

ROCK ISLAND COUNTY, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended November 30, 2012

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

Contents

Introductory Section

Table of contents	i - ii
Organizational chart	iii
List of elected and appointed officials	iv
Transmittal letter	v - xiii
GFOA certificate	xiv

Financial Section

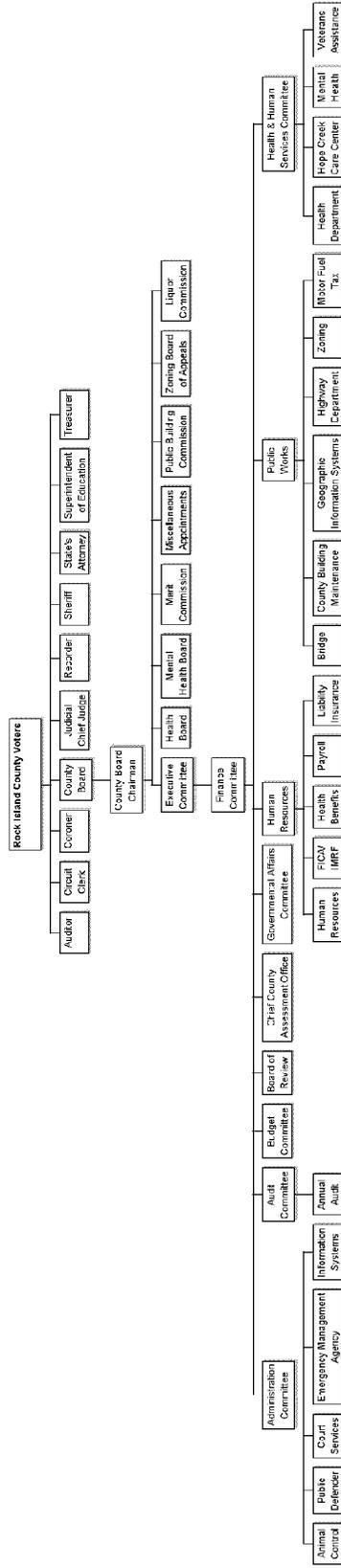
Independent auditor's report	1 - 2
Management's discussion and analysis	3 - 11
Basic financial statements:	
Government-wide financial statements:	
Statement of net assets	12 - 13
Statement of activities	14 - 15
Fund financial statements:	
Balance sheet - governmental funds	16 - 17
Reconciliation of governmental funds balance sheet to the statement of net assets	18
Statement of revenues, expenditures and changes in fund balances - governmental funds	19 - 20
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities	21 - 22
Statement of net assets, governmental activities - internal service funds	23
Statement of revenues, expenses and changes in net assets, governmental activities - internal service funds	24
Statement of cash flows, governmental activities - internal service funds	25
Statement of assets and liabilities - agency funds	26
Notes to basic financial statements	27 - 55
Required supplementary information:	
Illinois Municipal Retirement Fund - County and Forest Preserve District, Primary Government	56
Illinois Municipal Retirement Fund - Rock Island Tri County Consortium, Discretely Presented Component Unit	57
Other Postemployment Benefit Plan - County, Primary Government	58
Other Postemployment Benefit Plan - Rock Island Tri County Consortium, Discretely Presented Component Unit	59
Budgetary comparison schedule - General Fund	60
Budgetary comparison schedule - Forest Preserve Commission	61
Budgetary comparison schedule - Hope Creek Care Center Fund	62
Budgetary comparison schedule - Illinois Municipal Retirement Fund	63
Note to required supplementary information	64 - 65
Supplementary information:	
Schedule of revenues and other financing sources - budget and actual - General Fund	66
Schedule of expenditures by department and other financing uses - budget and actual - General Fund	67 - 71
Statement of revenues, expenditures and changes in fund balances - budget and actual - General Fund sub-funds	72 - 73
Statement of revenues, expenditures and changes in fund balances - budget and actual - Hope Creek Care Center Fund sub-fund	74
Combining balance sheet - nonmajor governmental funds	75 - 81
Combining statement of revenues, expenditures and changes in fund balances (deficits) - nonmajor governmental funds	82 - 89
Schedule of revenues, expenditures and changes in fund balances (deficits) - budget and actual - nonmajor governmental funds	90 - 103
Combining statement of net assets - internal service funds	104
Combining statement of revenues, expenses and changes in net assets, governmental activities - internal service funds	105
Combining statement of cash flows, governmental activities - internal service funds	106
Combining balance sheet - agency funds	107 - 111
Combining statement of changes in assets and liabilities - agency funds	112 - 116

Contents

Statistical Section (unaudited)

Statistical section contents	117
Net assets by component	118
Changes in net assets	119
Fund balances, governmental funds	120
Changes in fund balances, governmental funds	121
Program revenues by function/program	122
Tax revenues by source, governmental funds	123
Assessed value and actual value of taxable property	124
Principal property taxpayers	125
Property tax levies and collections	126
Direct and overlapping property tax rates	127 - 130
Ratios of outstanding debt by type	131
Ratios of general bonded debt outstanding	132
Direct and overlapping governmental activities debt	133
Legal debt margin information	134
Demographic and economic statistics	135
Principal employers	136
Full-time equivalent county government employees by function/program	137 - 138
Operating indicators by function/program	139 - 141
Capital asset statistics by function/program	142

Rock Island County Organizational Chart



Rock Island County, Illinois

**List of Elected and Appointed Officials
November 30, 2012**

Elected Officials

County Board Members

District 1 Sharon Sallows	District 14 Virginia "Ginny" Shelton
District 2 Gary Freeman	District 15 Nick Camlin
District 3 Fred W. Schultz	District 16 John R. Brandmeyer
District 4 Patrick Moreno	District 17 Edwin M. Langdon Jr.
District 5 Virgil K. Dueysen	District 18 Dr. Rodney K. Simmer
District 6 Donald L. Jacobs	District 19 Lauren Loftin
District 7 Steven E. Meersman	District 20 Virgil J. Mayberry
District 8 William Armstrong & Dorothy Armstrong	District 21 Kathy Harmon
District 9 Philip Banaszek	District 22 Tom Rockwell
District 10 Steven Ballard	District 23 Ken "Moose" Maranda
District 11 Donald Johnston	District 24 James E. Bohnsack
District 12 John "Mike" McColl	District 25 J. Robert Westpfahl
District 13 Harry O. Perez	

Auditor April Palmer
Circuit Clerk Lisa Bierman
County Clerk Karen Kinney
Coroner Brian Gustafson
Recorder of Deeds Pat Veronda
Sheriff Jeff Boyd
States Attorney Mark Senko
Regional Superintendent of Education Tammy Muerhoff
Treasurer Louisa A. Ewert

Appointed Officials

Animal Control Coordinator Samantha DeYoung	Civil Division Chief Mike Miller & Heidi Weller
Court Services Director David VanLandegen	Maintenance Supervisor Michael VanErsteveld
ESDA Director Jerry Shirk	Hope Creek Care Center Adm. Trudy Whittington
Forest Preserve Director Jeff Craver	Public Defender Baron Heintz
GIS Director Josh Boudi	Public Health Administrator Theresa Berg
IS Director Linda Billingsley	County Engineer John Massa
Board of Review Dan DePorter	Supervisor of Assessments Larry Wilson
708 Mental Health Board Larry Pollard	Veterans Assistance Todd Harlow
Human Resources Director Meg Hoskins	Zoning Director Ray Nees & Greg Thorpe



Rock Island County

April 29, 2013

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

The Comprehensive Annual Financial Report (CAFR) of the County of Rock Island, Illinois for fiscal year ended November 30, 2012 is submitted herewith. The CAFR is management's annual financial report to its taxpayers, governing board, oversight bodies, investors and creditors.

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

The County's financial statements have been audited by McGladrey LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended November 30, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial

APRIL L PALMER
COUNTY AUDITOR
AMANDA VAN DAELE
CHIEF DEPUTY

Rock Island County, Illinois

Kristine Vancil
Assistant to Chief Deputy

1504 Third Avenue, Rock Island, IL 61201
Phone: (309) 558-3518 · Fax: (309) 558-3516

Sandy Stephenson
Internal Auditor

E-Mail: apalmer@co.rock-island.il.us
Website: <http://www.rockislandcounty.org>

statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. For the year ended November 30, 2012 McGladrey LLP have issued an unqualified (“clean”) opinion on Rock Island County’s financial statements. The independent auditor’s report is presented as the first component of the financial section of the report.

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

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

Profile of the Government

Rock Island County was incorporated in March 1831 with its Charter adopted in July 1833. It is located in the western part of Illinois and currently occupies a land area of 452 square miles and serves a population of 147,457 residents. Major cities within Rock Island County include the City of Rock Island, the City of Moline, the City of East Moline, the City of Silvis, the Village of Milan and 10 other smaller communities with populations less than 5,000 residents each.

Rock Island County operates as a township form of government. Policy-making and legislative authority are vested in a County Board consisting of a County Board Chairman and twenty-four other members. The governing board is responsible for, among other things, passing resolutions, adopting the budget, and passing policies and procedures. The Chairman or specific committees of the County Board appoint board members to the Bi-State Regional Commission, The Rock Island County Emergency Telephone System Board, the Rock Island County Merit Commission, the Illini Hospital District and various fire protection, conservancy and sanitary districts within the County. Because these appointments do not include a majority of the County Board these

organizations are not part of the financial statements of the County. Each Board member is elected in 4 or 2 year staggered terms with all 25 member's positions up for election every 10 years, and with one member elected per district, by district.

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

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

The County also operates a nursing home, primarily from patient fees and Medicare/Medicaid reimbursements. Voters approved a special property tax levy in 1989 to help support the nursing home. Voters also approved special property taxes in 1976 to help fund mental health services, in 1995 to fund a Cooperative Extension Education Service, and in 2000 to fund a Children's Advocacy Center.

The financial statements of Rock Island County include as part of its primary government the Rock Island County Forest Preserve Commission and the Public Building Commission. Both are component units with separate tax levies and fiscal year ends. They are also audited independently from the County by other external auditors.

Presented separately is the Rock Island Tri-County Consortium which is legally separate from the County.

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

Formal budgetary integration is employed as a management control device during the year for the general fund and most special revenue

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

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

Factors Affecting Financial Condition

Local Economy

State of Illinois The State of Illinois has continued to experience budgetary problems, which in turn has an impact on Rock Island County. State Income Tax received by Rock Island County, was again behind by 3 months at year end, as was many of the salary reimbursements and other tax portions the County receives from the state. Also, the State has denied the County its portion of inheritance tax as of July 2012. This is the result of the on-going cash flow problem at the State level. This makes budgeting and making timely expenditures very difficult for the County.

Population Rock Island County is part of the Davenport-Moline-Rock Island, IA-IL MSA (metropolitan statistical area) commonly referred to as the "Quad Cities", which also includes Henry County, IL; Mercer County, IL; and Scott County, IA. In 2010 the total population of the MSA was 379,690 (2010 Census). As of 2012 the MSA had increased to 387,630, or 2.1% over the past two years. Rock Island County's total population in 2012 was 147,457, a decrease of 0.1% since 2010 (147,546). It is projected that Rock Island County's population will decrease by 0.5% by 2020 to 146,784, while the MSA is expected to grow by 0.6% (Woods & Poole Economics, 2013).

Labor Force In 2012 the annual average labor force of Rock Island County was 77,192, down 2.5% over the past 5 years. The MSA's labor force has also seen a decrease in the past 5 years of 2.7% and is currently averaging 200,161. Rock Island County's unemployment rates have been steadily declining since reaching 9.6% in 2010, with an annual average of 7.8% in 2012. The MSA's annual unemployment rate in 2012 was 7.1%.

Employment The economy of the area has traditionally centered on farm implement manufacturing and agriculture. In the last twenty years there has been a shift from manufacturing jobs into a service providing sector. This shift in the Quad Cities area economy has been in the professional, non-professional, retail and wholesale sectors of the economy. Within that sector, Professional and Business Services and Health Care and Social Assistance both showed the greatest increase, growing 60.6% within the last 20 years. Also within the Service Providing Sector, the Education and Health Services area has seen substantial growth increasing by 49.4% within the same time frame. The largest decreases in the Goods Producing sector were in Durable Goods & Manufacturing, off-setting some of those service sector increases. As of 2011, the top industry for employment in Rock Island County was Education, Health Care, and Social Services which employ approximately 23.9% of the employed work force. Manufacturing and Arts, entertainment, recreation, accommodations, and food service were the next highest employed with 18.1% and 9.5% respectively. The MSA overall is very similar with nearly a quarter of the employed work force being employed in Education, Health Care, and Social Services (U.S. Census Bureau, American Community Survey 1-year estimates, 2011). The County has received a grant to educate these displaced workers to keep a percentage in the County seeking work elsewhere. This was a huge opportunity in the region to turn the Arsenal job loss into an opportunity for growth and diversification. Also, the base actually has a net gain in uniformed personnel with the arrival of the First Army. This indicates that the Department of Defense intends to maintain the Arsenal as a military installation over the long term.

Among some of the major businesses in the area with significant increases in their work force are The Rock Island Arsenal, Deere & Company, Tyson Fresh Meats, Trinity Medical Center, Group O and X-Pac (Export Packaging).

Education is still a large employer in the County. There are 10 total traditional public school districts operating within Rock Island County. Moline and Rock Island school districts are still in the top ten employers in

the County, and Black Hawk College, a post-secondary education facility, retains its position within those top ten. The County also has a major presence within the area of Augustana College and Western Illinois University.

Rock Island County, along with the Quad Cities area continues to recover from the economic downturn of 2008 and 2009. The Illinois Quad Cities metro area continues to enjoy relatively low levels of unemployment compared to other Illinois metro areas. The City of Rock Island has announced new retail development along the 11st street corridor and is pursuing development at the I-280/Hwy 92 corridor. In Moline roughly 50 new jobs were added and the new One Kone Centre, while Phillips Lofts is another addition to the boom in downtown residences across the area. The center of the region's economy from an employment perspective continues to be the Rock Island Arsenal, with over 7,000 civilian and military personnel working on the base. Military budget cuts, sequestration and base realignment are all possible threats to this vital economic asset. Other regional assets include the Mississippi River, Interstate Network and multiple Fortune 500 companies, such as John Deere.

Long-term financial planning

Rock Island County secured funding through the issuance of bonds to construct a new 245 bed nursing home in the County and replace the existing facility. The opening of the new facility was in May of 2009. By the end of the 2009 fiscal year the facility was at 95% capacity. During FY10 repayment of said bonds had begun with the first interest payment in April of 2010 and principal in November of 2010 thus increasing expenditures for the home. With the economic conditions of the area bringing interest rates to historic lows, the County Board is entertaining possibilities regarding the refinance of some or all of the home's current bond issues. This could save substantial interest costs over the term of the bonds.

The county board voted to put a referendum in place to facilitate funding for building a new courthouse. This referendum will be on the ballot spring of 2013. An Ad Hoc Committee has been formed consisting of various public officials and citizens to research and advise the County Board regarding new County facility/property options. As always the County Board has the best interest of the tax payers in mind while promoting efficiency and effectiveness for the County as a whole. Whether or not the referendum passes the committee will remain in place throughout resolution of the deteriorating various county buildings issues.

Particular focus has been placed on General Fund and other property tax generating funds to present a balanced budget with minimal increases in property tax revenue. The County's definition of a balanced budget is when revenues meet or exceed expenditures in any given year.

Major Initiatives

In November 2011, members of the County Board, Elected Officials and Department Heads, and other county employees met to determine goals for the County to work on in the future. The following are the top ten goals and future actions those members of this session felt important to the continued development of the County.

Investigate new revenue sources.

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

The first goal is constantly being considered so that services are kept updated and impact to employees is minimal. Rock Island County has rejoined the Quad Cities Chamber of Commerce. Since rejoining, the Chamber has been instrumental in bringing in new business to Rock Island County and the County will continue to work with them. The County has entertained the possibility of hiring a Rock Island County Economic Developer. Our newly elected district Congresswoman was appointed to the I74 and Amtrak implementation committees to help further progress for our area. In the March 2012 primary election early voting was up by 400 over the previous years. In the November 2012 General Election 20,650 early votes were cast and Rock Island County was possibly the top in voter turnout in the State of Illinois. Toward the end of 2012 an agreement between the Rock Island County Sheriff's Department and Jumers Casino was discussed. This agreement would allow the Sheriff's department to buy three new fully loaded squad cars with money provided by the Casino. This purchase is to take place in the 2013 fiscal year. In 2012 a new health plan choice was revealed. This new premier plan promotes health. A mandatory screening is administered to see how many risk factors a participating employee has. If more than two risk

factors are found the employee is required to complete a naturally slim program. The goal is to have a healthy workforce and the program also saves the employee and the County money.

Cash management policies and practices. Cash temporarily idle during the year was invested in Black Hawk State Bank, and certificates of deposits. The maturities of the investments are for no more than 12 months. Investments, which consist primarily of mutual funds, are reported at fair value as determined by the fund's current share price. Earnings from these pooled investments are allocated monthly to the appropriate funds based on the average daily investment balance for each fund. All funds are collateralized through the FDIC and Federal Reserve through a third party collateralization.

Risk Management. The County is self-insured for risk exposures related to worker's compensation claims, general and automobile liability claims, and also in its Employee Health Benefit Plan. Times of unfortunate health circumstances within membership will adversely affect the financial stability of a self-insured entity's fund. Claims settlement and loss expenses are accrued in the Employee Health Benefit Plan Fund for the estimated settlement value of claims reported and unreported arising from incidents during the period. All claims handling procedures are performed by an independent claims administrator. The County levies for a liability reserve property tax, recorded in the general fund within these financial statements to provide for claims settlement and loss expenses for the estimated settlement value of worker's compensation, general liability, and auto liability claims reported and unreported arising from incidents during the year. This liability reserve is in exception to the long term portion of such estimated claim settlements which are recorded until spendable resources become available to liquidate such liabilities.

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

Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rock Island County for its comprehensive annual

financial report (CAFR) for the fiscal year ended November 30, 2011. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'April L. Palmer', written in a cursive style.

April L Palmer
Rock Island County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Rock Island County
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
November 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morrell
President

Jeffrey R. Emer
Executive Director



Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Rock Island County, Illinois (County) as of and for the year ended November 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, the Rock Island Tri-County Consortium. We did not audit the blended component unit, the Forest Preserve Commission, a major governmental fund, which represents 12 percent, 13 percent and 7 percent of the assets, net assets and revenues, respectively, of the governmental activities. We did not audit the blended component unit, the Public Building Commission, which represents 8 percent, 11 percent and 5 percent of the assets, fund balance and revenues, respectively, of the aggregate remaining fund information and 2 percent, 2 percent and 2 percent of the assets, net assets and revenues, respectively, of the governmental activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinions, insofar as it relates to the amounts included for the component units, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Public Building Commission and the Forest Preserve Commission were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinions, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of November 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 16 to the basic financial statements, the Rock Island Tri-County Consortium, a discretely presented component unit audited by other auditors, restated beginning net assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 11, Illinois Municipal Retirement Fund Information on pages 56 and 57, Other Postemployment Benefit Plan on pages 58 and 59 and budgetary comparison information on pages 60 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and budget and actual schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described previously, and the reports of the other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

McGladrey LLP

Davenport, Iowa
April 29, 2013

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

As management of Rock Island County, we offer readers of Rock Island County's financial statements this narrative overview and analysis of the financial activities of Rock Island County for the fiscal year ended November 30, 2012. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, identifying material deviations from the financial plan (approved budget), and identifying individual fund issues or concerns.

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

Financial Highlights

The assets of Rock Island County, Illinois (the County) exceeded its liabilities by \$77,540,935 and \$82,700,903 (net assets) at the close of fiscal years 2012 and 2011, respectively. Of this amount, \$5,442,299 for fiscal year 2012 and \$8,791,293 for fiscal year 2011 may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets decreased by \$5,159,968 and increased by \$20,986 in fiscal years 2012 and 2011, respectively.

As of the close of this current fiscal year, the County's governmental funds reported combined ending fund balances of \$22,196,121, a decrease of \$1,044,537 in comparison with the prior year. Approximately 22 percent of this total amount, \$4,372,841, is available for spending at the government's discretion (unrestricted fund balance) subject to the limitations imposed by the nature of the fund type.

Unrestricted fund balance for the General Fund was \$4,077,137 and \$5,251,711 or 16 percent and 21 percent of total General Fund expenditures for fiscal years ended 2012 and 2011, respectively.

The County's total long-term debt excluding compensated absences and estimated claims settlements, decreased by \$1,435,000 (5 percent) during fiscal year ended November 30, 2012. The decrease was a result of scheduled payments on debt.

On December 1, 2008, the Forest Preserve District issued \$4,585,000 in General Obligation (alternative revenue source) Bonds. A new Forest Preserve District fund was set up fiscal year 2009 to provide recording for those capital projects bonds granted to the Niabi Zoo. The proceeds of those bonds are restricted to expenditures for Niabi Zoo Capital Projects. The major construction was complete during fiscal year 2011. The new parking lot and water and sewer upgrades were completed. There was continued construction to complete bond projects into fiscal year 2011. As of the close of the fiscal year 2012, the Rock Island County Forest Preserve District's governmental funds reported combined ending fund balances of \$2,285,360, an increase of \$120,433 in comparison to prior year. The bond interest payments began at the end of fiscal year 2009 with the first principal payment due fiscal year 2011. The interest rate ranges from 3.7 percent to 5.1 percent. The annual payments range from \$160,000 to \$355,000 and end on December 1, 2028. These payments will be made through increased revenue in the Rock Island County Forest Preserve District's Niabi Zoo fund.

Rock Island County cost savings measures throughout fiscal year 2012 consisted of not hiring replacement employees for retiree or resigned positions whenever possible and restricting increases for expense budgets without additional supporting revenue sources.

Overview of the Financial Statements

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

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

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

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

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

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

The government-wide financial statements include Rock Island County, Illinois and the discretely presented component unit, the Rock Island Tri-County Consortium. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the County.

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

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

The County maintains 40 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Forest Preserve Commission, Hope Creek Care Center and Illinois Municipal Retirement Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for most of its funds. A budgetary comparison schedule has been provided as required supplementary information for the General Fund, Forest Preserve Commission Fund, Hope Creek Care Center Fund and Illinois Municipal Retirement Fund to demonstrate compliance with this budget on pages 60 through 63.

The basic governmental fund financial statements can be found on pages 16 through 22 of this report.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

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

The basic proprietary fund financial statements can be found on pages 23 through 25 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The fiduciary funds of the County are considered agency funds. Total assets of the fiduciary funds were \$8,520,010 and \$9,321,008 for fiscal years ended 2012 and 2011, respectively.

The basic fiduciary fund financial statements can be found on page 26 of this report.

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

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's Illinois Municipal Retirement Fund, other postemployment benefit plan and the General, Forest Preserve Commission, Hope Creek Care Center Fund and Illinois Municipal Retirement Funds' budgetary comparisons. This information can be found on pages 56 through 65 of this report.

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

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The County's total net assets have decreased from a year ago. Table 1 reflects total net assets of \$77,540,935, which represents a decrease from net assets of \$82,700,903 during 2011.

Of the County's net assets, 74 percent and 71 percent for the fiscal years ended 2012 and 2011, respectively, reflects its investment in capital assets (e.g., land, construction-in-progress, buildings, improvements other than buildings, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Rock Island County, Illinois

**Management's Discussion and Analysis
Year Ended November 30, 2012**

Table 1 - Rock Island County, Illinois' Net Assets

	Governmental Activities 2012	Governmental Activities 2011
Current assets	\$ 55,731,085	\$ 58,924,201
Capital assets, net	87,404,483	89,959,193
Other noncurrent assets	168,802	198,376
Total assets	143,304,370	149,081,770
Noncurrent liabilities outstanding	33,528,470	33,031,272
Other liabilities	32,234,965	33,349,595
Total liabilities	65,763,435	66,380,867
Net assets:		
Invested in capital assets, net of related debt	57,491,519	58,578,183
Restricted for:		
Capital improvements	4,383,342	4,496,999
Collector's tax fees, sale & error refunds	184,298	195,240
Document storage	2,645,926	2,512,590
Working cash	469,705	-
GIS	215,796	142,898
Employee benefits	450,453	697,967
Judicial	1,996,801	2,048,858
Parks and recreation	2,356,952	2,264,348
Public health	2,314,051	2,947,507
Public safety	62,032	25,020
Unrestricted	4,970,060	8,791,293
Total net assets	\$ 77,540,935	\$ 82,700,903

A restricted portion of the County's net assets (19 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$5,442,299, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets. The same situation held true for the prior fiscal year.

The County's total net assets decreased by \$5,159,968 during the current fiscal year. This decrease was mainly attributable to some one-time expenses being assessed to the General Fund, such as emergency jail repairs. Wage increases were approved for various non-union and union employees. Agency payments for Hope Creek Nursing Home almost doubled due to covering care for employee time off. A new bed tax being imposed on the Home. As the County is self-insured for health benefit liabilities, our funds take a direct hit when our members' health is an issue.

Table 2 highlights the County's revenues and expenses for the fiscal year ended November 30, 2012. These two main components are subtracted to yield the change in net assets. This table utilizes the full accrual method of accounting.

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

Rock Island County, Illinois

**Management's Discussion and Analysis
Year Ended November 30, 2012**

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

	Governmental Activities 2012	Governmental Activities 2011
Revenues:		
Program revenues:		
Charges for services	\$ 29,445,904	\$ 31,122,697
Operating grants and contributions	13,750,605	12,511,952
Capital grants and contributions	214,114	1,074,604
General revenues:		
Property taxes	21,648,137	21,158,786
Intergovernmental revenue	9,120,036	9,398,177
Investment earnings	125,898	165,741
Miscellaneous and gain on disposal of capital assets	656,923	405,239
Total revenues	74,961,617	75,837,196
Expenses:		
General government	14,472,833	13,893,527
Public safety	9,257,762	8,296,587
Corrections	4,322,930	4,200,768
Judiciary and legal	9,145,232	8,655,974
Transportation and public works	5,368,108	5,653,179
Social services	30,529,579	28,178,765
Culture and recreation	4,715,067	4,449,081
Debt service, interest on long-term debt	2,310,074	2,488,329
Total expenses	80,121,585	75,816,210
Increase in net assets	(5,159,968)	20,986
Net assets, beginning	82,700,903	82,679,917
Net assets, ending	\$ 77,540,935	\$ 82,700,903

General government expenses increased approximately \$579,000 or 4 percent. This is primarily due to increases in salaries and benefits granted. Membership illness increased expenses due to being self-insured for employee benefits.

Public safety expenses increased approximately \$961,000 or 12 percent. This is primarily due to salary and benefit increases and one-time emergency repairs needed at the jail.

Judiciary and legal expenses increased approximately \$489,000 or 6 percent. This is primarily due to digital imaging continuing. Child Welfare costs were considerably higher. Increased salaries and benefits also created a larger difference in what salary reimbursements were received by the State creating an additional shortfall. All shortfalls have to be covered with County funds.

Transportation and public works expenses decreased approximately \$285,000 or 5 percent. This is primarily due to no new projects being expensed in fiscal year 2012. Instead, funds are building for new projects in the near future.

Social services expenses increased approximately \$2,351,000 or 8 percent. This is primarily due to increased grant revenue and allowable expenses. The Hope Creek agency staffing was almost doubled due to covering employee time off. The Home is now at higher occupancy with less staff. The retroactive state bed tax created additional expenses at Hope Creek.

Rock Island County, Illinois

**Management’s Discussion and Analysis
Year Ended November 30, 2012**

Culture and recreation expenses increased approximately \$266,000 or 6 percent. This is primarily due to the Indian Bluff Pro Shop being converted to County custody. One time stocking was necessary. Also, restroom construction at Loud Thunder occurred. There were increased liabilities at the Forest Preserve. Also, salary and benefit increases were granted.

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

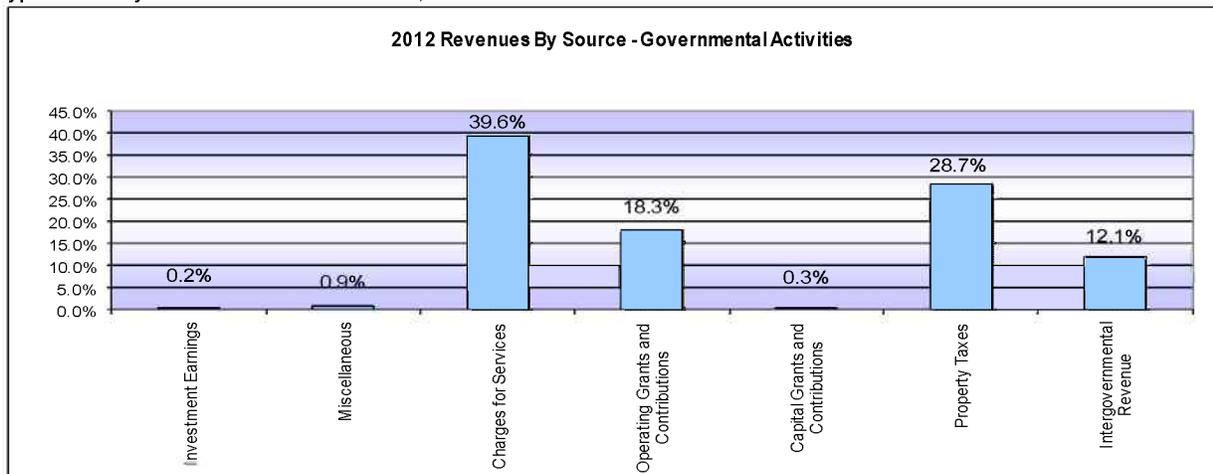
Table 3

Programs	Total Cost of Services 2012	Net Revenue (Expense) of Services 2012
General government	\$ 14,472,833	\$ (9,057,239)
Public safety	9,257,762	(7,259,976)
Corrections	4,322,930	(2,461,833)
Judiciary and legal	9,145,232	(5,968,971)
Transportation and public works	5,368,108	(2,254,807)
Social services	30,529,579	(5,563,727)
Culture and recreation	4,715,067	(1,834,335)
Debt service, interest on long-term debt	2,310,074	(2,310,074)
Total	\$ 80,121,585	\$ (36,710,962)

Net cost of services is 46 percent of total cost of services in 2012. This reflects a continued reliance on taxes and other general revenue sources to fund the cost of services.

Governmental Activities

The graph below shows the percentage of the total governmental activities revenues allocated by each revenue type for the year ended November 30, 2012.



Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$22,196,121, a decrease of \$1,044,537 in comparison with the prior year. Approximately 20 percent of this total amount, \$4,372,841, constitutes unrestricted fund balance, which is available for spending at the government's discretion subject to the limitations imposed by the nature and purpose of fund type.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the unrestricted fund balance of the General Fund was \$4,077,137 while total fund balance reached \$5,311,918. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to fund expenditures. Unrestricted fund balance represents 16 percent of total General Fund expenditures, while total fund balance also represents approximately 21 percent of that same amount.

The fund balance of the County's General Fund decreased by \$956,797 during the current fiscal year. Key factors in this decrease are:

- An outstanding loan from Animal Control for the building of the facility being unlikely to be paid back to the General Fund. Therefore, the General Fund had to reclassify the loan as a transfer to Animal Control.
- Many funds dependent on General Fund supplements were again more dependent this year due to increased salaries and associated costs with no additional revenue to offset these increased costs.
- Decreased investment earnings due to less cash available to invest and lower interest rates than the previous years.
- Revenue from fees and services were not as expected to meet expense needs.
- A few emergency repairs were made that weren't originally budgeted or planned for. Some examples are the Gatekeeper security system and fencing repair at the jail.

The Forest Preserve Commission Fund has a total fund balance of \$2,285,360 for 2012 and \$2,164,927 for 2011. The net increase in fund balance during the current year was \$120,433. The increase is primarily due to the Zoo Capital Project fund generating revenue and having more to invest through ticket sale savings for the elephant enclosure.

The Hope Creek Care Center Fund has a total fund balance of \$753,936 for 2012 and \$1,671,113 for 2011. The net decrease in fund balance during the current year was \$917,177. Hope Creek was assessed a new bed tax by the State of Illinois. This was due beginning July of 2012. This tax was to be assessed for months beginning April 2011. This payable was required to be expensed. Salary and benefit increases were granted for the year. Longevity employees with time off benefits was covered often by utilizing agency help. This expense almost doubled from 2011 to 2012.

The Illinois Municipal Retirement Fund has a total fund balance of \$995,054 for 2012 and \$970,517 for 2011. The net increase in fund balance during the current year was \$24,537 and not considered significant.

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

General Fund Budgetary Highlights

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

- The total original revenue budget of \$24,452,463, excluding transfers in, was increased to \$25,047,028 (an increase of \$594,565) due to:
 - Many grants that were awarded to pass to an external program through the County from the US Department of Transportation.
 - A grant from the State Board of Elections that originated with the US Election Commission was awarded to the County Clerk's Office to run the elections in 2012.

Variances in the final budgeted revenues over actual revenues totaling \$888,881 were due to fewer investment earnings and lower interest rates. Also, various fees revenues came in low. Many, such as Circuit Clerk fees and fines, County Clerk fees and election reimbursement, Sheriff Bail Bond fines and EMA Federal grants, were so low that they caused revenue to be under budget despite many fees for the year coming in higher than anticipated.

Variances in the final budget expenditures over actual expenditures total \$780,169. This was due to Sheriff, Circuit Clerk, Liability Insurance and County Clerk salary amounts being less because of retired employees not being replaced, or being replaced at a lower hourly rate. Also, there were lower than anticipated expenditures in County Clerk, Treasurer, Emergency Management, Information Systems Copy Center and General County operating supplies, communications, publishing, outside contractual and new equipment purchases.

Capital Asset and Debt Administration

Capital assets: The County's investment in capital assets for its governmental activities amounted to \$87,404,483 and \$89,959,193 (net of accumulated depreciation) as of November 30, 2012 and 2011, respectively. This investment in capital assets includes land, construction-in-progress, buildings, improvements other than buildings, equipment and infrastructure.

Major capital assets additions during the current fiscal year include installing a sprinkler system and Gatekeeper security system in the jail and Justice Center, the Health Department purchasing a new phone system, and the Highway Department purchasing two new dump trucks in fiscal year 2012.

Table 4 - Rock Island County, Illinois' Capital Assets

	Governmental Activities	
	2012	2011
Land	\$ 5,814,346	\$ 5,814,346
Construction-in-progress	297,644	423,488
Buildings	56,589,454	56,061,168
Improvements other than buildings	92,909	92,909
Equipment	12,607,062	12,190,267
Infrastructure	63,250,938	62,886,167
Accumulated depreciation	(51,247,870)	(47,509,152)
Total	\$ 87,404,483	\$ 89,959,193

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

Rock Island County, Illinois

Management's Discussion and Analysis Year Ended November 30, 2012

Debt: The County had revenue bonds outstanding totaling \$6,020,000 and \$6,750,000, and general obligation bonds outstanding totaling \$23,715,000 and \$24,420,000, as of November 30, 2012 and 2011, respectively. The County paid \$1,435,000 in principal and \$1,314,991 in interest on outstanding debt. Additional information about the County's long-term debt can be found in Note 7 to the financial statements.

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

	2012	2011	Maturity
Governmental activities:			
General obligation bonds	\$ 23,715,000	\$ 24,420,000	2027
Revenue bonds	6,020,000	6,750,000	2019

Economic Factors and Next Year's Budgets and Rates

The 2013 fiscal year budget is based on a decrease in Assessed Valuation of approximately \$13,490,659. This projection means the County's tax extension rate will increase by 1.31 percent to make up for this decrease. However, this small increase in property tax revenue will not be enough to cover estimated expense increases and other tax decreases; therefore, the 2013 budget expenditures had to stay in line with the total revenue sources.

In the 2013 fiscal year and continuing into future fiscal years, the goal is to pass a balanced budget, particularly focused on General Fund, and minimize employee and service impacts. In the 2013 Budget meetings, it was decided to eliminate the County's employed mail position through attrition and outsource USPS mail to a local vendor to save tax dollars in processing mail. The County also contracted through RK Dixon to begin a managed print solution to provide new copier/printer/fax/scanning machines to the County with updated maintenance agreements at lower cost to the County as a whole. The County Board will be looking at additional cost savings that may be attained through a new Early Retirement Incentive. The Board wants to ensure they become even more fiscally responsible through development of new policies, including long term financial planning, budget forecasting and fund balance building.

As the County is self-insured, employees with serious health issues negatively impact expenses. As a result, the Board decided to increase employee and employer insurance premiums by 4 percent in 2013. Two union contracts were up for negotiations at the end of the 2012 fiscal year. This will have an impact on the FY13 budget as contracts are settled and salaries are increased.

Total Funds available for all funds in the 2013 fiscal year were expected to be \$90,305,636 at budget time. Budgeted expenditures were expected to be \$70,514,774 at the time of preparing the 2013 fiscal year budget. If these estimates were to hold true, it would result in an unencumbered balance of \$19,790,862.

During fiscal year 2013, the County Board will have a referendum question on the ballot to provide options of funding sources to care for the County's deteriorating buildings, specifically the Courthouse, in the near future. The courts and judges will be instrumental in working with the Board to ensure the issue is moving forward to a conclusion that is in the best interests of the employees and taxpayers/clients of the County. It is impossible to tell yet what impact this project will have on the need for bond issuances or property tax increases over the next several years.

Requests for Information

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

Rock Island County, Illinois

**Statement of Net Assets
November 30, 2012**

Assets	<u>Primary Government Governmental Activities</u>	<u>Component Unit Rock Island Tri-County Consortium</u>
Current assets:		
Cash and cash equivalents	\$ 23,239,641	\$ 38,602
Receivables:		
Property taxes	21,724,521	-
Accounts, net allowance for uncollectibles of \$924,801	1,602,619	-
Accrued interest	7,680	-
Due from other governments, net allowance for uncollectibles of \$1,573,910	8,087,714	175,007
Other assets	1,068,910	-
Total current assets	<u>55,731,085</u>	<u>213,609</u>
Noncurrent assets:		
Unamortized issuance costs	168,802	-
Other postemployment benefits asset	-	11,806
Capital assets:		
Nondepreciable:		
Land	5,814,346	-
Construction-in-progress	297,644	-
Depreciable:		
Buildings	56,589,454	-
Improvements other than building	92,909	-
Equipment	12,607,062	365,436
Infrastructure	63,250,938	-
Less accumulated depreciation	(51,247,870)	(307,585)
Total capital assets	<u>87,404,483</u>	<u>57,851</u>
Total noncurrent assets	<u>87,573,285</u>	<u>69,657</u>
Total assets	<u>\$ 143,304,370</u>	<u>\$ 283,266</u>

See Notes to Basic Financial Statements.

	Primary Government	Component Unit
	Governmental Activities	Rock Island Tri-County Consortium
Liabilities and Net Assets (Deficit)		
Liabilities:		
Accounts payable	\$ 3,523,382	\$ 157,295
Current portion of estimated claims settlements	1,629,183	-
Accrued liabilities	2,452,818	3,136
Due to other governmental units	1,854	-
Unearned revenue	20,412,567	72,208
Accrued early retirement	-	14,500
Compensated absences	2,750,161	29,041
Current portion of general obligation bonds	705,000	-
Current portion of revenue bonds payable	760,000	-
Other liabilities	-	11,154
Total current liabilities	32,234,965	287,334
Noncurrent liabilities:		
Estimated claims settlements	245,055	-
Other postemployment benefits obligation	3,286,572	-
IMRF pension obligation	1,548,879	53,198
General obligation bonds, net bond premiums and discounts	23,107,859	-
Revenue bonds payable, net of deferred amount and bond premiums	5,340,105	-
Total noncurrent liabilities	33,528,470	53,198
Total liabilities	65,763,435	340,532
Net assets (deficit):		
Invested in capital assets, net of related debt	57,491,519	57,851
Restricted for:		
Capital improvements	4,383,342	-
Collector's tax fees, sale and error refunds	184,298	-
Document storage	2,645,926	-
Working cash	469,705	-
GIS	215,796	-
Employee benefits	450,453	-
Judicial	1,996,801	-
Parks and recreation	2,356,952	-
Public health	2,314,051	-
Public safety	62,032	-
Unrestricted (deficit)	4,970,060	(115,117)
Total net assets (deficit)	77,540,935	(57,266)
Total liabilities and net assets (deficit)	\$ 143,304,370	\$ 283,266

Rock Island County, Illinois

Statement of Activities
Year Ended November 30, 2012

Functions/ Programs	Expenses	Program Revenues		
		Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 14,472,833	\$ 5,035,416	\$ 380,178	\$ -
Public safety	9,257,762	1,735,829	248,957	13,000
Corrections	4,322,930	915,191	945,906	-
Judiciary and legal	9,145,232	2,870,730	305,531	-
Transportation and public works	5,368,108	401,514	2,705,573	6,214
Social services	30,529,579	15,946,557	9,019,295	-
Culture and recreation	4,715,067	2,540,667	145,165	194,900
Debt service, interest on long-term debt	2,310,074	-	-	-
Total governmental activities	\$ 80,121,585	\$ 29,445,904	\$ 13,750,605	\$ 214,114
Component Unit	\$ 2,449,325	\$ -	\$ 2,327,137	\$ -

General Revenues

Property taxes
Intergovernmental revenue:
Replacement tax
Sales and use taxes
Income tax
Hotel/Motel taxes
Other taxes
Investment earnings
Miscellaneous
Gain on disposal of capital assets
Total general revenues
Changes in net assets
Net assets (deficit), beginning of year, as restated
Net assets (deficit), end of year

See Notes to Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Assets	
Primary Government	Component Unit
Governmental Activities	Rock Island Tri-County Consortium
\$ (9,057,239)	\$ -
(7,259,976)	-
(2,461,833)	-
(5,968,971)	-
(2,254,807)	-
(5,563,727)	-
(1,834,335)	-
(2,310,074)	-
<u>(36,710,962)</u>	<u>-</u>
-	<u>(122,188)</u>
21,648,137	-
2,330,484	-
4,823,291	-
1,574,494	-
222,783	-
168,984	-
125,898	467
573,350	4,965
83,573	-
<u>31,550,994</u>	<u>5,432</u>
(5,159,968)	(116,756)
82,700,903	59,490
<u>\$ 77,540,935</u>	<u>\$ (57,266)</u>

Rock Island County, Illinois

**Balance Sheet
Governmental Funds
November 30, 2012**

	Primary Government		
	General	Forest Preserve Commission	Hope Creek Care Center
Assets			
Cash and cash equivalents	\$ 3,148,185	\$ 2,051,865	\$ 1,129,543
Receivables:			
Property taxes receivable	7,817,205	1,568,485	2,324,711
Accounts receivable, net allowance for uncollectibles of \$924,801	400,797	67,766	935,993
Accrued interest receivable	2,364	767	468
Due from other funds	231,332	-	74,798
Due from other governmental units, net allowance for uncollectibles of \$1,573,910	2,514,751	33,898	4,021,544
Other assets	160,692	1,015	2,312
Advances to other funds	601,850	-	-
Total assets	\$ 14,877,176	\$ 3,723,796	\$ 8,489,369
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 683,812	\$ 308,093	\$ 1,130,052
Accrued liabilities	430,627	93,441	178,687
Due to other funds	116,264	-	97,702
Due to other governmental units	6	-	-
Deferred revenues	8,284,549	1,036,902	5,932,142
Advances from other funds	50,000	-	396,850
Total liabilities	9,565,258	1,438,436	7,735,433
Fund balances:			
Nonspendable	762,542	-	2,312
Restricted	472,239	2,285,360	751,624
Assigned	309,312	-	-
Unassigned	3,767,825	-	-
Total fund balances	5,311,918	2,285,360	753,936
Total liabilities and fund balances	\$ 14,877,176	\$ 3,723,796	\$ 8,489,369

See Notes to Basic Financial Statements.

Primary Government		
Illinois Municipal Retirement	Nonmajor Governmental	Total
\$ 1,624,307	\$ 12,673,004	\$ 20,626,904
2,883,613	7,130,507	21,724,521
58	154,282	1,558,896
352	3,255	7,206
-	24,646	330,776
-	1,487,195	8,057,388
-	33,341	197,360
-	396,850	998,700
<u>\$ 4,508,330</u>	<u>\$ 21,903,080</u>	<u>\$ 53,501,751</u>
\$ 418,902	\$ 771,602	\$ 3,312,461
294,374	299,377	1,296,506
-	111,237	325,203
-	1,848	1,854
2,800,000	7,317,313	25,370,906
-	551,850	998,700
<u>3,513,276</u>	<u>9,053,227</u>	<u>31,305,630</u>
-	430,191	1,195,045
995,054	12,123,958	16,628,235
-	995,559	1,304,871
-	(699,855)	3,067,970
<u>995,054</u>	<u>12,849,853</u>	<u>22,196,121</u>
<u>\$ 4,508,330</u>	<u>\$ 21,903,080</u>	<u>\$ 53,501,751</u>

Rock Island County, Illinois

**Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Assets
November 30, 2012**

Total governmental fund balances \$ 22,196,121

Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the funds:

Land	\$	5,634,096	
Construction-in-progress		297,644	
Buildings		55,875,540	
Equipment		12,582,970	
Infrastructure		63,250,938	
Accumulated depreciation		<u>(51,139,108)</u>	86,502,080

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

Deferred revenues 4,998,632

The internal service funds are used by management to charge the costs of self-funding the County's health insurance benefit plans and costs associated with the Public Building Commission. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets:

Current assets		3,558,810	
Internal balances		(5,573)	
Capital assets, net		902,403	
Current liabilities		<u>(2,994,526)</u>	1,461,114

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Estimated claims settlements		(287,238)	
Compensated absences		(2,750,161)	
Other postemployment benefits obligation		(3,286,572)	
IMRF pension obligation		(1,548,879)	
Bond premium, net		(170,496)	
Bond issuance costs, net		168,802	
Bond discount, net		29,841	
Deferred amount on refunding		(37,309)	
General obligation bonds		(23,715,000)	
Revenue bonds payable		<u>(6,020,000)</u>	(37,617,012)
Net assets of governmental activities			<u><u>\$ 77,540,935</u></u>

See Notes to Basic Financial Statements.

This Page Intentionally Left Blank

Rock Island County, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended November 30, 2012

	Primary Government		
	General	Forest Preserve Commission	Hope Creek Care Center
Revenues:			
Fees	\$ 5,690,350	\$ 2,166,331	\$ 15,520,399
Property taxes	7,647,550	2,294,224	2,265,080
Intergovernmental	10,622,325	374,454	-
Investment earnings	36,311	11,281	8,884
Miscellaneous	165,638	448,077	103
Total revenues	24,162,174	5,294,367	17,794,466
Expenditures:			
Current:			
General government	8,207,555	-	-
Public safety	6,145,111	-	-
Corrections	4,280,177	-	-
Judiciary and legal	6,898,643	-	-
Transportation and public works	-	-	-
Social services	-	-	17,224,099
Culture and recreation	-	4,064,480	-
Capital outlay	311,376	582,747	15,559
Debt service:			
Principal	-	280,000	425,000
Interest	-	252,611	788,463
Total expenditures	25,842,862	5,179,838	18,453,121
Excess (deficiency) of revenue over expenditures	(1,680,688)	114,529	(658,655)
Other financing sources (uses):			
Transfers in	1,537,783	-	-
Transfers out	(830,087)	-	(258,522)
Proceeds from sale of capital assets	16,195	5,904	-
Total other financing sources (uses)	723,891	5,904	(258,522)
Net change in fund balances	(956,797)	120,433	(917,177)
Fund balances, beginning of year	6,268,715	2,164,927	1,671,113
Fund balances, end of year	\$ 5,311,918	\$ 2,285,360	\$ 753,936

See Notes to Basic Financial Statements.

Primary Government		
Illinois Municipal Retirement	Nonmajor Governmental	Total
\$ -	\$ 3,555,827	\$ 26,932,907
2,534,839	6,906,444	21,648,137
-	9,605,171	20,601,950
2,941	50,415	109,832
-	951,001	1,564,819
<u>2,537,780</u>	<u>21,068,858</u>	<u>70,857,645</u>
2,513,243	1,995,777	12,716,575
-	1,803,384	7,948,495
-	5,731	4,285,908
-	1,374,501	8,273,144
-	4,268,216	4,268,216
-	8,876,325	26,100,424
-	-	4,064,480
-	729,566	1,639,248
-	730,000	1,435,000
-	273,917	1,314,991
<u>2,513,243</u>	<u>20,057,417</u>	<u>72,046,481</u>
<u>24,537</u>	<u>1,011,441</u>	<u>(1,188,836)</u>
-	883,297	2,421,080
-	(1,302,493)	(2,391,102)
-	92,222	114,321
-	(326,974)	144,299
24,537	684,467	(1,044,537)
970,517	12,165,386	23,240,658
<u>\$ 995,054</u>	<u>\$ 12,849,853</u>	<u>\$ 22,196,121</u>

Rock Island County, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended November 30, 2012**

Net change in fund balances - governmental funds \$ (1,044,537)

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

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

Capital outlay		1,661,927
Depreciation:		
General government	\$ (256,283)	
Public safety	(919,685)	
Judiciary and legal	(99,315)	
Transportation and public works	(1,664,443)	
Social services	(612,346)	
Culture and recreation	(654,989)	
	(4,207,061)	(4,207,061)

The net effect of various miscellaneous transactions involving capital assets is to increase net assets:

Capital contributions	47,664	
Gain on disposal of capital assets	83,573	
Proceeds from sale of capital assets	(114,321)	
	16,916	16,916

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds 408,401

Commodities inventory is not a financial resource in governmental funds.

Commodities used are reported as expenses and commodities donated are reported as revenue in the statement of activities:

Commodity grant revenue		2,346,798
Commodity grant expenditures		(2,346,798)

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

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

Repayment of debt principal		1,435,000
Bond premium amortization		26,364
Bond issuance amortization		(29,574)
Bond discount amortization		(3,018)
Deferred amount on refunding amortization		9,700

(Continued)

Rock Island County, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities (Continued)
Year Ended November 30, 2012**

Internal service funds net change	\$ (1,860,578)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in claims payable	6,484
Change in compensated absences	(88,981)
Change in other postemployment benefits obligation	(1,172,252)
Change in IMRF pension obligation	(318,759)
	<hr/>
Change in net assets of governmental activities	\$ (5,159,968)
	<hr/> <hr/>

See Notes to Basic Financial Statements.

Rock Island County, Illinois

Statement of Net Assets
Governmental Activities - Internal Service Funds
November 30, 2012

Assets

Current assets:

Cash and cash equivalents	\$	2,612,737
Receivables:		
Accounts		43,723
Interest		474
Due from other funds		8,622
Due from other governmental units		30,326
Other assets		871,550
Total current assets		<u>3,567,432</u>

Noncurrent assets:

Capital assets:

Nondepreciable, land		180,250
Depreciable:		
Equipment and fixtures		24,092
Improvements other than buildings		92,909
Buildings		713,914
Less accumulated depreciation		(108,762)
Total capital assets		<u>902,403</u>
Total assets	\$	<u><u>4,469,835</u></u>

Liabilities and Net Assets

Liabilities:

Accounts payable	\$	210,921
Estimated claims settlement		1,546,000
Accrued liabilities		1,197,312
Due to other funds		14,195
Unearned revenue		40,293
Total liabilities		<u>3,008,721</u>

Net assets:

Invested in capital assets		902,403
Unrestricted		558,711
Total net assets		<u>1,461,114</u>
Total liabilities and net assets	\$	<u><u>4,469,835</u></u>

See Notes to Basic Financial Statements.

Rock Island County, Illinois

**Statement of Revenues, Expenses and Changes in Net Assets
Governmental Activities - Internal Service Funds
Year Ended November 30, 2012**

Operating revenues:	
Charges for services	\$ 9,023,319
Other	63,933
Total operating revenue	<u>9,087,252</u>
Operating expenses:	
Other services and charges	10,907,426
Depreciation expense	26,492
Total operating expenses	<u>10,933,918</u>
Operating loss	<u>(1,846,666)</u>
Nonoperating revenue, investment earnings	<u>16,066</u>
Loss before transfers	<u>(1,830,600)</u>
Transfers out	<u>(29,978)</u>
Change in net assets	(1,860,578)
Total net assets, beginning of year	<u>3,321,692</u>
Total net assets, end of year	<u>\$ 1,461,114</u>

See Notes to Basic Financial Statements.

Rock Island County, Illinois

Statement of Cash Flows
Governmental Activities - Internal Service Funds
Year Ended November 30, 2012

Cash flows from operating activities:	
Cash received from employee contributions and other charges	\$ 7,615,213
Cash received from other operating revenue	63,933
Cash payments for claims	(8,264,318)
Cash received for jail lease	1,606,671
Cash payments for jail lease	(998,555)
Cash payments for jail operations	(525,531)
Net cash (used in) operating activities	<u>(502,587)</u>
Cash flows from noncapital financing activities:	
Interfund proceeds	16,874
Transfers out	(29,978)
Net cash (used in) noncapital financing activities	<u>(13,104)</u>
Cash flows from investing activities, interest received	<u>16,534</u>
Net decrease in cash	(499,157)
Cash:	
Beginning	3,111,894
Ending	<u>\$ 2,612,737</u>
Reconciliation of operating loss to net cash from operating activities:	
Operating loss	\$ (1,846,666)
Adjustments to reconcile operating loss to net cash (used in) operating activities:	
Depreciation	26,492
(Increase) decrease in:	
Receivables	125,753
Due from other governmental units	(24,416)
Other assets	79,083
Increase (decrease) in:	
Accounts payable	1,113,172
Accrued liabilities	(16,298)
Unearned revenue	40,293
Net cash (used in) operating activities	<u>\$ (502,587)</u>

See Notes to Basic Financial Statements.

Rock Island County, Illinois

Statement of Assets and Liabilities

Agency Funds

November 30, 2012

Assets

Cash and cash equivalents	\$	8,005,002
Receivables:		
Accounts receivable		111,554
Accrued interest receivable		403,454
Total assets	\$	8,520,010

Liabilities

Due to other governmental units	\$	5,161,916
Due to individuals and private entities		3,358,094
Total liabilities	\$	8,520,010

See Notes to Basic Financial Statements.

This Page Intentionally Left Blank

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

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

Nature of operations:

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

Reporting entity:

Rock Island County, Illinois (County) is a municipal entity governed by a 25-member board. As required by accounting principles generally accepted in the United States of America, these basic financial statements present Rock Island County, Illinois and its blended component units (the primary government) and its discretely presented component unit (the Rock Island Tri-County Consortium). The Rock Island Tri-County Consortium (Consortium) is presented in a separate column to emphasize that it is legally separate from the County. The Rock Island County board, acting on its own behalf and on behalf of the boards of Mercer County, Illinois and Henry County, Illinois, appoints the board of the Private Industry Council which governs the Consortium. In addition, the sole source of the Consortium's financial resources are Workforce Investment Act funds granted to the County by the Illinois Department of Commerce and Community Affairs and subgranted to the Consortium. The Consortium operates on a June 30 fiscal year. The basic financial statements of the County include the financial statements of the Consortium as of and for the year ended June 30, 2012. The financial statements of the Rock Island Tri-County Consortium can be obtained from its administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

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

Forest Preserve District, Rock Island County, Illinois (District): The District provides a broad range of services to citizens of the County, including the operation of Niabi Zoo, Loud Thunder Park, Illiniwek Park and Indian Bluff Park and Golf Course. Although it is legally separate from the County, the District is reported as if it were part of the primary government because the members of the District's board are the same as the County's board. The District operates on a June 30 fiscal year. The basic financial statements of the County include the funds of the District in the special revenue fund type as of and for the year ended June 30, 2012. Complete financial statements of the District can be obtained from the District's administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

Public Building Commission, Rock Island County, Illinois (PBC): The PBC was formed for the purpose of providing a new jail for the use of the County. Although it is legally separate from the County, the PBC is reported as if it were part of the primary government because all of the PBC board members are appointed by the County board and the PBC's sole purpose is to finance and construct the County's jail. The PBC operates on a June 30 fiscal year. The basic financial statements of the County include the funds of the PBC in the corrections function and as an internal service fund type as of and for the year ended June 30, 2012. Complete financial statements of the PBC can be obtained from its administrative office at 1504 Third Avenue, Rock Island, Illinois 61201.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

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

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

Basis of presentation:

The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

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

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

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

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

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

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

Forest Preserve Commission Fund, a special revenue fund: To account for culture and recreation services provided to County citizens. The forest preserve is funded through property taxes and charges for culture and recreation services.

Hope Creek Care Center Fund, a special revenue fund: To account for the activities of the County's nursing home facility and property tax revenue used to subsidize Hope Creek Care Center's shortfall in Medicare payments.

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

The Forest Preserve Commission Fund is presented as major for public interest purposes.

The other governmental funds of the County are considered nonmajor and are as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

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

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

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

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

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

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

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

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

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

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

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

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

Quad City Bomb Squad Fund: To account for revenue received from donations used to obtain equipment and attire for the bomb squad.

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

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

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

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

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

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

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

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

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

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

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

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

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

Proprietary funds are accounted for on the flow of economic resources, measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The County has the following proprietary fund types:

Internal Service Funds:

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

Public Building Commission Fund: a blended component unit accounting for the activity of the County jail.

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

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

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

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

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

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

Employee Indebtedness Fund: To account for wage garnishments.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

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

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

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

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

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

Significant accounting policies:

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

The County invests in the Illinois Funds Money Market Fund, which is an external investment pool and is not SEC registered. The Illinois Funds Money Market Fund is regulated by the State Treasurer's Office and, therefore, regulated by the comptroller of the currency for Collective Investment Funds. The fair value of the position in the external investment pools are recorded at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

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

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

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

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

Inventories are recognized only in those funds in which they are material to the extent of affecting operations. All inventories are carried at lower of cost or market (first-in, first-out). The consumption method of accounting is applied to the governmental fund type inventories.

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

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

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

Property tax revenue and receivable: The County's property tax is levied each year on all taxable real property located in the County on or before November 30. Property taxes attach as an enforceable lien on property as of the preceding January 1, at which time they are recognized. These taxes are due in four installments on June 6, August 6, September 6 and November 6 of the following year. Since the 2012 tax levy is budgeted for fiscal year 2013, the revenue from this tax levy is deferred.

Accounts receivable: Primarily from Hope Creek Care Center private pay patient receivables and miscellaneous services provided to citizens. Patient receivables are presented net of an allowance for uncollectible determined by historical experience applied to an aging of accounts and a review of troubled accounts by the County. Fiscal year ended November 30, 2012 included an allowance for an uncollectible amount of \$924,801 for private pay patient receivables.

Due from other governments: The County's due from other governments include receivables from federal and state governmental units related to grants, taxes and charges for services related to the nursing home. These receivables are shown net of an allowance for uncollectible determined by historical experience applied to an aging of accounts and a review of troubled accounts by the County. Fiscal year ended November 30, 2012 included an allowance for an uncollectible amount of \$1,573,910 for patient receivables in the Nursing Home Fund included in due from other governments.

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

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

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

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

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

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

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

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

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

Deferred and unearned revenues: Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied or, in governmental fund financial statements, for receivables that will not be collectible within the availability period. Property taxes for which there is an enforceable legal claim as of November 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as deferred revenue in governmental financial statements and as unearned revenue in the government-wide statements.

Unearned revenues in the government-wide statements and deferred revenues in the governmental fund financial statements include grant awards received but unearned by either the passage of a specified time or the fulfillment of expenditure provisions.

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

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

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

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and the blended component units are reported in the government-wide financial statements as "internal balances".

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

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

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

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

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

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

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

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

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

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

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

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

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

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

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

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

Net assets: Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, 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 assets invested in capital assets, net of related debt, excludes unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted through enabling legislation consists of \$450,453 for employee benefits, \$1,542,862 for public health, and \$4,383,342 for capital improvements.

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

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

Note 2. Cash and Investments

As of November 30, 2012, the County's cash and cash equivalents and investments were as follows:

Cash and cash equivalents statement of net assets	\$ 23,239,641
Cash and cash equivalents fiduciary funds	8,005,002
Cash and cash equivalents component unit	38,602
	<u>\$ 31,283,245</u>

Authorized investments: The County, the Consortium, the District and the PBC (blended component units) are authorized by state statutes and their investment policies to make deposits in interest bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations, or other financial institutions as designated by ordinances, and to invest available funds in direct obligations of or obligations guaranteed by, the United States Treasury or agencies of the United States, money market mutual funds whose portfolios consist of government securities, Illinois Funds Money Market Funds and annuities. The County maintains a pool where the resources are held primarily in a money market depository account. Income from the pool is allocated between the funds who own the shares of the pool.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of investments. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County, the District and the Consortium's investment policies do not limit the investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of November 30, 2012, the County held no investments subject to interest rate risk. As of June 30, 2012, the District and the Consortium held no investments subject to interest rate risk.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 2. Cash and Investments (Continued)

The PBC's investment policy states the highest interest rate available will always be the objective of the investment policy combined with safety of principal, which is left to the discretion of the Commission Treasurer. As of June 30, 2012, the PBC held no investments subject to credit risk.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County and PBC's monies are held with money market funds which are considered deposit accounts and are therefore unrated.

Concentration of credit risk: Concentration of credit risk is the risk associated with having more than 5 percent of investments in any issuer. The County's investment policy is to apply the prudent-person rule: Investments shall be made utilizing the judgment and care, under the circumstances then present, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investments, considering probable safety of their capital as well as the probable income to be derived. The investment policy further limits the County's investments to be less than 65 percent of the financial institutions' capital and surplus. As of November 30, 2012, the County held no investments subject to concentration of credit risk.

The PBC's investment policy states, "the Commission Treasurer will have the sole responsibility to select which financial institutions will be depositories for the commission funds. The Commission Treasurer will take into consideration security, size, location, condition, service, fees and the community relations involvement of the financial institutions when choosing a financial institution."

The District's investment policy is to apply the prudent-person rule: "Investments shall be made utilizing the judgment and care, under the circumstances then present, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investments, considering probable safety of their capital as well as the probable income to be derived." As of June 30, 2012, the District held no investments.

The Consortium has no formal investment policy.

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

As of November 30, 2012, none of the County's bank balance was exposed to custodial credit risk.

The carrying amount and bank balance of the Consortium's deposits as of June 30, 2012 was \$38,602. The bank balance was covered by federal depository insurance or collateralized by securities held by pledging financial institution's trust department or agent in the Consortium's name.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 3. Individual Fund Disclosures

The following is a summary of deficit fund balances of individual funds as of November 30, 2012:

Fund	Deficit Fund Balance
Special Revenue Funds:	
Animal Control Fund	\$ 280,860
Court Security Fund	9,756
Maintenance and Child Support Collection Fund	12,606

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

Note 4. Interfund Account Balances

The interfund receivable and payable balances as of November 30, 2012 are as follows:

	Due From Other Funds	Due To Other Funds
General	\$ 231,332	\$ 116,264
Hope Creek Care Center	74,798	97,702
Nonmajor governmental funds	24,646	111,237
Internal Service Funds	8,622	14,195
Total	\$ 339,398	\$ 339,398

Advances to and from other funds as of November 30, 2012, were as follows:

	Advances To Other Funds	Advances From Other Funds
General	\$ 601,850	\$ 50,000
Hope Creek Care Center	-	396,850
Nonmajor governmental funds	396,850	551,850
	\$ 998,700	\$ 998,700

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. Included in the advances to and from other funds is an advance to the Animal Control Special Revenue Fund from the General Fund for \$315,000 that is fully allowed for.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 5. Interfund Transfers

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

	Transfers In	Transfers Out
General	\$ 1,537,783	\$ 830,087
Hope Creek Care Center	-	258,522
Nonmajor governmental funds	883,297	1,302,493
Internal service funds	-	29,978
Total	\$ 2,421,080	\$ 2,421,080

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

Note 6. Capital Assets

The following is a summary of changes in capital assets for the year ended November 30, 2012:

	2011 Balance	Additions	Deletions	2012 Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 5,814,346	\$ -	\$ -	\$ 5,814,346
Construction-in-progress	423,488	249,777	375,621	297,644
Total capital assets not being depreciated	6,237,834	249,777	375,621	6,111,990
Capital assets being depreciated:				
Buildings	56,061,168	590,686	62,400	56,589,454
Improvements other than buildings	92,909	-	-	92,909
Equipment	12,190,267	852,458	435,663	12,607,062
Infrastructure	62,886,167	392,291	27,520	63,250,938
Total capital assets being depreciated	131,230,511	1,835,435	525,583	132,540,363
Less accumulated depreciation for:				
Buildings	16,203,764	1,519,372	63,076	17,660,060
Improvements other than buildings	20,999	6,315	-	27,314
Equipment	8,825,206	921,191	404,239	9,342,158
Infrastructure	22,459,183	1,786,675	27,520	24,218,338
Total accumulated depreciation	47,509,152	4,233,553	494,835	51,247,870
Total capital assets being depreciated, net	83,721,359	(2,398,118)	30,748	81,292,493
Governmental activities capital assets, net	\$ 89,959,193	\$ (2,148,341)	\$ 406,369	\$ 87,404,483

The following is a summary of the changes in capital assets of the discretely presented component unit for the year ended June 30, 2012:

	2011 Balance	Additions	Deletions	2012 Balance
Discretely Presented Component Unit:				
Capital assets being depreciated, equipment	\$ 360,526	\$ 5,745	\$ 835	\$ 365,436
Less accumulated depreciation for equipment	282,245	26,175	835	307,585
Component unit capital assets, net	\$ 78,281	\$ (20,430)	\$ -	\$ 57,851

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 6. Capital Assets (Continued)

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

General government	\$	256,283
Public safety		946,177
Judiciary and legal		99,315
Transportation and public works		1,664,443
Social services		612,346
Culture and recreation		654,989
Total depreciation expense, governmental activities	\$	4,233,553

Note 7. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended November 30, 2012:

	Balance November 30, 2011			Balance November 30, 2012		Due Within One Year
		Additions	Deletions			
Governmental Activities:						
General obligation bonds	\$ 24,420,000	\$ -	\$ 705,000	\$ 23,715,000	\$	705,000
Revenue bonds payable	6,750,000	-	730,000	6,020,000		760,000
Add deferred amount on refunding and premiums	243,869	-	36,064	207,805		-
Less discounts	(32,859)	-	(3,018)	(29,841)		-
Compensated absences	2,661,180	2,750,161	2,661,180	2,750,161		2,750,161
Estimated claims settlements	870,722	7,963,421	6,959,905	1,874,238		1,629,183
	\$ 34,912,912	\$ 10,713,582	\$ 11,089,131	\$ 34,537,363	\$	5,844,344
	Balance November 30, 2011			Balance November 30, 2012		Due Within One Year
		Additions	Retirements			
Discretely Presented Component						
Unit, compensated absences	\$ 48,432	\$ 29,041	\$ 48,432	\$ 29,041	\$	29,041

General obligation bonds: The County issued two separate series of bonds to finance the acquisition, construction and installation of a new County nursing home and related facilities, improvements and costs. On December 15, 2006, the County issued \$9,950,000 General Obligation Bonds (Alternate Revenue Source), Series 2006. These bonds are due in annual installments of \$410,000 to \$750,000 through 2027 at an interest rate of 3.60 percent to 5.50 percent.

On April 1, 2007, the County issued \$9,935,000 General Obligation Bonds (General Sales Taxes Alternate Revenue Source), Series 2007. These bonds are due in annual installments of \$400,000 to \$1,550,000 through 2027 at an interest rate of 4.00 percent to 5.25 percent.

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

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 7. Long-Term Debt (Continued)

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

On April 1, 2005, Rock Island County (Public Building Commission) issued \$9,020,000 in Justice Center Refunding Revenue Bonds, Series 2005 with interest rates ranging from 3.7 percent to 4.35 percent to advance refund \$6,315,000 of outstanding Local Government Program Revenue Bonds, Series 1998 and \$2,190,000 of Justice Center Revenue Bonds, Series 1999.

The County has pledged as security for bonds issued by the Public Building Commission, a portion of the County's property tax. The bonds issued by the Public Building Commission in 2005 and 2009 in the amounts of \$9,020,000 and \$555,000, respectively, for the purpose of advance refunding of Local Government Program Revenue Bonds, Series 1998 and Justice Center Revenue Bonds, Series 1999, which are payable through 2019 and 2018, respectively. The County has committed to appropriate each year from the property tax, an amount sufficient to cover the principal and interest requirements on the Public Building Commission's debt. The Public Building Commission has pledged as sole security for the bonds the appropriation from the County. Total principal and interest remaining on the debt is \$7,024,351 with annual requirements ranging from \$997,220 to \$1,013,083. For the current year, principal and interest paid by the Public Building Commission and the total property tax revenue recognized by the County were \$896,345 and \$1,503,070, respectively.

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

As of November 30, 2012, the County's future cash flow requirements for the retirement of the general obligation bonds is as follows:

<u>Year ending November 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 705,000	\$ 618,569	\$ 1,323,569
2014	1,180,000	967,677	2,147,677
2015	1,230,000	919,925	2,149,925
2016	1,285,000	866,107	2,151,107
2017	1,320,000	811,130	2,131,130
2018-2022	7,360,000	3,173,363	10,533,363
2023-2027	8,390,000	1,441,965	9,831,965
2028-2029	2,245,000	66,658	2,311,658
Total	\$ 23,715,000	\$ 8,865,394	\$ 32,580,394

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 7. Long-Term Debt (Continued)

As of November 30, 2012, the County's future cash flow requirements for the retirement of the revenue bonds is as follows:

<u>Year ending November 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 760,000	\$ 237,220	\$ 997,220
2014	795,000	209,100	1,004,100
2015	820,000	178,950	998,950
2016	855,000	147,478	1,002,478
2017	890,000	113,473	1,003,473
2018-2019	1,900,000	118,130	2,018,130
Total	<u>\$ 6,020,000</u>	<u>\$ 1,004,351</u>	<u>\$ 7,024,351</u>

As of November 30, 2012, the County did not exceed its legal debt margin:

Assessed value, net of tax exemptions	<u>\$ 2,594,108,513</u>
Debt limit, 2.875% of assessed value	\$ 74,580,620
Debt applicable to debt limit	<u>29,735,000</u>
Legal debt margin	<u>\$ 44,845,620</u>

Note 8. Retirement System

Plan Descriptions and Provisions:

Illinois Municipal Retirement Fund

The County and its component units are participating members of the Illinois Municipal Retirement Fund (IMRF), which provides retirement benefits for substantially all officials and employees of the County whose position normally requires at least 1,000 hours of service per year. IMRF benefits are payable in addition to social security benefits.

Plan Description – The County's defined benefit pension plan provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The County's plan is affiliated with the IMRF, an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 8. Retirement System (Continued)

Funding Policy – As set by statute, the County’s plan members, other than Sheriff’s Law Enforcement Personnel (SLEP) and Elected County Officials (ECO), are required to contribute 4.50 percent of their annual covered salary. SLEP and ECO employees participating in IMRF are required to contribute 7.50 percent of their covered salary.

The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates and annual required contributions as a percent of annual payroll are as follows:

	Employer Contribution Rate	Annual Contribution Rate
Regular:		
2012	12.22%	12.85%
2011	11.10	12.67
Sheriff’s Law Enforcement Personnel:		
2012	22.79	25.34
2011	21.62	24.97
Elected County Officials:		
2012	36.97	36.97
2011	34.48	34.48
Forest Preserve District:		
2012	12.58	12.58
2011	13.66	13.66

The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost – For 2012 is as follows:

Annual required contribution	\$ 4,855,169
Interest on net IMRF pension obligation	92,259
Adjustment to annual required contribution	(65,947)
Annual pension cost	<u>4,881,481</u>
Annual contributions made	<u>4,562,722</u>
Increase in IMRF pension obligation	318,759
Net IMRF pension obligation, beginning of year	<u>1,230,120</u>
Net IMRF pension obligation, end of year	<u><u>\$ 1,548,879</u></u>

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

Note 8. Retirement System (Continued)

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The County's plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
11/30/2012	\$ 4,881,481	93%	\$ 1,548,879
11/30/2011	5,249,668	77	1,230,120
11/30/2010	3,377,224	100	-

Funded Status and Funding Progress – As of the December 31, 2011 actuarial valuation date, the plan for the County, including blended component units, was 65.1 percent funded. The actuarial accrued liability for benefits was \$89,943,679 and the actuarial value of assets was \$58,582,270 resulting in an unfunded actuarial accrued liability (UAAL) of \$31,361,409. The covered payroll (annual payroll of active employees covered by the plan) was \$30,484,134 and the ratio of the UAAL to the covered payroll was 102.9 percent.

As of the December 31, 2012 actuarial valuation date, the plan for the County, including blended component units, was 66.35 percent funded. The actuarial accrued liability for benefits was \$91,906,205 and the actuarial value of assets was \$60,979,770 resulting in an unfunded actuarial accrued liability (UAAL) of \$30,926,435. The covered payroll (annual payroll of active employees covered by the plan) was \$31,020,096 and the ratio of the UAAL to the covered payroll was 99.70 percent.

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

Note 8. Retirement System (Continued)

Rock Island Tri-County Consortium

Plan Description – The Consortium’s defined benefit pension plan provides retirement and disability benefits, post retirement increases and death benefits to plan members and beneficiaries. The Consortium’s plan is affiliated with the IMRF, an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy – As set by statute, the Consortium’s plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 was 18.42 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 29.20 percent. The Consortium also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost – For calendar year ended December 31, 2011, the Consortium’s actual contributions for pension cost were \$90,901. Its required contribution for calendar year 2011 was \$144,099.

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the Consortium’s plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Consortium’s Regular plan’s unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open ten-year basis.

Three-Year Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2011	\$ 144,099	63%	\$ 53,198
12/31/2010	101,303	100	-
12/31/2009	99,548	100	-

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 8. Retirement System (Continued)

Funded Status and Funding Progress – As of December 31, 2011, the most recent actuarial valuation date, the plan was 33.99 percent funded. The actuarial accrued liability for benefits was \$1,765,840 and the actuarial value of assets was \$600,153 resulting in an unfunded actuarial accrued liability (UAAL) of \$1,165,687. The covered payroll (annual payroll of active employees covered by the plan) was \$493,491 and the ratio of the UAAL to the covered payroll was 236 percent.

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

Note 9. Deferred Compensation Plan

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

Note 10. Risk Management and Insurance

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

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

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

As of November 30, 2012, the amount of liabilities recorded for estimated claim settlements for health benefits, worker's compensation, general and auto liability claims was \$1,874,238, of which \$1,546,000 was recorded in the Internal Service Fund and \$41,000 was recorded in the General Fund as accrued liabilities. The entire balance of \$1,874,238 was recorded in the government-wide statements.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 10. Risk Management and Insurance (Continued)

Changes in reported liabilities during fiscal 2012 and 2011 were:

	Self-Insurance	
	2012	2011
Claims payable, beginning of year	\$ 870,722	\$ 1,052,965
Claims expense and changes in estimates	7,963,421	6,100,026
Claims payments	(6,959,905)	(6,282,269)
Claims payable, end of year	<u>\$ 1,874,238</u>	<u>\$ 870,722</u>

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

Note 11. Other Postemployment Benefits

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

Funding policy: The County establishes and amends contribution requirements. The County pays approximately 87 percent of the pre-Medicare retirees' health insurance premiums for single coverage or 83 percent of the premium for family coverage for all retirees qualifying under (1) or (2) above. The County pays 50 percent of the pre-Medicare retirees' health insurance premiums for all retirees qualifying under (3) above. The County pays between 2 percent and 50 percent, depending on the length of employee's service, for all retirees qualifying under (4) above. For fiscal year 2012, the County contributed \$229,488. Active members receiving benefits have required monthly contributions of:

Coverage Type	Rate
Single	\$ 54.44
Single + One	122.50
Single + Two	161.40
Family	190.48
Single ERI	213.64
Single + One ERI	551.94
Single + Two ERI	551.94
Family ERI	551.94
Single COBRA	435.85
Family COBRA	1,125.96

The current funding policy of the County is to pay premiums as they occur on a pay-as-you-go basis.

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 11. Other Postemployment Benefits (Continued)

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

Annual required contribution	\$ 1,366,502
Interest on net OPEB obligation	105,716
Adjustment to annual required contribution	(70,478)
Annual OPEB cost (expense)	<u>1,401,740</u>
Contributions and payments made	<u>229,488</u>
Increase in net OPEB obligation	1,172,252
Net OPEB obligation, beginning of year	<u>2,114,320</u>
Net OPEB obligation, end of year	<u><u>\$ 3,286,572</u></u>

The County's annual OPEB cost, the percent of annual OPEB cost contributed to the plan and to the net OPEB obligations for 2012 and the two preceding years are as follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
November 30, 2010	\$ 1,138,505	19.5%	\$ 1,633,029
November 30, 2011	1,153,776	58.2	2,114,320
November 30, 2012	1,401,740	16.4	3,286,572

Funded status and funding progress: As of November 30, 2011, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$17,289,916 and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$17,289,916. The covered payroll (annual payroll of active employees covered by the plan) was \$22,971,245 and the ratio of the UAAL to the covered payroll was 75.27 percent.

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

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 11. Other Postemployment Benefits (Continued)

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

In the November 30, 2011 actuarial valuation, entry age method was used. The actuarial assumptions included a 5 percent investment rate of return which includes inflation at 3 percent, salary increases of 5 percent and health care cost trend rate of 8 percent initially and an ultimate rate of 6 percent. The UAAL is being amortized as a level percentage of pay on an open basis. The amortization of UAAL is done over a period of 30 years.

Rock Island Tri-County Consortium

Plan description: The Consortium operates a single-employer retiree health care plan whereby eligible retired employees and their eligible dependents may continue coverage under the active employee group health plan on an optional basis. Retirees are eligible, depending on date of hire, if: a) they qualify for immediate receipt of retirement pension benefits from IMRF, b) coverage was in effect under the group health plan immediately preceding the day on which the retirement begins, and c) the employee has participated in the group health insurance plan, either as the employee or as the employed spouse, for at least 8-12 years. Participants must be age 55 or older at retirement. At June 30, 2012, there were 7 active and 4 retired members in the plan.

Health care benefits are provided through a fully insured plan with United Health Care. Retirees electing continued coverage pay the active employee contribution, less a 2 percent premium subsidy for each year of IMRF service, limited to those years of service earned while employed at Rock Island County up to a maximum of 50 percent of the full premium.

Funding policy: The Consortium has established, and funded, reserves for the retiree health care plan. The Consortium's annual cost is calculated based on projected benefits to be paid. The Consortium charges grants based on the annual calculated projected benefits. The amounts reimbursed by the grants are held in agency funds for future claims as such claims are not allowable costs of future grants. During the year ended June 30, 2012, the Consortium charged grants \$20,518 and paid benefits of \$32,501.

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

Rock Island County, Illinois

**Notes to Basic Financial Statements
Year Ended November 30, 2012**

Note 11. Other Postemployment Benefits (Continued)

Annual required contribution	\$ 24,188
Interest on net OPEB obligation	(105)
Adjustment to annual required contribution	117
Annual OPEB cost (expense)	<u>24,200</u>
Contributions and payments made	<u>32,501</u>
Decrease in net OPEB obligation	(8,301)
Net OPEB (asset) obligation, July 1, 2011	<u>(3,505)</u>
Net OPEB (asset) obligation, July 1, 2012	<u><u>\$ (11,806)</u></u>

The Consortium's annual OPEB cost, the percentage of annual OPEB cost contribution to the plan, and the net OPEB obligation for fiscal year 2012 and the two preceding years follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)
June 30, 2010	\$ 24,188	109.1%	\$ (2,204)
June 30, 2011	24,195	105.4	(3,505)
June 30, 2012	24,200	134.3	(11,806)

Funded status and funding progress: As of July 1, 2010, the most recent actuarial valuation date, the plan was 0 percent funded. The Consortium's actuarial accrued liability for benefits was \$343,048 and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$343,048. The covered payroll (annual payroll of active employees covered by the plan) was \$1,131,248 and the ratio of the UAAL to the covered payroll was 30.3 percent.

Actuarial estimates of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

Rock Island County, Illinois

Notes to Basic Financial Statements
Year Ended November 30, 2012

Note 11. Other Postemployment Benefits (Continued)

In the July 1, 2010 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 5 percent investment rate of return, projected salary increases of 5 percent, an annual health care cost trend rate of 8 percent reduced by decrements annually to an ultimate rate of 6 percent for medical and prescription costs. The UAAL is being amortized as an open level percentage of pay.

Note 12. Commitments and Contingencies

The County is a defendant in a number of lawsuits, including complaints involving worker's compensation, personal injury and other matters, arising from the normal conduct of the County's operations. A liability has been recorded by the County as of November 30, 2012 for the lawsuits which, in the opinion of the County's officials and the County's legal counsel, are probable to result in a loss to the County and for which the loss can be reasonably estimated. Generally, the County may levy a tax for judgments entered against it.

Note 13. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances in specifically defined classifications and clarifies definitions for governmental fund types. The classifications of fund balances by opinion unit as of November 30, 2012 are as follows:

Fund balances:	General	Forest Preserve Commission	Hope Creek Care Center	Illinois Municipal Retirement	Nonmajor Governmental	Total
Nonspendable:						
Advances	\$ 601,850	\$ -	\$ -	\$ -	\$ 396,850	\$ 998,700
Inventories	132,035	-	-	-	4,515	136,550
Prepays	28,657	-	2,312	-	28,826	59,795
Total nonspendable	762,542	-	2,312	-	430,191	1,195,045
Restricted:						
Capital improvements	-	-	-	-	4,383,342	4,383,342
Collector's tax fees, sale and error refunds	-	-	-	-	184,298	184,298
Document storage	-	-	-	-	2,645,926	2,645,926
Working cash	469,705	-	-	-	-	469,705
GIS	-	-	-	-	215,796	215,796
IMRF/FICA	-	-	-	995,054	1,004,278	1,999,332
Judicial	-	-	-	-	1,996,801	1,996,801
Parks and recreation	-	2,285,360	-	-	71,592	2,356,952
Public health	-	-	751,624	-	1,562,427	2,314,051
Public safety	2,534	-	-	-	59,498	62,032
Total restricted	472,239	2,285,360	751,624	995,054	12,123,958	16,628,235
Assigned:						
Capital improvements	-	-	-	-	995,559	995,559
Judiciary	137	-	-	-	-	137
Liability	309,175	-	-	-	-	309,175
Total assigned	309,312	-	-	-	995,559	1,304,871
Unassigned	3,767,825	-	-	-	(699,855)	3,067,970
Total fund balances	\$ 5,311,918	\$ 2,285,360	\$ 753,936	\$ 995,054	\$ 12,849,853	\$ 22,196,121

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 14. Pending Governmental Accounting Standards Board (GASB) Statements

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

- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, issued November 2010, will be effective for the County beginning with its year ending November 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.
- GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, issued January 2011, will be effective for the County beginning with its year ending November 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, issued July 2011, will be effective for the County beginning with its year ending November 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 14. Pending Governmental Accounting Standards Board (GASB) Statements (Continued)

- GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, issued April 2012, will be effective for the County beginning with its year ending November 30, 2014. This Statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, *Elements of Financial Statements*, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, this Statement reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, the Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.
- GASB Statement No. 66, *Technical Corrections - 2012*, issued April 2012, will be effective for the County beginning with its year ending November 30, 2014. This Statement enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. This Statement amends GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund types. As a result, governments would base their decisions about governmental fund type usage for risk financing activities on the definitions in GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement also amends GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for: (a) operating lease payments that vary from a straight-line basis; (b) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans; and (c) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively.
- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012, will be effective for the County beginning with its year ending November 30, 2015. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.

The County's management has not yet determined the effect these Statements will have on the County's financial statements.

Rock Island County, Illinois

Notes to Basic Financial Statements Year Ended November 30, 2012

Note 15. Conduit Debt Obligations

In fiscal year 2008, the County Board amended the original resolution to authorize and issue an amount not to exceed \$600,000,000 in mortgage revenue bonds as a part of a statewide program for the purpose of financing mortgage loans to low and moderate income persons for one to four family residences in the County. These bonds will be payable solely from the repayment of the mortgage loans. These bonds and interest thereon will not be considered as obligations of the County and do not constitute an indebtedness, liability, general or moral obligation or pledge of the faith or loan of credit of the County. The County is not able to determine the amount outstanding as of year ended November 30, 2012.

Note 16. Restatement

Rock Island Tri-County Consortium

A restatement was made to the June 30, 2011 financial statements for the Rock Island Tri-County Consortium, a discretely presented component unit, to reclassify agency funds to governmental funds. The overall impact was to increase June 30, 2011 governmental activities net assets by \$75,177.

Note 17. Subsequent Event

On March 19, 2013, the County authorized the issuance of General Obligation Refunding Bonds (Alternate Revenue Source), Series 2013 not to exceed \$13,200,000 in order to realize debt service savings for the County. The Series 2013 will refund a portion of the County's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2006 and General Obligation Bonds (Alternate Revenue Source), Series 2007 and pay for the issuance costs of the refunding bonds.

Rock Island County, Illinois

**Required Supplementary Information
 Illinois Municipal Retirement Fund - County and Forest Preserve District,
 Primary Government**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Over-funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2012	\$ 60,979,770	\$ 91,906,205	\$ 30,926,435	66.4%	\$ 31,020,096	99.7%
12/31/2011	58,582,270	89,943,679	31,361,409	65.1	30,484,134	102.9
12/31/2010	56,910,176	85,578,206	28,668,030	66.5	29,716,135	96.5

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contributions (ARC) (a)	Total Contributions (b)	Percentage of ARC Contributed (b/a)
11/30/2012	\$ 4,855,169	\$ 4,562,722	94%
11/30/2011	4,559,498	4,019,548	88
11/30/2010	3,377,224	3,377,224	100

The information above includes the County and Forest Preserve District, a blended component unit.

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$63,682,808. On a market basis, the funded ratio would be 69.29%.

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of December 31, 2010. Additional information follows:

1. The cost method used to determine the required contribution is the entry age method.
2. The assets are shown at fair market value.
3. Economic assumptions are as follows: investment return rate of 7.5 percent, salary increase of 4.0 percent a year, attributable to inflation, salary increase of 0.4 percent to 10.0 percent a year and postretirement benefit increases of 3.0 percent annually.
4. The amortization method is an open period, level percentage of payroll.

Rock Island County, Illinois

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Over-funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2011	\$ 600,153	\$ 1,765,840	\$ 1,165,687	34.0%	\$ 493,491	236.2%
12/31/2010	1,088,282	2,142,425	1,054,143	50.8	580,867	181.5
12/31/2009	1,184,503	2,193,901	1,009,398	54.0	610,349	165.4

Schedule of Employer Contributions

Actuarial Valuation Date	Annual Required Contributions (ARC) (a)	Total Contributions (b)	Percentage of ARC Contributed (b/a)
12/31/2011	\$ 144,099	\$ 90,901	63%
12/31/2010	101,303	101,303	100
12/31/2009	99,548	99,548	100

The information above includes the Rock Island Tri-County Consortium, a discretely presented component unit.

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of December 31, 2009. Additional information follows:

1. The cost method used to determine the required contribution is the entry age method.
2. The assets are shown at fair market value.
3. Economic assumptions are as follows: investment return rate of 7.5 percent, salary increase of 4.0 percent a year, attributable to inflation, salary increase of 0.4 percent to 10 percent a year and postretirement benefit increases of 3.0 percent annually.
4. The amortization method is an open period, level percentage of payroll.

Rock Island County, Illinois

**Required Supplementary Information
Other Postemployment Benefit Plan - County,
Primary Government**

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2012	11/30/11	\$ -	\$ 17,289,916	\$ 17,289,916	- %	\$ 22,971,245	75.27%
2011	11/30/11	-	17,289,916	17,289,916	-	24,409,544	70.83
2010	11/30/09	-	13,294,660	13,294,660	-	24,246,033	54.84

The information presented in the required supplementary schedules was determined as part of the actuarial valuation date as of November 30, 2011. Additional information follows:

- a. The cost method used to determine the ARC is the Entry Age Actuarial Cost method.
- b. There are no plan assets.
- c. The actuarial assumptions included: 1) 5 percent investment rate of return which includes inflation at 3 percent, 2) salary increases of 5 percent and 3) health care cost trend rate of 8 percent initially and an ultimate rate of 6 percent.
- d. The amortization method is level percentage of pay on an open basis.

Rock Island County, Illinois

**Required Supplementary Information
Other Postemployment Benefit Plan - Rock Island Tri-County Consortium,
Discretely Presented Component Unit**

Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2012	6/30/10	\$ -	\$ 343,048	\$ 343,048	- %	\$ 1,131,248	30.32%
2011	6/30/10	-	343,048	343,048	-	1,131,248	30.32
2010	6/30/10	-	343,048	343,048	-	1,131,248	30.32

Note: Fiscal year 2010 is the transition year for GASB Statement No. 45

The information presented in the required supplementary schedules was determined as part of the actuarial valuation date as of June 30, 2010. Additional information follows:

- a. The cost method used to determine the ARC is the Entry Age Actuarial Cost method.
- b. There are no plan assets.
- c. The actuarial assumptions included: 1) 5 percent investment rate of return, 2) salary increases of 5 percent and 3) health care cost trend rate of 8 percent initially and an ultimate rate of 6 percent.
- d. The amortization method is level percentage of pay on an open basis.

Rock Island County, Illinois

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 6,718,559	\$ 6,776,534	\$ 5,688,378	\$ (1,088,156)
Property taxes	7,645,215	7,645,215	7,647,550	2,335
Intergovernmental	9,996,138	10,532,728	10,622,325	89,597
Investment earnings	77,248	77,248	34,256	(42,992)
Miscellaneous	15,303	15,303	165,638	150,335
Total revenues	24,452,463	25,047,028	24,158,147	(888,881)
Expenditures:				
Current:				
Salaries and wages	17,119,819	17,427,904	17,016,937	410,967
Personal benefits	2,835,225	2,909,975	2,897,481	12,494
Supplies	351,299	378,009	299,176	78,833
Other services and charges	3,716,393	4,743,486	4,519,155	224,331
Capital outlay	190,602	364,920	311,376	53,544
Total expenditures	24,213,338	25,824,294	25,044,125	780,169
Excess (deficiency) of revenues over expenditures	239,125	(777,266)	(885,978)	(108,712)
Other financing sources (uses):				
Transfers in	1,456,373	1,566,465	1,554,850	(11,615)
Transfers out	(1,647,861)	(1,871,154)	(1,631,673)	239,481
Proceeds from sale of capital asset	14,500	14,500	16,195	1,695
Total other financing sources (uses)	(176,988)	(290,189)	(60,628)	229,561
Net change in fund balance	\$ 62,137	\$ (1,067,455)	(946,606)	\$ 120,849

Reconciliation to GAAP Basis:

Activities reported within the Child Welfare Fund, County Indemnity Fund,
 Local Law Enforcement Grant Fund, Homeland Security Fund, Working
 Cash Fund and Sheriff Crime Lab Fund (sub-funds of the General Fund):

Total revenue	4,027
Total expenditures	(798,737)
Total other financing sources	798,718
Total other financing (uses)	(14,199)
Total reconciling items	(10,191)
Net change in fund balance	(956,797)

Fund balances, beginning of year	6,268,715
Fund balances, end of year	<u>\$ 5,311,918</u>

See Note to Required Supplementary Information.

Rock Island County, Illinois

Required Supplementary Information
 Budgetary Comparison Schedule
 Forest Preserve Commission
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 1,436,600	\$ 1,440,026	\$ 1,848,100	\$ 408,074
Property taxes	2,231,450	2,231,450	2,294,224	62,774
Intergovernmental	161,807	221,807	374,454	152,647
Investment earnings	45,525	45,525	6,743	(38,782)
Miscellaneous	305,550	305,550	367,612	62,062
Total revenues	4,180,932	4,244,358	4,891,133	646,775
Expenditures:				
Current:				
Salaries and wages	1,903,550	2,025,098	2,024,625	473
Personal benefits	685,007	671,589	652,816	18,773
Supplies	431,475	617,973	619,119	(1,146)
Other services and charges	480,272	763,227	762,516	711
Capital outlay	148,000	256,817	256,652	165
Debt service:				
Principal retirement	280,000	280,000	280,000	-
Interest and fiscal charges	252,628	252,611	252,611	-
Total expenditures	4,180,932	4,867,315	4,848,339	18,976
Excess (deficiency) of revenues over expenditures	-	(622,957)	42,794	665,751
Other financing sources,				
proceeds from sale of capital assets	-	-	5,904	5,904
Total other financing sources	-	-	5,904	5,904
Net change in fund balance	\$ -	\$ (622,957)	48,698	\$ 671,655

Reconciliation to GAAP Basis:

Activities reported within the Niabi Zoo Improvement Fund, Marvin Martin Trust Fund, Golf Course Improvement Fund and Bike Path Project Fund (subfunds of the Forest Preserve Commission Fund):

Total revenue	403,234
Total expenditures	(331,499)
Total reconciling items	71,735

Net change in fund balance 120,433

Fund balance, beginning of year	2,164,927
Fund balance, end of year	\$ 2,285,360

See Note to Required Supplementary Information.

Rock Island County, Illinois

Required Supplementary Information
 Budgetary Comparison Schedule
 Hope Creek Care Center Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 14,783,694	\$ 15,550,979	\$ 15,520,399	\$ (30,580)
Investment earnings	15,000	15,000	8,494	(6,506)
Miscellaneous	685,152	685,152	103	(685,049)
Total revenues	15,483,846	16,251,131	15,528,996	(722,135)
Expenditures:				
Current:				
Salaries and wages	8,752,971	8,837,554	8,837,554	-
Personal benefits	3,226,401	3,215,145	3,215,143	2
Supplies	1,337,340	1,447,972	1,449,514	(1,542)
Other services and charges	2,020,805	3,728,177	3,721,888	6,289
Capital outlay	16,750	15,620	15,559	61
Debt service:				
Principal retirement	425,000	425,000	425,000	-
Interest and fiscal charges	796,113	788,463	788,463	-
Total expenditures	16,575,380	18,457,931	18,453,121	4,810
(Deficiency) of revenues over expenditures	(1,091,534)	(2,206,800)	(2,924,125)	(717,325)
Other financing sources (uses):				
Transfers in	2,250,000	2,250,000	2,265,470	15,470
Transfers out	(210,001)	(258,522)	(258,522)	-
Total other financing sources	2,039,999	1,991,478	2,006,948	15,470
Net change in fund balance	\$ 948,465	\$ (215,322)	(917,177)	\$ (701,855)
Reconciliation to GAAP Basis:				
Activities reported within the Nursing Home Tax Levy Fund:				
Total revenue			2,265,470	
Total other financing (uses)			(2,265,470)	
Total reconciling items			-	
Net change in fund balance			(917,177)	
Fund balance, beginning of year			1,671,113	
Fund balance, end of year			\$ 753,936	

See Note to Required Supplementary Information.

Rock Island County, Illinois

Required Supplementary Information
 Budgetary Comparison Schedule
 Illinois Municipal Retirement Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 2,518,254	\$ 2,518,254	\$ 2,534,839	\$ 16,585
Investment earnings	5,200	5,200	2,941	(2,259)
Total revenues	2,523,454	2,523,454	2,537,780	14,326
Expenditures:				
Current:				
Personal benefits	2,522,395	2,585,622	2,512,659	72,963
Other services and charges	-	584	584	-
Total expenditures	2,522,395	2,586,206	2,513,243	72,963
Excess (deficiency) of revenues over expenditures	1,059	(62,752)	24,537	87,289
Other financing sources (uses):				
Transfers in	9,296	9,296	-	(9,296)
Transfers out	(9,832)	(9,832)	-	9,832
Total other financing sources	(536)	(536)	-	536
Net change in fund balance	\$ 523	\$ (63,288)	24,537	\$ 87,825
Fund balance, beginning of year			970,517	
Fund balance, end of year			<u>\$ 995,054</u>	

See Note to Required Supplementary Information.

This Page Intentionally Left Blank

Rock Island County, Illinois

Note to Required Supplementary Information Year Ended November 30, 2012

Budgetary Comparison Schedules

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

Through the implementation of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, various Special Revenue Funds were reclassified and are now included with the General Fund. These funds have not been included with the General Fund budgetary comparison schedule as they were not included with the legally adopted budget of the General Fund. The budgetary comparison schedules for the General Fund Sub-Funds are presented as supplementary information. The County Indemnity Fund was not budgeted for the year ended November 30, 2012 and is not included in the budgetary comparison schedules.

The Niabi Zoo Improvement Fund, Marvin Martin Trust Fund, Golf Course Improvement Fund and Bike Path Project Fund are sub-funds of the Forest Preserve Commission. These funds were not budgeted for the year ended June 30, 2012 and are not included in the budgetary comparison schedule.

There were several budget amendments during the year.

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

The County follows these procedures in establishing their operational budget:

1. At a regular or special call meeting of the County Board in October or November, the proposed budget for the fiscal year commencing on the following December 1 is submitted. The budget includes proposed expenditures and the means of financing them.
2. Prior to December 1, the budget is legally enacted through passage of an appropriation ordinance.
3. Transfers of budgeted amounts among object classifications, or any budget increases by means of an emergency or supplemental appropriations, require approval by two-thirds of the County Board members. Adjustments made during the year are reflected in the budget information included in the basic financial statements. The original budget was increased by \$4,896,358, primarily due to the availability of revenues during the year from grants and unexpected changes in various costs and building improvements not originally budgeted for.
4. Budgets for the General and certain special revenue funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Expenditures may not legally exceed the total amount of the revised budget appropriations of individual funds.

Rock Island County, Illinois

**Note to Required Supplementary Information
Year Ended November 30, 2012**

There were no funds that overexpended their budgeted amounts during the year.

Formal budgetary integration is employed as a management control device during the year for the General Fund and most special revenue funds. The Workforce Investment Act and Metropolitan Enforcement Group Special Revenue Funds and Capital Project Fund were not budgeted for the year ended November 30, 2012 and are not included in the Budgetary Comparison Schedules.

Rock Island County, Illinois

Schedule of Revenues and Other Financing Sources - Budget and Actual
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fees:				
Circuit clerk fees	\$ 2,960,000	\$ 2,960,000	\$ 2,415,274	\$ (544,726)
County recorder fees	1,135,000	1,135,000	602,373	(532,627)
States attorney fees	45,000	45,000	33,957	(11,043)
County sheriff fees	366,000	366,000	418,821	52,821
Other	2,212,559	2,270,534	2,217,953	(52,581)
Total fees	6,718,559	6,776,534	5,688,378	(1,088,156)
Property taxes:				
Property taxes	6,952,165	6,952,165	6,963,319	11,154
Penalties and interest	693,050	693,050	684,231	(8,819)
Total property taxes	7,645,215	7,645,215	7,647,550	2,335
Intergovernmental:				
Salary reimbursements	934,178	934,178	1,265,321	331,143
Sales and use tax	4,500,000	4,500,000	4,821,483	321,483
State income tax	1,700,000	1,700,000	1,587,659	(112,341)
Tax replacement revenue	2,250,000	2,250,000	2,144,630	(105,370)
Other	611,960	1,148,550	803,232	(345,318)
Total intergovernmental	9,996,138	10,532,728	10,622,325	89,597
Investment earnings	77,248	77,248	34,256	(42,992)
Miscellaneous	15,303	15,303	165,638	150,335
Total revenues	24,452,463	25,047,028	24,158,147	(888,881)
Other financing sources:				
Transfers from other funds	1,456,373	1,566,465	1,554,850	(11,615)
Proceeds from sale of fixed asset	14,500	14,500	16,195	1,695
Total other financing sources	1,470,873	1,580,965	1,571,045	(9,920)
Total revenues and other financing sources	\$ 25,923,336	\$ 26,627,993	\$ 25,729,192	\$ (898,801)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Assessment Map:				
Salaries and wages	\$ 201,065	\$ 211,834	\$ 207,462	\$ 4,372
Supplies	1,550	4,379	3,687	692
Other services and charges	25,455	32,626	20,304	12,322
Total	228,070	248,839	231,453	17,386
Auditor:				
Salaries and wages	212,268	216,928	213,711	3,217
Supplies	913	1,066	1,066	-
Other services and charges	6,985	8,642	8,562	80
Capital outlay	-	5,849	5,846	3
Total	220,166	232,485	229,185	3,300
County Board:				
Salaries and wages	360,372	363,277	361,339	1,938
Supplies	850	1,269	1,106	163
Other services and charges	12,924	15,108	11,938	3,170
Total	374,146	379,654	374,383	5,271
Circuit Clerk:				
Salaries and wages	1,333,741	1,365,868	1,313,529	52,339
Total	1,333,741	1,365,868	1,313,529	52,339
Circuit Court:				
Salaries and wages	97,237	107,542	107,421	121
Supplies	2,512	3,017	3,017	-
Other services and charges	335,175	428,061	427,876	185
Total	434,924	538,620	538,314	306
Civil Defense:				
Salaries and wages	51,900	55,881	53,897	1,984
Supplies	8,999	9,149	1,947	7,202
Other services and charges	39,070	39,670	23,819	15,851
Capital outlay	34,100	75,075	38,033	37,042
Total	134,069	179,775	117,696	62,079

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
County Clerk:				
Salaries and wages	\$ 569,908	\$ 585,920	\$ 554,018	\$ 31,902
Supplies	67,100	105,865	73,472	32,393
Other services and charges	204,200	347,279	309,124	38,155
Total	841,208	1,039,064	936,614	102,450
Coroner:				
Salaries and wages	194,052	197,510	197,510	-
Personal benefits	-	601	601	-
Supplies	-	3,883	3,284	599
Other services and charges	43,261	42,678	42,539	139
Capital outlay	12,500	86,790	82,478	4,312
Total	249,813	331,462	326,412	5,050
Information Systems:				
Salaries and wages	471,442	489,044	470,039	19,005
Supplies	10,225	33,406	14,687	18,719
Other services and charges	95,485	92,188	88,595	3,593
Capital outlay	34,335	34,231	23,031	11,200
Total	611,487	648,869	596,352	52,517
Liquor Commission, other services and charges				
	50	50	31	19
Building Maintenance:				
Salaries and wages	150,980	153,106	152,606	500
Personal benefits	1,246	1,329	1,325	4
Supplies	8,200	8,200	8,020	180
Other services and charges, principally utilities	488,300	443,885	436,757	7,128
Total	648,726	606,520	598,708	7,812
County Zoning:				
Salaries and wages	242,770	251,142	234,906	16,236
Supplies	1,735	1,735	1,481	254
Other services and charges	26,842	26,842	23,757	3,085
Total	271,347	279,719	260,144	19,575

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
General County Services:				
Salaries and wages	\$ -	\$ 720	\$ 480	\$ 240
Personal benefits	2,595,134	2,678,432	2,678,432	-
Supplies	12,350	9,524	4,998	4,526
Other services and charges	367,461	705,332	599,946	105,386
Total	2,974,945	3,394,008	3,283,856	110,152
Court Services:				
Salaries and wages	1,996,641	2,008,709	2,008,708	1
Supplies	8,500	7,253	2,994	4,259
Other services and charges	45,400	43,282	34,467	8,815
Total	2,050,541	2,059,244	2,046,169	13,075
Recorder:				
Salaries and wages	397,297	405,246	370,938	34,308
Supplies	200	200	76	124
Other services and charges	2,793	2,793	2,010	783
Total	400,290	408,239	373,024	35,215
Sheriff:				
Salaries and wages	7,925,889	8,004,740	7,823,538	181,202
Personal benefits	93,531	80,131	80,024	107
Supplies	217,600	173,259	163,890	9,369
Other services and charges	1,368,536	1,780,199	1,774,064	6,135
Capital outlay	104,867	158,175	157,358	817
Total	9,710,423	10,196,504	9,998,874	197,630
States Attorney:				
Salaries and wages	1,446,945	1,475,674	1,469,862	5,812
Supplies	-	996	996	-
Other services and charges	67,729	66,733	59,279	7,454
Total	1,514,674	1,543,403	1,530,137	13,266
Superintendent of Educational Services Region:				
Salaries and wages	45,714	46,628	43,620	3,008
Other services and charges	21,000	21,000	21,000	-
Total	66,714	67,628	64,620	3,008

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
 General Fund
 Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Treasurer:				
Salaries and wages	\$ 303,025	\$ 308,713	\$ 306,505	\$ 2,208
Other services and charges	44,300	44,300	38,538	5,762
Total	347,325	353,013	345,043	7,970
Board of Review:				
Salaries and wages	55,413	55,413	55,077	336
Supplies	650	1,102	955	147
Other services and charges	3,800	3,348	2,088	1,260
Total	59,863	59,863	58,120	1,743
Public Defender:				
Salaries and wages	616,194	658,759	658,759	-
Supplies	4,000	4,447	4,342	105
Other services and charges	14,900	13,167	8,656	4,511
Total	635,094	676,373	671,757	4,616
Liability Insurance:				
Salaries and wages	373,126	391,381	358,969	32,412
Personal benefits	145,314	149,482	137,099	12,383
Supplies	5,115	7,956	7,934	22
Other services and charges	500,697	582,116	582,185	(69)
Capital outlay	2,400	2,400	2,315	85
Total	1,026,652	1,133,335	1,088,502	44,833
Human Resources:				
Salaries and wages	73,840	73,869	54,043	19,826
Supplies	800	1,303	1,224	79
Other services and charges	2,030	4,187	3,620	567
Capital outlay	2,400	2,400	2,315	85
Total	79,070	81,759	61,202	20,557

(Continued)

Rock Island County, Illinois

Schedule of Expenditures by Department and Other Financing Uses - Budget and Actual (Continued)
General Fund
Year Ended November 30, 2012

	Budget		Actual	Variance with Final Budget
	Original	Final		
Total General Fund:				
Salaries and wages	\$ 17,119,819	\$ 17,427,904	\$ 17,016,937	\$ 410,967
Personal benefits	2,835,225	2,909,975	2,897,481	12,494
Supplies	351,299	378,009	299,176	78,833
Other services and charges	3,716,393	4,743,486	4,519,155	224,331
Capital outlay	190,602	364,920	311,376	53,544
Total expenditures	24,213,338	25,824,294	25,044,125	780,169
Other financing uses, transfers to other funds	1,647,861	1,871,154	1,631,673	239,481
Total expenditures and other financing uses	\$ 25,861,199	\$ 27,695,448	\$ 26,675,798	\$ 1,019,650

This Page Intentionally Left Blank

Rock Island County, Illinois

**Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual -
General Fund Sub-Funds
Year Ended November 30, 2012**

	Child Welfare Fund		Working Cash Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	1,200	2,053
Total revenues	-	-	1,200	2,053
Expenditures, current operating, other services and charges	798,800	798,737	-	-
Excess (deficiency) of revenues over expenditures	(798,800)	(798,737)	1,200	2,053
Other financing sources (uses):				
Transfers in	798,800	798,718	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	798,800	798,718	-	-
Net change in fund balances	\$ -	(19)	\$ 1,200	2,053
Fund balances, beginning of year		157		517,654
Fund balances, end of year		<u>\$ 138</u>		<u>\$ 519,707</u>

Sheriff Crime Lab Fund		Local Law Enforcement Grant Fund		Homeland Security Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ 1,972	\$ -	\$ -	\$ -	\$ -
-	2	-	-	-	-
-	1,974	-	-	-	-
-	-	-	-	-	-
-	1,974	-	-	-	-
-	-	-	-	-	-
-	-	(16)	(16)	(14,031)	(14,031)
-	-	(16)	(16)	(14,031)	(14,031)
<u>\$ -</u>	<u>1,974</u>	<u>\$ (16)</u>	<u>(16)</u>	<u>\$ (14,031)</u>	<u>(14,031)</u>
	560		16		14,031
	<u>\$ 2,534</u>		<u>\$ -</u>		<u>\$ -</u>

Rock Island County, Illinois

Statement of Revenues, Expenditures and Changes in
 Fund Balances - Budget and Actual -
 Hope Creek Care Center Fund Sub-Fund
 Year Ended November 30, 2012

	Nursing Home Tax Levy Fund	
	Budget	Actual
Revenues:		
Property taxes	\$ 2,265,470	\$ 2,265,080
Investment earnings	1,300	390
Total revenues	<u>2,266,770</u>	<u>2,265,470</u>
Other financing (uses), transfers out	(2,265,470)	(2,265,470)
Net change in fund balance	<u><u>\$ 1,300</u></u>	-
Fund balances, beginning of year		-
Fund balances, end of year		<u><u>\$ -</u></u>

This Page Intentionally Left Blank

Rock Island County, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 November 30, 2012

	Total	Special Revenue		
		Animal Control Fund	Arrestee Medical Costs Fund	Child Advocacy Fund
Assets				
Cash and cash equivalents	\$ 12,673,004	\$ 11,818	\$ 17,993	\$ -
Receivables:				
Property taxes receivable	7,130,507	-	-	72,385
Accounts receivable	154,282	19,173	-	-
Accrued interest receivable	3,255	-	4	3
Due from other funds	24,646	-	-	-
Due from other governmental units	1,487,195	-	1,568	-
Other assets	33,341	-	-	-
Advances to other funds	396,850	-	-	-
Total assets	\$ 21,903,080	\$ 30,991	\$ 19,565	\$ 72,388
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 771,602	\$ 33,432	\$ -	\$ 2,388
Accrued liabilities	299,377	158,118	-	-
Due to other funds	111,237	5,453	-	-
Due to other governmental units	1,848	1,848	-	-
Deferred revenues	7,317,313	-	-	70,000
Advances from other funds	551,850	113,000	-	-
Total liabilities	9,053,227	311,851	-	72,388
Fund balances (deficits):				
Nonspendable	430,191	-	-	-
Restricted	12,123,958	-	19,565	-
Assigned	995,559	-	-	-
Unassigned	(699,855)	(280,860)	-	-
Total fund balances (deficits)	12,849,853	(280,860)	19,565	-
Total liabilities and fund balances (deficits)	\$ 21,903,080	\$ 30,991	\$ 19,565	\$ 72,388

(Continued)

Special Revenue

Collector Tax Fee Fund	Community Mental Health Fund	COPS Grant Fund	County Bridge Fund	County Clerk Document Fund	County Extension Education Fund
\$ 103,278	\$ 726,493	\$ -	\$ 693,064	\$ 62,519	\$ -
-	1,446,416	-	167,904	-	232,471
-	184	-	-	6,299	-
30	215	-	221	18	9
-	-	-	-	-	-
80,990	-	23,603	-	-	-
-	5,536	-	-	19,791	-
-	-	-	-	-	-
<u>\$ 184,298</u>	<u>\$ 2,178,844</u>	<u>\$ 23,603</u>	<u>\$ 861,189</u>	<u>\$ 88,627</u>	<u>\$ 232,480</u>
\$ -	\$ 246,884	\$ -	\$ 21,659	\$ 31	\$ 7,480
-	1,109	11,683	-	-	-
-	4	-	-	-	-
-	-	-	-	-	-
-	1,400,000	-	162,500	-	225,000
-	-	-	-	-	-
-	<u>1,647,997</u>	<u>11,683</u>	<u>184,159</u>	<u>31</u>	<u>232,480</u>
-	5,536	-	-	19,791	-
184,298	525,311	11,920	677,030	68,805	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>184,298</u>	<u>530,847</u>	<u>11,920</u>	<u>677,030</u>	<u>88,596</u>	<u>-</u>
<u>\$ 184,298</u>	<u>\$ 2,178,844</u>	<u>\$ 23,603</u>	<u>\$ 861,189</u>	<u>\$ 88,627</u>	<u>\$ 232,480</u>

Rock Island County, Illinois

Combining Balance Sheet (Continued)
 Nonmajor Governmental Funds
 November 30, 2012

	Special Revenue			
	County Health Fund	County Highway Fund	County Law Library Fund	Court Automation Fund
Assets				
Cash and cash equivalents	\$ 366,230	\$ 1,621,587	\$ 101,195	\$ 1,368,011
Receivables:				
Property taxes receivable	733,685	1,095,941	-	-
Accounts receivable	69,820	14,353	6,498	-
Accrued interest receivable	137	507	29	319
Due from other funds	19,283	903	-	-
Due from other governmental units	945,867	13,625	-	18,654
Other assets	3,302	4,522	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 2,138,324	\$ 2,751,438	\$ 107,722	\$ 1,386,984
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 155,442	\$ 108,153	\$ 12,456	\$ 4,801
Accrued liabilities	64,581	11,834	-	-
Due to other funds	80,210	2,621	-	350
Due to other governmental units	-	-	-	-
Deferred revenues	1,126,240	1,062,400	-	-
Advances from other funds	-	-	-	-
Total liabilities	1,426,473	1,185,008	12,456	5,151
Fund balances (deficits):				
Nonspendable	3,302	4,522	-	-
Restricted	708,549	566,349	95,266	1,381,833
Assigned	-	995,559	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	711,851	1,566,430	95,266	1,381,833
Total liabilities and fund balances (deficits)	\$ 2,138,324	\$ 2,751,438	\$ 107,722	\$ 1,386,984

(Continued)

Special Revenue						
Court Document Storage Fund	Court Security Fund	Federal Social Security Fund	GIS 2005 Fund	Hillsdale Special Service Area Fund	Maintenance and Child Support Collection Fund	
\$ 819,975	\$ -	\$ 986,366	\$ 213,428	\$ 41,376	\$ 7,017	
-	-	1,319,760	-	9,200	-	
-	-	-	84	-	-	
239	-	290	58	12	-	
-	-	-	2,350	-	-	
18,837	19,142	-	1,620	-	377	
-	-	-	50	-	-	
-	-	-	-	-	-	
<u>\$ 839,051</u>	<u>\$ 19,142</u>	<u>\$ 2,306,416</u>	<u>\$ 217,590</u>	<u>\$ 50,588</u>	<u>\$ 7,394</u>	
\$ 7,432	\$ 93	\$ -	\$ 193	\$ 373	\$ -	
361	6,805	25,138	1,523	-	-	
8,899	-	-	28	-	-	
-	-	-	-	-	-	
-	-	1,277,000	-	8,400	-	
-	22,000	-	-	-	20,000	
<u>16,692</u>	<u>28,898</u>	<u>1,302,138</u>	<u>1,744</u>	<u>8,773</u>	<u>20,000</u>	
-	-	-	50	-	-	
822,359	-	1,004,278	215,796	41,815	-	
-	-	-	-	-	-	
-	(9,756)	-	-	-	(12,606)	
<u>822,359</u>	<u>(9,756)</u>	<u>1,004,278</u>	<u>215,846</u>	<u>41,815</u>	<u>(12,606)</u>	
\$ 839,051	\$ 19,142	\$ 2,306,416	\$ 217,590	\$ 50,588	\$ 7,394	

Rock Island County, Illinois

Combining Balance Sheet (Continued)
 Nonmajor Governmental Funds
 November 30, 2012

	Special Revenue			
	Motor Fuel Tax Fund	Probation Services Fee Fund	Recorders Document Fund	States Attorney Drug Enforcement Fund
Assets				
Cash and cash equivalents	\$ 2,686,957	\$ 1,379,863	\$ 329,119	\$ 233,892
Receivables:				
Property taxes receivable	-	-	-	-
Accounts receivable	254	-	-	-
Accrued interest receivable	761	-	91	-
Due from other funds	-	-	2,110	-
Due from other governmental units	330,906	29,516	-	-
Other assets	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 3,018,878	\$ 1,409,379	\$ 331,320	\$ 233,892
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 8,665	\$ 30,086	\$ 46,001	\$ 4,417
Accrued liabilities	13,108	40	1,933	-
Due to other funds	-	7,002	291	5,283
Due to other governmental units	-	-	-	-
Deferred revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	21,773	37,128	48,225	9,700
Fund balances (deficits):				
Nonspendable	-	-	-	-
Restricted	2,997,105	1,372,251	283,095	224,192
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	2,997,105	1,372,251	283,095	224,192
Total liabilities and fund balances (deficits)	\$ 3,018,878	\$ 1,409,379	\$ 331,320	\$ 233,892

(Continued)

Special Revenue						
Treasurer's Automation Fund	Veterans Assistance Fund	Zuma-Canoe Creek Special Service Area Fund	Circuit Clerk Administration Cost Fund	Hotel/Motel Tax Fund	Drug Court Grant Fund	
\$ 66,397	\$ 305,031	\$ 119,897	\$ 128,727	\$ 60,419	\$ 172,928	
-	470,101	39,838	-	-	-	
22,112	-	-	1,943	11,158	2,404	
18	88	33	37	15	49	
-	-	-	-	-	-	
2,490	-	-	-	-	-	
-	140	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 91,017</u>	<u>\$ 775,360</u>	<u>\$ 159,768</u>	<u>\$ 130,707</u>	<u>\$ 71,592</u>	<u>\$ 175,381</u>	
\$ 1,183	\$ 8,388	\$ 21,163	\$ -	\$ -	\$ 600	
-	2,748	-	396	-	-	
-	82	-	-	-	-	
-	-	-	-	-	-	
-	455,000	37,562	-	-	-	
-	-	-	-	-	-	
<u>1,183</u>	<u>466,218</u>	<u>58,725</u>	<u>396</u>	<u>-</u>	<u>600</u>	
-	140	-	-	-	-	
89,834	309,002	101,043	130,311	71,592	174,781	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>89,834</u>	<u>309,142</u>	<u>101,043</u>	<u>130,311</u>	<u>71,592</u>	<u>174,781</u>	
<u>\$ 91,017</u>	<u>\$ 775,360</u>	<u>\$ 159,768</u>	<u>\$ 130,707</u>	<u>\$ 71,592</u>	<u>\$ 175,381</u>	

Rock Island County, Illinois

Combining Balance Sheet (Continued)

Nonmajor Governmental Funds

November 30, 2012

	Special Revenue			
	Coroner Fee Fund	Federal Seized and Forfeited Property Fund	Debt Service Fund	Capital Project Fund
Assets				
Cash and cash equivalents	\$ 22,832	\$ 26,375	\$ -	\$ 217
Receivables:				
Property taxes receivable	-	-	1,542,806	-
Accounts receivable	-	-	-	-
Accrued interest receivable	6	8	58	-
Due from other funds	-	-	-	-
Due from other governmental units	-	-	-	-
Other assets	-	-	-	-
Advances to other funds	-	-	-	396,850
Total assets	\$ 22,838	\$ 26,383	\$ 1,542,864	\$ 397,067
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 629	\$ -	\$ 49,653	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	1,014	-	-	-
Due to other governmental units	-	-	-	-
Deferred revenues	-	-	1,493,211	-
Advances from other funds	-	-	-	396,850
Total liabilities	1,643	-	1,542,864	396,850
Fund balances (deficits):				
Nonspendable	-	-	-	396,850
Restricted	21,195	26,383	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(396,633)
Total fund balances (deficits)	21,195	26,383	-	217
Total liabilities and fund balances (deficits)	\$ 22,838	\$ 26,383	\$ 1,542,864	\$ 397,067

(Continued)

This Page Intentionally Left Blank

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits)
Nonmajor Governmental Funds
Year Ended November 30, 2012**

	Total	Special Revenue		
		Animal Control Fund	Arrestee Medical Costs Fund	Child Advocacy Fund
Revenues:				
Fees	\$ 3,555,827	\$ 754,022	\$ 24,296	\$ -
Property taxes	6,906,444	-	-	72,299
Intergovernmental	9,605,171	-	-	-
Investment earnings	50,415	3	136	11
Miscellaneous	951,001	30,963	-	-
Total revenues	21,068,858	784,988	24,432	72,310
Expenditures:				
Current:				
General government	1,995,777	-	-	-
Public safety	1,803,384	937,742	-	-
Corrections	5,731	-	-	-
Judiciary and legal	1,374,501	-	-	-
Transportation and public works	4,268,216	-	-	-
Social services	8,876,325	-	-	72,310
Capital outlay	729,566	-	-	-
Debt service:				
Principal retirement	730,000	-	-	-
Interest and fiscal charges	273,917	-	-	-
Total expenditures	20,057,417	937,742	-	72,310
Excess (deficiency) of revenues over expenditures	1,011,441	(152,754)	24,432	-
Other financing sources (uses):				
Transfers in	883,297	408,458	-	-
Transfers out	(1,302,493)	-	(58,500)	-
Proceeds from sale of capital assets	92,222	-	-	-
Total other financing sources (uses)	(326,974)	408,458	(58,500)	-
Net change in fund balances	684,467	255,704	(34,068)	-
Fund balances (deficits), beginning of year	12,165,386	(536,564)	53,633	-
Fund balances (deficits), end of year	\$ 12,849,853	\$ (280,860)	\$ 19,565	\$ -

(Continued)

Special Revenue					
Collector Tax Fee Fund	Community Mental Health Fund	COPS Grant Fund	County Bridge Fund	County Clerk Document Fund	County Extension Education Fund
\$ 80,990	\$ -	\$ -	\$ 182,513	\$ 45,477	\$ -
-	1,407,241	-	163,848	-	226,519
-	-	569,882	-	-	-
564	3,223	-	2,896	427	39
-	1,222	-	-	100	-
81,554	1,411,686	569,882	349,257	46,004	226,558
17,496	-	-	-	42,326	-
-	-	809,872	-	-	-
-	-	-	-	-	-
-	-	-	56,861	-	-
-	1,360,541	-	-	-	226,558
-	-	-	209,934	33,787	-
-	-	-	-	-	-
-	-	-	-	-	-
17,496	1,360,541	809,872	266,795	76,113	226,558
64,058	51,145	(239,990)	82,462	(30,109)	-
-	-	246,720	-	-	-
(75,000)	(35,576)	-	-	(6,896)	-
-	-	-	-	16,422	-
(75,000)	(35,576)	246,720	-	9,526	-
(10,942)	15,569	6,730	82,462	(20,583)	-
195,240	515,278	5,190	594,568	109,179	-
\$ 184,298	\$ 530,847	\$ 11,920	\$ 677,030	\$ 88,596	\$ -

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2012**

	Special Revenue			
	County Health Fund	County Highway Fund	County Law Library Fund	Court Automation Fund
Revenues:				
Fees	\$ 474,257	\$ 32,458	\$ 86,695	\$ 249,621
Property taxes	718,079	1,016,875	-	-
Intergovernmental	3,641,423	21,190	-	-
Investment earnings	1,851	5,926	490	5,832
Miscellaneous	23,655	624,267	-	44
Total revenues	4,859,265	1,700,716	87,185	255,497
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Corrections	-	-	-	-
Judiciary and legal	-	-	81,398	85,484
Transportation and public works	-	1,212,501	-	-
Social services	4,528,937	-	-	-
Capital outlay	64,488	307,588	-	11,784
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	4,593,425	1,520,089	81,398	97,268
Excess (deficiency) of revenues over expenditures	265,840	180,627	5,787	158,229
Other financing sources (uses):				
Transfers in	23,329	-	-	-
Transfers out	(149,000)	(155,000)	(12,115)	(6,452)
Proceeds from sale of capital assets	-	75,800	-	-
Total other financing sources (uses)	(125,671)	(79,200)	(12,115)	(6,452)
Net change in fund balances	140,169	101,427	(6,328)	151,777
Fund balances (deficits), beginning of year	571,682	1,465,003	101,594	1,230,056
Fund balances (deficits), end of year	\$ 711,851	\$ 1,566,430	\$ 95,266	\$ 1,381,833

(Continued)

Special Revenue				
Court Document Storage Fund	Court Security Fund	Federal Social Security Fund	GIS 2005 Fund	Hillsdale Special Service Area Fund
\$ -	\$ 268,265	\$ -	\$ 277,440	\$ -
-	-	1,296,383	-	8,000
-	-	-	-	-
3,730	-	3,353	752	201
267,299	-	-	-	-
271,029	268,265	1,299,736	278,192	8,201
-	-	1,245,368	195,765	-
-	-	-	-	-
-	-	-	-	-
222,063	405,849	-	-	-
-	-	-	-	23,074
-	-	-	-	-
18,508	-	-	-	-
-	-	-	-	-
-	-	-	-	-
240,571	405,849	1,245,368	195,765	23,074
30,458	(137,584)	54,368	82,427	(14,873)
-	148,296	-	-	-
(32,645)	-	(7,660)	(26,435)	-
-	-	-	-	-
(32,645)	148,296	(7,660)	(26,435)	-
(2,187)	10,712	46,708	55,992	(14,873)
824,546	(20,468)	957,570	159,854	56,688
\$ 822,359	\$ (9,756)	\$ 1,004,278	\$ 215,846	\$ 41,815

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2012**

	Special Revenue			
	Workforce Investment Act Fund	Maintenance and Child Support Collection Fund	Metropolitan Enforcement Group Fund	Motor Fuel Tax Fund
Revenues:				
Fees	\$ -	\$ 79,592	\$ -	\$ 85,273
Property taxes	-	-	-	-
Intergovernmental	2,420,988	52,637	29,875	2,696,199
Investment earnings	-	-	-	15,736
Miscellaneous	-	-	-	-
Total revenues	2,420,988	132,229	29,875	2,797,208
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	29,875	-
Corrections	-	-	-	-
Judiciary and legal	-	156,309	-	-
Transportation and public works	-	-	-	2,958,145
Social services	2,420,988	-	-	-
Capital outlay	-	-	-	20,969
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,420,988	156,309	29,875	2,979,114
Excess (deficiency) of revenues over expenditures	-	(24,080)	-	(181,906)
Other financing sources (uses):				
Transfers in	-	17,000	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	17,000	-	-
Net change in fund balances	-	(7,080)	-	(181,906)
Fund balances (deficits), beginning of year	-	(5,526)	-	3,179,011
Fund balances (deficits), end of year	\$ -	\$ (12,606)	\$ -	\$ 2,997,105

(Continued)

Special Revenue						
Probation Services Fee Fund	Quad City Bomb Squad Fund	Recorders Document Fund	States Attorney Drug Enforcement Fund	Treasurer's Automation Fund	Veterans Assistance Fund	
\$ 447,705	\$ -	\$ 281,927	\$ 55,983	\$ 43,560	\$ -	
-	-	-	-	-	457,830	
22,694	-	-	-	-	-	
-	-	1,439	-	292	784	
1,000	-	-	-	-	2,451	
471,399	-	283,366	55,983	43,852	461,065	
-	-	270,438	-	24,564	-	
-	570	-	-	-	-	
-	-	-	-	-	-	
365,232	-	-	58,166	-	-	
-	-	-	-	-	-	
-	-	-	-	-	266,991	
23,379	-	14,343	2,108	4,678	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
388,611	570	284,781	60,274	29,242	266,991	
82,788	(570)	(1,415)	(4,291)	14,610	194,074	
12,896	242	-	-	-	-	
(167,277)	-	(7,143)	(4,279)	(3,605)	(54,910)	
-	-	-	-	-	-	
(154,381)	242	(7,143)	(4,279)	(3,605)	(54,910)	
(71,593)	(328)	(8,558)	(8,570)	11,005	139,164	
1,443,844	328	291,653	232,762	78,829	169,978	
\$ 1,372,251	\$ -	\$ 283,095	\$ 224,192	\$ 89,834	\$ 309,142	

Rock Island County, Illinois

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended November 30, 2012**

	Special Revenue			
	Zuma-Canoe Creek Special Service Area Fund	Circuit Clerk Administration Cost Fund	Hotel/Motel Tax Fund	Drug Court Grant Fund
Revenues:				
Fees	\$ -	\$ 27,667	\$ -	\$ 31,151
Property taxes	35,711	-	-	-
Intergovernmental	-	-	150,283	-
Investment earnings	481	587	550	744
Miscellaneous	-	-	-	-
Total revenues	36,192	28,254	150,833	31,895
Expenditures:				
Current:				
General government	-	21,158	178,662	-
Public safety	-	-	-	-
Corrections	-	-	-	5,731
Judiciary and legal	-	-	-	-
Transportation and public works	17,635	-	-	-
Social services	-	-	-	-
Capital outlay	18,000	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	35,635	21,158	178,662	5,731
Excess (deficiency) of revenues over expenditures	557	7,096	(27,829)	26,164
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	557	7,096	(27,829)	26,164
Fund balances (deficits), beginning of year	100,486	123,215	99,421	148,617
Fund balances (deficits), end of year	\$ 101,043	\$ 130,311	\$ 71,592	\$ 174,781

(Continued)

Special Revenue				
Coroner Fee Fund	Federal Seized and Forfeited Property Fund	Debt Service Fund	Capital Project Fund	
\$ 26,935	\$ -	\$ -	\$ -	
-	-	1,503,659	-	
-	-	-	-	
83	27	258	-	
-	-	-	-	
27,018	27	1,503,917	-	
-	-	-	-	
25,325	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	730,000	-	
-	-	273,917	-	
25,325	-	1,003,917	-	
1,693	27	500,000	-	
-	26,356	-	-	
-	-	(500,000)	-	
-	-	-	-	
-	26,356	(500,000)	-	
1,693	26,383	-	-	
19,502	-	-	217	
\$ 21,195	\$ 26,383	\$ -	\$ 217	

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds
Year Ended November 30, 2012**

	Special Revenue			
	Animal Control Fund		Arrestee Medical Costs Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ 789,660	\$ 754,022	\$ 58,500	\$ 24,296
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Investment earnings	-	3	-	136
Miscellaneous	27,300	30,963	-	-
Total revenues	816,960	784,988	58,500	24,432
Expenditures:				
Current operating:				
Salaries and wages	366,148	366,149	-	-
Personal benefits	134,369	134,164	-	-
Supplies	28,097	28,097	-	-
Other services and charges	409,491	409,332	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	938,105	937,742	-	-
Excess (deficiency) of revenues over expenditures	(121,145)	(152,754)	58,500	24,432
Other financing sources (uses):				
Transfers in	93,458	408,458	-	-
Transfers out	-	-	(58,500)	(58,500)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	93,458	408,458	(58,500)	(58,500)
Net change in fund balances	\$ (27,687)	255,704	\$ -	(34,068)
Fund balances (deficits), beginning of year		(536,564)		53,633
Fund balances (deficits), end of year		<u>\$ (280,860)</u>		<u>\$ 19,565</u>

(Continued)

Special Revenue

Child Advocacy Fund		Collector Tax Fee Fund		Community Mental Health Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ 86,000	\$ 80,990	\$ -	\$ -
72,357	72,299	-	-	1,400,000	1,407,241
-	-	-	-	-	-
-	11	740	564	7,000	3,223
-	-	-	-	-	1,222
72,357	72,310	86,740	81,554	1,407,000	1,411,686
-	-	-	-	38,152	38,152
-	-	-	-	11,995	11,620
-	-	-	-	1,808	1,195
72,310	72,310	18,000	17,496	1,312,450	1,309,574
-	-	-	-	292	-
-	-	-	-	-	-
-	-	-	-	-	-
72,310	72,310	18,000	17,496	1,364,697	1,360,541
47	-	68,740	64,058	42,303	51,145
-	-	-	-	-	-
-	-	(92,316)	(75,000)	(42,680)	(35,576)
-	-	-	-	-	-
-	-	(92,316)	(75,000)	(42,680)	(35,576)
\$ 47	-	\$ (23,576)	(10,942)	\$ (377)	15,569
-	-	-	195,240	-	515,278
\$ -	-	-	\$ 184,298	-	\$ 530,847

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	COPS Grant Fund		County Bridge Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ -	\$ -	\$ 182,513	\$ 182,513
Property taxes	-	-	162,500	163,848
Intergovernmental	547,029	569,882	-	-
Investment earnings	-	-	1,000	2,896
Miscellaneous	-	-	-	-
Total revenues	547,029	569,882	346,013	349,257
Expenditures:				
Current operating:				
Salaries and wages	645,439	554,084	14,000	-
Personal benefits	265,485	255,788	-	-
Supplies	-	-	10,716	8,426
Other services and charges	2,125	-	195,361	48,435
Capital outlay	-	-	212,436	209,934
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	913,049	809,872	432,513	266,795
Excess (deficiency) of revenues over expenditures	(366,020)	(239,990)	(86,500)	82,462
Other financing sources (uses):				
Transfers in	350,911	246,720	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	350,911	246,720	-	-
Net change in fund balances	\$ (15,109)	6,730	\$ (86,500)	82,462
Fund balances (deficits), beginning of year		5,190		594,568
Fund balances (deficits), end of year		<u>\$ 11,920</u>		<u>\$ 677,030</u>

(Continued)

Special Revenue

County Clerk Document Fund		County Extension Education Fund		County Health Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ 33,000	\$ 45,477	\$ -	\$ -	\$ 529,050	\$ 474,257
-	-	226,558	226,519	710,100	718,079
-	-	-	-	3,723,263	3,641,423
550	427	160	39	4,100	1,851
-	100	-	-	30,700	23,655
<u>33,550</u>	<u>46,004</u>	<u>226,718</u>	<u>226,558</u>	<u>4,997,213</u>	<u>4,859,265</u>
-	-	-	-	2,765,509	2,692,409
-	-	-	-	1,074,898	1,005,854
8,985	8,983	-	-	251,250	213,906
33,390	33,343	226,558	226,558	804,623	616,768
33,787	33,787	-	-	82,505	64,488
-	-	-	-	-	-
-	-	-	-	-	-
<u>76,162</u>	<u>76,113</u>	<u>226,558</u>	<u>226,558</u>	<u>4,978,785</u>	<u>4,593,425</u>
(42,612)	(30,109)	160	-	18,428	265,840
-	-	-	-	24,900	23,329
(6,916)	(6,896)	-	-	(149,000)	(149,000)
16,422	16,422	-	-	-	-
<u>9,506</u>	<u>9,526</u>	<u>-</u>	<u>-</u>	<u>(124,100)</u>	<u>(125,671)</u>
<u>\$ (33,106)</u>	<u>(20,583)</u>	<u>\$ 160</u>	<u>-</u>	<u>\$ (105,672)</u>	<u>140,169</u>
	109,179		-		571,682
	<u>\$ 88,596</u>		<u>\$ -</u>		<u>\$ 711,851</u>

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	County Highway Fund		County Law Library Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ 27,500	\$ 32,458	\$ 105,350	\$ 86,695
Property taxes	1,010,000	1,016,875	-	-
Intergovernmental	12,500	21,190	-	-
Investment earnings	8,000	5,926	1,500	490
Miscellaneous	790,000	624,267	-	-
Total revenues	1,848,000	1,700,716	106,850	87,185
Expenditures:				
Current operating:				
Salaries and wages	651,931	537,272	-	-
Personal benefits	419,353	248,599	-	-
Supplies	354,865	334,121	99,916	81,338
Other services and charges	120,664	92,509	8,025	60
Capital outlay	332,121	307,588	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,878,934	1,520,089	107,941	81,398
Excess (deficiency) of revenues over expenditures	(30,934)	180,627	(1,091)	5,787
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(155,000)	(155,000)	(12,115)	(12,115)
Proceeds from sale of capital assets	75,800	75,800	-	-
Total other financing sources (uses)	(79,200)	(79,200)	(12,115)	(12,115)
Net change in fund balances	\$ (110,134)	101,427	\$ (13,206)	(6,328)
Fund balances (deficits), beginning of year		1,465,003		101,594
Fund balances (deficits), end of year		<u>\$ 1,566,430</u>		<u>\$ 95,266</u>

(Continued)

Special Revenue

Court Automation Fund		Court Document Storage Fund		Court Security Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ 290,000	\$ 249,621	\$ -	\$ -	\$ 300,000	\$ 268,265
-	-	-	-	-	-
-	-	-	-	-	-
10,000	5,832	7,000	3,730	-	-
-	44	260,000	267,299	-	-
300,000	255,497	267,000	271,029	300,000	268,265
-	-	103,709	92,412	318,788	318,788
-	-	28,405	26,684	79,725	79,725
59,852	16,631	51,350	34,575	700	246
175,044	68,853	110,957	68,392	19,304	7,090
100,000	11,784	48,839	18,508	-	-
-	-	-	-	-	-
-	-	-	-	-	-
334,896	97,268	343,260	240,571	418,517	405,849
(34,896)	158,229	(76,260)	30,458	(118,517)	(137,584)
-	-	-	-	-	148,296
(6,452)	(6,452)	(32,645)	(32,645)	-	-
-	-	-	-	-	-
(6,452)	(6,452)	(32,645)	(32,645)	-	148,296
<u>\$ (41,348)</u>	151,777	<u>\$ (108,905)</u>	(2,187)	<u>\$ (118,517)</u>	10,712
	1,230,056		824,546		(20,468)
	<u>\$ 1,381,833</u>		<u>\$ 822,359</u>		<u>\$ (9,756)</u>

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	Federal Social Security Fund		GIS 2005 Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ -	\$ -	\$ 28,000	\$ 277,440
Property taxes	1,288,546	1,296,383	-	-
Intergovernmental	-	-	-	-
Investment earnings	4,625	3,353	1,000	752
Miscellaneous	-	-	-	-
Total revenues	1,293,171	1,299,736	29,000	278,192
Expenditures:				
Current operating:				
Salaries and wages	-	-	124,998	122,983
Personal benefits	1,322,213	1,244,977	46,979	45,121
Supplies	-	-	2,599	71
Other services and charges	489	391	27,662	27,590
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,322,702	1,245,368	202,238	195,765
Excess (deficiency) of revenues over expenditures	(29,531)	54,368	(173,238)	82,427
Other financing sources (uses):				
Transfers in	5,864	-	227,350	-
Transfers out	(7,660)	(7,660)	(26,435)	(26,435)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(1,796)	(7,660)	200,915	(26,435)
Net change in fund balances	\$ (31,327)	46,708	\$ 27,677	55,992
Fund balances (deficits), beginning of year		957,570		159,854
Fund balances (deficits), end of year		<u>\$ 1,004,278</u>		<u>\$ 215,846</u>

(Continued)

Special Revenue			
Hillsdale Special Service Area Fund		Maintenance and Child Support Collection Fund	
Budget	Actual	Budget	Actual
\$ -	\$ -	\$ 95,000	\$ 79,592
8,000	8,000	-	-
-	-	52,637	52,637
600	201	-	-
-	-	-	-
8,600	8,201	147,637	132,229
3,019	-	120,983	110,998
40	-	50,671	45,311
2,500	2,032	-	-
51,000	21,042	-	-
-	-	-	-
-	-	-	-
-	-	-	-
56,559	23,074	171,654	156,309
(47,959)	(14,873)	(24,017)	(24,080)
-	-	17,000	17,000
-	-	-	-
-	-	-	-
-	-	17,000	17,000
<u>\$ (47,959)</u>	<u>(14,873)</u>	<u>\$ (7,017)</u>	<u>(7,080)</u>
	56,688		(5,526)
	<u>\$ 41,815</u>		<u>\$ (12,606)</u>

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	Motor Fuel Tax Fund		Probation Services Fee Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ 716,000	\$ 85,273	\$ 610,700	\$ 447,705
Property taxes	-	-	-	-
Intergovernmental	2,154,000	2,696,199	27,235	22,694
Investment earnings	35,000	15,736	-	-
Miscellaneous	5,000	-	2,000	1,000
Total revenues	2,910,000	2,797,208	639,935	471,399
Expenditures:				
Current operating:				
Salaries and wages	747,987	625,298	-	-
Personal benefits	380,972	249,072	-	-
Supplies	607,500	510,088	54,603	38,550
Other services and charges	1,639,500	1,573,687	361,228	326,682
Capital outlay	25,000	20,969	39,214	23,379
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	3,400,959	2,979,114	455,045	388,611
Excess (deficiency) of revenues over expenditures	(490,959)	(181,906)	184,890	82,788
Other financing sources (uses):				
Transfers in	-	-	20,000	12,896
Transfers out	-	-	(175,353)	(167,277)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	(155,353)	(154,381)
Net change in fund balances	\$ (490,959)	(181,906)	\$ 29,537	(71,593)
Fund balances (deficits), beginning of year		3,179,011		1,443,844
Fund balances (deficits), end of year		<u>\$ 2,997,105</u>		<u>\$ 1,372,251</u>

(Continued)

Special Revenue

Quad City Bomb Squad Fund		Recorders Document Fund		States Attorney Drug Enforcement Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ -	\$ 281,927	\$ 80,000	\$ 55,983
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,439	-	-
-	-	-	-	-	-
-	-	-	283,366	80,000	55,983
-	-	84,249	84,249	4,224	3,965
-	-	50,153	50,018	324	303
2,514	570	32,377	13,641	22,975	22,184
525	-	122,864	122,530	43,083	31,714
-	-	23,205	14,343	2,130	2,108
-	-	-	-	-	-
-	-	-	-	-	-
3,039	570	312,848	284,781	72,736	60,274
(3,039)	(570)	(312,848)	(1,415)	7,264	(4,291)
242	242	233,777	-	-	-
-	-	(7,143)	(7,143)	(4,280)	(4,279)
-	-	-	-	-	-
242	242	226,634	(7,143)	(4,280)	(4,279)
<u>\$ (2,797)</u>	<u>(328)</u>	<u>\$ (86,214)</u>	<u>(8,558)</u>	<u>\$ 2,984</u>	<u>(8,570)</u>
	328		291,653		232,762
<u>\$ -</u>	<u>-</u>		<u>\$ 283,095</u>		<u>\$ 224,192</u>

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	Treasurer's Automation Fund		Veterans Assistance Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ 33,800	\$ 43,560	\$ -	\$ -
Property taxes	-	-	455,000	457,830
Intergovernmental revenues	-	-	-	-
Investment earnings	475	292	-	784
Miscellaneous	-	-	-	2,451
Total revenues	34,275	43,852	455,000	461,065
Expenditures:				
Current operating:				
Salaries and wages	-	-	89,034	89,034
Personal benefits	-	-	41,011	40,396
Supplies	7,211	2,800	19,670	19,409
Other services and charges	24,489	21,764	144,346	118,152
Capital outlay	11,000	4,678	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	42,700	29,242	294,061	266,991
Excess (deficiency) of revenues over expenditures	(8,425)	14,610	160,939	194,074
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(3,700)	(3,605)	(54,910)	(54,910)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	(3,700)	(3,605)	(54,910)	(54,910)
Net change in fund balances	\$ (12,125)	11,005	\$ 106,029	139,164
Fund balances (deficits), beginning of year		78,829		169,978
Fund balances (deficits), end of year		<u>\$ 89,834</u>		<u>\$ 309,142</u>

(Continued)

Special Revenue

Zuma-Canoe Creek Special Service Area Fund		Circuit Clerk Administration Cost Fund		Hotel/Motel Tax Fund	
Budget	Actual	Budget	Actual	Budget	Actual
\$ -	\$ -	\$ 27,000	\$ 27,667	\$ -	\$ -
35,700	35,711	-	-	-	-
-	-	-	-	120,000	150,283
1,000	481	700	587	1,000	550
-	-	-	-	-	-
36,700	36,192	27,700	28,254	121,000	150,833
9,500	3,582	17,957	17,655	-	-
727	291	3,568	3,503	-	-
5,000	2,434	-	-	-	-
62,500	11,328	-	-	213,561	178,662
18,000	18,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
95,727	35,635	21,525	21,158	213,561	178,662
(59,027)	557	6,175	7,096	(92,561)	(27,829)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (59,027)</u>	557	<u>\$ 6,175</u>	7,096	<u>\$ (92,561)</u>	(27,829)
	100,486		123,215		99,421
	<u>\$ 101,043</u>		<u>\$ 130,311</u>		<u>\$ 71,592</u>

Rock Island County, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) -
Budget and Actual - Nonmajor Governmental Funds (Continued)
Year Ended November 30, 2012**

	Special Revenue			
	Drug Court Grant Fund		Coroner Fee Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Fees	\$ 26,000	\$ 31,151	\$ 25,000	\$ 26,935
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Investment earnings	-	744	-	83
Miscellaneous	-	-	-	-
Total revenues	26,000	31,895	25,000	27,018
Expenditures:				
Current operating:				
Salaries and wages	-	-	-	-
Personal benefits	-	-	134	134
Supplies	11,500	4,231	1,471	1,399
Other services and charges	6,000	1,500	23,792	23,792
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	17,500	5,731	25,397	25,325
Excess (deficiency) of revenues over expenditures	8,500	26,164	(397)	1,693
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ 8,500	26,164	\$ (397)	1,693
Fund balances (deficits), beginning of year		148,617		19,502
Fund balances (deficits), end of year		<u>\$ 174,781</u>		<u>\$ 21,195</u>

Special Revenue					
Federal Seized and Forfeited Property Fund			Debt Service Fund		
Budget		Actual	Budget		Actual
\$	-	\$	-	\$	-
	-		-	1,504,117	1,503,659
	-		-	-	-
	-	27	1,500		258
	-		-		-
	-	27	1,505,617		1,503,917
	-				
	-				
	-				
	-				
	-		730,000		730,000
	-		273,917		273,917
	-		1,003,917		1,003,917
	-	27	501,700		500,000
	26,356	26,356	-		-
	-	-	(500,000)		(500,000)
	-	-	-		-
	26,356	26,356	(500,000)		(500,000)
\$	<u>26,356</u>	26,383	<u>1,700</u>		-
		-			-
	<u>\$</u>	<u>26,383</u>		<u>\$</u>	<u>-</u>

Rock Island County, Illinois

Combining Statement of Net Assets
Internal Service Funds
November 30, 2012

	Public Building Commission	Employee Health Benefits	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 931,907	\$ 1,680,830	\$ 2,612,737
Receivables:			
Accounts	-	43,723	43,723
Interest	-	474	474
Due from other funds	-	8,622	8,622
Due from other governmental units	-	30,326	30,326
Other assets	871,550	-	871,550
Total current assets	1,803,457	1,763,975	3,567,432
Noncurrent assets:			
Capital assets:			
Nondepreciable, land	180,250	-	180,250
Depreciable:			
Equipment and fixtures	24,092	-	24,092
Improvements other than buildings	92,909	-	92,909
Buildings	713,914	-	713,914
Less accumulated depreciation	(108,762)	-	(108,762)
Total capital assets	902,403	-	902,403
Total assets	\$ 2,705,860	\$ 1,763,975	\$ 4,469,835
Liabilities			
Current liabilities:			
Accounts payable	\$ -	\$ 210,921	\$ 210,921
Estimated claims settlement	-	1,546,000	1,546,000
Accrued liabilities	1,197,312	-	1,197,312
Due to other funds	-	14,195	14,195
Unearned revenue	-	40,293	40,293
Total liabilities	1,197,312	1,811,409	3,008,721
Net Assets (Deficit)			
Invested in capital assets	902,403	-	902,403
Unrestricted	606,145	(47,434)	558,711
Total net assets (deficit)	1,508,548	(47,434)	1,461,114
Total liabilities and net assets (deficit)	\$ 2,705,860	\$ 1,763,975	\$ 4,469,835

Rock Island County, Illinois

**Combining Statement of Revenues, Expenses and Changes in Net Assets
Governmental Activities - Internal Service Funds
Year Ended November 30, 2012**

	Public Building Commission	Employee Health Benefits	Total
Operating revenue:			
Charges for services	\$ 1,549,736	\$ 7,473,583	\$ 9,023,319
Other	-	63,933	63,933
Total operating revenue	1,549,736	7,537,516	9,087,252
Operating expenses:			
Other services and charges	1,507,788	9,399,638	10,907,426
Depreciation expense	26,492	-	26,492
Total operating expenses	1,534,280	9,399,638	10,933,918
Operating income (loss)	15,456	(1,862,122)	(1,846,666)
Nonoperating revenue, investment earnings	4,126	11,940	16,066
Income (loss) before transfers	19,582	(1,850,182)	(1,830,600)
Transfers out	-	(29,978)	(29,978)
Change in net assets	19,582	(1,880,160)	(1,860,578)
Total net assets, beginning of year	1,488,966	1,832,726	3,321,692
Total net assets, end of year	\$ 1,508,548	\$ (47,434)	\$ 1,461,114

Rock Island County, Illinois

Combining Statement of Cash Flows
 Governmental Activities - Internal Service Funds
 Year Ended November 30, 2012

	Public Building Commission	Employee Health Benefits	Total
Cash flows from operating activities:			
Cash received from employee contributions and other charges	\$ -	\$ 7,615,213	\$ 7,615,213
Cash received from other operating revenue	-	63,933	63,933
Cash payments for claims	-	(8,264,318)	(8,264,318)
Cash received for jail lease	1,606,671	-	1,606,671
Cash paid for jail lease	(998,555)	-	(998,555)
Cash payments for jail operations	(525,531)	-	(525,531)
Net cash provided by (used in) operating activities	82,585	(585,172)	(502,587)
Cash flows from noncapital financing activities:			
Interfund proceeds	-	16,874	16,874
Transfers out	-	(29,978)	(29,978)
Net cash (used in) noncapital financing activities	-	(13,104)	(13,104)
Cash flows from investing activities, interest received	4,126	12,408	16,534
Net increase (decrease) in cash	86,711	(585,868)	(499,157)
Cash:			
Beginning	845,196	2,266,698	3,111,894
Ending	<u>\$ 931,907</u>	<u>\$ 1,680,830</u>	<u>\$ 2,612,737</u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ 15,456	\$ (1,862,122)	\$ (1,846,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	26,492	-	26,492
(Increase) decrease in:			
Receivables	-	125,753	125,753
Due from other governmental units	-	(24,416)	(24,416)
Other assets	56,935	22,148	79,083
Increase (decrease) in:			
Accounts payable	-	1,113,172	1,113,172
Accrued liabilities	(16,298)	-	(16,298)
Unearned revenue	-	40,293	40,293
Net cash provided by (used in) operating activities	\$ 82,585	\$ (585,172)	\$ (502,587)

This Page Intentionally Left Blank

Rock Island County, Illinois

Combining Balance Sheet - Agency Funds
November 30, 2012

	Total	Circuit Clerk Fund	Circuit Clerk Probation Fund	County Clerk Redemption Fund
Assets				
Cash and cash equivalents	\$ 8,005,002	\$ 3,166,015	\$ 5,207	\$ 296,041
Receivables:				
Accounts receivable	111,554	-	-	-
Accrued interest receivable	403,454	-	-	-
Total assets	\$ 8,520,010	\$ 3,166,015	\$ 5,207	\$ 296,041
Liabilities				
Due to other governmental units	\$ 5,161,916	\$ 578,857	\$ -	\$ -
Due to individuals and private entities	3,358,094	2,587,158	5,207	296,041
Total liabilities	\$ 8,520,010	\$ 3,166,015	\$ 5,207	\$ 296,041

(Continued)

County Collector's Fund	Emergency Telephone Service Fund	Employee Indebtedness Fund	Inheritance Tax Fund	Rock Island County Waste Management Agency Fund	Treasurer's Fund
\$ 2,557,339	\$ 725,801	\$ 839	\$ 31	\$ 260,937	\$ 135,497
-	19,932	-	8,641	-	-
403,332	-	-	-	-	-
<u>\$ 2,960,671</u>	<u>\$ 745,733</u>	<u>\$ 839</u>	<u>\$ 8,672</u>	<u>\$ 260,937</u>	<u>\$ 135,497</u>
\$ 2,960,671	\$ 745,733	\$ -	\$ 8,672	\$ 260,937	\$ -
-	-	839	-	-	135,497
<u>\$ 2,960,671</u>	<u>\$ 745,733</u>	<u>\$ 839</u>	<u>\$ 8,672</u>	<u>\$ 260,937</u>	<u>\$ 135,497</u>

Rock Island County, Illinois

Combining Balance Sheet - Agency Funds (Continued)
 November 30, 2012

	Hope Creek Care Center Patient's Fund	TBA Fund	Township Bridge Fund	Township Motor Fuel Tax Fund
Assets				
Cash and cash equivalents	\$ 24,870	\$ 132,296	\$ 16,523	\$ 296,470
Receivables:				
Accounts receivable	-	2,035	-	79,996
Accrued interest receivable	-	38	5	79
Total assets	\$ 24,870	\$ 134,369	\$ 16,528	\$ 376,545
Liabilities				
Due to other governmental units	\$ -	\$ -	\$ 16,528	\$ 376,545
Due to individuals and private entities	24,870	134,369	-	-
Total liabilities	\$ 24,870	\$ 134,369	\$ 16,528	\$ 376,545

(Continued)

Hope Creek Care Center Vending Fund	Prisoner Welfare Fund	Hope Creek Care Center Activities Fund	Hope Creek Care Center Grandparents Fund	Hope Creek Care Center Memorial Fund	Sheriff Foreclosure Sale Fund
\$ 5,415	\$ 149,441	\$ 610	\$ 4,802	\$ 13,845	\$ 177,686
-	-	-	-	-	-
\$ 5,415	\$ 149,441	\$ 610	\$ 4,802	\$ 13,845	\$ 177,686
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,686
5,415	149,441	610	4,802	13,845	-
\$ 5,415	\$ 149,441	\$ 610	\$ 4,802	\$ 13,845	\$ 177,686

Rock Island County, Illinois

Combining Balance Sheet - Agency Funds (Continued)
November 30, 2012

	DUI Fund	Youth Education/SAFE Fund
Assets		
Cash and cash equivalents	\$ 33,638	\$ 1,699
Receivables:		
Accounts receivable	950	-
Accrued interest receivable	-	-
Total assets	<u>\$ 34,588</u>	<u>\$ 1,699</u>
Liabilities		
Due to other governmental units	\$ 34,588	\$ 1,699
Due to individuals and private entities	-	-
Total liabilities	<u>\$ 34,588</u>	<u>\$ 1,699</u>

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds
Year Ended November 30, 2012**

	Balance November 30, 2011	Additions	Deletions	Balance November 30, 2012
Circuit Clerk Fund				
Assets , cash and cash equivalents	\$ 2,817,144	\$ 14,918,500	\$ 14,569,629	\$ 3,166,015
Liabilities				
Due to other governmental units	\$ 578,857	\$ 8,096,814	\$ 8,096,814	\$ 578,857
Due to individuals and private entities	2,238,287	6,675,337	6,326,466	2,587,158
Maintenance/child support deposits	-	146,348	146,348	-
Total liabilities	\$ 2,817,144	\$ 14,918,499	\$ 14,569,628	\$ 3,166,015
Circuit Clerk Probation Fund				
Assets , cash and cash equivalents	\$ 4,696	\$ 30,866	\$ 30,355	\$ 5,207
Liabilities , due to individuals and private entities				
	\$ 4,696	\$ 23,347	\$ 22,836	\$ 5,207
County Clerk Redemption Fund				
Assets , cash and cash equivalents	\$ 296,013	\$ 5,853,952	\$ 5,853,924	\$ 296,041
Liabilities , due to individuals and private entities				
	\$ 296,013	\$ 5,847,823	\$ 5,847,795	\$ 296,041
County Collector's Fund				
Assets				
Cash and cash equivalents	\$ 3,669,478	\$ 893,738,783	\$ 894,850,922	\$ 2,557,339
Accrued interest receivable	403,332	-	-	403,332
Total assets	\$ 4,072,810	\$ 893,738,783	\$ 894,850,922	\$ 2,960,671
Liabilities , due to other governmental units				
	\$ 4,072,810	\$ 893,738,783	\$ 894,850,922	\$ 2,960,671

(Continued)

Rock Island County, Illinois

Combining Statement of Changes in Assets and Liabilities -
 Agency Funds (Continued)
 Year Ended November 30, 2012

	Balance November 30, 2011	Additions	Deletions	Balance November 30, 2012
Emergency Telephone Service Fund				
Assets				
Cash and cash equivalents	\$ 589,146	\$ 3,647,408	\$ 3,510,753	\$ 725,801
Accounts receivable	19,917	15	-	19,932
Accrued interest receivable	183	-	183	-
Total assets	\$ 609,246	\$ 3,647,423	\$ 3,510,936	\$ 745,733
Liabilities , due to other governmental units	\$ 609,246	\$ 1,404,775	\$ 1,268,288	\$ 745,733
Employee Indebtedness Fund				
Assets , cash and cash equivalents	\$ 1,441	\$ 19,116	\$ 19,718	\$ 839
Liabilities , due to individuals and private entities	\$ 1,441	\$ 17,840	\$ 18,442	\$ 839
Inheritance Tax Fund				
Assets				
Cash and cash equivalents	\$ 203,385	\$ 3,269,389	\$ 3,472,743	\$ 31
Accounts receivable	8,641	-	-	8,641
Total assets	\$ 212,026	\$ 3,269,389	\$ 3,472,743	\$ 8,672
Liabilities , due to other governmental units	\$ 212,026	\$ 1,022,389	\$ 1,225,743	\$ 8,672
Rock Island County Waste Management Agency Fund				
Assets				
Cash and cash equivalents	\$ 230,889	\$ 1,194,433	\$ 1,164,385	\$ 260,937
Accrued interest receivable	101	-	101	-
Total assets	\$ 230,990	\$ 1,194,433	\$ 1,164,486	\$ 260,937
Liabilities , due to other governmental units	\$ 230,990	\$ 447,700	\$ 417,753	\$ 260,937

(Continued)

Rock Island County, Illinois

Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2012

	Balance November 30, 2011	Additions	Deletions	Balance November 30, 2012
Treasurer's Fund				
Assets , cash and cash equivalents	\$ 170,125	\$ 11,184	\$ 45,812	\$ 135,497
Liabilities , due to individuals and private entities	\$ 170,125	\$ 11,184	\$ 45,812	\$ 135,497
Hope Creek Care Center Patient's Fund				
Assets , cash and cash equivalents	\$ 44,336	\$ 180,514	\$ 199,980	\$ 24,870
Liabilities , due to individuals and private entities	\$ 44,336	\$ 180,514	\$ 199,980	\$ 24,870
TBA Fund				
Assets				
Cash and cash equivalents	\$ 131,930	\$ 5,092	\$ 4,726	\$ 132,296
Accounts receivable	18	2,620	603	2,035
Accrued interest receivable	54	38	54	38
Total assets	\$ 132,002	\$ 7,750	\$ 5,383	\$ 134,369
Liabilities , due to individuals and private entities	\$ 132,002	\$ 11,039	\$ 8,672	\$ 134,369
Township Bridge Fund				
Assets				
Cash and cash equivalents	\$ 16,446	\$ 77	\$ -	\$ 16,523
Accrued interest receivable	7	5	7	5
Total assets	\$ 16,453	\$ 82	\$ 7	\$ 16,528
Liabilities , due to other governmental units	\$ 16,453	\$ 75	\$ -	\$ 16,528

(Continued)

Rock Island County, Illinois

**Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2012**

	Balance November 30, 2011	Additions	Deletions	Balance November 30, 2012
Township Motor Fuel Tax Fund				
Assets				
Cash and cash equivalents	\$ 339,639	\$ 1,817,348	\$ 1,860,517	\$ 296,470
Accounts receivable	82,383	79,996	82,383	79,996
Accrued interest receivable	142	79	142	79
Total assets	\$ 422,164	\$ 1,897,423	\$ 1,943,042	\$ 376,545
Liabilities, due to other governmental units	\$ 422,164	\$ 1,242,193	\$ 1,287,812	\$ 376,545
Hope Creek Care Center Vending Fund				
Assets, cash and cash equivalents	\$ 8,927	\$ 6,572	\$ 10,084	\$ 5,415
Liabilities, due to individuals and private entities	\$ 8,927	\$ 6,572	\$ 10,084	\$ 5,415
Prisoner Welfare Fund				
Assets, cash and cash equivalents	\$ 174,349	\$ 663,785	\$ 688,693	\$ 149,441
Liabilities, due to individuals and private entities	\$ 174,349	\$ 663,785	\$ 688,693	\$ 149,441
Hope Creek Care Center Activities Fund				
Assets				
Cash and cash equivalents	\$ 952	\$ 15,215	\$ 15,557	\$ 610
Liabilities				
Due to individuals and private entities	\$ 952	\$ 15,215	\$ 15,557	\$ 610
Hope Creek Care Center Grandparents Fund				
Assets				
Cash and cash equivalents	\$ 4,066	\$ 8,859	\$ 8,123	\$ 4,802
Liabilities, Due to individuals and private entities	\$ 4,066	\$ 8,154	\$ 7,418	\$ 4,802

(Continued)

Rock Island County, Illinois

Combining Statement of Changes in Assets and Liabilities -
Agency Funds (Continued)
Year Ended November 30, 2012

	Balance November 30, 2011	Additions	Deletions	Balance November 30, 2012
Hope Creek Care Center Memorial Fund				
Assets				
Cash and cash equivalents	\$ 24,476	\$ 15,877	\$ 26,508	\$ 13,845
Liabilities, Due to individuals and private entities				
	\$ 24,476	\$ 11,161	\$ 21,792	\$ 13,845
Sheriff Foreclosure Sale Fund				
Assets				
Cash and cash equivalents	\$ 78,792	\$ 3,208,292	\$ 3,109,398	\$ 177,686
Liabilities, due to other governmental units				
	\$ 78,792	\$ 137,895	\$ 39,001	\$ 177,686
DUI Fund				
Assets				
Cash and cash equivalents	\$ -	\$ 75,902	\$ 42,264	\$ 33,638
Accounts receivable	-	950	-	950
Total assets	\$ -	\$ 76,852	\$ 42,264	\$ 34,588
Liabilities, due to other governmental units				
	-	\$ 41,136	\$ 6,548	\$ 34,588
Youth Education/SAFE Fund				
Assets, cash and cash equivalents				
	\$ -	\$ 1,699	\$ -	\$ 1,699
Liabilities, due to other governmental units				
	\$ -	\$ 1,699	\$ -	\$ 1,699
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 8,806,230	\$ 928,682,863	\$ 929,484,091	\$ 8,005,002
Accounts receivable	110,959	83,581	82,986	111,554
Accrued interest receivable	403,819	122	487	403,454
Total assets	\$ 9,321,008	\$ 928,766,566	\$ 929,567,564	\$ 8,520,010
Liabilities				
Due to other governmental units	\$ 6,221,338	\$ 906,133,459	\$ 907,192,881	\$ 5,161,916
Due to individuals and private entities	3,099,670	13,471,971	13,213,547	3,358,094
Maintenance/child support deposits	-	146,348	146,348	-
Total liabilities	\$ 9,321,008	\$ 919,751,778	\$ 920,552,776	\$ 8,520,010

This Page Intentionally Left Blank

Rock Island County, Illinois

Statistical Section Contents

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

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.	118 - 123
Revenue Capacity	
These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax (or sales tax).	124 - 130
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	131 - 134
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	135 - 136
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	137 - 142

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The County implemented GASB 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

Rock Island County, Illinois

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
Invested in capital assets, net of related debt	\$ 41,436,253	\$ 42,261,065	\$ 48,006,622	\$ 54,063,699	\$ 55,397,748	\$ 59,757,904	\$ 55,081,292	\$ 58,966,301	\$ 58,578,183	\$ 57,491,519
Restricted for:										
Capital improvements	-	-	5,200,529	6,718,776	5,105,154	4,724,600	9,482,412	6,777,336	4,496,999	4,383,342
Collector's tax fees, sale & error refunds	-	-	-	-	-	-	-	-	195,240	184,298
Document storage	-	-	-	-	-	-	-	-	2,512,590	2,645,926
Working cash	-	-	-	-	-	-	-	-	-	469,705
GIS	-	-	-	-	-	-	-	-	142,898	215,796
Employee benefits	-	-	3,160,016	1,602,099	1,724,848	1,834,406	2,041,777	2,018,901	697,967	450,453
Judicial	-	-	-	-	-	-	-	-	2,048,858	1,996,801
Parks and recreation	-	-	-	-	-	-	-	-	2,264,348	2,356,952
Public health	-	-	1,686,470	1,643,710	1,156,589	785,629	901,404	1,176,783	2,947,507	2,314,051
Public safety	-	-	-	-	-	-	-	-	25,020	62,032
Debt service	-	-	(110,512)	54,671	52,914	59,286	470	470	-	-
Tort liability	825,609	1,371,658	1,262,103	960,057	650,000	967,000	-	-	-	-
Capital items	-	-	-	-	25,323	-	-	-	-	-
Unrestricted	19,727,475	21,385,100	10,869,390	12,929,582	17,406,020	15,362,448	16,683,631	13,740,126	8,791,293	4,970,060
Total governmental activities net assets	\$ 61,989,337	\$ 65,017,823	\$ 70,074,618	\$ 77,992,594	\$ 81,518,596	\$ 83,491,273	\$ 84,190,986	\$ 82,679,917	\$ 82,700,903	\$ 77,540,935

Source: County records.

Rock Island County, Illinois

Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses:										
Governmental activities:										
General government	\$ 8,129,706	\$ 9,040,086	\$ 9,773,592	\$ 12,449,672	\$ 13,236,109	\$ 15,185,680	\$ 14,277,348	\$ 14,579,289	\$ 13,893,527	\$ 14,472,933
Public safety	6,478,503	7,857,896	9,230,103	6,912,721	7,714,258	8,486,743	7,634,662	8,264,879	8,296,587	9,257,762
Corrections	5,254,354	3,660,800	3,594,431	3,449,301	3,607,818	3,804,707	3,945,665	4,181,571	4,200,768	4,322,930
Judiciary and legal	5,515,196	5,662,364	5,655,496	6,910,035	6,989,607	7,992,555	8,677,746	8,435,950	8,655,974	9,145,232
Transportation and public works	3,856,972	2,101,191	3,116,774	3,908,958	3,945,958	4,590,942	4,311,647	4,331,923	5,653,179	5,368,108
Social services	13,765,742	14,771,782	18,624,769	17,521,780	21,681,369	21,458,449	26,422,028	28,151,986	28,178,765	30,529,879
Culture and recreation	2,181,568	2,289,551	2,519,529	2,773,705	2,961,912	3,290,340	3,656,939	3,989,084	4,449,081	4,715,067
Debt service, interest on long-term debt	581,800	562,774	1,124,947	1,744,585	3,733,381	1,617,387	1,893,214	2,211,533	2,488,329	2,310,074
Total governmental activities expenses	45,763,841	45,946,444	52,627,641	55,670,737	63,870,412	66,428,803	70,819,249	74,156,225	75,816,210	80,121,585
Program revenues:										
Governmental activities:										
Charges for sales and services:										
General government	2,932,177	2,949,829	2,773,248	3,257,168	4,646,948	4,629,246	6,028,775	6,256,607	5,106,985	5,035,416
Judiciary and legal	2,330,401	2,761,854	2,956,294	3,379,391	3,599,036	3,346,176	3,216,797	3,024,986	2,950,128	2,870,730
Social Services	7,191,841	7,060,834	7,745,349	7,613,330	11,757,305	11,792,762	13,980,107	13,637,170	18,200,961	15,946,557
Other	4,616,955	4,549,526	5,789,750	4,377,663	4,485,701	4,805,574	4,806,878	4,822,465	4,864,643	5,593,201
Operating grants and contributions	8,171,416	8,591,721	11,082,696	11,288,532	10,131,726	9,885,815	12,884,411	13,910,831	12,511,952	13,750,605
Capital grants and contributions	-	53,971	909,528	4,743,695	2,178,447	2,594,923	268,846	596,997	1,074,604	214,114
Total governmental activities program revenues	25,242,790	25,967,735	31,266,865	34,659,779	36,801,163	37,054,496	41,195,814	42,251,056	44,709,253	43,410,623
Net (expense)/revenue, governmental activities	(20,521,051)	(19,978,709)	(21,360,776)	(21,010,958)	(27,069,249)	(29,372,307)	(29,623,435)	(31,905,169)	(31,106,957)	(36,710,962)
General revenues and other changes in net assets:										
Governmental activities:										
Taxes:										
Property taxes	14,772,177	15,559,590	15,934,655	16,598,792	17,200,641	17,992,705	19,548,214	20,095,583	21,158,786	21,648,137
Intergovernmental revenue	9,561,098	-	-	-	-	-	-	-	-	-
Motor fuel tax	-	2,736,177	-	2,470,733	2,906,481	-	-	-	-	-
Replacement tax	-	1,553,641	2,296,670	4,564,481	4,673,128	2,890,775	2,445,606	2,585,073	2,342,739	2,330,484
Sales and use taxes	-	4,255,789	4,141,767	1,605,688	1,735,783	4,595,064	4,803,890	4,303,323	4,374,278	4,823,291
Income tax	-	1,246,329	1,463,456	461,918	107,051	1,856,456	1,406,806	1,488,379	1,459,269	1,574,494
Hotel/Motel taxes	-	-	-	-	-	123,356	115,592	124,013	138,900	222,783
Other	-	304,349	1,120,773	1,219,509	340,571	930,804	983,075	1,083,941	1,082,991	168,984
Investment earnings	410,735	449,719	717,808	1,221	2,012,831	1,053,360	497,877	327,793	165,741	125,698
Gain on disposal of capital assets	(16,778)	-	-	-	-	-	-	-	-	-
Loss on disposal of capital assets	(50,390)	(20,257)	-	-	-	-	-	-	-	-
Internal transfers - blended component unit	(2,922,651)	(3,214,377)	-	-	-	-	-	-	-	-
Transfers to discretely presented component unit	607,876	125,245	166,983	2,006,595	1,618,765	1,787,116	512,088	385,985	351,976	573,350
Miscellaneous	22,352,067	23,007,195	25,856,828	28,928,937	30,595,251	31,344,984	30,323,148	30,394,100	31,127,946	31,550,994
Total governmental activities	\$ 1,831,016	\$ 3,028,486	\$ 4,496,052	\$ 7,917,979	\$ 3,526,002	\$ 1,972,677	\$ 689,713	\$ (1,511,069)	\$ 20,989	\$ (5,159,968)
Change in net assets, governmental activities										

Source: County records.

Rock Island County, Illinois

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,017,004	\$ 762,542
Restricted	-	-	-	-	-	-	-	-	-	472,239
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	309,312
Unassigned	-	-	-	-	-	-	-	-	5,251,711	3,767,825
Reserved:										
Tort liability	\$ 825,609	\$ 1,371,658	\$ 1,252,103	\$ 960,057	\$ 650,000	\$ 967,000	\$ 613,000	\$ 1,052,965	\$ -	\$ -
Advances	76,675	-	-	-	-	-	-	-	-	-
Other assets	-	-	215,136	187,350	257,882	179,404	232,976	154,432	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-
Employee health claims	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	4,487,139	4,938,930	5,357,539	7,559,063	9,630,945	8,380,945	7,191,755	5,281,977	-	-
Total general fund	5,399,423	6,310,588	6,834,778	8,708,470	10,538,827	9,527,059	8,037,731	6,489,374	6,288,715	5,311,918
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 790,344	\$ 432,503
Restricted	-	-	-	-	-	-	-	-	16,561,547	16,155,996
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	894,243	995,559
Reserved for:										
Advances	1,000	1,000	1,000	-	-	-	-	-	-	-
Other assets	-	-	59,311	64,412	50,975	54,341	55,364	64,212	-	-
Capital projects/improvements	-	-	256,465	2,079,454	872,600	869,146	4,667,109	1,248,114	-	-
Contributed capital	-	-	-	-	-	-	-	-	-	-
Employee health claims	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated:										
Special revenue funds	15,545,354	16,606,382	15,137,179	12,193,244	15,067,774	15,946,443	18,666,278	18,622,877	-	-
Debt service fund	-	65,654	(110,512)	54,671	52,914	59,286	470	470	-	-
Capital project fund	-	-	-	-	12,396,652	(1,711,813)	(1,839,667)	(711,633)	-	-
Total all other governmental funds	15,546,354	16,673,036	15,343,443	14,391,781	28,440,915	15,217,403	21,549,554	19,224,040	16,971,943	16,884,203
Total fund balances	\$ 20,945,777	\$ 22,983,624	\$ 22,178,221	\$ 23,098,251	\$ 38,979,742	\$ 24,744,462	\$ 29,587,285	\$ 25,713,414	\$ 23,240,658	\$ 22,196,121

Source: County records.

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

Rock Island County, Illinois

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Fees	\$ 14,674,377	\$ 15,268,162	\$ 16,456,235	\$ 17,759,888	\$ 22,460,644	\$ 22,497,129	\$ 24,164,218	\$ 24,164,211	\$ 25,135,841	\$ 26,932,907
Property taxes	14,772,177	15,559,590	15,934,655	16,588,792	17,200,641	17,992,705	19,546,214	20,085,583	21,158,786	21,648,137
Intergovernmental	17,590,909	18,088,989	20,281,552	21,170,873	19,961,889	20,276,592	20,138,445	21,696,497	20,121,877	20,601,950
Investment earnings	377,797	424,026	687,079	1,121,574	1,878,701	980,197	460,860	302,418	145,976	109,882
Miscellaneous	1,320,233	2,490,276	2,985,727	2,937,621	2,640,588	2,893,899	2,988,554	2,611,576	1,300,233	1,564,819
Total revenues	48,735,493	51,831,043	56,305,248	59,588,748	64,142,463	64,440,522	67,300,291	68,870,285	67,862,713	70,887,645
Expenditures:										
General government	7,694,734	9,991,659	12,740,846	11,808,995	11,760,026	13,029,416	13,204,642	13,385,011	12,541,194	12,716,575
Social services	12,652,077	13,402,015	17,201,590	17,636,683	21,175,990	20,758,376	22,605,178	24,872,514	24,182,901	26,100,424
Public safety and corrections	9,065,904	9,641,845	10,772,145	10,052,132	11,023,401	11,396,157	11,522,782	11,838,276	11,949,188	12,234,403
Transportation and public works	4,887,316	3,518,487	5,686,085	3,184,291	3,016,355	3,559,737	3,228,474	3,318,136	4,521,836	4,268,216
Judiciary and legal/legislative	6,805,634	6,828,921	7,086,828	6,911,813	6,681,335	7,602,173	8,260,036	8,030,651	8,199,630	8,273,144
Debt service:										
Principal	410,000	430,000	655,000	65,000	505,000	575,000	1,130,000	1,170,000	1,380,000	1,435,000
Interest	587,992	568,302	525,355	776,195	2,942,367	579,829	794,142	1,219,431	1,473,826	1,314,991
Bond issue costs	-	-	213,432	-	143,893	-	35,331	-	-	-
Culture and recreation	2,138,622	2,248,809	2,590,083	2,605,220	2,748,073	2,955,491	3,299,684	3,663,183	3,772,263	4,064,480
Expenditures in capital outlay not capitalized	-	-	-	-	-	1,072,243	363,041	-	79,814	(22,679)
Capitalized capital outlay	-	-	-	7,091,323	8,423,589	17,289,471	2,789,755	5,344,022	2,328,774	1,661,927
Total expenditures	44,242,279	46,630,018	57,471,364	60,111,662	68,440,049	78,817,893	67,233,065	72,841,224	70,429,426	72,046,481
Excess of revenues over (under) expenditures	4,493,214	5,201,025	(1,166,116)	(522,914)	(4,297,586)	(14,377,371)	67,226	(3,970,939)	(2,566,713)	(1,188,836)
Other financing sources (uses):										
Proceeds from installment purchase	-	-	-	-	-	-	-	-	-	-
Transfers in	3,715,314	3,707,463	5,340,737	4,506,909	7,511,860	8,727,078	8,639,273	6,443,042	2,935,669	2,421,080
Transfers out	(3,765,704)	(3,727,720)	(5,340,737)	(4,906,909)	(7,511,860)	(8,727,078)	(8,839,273)	(6,443,042)	(2,905,691)	(2,391,102)
Transfers to component units	(2,922,651)	(3,214,377)	-	-	-	-	-	-	-	-
Issuance of debt	-	-	9,020,000	1,750,000	19,885,000	-	5,140,000	-	-	-
Proceeds from refunded bond escrow agent	-	-	(8,921,030)	-	-	-	(555,000)	-	-	-
Bond premiums / discounts	-	-	114,462	(21,824)	219,887,00	-	(21,824)	-	-	-
Proceeds from sale of capital assets	-	71,456	48,080	92,944	74,190	142,091	212,421	97,068	63,979	114,321
Total other financing sources (uses)	(2,973,041)	(3,163,178)	261,512	1,442,944	20,179,077	142,091	4,775,597	97,068	93,957	144,299
Net change in fund balances	1,520,173	2,037,847	(904,604)	920,030	15,861,491	(14,235,280)	4,842,823	(3,873,871)	(2,472,756)	(1,044,537)
Fund balances, beginning of year	19,425,603	20,945,777	23,082,825	22,178,221	23,098,251	38,979,742	24,744,462	29,587,285	25,713,414	23,240,658
Residual equity transfer in	-	-	-	-	-	-	-	-	-	-
Residual equity transfer (out)	-	-	-	-	-	-	-	-	-	-
Fund balances, end of year	\$ 20,945,776	\$ 22,983,624	\$ 22,178,221	\$ 23,098,251	\$ 38,979,742	\$ 24,744,462	\$ 29,587,285	\$ 25,713,414	\$ 23,240,658	\$ 22,196,121
Debt service as a percentage of noncapital expenditures	2.26%	2.14%	2.43%	1.59%	5.98%	1.88%	3.04%	3.54%	4.19%	3.91%

Source: County records.

Rock Island County, Illinois

Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
General government	\$ 2,965,063	\$ 3,155,561	\$ 2,975,134	\$ 3,532,475	\$ 4,945,177	\$ 4,629,246	\$ 6,124,916	\$ 6,362,931	\$ 5,263,530	\$ 5,415,594
Public safety	1,763,578	3,297,483	4,428,982	3,230,077	2,017,911	2,652,182	2,020,965	1,973,997	1,879,664	1,997,786
Corrections	3,206,102	1,774,213	2,000,036	1,940,339	1,796,405	2,070,042	1,972,720	2,329,619	1,918,160	1,861,097
Judiciary and legal	2,539,182	2,891,449	3,079,976	3,515,927	3,763,486	3,520,729	3,400,282	3,321,141	3,173,899	3,176,261
Transportation and public works	252,304	240,620	3,716,488	6,914,858	5,063,944	2,419,149	2,568,909	2,572,344	2,698,791	3,113,301
Social services	13,271,795	13,359,217	13,538,192	13,152,652	17,463,119	17,381,418	23,033,473	23,499,877	26,947,362	24,965,852
Culture and recreation	1,244,766	1,249,172	1,528,057	2,373,451	1,751,121	4,381,730	2,074,549	2,191,147	2,827,827	2,880,732
Debt service, interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Total governmental activities	25,242,790	25,967,735	31,286,865	34,659,779	36,801,163	37,054,496	41,195,814	42,251,056	44,709,253	43,410,623
Component unit	259,830	102,825	3,047,751	2,637,255	2,212,303	1,902,858	1,899,111	3,268,082	2,534,864	2,327,137
Total government	\$ 25,502,620	\$ 26,070,560	\$ 34,314,616	\$ 37,197,034	\$ 39,013,466	\$ 38,957,354	\$ 43,094,925	\$ 45,519,138	\$ 47,244,117	\$ 45,737,760

Source: County records.

Rock Island County, Illinois

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

Fiscal Year	Property Taxes	Replacement Tax	Sales and Use Taxes	Income Taxes	Other Taxes	Total
2003	\$ 14,772,177	\$ 1,193,968	\$ 3,854,654	\$ 1,215,283	\$ 183,411	\$ 21,219,493
2004	15,559,590	1,553,641	4,255,799	1,246,329	304,349	22,919,708
2005	15,934,655	2,296,670	4,141,767	1,463,456	1,120,773	24,957,321
2006	16,598,792	2,470,733	4,564,481	1,605,688	461,918	25,701,612
2007	17,200,641	2,906,481	4,673,128	1,735,783	447,622	26,963,655
2008	17,992,705	2,890,775	4,595,064	1,856,456	1,054,160	28,389,160
2009	19,548,214	2,253,034	4,380,839	1,406,806	710,653	28,299,546
2010	20,095,583	2,429,284	4,295,193	1,363,729	321,162	28,504,951
2011	21,158,786	2,140,709	4,384,197	1,589,763	323,649	29,597,104
2012	21,648,137	2,144,630	4,821,483	1,587,659	298,234	30,500,143

Source: County records.

Rock Island County, Illinois

**Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
(Unaudited)**

Fiscal Year	Real Property		Railroad Property		Total Direct Tax Rate
	Taxable Value	Assessed Value (1)	Taxable Value	Assessed Value (1)	
2002-03	1,901,430,958	5,704,292,874	3,463,741	10,391,223	
2003-04	2,011,203,439	6,034,213,738	3,463,739	10,391,217	
2004-05	2,015,104,855	6,045,919,157	3,457,295	10,371,885	
2005-06	2,136,061,643	6,408,825,812	3,183,529	9,550,587	
2006-07	2,231,350,979	6,694,722,409	3,557,759	10,674,344	
2007-08	2,361,544,650	7,085,342,484	4,064,278	12,194,053	
2008-09	2,435,258,031	7,306,504,743	4,818,097	14,455,736	
2009-10	2,490,654,733	7,472,711,470	4,801,309	14,405,367	
2010-11	2,566,933,572	7,701,570,873	6,049,350	18,149,865	
2011-12	2,586,827,761	7,761,259,409	7,280,752	21,844,440	

Fiscal Year	Total		Ratio of Taxable to Assessed Value	Tax Increment Financing District Values	Total Direct Tax Rate
	Taxable Value	Assessed Value (1)			
2002-03	1,904,894,699	5,714,684,097	33.3	86,336,808	0.71840
2003-04	2,014,667,178	6,044,604,955	33.3	90,239,180	0.70820
2004-05	2,018,562,150	6,056,291,042	33.3	111,397,463	0.73420
2005-06	2,139,245,172	6,418,376,399	33.3	129,144,903	0.72840
2006-07	2,234,908,738	6,705,396,753	33.3	136,763,705	0.72600
2007-08	2,365,608,928	7,097,536,537	33.3	173,741,645	0.72000
2008-09	2,440,076,128	7,320,960,480	33.3	186,397,699	0.75700
2009-10	2,495,456,042	7,487,116,837	33.3	212,184,030	0.76040
2010-11	2,572,982,922	7,719,720,738	33.3	191,760,157	0.76320
2011-12	2,594,108,513	7,783,103,849	33.3	192,984,430	0.86840

(1) Assessed value equals estimate actual value

Source: County Assessor and County Clerk Records

Rock Island County, Illinois

**Principal Property Taxpayers
Current Year and Nine Years Ago
(in thousands of dollars)
(Unaudited)**

Taxpayer	2012		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Commonwealth Edison	\$ 155,000,000	1	5.98%
Deere & Co.	29,382,059	2	1.13%
Rock Island Boatworks Inc	21,956,462	3	0.85%
SDG Macerich Property	12,415,425	4	0.48%
Modern Woodmen of America	8,293,405	5	0.32%
Kone	5,362,961	6	0.21%
Fed Ex Freight	5,025,042	7	0.19%
Walmart	4,895,401	8	0.19%
PFG Thoms Proestler Co	4,631,691	9	0.18%
Geneva Management Service	4,573,771	10	0.18%
2012 Total	\$ 251,536,217		9.70%

Taxpayer	2003		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Commonwealth Edison	\$ 76,107,947	1	4.00%
Deere & Co.	36,100,958	2	1.90%
SDG Macerich Property	14,169,977	3	0.74%
JI Case Co.	5,704,594	4	0.30%
3M	5,213,237	5	0.27%
PFG Thoms Proestler Co.	4,816,290	6	0.25%
Barjan	4,425,893	7	0.23%
Cordova	4,331,206	8	0.23%
IBP	4,130,478	9	0.22%
Eagle Food Centers, Inc	3,392,286	10	0.18%
2003 Total	\$ 158,392,866		8.32%

Source: County Assessor
Taxable Value 2011-2012
Taxable Value 2002-2003

\$ 2,594,108,513

\$ 1,904,894,699

Rock Island County, Illinois

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

Fiscal Year Ended June 30	Total Tax Levy (Extended)	Current Tax Collections	Percentage of Levy to Collections	Delinquent Tax Collections (Forfeitures Paid)	Total Tax Collections	Collections as Percentage of Current Levy	Delinquent Taxes (Forfeited)	As Percentage of Current Levy
2002-03	156,226,647	155,477,670	99.52	125,050	155,602,720	99.60	638,194	0.41
2003-04	165,180,140	164,601,896	99.65	651,723	165,253,619	100.04	249,101	0.15
2004-05	168,591,240	167,968,745	99.63	331,766	168,300,511	99.83	197,702	0.12
2005-06	178,173,536	177,161,043	99.43	156,833	177,317,876	99.52	185,441	0.10
2006-07	15,159,697	15,142,051	99.88	5,925	15,147,976	99.92	19,878	0.13
2007-08	15,770,214	15,797,683	100.17	11,256	15,808,939	100.25	27,515	0.17
2008-09	17,026,818	17,101,407	100.43	4,237	17,105,644	100.46	41,565	0.24
2009-10	17,326,233	17,408,781	100.48	5,293	17,414,074	100.51	33,890	0.20
2010-11	18,139,336	18,276,082	100.75	10,535	18,286,617	100.75	32,566	0.18
2010-12	18,558,124	18,708,221	100.81	3,913	18,712,134	100.83	36,820	0.14

Source:

Tax Settlement Book Treasurer's Office
Levy Confirmation Sheet from County Clerk Certified to Collect

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

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates

Last Ten Years

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

(Unaudited)

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

(Continued)

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

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

(Unaudited)

	Rock Island	Moline	East Moline		Silvis		Milan
	Rock Island	Moline	East Moline	UTHS	Silvis	UTHS	Rock Island
2007-08:							
City	2.35020	2.00620	1.81160	1.81160	1.71040	1.71040	0.87220
Black Hawk College	0.50160	0.50160	0.50160	0.50160	0.50160	0.50160	0.50160
School District	5.07880	5.05860	3.77540	1.96580	3.52520	1.96580	5.07880
Forest Preserve	0.06900	0.06900	0.06900	0.06900	0.06900	0.06900	0.06900
County	0.72000	0.72000	0.72000	0.72000	0.72000	0.72000	0.72000
Total levy	8.71960	8.35540	6.87760	5.06800	6.52620	4.96680	7.24160
Ratio of County to totals	0.08257	0.08617	0.10469	0.14207	0.11032	0.14496	0.09943
2006-07:							
City	2.36520	1.96460	1.88700	1.88700	1.81160	1.81160	0.87100
Black Hawk College	0.45790	0.45790	0.45790	0.45790	0.45790	0.45790	0.45790
School District	5.11920	5.11520	3.77540	1.94280	3.43360	1.94280	5.11920
Forest Preserve	0.06960	0.06960	0.06960	0.06960	0.06960	0.06960	0.06960
County	0.72600	0.72600	0.72600	0.72600	0.72600	0.72600	0.72600
Total levy	8.73790	8.33330	6.91590	5.08330	6.49870	5.00790	7.24370
Ratio of County to totals	0.08309	0.08712	0.10498	0.14282	0.11171	0.14497	0.10023
2005-06:							
City	2.43820	1.95940	1.88220	1.88220	1.92200	1.92200	0.89660
Black Hawk College	0.41450	0.41450	0.41450	0.41450	0.41450	0.41450	0.41450
School District	5.14520	5.15080	3.74760	1.99060	3.53340	1.99060	5.14520
Forest Preserve	0.06920	0.06920	0.06920	0.06920	0.06920	0.06920	0.06920
County	0.72840	0.72840	0.72840	0.72840	0.72840	0.72840	0.72840
Total levy	8.79550	8.32230	6.84190	5.08490	6.66750	5.12470	7.25390
Ratio of County to totals	0.08282	0.08752	0.10646	0.14325	0.10925	0.14214	0.10041
2004-05:							
City	2.57300	1.91160	1.86460	1.86460	1.88600	1.88600	0.88960
Black Hawk College	0.40210	0.40210	0.40210	0.40210	0.40210	0.40210	0.40210
School District	5.17140	5.11080	3.71500	2.01640	3.53900	2.01640	5.17140
Forest Preserve	0.06980	0.06980	0.06980	0.06980	0.06980	0.06980	0.06980
County	0.73420	0.73420	0.73420	0.73420	0.73420	0.73420	0.73420
Total levy	8.95050	8.22850	6.78570	5.08710	6.63110	5.10850	7.26710
Ratio of County to totals	0.08203	0.08923	0.10820	0.14433	0.11072	0.14372	0.10103

(Continued)

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

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

(Unaudited)

	Rock Island	Moline	East Moline		Silvis		Milan
	Rock Island	Moline	East Moline	UTHS	Silvis	UTHS	Rock Island
2003-04:							
City	2.49320	1.89880	1.75560	1.75560	1.71720	1.75560	0.84080
Black Hawk College	0.37400	0.37400	0.37400	0.37400	0.37400	0.37400	0.37400
School District	5.11360	5.26120	3.64660	1.99200	3.47120	1.99200	5.11360
Forest Preserve	0.06640	0.06640	0.06640	0.06640	0.06640	0.06640	0.06640
County	0.70820	0.70820	0.70820	0.70820	0.70820	0.70820	0.70820
Total levy	8.75540	8.30860	6.55080	4.89620	6.33700	4.89620	7.10300
Ratio of County to totals	0.08089	0.08524	0.10811	0.14464	0.11176	0.14464	0.09970
2002-03:							
City	2.51180	1.89300	1.76620	1.76620	1.73740	1.73740	0.82420
Black Hawk College	0.36710	0.36710	0.36710	0.36710	0.36710	0.36710	0.36710
School District	5.11660	5.25360	3.60580	1.97860	3.37240	1.97860	5.11660
Forest Preserve	0.06660	0.06660	0.06660	0.06660	0.06660	0.06660	0.06660
County	0.71840	0.71840	0.71840	0.71840	0.71840	0.71840	0.71840
Total levy	8.78050	8.29870	6.52410	4.89690	6.26190	4.86810	7.09290
Ratio of County to totals	0.08182	0.08657	0.11011	0.14671	0.11473	0.14757	0.10128

Source: County Clerk Current Tax Extensions

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

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

Not shown:

- a.) 10 Cities & Villages (populations <5,000)
- b.) 18 Townships
- c.) 17 Fire Protection Districts
- d.) 14 Road & Bridge Districts
- e.) 1 Metro Transit Authority
- f.) 1 Metro Airport Authority
- g.) 1 Illini Ambulance
- h.) 2 Flood Plain Districts
- i.) 1 River Conserv. District
- j.) 3 Sanitary Districts
- k.) 3 Multi. Townships
- l.) 3 Special Service Districts
- m.) 9 School Districts <130,000,000 Total Valuation

Rock Island County, Illinois

Direct and Overlapping Property Tax Rates (Continued)

Last Ten Years

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

(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
County Direct Rates:										
Corporate	0.24740	0.25000	0.25000	0.24940	0.24120	0.23920	0.24880	0.25000	0.25000	0.24820
Bond & Interest	0.08280	0.07840	0.07880	0.07500	0.07200	0.06840	0.06880	0.06560	0.06700	0.06240
IMRF	0.04960	0.07300	0.08220	0.08780	0.09120	0.08860	0.08900	0.08900	0.09260	0.10520
County Highway	0.03860	0.03780	0.03820	0.03620	0.03640	0.03840	0.04080	0.04240	0.04260	0.04220
Bridges	0.00280	0.00280	0.00280	0.00260	0.00260	0.00480	0.00680	0.00700	0.00700	0.00680
Mental Health	0.07440	0.06520	0.06840	0.06460	0.06240	0.06120	0.06180	0.06160	0.05900	0.05840
Health	0.02200	0.02100	0.02220	0.02200	0.02400	0.02380	0.02720	0.02820	0.03000	0.02980
Liability Insurance	0.03860	0.02620	0.02640	0.02740	0.02760	0.02860	0.03160	0.03200	0.03580	0.04180
Social Security	0.05500	0.04700	0.05320	0.05300	0.05400	0.05340	0.05340	0.05500	0.05260	0.05380
Extension Education	0.01100	0.01080	0.01120	0.01060	0.01040	0.01020	0.00980	0.01000	0.00960	0.00940
Veterans Assistance	0.01100	0.01180	0.01220	0.01200	0.01220	0.01220	0.01780	0.01760	0.01920	0.01900
Nursing Home	0.06120	0.08040	0.08480	0.08420	0.08860	0.08800	0.10000	0.09880	0.09480	0.09400
Child Advocacy	0.00400	0.00380	0.00380	0.00360	0.00340	0.00320	0.00320	0.00320	0.00300	0.00300
Total Direct Rates	0.71840	0.70820	0.73420	0.72840	0.72600	0.72000	0.75700	0.76040	0.76320	0.77400

Source: County Clerk Current Tax Extensions
 All tax rates are expressed in dollars per \$100 of taxable valuation

Rock Island County, Illinois

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)
(Unaudited)**

	General Obligation Bonds	Revenue Bonds Payable	Capital Leases	Installment Purchase	Total Primary Government	Percentage of Personal Income	Per Capita
2003	-	11,540,000	-	115,267	11,655,267	0.2546%	79.26
2004	-	11,110,000	-	53,889	11,163,889	0.2806%	76.04
2005	-	8,815,000	-	-	8,815,000	0.3634%	60.19
2006	1,750,000	8,750,000	-	-	10,500,000	0.3266%	71.75
2007	21,600,000	8,280,000	-	-	29,880,000	0.1225%	203.17
2008	21,515,000	7,790,000	-	-	29,305,000	0.1310%	199.81
2009	25,610,000	8,110,000	-	-	33,720,000	0.1138%	229.66
2010	25,105,000	7,445,000	-	-	32,550,000	0.1179%	220.61
2011	24,420,000	6,750,000	4,749	-	31,170,000	0.1189%	211.26
2012	23,715,000	6,020,000	-	-	29,735,000	0.1316%	201.65

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

Rock Island County, Illinois

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)
(Unaudited)**

Fiscal Year	General Obligation Bonded Debt Outstanding (1)	Assessed Value	Percent of Debt to Assessed Value	Estimated Population	Debt Per Capita
2002-03	11,540,000	1,815,094,150	0.00636	148,140	78.48
2003-04	11,110,000	2,011,203,439	0.00552	147,044	75.67
2004-05	9,020,000	2,015,104,855	0.00448	146,817	61.59
2005-06	10,500,000	2,136,061,643	0.00492	146,451	71.75
2006-07	29,880,000	2,231,350,979	0.01330	146,341	203.17
2007-08	29,305,000	2,365,608,928	0.01239	147,071	199.81
2008-09	33,720,000	2,440,076,128	0.01382	146,661	229.66
2009-10	32,550,000	2,495,456,042	0.01304	146,826	221.69
2010-11	31,170,000	2,572,982,922	0.01211	147,546	211.26
2011-12	29,735,000	2,594,108,513	0.01146	147,457	201.65

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

Source: County records

Rock Island County, Illinois

**Direct and Overlapping Governmental Activities Debt
As of November 30, 2012
(dollars in thousands)
(Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt to County *	County Share of Debt
Rock Island County Direct Debt:			
Building Commission	\$ 6,750,000	100.00%	\$ 6,750,000
Rock Island Nursing Home	18,650,000	100.00%	18,650,000
Rock Island County Forest Preserve	5,490,000	100.00%	5,490,000
Overlapping Debt:			
School Districts:			
#1 Erie	-	70.94	-
#29 Hampton	515,000	100.00	515,000
#30 UTHS	1,825,000	91.94	1,677,905
#34 Silvis	4,095,000	100.00	4,095,000
#36 Carbon Cliff	1,270,000	100.00	1,270,000
#37 East Moline	3,968,411	100.00	3,968,411
#40 Moline	25,730,620	100.00	25,730,620
#41 Rock Island	38,435,000	100.00	38,435,000
#100 Riverdale	2,510,000	100.00	2,510,000
#190 Colona	770,000	0.11	847
#200 Sherrard	3,086,873	31.79	981,317
#203 Westmer	245,000	4.15	10,168
#223 Orion	5,563,253	7.37	410,012
#300 Rockridge	870,000	98.29	855,123
#503 Black Hawk College	17,740,000	67.06	11,896,444
Cities and Villages:			
Andalusia	545,000	100.00	545,000
Coal Valley	1,560,000	89.94	1,403,064
Cordova	-	100.00	-
East Moline	29,587,012	100.00	29,587,012
Hampton	170,000	100.00	170,000
Milan	9,555,000	100.00	9,555,000
Moline	73,855,000	100.00	73,855,000
Rock Island	35,183,333	100.00	35,183,333
Silvis	11,010,000	100.00	11,010,000
Special Districts:			
Carbon Cliff Spec. Svc. 3	195,000	100.00	195,000
Rock Island Spec. Svc. 3	1,440,000	100.00	1,440,000
Illini Hospital (Ambulance)	7,750,000	86.64	6,714,600
Metro Mass Transit	9,765,000	98.81	9,648,797
Metropolitan Airport	24,585,000	100.00	24,585,000
Moline Special Svc. 3	-	100.00	-
Silvis Special Svc. 1	1,280,000	100.00	1,280,000
Coal Valley FPD	550,000	85.83	472,065
Subtotal, overlapping debt	313,654,502		297,999,717
Totals	\$ 344,544,502		\$ 328,889,717
Total underlying long-term debt	\$ 344,544,502		
Total direct and underlying long-term debt	\$ 328,889,717		

Source:

Rock Island County Clerk's Office
Current Tax Extension Book

* Percentage of Debt to County calculated as follows:

100% - overlapping valuation debt / total valuation

Rock Island County, Illinois

Legal Debt Margin Information

As of November 30, 2012

(dollars in thousands)

(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Assessed value	\$ 1,904,894,699	\$ 2,014,687,178	\$ 2,018,562,150	\$ 2,139,245,172	\$ 2,234,908,738	\$ 2,365,608,928	\$ 2,440,076,128	\$ 2,495,456,042	\$ 2,572,982,922	\$ 2,594,108,513
Debt limit	\$ 54,765,723	\$ 57,921,681	\$ 58,033,662	\$ 61,503,299	\$ 64,253,626	\$ 68,011,257	\$ 70,152,189	\$ 71,744,361	\$ 73,973,259	\$ 74,580,620
Debt applicable to debt limit	11,655,267	11,163,889	8,815,000	10,500,000	29,880,000	29,305,000	33,720,000	32,550,000	31,170,000	29,735,000
Legal debt margin	\$ 43,110,456	\$ 46,757,792	\$ 49,218,662	\$ 50,911,772	\$ 34,271,341	\$ 68,011,257	\$ 36,432,189	\$ 39,194,361	\$ 42,803,259	\$ 44,845,620
Total net debt applicable to the limit as a percentage of debt limit	21.11%	19.21%	15.22%	17.07%	46.58%	43.09%	48.07%	45.37%	42.14%	39.87%

Source: County records

Rock Island County, Illinois

Demographic and Economic Statistics Last Ten Calendar Years (Unaudited)

Year	Population ¹	Personal Income		Median Age ³	Unemployment Rate ⁴	School Enrollment ⁵
		(Thousands of Dollars)	Per Capita Income ²			
2002-03	148,140	\$ 4,160,067	28,082	38.0	5.6	23,419
2003-04	147,044	4,325,740	29,418	38.0	6.0	23,303
2004-05	146,817	4,560,283	31,061	38.0	5.4	23,038
2005-06	146,451	4,651,723	31,763	38.0	4.8	22,774
2006-07	146,341	4,970,911	33,968	38.0	4.6	22,577
2007-08	147,071	5,246,170	35,671	38.0	4.8	22,484
2008-09	146,661	5,523,107	37,659	38.0	5.6	22,105
2009-10	146,826	5,440,784	37,056	39.0	9.1	22,273
2010-11	147,546	5,774,185	39,132	40.0	9.6	22,301
2010-12	147,457	not avail	not avail	40.4	8.3	22,499

Data Compiled by: Bi-State Regional Commission

⁽¹⁾ U.S. Census Bureau, Population Estimates Program (2001-2009); 2010 Census; ESRI Community Analyst (2012)

⁽²⁾ U.S. Bureau of Economic Analysis

⁽³⁾ Woods & Poole Projections; U.S Census Bureau Population Estimates - (2002-10); ESRI Community Analyst (2012)

⁽⁴⁾ Illinois Department of Employment Security

⁽⁵⁾ Illinois State Board of Education (K-12)

Rock Island County, Illinois

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2003		
	Employees	% of Total Employment	Rank
Deere & Company	7,317	10.43%	1
Rock Island Arsenal	6,000	8.55%	2
Trinity Regional Health System	2,500	3.56%	3
IBP	2,300	3.28%	4
Illini Hospital	950	1.35%	5
CNH Global (Case New Holland)	816	1.16%	6
KONE Inc	600	0.86%	7
Norcross Safety Products LLC	471	0.67%	8
Modern Woodman of America	430	0.61%	9
3M	423	0.60%	10
Total Employment	70,152	31.09%	

Source: QC Development

Employer	2012		
	Employees	% of Total Employment	Rank
Rock Island Arsenal	7,900	11.08%	1
Deere & Company	5,800	8.13%	2
Trinity Medical Center	2,573	3.61%	3
Tyson Fresh Meats	2,500	3.51%	4
Group O Companies	1,100	1.54%	5
XPAC	1,000	1.40%	6
Genesis Medical Center - Silvis	970	1.36%	7
Rock Island County	841	1.18%	8
Blackhawk College	825	1.16%	9
Exelon	700	0.98%	10
Total Employment *	71,319	33.94%	

Sources: InfoGroup, Reference USA GOV and individual employers
 Quad City Development Group (2002-2003 Quad City Fact Sheet)
 IL Dept of Employment Securities
 Data Compiled By: Bi-State Regional Commission

* Total Employment = 2011 data as 2012 has not yet been released

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Social service:										
Hope Creek	172.0	172.5	172.0	168.0	174.0	183.0	232.0	231.5	239.3	249.3
Veteran's administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health department	68.5	69.0	70.5	70.0	72.5	62.5	66.5	63.0	64.0	66.5
Mental health	0.5	1.0	1.5	1.0	1.0	0.5	0.5	0.5	0.5	0.5
Total social service	243.0	244.5	246.0	241.0	249.5	248.0	301.0	297.0	305.8	308.3
General government:										
Auditor	3.0	3.0	3.0	3.0	3.5	3.5	4.0	4.0	3.5	3.5
County board	14.5	15.5	15.5	13.5	14.0	13.5	14.0	13.5	14.0	13.5
County clerk	12.0	11.5	11.0	13.0	11.0	11.0	12.0	10.0	12.0	11.0
Recorder	10.0	10.0	10.0	10.0	9.0	8.0	10.0	9.0	8.0	8.0
Superintendent of Education	1.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Treasurer	7.0	7.0	7.0	8.0	7.0	7.0	7.0	7.0	6.0	6.0
Assessment map	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Board of review	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Information systems	10.0	10.0	10.0	10.0	10.0	10.0	9.0	9.0	8.0	8.0
County building	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.0	4.0	4.0
Human resources	-	-	-	3.0	2.0	5.0	4.5	2.5	2.3	1.3
HR/liability	4.0	7.0	6.0	6.0	6.0	4.0	4.0	1.5	1.3	1.3
GIS	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	2.0
Document storage	3.5	4.0	3.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Recorder/document	2.0	2.0	2.0	2.0	2.0	1.0	2.0	3.0	3.0	3.0
Purchasing	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0	-
Total general government	84.0	89.0	86.5	89.5	83.5	81.0	86.0	78.0	77.1	70.6

(Continued)

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety & corrections:										
Coroner	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Sheriff	139.0	139.5	131.5	110.5	133.0	126.5	134.0	123.0	125.0	128.0
EMA	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Zoning	5.0	6.0	7.5	7.5	7.0	6.0	4.0	5.0	4.0	3.0
Animal control	2.0	2.0	3.5	8.0	8.0	7.0	9.5	10.5	11.0	11.5
Court security	11.5	13.5	13.0	15.0	15.0	13.0	16.0	15.0	15.5	15.5
COPS	1.0	-	9.0	8.0	9.0	8.0	11.0	11.0	10.0	10.0
Total public safety & corrections	163.5	166.0	168.5	153.0	176.0	164.5	178.5	168.5	169.5	172.0
Public works & transportation:										
Highway	20.5	23.0	20.5	19.5	20.0	20.0	18.5	15.0	11.0	15.0
Motor fuel tax	-	-	2.0	2.0	2.0	2.0	1.0	7.5	9.0	4.0
Total public works & transportation	20.5	23.0	22.5	21.5	22.0	22.0	19.5	22.5	20.0	19.0
Judiciary & legal/legislative:										
Circuit clerk	33.5	34.5	32.5	30.5	32.5	31.5	33.5	33.5	33.5	32.5
Circuit court	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
States attorney	28.5	23.5	24.5	26.5	25.5	26.5	29.5	27.5	25.5	25.5
Court services	40.0	38.5	37.5	38.5	38.0	36.0	40.0	37.0	38.5	37.5
Ostrom maintenance	0.5	-	-	-	0.5	0.5	0.5	-	-	-
Public defender	8.5	8.5	8.5	7.5	7.5	8.5	8.5	8.5	8.5	8.5
Law library	1.0	1.0	-	-	-	-	-	-	-	-
Child support	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	3.0	3.0
Courthouse maintenance	14.0	12.0	12.0	13.0	11.0	11.0	13.0	11.0	13.0	13.0
Total judiciary & legal/legislative	133.5	125.5	122.5	123.5	122.5	120.5	132.5	125.0	125.5	123.5
Total	644.5	648.0	646.0	628.5	653.5	636.0	717.5	691.0	697.9	693.4

Source: County year-end payroll report

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety and legal services:										
Public defender:										
# of individuals defended-felony	995	962	947	994	1,042	1,059	966	1,008	926	911
# of individuals defended-misd/tr	1,675	1,379	934	940	1,987	2,650	3,440	3,318	3,422	2,764
# of individuals defended-prt	369	307	350	333	337	282	306	285	230	238
# of individuals defended-other	46	45	32	15	18	26	39	35	57	66
# of individuals defended-juvenile	336	309	302	312	259	254	220	209	249	224
Sheriff:										
# of civil papers served	6,185	5,665	5,259	5,614	7,135	4,697	6,254	5,795	5,624	5,599
# of jail bookings	11,371	10,683	10,359	10,944	11,944	12,741	12,512	10,091	9,618	9,063
# of traffic citations written	3,650	3,261	2,811	3,339	3,210	2,632	2,765	2,619	1,210	3,378
# of 911 calls	5,207	6,924	6,724	5,610	20,534	14,270	14,300	13,188	13,795	14,426
# prisoner days per year	83,887	95,565	90,286	97,852	118,598	115,052	83,950	107,461	95,080	99,085
average daily count	230	262	2,547	268	269	251	230	270	259	258
Emergency Management Agency										
Exercises performed & evaluated	not avail.	not avail.	1	1	1	1	1	3	3	3
Activations for severe weather	not avail.	not avail.	-	-	-	2	2	2	2	2
Participation in Regional Emergency	not avail.	not avail.	1	1	1	1	2	1	1	4
Judicial:										
Court Administration										
Juror Summons Mailed	not avail.	not avail.	18,800	18,800	1,525	13,200	14,500	17,600	15,200	15,305
Juror Summons Returned	not avail.	not avail.	8,500	8,500	6,025	5,280	5,950	7,900	4,764	6,170
Trials conducted	not avail.	not avail.	41	59	53	55	46	55	55	31
State Attorney										
# of felonies filed	1,177	1,165	1,104	1,216	1,251	1,274	1,151	1,176	1,164	1,149
Circuit clerk:										
New Criminal Cases Filed	not avail.	not avail.	not avail.	not avail.	3,661	3,625	3,435	3,000	3,008	3,123
Criminal Cases Closed	not avail.	not avail.	not avail.	not avail.	2,573	2,455	2,366	3,185	2,917	2,923
Bonds Processed	not avail.	not avail.	not avail.	not avail.	15,406	16,056	13,992	12,433	12,851	13,537
DUI Cases Filed	not avail.	not avail.	not avail.	not avail.	998	1,133	1,260	1,173	1,185	1,058
Traffic Cases Filed	not avail.	not avail.	not avail.	not avail.	31,497	28,700	27,010	23,883	20,954	22,784
Veteran's assistance:										
# of veterans assisted	689	819	745	815	910	1,621	2,246	1,283	3,082	3,084
# of cases	595	665	610	652	734	1,194	2,981	899	862	804
value of assistance	115,008	138,151	127,710	130,886	138,709	249,785	368,472	163,994	152,536	133,042
# of claims	-	60	149	188	226	218	160	196	195	162
# of referrals	-	60	68	70	162	125	82	44	49	51
# of med equipment	-	26	26	38	75	82	67	145	81	149
Health Department:										
# of common disease requiring investigation	355	220	251	289	438	413	422	490	539	493
# of environ health inspections conducted	2,848	2,649	3,083	2,927	3,112	2,853	2,797	2,920	2,877	2,681
# of grants	28	30	28	29	34	39	35	32	30	29
Coroner:										
# of coroner cases in Rock Island County	1,133	1,147	1,101	1,101	1,042	1,109	1,103	1,105	1,123	1,228
# of autopsies held	35/35*	25/25*	43/43*	26/28*	45/44*	42/42*	39/39*	26/26*	32/32*	28/28*
# of inquests held	55	62	56	61	84	90	49	57	57	62
# of cremation permits issued	311	312	355	384	395	408	405	442	517	564
# of cremation permit fees waived	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	44
* County paid										

(Continued)

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
County recreation & culture:										
Forest preserve:										
# of boat launch ramps	4	4	4	4	4	4	4	4	4	4
# of ball diamonds	6	5	5	5	5	5	5	5	5	5
# of forest preserves	5	5	5	5	5	5	5	5	5	5
# of zoos 287.3 acres	1	1	1	1	1	1	1	1	1	1
# of campgrounds	2	2	2	2	2	2	2	2	2	2
# of playgrounds	8	8	8	8	8	8	8	8	8	8
# manmade lakes 167 acres	1	1	1	1	1	1	1	1	1	1
# of golf courses	1	1	1	1	1	1	1	1	1	1
Planning and development, zoning:										
# of building permits issued	948	986	875	787	762	758	764	781	766	659
Value of issued permits	21,508,793	23,801,637	23,094,238	15,236,682	23,680,059	47,594,263	12,362,128	33,220,103	40,768,445	17,263,743
Transportation & public works:										
Highway:										
# of miles of road state, co, city, township	1,392.63	1,392.63	1,392.56	1,392.56	1,394.36	1,401.73	1,418.90	1,416.57	1,425.63	not avail
# of miles of road paved-concrete & bituminous	1,177.34	1,177.37	1,177.27	1,177.27	1,179.07	1,187.14	1,204.45	1,205.91	1,235.59	not avail
# of miles of road improved-rock & oiled	209.51	209.51	209.51	209.51	209.51	208.34	208.14	204.87	184.67	not avail
# of bridges repaired/replaced	1	-	1	-	2	1	1	-	-	not avail
Governmental services to residents:										
County clerk elections:										
# of elections	2	2	2	2	2	2	2	2	2	2
# of registered voters	96,573	104,030	104,030	117,626	95,314	99,048	99,141	101,858	80,153	91,636
# of votes cast in general election	43,682	70,308	70,308	47,130	8,360	68,993	22,480	47,053	6,248	65,574
% of registered voters cast ballots	45.23%	67.58%	67.58%	40.07%	8.77%	60.13%	22.67%	46.19%	7.80%	71.56%
County clerk:										
# of original birth certificates issued	not avail.	not avail.	not avail.	11,962	10,463	10,647	9,841	9,357	8,414	8,186
# of birth certificate copies issued	not avail.	not avail.	not avail.	1,610	1,502	1,312	1,214	1,194	1,200	1,236
# of original death certificates issued	not avail.	not avail.	not avail.	804	541	686	556	633	618	576
# of death certificate copies issued	not avail.	not avail.	not avail.	255	194	239	209	216	240	196
# of marriage licenses	not avail.	not avail.	not avail.	1,119	1,137	1,104	1,096	1,092	995	1,000
# of original marriage certificates issued	not avail.	not avail.	not avail.	2,311	1,764	2,031	2,066	2,183	2,149	1,982
# of marriage certificate copies issued	not avail.	not avail.	not avail.	769	949	863	833	1,069	992	1,091
# of original civil union certificates issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	18	21
# of civil union certificate copies issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	18	13
Recorder:										
# of real estate transactions recorded	49,224	37,220	33,205	31,014	30,859	27,796	29,296	31,968	28,194	31,145
# of discharged service men/women	52	42	39	58	44	38	52	54	63	46

(Continued)

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Administration:										
Auditor:										
# of vouchers processed	21,022	22,037	19,403	20,824	20,759	21,443	21,478	22,465	21,889	23,054
Information technology:										
# of network users	-	-	-	-	553	553	553	432	445	511
Treasurer:										
# of tax bills mailed	62,496	62,802	62,631	63,010	58,143	63,438	63,373	63,340	63,354	63,318
# mobile home tax bills	2,176	2,046	2,195	2,007	1,720	1,815	1,740	1,719	1,682	1,654
# of tax distributions made							8	9	10	10
Human resources:										
Payroll checks	19,656	19,873	19,879	20,331	20,108	21,038	21,040	23,182	27,034	28,245
Superintendent of Education:										
Schools within the County:										
Public schools:										
# of elementary schools	43	43	42	42	42	41	41	40	40	40
# of junior high schools	10	10	10	10	10	10	11	11	10	10
# of senior high schools	6	6	6	6	6	6	6	6	6	6
# of alternative high schools	5	5	5	5	5	5	5	5	5	5
# of total students (Pre-K to 12)	24,369	24,316	23,973	23,718	23,569	23,307	23,213	23,212	23,279	24,132
Nonpublic schools:										
# of Pre-K to 8 schools	9	9	9	7	9	9	9	6	7	7
# of high schools	3	3	3	3	3	3	3	3	3	3
# of total students	3,018	2,857	2,542	2,232	2,723	2,140	2,122	2,119	2,132	2,449
Higher education:										
# of universities	1	1	1	1	1	1	1	1	1	1
# of colleges	1	1	1	1	1	1	1	1	1	1
# of junior colleges	1	1	1	1	1	1	1	1	1	1
Other:										
# of industrial land parcels	564	564	558	561	558	559	559	555	549	549
# of farming acres	198,394	198,394	198,109	196,442	196,006	193,233	196,121	192,973	192,887	192,887
# of farms	4,173	4,173	4,164	4,180	4,201	4,102	4,102	4,132	4,153	4,153

Rock Island County, Illinois

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

Function / Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Social Services:										
# of vehicles	16	18	22	19	19	22	16	20	19	24
# of buildings	10	9	8	8	8	7	7	3	3	3
General Government:										
# of vehicles	3	2	2	2	2	4	3	4	5	5
# of buildings	1	1	1	1	1	1	2	3	2	2
Public Safety/Judiciary:										
# of patrol cars	43	42	39	49	49	52	62	66	74	74
# of other vehicles	48	57	53	51	55	55	38	29	22	28
# of buildings	6	6	7	8	8	8	8	7	7	7
Public Works & Transportation:										
# of vehicles	26	27	27	28	31	28	25	24	24	30
# of buildings	6	6	7	7	7	7	6	7	7	7
Culture & Recreation:										
# of acres managed	2,489.6	2,489.6	2,489.6	2,489.6	2,489.6	2,489.6	2,489.6	2,489.6	2,496.9	2,496.9
# of vehicles	23	23	26	25	28	32	34	35	35	34
# of buildings	51	50	48	64	60	61	59	57	58	58