

MCDONOUGH COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended November 30, 2013



McDONOUGH COUNTY, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Members of the County
Board McDonough County,
Illinois Macomb, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of McDonough County, Illinois (County), as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of McDonough County, Illinois as of November 30, 2013, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

The County adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended November 30, 2013. Statement No. 63 added new classifications on the statement of net position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of net position to new classifications contained in GASB Statement No. 63. Our opinions have not been modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

McDonough County, Illinois has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise McDonough County, Illinois' basic financial statements. The combining and individual fund financial statements and schedules and the supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The accompanying financial information listed as "Supplemental Information" in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on that information.

A handwritten signature in black ink, appearing to read "Seth A. US".

Springfield, Illinois
June 3, 2014

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF NET POSITION
November 30, 2013

	Primary Government			Component
	Governmental	Business-Type	Government	Unit -
	Activities	Activities	Total	ETSB
ASSETS				
Cash and cash equivalents	\$ 9,174,747	\$1,540,452	\$10,715,199	\$ 300,350
Restricted cash	-	25,738	25,738	-
Investments	1,233,413	950,000	2,183,413	-
Receivables, net:				
State of Illinois	712,699	947,748	1,660,447	-
Property Taxes	5,120,410	377,700	5,498,110	-
Accrued interest	-	9,376	9,376	-
Other	141,697	159,657	301,354	85,689
Due from fiduciary funds	137,678	-	137,678	-
Due from component unit	17,138	-	17,138	-
Inventories	10,848	57,881	68,729	-
Prepaid expense	179,662	1,875	181,537	-
Capital assets not being depreciated	178,556	61,427	239,983	-
Capital assets, net of accumulated depreciation	5,711,403	1,513,679	7,225,082	5,511
TOTAL ASSETS	22,618,251	5,645,533	28,263,784	391,550
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
Liabilities:				
Accounts payable	421,208	194,858	616,066	-
Due to primary government	-	-	-	17,138
Due to fiduciary funds	7,204	-	7,204	-
Accrued expense	-	120,773	120,773	-
Due to others	43,998	-	43,998	-
Deferred revenue	68,027	-	68,027	-
Resident deposits	-	8,876	8,876	-
Long-term obligations, due within one year:				
Leases payable	-	1,499	1,499	-
Compensated absences - current	181,202	152,067	333,269	-
Long-term obligations, due in more than one year				
Compensated absences - long-term	81,904	-	81,904	-
Net OPEB obligation	148,351	90,518	238,869	-
Net pension obligation	1,953	-	1,953	-
Total liabilities	953,847	568,591	1,522,438	17,138
Deferred Inflows of Resources:				
Unearned property taxes	5,120,410	377,700	5,498,110	-
Total deferred inflows of resources	5,120,410	377,700	5,498,110	-
Total liabilities and deferred inflows of resources	6,074,257	946,291	7,020,548	17,138
NET POSITION				
Net investment in capital assets	5,889,959	1,573,607	7,463,566	5,511
Restricted for				
Highways and streets	1,664,342	-	1,664,342	-
Health and welfare	1,404,059	-	1,404,059	-
Public safety	713,007	-	713,007	368,901
Economic development	81,155	-	81,155	-
Retirement	1,066,535	-	1,066,535	-
Specific purpose	1,557,782	16,862	1,574,644	-
Unrestricted	4,167,155	3,108,773	7,275,928	-
TOTAL NET POSITION	\$ 16,543,994	\$4,699,242	\$21,243,236	\$ 374,412

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended November 30, 2013

ACTIVITIES	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
					Primary Government		Component Unit - ETSB
					Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL							
General government	\$ 2,189,023	\$ 661,557	\$ 89,302	\$ 16,543	\$ (1,421,621)	-	\$ (1,421,621)
Public safety	2,907,707	1,282,148	131,397	-	(1,494,162)	-	(1,494,162)
Corrections	1,106,206	43,012	-	-	(1,063,194)	-	(1,063,194)
Judiciary and court related	2,883,301	774,584	383,736	-	(1,724,981)	-	(1,724,981)
Transportation	2,130,427	377,002	935,955	-	(817,470)	-	(817,470)
Public health and welfare	4,079,592	1,730,944	315,134	-	(2,033,514)	-	(2,033,514)
Total governmental activities	15,296,256	4,869,247	1,855,524	16,543	(8,554,942)	-	(8,554,942)
BUSINESS-TYPE							
The Elms Nursing Home	5,456,069	5,332,830	62,782	-	-	(60,457)	(60,457)
TOTAL McDONOUGH COUNTY	\$ 20,752,325	\$ 10,202,077	\$ 1,918,306	\$ 16,543	(8,554,942)	(60,457)	(8,615,399)
COMPONENT UNIT							
ETSB	\$ 340,174	\$ 376,413	\$ -	\$ -	-	-	-
General revenues:							
Taxes:							
Property taxes					4,991,496	368,543	5,360,039
Local use tax					106,925	-	106,925
General sales tax					1,995,725	-	1,995,725
Income and replacement taxes					828,841	-	828,841
Investment income					28,549	15,245	43,794
Miscellaneous					737,997	-	737,997
Total general revenues					8,689,533	383,788	9,073,321
Change in net assets					134,591	323,331	457,922
Net position - beginning of year					16,395,359	4,375,911	20,771,270
Prior period adjustment					14,044	-	14,044
Net position - beginning of year, restated					16,409,403	4,375,911	20,785,314
Net position - end of year					\$ 16,543,994	\$ 4,699,242	\$ 21,243,236
							\$ 374,412

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2013

	General Fund	Illinois Municipal Retirement Fund	Public Safety Sales Tax Fund	Social Security Fund
ASSETS				
Cash and cash equivalents	\$ 827,470	\$ 828,427	\$ 351,510	\$ 846,648
Investments	-	-	-	-
Receivables, net:				
State of Illinois	342,883	-	317,207	-
Property taxes	1,009,714	1,145,000	-	650,000
Other	43,213	-	-	-
Due from other funds	49,736	2,692	-	2,577
Inventories	10,848	-	-	-
Due from component unit	-	-	-	-
Advances to other funds	-	-	90,681	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>\$ 2,283,864</u>	<u>\$ 1,976,119</u>	<u>\$ 759,398</u>	<u>\$ 1,499,225</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 39,336	\$ 156,863	\$ 14,314	\$ -
Due to others	309	-	-	-
Due to other funds	5,269	450,000	90	-
Unearned revenue	-	-	-	-
Advances from other funds	90,681	-	-	-
Total liabilities	<u>135,595</u>	<u>606,863</u>	<u>14,404</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	1,009,714	1,145,000	-	650,000
Total deferred inflows of resources	<u>1,009,714</u>	<u>1,145,000</u>	<u>-</u>	<u>650,000</u>
Total liabilities and deferred inflows of resources	<u>1,145,309</u>	<u>1,751,863</u>	<u>14,404</u>	<u>650,000</u>
FUND BALANCES				
Nonspendable				
Nonspendable - prepaids	-	-	-	-
Nonspendable - advances	-	-	90,681	-
Nonspendable - inventories	10,848	-	-	-
Restricted for highways and streets	-	-	-	-
Restricted for public safety	12,766	-	654,313	-
Restricted for economic development	-	-	-	-
Restricted for health and welfare	-	-	-	-
Restricted for retirement	-	224,256	-	842,279
Restricted for specific purpose	-	-	-	-
Unrestricted:				
Committed for highways and streets	-	-	-	-
Assigned for highways and streets	-	-	-	-
Assigned for public safety	-	-	-	-
Assigned for economic development	-	-	-	-
Assigned for health and welfare	-	-	-	-
Assigned for retirement	-	-	-	6,946
Assigned for specific purpose	-	-	-	-
Unassigned	1,114,941	-	-	-
Total fund balances	<u>1,138,555</u>	<u>224,256</u>	<u>744,994</u>	<u>849,225</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,283,864</u>	<u>\$ 1,976,119</u>	<u>\$ 759,398</u>	<u>\$ 1,499,225</u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT 3

County Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 795,191	\$ 3,461,850	\$ 7,111,096
4,300	1,229,113	1,233,413
20,833	31,776	712,699
317,600	1,674,946	4,797,260
25,338	73,146	141,697
1,511	114,718	171,234
-	-	10,848
-	17,138	17,138
-	-	90,681
-	179,662	179,662
<u>\$ 1,164,773</u>	<u>\$ 6,782,349</u>	<u>\$ 14,465,728</u>
\$ 16,118	\$ 72,453	\$ 299,084
-	43,689	43,998
9,775	22,840	487,974
68,027	-	68,027
-	-	90,681
<u>93,920</u>	<u>138,982</u>	<u>989,764</u>
317,600	1,674,946	4,797,260
<u>317,600</u>	<u>1,674,946</u>	<u>4,797,260</u>
411,520	1,813,928	5,787,024
-	179,662	179,662
-	-	90,681
-	-	10,848
-	1,664,342	1,664,342
-	45,928	713,007
-	81,155	81,155
717,796	686,263	1,404,059
-	-	1,066,535
-	1,557,782	1,557,782
-	259,860	259,860
-	175,079	175,079
-	115	115
-	28	28
35,457	12,765	48,222
-	-	6,946
-	305,442	305,442
-	-	1,114,941
<u>753,253</u>	<u>4,968,421</u>	<u>8,678,704</u>
<u>\$ 1,164,773</u>	<u>\$ 6,782,349</u>	<u>\$ 14,465,728</u>

McDONOUGH COUNTY, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
November 30, 2013

Total fund balance for government funds (Exhibit 3)	\$ 8,678,704
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$ 178,556	
Buildings, net	942,190	
Building improvements, net	1,306,178	
Infrastructure, net	2,795,731	
Vehicles, net	276,144	
Maintenance equipment, net	318,001	
Computer equipment, net	39,330	
Software, net	10,006	
Office equipment, net	23,823	5,889,959

Internal service funds (see Exhibit 5) are used by the County to charge the cost of liability, unemployment, worker's compensation, and medical insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:

2,388,741

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. The long-term liabilities consist of:

Compensated absences	\$ (263,106)	
Net OPEB obligation	(148,351)	
Net pension obligation	(1,953)	
Total long-term liabilities		(413,410)

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES
(EXHIBIT 1)

\$ 16,543,994

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year ended November 30, 2013

	General Fund	Illinois Municipal Retirement Fund	Public Safety Sales Tax Fund	Social Security Fund
REVENUES				
Property taxes	\$ 994,898	\$ 1,032,212	\$ -	\$ 690,346
State of Illinois:				
Local use tax	106,925	-	-	-
Sales tax	812,977	-	1,182,748	-
Income tax	618,204	-	-	-
Motor fuel tax allotments	-	-	-	-
Personal property replacement taxes	198,776	11,861	-	-
State grants and expenditure reimbursements	354,691	-	-	-
Federal revenue	27,029	-	-	-
Fees for services and materials	1,189,238	-	-	-
Investment income	3,642	1,326	1,416	1,534
Other	201,451	1,988	21,807	2,957
Total revenues	<u>4,507,831</u>	<u>1,047,387</u>	<u>1,205,971</u>	<u>694,837</u>
EXPENDITURES				
Current:				
General government	1,382,809	122,556	-	64,228
Public safety	1,441,386	193,134	584,730	104,833
Corrections	357,771	12,381	377,351	7,328
Judiciary and court related	1,584,896	239,832	-	139,577
Public health	12,853	421,562	-	276,438
Public welfare	-	-	-	-
Transportation	-	72,605	-	42,970
Capital outlay	12,585	-	52,224	-
Debt service				
Principal	-	-	-	-
Total expenditures	<u>4,792,300</u>	<u>1,062,070</u>	<u>1,014,305</u>	<u>635,374</u>
Excess (deficiency) of revenues over expenditures	<u>(284,469)</u>	<u>(14,683)</u>	<u>191,666</u>	<u>59,463</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	146,697	100,000	-	-
Transfers out	<u>(44,291)</u>	<u>-</u>	<u>(215,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>102,406</u>	<u>100,000</u>	<u>(215,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(182,063)</u>	<u>85,317</u>	<u>(23,334)</u>	<u>59,463</u>
FUND BALANCES, BEGINNING OF YEAR	1,320,618	138,939	768,328	789,762
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, BEGINNING OF YEAR - RESTATED	<u>1,320,618</u>	<u>138,939</u>	<u>768,328</u>	<u>789,762</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 1,138,555</u></u>	<u><u>\$ 224,256</u></u>	<u><u>\$ 744,994</u></u>	<u><u>\$ 849,225</u></u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT 4

County Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 309,886	\$ 1,648,987	\$ 4,676,329
-	-	106,925
-	-	1,995,725
-	-	618,204
-	372,671	372,671
-	-	210,637
196,493	266,891	818,075
434,882	-	461,911
180,434	881,806	2,251,478
339	16,834	25,091
-	424,279	652,482
<u>1,122,034</u>	<u>3,611,468</u>	<u>12,189,528</u>
-	281,067	1,850,660
-	8,262	2,332,345
-	272,706	1,027,537
-	420,163	2,384,468
1,052,989	688,430	2,452,272
-	182,177	182,177
-	1,540,793	1,656,368
464	199,989	265,262
46,980	-	46,980
<u>1,100,433</u>	<u>3,593,587</u>	<u>12,198,069</u>
<u>21,601</u>	<u>17,881</u>	<u>(8,541)</u>
8,654	527,440	782,791
-	(507,420)	(766,711)
<u>8,654</u>	<u>20,020</u>	<u>16,080</u>
<u>30,255</u>	<u>37,901</u>	<u>7,539</u>
708,954	4,930,520	8,657,121
<u>14,044</u>	<u>-</u>	<u>14,044</u>
<u>722,998</u>	<u>4,930,520</u>	<u>8,671,165</u>
<u>\$ 753,253</u>	<u>\$ 4,968,421</u>	<u>\$ 8,678,704</u>

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year ended November 30, 2013

Net change in fund balances - total governmental funds (Exhibit 4)	\$ 7,539
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays 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 amount by which capital outlays exceeded depreciation in the current year:

Capital outlay	239,037
Depreciation	(441,619)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to increase/decrease net position:

Dispositions	(2,263)
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Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Repayments:	
Notes payable	46,980
Leases payable	38,576

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.

Compensated absences	38,222
Net OPEB obligation	(38,258)
Net pension obligation	(41)

Internal services funds (See Exhibit 6) are used by the County to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
(EXHIBIT 2)

\$ 134,591

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
November 30, 2013

EXHIBIT 5

	Business-type Activities	Governmental Activities
	Enterprise Fund - The Elms	Internal Service Funds
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,540,452	\$ 2,063,651
Restricted cash	25,738	-
Investments	950,000	-
Receivables:		
State of Illinois	947,748	-
Property taxes	377,700	323,150
Accrued interest	9,376	-
Other	159,657	-
Due from other funds	-	459,775
Inventories	57,881	-
Prepaid expenses	1,875	-
Total current assets	<u>4,070,427</u>	<u>2,846,576</u>
NONCURRENT ASSETS		
Capital assets (net of accumulated depreciation)	<u>1,575,106</u>	<u>-</u>
Total assets	<u>5,645,533</u>	<u>2,846,576</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
CURRENT LIABILITIES		
Accounts payable	194,858	122,124
Accrued expense	120,773	-
Due to other funds	-	12,561
Resident deposits	8,876	-
Leases payable	1,499	-
Compensated absences payable - current	152,067	-
Total current liabilities	<u>478,073</u>	<u>134,685</u>
NONCURRENT LIABILITIES		
Net OPEB obligation	<u>90,518</u>	<u>-</u>
Total noncurrent liabilities	<u>90,518</u>	<u>-</u>
Total liabilities	<u>568,591</u>	<u>134,685</u>
DEFERRED INFLOWS OF RESOURCES		
Unearned revenue - property taxes	<u>377,700</u>	<u>323,150</u>
Total deferred inflows of resources	<u>377,700</u>	<u>323,150</u>
Total liabilities and deferred inflows of resources	<u>946,291</u>	<u>457,835</u>
NET POSITION		
Net investment in capital assets	1,573,607	-
Restricted for:		
Other purposes	16,862	-
Unrestricted	<u>3,108,773</u>	<u>2,388,741</u>
TOTAL NET POSITION	<u><u>\$ 4,699,242</u></u>	<u><u>\$ 2,388,741</u></u>

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENSE, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended November 30, 2013

	Business-type Activities Enterprise Fund - The Elms	Governmental Activities Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 5,332,830	\$ 2,809,779
Other revenue	62,782	-
Total operating revenues	<u>5,395,612</u>	<u>2,809,779</u>
OPERATING EXPENSES		
Insurance premiums	-	640,393
Medical claims and administration fees	-	2,338,428
Public health:		
Dietary	605,945	-
Housekeeping	194,881	-
Laundry	137,672	-
Maintenance	126,737	-
Nursing	2,208,699	-
Therapy	274,097	-
Activities	117,319	-
Social services	47,521	-
Administrative	360,359	-
Payroll related	1,002,726	-
Depreciation	178,016	-
Plant operations	146,242	-
Contractual	55,855	-
Total operating expenses	<u>5,456,069</u>	<u>2,978,821</u>
Operating loss	<u>(60,457)</u>	<u>(169,042)</u>
NONOPERATING REVENUES (EXPENSES)		
Property taxes	368,543	315,167
Investment income	15,245	3,458
Grants	-	27,400
Other	-	85,515
Total nonoperating revenues	<u>383,788</u>	<u>431,540</u>
Income before transfers	<u>323,331</u>	<u>262,498</u>
TRANSFERS		
Transfers out	-	(16,080)
Total transfers	<u>-</u>	<u>(16,080)</u>
CHANGE IN NET POSITION	323,331	246,418
TOTAL NET POSITION - BEGINNING OF YEAR	<u>4,375,911</u>	<u>2,142,323</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 4,699,242</u>	<u>\$ 2,388,741</u>

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended November 30, 2013

	Business-type Activities Enterprise Fund - The Elms	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 5,533,106	\$ -
Payments to suppliers	(2,235,999)	(2,869,172)
Payments to employees	(3,019,372)	-
Internal activity-payments from (to) other funds	-	2,809,779
Other receipts	62,782	-
Net cash from operating activities	<u>340,517</u>	<u>(59,393)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	368,543	315,167
Other nonoperating revenue	-	85,515
Grants received	-	27,400
Interfund borrowing (lending)	(8,476)	187,084
Transfers in (out)	-	(16,080)
Net cash from noncapital financing activities	<u>360,067</u>	<u>599,086</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Repayment of loan proceeds	(2,999)	-
Purchases of property and equipment	(7,028)	-
Net cash from capital financing activities	<u>(10,027)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	15,245	3,458
Proceeds from maturity of investments	950,000	-
Purchase of investments	(950,000)	-
Net cash from investing activities	<u>15,245</u>	<u>3,458</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	705,802	543,151
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>860,388</u>	<u>1,520,500</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,566,190</u></u>	<u><u>\$ 2,063,651</u></u>
CASH AND CASH EQUIVALENTS, END OF YEAR		
Cash and cash equivalents	\$ 1,540,452	\$ 2,063,651
Restricted cash	25,738	-
Total	<u><u>\$ 1,566,190</u></u>	<u><u>\$ 2,063,651</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (60,457)	\$ (169,042)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	178,016	-
Change in assets and liabilities:		
Accounts receivable	200,276	-
Inventories	(6,320)	-
Prepaid expenses	1,044	81,727
Accounts payable	(1,448)	27,922
Accrued liabilities	8,796	-
Compensated absences payable	(140)	-
Net OPEB obligation	<u>20,750</u>	<u>-</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 340,517</u></u>	<u><u>\$ (59,393)</u></u>

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
November 30, 2013

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 1,999,802
Investments	270,000
Receivables:	
State of Illinois	539,797
Other	7,439
Due from county funds	<u>7,204</u>
TOTAL ASSETS	<u><u>\$ 2,824,242</u></u>
LIABILITIES	
Accounts payable	\$ 165,737
Due to county funds	137,678
Due to other taxing units	1,720,283
Due to others	<u>800,544</u>
TOTAL LIABILITIES	<u><u>\$ 2,824,242</u></u>

The accompanying notes are an integral part of these financial statements.

McDONOUGH COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2013

1. SIGNIFICANT ACCOUNTING POLICIES

McDonough County is one of 102 counties organized in the State of Illinois. As a local governmental unit, the County is tax-exempt. The County provides a broad range of services to citizens, including but not limited to general government, public safety and corrections, transportation, and public health and welfare. Revenues are substantially generated as a result of taxes assessed and allocated to McDonough County (examples would be property taxes, sales taxes, income taxes and motor fuel taxes) and charges for services performed for constituents of the County. McDonough County revenues are therefore primarily dependent on the economy within its territorial boundaries. Industry within the County is primarily agriculture, manufacturing, and retail. Additionally, there are large nonprofit employers, including a hospital, state university, and other local governments within the County.

The accounting policies and the presentation of the basic financial statements of McDonough County (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

These financial statements include all organizations, activities, functions, funds, and component units for which the County is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the County's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the County. The following component units have been included in the financial statements of the County.

DISCRETELY PRESENTED COMPONENT UNIT:

The McDonough County Board Chairman, with the advice and consent of the McDonough County Board, appoints board members (not to exceed 11 members) to the ETSB. The members of the ETSB are then responsible for planning the 911 emergency system, receiving monies imposed under an established surcharge, and authorizing disbursements. The geographic area served by the ETSB is the same as McDonough County. The treasurer of McDonough County maintains the funds and invests or disburses them at the direction of the ETSB. McDonough County has the responsibility for approving the rate of the surcharge which funds the activities of the ETSB and, therefore, has the ability to impose its will on the ETSB. The ETSB does not issue any separate component unit reports.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In determining when to recognize intergovernmental revenue (grants, motor fuel tax allotments and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies are virtually unrestricted as to the purpose of the expenditure and are nearly irrevocable; therefore, these amounts are recognized as revenue at the time of their receipt or earlier if they meet the criteria of availability. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the County; therefore, revenue is recognized based upon the expenditures recorded.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay current liabilities. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes collected within 90 days. Also, income taxes have a 90 day availability period in the current year due to delays in distributions from the State of Illinois. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

Illinois Municipal Retirement Fund – This fund is used to account for tax monies and reimbursements for the funding of the County's IMRF retirement system.

Public Safety Sales Tax Fund – This fund is used to account for the state sales tax received to fund various public safety purposes.

Social Security Fund – This fund is used to account for the County's obligation to make contributions related to employees' wages for FICA and Medicare payroll taxes.

County Health Fund – This fund is used to account for the resources of the County Health Department.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The County reports the following major proprietary fund:

The Elms – This fund is used to account for the activities of the County's nursing home.

Additionally, the County reports the following fund types:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Funds – These funds are used to account for the resources used for the acquisition or construction of capital facilities.

Internal Service Funds – These funds account for insurance costs provided to other departments or agencies of the government on a cost-reimbursement basis.

Permanent Funds – These funds account for monies held in trust that can be used for governmental purposes.

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the following fund type: Agency Funds. Agency Funds account for monies held on behalf of others.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of The Elms enterprise fund and of the County's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the County has defined cash equivalents to include savings accounts, demand deposit accounts, and certificates of deposit with an original maturity of three months or less when purchased.

Investments, consisting primarily of certificates of deposit with an original maturity of greater than three months, are stated at cost, which approximates fair value. Interest earned on certain Agency Fund investments is transferred to and recorded as income in the General Fund.

E. Accounts Receivable

All trade and property tax receivables are reported net of allowance for doubtful accounts.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, right of ways, bridges), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used in governmental fund operations (general capital assets) are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the statement of net position. Capital assets in the proprietary funds are capitalized within the fund.

The County defines capital assets as assets with an initial, individual cost of \$10,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

G. Capital Assets – Continued

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	25
Maintenance equipment	10
Software	5
Vehicles	5
Office equipment	7
Computer equipment	5
Infrastructure	40-50

H. Property Taxes

McDonough County Supervisor of Assessments prepares the property tax assessment rolls with the property tax liens as of January 1 of each year. Levies are set by individual local governmental entities by the last Tuesday of December of each year.

The collection date for property tax receipts is thirty days after the property tax bills are mailed to property owners for the first installment, generally June 1 of each year. The second installment is generally due September 1 of each year.

Property taxes collected are distributed to each taxing district approximately thirty days after receipt. Any unpaid property tax levies are sold at a tax sale the last week of October and final distribution is made by the end of November of each year.

I. Compensated Absences

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

McDonough County has the following policies concerning compensated absences for all full-time employees.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

I. Compensated Absences – Continued

Personal Leave

Employees are allowed non-cumulative personal leave days as follows:

	<u>Days Per Year</u>
County and Sheriffs Department	3
Highway Department	2
Health Department	4*

* Unused personal days are transferred at the end of the calendar year to the employee's vacation leave account.

Sick Leave

Employees accrue one day of sick leave per month of service. For employees there is no provision for payment upon termination. Unused accumulated sick days may be carried over and may be applied for IMRF pension service credit in accordance with IMRF guidelines as indicated by the following schedule:

	<u>Maximum Days Accumulated (Carryover)</u>	<u>Maximum Days for IMRF</u>
County offices	40	240
Sheriffs Department	180	365
Highway Department	40	240
Health Department	240	240

Vacation Leave

Full-time employees of the County earn vacation benefits according to the following schedule:

<u>Years of Service</u>	<u>Working Days Per Year</u>
1 - 5	10
6 - 15	15
16 and over	20

Full-time employees at the Sheriff's Department and the County Highway Department earn vacation benefits according to the following schedule:

<u>Years of Service</u>	<u>Working Days Per Year</u>
1 - 4	10
5 - 14	15
15 and over	20

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

I. Compensated Absences – Continued

Full and part-time Health Department employees earn vacation benefits according to the following schedule:

<u>Years of Service</u>	<u>Working Days Per Year</u>
1 - 3	10
4 - 10	15
11 and over	20

Employees, excluding Health Department employees, can accumulate and carryover vacation benefits equivalent to twice the amount earned in one service year. Health Department employees can accumulate up to 30 days of vacation benefits in one calendar year. Unused vacation in excess of accumulation and carryover limits as of December 31 each year is lost.

J. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental funds recognize the face amount of debt issued 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.

K. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Interfund Transactions – Continued

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

L. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the County. Committed fund balance is constrained by formal actions of the County's Board, which is considered the County's highest level of decision making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose, but that are neither restricted nor committed. Any residual fund balance is reported as unassigned.

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

The County has not established fund balance reserve policies for their governmental funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the County's net position is restricted as a result of enabling legislation adopted by the County. Net investment in capital assets, net of accumulated depreciation, represents the County's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

M. Restricted Assets

Certain proceeds of The Elms' enterprise fund are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and are contributions made on behalf of former patients for specific purposes. The funds can only be spent according to the donors' wishes.

1. SIGNIFICANT ACCOUNTING POLICIES – Continued

N. Patient Service Revenue

Patient service revenue is reported at the net realizable amounts from residents, third-party payors, and others for service rendered, net of provider tax.

Revenue under third-party payor agreements is subject to audit and retroactive adjustment. Provisions for third-party payor settlements are provided in the period the related services are rendered. Differences between the amounts accrued and interim and final settlements are reported in operations in the year of settlement.

O. Provider Tax

The provider tax is assessed by the State of Illinois based on occupied bed days. The tax is withheld from The Elms' reimbursements from the Illinois Department of Public Aid.

P. Use of Estimates

Management of the County has made certain estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/ expenses during the period. Actual results could differ from those estimates.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

2. DEPOSITS AND INVESTMENTS

Investment of County funds, by statute, is vested with the County Treasurer. The Treasurer's investment policy guides the investments of the County. The investment policy permits the County to invest in instruments allowed by the Illinois Compiled Statutes (ILCS). These investments include deposits/ investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

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

A. Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. To guard against credit risk for deposits with financial institutions the County's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 100% of market value of principal and accrued interest, with collateral held by an independent third party with whom the Treasurer has a custodial agreement.

B. Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The County limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by limiting its investments to the top ratings issued by nationally recognized statistical rating organizations.

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County limits its exposure to custodial credit risk by utilizing independent third party institutions, selected by the County, to act as custodian for its securities and collateral.

Concentration of credit risk – The County places no limit on the amount the County may invest in any one issuer.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. COUNTY FARM

On March 28, 1982, McDonough County was named an income beneficiary in the will of Blanche L. Martin. Under the terms of the will, the County received investments totaling \$43,689 and approximately 120 acres of farm land. The principal of the investments cannot be invaded and the County cannot sell the farm land, but can manage and operate the farm. The net income from the investments and farm land shall be applied by the County toward the payment of the costs of operating and maintaining The Elms. In the event the County ceases to operate The Elms, or fails to follow the terms of the will, all property shall revert and go to the then heirs-at-law of Blanche L. Martin. The County Farm Fund is reported as a Permanent Fund.

4. CAPITAL ASSETS

A. Governmental Activities

Capital asset activity for the year ended November 30, 2013 consists of the following:

	Balances December 1	Additions	Retirements	Balances November 30
Land	\$ 178,556	\$ -	\$ -	\$ 178,556
Total capital assets not being depreciated	<u>178,556</u>	<u>-</u>	<u>-</u>	<u>178,556</u>
Buildings	2,482,220	-	-	2,482,220
Building improvements	2,528,484	114,448	-	2,642,932
Maintenance equipment	1,547,050	28,500	-	1,575,550
Software	114,680	-	-	114,680
Vehicles	812,728	96,089	(62,025)	846,792
Office equipment	271,027	-	-	271,027
Computer equipment	395,126	-	-	395,126
Infrastructure	<u>4,920,911</u>	<u>-</u>	<u>-</u>	<u>4,920,911</u>
Total capital assets being depreciated	<u>13,072,226</u>	<u>239,037</u>	<u>(62,025)</u>	<u>13,249,238</u>
Less accumulated depreciation for:				
Buildings	(1,489,364)	(50,666)	-	(1,540,030)
Building improvements	(1,242,692)	(94,062)	-	(1,336,754)
Maintenance equipment	(1,200,225)	(57,324)	-	(1,257,549)
Software	(93,702)	(10,972)	-	(104,674)
Vehicles	(525,425)	(104,985)	59,762	(570,648)
Office equipment	(242,366)	(4,838)	-	(247,204)
Computer equipment	(345,286)	(10,510)	-	(355,796)
Infrastructure	<u>(2,016,918)</u>	<u>(108,262)</u>	<u>-</u>	<u>(2,125,180)</u>
Total accumulated depreciation	<u>(7,155,978)</u>	<u>(441,619)</u>	<u>59,762</u>	<u>(7,537,835)</u>
Total capital assets, being depreciated, net	<u>5,916,248</u>	<u>(202,582)</u>	<u>(2,263)</u>	<u>5,711,403</u>
Total capital assets, net of accumulated depreciation	<u>\$ 6,094,804</u>	<u>\$ (202,582)</u>	<u>\$ (2,263)</u>	<u>\$ 5,889,959</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS – Continued

B. Business-type Activities

	<u>Balances</u> <u>December 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>November 30</u>
Land, not depreciated	\$ 61,427	\$ -	\$ -	\$ 61,427
Building and improvements, land improvements/ landscaping	4,159,699	-	(5,645)	4,154,054
Equipment, including vehicles	<u>1,028,758</u>	<u>20,339</u>	<u>(35,306)</u>	<u>1,013,791</u>
Total capital assets - at cost, being depreciated	<u>5,188,457</u>	<u>20,339</u>	<u>(40,951)</u>	<u>5,167,845</u>
Less accumulated depreciation for:				
Building and improvements, land improvements/ landscaping	(2,678,109)	(95,761)	5,645	(2,768,225)
Equipment, including vehicles	<u>(825,681)</u>	<u>(82,255)</u>	<u>21,995</u>	<u>(885,941)</u>
Total accumulated depreciation	<u>(3,503,790)</u>	<u>(178,016)</u>	<u>27,640</u>	<u>(3,654,166)</u>
Total capital assets, being depreciated, net	<u>1,684,667</u>	<u>(157,677)</u>	<u>(13,311)</u>	<u>1,513,679</u>
Total capital assets net of accumulated depreciation	<u>\$ 1,746,094</u>	<u>\$ (157,677)</u>	<u>\$ (13,311)</u>	<u>\$ 1,575,106</u>

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

Governmental activities:	
General government	\$ 101,401
Public safety	72,707
Corrections	42,196
Transportation	209,753
Public health and welfare	<u>15,562</u>
Total depreciation expense - governmental activities	<u>\$ 441,619</u>
Business-type activities:	
The Elms Nursing Home	<u>\$ 178,016</u>

5. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE EMPLOYER PENSION PLAN

Plan Description. The County's defined benefit pension plans for Regular, Sheriff's Law Enforcement Personnel, and Elected County Official employees provide retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The County's plan is affiliated with the Illinois Municipal Retirement Fund (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 (RSI). This report may be obtained on-line at www.imrf.org.

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

County

Funding Policy. As set by statute, the County's Regular plan members are required to contribute 4.50 percent of their annual 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 annual required contribution rate for calendar year 2013 was 11.95 percent. 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 the fiscal year ending November 30, 2013, the County's annual pension cost of \$1,029,191 for the Regular plan was equal to the County's required and actual contributions.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE
EMPLOYER PENSION PLAN – Continued**

County – Continued

Three-Year Trend Information for Regular Plan

<u>Period Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
11/30/2013	\$ 1,029,191	100%	\$ -
11/30/2012	945,321	100%	-
11/30/2011	953,908	100%	-

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year, depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3.0% 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 investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County's Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funded Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 80.68 percent funded. The actuarial accrued liability for benefits was \$25,484,134 and the actuarial value of assets was \$20,561,863, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,922,271. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$8,675,041 and the ratio of the UAAL to the covered payroll was 56.74 percent.

The schedule of funding progress, presented as required supplemental information (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.

**5. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE
EMPLOYER PENSION PLAN – Continued**

Sheriff's Law Enforcement Personnel (SLEP)

Funding Policy. As set by statute, the County's Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 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 annual required contribution rate for calendar year 2013 was 23.14 percent. 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 fiscal year ending November 30, 2013, the County's annual pension cost of \$193,134 for the Sheriff's Law Enforcement Personnel plan was equal to the County's required and actual contributions.

Three-Year Trend Information for the Sheriff's Law Enforcement Personnel Plan

<u>Period Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
11/30/2013	\$ 193,134	100%	\$ -
11/30/2012	180,917	100%	-
11/30/2011	191,320	100%	-

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year, depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3.0% annually. The actuarial value of the County's Sheriff's Law Enforcement Personnel plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County's Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

**5. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE
EMPLOYER PENSION PLAN – Continued**

Sheriff's Law Enforcement Personnel (SLEP) – Continued

Funded Status and Funded Progress. As of December 31, 2013 the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 62.47 percent funded. The actuarial accrued liability for benefits was \$2,867,360 and the actuarial value of assets was \$1,791,315, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,076,045. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$881,936 and the ratio of the UAAL to the covered payroll was 122.01 percent.

The schedule of funding progress, presented as required supplemental information (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.

Elected County Official

Funding Policy. As set by statute, the County's Elected County Official plan members are required to contribute 7.50 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 annual required contribution rate for calendar year 2013 was 25.69 percent. 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 fiscal year ending November 30, 2013, the County's annual pension cost and net pension obligation were as follows:

Annual required contribution	\$ 14,280
Interest on net pension asset	143
Adjustments to annual required contribution	<u>(102)</u>
Annual pension cost	14,321
Annual contributions made	<u>14,280</u>
Increase in net pension asset	41
Net pension obligation, beginning of year	<u>1,912</u>
Net pension obligation, end of year	<u>\$ 1,953</u>

**5. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE
EMPLOYER PENSION PLAN – Continued**

Elected County Official – Continued

Three-Year Trend Information for the Elected County Official Plan

<u>Period Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
11/30/2013	\$ 14,280	100.00%	\$ 1,953
11/30/2012	13,692	98.62%	1,912
11/30/2011	13,692	87.42%	1,723

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year, depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3.0% annually. The actuarial value of the County's Elected County Official plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County's Elected County Official plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funded Progress. As of December 31, 2013, the most recent actuarial valuation date, the Elected County Official plan was 93.72 percent funded. The actuarial accrued liability for benefits was \$515,059 and the actuarial value of assets was \$482,732, resulting in an underfunded actuarial accrued liability (UAAL) of \$32,327. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$55,811 and the ratio of the UAAL to the covered payroll was 57.92 percent.

The schedule of funding progress, presented as required supplemental information (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.

6. DEFERRED COMPENSATION PLAN

The County offers its employees two different deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all County employees, permit them to defer a portion of their salary until future years. The County is not required to make any contributions to the plans. The amounts deferred and earnings thereon, are not available to employees until termination, retirement, death, or unforeseeable emergency.

Contributions by employees are administered by a third-party agent and the assets and income thereon are held in trust for the exclusive benefit of participants and their beneficiaries.

7. LONG-TERM DEBT

A. Leases Payable

Office Building

In March 1981, McDonough County entered into a non-cancelable lease agreement with the Macomb Public Building Commission (Building Commission) for the rental of County office space at 130-134 South Lafayette Street, Macomb, Illinois. The agreement called for an initial payment of \$37,000 with annual rental payments of \$20,000 for the years 1981 through 1991. In April 1984 and 1999, the County entered into supplemental agreements with the Building Commission whereby the original lease was extended from April 1, 1991 with annual rental payments of \$1.

Payments are due by November 30 of each year. All insurance on the building and general public liability insurance is to be obtained by the Building Commission. The County is responsible for the maintenance, operations, and safekeeping of the offices that they are leasing. Currently, portions of this building are being rented to third parties. As long as the third party rent payments, made directly to the Building Commission, exceed the County's required annual payments, the County's payment will be waived by the Building Commission. After all outstanding indebtedness of the Building Commission has been paid in full, the Building Commission agrees to transfer by warranty deed the fee simple title of the building to the County upon the County's request.

Equipment Leases

On April 16, 2009, the County entered into a noncancelable lease agreement with RK Dixon Co. for the lease of a \$14,994 copier. The agreement calls for monthly payments of \$250 commencing May 15, 2009. The final payment is due April 30, 2014. The balance due at November 30, 2013 was \$1,499. The leased asset and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$1,250 at November 30, 2013.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT – Continued

A. Leases Payable – Continued

Equipment Leases – Continued

Following is a schedule of minimum future rental payments and the net present value of these minimum lease payments as of November 30, 2013 for the above equipment lease:

		<u>Business-Type Activities</u>
Year ending November 30:		
	2014	<u>1,499</u>
Total minimum lease payments		<u>\$ 1,499</u>

B. Changes in Long-Term Debt

Long-term liability activity for the year ended November 30, 2013 was as follows:

	<u>Balances December 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances November 30</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital lease payable	\$ 38,576	\$ -	\$ 38,576	\$ -	\$ -
Notes payable	46,980	-	46,980	-	-
Compensated absences payable	301,328	381,518	419,740	263,106	181,202
Net OPEB obligation	110,093	38,258	-	148,351	-
Net pension obligation	<u>1,912</u>	<u>41</u>	<u>-</u>	<u>1,953</u>	<u>-</u>
Governmental activity - long-term liabilities	<u>\$ 498,889</u>	<u>\$ 419,817</u>	<u>\$ 505,296</u>	<u>\$ 413,410</u>	<u>\$ 181,202</u>
	<u>Balances December 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances November 30</u>	<u>Due Within One Year</u>
Business-type activities:					
Leases payable	\$ 4,498	\$ -	\$ 2,999	\$ 1,499	\$ 1,499
Net OPEB obligation	69,768	20,750	-	90,518	-
Compensated absences payable	<u>152,207</u>	<u>177,450</u>	<u>177,590</u>	<u>152,067</u>	<u>152,067</u>
Business-type activity - long-term liabilities	<u>\$ 226,473</u>	<u>\$ 198,200</u>	<u>\$ 180,589</u>	<u>\$ 244,084</u>	<u>\$ 153,566</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT – Continued

B. Changes in Long-Term Debt – Continued

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences are generally liquidated by the General Fund, or the fund where the employee is paid their payroll on a regular basis.

8. STATUTORY DEBT MARGIN

A schedule indicating the statutory debt margin computation follows:

2013 Assessed valuation	<u>\$ 385,986,186</u>
Statutory debt limitation (2.875 percent of assessed valuation)	\$ 11,097,103
Debt outstanding at November 30, 2013	<u>-</u>
Statutory debt margin, November 30, 2013	<u>\$ 11,097,103</u>

9. INTERFUND TRANSACTIONS

Interfund receivable and payable balances at November 30, 2013 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Funds:		
Illinois Municipal Retirement Fund	\$ -	\$ 2,692
Public Safety Sales Tax Fund	90	-
Social Security Fund	-	2,577
Internal Service Funds	6,853	-
Agency Funds	31,793	-
Nonmajor Governmental Funds	<u>11,000</u>	<u>-</u>
	<u>49,736</u>	<u>5,269</u>
Illinois Municipal Retirement Funds:		
General Fund	2,692	-
Internal Service Funds	<u>-</u>	<u>450,000</u>
	<u>2,692</u>	<u>450,000</u>
Public Safety Sales Tax Fund:		
General Fund	<u>-</u>	<u>90</u>
Social Security Fund:		
General Fund	<u>2,577</u>	<u>-</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INTERFUND TRANSACTIONS – Continued

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
County Health Funds:		
Internal Service Funds	\$ -	\$ 9,775
Nonmajor Governmental Funds	<u>1,511</u>	<u>-</u>
	<u>1,511</u>	<u>9,775</u>
Internal Service Funds:		
General Fund	-	6,853
Illinois Municipal Retirement Fund	450,000	-
County Health Fund	9,775	-
The Elms	-	-
Nonmajor Governmental Funds	<u>-</u>	<u>5,708</u>
	<u>459,775</u>	<u>12,561</u>
Agency Funds:		
General Fund	-	31,793
Nonmajor Governmental Funds	<u>7,204</u>	<u>105,885</u>
	<u>7,204</u>	<u>137,678</u>
Nonmajor Governmental Funds:		
General Fund	-	11,000
County Health Fund	-	1,511
The Elms	-	-
Internal Service Funds	5,708	-
Agency Funds	105,885	7,204
Nonmajor Governmental Funds	<u>3,125</u>	<u>3,125</u>
	<u>114,718</u>	<u>22,840</u>
Total Interfund Receivables/Payables	<u>\$ 638,213</u>	<u>\$ 638,213</u>

The purposes of the significant interfund receivable and payable balances are as follows:

- \$31,793 due from Agency funds to the General fund. This balance relates to a) \$31,166 accrued but unpaid fees received in the County Clerk fund and b) \$627 accrued but unpaid interest received in Agency funds. The County expects the obligation will be liquidated within one year.
- \$450,000 due to Internal Service funds from the Illinois Municipal Retirement fund. This balance relates to a loan to the Illinois Municipal Retirement fund to cover operating expenses. The County expects the obligation will be liquidated within one year.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INTERFUND TRANSACTIONS – Continued

- \$105,886 due to Nonmajor governmental funds from Agency funds. This balance relates to a) accrued but unpaid transfers of \$99,256 from the Township Motor Fuel Tax fund to the Engineering Revolving fund and b) accrued but unpaid fees of \$6,630 from the County Clerk fund. The County expects the obligation will be liquidated within one year.

Advances from/to other funds at November 30, 2013 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Public Safety Sales Tax Fund	\$ -	\$ 90,681
Public Safety Sales Tax Fund		
General Fund	90,681	-
Total Interfund Receivables/Payables	<u>\$ 90,681</u>	<u>\$ 90,681</u>

The purposes of the interfund advance receivable and payable balances are as follows:

- \$90,681 remaining advance from the Public Safety Sales Tax fund to the General fund to cover general County expenses. Repayment is not expected within one year.

Interfund transfers during fiscal year ending November 30, 2013 consist of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Funds:		
General Fund	\$ 44,291	\$ 44,291
Public Safety Sales Tax Fund	100,000	-
Internal Service Funds	2,406	-
	<u>146,697</u>	<u>44,291</u>
Illinois Municipal Retirement Fund:		
Public Safety Sales Tax Fund	100,000	-
	<u>100,000</u>	<u>-</u>
Public Safety Sales Tax Funds:		
General Fund	-	100,000
Illinois Municipal Retirement Fund	-	100,000
Nonmajor Governmental Funds	-	15,000
	<u>-</u>	<u>215,000</u>
County Health Fund:		
Nonmajor Governmental Funds	8,654	-
	<u>8,654</u>	<u>-</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INTERFUND TRANSACTIONS – Continued

	<u>Transfers In</u>	<u>Transfers Out</u>
Internal Service Funds:		
General Fund	\$ -	\$ 2,406
Nonmajor governmental funds	-	13,674
	<u>-</u>	<u>16,080</u>
Nonmajor Governmental Funds:		
Public Safety Sales Tax Fund	15,000	-
County Health Fund	-	8,654
Nonmajor Governmental Funds	498,766	498,766
Internal Service Funds	13,674	-
	<u>527,440</u>	<u>507,420</u>
Total interfund transfers	<u>\$ 782,791</u>	<u>\$ 782,791</u>

The purposes of the significant interfund transfers are as follows:

- \$44,291 transferred from the Sheriff sub-fund to the General Corporate sub-fund. This amount relates to fees received in the Sheriff fund. This transfer will not be repaid.
- \$100,000 transferred from the Public Safety Sales Tax fund to the General fund. This amount relates to a routine budgeted transfer. This transfer will not be repaid.
- \$100,000 transferred from the Public Safety Sales Tax fund to the Illinois Municipal Retirement Fund to cover public safety employee retirement contributions. This transfer will not be repaid.
- \$8,654 transferred from Nonmajor governmental funds to the County Health fund. This amount relates to transfers from the Tuberculosis Fund for the administration of health services. This transfer will not be repaid.
- \$498,766 transferred between the Nonmajor governmental funds. This amount relates to a) transfers of \$380,010 to the County Highway fund to repay roadway maintenance expenditures, b) transfers of \$116,384 to the Equipment Replacement fund for replacement of equipment and vehicles on a scheduled basis, and c) transfer of \$2,372 to the Engineering Revolving fund for repayment of engineering services. These transfers will not be repaid.

10. RELATED ORGANIZATIONS, JOINTLY GOVERNED ORGANIZATIONS, AND JOINT VENTURES

A. Related Organizations

The County's officials are responsible for appointing members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The other organizations include various Cemetery Associations and Boards of Trustees of Fire Protection Districts in the County, the McDonough County Housing Authority, and McDonough District Hospital.

B. Jointly Governed Organizations

The County, in conjunction with the City of Macomb, Illinois created the Macomb Public Building Commission under the Public Building Commission Act. The Commission's board is composed of three members appointed by the City Council and two members appointed by the County Board. The County is involved as lessee in capital leases with the Commission as lessor as described in the preceding footnotes for leases payable.

C. Joint Ventures

The County is a participant with the City of Macomb, Illinois and the McDonough County Emergency Telephone System Board (ETSB) in a joint venture to operate a 911 emergency services communication and dispatch enterprise. The Macomb/McDonough Emergency Dispatch Center, Inc., a not-for-profit corporation, was created for that purpose. The corporation is governed by a six-member board composed of 1) the County Board Chairman or a County board member designated by the Chairman, 2) the County Sheriff or a designated full-time employee of the Sheriff's Department, 3) the City Mayor, 4) the City Police Chief, 5) the ETSB Chairman, and 6) the ETSB Secretary. The County, the City, and the ETSB each contributed various property, equipment, services, and/or funds for initial relocation and occupancy costs to the corporation. The County, the City, and the ETSB are each obligated by an intergovernmental cooperation agreement to pay one-third (1/3) of the costs of the corporation for wages, employee benefits, and normal office supplies.

The ETSB's liability for operating costs during any fiscal year of the corporation is limited to a cap amount determined by the County, the City, and the ETSB. The County and the City share equally the amount of costs in excess of the determined cap of the ETSB's share of costs. The ETSB contributes to the corporation annually an amount sufficient to pay the entire cost of equipment installation, operation, maintenance, repair and replacement, employee training, and telephone line charges.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. RELATED ORGANIZATIONS, JOINTLY GOVERNED ORGANIZATIONS,
AND JOINT VENTURES – Continued**

C. Joint Ventures – Continued

The Center's fiscal year end is November 30. Separate audited financial statements are available through the Macomb/McDonough County Emergency Dispatch Center, Inc. Summarized financial information of the Center as of and for the year ended November 30, 2013, follows:

Statement of Net Position Information

Assets:	
Current assets	\$ 266,200
Property and equipment, net	<u>178,268</u>
Total assets	<u>\$ 444,468</u>
Liabilities and net position:	
Liabilities	\$ 44,937
Net position	<u>399,531</u>
Total liabilities and net position	<u>\$ 444,468</u>

Statement of Activities Information

Operating revenue	\$ 833,355
Operating expenses	<u>886,037</u>
Operating net loss	<u>(52,682)</u>
Nonoperating revenue	<u>549</u>
Change in net position	(52,133)
Net position, beginning	<u>451,664</u>
Net position, ending	<u>\$ 399,531</u>

The County is a participant with the Mercer County, Illinois and Warren County, Illinois in an intergovernmental agreement to jointly establish a regional solid waste management organization for the purpose of implementation of a regional solid waste management plan. The Tri-County Resource and Waste Management Council was created for that purpose. The Council is made up of equal representation from each county. Each county shall contribute funds for the preparation of the three-county Solid Waste Plan based on each county's population as a proportion of the total population of the three counties based upon the 1990 Census of Population as published by the United States Department of Commerce.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. RELATED ORGANIZATIONS, JOINTLY GOVERNED ORGANIZATIONS,
AND JOINT VENTURES – Continued**

C. Joint Ventures – Continued

The Council's fiscal year end is November 30. Separate audited financial statements are not available. Summarized financial information of the Council as of and for the year ended November 30, 2013, follows:

Statement of Net Position Information

Assets:	
Cash and cash equivalents	\$ 14,829
Other receivables	7,439
Due from other funds	<u>7,204</u>
Total assets	<u>\$ 29,472</u>
Liabilities and net position:	
Liabilities	\$ 14,643
Net position	<u>14,829</u>
Total liabilities and net position	<u>\$ 29,472</u>

Statement of Activities Information

Fees for services	\$ 110,046
Investment income	<u>8</u>
Total revenues	110,054
Total expenditures	<u>108,396</u>
Change in fund balance	1,658
Fund balance, beginning	<u>13,171</u>
Fund balance, ending	<u>\$ 14,829</u>

11. RISK MANAGEMENT

A. General and Professional Liability, Property, Errors, and Omissions

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; health claims of employees; and natural disasters. The County purchases commercial insurance for all risks of loss, excluding group health care coverage and workers' compensation, which are described below. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

11. RISK MANAGEMENT – Continued

B. Workers' Compensation

The County insures its risk of loss for employee injuries under workers' compensation laws by participating in the Illinois Public Risk Fund (IPRF) a public entity risk pool currently operating as a common risk management program for a number of Illinois counties. The County pays an annual "premium" to IPRF for its coverage. Annual audits of the County's payroll, workers' compensation claims, and employee job classifications are performed by IPRF.

C. Group Health Plan

Beginning July 1, 2001, the County uses an internal service fund to account for and finance its uninsured risks of loss related to its self-funded health insurance plan. Under this plan, the County is self-insured for the first \$85,000 of covered charges per individual per year. Commercial insurance is carried for amounts in excess of self-insured amounts. The County also maintains aggregate stop loss coverage with a maximum reimbursement of \$1,000,000. Claims payable are reported in the accounts payable amount on the financial statements. Changes in claims liability for the self-funded health insurance plan in fiscal years 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Balance at beginning of year	\$ 91,819	\$ 124,097
Claims incurred	1,876,144	1,828,690
Claims paid	<u>1,848,323</u>	<u>1,860,968</u>
Balance at end of year	<u>\$ 119,640</u>	<u>\$ 91,819</u>

12. ADMINISTRATION AGREEMENT

The County entered into an administration agreement for its self-funded health plan with Mutual Medical Plans, Inc. This agreement has a three-year term extending through November 30, 2014, and fees for services under this agreement are assessed at \$16 per participant per month. Fees paid to Mutual Medical for administrative, clerical, and consulting services in fiscal 2013 were \$73,203.

13. CONDUIT DEBT OBLIGATION

In June 2008, the County issued Capital Improvement Revenue Bonds, Series 2008 to provide financial assistance to a private-sector entity for the acquisition, construction, and installation of fixtures and equipment deemed to be in the public interest. In November 2012, the County issued Capital Improvement and Refunding Revenue Bonds, Series 2012 to refinance the Capital Improvement Revenue Bonds, Series 2008 and to finance the acquisition, construction, and installation of tuck pointing, a front entrance canopy, and a community center and therapy expansion project. The bonds are secured by the property financed and owned by the private-sector entity and are payable solely from payments received on the underlying mortgage loan. As of November 30, 2013, the principal amount payable under these bonds was \$6,153,571. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

14. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described, the County provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County and can be amended by the County through its personnel manual and union contracts, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided

The County provides continued health insurance coverage at the blended employer rate to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the County's retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the County's insure provider.

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

Membership

At December 1, 2012 (latest information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	16
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>225</u>
TOTAL	<u>241</u>
Participating employers	<u>1</u>

Funding Policy

The County negotiates the contribution percentages between the County and employees through the union contracts and personnel policy. All retirees contribute 100% of the blended premium to the plan and the County contributes the remainder to cover the cost of providing the benefits to the retirees via the insured plan (pay as you go). For the fiscal year ended November 30, 2013, retirees contributed \$126,357 and the County contributed \$47,972. Active employees do not contribute to the plan until retirement.

Annual OPEB costs and Net OPEB Obligation

The County had an actuarial valuation performed for the plan as of December 1, 2012 to determine the employer's annual required contribution (ARC) for the fiscal year ended November 30, 2013. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2013, 2012, and 2011 were as follows:

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB costs and Net OPEB Obligation – Continued

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
November 30, 2013	\$ 106,980	\$ 47,972	44.84%	\$ 238,869
November 30, 2012	99,395	50,904	51.21%	179,861
November 30, 2011	82,878	41,560	50.15%	131,370

The net OPEB obligation (NOPEBO) as November 30, 2013 (latest information available), was calculated as follows:

Annual required contribution	\$ 104,881
Interest on net OPEB obligation	8,094
Adjustment to annual required contribution	<u>(5,995)</u>
Annual OPEB cost	106,980
Contributions made	<u>47,972</u>
Increase (decrease) in net OPEB obligation	59,008
Net OPEB obligation beginning of year	<u>179,861</u>
 NET OPEB OBLIGATION END OF YEAR	 <u><u>\$ 238,869</u></u>

Funded Status and Funding Progress. The funded status of the plan as of December 1, 2012 (latest information available), was as follows:

Actuarial accrued liability (AAL)	\$ 781,885
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 781,885
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 7,595,461
UAAL as a percentage of covered payroll	10.29%

14. OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB costs and Net OPEB Obligation – Continued

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 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 trend information that shows 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 plan members) and include 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.50% interest rate assumption and an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 5.00%. The actuarial value of assets was not determined as the County has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis. The remaining amortization period at November 30, 2013, was 26 years.

15. PRIOR PERIOD ADJUSTMENTS

The County has restated beginning fund balance/net position as of December 1, 2012 to a) correct overstated deferred revenue.

	County Health	Governmental Activities
FUND BALANCE/ NET ASSETS, DECEMBER 1 (as previously reported)	\$ 708,954	\$ 16,395,359
Restated for a) Overstated deferred revenue	14,044	14,044
FUND BALANCE/ NET ASSETS, DECEMBER 1 (as restated)	<u>\$ 722,998</u>	<u>\$ 16,409,403</u>

REQUIRED SUPPLEMENTARY INFORMATION

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY
November 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
12/31/13	\$ 20,561,863	\$ 25,484,134	\$ 4,922,271	80.68%	\$ 8,675,041	56.74%
12/31/12	19,439,928	25,030,751	5,590,823	77.66%	8,510,267	65.70%
12/31/11	18,411,291	23,885,427	5,474,136	77.08%	8,364,495	65.44%
12/31/10	17,785,240	22,083,048	4,297,808	80.54%	8,237,702	52.17%
12/31/09	16,660,530	21,016,300	4,355,770	79.27%	8,164,521	53.35%
12/31/08	16,513,021	19,720,449	3,207,428	83.74%	7,918,421	40.51%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$24,457,607. On a market basis, the funded ratio would be 95.97 percent.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with McDonough County. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100 percent funded.

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND - SHERIFF'S LAW ENFORCEMENT PERSONNEL (SLEP)
November 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
12/31/13	\$ 1,791,315	\$ 2,867,360	\$ 1,076,045	62.47%	\$ 881,936	122.01%
12/31/12	2,318,710	3,513,054	1,194,344	66.00%	828,447	144.17%
12/31/11	2,090,875	3,534,329	1,443,454	59.16%	844,184	170.99%
12/31/10	2,476,401	3,689,799	1,213,398	67.11%	753,084	161.12%
12/31/09	2,109,586	3,443,115	1,333,529	61.27%	738,651	180.54%
12/31/08	1,791,594	3,179,984	1,388,390	56.34%	711,472	195.14%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$2,437,404. On a market basis, the funded ratio would be 85.01 percent.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with McDonough County. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100 percent funded.

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND - ELECTED COUNTY OFFICIALS (ECO)
November 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
12/31/13	\$ 482,732	\$ 515,059	\$ 32,327	93.72%	\$ 55,811	57.92%
12/31/12	416,903	477,884	60,981	87.24%	54,375	112.15%
12/31/11	367,066	436,066	69,000	84.18%	49,080	140.59%
12/31/10	343,110	409,117	66,007	83.87%	49,322	133.83%
12/31/09	307,421	389,352	81,931	78.96%	50,312	162.85%
12/31/08	320,394	347,762	27,368	92.13%	78,097	35.04%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$547,235. On a market basis, the funded ratio would be 106.25 percent.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with McDonough County. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100 percent funded.

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFITS PLAN
November 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
12/01/12	\$ -	\$ 781,885	\$ 781,885	0.00%	\$ 7,595,461	10.29%
12/01/11	-	752,866	752,866	0.00%	7,404,731	10.17%
12/01/10	-	639,027	639,027	0.00%	7,391,880	8.64%
12/01/09	-	672,454	672,454	0.00%	7,203,976	9.33%
12/01/08	-	661,134	661,134	0.00%	6,965,216	9.49%

The County implemented GASB Statement No. 45 for the fiscal year ended November 30, 2009. Information for prior years is not available.

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY

November 30, 2013

Year Ending	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
11/30/13	\$ 1,029,191	\$ 1,029,191	100.00%
11/30/12	945,321	945,321	100.00%
11/30/11	953,908	953,908	100.00%
11/30/10	853,467	853,467	100.00%
11/30/09	685,452	685,452	100.00%
12/31/08	677,025	677,025	100.00%

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - SHERIFF'S LAW ENFORCEMENT PERSONNEL (SLEP)

November 30, 2013

Year Ending	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
11/30/13	\$ 193,134	\$ 193,134	100.00%
11/30/12	180,917	180,917	100.00%
11/30/11	191,320	191,320	100.00%
11/30/10	176,040	176,040	100.00%
11/30/09	152,823	152,823	100.00%
12/31/08	155,385	155,385	100.00%

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - ELECTED COUNTY OFFICIALS (ECO)

November 30, 2013

Year Ending	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
11/30/13	\$ 14,280	\$ 14,280	100.00%
11/30/12	13,503	13,692	98.62%
11/30/11	11,969	13,692	87.42%
11/30/10	9,522	9,522	100.00%
11/30/09	11,230	11,230	100.00%
12/31/08	21,071	21,071	100.00%

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS PLAN

November 30, 2013

Fiscal Year Ending	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
11/30/13	\$ 47,972	\$ 104,881	45.74%
11/30/12	50,904	99,395	51.21%
11/30/11	41,560	81,776	50.82%
11/30/10	40,768	84,137	48.45%
11/30/09	36,397	81,071	44.90%

The County implemented GASB Statement No. 45 for the fiscal year ended November 30, 2009. Information for prior years is not available.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 990,900	\$ 990,900	\$ 994,898
State of Illinois:			
Local use tax	100,000	100,000	106,925
Sales tax	750,000	750,000	790,791
Income tax	560,000	560,000	645,852
Personal property replacement taxes	200,000	200,000	198,776
State grants and expenditure reimbursements	282,777	287,402	373,372
Federal revenue	10,500	10,500	35,067
Fees for services and materials	1,194,102	1,194,102	1,135,226
Investment income	5,500	5,500	6,045
Other	182,500	182,500	228,439
Total revenues	<u>4,276,279</u>	<u>4,280,904</u>	<u>4,515,391</u>
EXPENDITURES			
Current:			
General government	1,526,572	1,518,852	1,292,962
Employee benefits	481,000	481,000	452,456
Public safety	1,338,242	1,342,867	1,253,007
Corrections	412,733	412,733	374,571
Judiciary and court related	1,394,559	1,418,824	1,403,461
Capital outlay	37,500	37,500	12,585
Total expenditures	<u>5,190,606</u>	<u>5,211,776</u>	<u>4,789,042</u>
Excess (deficiency) of revenue over expenditures	<u>(914,327)</u>	<u>(930,872)</u>	<u>(273,651)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	299,500	299,500	144,291
Transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
Total other financing sources (uses)	<u>279,500</u>	<u>279,500</u>	<u>124,291</u>
NET CHANGE IN FUND BALANCES	<u>\$ (634,827)</u>	<u>\$ (651,372)</u>	<u>(149,360)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			(32,124)
SHERIFF FUND - SUBFUND ACTIVITY NOT BUDGETED			(579)
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			1,320,618
Prior period adjustment			-
FUND BALANCES, BEGINNING OF THE YEAR - RESTATED			<u>1,320,618</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 1,138,555</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
ILLINOIS MUNICIPAL RETIREMENT FUND
Year Ended November 30, 2013

	Original Budget	Amended Budget	Actual
REVENUES			
Property taxes	\$ 1,035,723	\$ 1,035,723	\$ 1,032,212
Replacement taxes	11,860	11,860	11,861
Investment income	225	225	1,326
Miscellaneous	2,500	2,500	1,988
	<u>1,050,308</u>	<u>1,050,308</u>	<u>1,047,387</u>
Total revenues			
EXPENDITURES			
Current:			
Employee benefits	1,178,124	1,178,124	1,059,721
	<u>1,178,124</u>	<u>1,178,124</u>	<u>1,059,721</u>
Total expenditures			
	<u>(127,816)</u>	<u>(127,816)</u>	<u>(12,334)</u>
Excess (deficiency) of revenue over expenditures			
Other financing sources (uses)			
Transfers in	100,000	100,000	100,000
Transfers out	(175,000)	(175,000)	(175,000)
	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>
Total other financing sources (uses)			
NET CHANGE IN FUND BALANCES	<u>\$ (202,816)</u>	<u>\$ (202,816)</u>	(87,334)
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			172,651
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>138,939</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 224,256</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
PUBLIC SAFETY SALES TAX FUND
Year Ended November 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Sales taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,162,818
Investment income	1,900	1,900	1,416
Other	<u>9,000</u>	<u>26,000</u>	<u>21,807</u>
Total revenues	<u>1,110,900</u>	<u>1,127,900</u>	<u>1,186,041</u>
EXPENDITURES			
Current:			
Employee benefits	397,000	397,000	388,719
Public safety	323,331	363,431	359,555
Corrections	216,801	224,401	224,288
Capital outlay	<u>85,000</u>	<u>64,500</u>	<u>64,313</u>
Total expenditures	<u>1,022,132</u>	<u>1,049,332</u>	<u>1,036,875</u>
Excess (deficiency) of revenue over expenditures	<u>88,768</u>	<u>78,568</u>	<u>149,166</u>
Other financing sources (uses)			
Transfers out	<u>(365,000)</u>	<u>(354,800)</u>	<u>(215,000)</u>
Total other financing sources (uses)	<u>(365,000)</u>	<u>(354,800)</u>	<u>(215,000)</u>
NET CHANGE IN FUND BALANCES	<u><u>\$ (276,232)</u></u>	<u><u>\$ (276,232)</u></u>	<u>(65,834)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			42,500
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>768,328</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u><u>\$ 744,994</u></u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
SOCIAL SECURITY FUND
Year Ended November 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 692,519	\$ 692,519	\$ 690,346
Investment income	-	-	1,534
Other	<u>2,500</u>	<u>2,500</u>	<u>2,957</u>
Total revenues	<u>695,019</u>	<u>695,019</u>	<u>694,837</u>
EXPENDITURES			
Current:			
Employee benefits	<u>661,583</u>	<u>661,583</u>	<u>635,374</u>
Total expenditures	<u>661,583</u>	<u>661,583</u>	<u>635,374</u>
Excess (deficiency) of revenue over expenditures			
NET CHANGE IN FUND BALANCES	<u>\$ 33,436</u>	<u>\$ 33,436</u>	59,463
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			-
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>789,762</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 849,225</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
COUNTY HEALTH FUND
Year Ended November 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 310,847	\$ 310,847	\$ 309,886
State grant and expenditure reimbursements	61,322	61,322	314,186
Federal revenue	342,066	342,066	169,086
Fees for services and materials	183,661	183,661	193,487
Investment income	-	-	339
Other	3,500	3,500	50,000
	<u>901,396</u>	<u>901,396</u>	<u>1,036,984</u>
EXPENDITURES			
Current:			
Public health	871,340	871,340	794,861
Capital outlay	50,000	50,000	464
Debt service			
Principal	-	-	46,980
	<u>921,340</u>	<u>921,340</u>	<u>842,305</u>
Total expenditures	<u>921,340</u>	<u>921,340</u>	<u>842,305</u>
Excess (deficiency) of revenue over expenditures	<u>(19,944)</u>	<u>(19,944)</u>	<u>194,679</u>
Other financing sources (uses)			
Transfers in	-	-	8,825
	<u>-</u>	<u>-</u>	<u>8,825</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,825</u>
NET CHANGE IN FUND BALANCES	<u>\$ (19,944)</u>	<u>\$ (19,944)</u>	<u>203,504</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			(173,249)
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			708,954
Prior period adjustment			<u>14,044</u>
FUND BALANCES, BEGINNING OF THE YEAR - RESTATED			<u>722,998</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 753,253</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOVEMBER 30, 2013

1. BUDGET AND APPROPRIATIONS

The County adopts an annual budget and appropriation ordinance in accordance with Chapter 55 of the Illinois Compiled Statutes. The budget covers the fiscal year ending November 30, and is available for public inspection at least fifteen days prior to final adoption. All appropriations cease with the close of the fiscal year. The budget document is prepared for all budgetary funds on the cash basis and includes a statement of the revenues collected and expenditures paid of the immediately preceding fiscal year and a projection of the revenues collected and the proposed itemized appropriations for the ensuing fiscal year. A fiscal year budget was not prepared for the Sheriff sub-fund and the County Farm Fund.

Once the County budget has been adopted, no further appropriations shall be made during the year except in the event of an immediate emergency, at which time the County Board by a two-thirds vote may make appropriations in excess of those authorized in the budget. Neither the County Board, nor the agent on its behalf, shall have the power to make any contract, or do any act, which will add to the County expenditures in any year above the amount provided in the budget for that fiscal year. Nothing in the statutes shall deprive the Board of the power to provide for and pay from County funds any charge upon the County imposed by law independent of any action of the Board. The level of control (level at which expenditures may not exceed budget) is the fund total, not the individual line items. During the year, it was deemed necessary for the Board to approve several supplementary appropriations.

2. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

The budgetary comparison schedules present comparisons of the budget on a cash basis with actual data on the cash basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present basic financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of resultant basis and timing differences in the excess (deficiency) of revenue over expenditures for the year ended November 30, 2013 is presented on each budgetary comparison schedule in the line item titled "Reconciliation to modified accrual basis - net change resulting from recording accounts receivable, payable, and other accrued items."

3. EXCESS OVER BUDGET

Generally accepted accounting principles require disclosure of certain information concerning individual funds (which are presented only in combination on the basic financial statements). Funds with overexpended appropriations during the year are required to be disclosed.

The following budgeted funds had an excess of expenditures over appropriations for the year ended November 30, 2013:

	<u>Appropriations</u>	<u>Expenditures</u>
County Motor Fuel Tax Fund	\$ 635,975	\$ 638,406
Mental Health Fund	369,681	419,292
Drug Enforcement Fund	10,000	14,100
State's Attorney Victim/Witness Fund	18,450	18,534
Insurance Reserve Fund	-	2,122
Adult Redeploy Grant Fund	159,144	160,140

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

McDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET - BY SUBFUND
GENERAL FUND
November 30, 2013

	<u>General Corporate</u>	<u>Sheriff</u>	<u>Total General Fund</u>
ASSETS			
Cash and Cash equivalents	\$ 811,769	\$ 15,701	\$ 827,470
Receivables, net:			
State of Illinois	342,883	-	342,883
Property taxes	1,009,714	-	1,009,714
Other	43,213	-	43,213
Due from other funds	52,362	(2,626)	49,736
Inventories	10,848	-	10,848
TOTAL ASSETS	<u>\$ 2,270,789</u>	<u>\$ 13,075</u>	<u>\$ 2,283,864</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 39,336	\$ -	\$ 39,336
Due to others	-	309	309
Due to other funds	5,269	-	5,269
Advances from other funds	90,681	-	90,681
Total liabilities	<u>135,286</u>	<u>309</u>	<u>135,595</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	1,009,714	-	1,009,714
Total deferred inflows of resources	<u>1,009,714</u>	<u>-</u>	<u>1,009,714</u>
 Total liabilities and deferred inflows of resources	 <u>1,145,000</u>	 <u>309</u>	 <u>1,145,309</u>
FUND BALANCES			
Nonspendable - inventories	10,848	-	10,848
Restricted for public safety	-	12,766	12,766
Unrestricted:			
Unassigned	<u>1,114,941</u>	<u>-</u>	<u>1,114,941</u>
Total fund balances	<u>1,125,789</u>	<u>12,766</u>	<u>1,138,555</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,270,789</u>	<u>\$ 13,075</u>	<u>\$ 2,283,864</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY SUBFUND
GENERAL FUND
Year Ended November 30, 2013

	General Corporate	Sheriff	Total General Fund
REVENUES			
Property taxes	\$ 994,898	\$ -	\$ 994,898
State of Illinois:			
Local use tax	106,925	-	106,925
Sales tax	812,977	-	812,977
Income tax	618,204	-	618,204
Personal property replacement taxes	198,776	-	198,776
State grants and expenditure reimbursements	353,091	1,600	354,691
Federal revenue	27,029	-	27,029
Fees for services and materials	1,132,282	56,956	1,189,238
Investment income	3,638	4	3,642
Other	201,451	-	201,451
Total revenues	<u>4,449,271</u>	<u>58,560</u>	<u>4,507,831</u>
EXPENDITURES			
Current:			
General government	1,382,809	-	1,382,809
Public safety	1,426,538	14,848	1,441,386
Corrections	357,771	-	357,771
Judiciary and court related	1,584,896	-	1,584,896
Public health	12,853	-	12,853
Capital outlay	12,585	-	12,585
Total expenditures	<u>4,777,452</u>	<u>14,848</u>	<u>4,792,300</u>
Excess (deficiency) of revenue over expenditures	<u>(328,181)</u>	<u>43,712</u>	<u>(284,469)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	146,697	-	146,697
Transfers out	<u>-</u>	<u>(44,291)</u>	<u>(44,291)</u>
Total other financing sources (uses)	<u>146,697</u>	<u>(44,291)</u>	<u>102,406</u>
NET CHANGE IN FUND BALANCES	(181,484)	(579)	(182,063)
FUND BALANCES, BEGINNING OF YEAR	<u>1,307,273</u>	<u>13,345</u>	<u>1,320,618</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,125,789</u>	<u>\$ 12,766</u>	<u>\$ 1,138,555</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF CERTAIN REVENUE ITEMS
GENERAL FUND
Year Ended November 30, 2013

FEES FOR SERVICES AND MATERIALS

General Corporate:

Vending machines	\$ 260
Maintenance salary reimbursement	50,552
State's attorney collections	1,753
County Clerk fees	240,073
Circuit Clerk fines	665,597
Circuit Clerk fees	165,062
Industry police protection	8,640
Sheriff - interstate transfer fee	345
Total	<u>1,132,282</u>

Sheriff:

Process dockets	8,214
Foreign service	2,977
Transportation and boarding of prisoners	216
Board bill - work release	8,492
Other	37,057
Total	<u>56,956</u>

TOTAL FEES FOR SERVICES AND MATERIALS

\$ 1,189,238

OTHER

General Corporate:

Tax penalties, interest, and costs	\$ 59,915
TIF surplus	10,970
Landfill host fees	63,191
Insight franchise fees	20,798
Worker's compensation payment	15,676
Miscellaneous	20,213
Reimburse telephone - other funds	6,995
Civil defense reimbursement	3,693

TOTAL OTHER

\$ 201,451

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
GENERAL GOVERNMENT			
County Board:			
Members per diem	\$ 52,000	\$ 52,000	\$ 47,278
Mileage	10,000	10,000	9,097
Administrative assistant	12,298	12,298	12,297
Office supplies	3,000	3,000	2,200
County dues	3,000	3,000	2,680
Other	3,250	3,250	2,475
	<u>83,548</u>	<u>83,548</u>	<u>76,027</u>
County Treasurer:			
Salary	49,188	49,188	49,188
Deputy clerk salaries	61,000	61,000	44,007
Office supplies and expense	13,000	13,000	9,545
	<u>123,188</u>	<u>123,188</u>	<u>102,740</u>
County Clerk:			
Salary	49,188	49,188	49,188
Deputy clerk salaries	116,550	116,550	116,052
Office supplies and expense	4,850	4,850	4,427
Recording births and deaths	690	690	568
	<u>171,278</u>	<u>171,278</u>	<u>170,235</u>
Microfilming Department:			
Salary	26,574	26,574	26,574
Supplies	3,800	3,800	1,817
	<u>30,374</u>	<u>30,374</u>	<u>28,391</u>
Elections:			
Building and equipment rental	1,180	1,180	1,180
Judges	19,000	19,000	17,582
Election supplies	30,000	30,000	25,029
Printing and publications of ballots	600	600	600
HAVA grant	-	16,545	16,543
Computer equipment	23,000	23,000	21,904
Deputy clerk salaries	29,000	29,000	26,788
	<u>102,780</u>	<u>119,325</u>	<u>109,626</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
GENERAL GOVERNMENT (Continued)			
Supervisor of Assessments:			
Salary - Supervisor	\$ 49,188	\$ 49,188	\$ 49,188
Deputy clerk salaries	83,596	83,596	83,596
Office supplies	5,800	5,800	3,326
Mileage, education, and dues	9,270	9,270	4,448
Publications	14,000	14,000	10,613
	<u>161,854</u>	<u>161,854</u>	<u>151,171</u>
Board of Review:			
Salaries	13,930	13,930	13,930
Appraisals and administration	1,500	1,500	-
Mileage, supplies, and meetings	766	766	-
	<u>16,196</u>	<u>16,196</u>	<u>13,930</u>
Building and Grounds:			
Maintenance supervisor salary	66,304	66,304	66,304
Salaries - maintenance personnel	54,590	54,590	54,590
Building supplies	12,000	12,000	9,253
Contractual	28,000	28,000	27,728
Janitorial supplies	6,000	6,000	3,056
Reimbursement expense	3,900	3,900	3,900
Telephone and phone repairs	58,500	58,500	47,559
Utilities	80,000	80,000	49,280
Call out pay	3,000	3,000	1,536
	<u>312,294</u>	<u>312,294</u>	<u>263,206</u>
Network Administrator			
Salary	42,900	42,600	36,218
Supplies	500	500	327
Miscellaneous	150	450	431
	<u>43,550</u>	<u>43,550</u>	<u>36,976</u>
			(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
GENERAL GOVERNMENT (Continued)			
Regional Office of Superintendent of Educational Service:			
Allocated portion of joint cost	\$ 57,010	\$ 57,010	\$ 57,010
Contingency	100,000	70,735	-
	<u>157,010</u>	<u>127,745</u>	<u>57,010</u>
Other:			
Surety bonds	3,500	3,500	629
W.I.R.C. dues	3,600	3,600	3,561
Postage	50,000	50,000	48,754
Preparation of budget	1,000	1,000	270
Revenue stamps	85,000	85,000	73,887
Training and education	12,000	12,000	5,834
Computer service	65,000	65,000	42,211
Audits	87,400	87,400	87,400
MAIDCO	5,000	5,000	5,000
Accounting and consulting services	12,000	17,000	16,104
	<u>324,500</u>	<u>329,500</u>	<u>283,650</u>
Total General Government	<u>1,526,572</u>	<u>1,518,852</u>	<u>1,292,962</u>
EMPLOYEE BENEFITS	<u>481,000</u>	<u>481,000</u>	<u>452,456</u>
PUBLIC SAFETY			
Police Protection - Sheriff:			
Sheriff salary	72,570	72,570	72,570
Deputies, Dispatchers, and Jailers' salaries	886,632	865,932	834,276
Deputy pay - call-out, court	8,500	8,500	7,186
Deputy and Jailer overtime	96,000	114,700	111,136
Courthouse security salaries	83,230	83,230	83,057
Courthouse security overtime	10,500	12,500	11,707
Courthouse security - Bailiff's	3,000	3,000	540
Courthouse security equipment	6,000	6,000	5,855
Courthouse security uniforms	2,000	2,000	1,784
Office supplies	13,000	13,000	9,330
Radio repair and maintenance	25,000	25,000	23,357
Miscellaneous	32,000	32,000	18,586
Monthly access fee	7,500	7,500	7,257
	<u>1,245,932</u>	<u>1,245,932</u>	<u>1,186,641</u>
			(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
PUBLIC SAFETY (Continued)			
Civil Defense:			
Director salary	\$ 15,495	\$ 15,495	\$ 15,495
Part time secretary	250	250	-
Travel	2,560	2,560	597
Local emergency planning	1,500	1,500	-
Office supplies	2,200	2,200	924
Equipment and contractual	5,700	5,700	405
	<u>27,705</u>	<u>27,705</u>	<u>17,421</u>
 Coroner:			
Salary	28,535	28,535	28,531
Office supplies and education	4,500	4,500	4,043
Transportation	7,100	7,100	3,661
Professional services	13,570	13,570	5,344
Medical and contractual	8,500	8,500	4,966
Coroner's grant expense	-	4,625	-
Reimbursable expense	2,400	2,400	2,400
	<u>64,605</u>	<u>69,230</u>	<u>48,945</u>
 Total Public Safety	<u>1,338,242</u>	<u>1,342,867</u>	<u>1,253,007</u>
 CORRECTIONS			
Juvenile Probation Officer:			
Child Care	<u>130,000</u>	<u>130,000</u>	<u>96,503</u>
 Adult Probation Officer:			
County share of joint cost	<u>277,063</u>	<u>277,063</u>	<u>277,063</u>
 Drug Court:			
Claims	<u>5,670</u>	<u>5,670</u>	<u>1,005</u>
 Total Corrections	<u>412,733</u>	<u>412,733</u>	<u>374,571</u>
			(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
JUDICIARY AND COURT RELATED			
State's Attorney:			
Salary	\$ 166,508	\$ 166,508	\$ 166,508
Assistants	138,671	138,671	136,217
Collection Specialist salary	23,634	23,634	23,634
Secretary salaries	88,039	88,039	86,367
Grant victim/witness salaries	2,000	2,000	-
Investigator	16,545	16,545	16,544
Witness fees	2,400	2,400	1,875
Office supplies and maintenance	10,000	10,000	9,775
Appellate Prosecutor	11,000	11,000	11,000
Court ordered medical	5,000	5,000	3,378
	<u>463,797</u>	<u>463,797</u>	<u>455,298</u>
Courts:			
Circuit and Associated Judges' salary	1,500	1,500	1,467
County share Chief Judge	4,305	4,305	4,303
Office supplies and expense	8,000	10,000	9,533
Administrative secretary	41,446	43,046	43,003
Court appointed attorneys	125,000	134,400	134,324
Court appointed transcripts/fees	150	750	721
Jurors' meals and lodging	650	650	32
Jury certificates	10,000	5,800	1,982
Jury commissioner	9,044	9,044	8,096
Jury commission supplies	200	200	192
Translator	1,000	1,000	565
	<u>201,295</u>	<u>210,695</u>	<u>204,218</u>
Public Defender:			
Public Defender	166,508	166,508	166,508
Office Manager	38,651	38,651	38,651
Secretary	13,012	13,427	13,205
Assistant PD 1	80,389	80,389	80,389
Assistant PD 2	55,718	55,718	55,718
Court ordered medical	2,250	9,050	8,973
Office supplies and expense	9,500	13,400	13,335
	<u>366,028</u>	<u>377,143</u>	<u>376,779</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND
Year Ended November 30, 2013

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
JUDICIARY AND COURT RELATED (Continued)			
Circuit Clerk:			
Salary	\$ 49,188	\$ 49,188	\$ 49,188
Deputy clerk salaries	314,251	318,001	317,978
	<u>363,439</u>	<u>367,189</u>	<u>367,166</u>
 Total Judiciary and Court Related	 <u>1,394,559</u>	 <u>1,418,824</u>	 <u>1,403,461</u>
 CAPITAL OUTLAY			
Office Improvements	10,000	10,000	2,475
Equipment purchases	20,000	20,000	7,521
Computer purchases	7,500	7,500	2,589
	<u>37,500</u>	<u>37,500</u>	<u>12,585</u>
 Total capital outlay	 <u>37,500</u>	 <u>37,500</u>	 <u>12,585</u>
 TRANSFER TO OTHER FUNDS	 <u>20,000</u>	 <u>20,000</u>	 <u>20,000</u>
 TOTAL GENERAL FUND	 <u><u>\$ 5,210,606</u></u>	 <u><u>\$ 5,231,776</u></u>	 <u><u>\$ 4,809,042</u></u> (Concluded)

See accompanying Independent Auditor's Report.

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2013

	Special Revenue Funds	Debt Service Insurance Bond Funds	Capital Projects Equipment Replacement Funds	Capital Projects Improvement & Equipment Fund	Permanent County Farm Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 3,192,239	\$ 51	\$ 193,285	\$ 7,843	\$ 68,432	\$ 3,461,850
Investments	1,185,424	-	-	-	43,689	1,229,113
Receivables, net:						
State of Illinois	31,776	-	-	-	-	31,776
Property taxes	1,674,946	-	-	-	-	1,674,946
Other	73,146	-	-	-	-	73,146
Due from other funds	112,018	-	-	2,700	-	114,718
Due from component unit	17,138	-	-	-	-	17,138
Prepaid items	179,662	-	-	-	-	179,662
TOTAL ASSETS	<u>\$ 6,466,349</u>	<u>\$ 51</u>	<u>\$ 193,285</u>	<u>\$ 10,543</u>	<u>\$ 112,121</u>	<u>\$ 6,782,349</u>

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES**

Liabilities:						
Accounts payable	\$ 72,453	\$ -	\$ -	\$ -	\$ -	\$ 72,453
Due to others	-	-	-	-	43,689	43,689
Due to other funds	22,840	-	-	-	-	22,840
Total liabilities	<u>95,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,689</u>	<u>138,982</u>
Deferred inflows of resources						
Unavailable property taxes	1,674,946	-	-	-	-	1,674,946
Total deferred inflows of resources	<u>1,674,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,674,946</u>
Total liabilities and deferred inflows of resources	<u>1,770,239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,689</u>	<u>1,813,928</u>
Fund balances:						
Nonspendable - prepaids	179,662	-	-	-	-	179,662
Restricted for highways and streets	1,664,342	-	-	-	-	1,664,342
Restricted for public safety	45,928	-	-	-	-	45,928
Restricted for economic development	81,155	-	-	-	-	81,155
Restricted for health and welfare	617,831	-	-	-	68,432	686,263
Restricted for specific purpose	1,557,782	-	-	-	-	1,557,782
Unrestricted						
Committed for highways and streets	259,860	-	-	-	-	259,860
Assigned for highways and streets	175,079	-	-	-	-	175,079
Assigned for public safety	115	-	-	-	-	115
Assigned for economic development	28	-	-	-	-	28
Assigned for health and welfare	12,765	-	-	-	-	12,765
Assigned for specific purpose	101,563	51	193,285	10,543	-	305,442
Total fund balances	<u>4,696,110</u>	<u>51</u>	<u>193,285</u>	<u>10,543</u>	<u>68,432</u>	<u>4,968,421</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 6,466,349</u>	<u>\$ 51</u>	<u>\$ 193,285</u>	<u>\$ 10,543</u>	<u>\$ 112,121</u>	<u>\$ 6,782,349</u>

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2013

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Permanent	Total Nonmajor Governmental Funds
		Insurance Bond Funds	Equipment Replacement Funds	County Farm Fund	
			Capital Improvement & Equipment Fund		
REVENUE					
Property taxes	\$ 1,648,987	\$ -	\$ -	\$ -	\$ 1,648,987
State of Illinois:					
Motor fuel tax allotments	372,671	-	-	-	372,671
State grants and expenditure reimbursements	266,891	-	-	-	266,891
Fees for services and materials	881,806	-	-	-	881,806
Investment income	15,853	-	517	461	16,834
Other	343,355	-	30,924	50,000	424,279
Total revenues	3,529,563	-	31,441	50,461	3,611,468
EXPENDITURES					
Current:					
General government	277,960	-	-	3,107	281,067
Public safety	8,262	-	-	-	8,262
Corrections	272,706	-	-	-	272,706
Judiciary and court related	420,163	-	-	-	420,163
Public health	650,012	-	-	38,418	688,430
Public welfare	182,177	-	-	-	182,177
Transportation	1,540,793	-	-	-	1,540,793
Capital outlay	72,980	-	127,009	-	199,989
Total expenditures	3,425,053	-	127,009	41,525	3,593,587
Excess (deficiency) of revenues over expenditures	104,510	-	(95,568)	8,936	17,881
OTHER FINANCING SOURCES (USES)					
Transfers in	397,382	-	116,384	13,674	527,440
Transfers out	(507,420)	-	-	-	(507,420)
Total other financing sources (uses)	(110,038)	-	116,384	13,674	20,020
NET CHANGE IN FUND BALANCES	(5,528)	-	20,816	22,610	37,901
FUND BALANCES, BEGINNING OF YEAR	4,701,638	51	172,469	45,822	4,930,520
FUND BALANCES, END OF YEAR	\$ 4,696,110	\$ 51	\$ 193,285	\$ 68,432	\$ 4,968,421

See accompanying Independent Auditor's Report.

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	County Highway Fund	County Motor Fuel Fund	County Aid to Bridges Fund	Federal Aid Matching Fund	Engineering Revolving Fund	Tuberculosis Fund	Veterans' Assistance Fund
ASSETS							
Cash and cash equivalents	\$ 644,556	\$ 207,167	\$ 306,676	\$ 564,529	\$ 74,164	\$ 63,859	\$ 130,445
Investments	-	-	100,000	-	100,000	-	-
Receivables, net:							
State of Illinois	-	30,264	-	-	-	-	-
Property taxes	276,150	-	151,350	188,960	-	30,000	62,000
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	99,256	-	-
Due from component unit	17,138	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 937,844	\$ 237,431	\$ 558,026	\$ 753,489	\$ 273,420	\$ 93,859	\$ 192,445
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 30,332	\$ -	\$ 577	\$ -	\$ 13,560	\$ -	\$ 3,038
Due to other funds	-	-	-	-	-	1,511	-
Total liabilities	30,332	-	577	-	13,560	1,511	3,038
Deferred inflows of resources							
Unavailable property taxes	276,150	-	151,350	188,960	-	30,000	62,000
Total deferred inflows of resources	276,150	-	151,350	188,960	-	30,000	62,000
Total liabilities and deferred inflows of resources	306,482	-	151,927	188,960	13,560	31,511	65,038
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	622,982	237,431	239,400	564,529	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	-	-	-	62,287	126,944
Restricted for specific purpose	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Committed for highways and streets	-	-	-	-	259,860	-	-
Assigned for highways and streets	8,380	-	166,699	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	61	463
Assigned for specific purpose	-	-	-	-	-	-	-
Total fund balances	631,362	237,431	406,099	564,529	259,860	62,348	127,407
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 937,844	\$ 237,431	\$ 558,026	\$ 753,489	\$ 273,420	\$ 93,859	\$ 192,445

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	Building Rental Fund	Cooperative Extension Fund	Animal Control Fund	Mental Health Fund	Law Library Fund	Recorder Automation Fund	Court Automation Fund
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ 132,982	\$ 2,566	\$ 21,940	\$ 45,750	\$ 115,645
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	350,000	171,000	-	377,700	-	-	-
Other	-	-	60,528	-	-	2,050	-
Due from other funds	-	-	-	-	-	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	179,662	-	-	-
TOTAL ASSETS	<u>\$ 350,000</u>	<u>\$ 171,000</u>	<u>\$ 193,510</u>	<u>\$ 559,928</u>	<u>\$ 21,940</u>	<u>\$ 47,800</u>	<u>\$ 115,645</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 3,147	\$ -	\$ -	\$ 552	\$ 773
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	3,147	-	-	552	773
Deferred inflows of resources							
Unavailable property taxes	350,000	171,000	-	377,700	-	-	-
Total deferred inflows of resources	350,000	171,000	-	377,700	-	-	-
Total liabilities and deferred inflows of resources	350,000	171,000	3,147	377,700	-	552	773
Fund balances:							
Nonspendable - prepaids	-	-	-	179,662	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	188,713	2,315	-	-	-
Restricted for specific purpose	-	-	-	-	21,889	47,144	114,815
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	1,650	251	-	-	-
Assigned for specific purpose	-	-	-	-	51	104	57
Total fund balances	-	-	190,363	182,228	21,940	47,248	114,872
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 350,000</u>	<u>\$ 171,000</u>	<u>\$ 193,510</u>	<u>\$ 559,928</u>	<u>\$ 21,940</u>	<u>\$ 47,800</u>	<u>\$ 115,645</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	Vital Records Automation Fund	Drug Enforcement Fund	Senior Citizens' Transportation Fund	Support Processing Fund	State's Attorney Victim/Witness Fund	Treasurer's Automation Fund	Document Storage Fund
ASSETS							
Cash and cash equivalents	\$ 25,686	\$ 23,542	\$ 92,123	\$ 19,940	\$ 13,186	\$ 44,112	\$ 92,678
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	1,512	-	-	-
Property taxes	-	-	42,000	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	428	-	-	-	3,007	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 26,114</u>	<u>\$ 23,542</u>	<u>\$ 134,123</u>	<u>\$ 21,452</u>	<u>\$ 16,193</u>	<u>\$ 44,112</u>	<u>\$ 92,678</u>

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCES**

Liabilities:							
Accounts payable	\$ 147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,659
Due to other funds	-	-	-	-	14,125	-	-
Total liabilities	<u>147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,125</u>	<u>-</u>	<u>1,659</u>
Deferred inflows of resources							
Unavailable property taxes	-	-	42,000	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>147</u>	<u>-</u>	<u>42,000</u>	<u>-</u>	<u>14,125</u>	<u>-</u>	<u>1,659</u>

Fund balances:

Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	23,474	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	-	-	-	-	-
Restricted for specific purpose	-	-	-	21,452	2,060	44,028	90,830
Unrestricted	25,920	-	-	-	-	-	-
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	68	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	-	-
Assigned for specific purpose	47	-	92,123	-	8	84	189
Total fund balances	<u>25,967</u>	<u>23,542</u>	<u>92,123</u>	<u>21,452</u>	<u>2,068</u>	<u>44,112</u>	<u>91,019</u>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND FUND BALANCE**

	<u>\$ 26,114</u>	<u>\$ 23,542</u>	<u>\$ 134,123</u>	<u>\$ 21,452</u>	<u>\$ 16,193</u>	<u>\$ 44,112</u>	<u>\$ 92,678</u>
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(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	County Waste Management Fund	Economic Development Revolving Loan Fund	Court System Maintenance Fund	Arrestees' Medical Cost Fund	Sheriff's DUI Equipment Fund	State's Attorney Drug Enforcement Fund	GIS Fee Fund
ASSETS							
Cash and cash equivalents	\$ 123,926	\$ -	\$ 52,836	\$ 8,957	\$ 8,931	\$ 6,737	\$ 63,133
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	-	25,786	-	-	-	-	-
Other	10,622	-	-	-	-	-	3,806
Due from other funds	-	-	-	-	-	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 134,548</u>	<u>\$ 25,786</u>	<u>\$ 52,836</u>	<u>\$ 8,957</u>	<u>\$ 8,931</u>	<u>\$ 6,737</u>	<u>\$ 66,939</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 2,534	\$ -	\$ -	\$ 2,124	\$ -	\$ -	\$ -
Due to other funds	7,204	-	-	-	-	-	-
Total liabilities	<u>9,738</u>	<u>-</u>	<u>-</u>	<u>2,124</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Unavailable property taxes	-	25,786	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>25,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>9,738</u>	<u>25,786</u>	<u>-</u>	<u>2,124</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	6,830	8,931	6,693	-
Restricted for economic development	-	-	-	-	-	-	66,939
Restricted for health and welfare	124,692	-	-	-	-	-	-
Restricted for specific purpose	-	-	52,520	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	3	-	44	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	118	-	-	-	-	-	-
Assigned for specific purpose	-	-	316	-	-	-	-
Total fund balances	<u>124,810</u>	<u>-</u>	<u>52,836</u>	<u>6,833</u>	<u>8,931</u>	<u>6,737</u>	<u>66,939</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 134,548</u>	<u>\$ 25,786</u>	<u>\$ 52,836</u>	<u>\$ 8,957</u>	<u>\$ 8,931</u>	<u>\$ 6,737</u>	<u>\$ 66,939</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	County Clerk GIS Fee Fund	State's Attorney Child Advocacy Fund	USDA Solid Waste Fund	Animal Control Memorial Fund	Animal Pet Population Fund	Insurance Reserve Fund	Child Advocacy Fund
ASSETS							
Cash and cash equivalents	\$ 13,898	\$ 57,839	\$ 100	\$ 50,058	\$ 72,944	\$ 26,023	\$ 26,593
Investments	-	-	-	-	-	985,424	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	1,996	-
Other	-	3,125	-	-	-	-	-
Due from other funds	346	-	-	-	-	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 14,244</u>	<u>\$ 60,964</u>	<u>\$ 100</u>	<u>\$ 50,058</u>	<u>\$ 72,944</u>	<u>\$ 1,013,443</u>	<u>\$ 26,593</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Deferred inflows of resources							
Unavailable property taxes	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	-	-	-	-
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	14,216	-	-	-	-	-	-
Restricted for health and welfare	-	-	100	39,959	72,821	-	-
Restricted for specific purpose	-	60,912	-	-	-	1,004,911	26,593
Unrestricted	-	-	-	-	-	-	-
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	28	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	10,099	123	-	-
Assigned for specific purpose	-	52	-	-	-	8,532	-
Total fund balances	<u>14,244</u>	<u>60,964</u>	<u>100</u>	<u>50,058</u>	<u>72,944</u>	<u>1,013,443</u>	<u>26,593</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 14,244</u>	<u>\$ 60,964</u>	<u>\$ 100</u>	<u>\$ 50,058</u>	<u>\$ 72,944</u>	<u>\$ 1,013,443</u>	<u>\$ 26,593</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
November 30, 2013

	Coroner's Automation Fund	Circuit Clerk Electronic Citation Fund	State's Attorney Recorders Automation Fund	Adult Redeem Grant Fund	Court Appointed Special Advocacy Fund	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and cash equivalents	\$ 10,063	\$ 8,417	\$ 2,555	\$ 36,477	\$ 1,206	\$ 3,192,239
Investments	-	-	-	-	-	1,185,424
Receivables, net:						
State of Illinois	-	-	-	-	-	31,776
Property taxes	-	-	-	-	-	1,674,946
Other	-	-	-	-	-	73,146
Due from other funds	-	-	-	-	-	112,018
Due from component unit	-	-	-	-	-	17,138
Prepaid items	-	-	-	-	-	179,662
TOTAL ASSETS	<u>\$ 10,063</u>	<u>\$ 8,417</u>	<u>\$ 2,555</u>	<u>\$ 36,477</u>	<u>\$ 1,206</u>	<u>\$ 6,466,349</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 14,010	\$ -	\$ 72,453
Due to other funds	-	-	-	-	-	22,840
Total liabilities	-	-	-	14,010	-	95,293
Deferred inflows of resources						
Unavailable property taxes	-	-	-	-	-	1,674,946
Total deferred inflows of resources	-	-	-	-	-	1,674,946
Total liabilities and deferred inflows of resources	-	-	-	14,010	-	1,770,239
Fund balances:						
Nonspendable - prepaids	-	-	-	-	-	179,662
Restricted for highways and streets	-	-	-	-	-	1,664,342
Restricted for public safety	-	-	-	-	-	45,928
Restricted for economic development	-	-	-	-	-	81,155
Restricted for health and welfare	-	-	-	-	-	617,831
Restricted for specific purpose	10,063	8,417	2,555	22,467	1,206	1,557,782
Unrestricted						
Committed for highways and streets	-	-	-	-	-	259,860
Assigned for highways and streets	-	-	-	-	-	175,079
Assigned for public safety	-	-	-	-	-	115
Assigned for economic development	-	-	-	-	-	28
Assigned for health and welfare	-	-	-	-	-	12,765
Assigned for specific purpose	-	-	-	-	-	101,563
Total fund balances	<u>10,063</u>	<u>8,417</u>	<u>2,555</u>	<u>22,467</u>	<u>1,206</u>	<u>4,696,110</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 10,063</u>	<u>\$ 8,417</u>	<u>\$ 2,555</u>	<u>\$ 36,477</u>	<u>\$ 1,206</u>	<u>\$ 6,466,349</u>

(Concluded)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	County Highway Fund	County Motor Fuel Fund	County Aid to Bridges Fund	Federal Aid Matching Fund	Engineering Revolving Fund	Tuberculosis Fund	Veterans' Assistance Fund
REVENUES							
Property taxes	\$ 269,427	\$ -	\$ 147,674	\$ 184,310	\$ -	\$ 33,127	\$ 62,709
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	372,671	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	247,042	-	-	-	-	-
Fees for services and materials	57,187	-	-	-	69,263	-	-
Investment income	2,234	303	1,120	2,762	856	29	249
Other	251,980	-	31,509	4,352	2,550	-	-
Total revenues	<u>580,828</u>	<u>620,016</u>	<u>180,503</u>	<u>191,424</u>	<u>72,669</u>	<u>33,156</u>	<u>62,958</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	46,052
Transportation	978,659	227,232	40,649	171,689	122,564	-	-
Capital outlay	-	-	-	-	35,939	-	-
Total expenditures	<u>978,659</u>	<u>227,232</u>	<u>40,649</u>	<u>171,689</u>	<u>158,503</u>	<u>-</u>	<u>46,052</u>
Excess (deficiency) of revenues over expenditures	<u>(397,831)</u>	<u>392,784</u>	<u>139,654</u>	<u>19,735</u>	<u>(85,834)</u>	<u>33,156</u>	<u>16,906</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	380,010	-	-	-	2,372	-	-
Transfers out	-	(410,047)	(24,594)	(64,125)	-	(8,654)	-
Total other financing sources (uses)	<u>380,010</u>	<u>(410,047)</u>	<u>(24,594)</u>	<u>(64,125)</u>	<u>2,372</u>	<u>(8,654)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(17,821)</u>	<u>(17,263)</u>	<u>115,060</u>	<u>(44,390)</u>	<u>(83,462)</u>	<u>24,502</u>	<u>16,906</u>
FUND BALANCES, BEGINNING OF YEAR	<u>649,183</u>	<u>254,694</u>	<u>291,039</u>	<u>608,919</u>	<u>343,322</u>	<u>37,846</u>	<u>110,501</u>
FUND BALANCES, END OF YEAR	<u>\$ 631,362</u>	<u>\$ 237,431</u>	<u>\$ 406,099</u>	<u>\$ 564,529</u>	<u>\$ 259,860</u>	<u>\$ 62,348</u>	<u>\$ 127,407</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	Building Rental Fund	Cooperative Extension Fund	Animal Control Fund	Mental Health Fund	Law Library Fund	Recorder Automation Fund	Court Automation Fund
REVENUES							
Property taxes	\$ 349,723	\$ 166,954	\$ -	\$ 368,543	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Fees for services and materials	-	-	162,999	126	19,209	26,878	41,342
Investment income	-	-	542	-	10	20	57
Other	-	-	152	-	-	11,518	-
Total revenues	<u>349,723</u>	<u>166,954</u>	<u>163,693</u>	<u>368,669</u>	<u>19,219</u>	<u>38,416</u>	<u>41,399</u>
EXPENDITURES							
Current:							
General government	-	166,954	-	-	-	19,607	-
Public safety	-	-	-	-	-	-	-
Corrections	249,723	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	20,586	-	27,591
Public health	-	-	136,036	419,292	-	-	-
Public welfare	100,000	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	2,335	-	-	14,989	-
Total expenditures	<u>349,723</u>	<u>166,954</u>	<u>138,371</u>	<u>419,292</u>	<u>20,586</u>	<u>34,596</u>	<u>27,591</u>
Excess (deficiency) of revenues over expenditures	-	-	25,322	(50,623)	(1,367)	3,820	13,808
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	25,322	(50,623)	(1,367)	3,820	13,808
FUND BALANCES, BEGINNING OF YEAR	-	-	165,041	232,851	23,307	43,428	101,064
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,363</u>	<u>\$ 182,228</u>	<u>\$ 21,940</u>	<u>\$ 47,248</u>	<u>\$ 114,872</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	Vital Records Automation Fund	Drug Enforcement Fund	Senior Citizens' Transportation Fund	Support Processing Fund	State's Attorney Victim/Witness Fund	Treasurer's Automation Fund	Document Storage Fund
REVENUES							
Property taxes	\$ -	\$ -	\$ 44,737	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	19,849	-	-
Fees for services and materials	6,800	-	-	7,600	-	2,520	41,178
Investment income	12	12	236	11	3	21	48
Other	-	11,443	-	-	-	4,149	-
Total revenues	6,812	11,455	44,973	7,611	19,852	6,690	41,226
EXPENDITURES							
Current:							
General government	2,893	-	-	-	-	4,288	-
Public safety	-	7,192	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	12,676	18,534	-	40,597
Public health	-	-	-	-	-	-	-
Public welfare	-	-	36,125	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	1,620	6,908	-	-	-	-	-
Total expenditures	4,513	14,100	36,125	12,676	18,534	4,288	40,597
Excess (deficiency) of revenues over expenditures	2,299	(2,645)	8,848	(5,065)	1,318	2,402	629
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	2,299	(2,645)	8,848	(5,065)	1,318	2,402	629
FUND BALANCES, BEGINNING OF YEAR	23,668	26,187	83,275	26,517	750	41,710	90,390
FUND BALANCES, END OF YEAR	\$ 25,967	\$ 23,542	\$ 92,123	\$ 21,452	\$ 2,068	\$ 44,112	\$ 91,019

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	County Waste Management Fund	Economic Development Loan Fund	Court System Maintenance Fund	Arrestees' Medical Cost Fund	Sheriff's DUI Equipment Fund	State's Attorney Drug Enforcement Fund	GIS Fee Fund
REVENUES							
Property taxes	\$ -	\$ 21,783	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Fees for services and materials	68,787	-	37,011	9,887	3,735	-	49,709
Investment income	58	-	54	3	4	3	213
Other	12,853	-	-	2,175	-	1,420	1,093
Total revenues	81,698	21,783	37,065	12,065	3,739	1,423	51,015
EXPENDITURES							
Current:							
General government	-	21,783	-	-	-	-	60,313
Public safety	-	-	-	-	-	1,070	-
Corrections	-	-	-	22,983	-	-	-
Judiciary and court related	-	-	94,844	-	-	-	-
Public health	79,983	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	79,983	21,783	94,844	22,983	4,823	-	-
Excess (deficiency) of revenues over expenditures	1,715	-	(57,779)	(10,918)	(1,084)	353	(9,298)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	15,000	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	15,000	-	-	-
NET CHANGE IN FUND BALANCES	1,715	-	(57,779)	4,082	(1,084)	353	(9,298)
FUND BALANCES, BEGINNING OF YEAR	123,095	-	110,615	2,751	10,015	6,384	76,237
FUND BALANCES, END OF YEAR	\$ 124,810	\$ -	\$ 52,836	\$ 6,833	\$ 8,931	\$ 6,737	\$ 66,939

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	County Clerk GIS Fee Fund	State's Attorney Child Advocacy Fund	USDA Solid Waste Fund	Animal Control Memorial Fund	Animal Pet Population Fund	Insurance Reserve Fund	Child Advocacy Fund
REVENUES							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Fees for services and materials	4,594	49,910	-	3,299	13,690	-	-
Investment income	7	21	-	25	35	6,765	-
Other	-	-	-	3,561	-	-	-
Total revenues	<u>4,601</u>	<u>49,931</u>	<u>-</u>	<u>6,885</u>	<u>13,725</u>	<u>6,765</u>	<u>-</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	2,122	-
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	30,645	-	-	-	-	540
Public health	-	-	-	11,310	3,391	-	-
Public welfare	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	6,366	-	-	-	-	-	-
Total expenditures	<u>6,366</u>	<u>30,645</u>	<u>-</u>	<u>11,310</u>	<u>3,391</u>	<u>2,122</u>	<u>540</u>
Excess (deficiency) of revenues over expenditures	<u>(1,765)</u>	<u>19,286</u>	<u>-</u>	<u>(4,425)</u>	<u>10,334</u>	<u>4,643</u>	<u>(540)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(1,765)</u>	<u>19,286</u>	<u>-</u>	<u>(4,425)</u>	<u>10,334</u>	<u>4,643</u>	<u>(540)</u>
FUND BALANCES, BEGINNING OF YEAR	<u>16,009</u>	<u>41,678</u>	<u>100</u>	<u>54,483</u>	<u>62,610</u>	<u>1,008,800</u>	<u>27,133</u>
FUND BALANCES, END OF YEAR	<u>\$ 14,244</u>	<u>\$ 60,964</u>	<u>\$ 100</u>	<u>\$ 50,058</u>	<u>\$ 72,944</u>	<u>\$ 1,013,443</u>	<u>\$ 26,593</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended November 30, 2013

	Coroner's Automation Fund	Circuit Clerk Electronic Citation Fund	State's Attorney Recorders Automation Fund	Adult Redevelop Grant Fund	Court Appointed Special Advocacy Fund	Total Nonmajor Special Revenue Funds
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,648,987
State of Illinois:						
Sales tax	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	372,671
Personal property replacement taxes	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	266,891
Fees for services and materials	5,900	5,166	1,926	192,010	1,206	881,806
Investment income	3	3	1	7	-	15,853
Other	-	-	-	4,600	-	343,355
Total revenues	5,903	5,169	1,927	196,617	1,206	3,529,563
EXPENDITURES						
Current:						
General government	-	-	-	-	-	277,960
Public safety	-	-	-	-	-	8,262
Corrections	-	-	-	-	-	272,706
Judiciary and court related	-	-	-	174,150	-	420,163
Public health	-	-	-	-	-	650,012
Public welfare	-	-	-	-	-	182,177
Transportation	-	-	-	-	-	1,540,793
Capital outlay	-	-	-	-	-	72,980
Total expenditures	-	-	-	174,150	-	3,425,053
Excess (deficiency) of revenues over expenditures	5,903	5,169	1,927	22,467	1,206	104,510
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	397,382
Transfers out	-	-	-	-	-	(507,420)
Total other financing sources (uses)	-	-	-	-	-	(110,038)
NET CHANGE IN FUND BALANCES	5,903	5,169	1,927	22,467	1,206	(5,528)
FUND BALANCES, BEGINNING OF YEAR	4,160	3,248	628	-	-	4,701,638
FUND BALANCES, END OF YEAR	\$ 10,063	\$ 8,417	\$ 2,555	\$ 22,467	\$ 1,206	\$ 4,696,110
						(Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue									
	County Highway		County Motor Fuel Tax		County Aid to Bridges		Federal Aid Matching		Engineering Revolving	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES										
Property taxes	\$ 270,267	\$ 269,427					\$ 184,841	\$ 184,310	\$ -	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	400,000	516,449	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	212,000	104,671	-	-	-	-	-	-
Fees for services and materials	393,000	355,349	-	-	-	-	-	-	132,000	75,488
Investment income	1,000	2,234	150	303	1,000	1,120	6,000	2,762	500	856
Other	300,000	316,105	-	-	120,000	31,509	-	4,352	10,000	2,550
Total revenues	964,267	943,115	612,150	621,423	269,142	180,303	190,841	191,424	142,500	78,894
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-
Transportation	1,135,000	983,335	635,975	638,406	300,000	67,655	400,000	248,387	135,000	109,738
Capital outlay	-	-	-	-	-	-	-	-	60,000	35,584
Total expenditures	1,135,000	983,335	635,975	638,406	300,000	67,655	400,000	248,387	195,000	145,322
Excess (deficiency) of revenues over expenditure:	(170,733)	(40,220)	(23,825)	(16,983)	(30,858)	112,648	(209,159)	(56,963)	(52,500)	(66,428)
OTHER FINANCING SOURCES (USES)										
Transfers in	-	17,723	-	-	-	-	-	-	20,000	2,372
Total other financing sources (uses)	-	17,723	-	-	-	-	-	-	20,000	2,372
NET CHANGE IN FUND BALANCES	\$ (170,733)	(22,497)	\$ (23,825)	(16,983)	\$ (30,858)	112,648	\$ (209,159)	(56,963)	\$ (32,500)	(64,056)
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS										
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		4,676		(280)		2,412		12,573		(19,406)
FUND BALANCES (DEFICIT), END OF YEAR		649,183		254,694		291,039		608,919		343,322
	\$	631,362	\$	237,431	\$	406,099	\$	564,529	\$	259,860
										(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue							
	Tuberculosis Fund		Veterans' Assistance		Building Rental Fund		Cooperative Extension	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ 33,202	\$ 33,127	\$ 62,830	\$ 62,709	\$ 350,000	\$ 349,723	167,471	\$ 166,954
State of Illinois:								
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	-	-	-	-	-	-
Investment income	15	29	90	249	-	-	-	-
Other	-	-	500	-	-	-	-	-
Total revenues	<u>33,217</u>	<u>33,156</u>	<u>63,420</u>	<u>62,958</u>	<u>350,000</u>	<u>349,723</u>	<u>167,471</u>	<u>166,954</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	167,471	166,954
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	250,000	249,723	-	-
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	25,000	8,825	-	-	-	-	-	-
Public welfare	-	-	60,869	45,088	100,000	100,000	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>25,000</u>	<u>8,825</u>	<u>60,869</u>	<u>45,088</u>	<u>350,000</u>	<u>349,723</u>	<u>167,471</u>	<u>166,954</u>
Excess (deficiency) of revenues over expenditure:	<u>8,217</u>	<u>24,331</u>	<u>2,551</u>	<u>17,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ 8,217</u>	<u>24,331</u>	<u>\$ 2,551</u>	<u>17,870</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
		171		(964)		-		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>37,846</u>		<u>110,501</u>		<u>-</u>		<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 62,348</u>		<u>\$ 127,407</u>		<u>\$ -</u>		<u>\$ -</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue							
	Animal Control Fund		Mental Health Fund		Law Library Fund		Recorder Automation	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	-	\$ -	\$ -	\$ 369,681	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	156,925	116,495	-	-	25,000	19,513	26,000	38,593
Investment income	500	542	-	126	25	10	18	20
Other	800	152	-	-	-	-	-	-
Total revenues	158,225	117,189	369,681	368,669	25,025	19,523	26,018	38,613
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	21,000	19,055
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	21,000	20,586	-	-
Public health	139,516	134,573	369,681	419,292	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	2,800	2,799	-	-	-	-	15,000	14,989
Total expenditures	142,316	137,372	369,681	419,292	21,000	20,586	36,000	34,044
Excess (deficiency) of revenues over expenditures	15,909	(20,183)	-	(50,623)	4,025	(1,063)	(9,982)	4,569
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	15,909	(20,183)	\$ -	(50,623)	\$ 4,025	(1,063)	\$ (9,982)	4,569
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
		45,505		-		(304)		(749)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		165,041		232,851		23,307		43,428
FUND BALANCES (DEFICIT), END OF YEAR		\$ 190,363		\$ 182,228		\$ 21,940		\$ 47,248

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue							
	Court Automation Fund		Vital Records Automation		Drug Enforcement Fund		Senior Citizens' Transportation Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	-	\$ -	-	\$ -	-	\$ -	44,808	\$ 44,737
State of Illinois:								
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	40,000	41,596	6,500	6,836	-	-	-	-
Investment income	40	57	20	12	-	12	400	236
Other	40,000	-	-	-	10,000	11,443	-	-
Total revenues	80,040	41,653	6,520	6,848	10,000	11,455	45,208	44,973
EXPENDITURES								
Current:								
General government	-	-	3,000	2,920	-	-	-	-
Public safety	-	-	-	-	-	7,192	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	50,000	26,818	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	42,000	36,125
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	4,000	1,620	10,000	6,908	-	-
Total expenditures	50,000	26,818	7,000	4,540	10,000	14,100	42,000	36,125
Excess (deficiency) of revenues over expenditure:	30,040	14,835	(480)	2,308	-	(2,645)	3,208	8,848
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ 30,040</u>	<u>14,835</u>	<u>\$ (480)</u>	<u>2,308</u>	<u>\$ -</u>	<u>(2,645)</u>	<u>\$ 3,208</u>	<u>8,848</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(1,027)		(9)				-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>101,064</u>		<u>23,668</u>		<u>26,187</u>		<u>83,275</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 114,872</u>		<u>\$ 25,967</u>		<u>\$ 23,542</u>		<u>\$ 92,123</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,

NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2013

[illegible]

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue					
	County Waste Management Fund		Economic Development Revolving Loan Fund		Court System Maintenance Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Property taxes	\$ -	\$ -	\$ 21,800	\$ 21,783	\$ -	\$ -
State of Illinois:						
Motor fuel tax allotments	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-
Fees for services and materials	70,000	69,512	-	-	44,000	36,875
Investment income	30	58	-	-	65	54
Other	20,000	20,000	-	-	-	-
Total revenues	90,030	89,570	21,800	21,783	44,065	36,929
EXPENDITURES						
Current:						
General government	-	-	21,800	21,783	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	23,727
Judiciary and court related	-	-	-	-	95,000	-
Public health	111,000	84,740	-	-	-	-
Public welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	111,000	84,740	21,800	21,783	95,000	94,844
Excess (deficiency) of revenues over expenditures	(20,970)	4,830	-	-	(50,935)	(57,915)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (20,970)	4,830	\$ -	\$ -	\$ (50,935)	(57,915)
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS						
		(3,115)		-		136
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		123,095		-		110,615
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	124,810	\$ -	\$ -	\$ 52,836	\$ 6,833

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue							
	Sheriff's DUI Equipment		State's Attorney Drug Enforcement Fund		GIS Fee Fund		County Clerk GIS Fee	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	3,000	3,735	-	-	45,000	49,973	4,000	4,618
Investment income	3	4	5	3	300	213	5	7
Other	-	-	2,500	1,420	1,300	1,093	-	-
Total revenues	3,003	3,739	2,505	1,423	46,600	51,279	4,005	4,625
EXPENDITURES								
Current:								
General government	-	-	-	-	93,067	66,559	-	-
Public safety	-	-	4,000	1,070	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	4,850	4,823	-	-	-	-	10,000	6,366
Total expenditures	4,850	4,823	4,000	1,070	93,067	66,559	10,000	6,366
Excess (deficiency) of revenues over expenditures:	(1,847)	(1,084)	(1,495)	353	(46,467)	(15,280)	(5,995)	(1,741)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (1,847)	(1,084)	\$ (1,495)	353	\$ (46,467)	(15,280)	\$ (5,995)	(1,741)
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
								(24)
FUND BALANCES (DEFICT), BEGINNING OF YEAR		10,015		6,384				16,009
FUND BALANCES (DEFICT), END OF YEAR	\$ -	8,931	\$ -	6,737	\$ -	5,982	\$ -	14,244

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue							
	State's Attorney		USDA Solid Waste Fund		Animal Control Memorial		Animal Pet Population	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	34,000	49,930	-	-	5,000	3,299	12,500	13,690
Investment income	11	21	-	-	25	25	30	35
Other	-	-	-	-	500	3,561	-	-
Total revenues	34,011	49,951	-	-	5,525	6,885	12,530	13,725
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	33,897	30,645	-	-	-	-	-	-
Public health	-	-	-	-	14,550	11,327	15,000	3,391
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	33,897	30,645	-	-	14,550	11,327	15,000	3,391
Excess (deficiency) of revenues over expenditures	114	19,306	-	-	(9,025)	(4,442)	(2,470)	10,334
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	114	19,306	-	-	(9,025)	(4,442)	(2,470)	10,334
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
		(20)				17		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		41,678		100		54,483		62,610
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ 60,964	\$ -	\$ 100	\$ -	\$ 50,058	\$ -	\$ 72,944

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue					
	Insurance Reserve Fund		Child Advocacy Fund		Coroner's Automation Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Property taxes	-	\$ -	-	\$ -	-	\$ -
State of Illinois:						
Motor fuel tax allotments	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-
Fees for services and materials	-	-	-	-	5,900	5,149
Investment income	1,000	4,769	-	-	10	3
Other	-	-	-	-	-	-
Total revenues	1,000	4,769	-	-	5,910	5,152
EXPENDITURES						
Current:						
General government	-	2,122	-	-	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and court related	-	-	540	540	-	1,000
Public health	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Capital outlay	-	-	-	-	4,000	-
Total expenditures	-	2,122	-	540	4,000	-
Excess (deficiency) of revenues over expenditures	1,000	2,647	(540)	(540)	1,910	5,152
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	1,000	2,647	(540)	(540)	1,910	5,152
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS						
		1,996		-		17
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		1,008,800		27,133		3,248
FUND BALANCES (DEFICIT), END OF YEAR		\$ 1,013,443		\$ 26,593		\$ 8,417

(Continued)

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
Year Ended November 30, 2013

	Special Revenue		Adult Redeploy Grant Fund		Capital Projects			
	State's Attorney		Adult Redeploy Grant Fund		Equipment Replacement Fund		Capital Improvement & Equipment Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Fees for services and materials	1,000	1,868	192,011	192,010	-	-	-	-
Investment income	5	1	10	7	100	517	4	3
Other	-	-	4,600	4,600	145,000	147,308	-	-
Total revenues	1,005	1,869	196,621	196,617	145,100	147,825	4	3
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	500	-	159,144	160,140	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	150,000	127,009	2,500	-
Total expenditures	500	-	159,144	160,140	150,000	127,009	2,500	-
Excess (deficiency) of revenues over expenditures	505	1,869	37,477	36,477	(4,900)	20,816	(2,496)	3
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	505	1,869	37,477	36,477	(4,900)	20,816	(2,496)	3
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		58		(14,010)		-		-
FUND BALANCES (DEFICIT), END OF YEAR		628		-		172,469		10,540
	\$ -	2,555	\$ -	22,467	\$ -	193,285	\$ -	10,543
								(Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
November 30, 2013

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 717,261	\$ 1,346,390	\$ 2,063,651
Receivables, net:			
Property taxes	323,150	-	323,150
Due from other funds	451,119	8,656	459,775
TOTAL ASSETS	<u>1,491,530</u>	<u>1,355,046</u>	<u>2,846,576</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	1,260	120,864	122,124
Due to other funds	12,561	-	12,561
Total liabilities	<u>13,821</u>	<u>120,864</u>	<u>134,685</u>
Deferred inflows of resources:			
Unearned revenue - property taxes	323,150	-	323,150
Total deferred inflows of resources	<u>323,150</u>	<u>-</u>	<u>323,150</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>336,971</u>	<u>120,864</u>	<u>457,835</u>
TOTAL NET POSITION	<u><u>\$ 1,154,559</u></u>	<u><u>\$ 1,234,182</u></u>	<u><u>\$ 2,388,741</u></u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended November 30, 2013

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	\$ 204,537	\$ 2,605,242	\$ 2,809,779
OPERATING EXPENSES			
Unemployment	70,896	-	70,896
Liability insurance	312,659	-	312,659
Workman's compensation	256,838	-	256,838
Medical claims and administration fees	49,587	2,288,841	2,338,428
Total operating expenses	689,980	2,288,841	2,978,821
Operating income (loss)	(485,443)	316,401	(169,042)
NONOPERATING REVENUES (EXPENSES)			
Property taxes	315,167	-	315,167
Investment income	1,051	2,407	3,458
Grants	27,400	-	27,400
Other	65,000	20,515	85,515
Total nonoperating revenue	408,618	22,922	431,540
Income (loss) before transfers	(76,825)	339,323	262,498
OTHER FINANCING SOURCES (USES)			
Transfers out	(13,674)	(2,406)	(16,080)
Total other financing sources (uses)	(13,674)	(2,406)	(16,080)
CHANGE IN NET POSITION	(90,499)	336,917	246,418
TOTAL NET POSITION - BEGINNING	1,245,058	897,265	2,142,323
TOTAL NET POSITION - ENDING	\$ 1,154,559	\$ 1,234,182	\$ 2,388,741

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the year ended November 30, 2013

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers	\$ (608,151)	\$ (2,261,021)	\$ (2,869,172)
Internal activity-payments from (to) other funds	204,537	2,605,242	2,809,779
Net cash provided by (used in) operating activities	<u>(403,614)</u>	<u>344,221</u>	<u>(59,393)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes	315,167	-	315,167
Other nonoperating revenue (expense)	65,000	20,515	85,515
Grants received	27,400	-	27,400
Interfund borrowing	184,499	2,585	187,084
Transfers in (out)	<u>(13,674)</u>	<u>(2,406)</u>	<u>(16,080)</u>
Net cash provided by (used in) noncapital financing activities	<u>578,392</u>	<u>20,694</u>	<u>599,086</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	<u>1,051</u>	<u>2,407</u>	<u>3,458</u>
Net cash provided by investing activities	<u>1,051</u>	<u>2,407</u>	<u>3,458</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	175,829	367,322	543,151
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>541,432</u>	<u>979,068</u>	<u>1,520,500</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 717,261</u></u>	<u><u>\$ 1,346,390</u></u>	<u><u>\$ 2,063,651</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating loss	\$ (485,443)	\$ 316,401	\$ (169,042)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities			
Change in assets and liabilities:			
Prepaid insurance	81,727	-	81,727
Accounts payable	<u>102</u>	<u>27,820</u>	<u>27,922</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u><u>\$ (403,614)</u></u>	<u><u>\$ 344,221</u></u>	<u><u>\$ (59,393)</u></u>

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
November 30, 2013

	County Collector's Tax Fund						
	Current Tax Collection Account	Mobile Home Privilege Tax Account	Court Services Fund	Multi-County Chief Judge Fund	Probation Service Fund	Inheritance Tax Fund	Condemnation Fund
ASSETS							
Cash and cash equivalents	\$ 7,643	\$ 379	\$ 43,953	\$ 65,111	\$ 212,958	\$ -	\$ 21,614
Investments	-	-	-	-	-	-	20,000
Receivables:							
State of Illinois	-	-	461,444	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 7,643</u>	<u>\$ 379</u>	<u>\$ 505,397</u>	<u>\$ 65,111</u>	<u>\$ 212,958</u>	<u>\$ -</u>	<u>\$ 41,614</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 115,131	\$ -	\$ 6,265	\$ -	\$ -
Due to other funds	-	-	-	-	267	-	-
Due to other taxing units	7,643	379	-	-	-	-	-
Due to others	-	-	390,266	65,111	206,426	-	41,614
TOTAL LIABILITIES	<u>\$ 7,643</u>	<u>\$ 379</u>	<u>\$ 505,397</u>	<u>\$ 65,111</u>	<u>\$ 212,958</u>	<u>\$ -</u>	<u>\$ 41,614</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 November 30, 2013

	Unclaimed Estates Fund	Advocacy Fund	Dive and Rescue Team Fund	Sheriff's Inmate Commissionary Fund	State's Attorney Restitution Fund	Township MFT Fund	Township Bridge Fund
ASSETS							
Cash and cash equivalents	\$ 18,464	\$ 158	\$ 2,006	\$ 5,482	\$ 1,833	\$ 981,893	\$ 121,581
Investments	-	-	-	-	-	200,000	-
Receivables:							
State of Illinois	-	-	-	-	-	78,353	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 18,464</u>	<u>\$ 158</u>	<u>\$ 2,006</u>	<u>\$ 5,482</u>	<u>\$ 1,833</u>	<u>\$ 1,260,246</u>	<u>\$ 121,581</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,698	\$ -
Due to other funds	359	-	-	-	-	99,256	-
Due to other taxing units	-	-	-	-	-	1,131,292	121,581
Due to others	18,105	158	2,006	5,482	1,833	-	-
TOTAL LIABILITIES	<u>\$ 18,464</u>	<u>\$ 158</u>	<u>\$ 2,006</u>	<u>\$ 5,482</u>	<u>\$ 1,833</u>	<u>\$ 1,260,246</u>	<u>\$ 121,581</u>

(Continued)

MCDONOUGH COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
November 30, 2013

	Tri-County Waste and Resource Management Fund	Tax Sale Indemnity Fund	County Clerk	Circuit Clerk	Total
ASSETS					
Cash and cash equivalents	\$ 14,829	\$ 69,543	\$ 87,221	\$ 345,134	\$ 1,999,802
Investments	-	-	-	50,000	270,000
Receivables:					
State of Illinois	-	-	-	-	539,797
Other	7,439	-	-	-	7,439
Due from other funds	7,204	-	-	-	7,204
TOTAL ASSETS	<u>\$ 29,472</u>	<u>\$ 69,543</u>	<u>\$ 87,221</u>	<u>\$ 395,134</u>	<u>\$ 2,824,242</u>
LIABILITIES					
Accounts payable	\$ 14,643	\$ -	\$ -	\$ -	\$ 165,737
Due to other funds	-	-	37,796	-	137,678
Due to other taxing units	14,829	-	49,425	395,134	1,720,283
Due to others	-	69,543	-	-	800,544
TOTAL LIABILITIES	<u>\$ 29,472</u>	<u>\$ 69,543</u>	<u>\$ 87,221</u>	<u>\$ 395,134</u>	<u>\$ 2,824,242</u> (Concluded)

See accompanying Independent Auditor's Report.

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances, December 1, 2012			Additions	Deductions	Balances, November 30, 2013		
Total All Agency Funds								
ASSETS								
Cash and cash equivalents	\$	1,789,632	\$	49,491,531	\$	49,281,361	\$	1,999,802
Investments		270,000		220,000		220,000		270,000
Accounts receivable		559,421		547,236		559,421		547,236
Due from other funds		9,007		7,204		9,007		7,204
TOTAL ASSETS	\$	2,628,060	\$	50,265,971	\$	50,069,789	\$	2,824,242
LIABILITIES								
Accounts payable	\$	129,604	\$	165,737	\$	129,604	\$	165,737
Due to other funds		149,068		137,052		148,442		137,678
Due to other taxing units		1,425,768		44,510,093		44,215,578		1,720,283
Due to others		923,620		5,453,089		5,576,165		800,544
TOTAL LIABILITIES	\$	2,628,060	\$	50,265,971	\$	50,069,789	\$	2,824,242
1. County Collector - Current Tax Collection Account								
ASSETS								
Cash and cash equivalents	\$	3,596	\$	40,045,637	\$	40,041,590	\$	7,643
TOTAL ASSETS	\$	3,596	\$	40,045,637	\$	40,041,590	\$	7,643
LIABILITIES								
Due to other taxing units	\$	3,596	\$	40,045,637	\$	40,041,590	\$	7,643
TOTAL LIABILITIES	\$	3,596	\$	40,045,637	\$	37,316,209	\$	7,643
2. County Collector - Mobile Home Privilege Tax Account								
ASSETS								
Cash and cash equivalents	\$	1,777	\$	59,620	\$	61,018	\$	379
TOTAL ASSETS	\$	1,777	\$	59,620	\$	61,018	\$	379
LIABILITIES								
Due to other taxing units	\$	1,777	\$	59,620	\$	61,018	\$	379
TOTAL LIABILITIES	\$	1,777	\$	59,620	\$	61,018	\$	379

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances,			Balances,
	December 1, 2012	Additions	Deductions	November 30, 2013
3. Court Services				
ASSETS				
Cash and cash equivalents	\$ 81,845	\$ 2,627,567	\$ 2,665,459	\$ 43,953
Accounts receivable	458,251	461,444	458,251	461,444
TOTAL ASSETS	\$ 540,096	\$ 3,089,011	\$ 3,123,710	\$ 505,397
LIABILITIES				
Accounts payable	\$ 89,405	\$ 115,131	\$ 89,405	\$ 115,131
Due to others	450,691	2,973,880	3,034,305	390,266
TOTAL LIABILITIES	\$ 540,096	\$ 3,089,011	\$ 3,123,710	\$ 505,397
4. Multi-County Chief Judge				
ASSETS				
Cash and cash equivalents	\$ 57,310	\$ 24,771	\$ 16,970	\$ 65,111
TOTAL ASSETS	\$ 57,310	\$ 24,771	\$ 16,970	\$ 65,111
LIABILITIES				
Accounts payable	\$ 77	\$ -	\$ 77	\$ -
Due to others	57,233	24,771	16,893	65,111
TOTAL LIABILITIES	\$ 57,310	\$ 24,771	\$ 16,970	\$ 65,111
5. Probation Service				
ASSETS				
Cash and cash equivalents	\$ 266,685	\$ 41,657	\$ 95,384	\$ 212,958
TOTAL ASSETS	\$ 266,685	\$ 41,657	\$ 95,384	\$ 212,958
LIABILITIES				
Accounts payable	\$ 1,868	\$ 6,265	\$ 1,868	\$ 6,265
Due to other funds	267	-	-	267
Due to others	264,550	35,392	93,516	206,426
TOTAL LIABILITIES	\$ 266,685	\$ 41,657	\$ 95,384	\$ 212,958

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances, December 1, 2012			Additions	Deductions	Balances, November 30, 2013	
6. Inheritance Tax							
ASSETS							
Cash and cash equivalents	\$	11	\$	-	\$	11	\$ -
TOTAL ASSETS	\$	11	\$	-	\$	11	\$ -
LIABILITIES							
Due to others	\$	11	\$	-	\$	11	\$ -
TOTAL LIABILITIES	\$	11	\$	-	\$	11	\$ -
7. Condemnation							
ASSETS							
Cash and cash equivalents	\$	20,351	\$	2,302,588	\$	2,301,325	\$ 21,614
Investments		20,000		20,000		20,000	20,000
TOTAL ASSETS	\$	40,351	\$	2,322,588	\$	2,321,325	\$ 41,614
LIABILITIES							
Due to others	\$	40,351	\$	2,322,588	\$	2,321,325	\$ 41,614
TOTAL LIABILITIES	\$	40,351	\$	2,322,588	\$	2,321,325	\$ 41,614
8. Unclaimed Estates							
ASSETS							
Cash and cash equivalents	\$	20,658	\$	10	\$	2,204	\$ 18,464
TOTAL ASSETS	\$	20,658	\$	10	\$	2,204	\$ 18,464
LIABILITIES							
Due to other funds	\$	359	\$	-	\$	-	\$ 359
Due to others		20,299		10		2,204	18,105
TOTAL LIABILITIES	\$	20,658	\$	10	\$	2,204	\$ 18,464

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances,		Balances,	
	December 1, 2012	Additions	Deductions	November 30, 2013
9. Advocacy				
ASSETS				
Cash and cash equivalents	\$ 158	\$ -	\$ -	\$ 158
TOTAL ASSETS	\$ 158	\$ -	\$ -	\$ 158
LIABILITIES				
Due to others	\$ 158	\$ -	\$ -	\$ 158
TOTAL LIABILITIES	\$ 158	\$ -	\$ -	\$ 158
10. Dive and Rescue Team				
ASSETS				
Cash and cash equivalents	\$ 1,970	\$ 751	\$ 715	\$ 2,006
TOTAL ASSETS	\$ 1,970	\$ 751	\$ 715	\$ 2,006
LIABILITIES				
Due to others	\$ 1,970	\$ 751	\$ 715	\$ 2,006
TOTAL LIABILITIES	\$ 1,970	\$ 751	\$ 715	\$ 2,006
11. Sheriff's Inmate Commissary Account				
ASSETS				
Cash and cash equivalents	\$ 23,498	\$ 70,483	\$ 88,499	\$ 5,482
TOTAL ASSETS	\$ 23,498	\$ 70,483	\$ 88,499	\$ 5,482
LIABILITIES				
Due to others	\$ 23,498	\$ 70,483	\$ 88,499	\$ 5,482
TOTAL LIABILITIES	\$ 23,498	\$ 70,483	\$ 88,499	\$ 5,482

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances, December 1, 2012		Additions	Deductions	Balances, November 30, 2013			
12. State's Attorney Restitution Account								
ASSETS								
Cash and cash equivalents	\$	2,839	\$	17,691	\$	18,697	\$	1,833
TOTAL ASSETS	\$	2,839	\$	17,691	\$	18,697	\$	1,833
LIABILITIES								
Due to others	\$	2,839	\$	17,691	\$	18,697	\$	1,833
TOTAL LIABILITIES	\$	2,839	\$	17,691	\$	18,697	\$	1,833
13. Township MFT								
ASSETS								
Cash and cash equivalents	\$	826,200	\$	1,671,373	\$	1,515,680	\$	981,893
Investments		200,000		200,000		200,000		200,000
Accounts receivable		89,712		78,353		89,712		78,353
TOTAL ASSETS	\$	1,115,912	\$	1,949,726	\$	1,805,392	\$	1,260,246
LIABILITIES								
Accounts payable	\$	17,164	\$	29,698	\$	17,164	\$	29,698
Due to other funds		105,481		99,256		105,481		99,256
Due to other taxing units		993,267		1,820,772		1,682,747		1,131,292
TOTAL LIABILITIES	\$	1,115,912	\$	1,949,726	\$	1,805,392	\$	1,260,246
14. Township Bridge								
ASSETS								
Cash and cash equivalents	\$	125,960	\$	316,785	\$	321,164	\$	121,581
TOTAL ASSETS	\$	125,960	\$	316,785	\$	321,164	\$	121,581
LIABILITIES								
Accounts payable	\$	2,783	\$	-	\$	2,783	\$	-
Due to other taxing units		123,177		316,785		318,381		121,581
TOTAL LIABILITIES	\$	125,960	\$	316,785	\$	321,164	\$	121,581

MCDONOUGH COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
For the Year Ended November 30, 2013

	Balances, December 1, 2012		Additions	Deductions	Balances, November 30, 2013			
15. Tri-County Waste and Resource Management								
ASSETS								
Cash and cash equivalents	\$	11,013	\$	115,876	\$	112,060	\$	14,829
Accounts receivable		11,458		7,439		11,458		7,439
Due from other funds		9,007		7,204		9,007		7,204
TOTAL ASSETS	\$	31,478	\$	130,519	\$	132,525	\$	29,472
LIABILITIES								
Accounts payable	\$	18,307	\$	14,643	\$	18,307	\$	14,643
Due to other taxing units		13,171		115,876		114,218		14,829
TOTAL LIABILITIES	\$	31,478	\$	130,519	\$	132,525	\$	29,472
16. Tax Sale Indemnity								
ASSETS								
Cash and cash equivalents	\$	62,020	\$	7,523	\$	-	\$	69,543
TOTAL ASSETS	\$	62,020	\$	7,523	\$	-	\$	69,543
LIABILITIES								
Due to others	\$	62,020	\$	7,523	\$	-	\$	69,543
TOTAL LIABILITIES	\$	62,020	\$	7,523	\$	-	\$	69,543
17. County Clerk								
ASSETS								
Cash and cash equivalents	\$	86,322	\$	1,172,121	\$	1,171,222	\$	87,221
TOTAL ASSETS	\$	86,322	\$	1,172,121	\$	1,171,222	\$	87,221
LIABILITIES								
Due to other funds	\$	42,961	\$	37,796	\$	42,961	\$	37,796
Due to other taxing units		43,361		1,134,325		1,128,261		49,425
TOTAL LIABILITIES	\$	86,322	\$	1,172,121	\$	1,171,222	\$	87,221
18. Circuit Clerk								
ASSETS								
Cash and cash equivalents	\$	197,419	\$	1,017,078	\$	869,363	\$	345,134
Investments		50,000		-		-		50,000
TOTAL ASSETS	\$	247,419	\$	1,017,078	\$	869,363	\$	395,134
LIABILITIES								
Due to other taxing units	\$	247,419	\$	1,017,078	\$	869,363	\$	395,134
TOTAL LIABILITIES	\$	247,419	\$	1,017,078	\$	869,363	\$	395,134

SUPPLEMENTAL INFORMATION

McDONOUGH COUNTY, ILLINOIS
SCHEDULE OF TAX INFORMATION
Year Ended November 30, 2013

	Year Ended November 30, 2013		
	2012		
	Levy	Rate	Collection
General Corporate **	\$ 1,012,700	0.25522	\$ 986,492
County Highway	270,265	0.06986	269,035
County Aid to Bridges	148,134	0.03829	147,459
Federal Aid Matching	184,855	0.04779	184,042
Tuberculosis	33,200	0.00859	33,079
Veterans' Assistance	62,843	0.01626	62,618
Municipal Retirement	1,035,716	0.26764	1,030,709
Social Security	692,535	0.17900	689,341
Building Rental (Building Commission) **	350,000	0.09068	349,213
Cooperative Extension	167,453	0.04329	166,711
Mental Health	369,672	0.09556	368,006
County Health	310,856	0.08035	309,434
Senior Citizens' Transportation	44,815	0.01160	44,671
Economic Development Revolving Loan	-	-	21,783
Liability Insurance	316,135	0.08172	314,708
The Elms	369,672	0.09556	368,543
TOTALS	\$ 5,368,851	1.38141	\$ 5,345,844

ASSESSED VALUATION

\$ 385,986,186

Note: The amounts reported as collections reflect only the distribution from the current year's tax settlement.

** For the year ended November 30, 2013, the assessed valuations used for General Corporate and Building Rental were \$405,133,612, which includes the assessed valuation of Enterprise Zone properties. Collections of \$23,842 of taxes extended for the General Corporate levies of McDonough County, City of Macomb, and Macomb City Township were distributed to the Economic Development Revolving Loan Fund (Enterprise Zone).

Year Ended November 30, 2012			Year Ended November 30, 2011		
2011			2010		
Levy	Rate	Collection	Levy	Rate	Collection
\$ 975,000	0.25018	\$ 949,710	\$ 960,000	0.25090	\$ 929,245
262,380	0.06911	261,658	256,480	0.06933	255,268
143,810	0.03788	143,419	140,577	0.03799	139,914
179,438	0.04727	178,971	175,404	0.04741	174,595
32,230	0.00849	32,143	31,505	0.00852	31,371
61,000	0.01607	60,845	67,638	0.01829	67,343
970,230	0.25555	967,538	845,000	0.22842	841,016
672,332	0.17709	670,483	754,958	0.20408	751,408
350,000	0.09219	349,041	350,000	0.04946	348,345
162,555	0.04282	162,121	158,900	0.04295	158,177
358,877	0.09453	357,900	350,808	0.09483	349,157
301,785	0.07949	300,958	295,000	0.07974	293,635
43,478	0.01146	43,387	42,500	0.01149	42,307
-	-	23,842	-	-	23,148
306,900	0.08084	306,068	300,000	0.08109	298,604
358,877	0.09453	358,493	350,808	0.09483	349,157
<u>\$ 5,178,892</u>	<u>1.35750</u>	<u>\$ 5,166,577</u>	<u>\$ 5,079,578</u>	<u>1.31933</u>	<u>\$ 5,052,690</u>
	<u>\$ 379,673,907</u>			<u>\$ 355,504,206</u>	