custodial supplies and services	-	-	672,579	672,579
Repairs, maintenance, and renovation	-	-	2,246,716	2,246,716
Utilities and telephone	-	-	1,236,370	1,236,370
Other	547,240	-	89,491	636,731
Depreciation	-	-	14,677	14,677
Interest expense	-	-	1,007,322	1,007,322
Total expenses	<u>12,613,855</u>	<u>89,695</u>	<u>7,645,585</u>	<u>20,349,135</u>
Operating income (loss)	(1,782,771)	(89,695)	4,721,274	2,848,808
Other income				
Earnings on investments	<u>13,300</u>	<u>1,597</u>	<u>78,127</u>	<u>93,024</u>
Net income (loss)	(1,769,471)	(88,098)	4,799,401	2,941,832
Net position - beginning of year	<u>579,629</u>	<u>190,527</u>	<u>32,507,112</u>	<u>33,277,268</u>
Net position - end of year	<u>\$ (1,189,842)</u>	<u>\$ 102,429</u>	<u>\$ 37,306,513</u>	<u>\$ 36,219,100</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2016

	Employees' Medical Trust Fund	Unemployment Trust	Public Building Commission	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments from customers	\$ 1,718,182	\$ -	\$ 382,306	\$ 2,100,488
Payments from interfund services provided	9,068,179	-	12,220,660	21,288,839
Payments to vendors	(12,585,238)	(100,945)	(4,478,551)	(17,164,734)
Payments to employees	(182,068)	-	(1,397,906)	(1,579,974)
Net cash provided (used) by operating activities	(1,980,945)	(100,945)	6,726,509	4,644,619
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Interest paid	-	-	(1,105,916)	(1,105,916)
Principal payments on bonds	-	-	(620,000)	(620,000)
Payments on behalf of business-type activities	-	-	(665,328)	(665,328)
	-	-	(2,391,244)	(2,391,244)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	-	-	(51,438)	(51,438)
	-	-	(51,438)	(51,438)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment interest	15,003	1,659	63,427	80,089
Investments	-	-	(1,026,603)	(1,026,603)
Net cash provided (used) by investing activities	15,003	1,659	(963,176)	(946,514)
Net increase (decrease) in cash and cash equivalents	(1,965,942)	(99,286)	3,320,651	1,255,423
Cash and cash equivalents - beginning of year	1,965,997	213,285	14,071,094	16,250,376
Cash and cash equivalents - end of year	\$ 55	\$ 113,999	\$ 17,391,745	\$ 17,505,799

ST. CLAIR COUNTY, ILLINOIS
Combining Statement of Cash Flows
Internal Service Funds
(continued)
For the year ended December 31, 2016

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO CASH PROVIDED (USED)
BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (1,782,771)	\$ (89,695)	4,721,274	\$ 2,848,808
Adjustments to reconcile				
Depreciation and amortization	-	-	14,677	14,677
Interest expense related to direct financing leases	-	-	1,007,322	1,007,322
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(7,597)	-	(7,584)	(15,181)
(Increase) decrease in net investment in direct leases	-	-	614,018	614,018
(Increase) decrease in due from other funds	(6,050)	-	-	(6,050)
(Increase) decrease in deferred outflows	21,018	-	184,194	205,212
Increase (decrease) in accounts payable	(57,735)	-	129,918	72,183
Increase (decrease) in accrued wages and related costs	338	(11,250)	53,221	42,309
Increase (decrease) in due to other funds	97,203	-	-	97,203
Increase (decrease) in other liabilities	(241,047)	-	-	(241,047)
Increase (decrease) in unearned income	(6,067)	-	(5,985)	(12,052)
Increase (decrease) in net pension liability	1,135	-	9,950	11,085
Increase (decrease) in deferred inflows	628	-	5,504	6,132
Net cash provided (used) by operating activities	<u>\$ (1,980,945)</u>	<u>\$ (100,945)</u>	<u>\$ 6,726,509</u>	<u>\$ 4,644,619</u>

SCHEDULE OF NON-CASH FINANCING AND INVESTING ACTIVITIES

Increase (decrease) in market value of investments	\$ 6,475	\$ 382	\$ -	\$ 6,857
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ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet
Fiduciary Funds - Agency Funds
December 31, 2016

	County Collector's Property Tax Fund	County Trustee	Tax Redemption and Revolving Delinquent Tax Accounts	Circuit Clerk Traffic	Unclaimed Bond Placement	Inmate Personal Accounts	Arbitration Fund
ASSETS							
Cash	\$ 1,165,762	\$ 949,740	\$ 516,582	\$ 2,518,986	\$ -	\$ 243,080	\$ -
Equity in cash and investment pool	217,268	-	-	-	96,859	-	10,768
Investments	-	-	-	1,259,219	-	-	-
Accounts receivable	-	-	-	-	-	8,013	-
Interest receivable	128	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,383,158</u>	<u>\$ 949,740</u>	<u>\$ 516,582</u>	<u>\$ 3,778,205</u>	<u>\$ 96,859</u>	<u>\$ 251,093</u>	<u>\$ 10,768</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,375	\$ -
Due to taxing districts	669,368	-	-	-	-	-	-
Held pending protested tax settlement	215,504	-	-	-	-	-	-
Funds held in escrow	498,286	949,740	516,582	3,778,205	96,859	212,718	10,768
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 1,383,158</u>	<u>\$ 949,740</u>	<u>\$ 516,582</u>	<u>\$ 3,778,205</u>	<u>\$ 96,859</u>	<u>\$ 251,093</u>	<u>\$ 10,768</u>

ST. CLAIR COUNTY, ILLINOIS
Combining Balance Sheet
Fiduciary Funds - Agency Funds
December 31, 2016

	Inheritance Tax	Condemnation Fund	Estates of Deceased Persons	County Escheat	Total
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ 5,394,150
Equity in cash and investment pool	-	903,048	82,748	8,248	1,318,939
Investments	-	-	-	-	1,259,219
Accounts receivable	-	-	-	-	8,013
Interest receivable	-	528	48	5	709
	<u>-</u>	<u>528</u>	<u>48</u>	<u>5</u>	<u>709</u>
Total assets	\$ -	\$ 903,576	\$ 82,796	\$ 8,253	\$ 7,981,030
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 38,375
Due to taxing districts	-	-	-	-	669,368
Held pending protested tax settlement	-	-	-	-	215,504
Funds held in escrow	-	903,576	82,796	8,253	7,057,783
	<u>-</u>	<u>903,576</u>	<u>82,796</u>	<u>8,253</u>	<u>7,057,783</u>
Total liabilities	\$ -	\$ 903,576	\$ 82,796	\$ 8,253	\$ 7,981,030

STATISTICAL SECTION

ST. CLAIR COUNTY, ILLINOIS
Governmental-wide Expenses by Function
(in thousands)
(unaudited)

	2016*	2015*	2014	2013	2012	2011	2010	2009	2008	2007
<u>Governmental activities</u>										
General government	\$ 21,899	\$ 24,226	\$ 20,903	\$ 20,934	\$ 20,991	\$ 15,549	\$ 21,451	\$ 16,133	\$ 15,976	\$ 15,607
Public safety	36,176	40,268	37,031	36,855	35,157	33,649	33,139	32,692	31,560	30,493
Judicial	12,677	14,292	14,646	14,524	14,709	12,408	11,697	11,446	10,720	10,930
Public health	11,130	11,894	12,020	12,066	11,321	11,922	14,034	12,066	12,047	9,693
Transportation	13,274	14,551	16,692	12,853	10,142	10,449	10,805	7,101	8,677	9,836
Interest on long-term debt	<u>710</u>	<u>711</u>	<u>712</u>	<u>716</u>	<u>738</u>	<u>645</u>	<u>802</u>	<u>823</u>	<u>839</u>	<u>874</u>
	95,866	105,942	102,004	97,948	93,058	84,622	91,928	80,261	79,819	77,433
<u>Business-type activities</u>										
Airport operations	<u>18,402</u>	<u>17,415</u>	<u>16,296</u>	<u>16,546</u>	<u>15,885</u>	<u>15,767</u>	<u>18,797</u>	<u>19,176</u>	<u>20,717</u>	<u>19,196</u>
	<u>\$ 114,268</u>	<u>\$ 123,357</u>	<u>\$ 118,300</u>	<u>\$ 114,494</u>	<u>\$ 108,943</u>	<u>\$ 100,389</u>	<u>\$ 110,725</u>	<u>\$ 99,437</u>	<u>\$ 100,536</u>	<u>\$ 96,629</u>

*Includes the Public Building Commission as a blended component unit.

2015 Implementation of GSAB 68 - Accounting and Financial Reporting for Pensions

2012 Restated for retroactive application of GASB 65 - *Items Previously Reported as Assets and Liabilities*

ST. CLAIR COUNTY, ILLINOIS
Government-wide Revenues
(in thousands)
(Unaudited)

	2016*	2015*	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Property taxes	\$ 31,696	\$ 31,994	\$ 30,826	\$ 31,868	\$ 32,573	\$ 33,149	\$ 33,601	\$ 33,245	\$ 32,072	\$ 31,787
Sales taxes	9,461	9,277	9,055	8,848	8,868	8,803	8,594	7,303	7,760	8,109
Personal property replacement tax	2,840	2,448	2,558	2,632	2,301	2,381	2,543	2,422	2,748	2,968
State income tax	5,252	5,962	5,178	5,273	4,857	4,286	4,380	4,983	6,034	5,961
Other taxes	198	185	149	121	62	103	128	139	152	160
Charges for goods and services	25,638	26,787	26,013	25,551	27,179	24,536	25,342	25,461	25,246	27,144
Operating grants and contributions	12,982	11,518	12,548	11,814	11,215	12,591	13,686	14,263	16,744	10,932
Motor fuel tax	4,753	4,541	5,948	5,165	4,879	4,874	5,056	4,791	4,643	4,959
Capital grants and contributions	2,504	1,160	4,868	1,035	1,430	2,372	3,430	229	2,656	163
Earnings on investments	1,149	888	1,001	89	784	997	1,924	2,284	6,397	9,614
Miscellaneous	87	526	22	2	22	120	30	(18)	4	71
	<u>96,560</u>	<u>95,286</u>	<u>98,166</u>	<u>92,398</u>	<u>94,170</u>	<u>94,212</u>	<u>98,714</u>	<u>95,102</u>	<u>104,456</u>	<u>101,868</u>
Business-type activities										
Charges for goods and services	5,341	3,626	3,957	3,533	3,444	3,704	3,166	2,139	5,164	4,909
Operating grants and contributions	-	-	-	-	2	-	3,043	2,954	421	552
Capital grants and contributions	484	501	455	936	3,095	655	388	747	389	282
Earnings on investments	38	84	131	128	127	140	157	220	1,991	2,816
Miscellaneous	-	15	157	(24)	-	(17)	-	16	(630)	(63)
	<u>5,863</u>	<u>4,226</u>	<u>4,700</u>	<u>4,573</u>	<u>6,668</u>	<u>4,482</u>	<u>6,754</u>	<u>6,076</u>	<u>7,335</u>	<u>8,496</u>
	<u>\$ 102,423</u>	<u>\$ 99,512</u>	<u>\$ 102,866</u>	<u>\$ 96,971</u>	<u>\$ 100,838</u>	<u>\$ 98,694</u>	<u>\$ 105,468</u>	<u>\$ 101,178</u>	<u>\$ 111,791</u>	<u>\$ 110,364</u>

*Includes the Public Building Commission as a blended component unit.

ST. CLAIR COUNTY, ILLINOIS
Revenues and Expenditures by Function
All Primary Governmental Funds*
Budgetary Basis
(unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Property taxes	\$ 31,696,239	\$ 31,993,890	\$ 30,826,320	\$ 31,867,776	\$ 34,243,229	\$ 31,133,257	\$ 35,521,176	\$ 31,324,491	\$ 32,024,670	\$ 31,780,658
Sales tax	9,528,813	9,069,932	8,974,657	8,874,363	8,810,715	8,767,006	8,399,535	7,358,089	7,819,701	8,075,503
State income tax	5,365,741	5,824,243	5,233,174	5,683,703	5,006,997	4,731,444	3,808,188	4,667,969	6,279,718	5,793,035
Personal property replacement tax	2,471,792	2,789,557	2,616,008	2,541,093	2,292,186	2,287,994	2,596,425	2,408,048	2,854,381	2,897,583
Hotel/motel tax	-	949	18,612	8,486	13,384	13,830	14,338	14,884	15,086	16,262
Pari-mutuel tax	47,321	50,952	47,488	51,365	40,756	93,016	116,035	123,077	135,155	144,130
Video gaming tax	146,968	132,454	85,631	55,727	749	-	-	-	-	-
Motor fuel tax	4,733,886	4,568,263	5,959,475	5,059,252	4,878,453	4,866,442	5,048,088	4,883,073	4,620,032	4,981,350
Revenue from federal/ state agencies	8,408,021	9,705,728	12,558,093	10,044,688	10,170,846	9,559,657	9,658,760	15,343,433	9,807,670	10,083,440
Revenue from local government	6,224,056	3,952,927	3,874,468	3,510,926	3,249,849	3,387,840	3,518,196	4,315,696	4,559,176	2,529,085
Licenses, permits, fines, fees, and services	21,691,721	22,784,395	22,076,907	22,500,280	23,899,332	20,764,141	22,513,423	22,454,045	22,263,036	22,514,074
Earnings on investment	969,345	871,297	792,534	776,477	822,976	813,161	1,967,010	2,762,628	6,107,564	8,875,095
Miscellaneous revenues	38,738	572,876	63,800	40,227	53,511	186,061	921,966	63,629	310,976	879,302
	<u>\$ 91,322,641</u>	<u>\$ 92,317,463</u>	<u>\$ 93,127,167</u>	<u>\$ 91,014,364</u>	<u>\$ 93,482,983</u>	<u>\$ 86,603,849</u>	<u>\$ 94,083,140</u>	<u>\$ 95,719,062</u>	<u>\$ 96,797,166</u>	<u>\$ 98,569,517</u>
Expenditures										
General government	\$ 42,361,520	\$ 39,283,434	\$ 44,507,875	\$ 45,235,986	\$ 43,939,118	\$ 39,193,909	\$ 40,667,979	\$ 37,457,205	\$ 40,813,403	\$ 38,134,268
Public safety	20,410,658	24,617,570	24,978,859	22,741,234	21,941,580	21,501,870	21,237,430	28,660,663	22,051,893	21,621,342
Judicial	7,534,873	7,814,910	7,655,617	7,737,208	7,368,321	7,027,583	6,842,081	7,307,985	6,907,125	6,495,973
Public health	10,674,532	9,041,813	9,483,063	10,914,700	10,655,986	11,211,313	11,344,650	10,610,128	10,171,816	9,412,283
Transportation	11,427,007	11,322,537	11,957,253	9,716,069	11,938,356	13,262,343	9,407,154	9,314,965	12,839,138	12,072,259
Debt service	6,243,834	6,724,850	7,773,641	4,902,059	4,738,950	1,863,125	1,870,400	325,150	1,898,300	1,899,995
	<u>\$ 98,652,424</u>	<u>\$ 98,805,114</u>	<u>\$ 106,356,308</u>	<u>\$101,247,256</u>	<u>\$100,582,311</u>	<u>\$ 94,060,143</u>	<u>\$ 91,369,694</u>	<u>\$ 93,676,096</u>	<u>\$ 94,681,675</u>	<u>\$ 89,636,120</u>

*Governmental funds include the General, Special Revenue, and Debt Service fund types.

ST. CLAIR COUNTY, ILLINOIS
Net Position by Component
(Governmental Basis)
(unaudited)

	2016*	2015*	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities										
Net investment in capital assets	\$ 121,647,109	\$ 130,726,015	\$ 126,390,280	\$ 126,366,693	\$ 125,575,053	\$ 114,976,772	\$ 107,296,887	\$ 102,997,984	\$ 93,217,282	\$ 77,608,921
Restricted	109,923,310	91,377,893	105,592,443	103,540,099	85,291,841	90,708,155	91,241,360	92,900,209	90,614,090	87,635,649
Unrestricted	<u>(4,275,870)</u>	<u>(7,419,474)</u>	<u>15,509,786</u>	<u>29,003,724</u>	<u>60,396,986</u>	<u>68,976,893</u>	<u>69,767,384</u>	<u>69,619,435</u>	<u>73,764,953</u>	<u>76,727,911</u>
Total governmental activities net position	<u>\$ 227,294,549</u>	<u>\$ 214,684,434</u>	<u>\$ 247,492,509</u>	<u>\$ 258,910,516</u>	<u>\$ 271,263,880</u>	<u>\$ 274,661,820</u>	<u>\$ 268,305,631</u>	<u>\$ 265,517,628</u>	<u>\$ 257,596,325</u>	<u>\$ 241,972,481</u>
Business-type activities										
Net investment in capital assets	\$ 89,754,539	\$ 87,929,218	\$ 87,480,770	\$ 95,861,298	\$ 110,057,335	\$ 102,161,775	\$ 107,043,726	\$ 110,589,303	\$ 97,855,349	\$ 95,242,618
Restricted	1,060,992	454,760	412,052	328,125	292,156	-	-	-	11,604,605	17,954,870
Unrestricted	<u>(15,880,139)</u>	<u>(21,500,278)</u>	<u>(14,383,748)</u>	<u>(18,663,380)</u>	<u>(27,653,535)</u>	<u>(14,978,687)</u>	<u>(11,809,561)</u>	<u>(7,311,746)</u>	<u>-</u>	<u>-</u>
Total business-type activities net position	<u>\$ 74,935,392</u>	<u>\$ 66,883,700</u>	<u>\$ 73,509,074</u>	<u>\$ 77,526,043</u>	<u>\$ 82,695,956</u>	<u>\$ 87,183,088</u>	<u>\$ 95,234,165</u>	<u>\$ 103,277,557</u>	<u>\$ 109,459,954</u>	<u>\$ 113,197,488</u>
Primary government										
Net investment in capital assets	\$ 211,401,648	\$ 218,655,233	\$ 213,871,050	\$ 222,227,991	\$ 235,632,388	\$ 217,138,547	\$ 214,340,613	\$ 213,587,287	\$ 191,072,631	\$ 172,851,539
Restricted	110,984,302	91,832,653	106,004,495	103,868,224	85,583,997	90,708,155	91,241,360	92,900,209	102,218,695	105,590,519
Unrestricted	<u>(20,156,009)</u>	<u>(28,919,752)</u>	<u>1,126,038</u>	<u>10,340,344</u>	<u>32,743,451</u>	<u>53,998,206</u>	<u>57,957,823</u>	<u>62,307,689</u>	<u>73,764,953</u>	<u>76,727,911</u>
Total primary government net position	<u>\$ 302,229,941</u>	<u>\$ 281,568,134</u>	<u>\$ 321,001,583</u>	<u>\$ 336,436,559</u>	<u>\$ 353,959,836</u>	<u>\$ 361,844,908</u>	<u>\$ 363,539,796</u>	<u>\$ 368,795,185</u>	<u>\$ 367,056,279</u>	<u>\$ 355,169,969</u>

*Includes the Public Building Commission as a blended component unit.

2015 Implementation of GSAB 68 - Accounting and Financial Reporting for Pensions

2012 Restated for retroactive application of GASB 65 - *Items Previously Reported as Assets and Liabilities*

2009 Restated for allocation of net position

ST. CLAIR COUNTY, ILLINOIS
Assessed, Equalized, and Estimated Value of Taxable Property
(in thousands)
(unaudited)

Fiscal year extended & collected Tax year	<u>2016</u> 2015	<u>2015</u> 2014	<u>2014</u> 2013	<u>2013</u> 2012	<u>2012</u> 2011	<u>2011</u> 2010	<u>2010</u> 2009	<u>2009</u> 2008	<u>2008</u> 2007
Real property									
Estimated actual value	<u>\$ 12,836,067</u>	<u>\$ 12,665,874</u>	<u>\$ 12,791,598</u>	<u>\$ 12,998,586</u>	<u>\$ 13,396,659</u>	<u>\$ 13,775,583</u>	<u>\$ 14,171,085</u>	<u>\$ 14,082,051</u>	<u>\$ 13,208,217</u>
Locally assessed values	<u>\$ 4,278,689</u>	<u>\$ 4,221,958</u>	<u>\$ 4,263,866</u>	<u>\$ 4,332,862</u>	<u>\$ 4,465,553</u>	<u>\$ 4,591,861</u>	<u>\$ 4,723,695</u>	<u>\$ 4,694,017</u>	<u>\$ 4,402,739</u>
Equalized assessed values without railroads & TIFs	<u>\$ 3,924,750</u>	<u>\$ 3,855,489</u>	<u>\$ 3,885,959</u>	<u>\$ 3,955,123</u>	<u>\$ 4,062,664</u>	<u>\$ 4,148,996</u>	<u>\$ 4,219,235</u>	<u>\$ 4,158,036</u>	<u>\$ 3,929,800</u>
Less:									
"1790" homestead exemption	(343,279)	(356,980)	(361,940)	(367,706)	(374,647)	(375,753)	(397,721)	(359,461)	(321,333)
Senior citizen									
homestead exemption	(88,785)	(91,450)	(91,042)	(72,717)	(71,857)	(69,346)	(71,693)	(69,912)	(60,552)
P.A. 83-533	-	-	-	-	-	(164)	(161)	(188)	(181)
Senior citizen freeze	(31,842)	(35,157)	(39,836)	(46,849)	(57,443)	(68,596)	(83,110)	(80,747)	(71,494)
Veteran's exemption/freeze	(98,059)	(9,033)	(1,118)	(1,077)	(933)	(3,393)	(4,406)	(3,085)	(1,187)
Other exemptions	(915)	(1,000)	(1,011)	(1,012)	(1,039)	(3,208)	(3,599)	(2,163)	(814)
Disabled persons	(4,250)	(4,026)	-	-	-	-	-	-	-
Home improvement exemption	-	-	-	(32)	(218)	(372)	(470)	(569)	(731)
Billing value before railroad	3,357,620	3,357,843	3,391,012	3,465,730	3,556,527	3,628,164	3,658,075	3,641,911	3,473,508
State assessed railroad EAV	<u>56,850</u>	<u>51,368</u>	<u>48,106</u>	<u>42,943</u>	<u>39,648</u>	<u>36,697</u>	<u>32,502</u>	<u>27,816</u>	<u>27,231</u>
Total equalized real property used for taxes	<u>\$ 3,414,470</u>	<u>\$ 3,409,211</u>	<u>\$ 3,439,118</u>	<u>\$ 3,508,673</u>	<u>\$ 3,596,175</u>	<u>\$ 3,664,861</u>	<u>\$ 3,690,577</u>	<u>\$ 3,669,727</u>	<u>\$ 3,500,739</u>
TIF/Enterprise zone values	<u>\$ 373,640</u>	<u>\$ 373,133</u>	<u>\$ 377,907</u>	<u>\$ 377,738</u>	<u>\$ 402,888</u>	<u>\$ 442,866</u>	<u>\$ 504,469</u>	<u>\$ 535,980</u>	<u>\$ 469,538</u>
Ratio of equalized assessed value to locally assessed value- non-agricultural	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

ST. CLAIR COUNTY, ILLINOIS
Property Tax Rates
(per \$100 of Equalized Assessed Value)
(unaudited)

Fiscal year extended & collected Tax year	<u>2016</u> <u>2015</u>	<u>2015</u> <u>2014</u>	<u>2014</u> <u>2013</u>	<u>2013</u> <u>2012</u>	<u>2012</u> <u>2011</u>	<u>2011</u> <u>2010</u>	<u>2010</u> <u>2009</u>	<u>2009</u> <u>2008</u>	<u>2008</u> <u>2007</u>	<u>2007</u> <u>2006</u>
General Fund	0.1157	0.1159	0.1124	0.1126	0.1133	0.1139	0.1166	0.1229	0.1317	0.1456
Tort Fund	<u>0.0908</u>	<u>0.0910</u>	<u>0.0884</u>	<u>0.0884</u>	<u>0.1074</u>	<u>0.1103</u>	<u>0.1104</u>	<u>0.1112</u>	<u>0.1143</u>	<u>0.1263</u>
	<u>0.2065</u>	<u>0.2069</u>	<u>0.2008</u>	<u>0.2010</u>	<u>0.2207</u>	<u>0.2242</u>	<u>0.2270</u>	<u>0.2341</u>	<u>0.2460</u>	<u>0.2719</u>
Special revenues funds	<u>0.7320</u>	<u>0.7319</u>	<u>0.7072</u>	<u>0.7113</u>	<u>0.6925</u>	<u>0.6916</u>	<u>0.6898</u>	<u>0.6820</u>	<u>0.6660</u>	<u>0.7371</u>
Debt service fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>0.9385</u>	<u>0.9388</u>	<u>0.9080</u>	<u>0.9123</u>	<u>0.9132</u>	<u>0.9158</u>	<u>0.9168</u>	<u>0.9161</u>	<u>0.9120</u>	<u>1.0090</u>

ST. CLAIR COUNTY, ILLINOIS
Property Tax Levies and Collections
(unaudited)

Fiscal year extended & collected Tax year	<u>2016</u> 2015	<u>2015</u> 2014	<u>2014</u> 2013	<u>2013</u> 2012	<u>2012</u> 2011	<u>2011</u> 2010	<u>2010</u> 2009	<u>2009</u> 2008	<u>2008</u> 2007	<u>2007</u> 2006
Original extension	\$ 32,045,321	\$ 32,005,671	\$ 31,227,713	\$ 32,010,176	\$ 32,840,273	\$ 33,562,790	\$ 33,904,501	\$ 33,618,874	\$ 31,927,439	\$ 31,961,243
Billing adjustments	<u>(242,269)</u>	<u>(133,121)</u>	<u>(111,789)</u>	<u>(201,236)</u>	<u>(219,150)</u>	<u>(191,947)</u>	<u>(282,658)</u>	<u>(258,721)</u>	<u>(179,444)</u>	<u>(192,830)</u>
Final Extension	31,803,052	31,872,550	31,115,924	31,808,940	32,621,123	33,370,843	33,621,843	33,360,153	31,747,995	31,768,413
Collections	<u>31,608,599</u>	<u>31,690,596</u>	<u>30,668,002</u>	<u>31,680,845</u>	<u>32,308,804</u>	<u>33,027,629</u>	<u>33,445,423</u>	<u>33,226,527</u>	<u>31,613,647</u>	<u>31,667,482</u>
Taken by County Trustee/forfeited	<u>\$ 194,453</u>	<u>\$ 181,954</u>	<u>\$ 447,922</u>	<u>\$ 128,095</u>	<u>\$ 312,319</u>	<u>\$ 343,214</u>	<u>\$ 176,420</u>	<u>\$ 133,626</u>	<u>\$ 134,348</u>	<u>\$ 100,931</u>
Percent collected	99.39%	99.43%	98.56%	99.60%	99.04%	98.97%	99.48%	99.60%	99.58%	99.68%
Back taxes collected*	<u>\$ (12,927)</u>	<u>\$ 144,914</u>	<u>\$ (26,717)</u>	<u>\$ (24,002)</u>	<u>\$ (1,047)</u>	<u>\$ 48,701</u>	<u>\$ (199,409)</u>	<u>\$ (148,940)</u>	<u>\$ 355,575</u>	<u>\$ 14,741</u>

*Back taxes collected by the Trustee on behalf of the County are not recorded by tax year and accordingly cannot be reported by tax year. In addition, these are net of prior year refunds. In 2008, back taxes included amounts erroneously not billed in prior years but collected in 2008. Back taxes refunds in excess of those collected are refunded from current year taxes.