

MCDONOUGH COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended November 30, 2016



McDONOUGH COUNTY, ILLINOIS

TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR'S REPORT	1-3
 BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Exhibit 1 - Statement of Net Position.....	4
Exhibit 2 - Statement of Activities	5
Fund Financial Statements:	
Exhibit 3 - Balance Sheet - Governmental Funds	6
Exhibit 3.1 - Reconciliation of the Governmental Fund Balances to the Net Position of Governmental Activities	7
Exhibit 4 - Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	8
Exhibit 4.1 - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	9
Exhibit 5 - Statement of Net Position - Proprietary Funds	10-11
Exhibit 6 - Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	12
Exhibit 7 - Statement of Cash Flows - Proprietary Funds.....	13
Exhibit 8 - Statement of Fiduciary Net Position - Fiduciary Funds	14
 Notes to Financial Statements	 15-54
 REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress – Other Post-Employment Benefits Plan	55
Illinois Municipal Retirement Fund:	
Schedules of Employer Contributions – County	56
Schedules of Employer Contributions – Elected County Officials	57
Schedules of Employer Contributions – Sheriff’s Law Enforcement Personnel	58
Schedule of Employer Contributions – Other Post-Employment Benefits Plan.....	59
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios – Illinois Municipal Retirement Fund	60-62
Budgetary Comparison Schedule – Cash Basis – General Fund	63
Budgetary Comparison Schedule – Cash Basis – Illinois Municipal Retirement Fund	64
Budgetary Comparison Schedule – Cash Basis – Public Safety Sales Tax Fund	65
Budgetary Comparison Schedule – Cash Basis – Social Security Fund.....	66
Budgetary Comparison Schedule – Cash Basis – County Health Fund.....	67
Notes to Required Supplementary Information	68-69

McDONOUGH COUNTY, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

General Fund:

Combining Balance Sheet by Subfund.....	70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances by Subfund.....	71
Schedule of Certain Revenue Items	72
Schedule of Appropriations and Expenditures - Cash Basis.....	73-78

Nonmajor Governmental Funds:

Combining Balance Sheet	79
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	80

Nonmajor Special Revenue Funds:

Combining Balance Sheet	81-86
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	87-92

Nonmajor Governmental Funds:

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Cash Basis.....	93-103
--	--------

Internal Service Funds:

Combining Statement of Net Position.....	104
Combining Statement of Revenues, Expenses, and Changes in Net Position	105
Combining Statement of Cash Flows.....	106

Fiduciary Funds:

Agency Funds:

Combining Statement of Fiduciary Net Position	107-108
Combining Schedule of Changes in Assets and Liabilities.....	109-114

SUPPLEMENTAL INFORMATION:

Schedule of Tax Information	115-116
-----------------------------------	---------

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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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, 2016, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic 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 do not express an opinion or provide any assurance on that information.

Sikich LLP

Springfield, Illinois
July 26, 2017

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF NET POSITION
November 30, 2016

	Primary Government			Component Unit - ETSB
	Governmental Activities	Business-Type Activities	Government Total	
ASSETS				
Cash and cash equivalents	\$ 12,394,478	\$ 2,446,930	\$ 14,841,408	\$ 489,523
Restricted cash	-	35,282	35,282	-
Investments	1,213,552	970,000	2,183,552	-
Restricted investments	-	35,499	35,499	-
Receivables, net:				
State of Illinois	864,225	1,057,204	1,921,429	41,822
Property Taxes	5,510,005	401,464	5,911,469	-
Accrued interest	-	9,376	9,376	-
Other	99,553	115,435	214,988	154,423
Due from fiduciary funds	134,755	-	134,755	-
Due from (to) other funds	9,907	(9,907)	-	-
Due from component unit	17,138	-	17,138	-
Inventories	5,738	53,087	58,825	-
Prepaid expense	248,832	3,111	251,943	-
Net pension asset	11,631	-	11,631	-
Capital assets not being depreciated	228,647	510,371	739,018	-
Capital assets, net of accumulated depreciation	5,403,599	1,385,910	6,789,509	-
TOTAL ASSETS	26,142,060	7,013,762	33,155,822	685,768
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	3,740,507	1,591,942	5,332,449	-
Total assets and deferred outflows of resources	29,882,567	8,605,704	38,488,271	685,768
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
LIABILITIES				
Accounts payable	481,238	255,747	736,985	24,566
Claims payable	2,228,536	-	2,228,536	-
Due to primary government	-	-	-	17,138
Due to fiduciary funds	-	-	-	-
Accrued expense	-	97,115	97,115	-
Due to others	43,998	-	43,998	-
Unearned revenue	18,395	3,155	21,550	-
Resident deposits	-	8,023	8,023	-
Long-term obligations, due within one year:				
Leases payable	-	2,606	2,606	-
Compensated absences - current	176,489	89,151	265,640	-
Long-term obligations, due in more than one year:				
Leases payable	-	3,384	3,384	-
Compensated absences - long-term	43,064	76,501	119,565	-
Net OPEB obligation	246,267	162,519	408,786	-
Net pension liability	5,455,242	2,241,242	7,696,484	-
Total liabilities	8,693,229	2,939,443	11,632,672	41,704
DEFERRED INFLOWS OF RESOURCES				
Unearned property taxes	5,510,005	401,464	5,911,469	-
Pension items - IMRF	52,006	25,783	77,789	-
Total deferred inflows of resources	5,562,011	427,247	5,989,258	-
Total liabilities and deferred inflows of resources	14,255,240	3,366,690	17,621,930	41,704
NET POSITION				
Net investment in capital assets	5,632,246	1,890,291	7,522,537	-
Restricted for:				
Highways and streets	1,256,490	-	1,256,490	-
Health and welfare	1,601,635	-	1,601,635	-
Public safety	830,991	-	830,991	644,064
Economic development	60,897	-	60,897	-
Retirement	1,690,275	-	1,690,275	-
Specific purpose	2,168,539	62,758	2,231,297	-
Unrestricted	2,386,254	3,285,965	5,672,219	-
TOTAL NET POSITION	\$ 15,627,327	\$ 5,239,014	\$ 20,866,341	\$ 644,064

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

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2016

ACTIVITIES	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			Component Unit - ETSB
					Primary Government		Total	
					Governmental Activities	Business-Type Activities		
GOVERNMENTAL								
General government	\$ 2,458,685	\$ 701,841	\$ 55,898	\$ 5,274	\$ (1,695,672)	\$ -	\$ (1,695,672)	\$ -
Public safety	3,228,795	1,329,910	131,069	68,412	(1,699,404)	-	(1,699,404)	-
Corrections	1,127,670	45,622	-	-	(1,082,048)	-	(1,082,048)	-
Judiciary and court related	3,563,036	915,720	653,102	-	(1,994,214)	-	(1,994,214)	-
Transportation	2,687,211	376,129	644,505	202,294	(1,464,283)	-	(1,464,283)	-
Public health	3,937,535	1,759,912	507,636	-	(1,669,987)	-	(1,669,987)	-
Public welfare	202,540	-	-	-	(202,540)	-	(202,540)	-
Total governmental activities	17,205,472	5,129,134	1,992,210	275,980	(9,808,148)	-	(9,808,148)	-
BUSINESS-TYPE								
The Elms Nursing Home	6,406,999	5,611,595	-	448,944	-	(346,460)	(346,460)	-
TOTAL McDONOUGH COUNTY	\$ 23,612,471	\$ 10,740,729	\$ 1,992,210	\$ 724,924	(9,808,148)	(346,460)	(10,154,608)	-
COMPONENT UNIT								
ETSB	\$ 467,421	\$ 462,614	\$ -	\$ -	-	-	-	(4,807)
General revenues:								
Taxes:								
Property taxes					5,370,358	392,767	5,763,125	-
Local use tax					152,766	-	152,766	-
General sales tax					2,364,153	-	2,364,153	-
Income and replacement taxes					834,616	-	834,616	-
Investment income					31,457	19,381	50,838	1,558
Miscellaneous					815,752	121,796	937,548	199,940
Extraordinary item:								
Legal contingency					(2,067,525)	-	(2,067,525)	-
Total general revenues and special items					7,501,577	533,944	10,103,046	201,498
Change in net assets					(2,306,571)	187,484	(51,562)	196,691
Net position - beginning of year					17,933,898	5,051,530	22,985,428	447,373
Net position - end of year					\$ 15,627,327	\$ 5,239,014	\$ 22,933,866	\$ 644,064

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

McDONOUGH COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2016

	General Fund	Illinois Municipal Retirement Fund	Public Safety Sales Tax Fund	Social Security Fund	County Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 755,694	\$ 1,091,761	\$ 406,195	\$ 867,624	\$ 851,154	\$ 4,596,876	\$ 8,569,304
Investments	-	-	-	-	4,300	1,209,252	1,213,552
Receivables, net:							
State of Illinois	308,375	-	273,461	-	74,964	207,425	864,225
Property taxes	1,094,071	1,328,000	-	720,000	337,508	1,681,841	5,161,420
Other	28,603	-	-	-	3,429	67,521	99,553
Due from other funds	41,564	2,692	-	2,577	855	105,963	153,651
Inventories	5,738	-	-	-	-	-	5,738
Due from component unit	-	-	-	-	-	17,138	17,138
Advances to other funds	-	-	90,681	-	-	-	90,681
Prepaid items	-	-	-	-	-	179,662	179,662
TOTAL ASSETS	\$ 2,234,045	\$ 2,422,453	\$ 770,337	\$ 1,590,201	\$ 1,272,210	\$ 8,065,678	\$ 16,354,924
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 68,481	\$ 163,569	\$ 24,758	\$ -	\$ 16,306	\$ 208,124	\$ 481,238
Due to others	309	-	-	-	-	43,689	43,998
Due to other funds	5,269	100,000	-	-	11,068	855	117,192
Unearned revenue	-	-	-	-	18,395	-	18,395
Advances from other funds	90,681	-	-	-	-	-	90,681
Total liabilities	164,740	263,569	24,758	-	45,769	252,668	751,504
DEFERRED INFLOWS OF RESOURCES							
Unavailable property taxes	1,094,071	1,328,000	-	720,000	337,508	1,681,841	5,161,420
Total deferred inflows of resources	1,094,071	1,328,000	-	720,000	337,508	1,681,841	5,161,420
Total liabilities and deferred inflows of resources	1,258,811	1,591,569	24,758	720,000	383,277	1,934,509	5,912,924
FUND BALANCES							
Nonspendable							
Nonspendable - prepaids	-	-	-	-	-	179,662	179,662
Nonspendable - inventories	5,738	-	-	-	-	-	5,738
Restricted for highways and streets	-	-	-	-	-	1,256,490	1,256,490
Restricted for public safety	7,686	-	745,579	-	-	77,726	830,991
Restricted for economic development	-	-	-	-	-	60,897	60,897
Restricted for health and welfare	-	-	-	-	837,757	763,878	1,601,635
Restricted for retirement	-	830,884	-	859,391	-	-	1,690,275
Restricted for specific purpose	-	-	-	-	-	2,168,539	2,168,539
Unrestricted:							
Committed for highways and streets	-	-	-	-	-	291,030	291,030
Assigned for highways and streets	-	-	-	-	-	854,025	854,025
Assigned for public safety	-	-	-	-	-	209	209
Assigned for economic development	-	-	-	-	-	670	670
Assigned for health and welfare	-	-	-	-	51,176	29,403	80,579
Assigned for retirement	-	-	-	10,810	-	-	10,810
Assigned for specific purpose	539,218	-	-	-	-	448,640	987,858
Unassigned	422,592	-	-	-	-	-	422,592
Total fund balances	975,234	830,884	745,579	870,201	888,933	6,131,169	10,442,000
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,234,045	\$ 2,422,453	\$ 770,337	\$ 1,590,201	\$ 1,272,210	\$ 8,065,678	\$ 16,354,924

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

McDONOUGH COUNTY, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
November 30, 2016

Total fund balance for government funds (Exhibit 3) \$ 10,442,000

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	\$	228,647	
Buildings, net		790,189	
Building improvements, net		1,116,441	
Infrastructure, net		3,025,817	
Vehicles, net		241,090	
Maintenance equipment, net		201,434	
Computer equipment, net		13,993	
Software, net		3,385	
Office equipment, net		11,250	5,632,246

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: 1,774,011

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for IMRF are recognized as deferred outflows or inflows of resources on the statement of net position 3,688,501

Net pension assets are not a current financial resource and, therefore, are not reported in the government funds. 11,631

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	\$	(219,553)	
Net OPEB obligation		(246,267)	
Net pension liability		(5,455,242)	
Total long-term liabilities			(5,921,062)

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES
(EXHIBIT 1) \$ 15,627,327

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, 2016

	General Fund	Illinois Municipal Retirement Fund	Public Safety Sales Tax Fund	Social Security Fund	County Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	\$ 1,074,497	\$ 1,220,250	\$ -	\$ 675,811	\$ 330,153	\$ 1,728,654	\$ 5,029,365
State of Illinois:							
Local use tax	152,766	-	-	-	-	-	152,766
Sales tax	758,821	-	1,071,100	-	-	534,232	2,364,153
Income tax	629,739	-	-	-	-	-	629,739
Motor fuel tax allotments	-	-	-	-	-	386,332	386,332
Personal property replacement taxes	193,016	11,861	-	-	-	-	204,877
State grants and expenditure reimbursements	378,833	-	-	-	175,339	701,233	1,255,405
Federal revenue	18,096	-	-	-	332,297	258,173	608,566
Fees for services and materials	1,229,529	-	-	-	201,036	803,860	2,234,425
Investment income	8,092	669	686	1,536	416	17,220	28,619
Other	202,975	1,988	11,053	2,716	15,642	392,352	626,726
Total revenues	<u>4,646,364</u>	<u>1,234,768</u>	<u>1,082,839</u>	<u>680,063</u>	<u>1,054,883</u>	<u>4,822,056</u>	<u>13,520,973</u>
EXPENDITURES							
Current:							
General government	1,401,006	116,634	-	66,668	-	323,237	1,907,545
Public safety	1,565,162	159,502	534,727	107,821	-	7,830	2,375,042
Corrections	337,408	13,169	404,255	8,229	-	267,931	1,030,992
Judiciary and court related	1,563,753	250,231	-	147,561	-	762,309	2,723,854
Public health	-	423,769	-	289,872	989,182	707,576	2,410,399
Public welfare	-	-	-	-	-	182,031	182,031
Transportation	-	71,325	-	44,568	-	1,997,210	2,113,103
Capital outlay	8,621	-	70,945	-	566	152,979	233,111
Total expenditures	<u>4,875,950</u>	<u>1,034,630</u>	<u>1,009,927</u>	<u>664,719</u>	<u>989,748</u>	<u>4,401,103</u>	<u>12,976,077</u>
Excess (deficiency) of revenues over expenditures	<u>(229,586)</u>	<u>200,138</u>	<u>72,912</u>	<u>15,344</u>	<u>65,135</u>	<u>420,953</u>	<u>544,896</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	1,147	34,437	-	-	16,744	480,306	532,634
Transfers out	-	-	(40,000)	-	-	(491,487)	(531,487)
Insurance proceeds	-	-	40,069	-	-	-	40,069
Extraordinary item	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,147</u>	<u>34,437</u>	<u>69</u>	<u>-</u>	<u>16,744</u>	<u>(11,181)</u>	<u>41,216</u>
NET CHANGE IN FUND BALANCES	<u>(228,439)</u>	<u>234,575</u>	<u>72,981</u>	<u>15,344</u>	<u>81,879</u>	<u>409,772</u>	<u>586,112</u>
FUND BALANCES, BEGINNING OF YEAR	<u>1,203,673</u>	<u>596,309</u>	<u>672,598</u>	<u>854,857</u>	<u>807,054</u>	<u>5,721,397</u>	<u>9,855,888</u>
FUND BALANCES, END OF YEAR	<u>\$ 975,234</u>	<u>\$ 830,884</u>	<u>\$ 745,579</u>	<u>\$ 870,201</u>	<u>\$ 888,933</u>	<u>\$ 6,131,169</u>	<u>\$ 10,442,000</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, 2016

Net change in fund balances - total governmental funds (Exhibit 4)	\$	586,112
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		147,991
Depreciation		(422,611)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to increase/decrease net position:		
Disposals of capital assets		(28,709)
Contributions of capital assets		97,700
The change in deferred outflows of resources for IMRF is reported only in the statement of activities.		1,678,996
The change in the net pension asset for IMRF is reported only in the statement of activities.		(33,552)
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		19,138
Net OPEB obligation		(45,036)
Net pension liability		(2,500,218)
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		<u>(1,806,382)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (EXHIBIT 2)		<u><u>\$ (2,306,571)</u></u>

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

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
November 30, 2016

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund - The Elms</u>	<u>Internal Service Funds</u>
ASSETS AND DEFERRED INFLOW OF RESOURCES		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,446,930	\$ 3,825,174
Restricted cash	35,282	-
Investments	970,000	-
Restricted investments	35,499	-
Receivables:		
State of Illinois	1,057,204	-
Property taxes	401,464	348,585
Accrued interest	9,376	-
Other	115,435	-
Due from other funds	-	120,764
Inventories	53,087	-
Prepaid expenses	3,111	69,170
Total current assets	<u>5,127,388</u>	<u>4,363,693</u>
NONCURRENT ASSETS		
Capital assets (net of accumulated depreciation)	<u>1,896,281</u>	-
Total assets	<u>7,023,669</u>	<u>4,363,693</u>
DEFERRED OUTFLOW OF RESOURCES		
Pension - IMRF	<u>1,591,942</u>	-
Total deferred outflow of resources	<u>1,591,942</u>	-
Total assets and deferred outflow of resources	<u>8,615,611</u>	<u>4,363,693</u>

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

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
November 30, 2016

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund - The Elms</u>	<u>Internal Service Funds</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
CURRENT LIABILITIES		
Accounts payable	\$ 255,747	\$ -
Claims payable	-	2,228,536
Accrued expense	97,115	-
Due to other funds	9,907	12,561
Unearned revenue	3,155	-
Resident deposits	8,023	-
Leases payable	2,606	-
Compensated absences payable - current	89,151	-
Total current liabilities	<u>465,704</u>	<u>2,241,097</u>
NONCURRENT LIABILITIES		
Leases payable - noncurrent	3,384	-
Compensated absences payable	76,501	-
Net pension liability	2,241,242	-
Net OPEB obligation	162,519	-
Total noncurrent liabilities	<u>2,483,646</u>	<u>-</u>
Total liabilities	<u>2,949,350</u>	<u>2,241,097</u>
DEFERRED INFLOWS OF RESOURCES		
Unearned revenue - property taxes	401,464	348,585
Pension - IMRF	25,783	-
Total deferred inflows of resources	<u>427,247</u>	<u>348,585</u>
Total liabilities and deferred inflows of resources	<u>3,376,597</u>	<u>2,589,682</u>
NET POSITION		
Net investment in capital assets	1,890,291	-
Restricted for:		
Other purposes	62,758	-
Unrestricted	<u>3,285,965</u>	<u>1,774,011</u>
TOTAL NET POSITION	<u>\$ 5,239,014</u>	<u>\$ 1,774,011</u>

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

McDONOUGH COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended November 30, 2016

	<u>Business-type Activities Enterprise Fund - The Elms</u>	<u>Governmental Activities Internal Service Funds</u>
OPERATING REVENUES		
Charges for services	\$ 5,611,595	\$ 2,894,709
Total operating revenues	<u>5,611,595</u>	<u>2,894,709</u>
OPERATING EXPENSES		
Insurance premiums	-	492,116
Medical claims and administration fees	-	2,553,278
Public health:		
Dietary	626,216	-
Housekeeping	198,799	-
Laundry	122,955	-
Maintenance	130,650	-
Nursing	2,556,746	-
Therapy	515,965	-
Activities	124,639	-
Social services	59,606	-
Administrative	397,416	-
Payroll related	1,392,235	-
Depreciation	121,469	-
Plant operations	160,303	-
Total operating expenses	<u>6,406,999</u>	<u>3,045,394</u>
Operating income (loss)	<u>(795,404)</u>	<u>(150,685)</u>
NONOPERATING REVENUES (EXPENSES)		
Property taxes	392,767	340,993
Investment income	19,381	2,838
Grants	-	17,888
Other	121,796	51,256
Total nonoperating revenues (expenses)	<u>533,944</u>	<u>412,975</u>
Income before transfers	<u>(261,460)</u>	<u>262,290</u>
TRANSFERS		
Transfers out	-	(1,147)
Total transfers	<u>-</u>	<u>(1,147)</u>
CONTRIBUTION REVENUE - Farm and Macomb Public Building Commission		
	<u>448,944</u>	<u>-</u>
EXTRAORDINARY ITEM - Legal settlement		
	<u>-</u>	<u>(2,067,525)</u>
CHANGE IN NET POSITION		
	187,484	(1,806,382)
TOTAL NET POSITION - BEGINNING OF YEAR		
	<u>5,051,530</u>	<u>3,580,393</u>
TOTAL NET POSITION - END OF YEAR		
	<u>\$ 5,239,014</u>	<u>\$ 1,774,011</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, 2016

	Business-type Activities Enterprise Fund - The Elms	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 5,356,566	\$ -
Payments to suppliers	(1,985,326)	(3,053,488)
Payments to employees	(2,921,390)	-
Receipts from employees and others	-	125,961
Internal activity-payments for interfund services	(970,331)	-
Internal activity-payments from other funds	-	2,768,748
Net cash from operating activities	<u>(520,481)</u>	<u>(158,779)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	392,767	340,993
Other nonoperating revenue	121,796	51,256
Grants received	-	17,888
Interfund borrowing (lending)	9,907	(9,101)
Transfers out	-	(1,147)
Net cash from noncapital financing activities	<u>524,470</u>	<u>399,889</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Repayment of loan proceeds	(3,004)	-
Net cash from capital financing activities	<u>(3,004)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	19,381	2,838
Proceeds from maturity of investments	968,264	-
Purchase of investments	(980,275)	-
Net cash from investing activities	<u>7,370</u>	<u>2,838</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,355	243,948
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,473,857</u>	<u>3,581,226</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,482,212</u>	<u>\$ 3,825,174</u>
CASH AND CASH EQUIVALENTS, END OF YEAR		
Cash and cash equivalents	\$ 2,446,930	\$ 3,825,174
Restricted cash	35,282	-
Total	<u>\$ 2,482,212</u>	<u>\$ 3,825,174</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES		
Operating income (loss)	\$ (795,404)	\$ (150,685)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	121,469	-
Change in assets and liabilities:		
Accounts receivable	(224,566)	-
Inventories	5,135	-
Prepaid expenses	(791)	4,493
Accounts payable	(23,293)	(12,587)
Deferred revenue	(30,463)	-
Accrued liabilities	19,805	-
Compensated absences payable	5,326	-
Pension items	384,444	-
Net OPEB obligation	17,857	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (520,481)</u>	<u>\$ (158,779)</u>
Non-cash capital and related financing activities:		
Donated capital assets	\$ 448,944	\$ -
Total non-cash capital and related financing activities	<u>\$ 448,944</u>	<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, 2016

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 2,860,172
Investments	70,000
Receivables:	
State of Illinois	<u>615,921</u>
TOTAL ASSETS	<u><u>\$ 3,546,093</u></u>
 LIABILITIES	
Accounts payable	\$ 190,472
Due to county funds	134,755
Due to other taxing units	1,545,599
Due to others	<u>1,675,267</u>
TOTAL LIABILITIES	<u><u>\$ 3,546,093</u></u>

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

McDONOUGH COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2016

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 11 of the 15 board members of the McDonough County Emergency Telephone System Board (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 includes McDonough County and Schuyler County. The treasurer of McDonough County maintains the funds and invests or disburses them at the direction of the ETSB. McDonough County and Schuyler County have the responsibility for approving the rate of the surcharges which fund 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. 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 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 that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Funds – These funds are used to account for resources that are restricted, committed, or assigned 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 in which the earnings 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. The County has no investments required to be reported at fair value.

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 acquisition value at the date of donation.

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

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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 nonspendable fund balance 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 in the name of the County 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

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, 2016 consists of the following:

	Balances December 1	Additions	Retirements	Balances November 30
Land	\$ 228,647	\$ -	\$ -	\$ 228,647
Total capital assets not being depreciated	<u>228,647</u>	<u>-</u>	<u>-</u>	<u>228,647</u>
Buildings	2,482,220	-	-	2,482,220
Building improvements	2,642,932	97,700	-	2,740,632
Maintenance equipment	1,575,550	-	-	1,575,550
Software	114,680	-	-	114,680
Vehicles	885,313	147,991	(167,192)	866,112
Office equipment	271,027	-	(53,978)	217,049
Computer equipment	395,126	-	(45,318)	349,808
Infrastructure	<u>5,506,273</u>	<u>-</u>	<u>-</u>	<u>5,506,273</u>
Total capital assets being depreciated	<u>13,873,121</u>	<u>245,691</u>	<u>(266,488)</u>	<u>13,852,324</u>
Less accumulated depreciation for:				
Buildings	(1,641,364)	(50,667)	-	(1,692,031)
Building improvements	(1,527,166)	(97,025)	-	(1,624,191)
Maintenance equipment	(1,345,022)	(29,094)	-	(1,374,116)
Software	(111,295)	-	-	(111,295)
Vehicles	(652,551)	(113,554)	141,083	(625,022)
Office equipment	(255,455)	(1,722)	51,378	(205,799)
Computer equipment	(373,481)	(7,652)	45,318	(335,815)
Infrastructure	<u>(2,357,559)</u>	<u>(122,897)</u>	<u>-</u>	<u>(2,480,456)</u>
Total accumulated depreciation	<u>(8,263,893)</u>	<u>(422,611)</u>	<u>237,779</u>	<u>(8,448,725)</u>
Total capital assets, being depreciated, net	<u>5,609,228</u>	<u>(176,920)</u>	<u>(28,709)</u>	<u>5,403,599</u>
Total capital assets, net of accumulated depreciation	<u>\$ 5,837,875</u>	<u>\$ (176,920)</u>	<u>\$ (28,709)</u>	<u>\$ 5,632,246</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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	\$ 61,427	\$ -	\$ -	\$ 61,427
Construction in progress	<u>-</u>	<u>448,944</u>	<u>-</u>	<u>448,944</u>
Total capital assets - at cost, not being depreciated	<u>61,427</u>	<u>448,944</u>	<u>-</u>	<u>510,371</u>
Building and improvements, land improvements/ landscaping	4,308,915	-	-	4,308,915
Equipment, including vehicles	<u>954,080</u>	<u>-</u>	<u>(18,657)</u>	<u>935,423</u>
Total capital assets - at cost, being depreciated	<u>5,262,995</u>	<u>-</u>	<u>(18,657)</u>	<u>5,244,338</u>
Less accumulated depreciation for:				
Building and improvements, land improvements/ landscaping	(2,933,820)	(88,338)	-	(3,022,158)
Equipment, including vehicles	<u>(821,796)</u>	<u>(33,131)</u>	<u>18,657</u>	<u>(836,270)</u>
Total accumulated depreciation	<u>(3,755,616)</u>	<u>(121,469)</u>	<u>18,657</u>	<u>(3,858,428)</u>
Total capital assets, being depreciated, net	<u>1,507,379</u>	<u>(121,469)</u>	<u>-</u>	<u>1,385,910</u>
Total capital assets net of accumulated depreciation	<u>\$ 1,568,806</u>	<u>\$ 327,475</u>	<u>\$ -</u>	<u>\$ 1,896,281</u>

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

Governmental activities:

General government	\$ 95,550
Public safety	62,397
Corrections	42,196
Transportation	201,959
Public health and welfare	<u>20,509</u>

Total depreciation expense - governmental activities \$ 422,611

Business-type activities:

The Elms Nursing Home	<u>\$ 121,469</u>
-----------------------	-------------------

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

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

Illinois Municipal Retirement Fund – County

Plan Administration

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. The plan is treated as a cost sharing plan by the County and the Macomb/McDonough County Emergency Dispatch Center, Inc. (the Center). Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2015 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	237
Inactive employees entitled to but not yet receiving benefits	299
Active employees	248
 TOTAL	 784

The IMRF data included in the table above includes membership of both the County and the Center.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – County (Continued)

Benefits Provided

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The County is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2015 was 11.18% of covered payroll.

Actuarial Assumptions

The County's net pension liability was measured as of December 31, 2015 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – County (Continued)

Actuarial Assumptions

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

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments at 7.50% was blended with the index rate of 3.57% (3.56% in 2014) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% (7.50% in 2014) used to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2015	\$ 46,006,027	\$ 42,827,095	\$ 3,178,932
Changes for the period:			
Service cost	937,183	-	937,183
Interest	3,417,916	-	3,417,916
Difference between expected and actual experience	446,035	-	446,035
Changes in assumptions	124,686	-	124,686
Employer contributions	-	1,030,360	(1,030,360)
Employee contributions	-	460,767	(460,767)
Net investment income	-	(39,310)	39,310
Benefit payments and refunds	(1,907,591)	(1,910,152)	2,561
Other (net transfer)	-	9,169	(9,169)
Net changes	3,018,229	(449,166)	3,467,395
BALANCES AT DECEMBER 31, 2015	\$ 49,024,256	\$ 42,377,929	\$ 6,646,327

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – County (Continued)

Changes in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the County and the Center. The County’s proportionate share of the employer contributions and the net pension liability at December 31, 2015 was \$969,169 and \$6,248,752, respectively. The Center’s proportionate share of the employer contributions and net pension liability at December 31, 2015 was \$61,191 and \$397,575, respectively.

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

For the year ended November 30, 2016, the County recognized pension expense of \$2,169,118. At November 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 318,869	\$ 76,485
Changes in assumption	724,954	-
Net difference between projected and actual earnings on pension plan investments	2,735,550	-
Contributions made after measurement date	943,131	-
TOTAL	\$ 4,722,504	\$ 76,485

The deferred outflows presented in the table above include amounts for both the County and the Center. The County’s proportionate share of the deferred outflows of resources and inflows of resources at November 30, 2016 was \$4,442,046 and \$71,943, respectively. The Center’s proportionate share of the deferred outflows of resources and inflows of resources at November 30, 2016 was \$280,458 and \$4,542, respectively.

\$943,131 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – County (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

	<u>Year ending December 31,</u>
2016	\$ 1,241,966
2017	1,068,614
2018	795,489
2019	<u>596,819</u>
TOTAL	<u>\$ 3,702,888</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the County calculated using the discount rate of 7.48% as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	<u>1% Decrease (6.48%)</u>	<u>Current Discount Rate (7.48%)</u>	<u>1% Increase (8.48%)</u>
Net pension liability(County)	\$ 12,700,664	\$ 6,248,752	\$ 1,107,914
Net pension liability (Center)	<u>801,884</u>	<u>397,575</u>	<u>69,951</u>
Net pension liability (Total)	<u>\$ 13,502,548</u>	<u>\$ 6,646,327</u>	<u>\$ 1,177,865</u>

Illinois Municipal Retirement Fund – Elected County Officials

Plan Administration

All eligible elected county officials are enrolled in IMRF as participating members with the option of participating in the Elected County Officials plan. The Elected County Officials plan was closed to new members effective August 8, 2011.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

Plan Membership

At December 31, 2015 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	2
Active employees	<u>1</u>
 TOTAL	 <u><u>5</u></u>

Benefits Provided

IMRF ECO 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 3% of their final rate of earnings, for each year of credited service up to eight years, 4% for each year after eight years up to 12 years, and 5% for each year thereafter to a maximum of 80% at 20 years of service. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after eight or ten years of service. Participating members who retire at age 55 with eight years of Tier 1 service credit or after age 62 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3% of their final rate of earnings, for each year of credited service up to eight years, 4% for each year after eight years up to 12 years, and 5% for each year thereafter to a maximum of 80% at 20 years of service.

Contributions

Participating members are required to contribute 7.5% of their annual salary to IMRF. The County is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2015 was 23.22% of covered payroll.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

Actuarial Assumptions

The County’s net pension liability was measured as of December 31, 2015 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

Changes in the Net Pension (Asset) Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Asset
Balances at January 1, 2015	\$ 679,812	\$ 724,995	\$ (45,183)
Changes for the period:			
Service cost	15,539	-	15,539
Interest	51,200	-	51,200
Difference between expected and actual experience	(14,547)	-	(14,547)
Changes in assumptions	-	-	-
Employer contributions	-	13,529	(13,529)
Employee contributions	-	5,179	(5,179)
Net investment income	-	(668)	668
Benefit payments and refunds	(10,447)	(10,461)	14
Other (net transfer)	-	614	(614)
Net changes	41,745	8,193	33,552
BALANCES AT DECEMBER 31, 2015	\$ 721,557	\$ 733,188	\$ (11,631)

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

For the year ended November 30, 2016, the County recognized pension expense of \$15,140. At November 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,846
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	45,418	-
Contributions made after measurement date	11,276	-
TOTAL	\$ 56,694	\$ 5,846

\$11,276 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

<u>Year ending December 31,</u>	
2016	\$ 5,984
2017	11,830
2018	11,830
2019	<u>9,928</u>
TOTAL	<u>\$ 39,572</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension (asset) liability to changes in the discount rate. The table below presents the net pension (asset) liability of the County calculated using the discount rate of 7.50% as well as what the County’s net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Net pension (asset) liability	\$ 76,503	\$ (11,631)	\$ (83,616)

Sheriff’s Law Enforcement Personnel

Plan Administration

All eligible full-time deputized law enforcement personnel and correctional officers are enrolled in SLEP as participating members.

Plan Membership

At December 31, 2015 (most recent available), Sheriff’s Law Enforcement Personnel (SLEP) membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	20
Inactive employees entitled to but not yet receiving benefits	2
Active employees	<u>14</u>
TOTAL	<u>36</u>

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

Sheriff's Law Enforcement Personnel (Continued)

Benefits Provided

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at 55 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service. The pension for participating members who retire between age 50 and 55 will be reduced by 1/2% for each month under age 55. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.

Contributions

Participating members are required to contribute 7.5% of their annual salary to SLEP. The County is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contribution rate for the calendar year ended December 31, 2015 was 19.85% of covered payroll.

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

Sheriff’s Law Enforcement Personnel (Continued)

Actuarial Assumptions

The County’s net pension liability was measured as of December 31, 2015 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

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

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Sheriff’s Law Enforcement Personnel (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF’s fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments at 7.50% was blended with the index rate of 3.57% (3.56% in 2014) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% (7.49% in 2014) used to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2015	\$ 7,801,455	\$ 6,952,970	\$ 848,485
Changes for the period:			
Service cost	156,205	-	156,205
Interest	574,518	-	574,518
Difference between expected and actual experience	80,040	-	80,040
Changes in assumptions	9,395	-	9,395
Employer contributions	-	162,504	(162,504)
Employee contributions	-	68,564	(68,564)
Net investment income	-	(6,288)	6,288
Benefit payments and refunds	(444,290)	(444,886)	596
Other (net transfer)	-	(3,273)	3,273
Net changes	375,868	(223,379)	599,247
BALANCES AT DECEMBER 31, 2015	\$ 8,177,323	\$ 6,729,591	\$ 1,447,732

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Sheriff’s Law Enforcement Personnel (Continued)

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

For the year ended November 30, 2016, the County recognized pension expense of \$383,013. At November 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 113,404	\$ -
Changes in assumption	127,280	-
Net difference between projected and actual earnings on pension plan investments	446,926	-
Contributions made after measurement date	146,099	-
TOTAL	\$ 833,709	\$ -

\$146,099 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2016	\$ 190,966
2017	190,966
2018	190,966
2019	114,712
TOTAL	\$ 687,610

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

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

Sheriff’s Law Enforcement Personnel (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the County calculated using the discount rate of 7.48% as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net pension liability	\$ 2,476,192	\$ 1,447,732	\$ 619,341

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.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

7. LONG-TERM DEBT (Continued)

A. Leases Payable (Continued)

Office Building (Continued)

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.

Elms and County Jail

On November 1, 1993, the County entered into two noncancelable supplemental lease agreements with the Macomb Public Building Commission for the lease of The Elms (nursing home facility) and the County jail facility. In February 4, 2011, the County entered into another supplemental agreements with the Macomb Public Building Commission for the lease of The Elms (nursing home facility) and the County jail facility from January 1, 2009 to December 31, 2018 with annual rental payments of \$100,000 for the nursing home facility and \$250,000 for the County jail facility. Upon execution of the leases, the County conveyed to the Commission, with provisions for reverter, fee simple title to the premises described in the leases.

The County has provided for the levy and collection of a direct annual tax sufficient to pay the annual lease payments. The County is responsible for the normal maintenance, operation, and safekeeping of the premises. Upon completion of the lease agreements, the Building Commission agrees to transfer by warranty deed the fee simple title of both facilities to the County. The following is a schedule by years of minimum future rentals due to the Commission under noncancellable lease agreements in effect as of November 30, 2016.

<u>Year Ending November 30,</u>	<u>The Elms</u>	<u>County Jail</u>	<u>Total</u>
2017	\$ 100,000	\$ 250,000	\$ 350,000
2018	<u>100,000</u>	<u>250,000</u>	<u>350,000</u>
Total	<u>\$ 200,000</u>	<u>\$ 500,000</u>	<u>\$ 700,000</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

7. LONG-TERM DEBT (Continued)

A. Leases Payable (Continued)

Equipment Leases

On May 30, 2014, the County entered into a noncancelable lease agreement with RK Dixon Co. for the lease of a \$13,032 copier. The agreement calls for monthly payments of \$217 commencing May 31, 2014. The final payment is due May 31, 2019. The balance due at November 30, 2016 was \$5,990. The leased asset and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$6,516 at November 30, 2016.

Following is a schedule of minimum future rental payments and the net present value of these minimum lease payments as of November 30, 2016 for the above equipment lease:

Year ending November 30:	<u>Business-Type Activities</u>
2017	2,606
2018	2,606
2019	<u>778</u>
Total minimum lease payments	<u>\$ 5,990</u>

B. Changes in Long-Term Debt

Long-term liability activity for the year ended November 30, 2016 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:					
Compensated absences payable	\$ 238,691	\$ 322,014	\$ 341,152	\$ 219,553	\$ 174,489
Net OPEB obligation	201,231	45,036	-	246,267	-
Net pension asset	(45,183)	-	(33,552)	(11,631)	-
Net pension liability	<u>2,955,024</u>	<u>2,500,218</u>	<u>-</u>	<u>5,455,242</u>	<u>-</u>
Governmental activity - long-term liabilities	<u>\$ 3,349,763</u>	<u>\$ 2,867,268</u>	<u>\$ 307,600</u>	<u>\$ 5,909,431</u>	<u>\$ 174,489</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

7. LONG-TERM DEBT (Continued)

B. Changes in Long-Term Debt (Continued)

	Balances			Balances	Due Within
	<u>December 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>November 30</u>	<u>One Year</u>
Business-type activities:					
Leases payable	\$ 8,994	\$ -	\$ 3,004	\$ 5,990	\$ 2,606
Net OPEB obligation	144,662	17,857	-	162,519	-
Net pension liability	1,072,393	1,168,848	-	2,241,241	-
Compensated absences payable	<u>160,326</u>	<u>158,425</u>	<u>153,099</u>	<u>165,652</u>	<u>89,151</u>
Business-type activity - long-term liabilities	<u>\$ 1,386,375</u>	<u>\$ 1,345,130</u>	<u>\$ 156,103</u>	<u>\$ 2,575,402</u>	<u>\$ 91,757</u>

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:

2015 Assessed valuation	<u>\$ 410,615,362</u>
Statutory debt limitation (2.875 percent of assessed valuation)	\$ 11,805,192
Debt outstanding at November 30, 2016	<u>-</u>
Statutory debt margin, November 30, 2016	<u>\$ 11,805,192</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

9. INTERFUND TRANSACTIONS

Interfund receivable and payable balances at November 30, 2016 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Funds:		
Illinois Municipal Retirement Fund	\$ -	\$ 2,692
Social Security Fund	-	2,577
The Elms	211	-
Internal Service Funds	6,854	-
Agency Funds	34,499	-
Nonmajor Governmental Funds	<u>-</u>	<u>-</u>
	<u>41,564</u>	<u>5,269</u>
Illinois Municipal Retirement Funds:		
General Fund	2,692	-
Internal Service Funds	<u>-</u>	<u>100,000</u>
	<u>2,692</u>	<u>100,000</u>
Social Security Fund:		
General Fund	<u>2,577</u>	<u>-</u>
County Health Funds:		
Internal Service Funds	-	11,068
Nonmajor Governmental Funds	<u>855</u>	<u>-</u>
	<u>855</u>	<u>11,068</u>
The Elms:		
General Fund	-	211
Internal Service Funds	<u>-</u>	<u>9,696</u>
	<u>-</u>	<u>9,907</u>
Internal Service Funds:		
General Fund	-	6,854
Illinois Municipal Retirement Fund	100,000	-
County Health Fund	11,068	-
The Elms	9,696	-
Nonmajor Governmental Funds	<u>-</u>	<u>5,707</u>
	<u>120,764</u>	<u>12,561</u>
Agency Funds:		
General Fund	-	34,499
Nonmajor Governmental Funds	<u>-</u>	<u>100,256</u>
	<u>-</u>	<u>134,755</u>
Nonmajor Governmental Funds:		
General Fund	-	-
Public Safety Sales Tax Fund	-	-
County Health Fund	-	855
The Elms	-	-
Internal Service Funds	5,707	-
Agency Funds	100,256	-
Nonmajor Governmental Funds	<u>-</u>	<u>-</u>
	<u>105,963</u>	<u>855</u>
Total Interfund Receivables/Payables	<u>\$ 274,415</u>	<u>\$ 274,415</u>

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

9. INTERFUND TRANSACTIONS (Continued)

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

- \$100,000 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.
- \$100,256 due to Nonmajor governmental funds from Agency funds. This balance relates to a) accrued but unpaid transfers of \$91,239 from the Township Motor Fuel Tax fund to the Engineering Revolving fund and b) accrued but unpaid fees of \$9,017 from the County Clerk fund. The County expects the obligation will be liquidated within one year.
- \$34,499 due to the General Fund from Agency funds. The balance relates to accrued but unpaid fees from the County Clerk fund, Probation Service fund, and Unclaimed Estates fund. The County expects the obligation will be liquidated within one year.

Advances from/to other funds at November 30, 2016 consist of:

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

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

9. INTERFUND TRANSACTIONS (Continued)

Interfund transfers during fiscal year ending November 30, 2016 consist of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Funds:		
Internal Service Funds	\$ 1,147	\$ -
	<u>1,147</u>	<u>-</u>
Illinois Municipal Retirement Fund:		
Public Safety Sales Tax Fund	25,000	-
Nonmajor Governmental Funds	9,437	-
	<u>34,437</u>	<u>-</u>
Public Safety Sales Tax Funds:		
Illinois Municipal Retirement Fund	-	25,000
Nonmajor Governmental Funds	-	15,000
	<u>-</u>	<u>40,000</u>
County Health Fund:		
Nonmajor Governmental Funds	16,744	-
	<u>16,744</u>	<u>-</u>
Internal Service Funds:		
General Fund	-	1,147
	<u>-</u>	<u>1,147</u>
Nonmajor Governmental Funds:		
Illinois Municipal Retirement Fund	-	9,437
Public Safety Sales Tax Fund	15,000	-
County Health Fund	-	16,744
Nonmajor Governmental Funds	465,306	465,306
	<u>480,306</u>	<u>491,487</u>
Total interfund transfers	<u>\$ 532,634</u>	<u>\$ 532,634</u>

The purposes of the significant interfund transfers are as follows:

- \$25,000 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.
- \$465,306 transferred between the Nonmajor governmental funds. This amount relates to a) transfers of \$337,520 to the County Highway fund to repay roadway maintenance expenditures, b) transfers of \$116,467 to the Equipment Replacement fund for replacement of equipment and vehicles on a scheduled basis, c) transfer of \$11,319 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 operating leases with the Commission as lessor as described in the preceding footnotes for leases payable. As of the fiscal year ending November 30, 2016, the Macomb Public Building Commission has cash and investment balances of \$801,166 maintained in the County's Operating & Maintenance Account to fund future maintenance projects.

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

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, 2016, follows:

Statement of Net Position Information

Assets and deferred outflows of resources:	
Current assets	\$ 346,001
Property and equipment, net	213,270
Deferred outflows of resources	<u>280,458</u>
Total assets	<u>\$ 839,729</u>
Liabilities, deferred inflows of resources, and net position:	
Liabilities	\$ 461,901
Deferred inflows of resources	4,542
Net position	<u>373,286</u>
Total liabilities and net position	<u>\$ 839,729</u>

Statement of Activities Information

Operating revenue	\$ 877,759
Operating expenses	<u>938,884</u>
Operating net loss	<u>(61,125)</u>
Nonoperating revenue	<u>117,940</u>
Change in net position	56,815
Net position, beginning	<u>316,471</u>
Net position, ending	<u>\$ 373,286</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. The Council's fiscal year end is November 30. Separate audited financial statements are not available.

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.

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. Changes in claims liability for the self-funded health insurance plan in fiscal years 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Balance at beginning of year	\$ 165,350	\$ 54,405
Claims incurred	2,354,781	1,921,055
Claims paid	<u>2,359,120</u>	<u>1,810,110</u>
Balance at end of year	<u>\$ 161,011</u>	<u>\$ 165,350</u>

The Internal service funds also includes \$2,067,525 in claims payable reported in the Liability Insurance Fund for a legal settlement. See additional information regarding the legal settlement in Note 15.

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, 2016, 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 2016 were \$78,703.

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, 2016, the principal amount payable under these bonds was \$5,835,786. 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.

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

14. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Membership

At December 1, 2015 (latest information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	13
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>234</u>
TOTAL	<u><u>247</u></u>
Participating employers	<u><u>1</u></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, 2016, retirees contributed \$110,341 and the County contributed \$54,311. 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, 2015 to determine the employer's annual required contribution (ARC) for the fiscal year ended November 30, 2016. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2016, 2015, and 2014 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
November 30, 2016	\$ 117,204	\$ 54,311	46.34%	\$ 408,786
November 30, 2015	99,100	44,477	44.88%	345,893
November 30, 2014	104,712	52,311	49.96%	291,270

McDONOUGH COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

14. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual OPEB costs and Net OPEB Obligation (Continued)

The net OPEB obligation (NOPEBO) as November 30, 2016 (latest information available), was calculated as follows:

Annual required contribution	\$ 122,873
Interest on net OPEB obligation	15,565
Adjustment to annual required contribution	<u>(21,234)</u>
Annual OPEB cost	117,204
Contributions made	<u>54,311</u>
Increase (decrease) in net OPEB obligation	62,893
Net OPEB obligation beginning of year	<u>345,893</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$ 408,786</u>

Funded Status and Funding Progress. The funded status of the plan as of December 1, 2015 (latest information available), was as follows:

Actuarial accrued liability (AAL)	\$ 861,799
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 861,799
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 8,137,049
UAAL as a percentage of covered payroll	10.59%

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.

14. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual OPEB costs and Net OPEB Obligation (Continued)

In the December 1, 2015 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 9.0% 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, 2016, was 30 years.

15. SUBSEQUENT EVENT

In March 2017, a jury ruled in favor of the plaintiffs in a wrongful death and survival lawsuit against the McDonough County Sheriff's Department and awarded a settlement of \$4,067,525. The County's commercial insurance policy covers automobile liabilities up to \$2,000,000 per occurrence, with the remaining portion of the settlement totaling \$2,067,525 recorded as liability in the Liability Insurance Fund as of the November 30, 2016. The County is currently in the process of appealing the ruling and the outcome of the appellate process is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

McDONOUGH COUNTY, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFITS PLAN

November 30, 2016

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)
12/01/15	\$ -	\$ 861,799	\$ 861,799	0.00%	\$ 8,137,049	10.59%
12/01/14	-	725,777	725,777	0.00%	8,012,961	9.06%
12/01/13	-	809,190	809,190	0.00%	7,794,679	10.38%
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%

See accompanying Independent Auditor's Report.

MCDONOUGH COUNTY, ILLINOIS

**SCHEDULES OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY**

Last Two Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2016	2015
Actuarially determined contribution	\$ 1,030,631	\$ 1,019,089
Contributions in relation to the actuarially determined contribution	<u>1,030,631</u>	<u>1,019,089</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 9,077,309	\$ 8,733,184
Contributions as a percentage of covered-employee payroll	11.35%	11.67%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

MCDONOUGH COUNTY, ILLINOIS

**SCHEDULES OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - ELECTED COUNTY OFFICIALS**

Last Two Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2016	2015
Actuarially determined contribution	\$ 12,296	\$ 13,730
Contributions in relation to the actuarially determined contribution	<u>12,296</u>	<u>13,730</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 58,263	\$ 57,248
Contributions as a percentage of covered-employee payroll	21.10%	23.98%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

MCDONOUGH COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
SHERIFF'S LAW ENFORCEMENT PERSONNEL

Last Two Fiscal Years

<u>FISCAL YEAR ENDING NOVEMBER 30,</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 159,502	\$ 168,699
Contributions in relation to the actuarially determined contribution	<u>159,502</u>	<u>168,699</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 843,222	\$ 843,641
Contributions as a percentage of covered-employee payroll	18.92%	20.00%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

McDONOUGH COUNTY, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS PLAN**

November 30, 2016

Fiscal Year Ending	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
11/30/16	\$ 54,311	\$ 122,873	44.20%
11/30/15	44,477	95,702	46.47%
11/30/14	52,311	101,925	51.32%
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%

See accompanying Independent Auditor's Report.

MCDONOUGH COUNTY, ILLINOIS

**SCHEDULE OF THE COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY**

Last Two Years

MEASUREMENT DATE DECEMBER 31,	2015	2014
Employer's Proportion of Net Pension Liability	94.06%	93.97%
Employer's Proportionate Share of Net Pension Liability	\$ 6,248,752	\$ 2,987,277
Employer's Covered-Employee Payroll	\$ 8,526,779	\$ 8,182,817
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	73.28%	36.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.44%	93.09%

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

MCDONOUGH COUNTY, ILLINOIS

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

Last Two Years

MEASUREMENT DATE DECEMBER 31,	2015	2014
TOTAL PENSION LIABILITY		
Service cost	\$ 15,539	\$ 16,030
Interest	51,200	47,436
Differences between expected and actual experience	(14,547)	(4,634)
Changes of assumptions	-	1,769
Benefit payments, including refunds of member contributions	<u>(10,447)</u>	<u>(10,211)</u>
Net change in total pension liability	41,745	50,390
Total pension liability - beginning	<u>679,812</u>	<u>629,422</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 721,557</u></u>	<u><u>\$ 679,812</u></u>
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 13,529	\$ 16,685
Contributions - member	5,179	4,623
Net investment income	(668)	43,787
Benefit payments, including refunds of member contributions	(10,461)	(10,211)
Other income (expense)	<u>614</u>	<u>(129)</u>
Net change in plan fiduciary net position	8,193	54,755
Plan fiduciary net position - beginning	<u>724,995</u>	<u>670,240</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 733,188</u></u>	<u><u>\$ 724,995</u></u>
EMPLOYER'S NET PENSION (ASSET) LIABILITY	<u><u>\$ (11,631)</u></u>	<u><u>\$ (45,183)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	101.61%	106.65%
Covered-employee payroll	\$ 58,263	\$ 57,248
Employer's net pension liability (asset) as a percentage of covered-employee payroll	(19.96%)	(78.93%)

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

MCDONOUGH COUNTY, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
SHERIFF'S LAW ENFORCEMENT PERSONNEL
Last Two Years

MEASUREMENT DATE DECEMBER 31,	2015	2014
TOTAL PENSION LIABILITY		
Service cost	\$ 156,205	\$ 159,068
Interest	574,518	534,679
Differences between expected and actual experience	80,040	82,984
Changes of assumptions	9,395	198,682
Benefit payments, including refunds of member contributions	<u>(444,290)</u>	<u>(433,889)</u>
Net change in total pension liability	375,868	541,524
Total pension liability - beginning	<u>7,801,455</u>	<u>7,259,931</u>
TOTAL PENSION LIABILITY - ENDING	<u>\$ 8,177,323</u>	<u>\$ 7,801,455</u>
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 162,504	\$ 179,180
Contributions - member	68,564	68,012
Net investment income	(6,288)	429,214
Benefit payments, including refunds of member contributions	(444,886)	(433,889)
Other income (expense)	<u>(3,273)</u>	<u>(2,946)</u>
Net change in plan fiduciary net position	(223,379)	239,571
Plan fiduciary net position - beginning	<u>6,952,970</u>	<u>6,713,399</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u>\$ 6,729,591</u>	<u>\$ 6,952,970</u>
EMPLOYER'S NET PENSION LIABILITY	<u>\$ 1,447,732</u>	<u>\$ 848,485</u>
Plan fiduciary net position as a percentage of the total pension liability	82.30%	89.12%
Covered-employee payroll	\$ 843,222	\$ 843,641
Employer's net pension liability as a percentage of covered-employee payroll	171.69%	100.57%

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

McDONOUGH COUNTY, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	Original Budget	Amended Budget	Actual
REVENUES			
Property taxes	\$ 1,065,783	\$ 1,065,783	\$ 1,074,497
State of Illinois:			
Local use tax	100,000	100,000	188,415
Sales tax	805,000	805,000	772,243
Income tax	635,000	635,000	644,718
Personal property replacement taxes	180,000	180,000	193,016
State grants and expenditure reimbursements	306,806	375,214	474,016
Federal revenue	14,084	19,358	15,525
Fees for services and materials	1,292,023	1,292,023	1,177,301
Investment income	5,000	5,000	9,233
Other	164,400	164,400	200,272
Total revenues	4,568,096	4,641,778	4,749,236
EXPENDITURES			
Current:			
General government	1,546,293	1,551,567	1,291,728
Employee benefits	460,000	460,000	443,333
Public safety	1,377,726	1,446,134	1,370,609
Corrections	407,308	407,308	342,260
Judiciary and court related	1,447,656	1,447,656	1,383,884
Capital outlay	35,500	35,500	7,108
Total expenditures	5,274,483	5,348,165	4,838,922
Excess (deficiency) of revenue over expenditures	(706,387)	(706,387)	(89,686)
OTHER FINANCING SOURCES (USES)			
Transfers in	207,000	207,000	46,922
Transfers out	-	-	-
Total other financing sources (uses)	207,000	207,000	46,922
NET CHANGE IN FUND BALANCES	\$ (499,387)	\$ (499,387)	(42,764)
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			(181,235)
SHERIFF FUND - SUBFUND ACTIVITY NOT BUDGETED			(4,440)
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			1,203,673
FUND BALANCES, GAAP BASIS, END OF YEAR			\$ 975,234

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, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 1,223,000	\$ 1,223,000	\$ 1,220,250
Replacement taxes	11,860	11,860	11,861
Investment income	450	450	669
Miscellaneous	3,000	3,000	1,988
Total revenues	<u>1,238,310</u>	<u>1,238,310</u>	<u>1,234,768</u>
EXPENDITURES			
Current:			
Employee benefits	<u>1,110,949</u>	<u>1,110,949</u>	<u>1,032,993</u>
Total expenditures	<u>1,110,949</u>	<u>1,110,949</u>	<u>1,032,993</u>
Excess (deficiency) of revenue over expenditures	<u>127,361</u>	<u>127,361</u>	<u>201,775</u>
Other financing sources (uses)			
Transfers in	60,000	60,000	34,437
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>60,000</u>	<u>60,000</u>	<u>34,437</u>
NET CHANGE IN FUND BALANCES	<u>\$ 187,361</u>	<u>\$ 187,361</u>	236,212
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			(1,637)
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>596,309</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 830,884</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, 2016

	Original Budget	Amended Budget	Actual
REVENUES			
Sales taxes	\$ 1,200,000	\$ 1,200,000	\$ 1,033,625
State grant and expenditure reimbursements	4,000	4,000	-
Investment income	850	850	686
Other	7,500	7,500	11,053
Total revenues	<u>1,212,350</u>	<u>1,212,350</u>	<u>1,045,364</u>
EXPENDITURES			
Current:			
Employee benefits	400,000	400,000	384,167
Public safety	344,800	382,229	322,572
Corrections	232,199	234,839	225,402
Capital outlay	75,000	75,000	70,945
Total expenditures	<u>1,051,999</u>	<u>1,092,068</u>	<u>1,003,086</u>
Excess (deficiency) of revenue over expenditures	<u>160,351</u>	<u>120,282</u>	<u>42,278</u>
Other financing sources (uses)			
Transfers out	(215,000)	(215,000)	(40,000)
Insurance proceeds	-	40,069	40,069
Total other financing sources (uses)	<u>(215,000)</u>	<u>(174,931)</u>	<u>69</u>
NET CHANGE IN FUND BALANCES	<u>\$ (54,649)</u>	<u>\$ (54,649)</u>	42,347
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			30,634
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>672,598</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 745,579</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, 2016

	Original Budget	Amended Budget	Actual
REVENUES			
Property taxes	\$ 377,310	\$ 377,310	\$ 675,811
Investment income	700	700	1,536
Other	3,500	3,500	2,716
Total revenues	381,510	381,510	680,063
EXPENDITURES			
Current:			
Employee benefits	719,066	719,066	664,719
Total expenditures	719,066	719,066	664,719
NET CHANGE IN FUND BALANCES	\$ (337,556)	\$ (337,556)	15,344
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			
			-
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			854,857
FUND BALANCES, GAAP BASIS, END OF YEAR			\$ 870,201

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
COUNTY HEALTH FUND

Year Ended November 30, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 330,890	\$ 330,890	\$ 330,153
State grant and expenditure reimbursements	63,145	63,145	178,096
Federal revenue	318,400	318,400	162,031
Fees for services and materials	204,987	204,987	217,135
Investment income	-	-	416
Other	4,500	4,500	15,642
Total revenues	<u>921,922</u>	<u>921,922</u>	<u>903,473</u>
EXPENDITURES			
Current:			
Public health	946,133	946,133	611,044
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>566</u>
Total expenditures	<u>951,133</u>	<u>951,133</u>	<u>611,610</u>
NET CHANGE IN FUND BALANCES	<u>\$ (29,211)</u>	<u>\$ (29,211)</u>	291,863
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS			(20,921)
FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR			<u>807,054</u>
FUND BALANCES, GAAP BASIS, END OF YEAR			<u>\$ 1,077,996</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOVEMBER 30, 2016

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, Insurance Bond 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, 2016 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."

McDONOUGH COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

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, 2016:

	<u>Appropriations</u>	<u>Expenditures</u>
Mental Health Fund	393,592	469,067
Recorder Automation Fund	34,000	36,411
Drug Enforcement Fund	10,000	28,492
Economic Development Revolving Loan Fund	37,000	42,337
USDA Solid Waste Fund	-	100
Insurance Reserve Fund	-	3,307
Adult Redeploy Grant Fund	403,435	449,871

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET - BY SUBFUND
GENERAL FUND

November 30, 2016

	General Corporate	Sheriff	Total General Fund
ASSETS			
Cash and Cash equivalents	\$ 744,633	\$ 11,061	\$ 755,694
Receivables, net:			
State of Illinois	308,375	-	308,375
Property taxes	1,094,071	-	1,094,071
Other	28,603	-	28,603
Due from other funds	44,630	(3,066)	41,564
Inventories	5,738	-	5,738
TOTAL ASSETS	\$ 2,226,050	\$ 7,995	\$ 2,234,045
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 68,481	\$ -	\$ 68,481
Due to others	-	309	309
Due to other funds	5,269	-	5,269
Advances from other funds	90,681	-	90,681
Total liabilities	164,431	309	164,740
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	1,094,071	-	1,094,071
Total deferred inflows of resources	1,094,071	-	1,094,071
Total liabilities and deferred inflows of resources	1,258,502	309	1,258,811
FUND BALANCES			
Nonspendable - inventories	5,738	-	5,738
Restricted for public safety	-	7,686	7,686
Unrestricted:			
Assigned for specific purpose	539,218	-	539,218
Unassigned	422,592	-	422,592
Total fund balances	967,548	7,686	975,234
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,226,050	\$ 7,995	\$ 2,234,045

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, 2016

	General Corporate	Sheriff	Total General Fund
REVENUES			
Property taxes	\$ 1,074,497	\$ -	\$ 1,074,497
State of Illinois:			
Local use tax	152,766	-	152,766
Sales tax	758,821	-	758,821
Income tax	629,739	-	629,739
Personal property replacement taxes	193,016	-	193,016
State grants and expenditure reimbursements	378,833	-	378,833
Federal revenue	18,096	-	18,096
Fees for services and materials	1,172,740	56,789	1,229,529
Investment income	8,088	4	8,092
Other	202,975	-	202,975
Total revenues	<u>4,589,571</u>	<u>56,793</u>	<u>4,646,364</u>
EXPENDITURES			
Current:			
General government	1,401,006	-	1,401,006
Public safety	1,550,851	14,311	1,565,162
Corrections	337,408	-	337,408
Judiciary and court related	1,563,753	-	1,563,753
Capital outlay	8,621	-	8,621
Total expenditures	<u>4,861,639</u>	<u>14,311</u>	<u>4,875,950</u>
Excess (deficiency) of revenue over expenditures	<u>(272,068)</u>	<u>42,482</u>	<u>(229,586)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>48,069</u>	<u>(46,922)</u>	<u>1,147</u>
Total other financing sources (uses)	<u>48,069</u>	<u>(46,922)</u>	<u>1,147</u>
NET CHANGE IN FUND BALANCES	(223,999)	(4,440)	(228,439)
FUND BALANCES, BEGINNING OF YEAR	<u>1,191,547</u>	<u>12,126</u>	<u>1,203,673</u>
FUND BALANCES, END OF YEAR	<u>\$ 967,548</u>	<u>\$ 7,686</u>	<u>\$ 975,234</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

**SCHEDULE OF CERTAIN REVENUE ITEMS
GENERAL FUND**

Year Ended November 30, 2016

FEES FOR SERVICES AND MATERIALS

General Corporate:

Maintenance salary reimbursement	55,273
State's attorney collections	783
County Clerk fees	242,463
Circuit Clerk fines	677,194
Circuit Clerk fees	188,387
Industry police protection	8,640
Total	<u>1,172,740</u>

Sheriff:

Process dockets	7,009
Foreign service	1,351
Board bill - work release	15,666
Warrants	9,867
Other	22,896
Total	<u>56,789</u>

TOTAL FEES FOR SERVICES AND MATERIALS \$ 1,229,529

OTHER

General Corporate:

Tax penalties, interest, and costs	\$ 82,770
TIF surplus	11,615
Landfill host fees	59,846
Insight franchise fees	21,354
Miscellaneous	23,760
Reimburse telephone - other funds	3,630

TOTAL OTHER \$ 202,975

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
GENERAL GOVERNMENT			
County Board:			
Members per diem	\$ 51,700	\$ 51,700	\$ 43,755
Mileage	10,000	10,000	7,393
Administrative assistant	13,178	13,178	13,178
Office supplies	2,830	2,830	1,907
County dues	2,550	2,550	2,355
Other	3,200	3,200	5,953
	<u>83,458</u>	<u>83,458</u>	<u>74,541</u>
County Treasurer:			
Salary	52,711	52,711	52,711
Deputy clerk salaries	61,332	61,332	46,601
Office supplies and expense	10,939	10,939	8,711
	<u>124,982</u>	<u>124,982</u>	<u>108,023</u>
County Clerk:			
Salary	52,711	52,711	52,711
Deputy clerk salaries	120,310	120,330	120,327
Office supplies and expense	1,000	980	862
Recording births and deaths	650	650	-
	<u>174,671</u>	<u>174,671</u>	<u>173,900</u>
Microfilming Department:			
Salary	28,480	28,480	28,479
Supplies	2,450	2,450	2,111
	<u>30,930</u>	<u>30,930</u>	<u>30,590</u>
Elections:			
Building and equipment rental	1,760	1,760	1,760
Judges	38,500	39,250	39,055
Election supplies	45,000	53,900	53,892
Printing and publications of ballots	600	600	-
HAVA grant	-	5,334	5,334
Computer equipment	23,000	23,000	22,029
Deputy clerk salaries	29,580	29,620	29,619
	<u>138,440</u>	<u>153,464</u>	<u>151,689</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
GENERAL GOVERNMENT (Continued)			
Supervisor of Assessments:			
Salary - Supervisor	\$ 52,711	\$ 52,711	\$ 52,711
Deputy clerk salaries	89,582	89,582	67,956
Office supplies	4,000	4,000	2,252
Mileage, education, and dues	8,000	8,000	3,607
Publications	9,500	9,500	3,515
	<u>163,793</u>	<u>163,793</u>	<u>130,041</u>
Board of Review:			
Salaries	14,925	14,925	14,924
Appraisals and administration	1,000	1,000	-
Mileage, supplies, and meetings	766	766	566
	<u>16,691</u>	<u>16,691</u>	<u>15,490</u>
Building and Grounds:			
Maintenance supervisor salary	71,052	70,952	70,395
Salaries - maintenance personnel	58,562	58,562	58,500
Building supplies	10,000	9,225	6,555
Contractual	28,000	28,000	25,950
Janitorial supplies	6,000	6,000	2,574
Reimbursement expense	3,900	4,000	4,000
Telephone and phone repairs	52,000	52,000	39,445
Utilities	60,000	60,775	60,772
Call out pay	3,000	3,000	1,408
	<u>292,514</u>	<u>292,514</u>	<u>269,599</u>
Network Administrator			
Salary	36,414	36,414	35,172
Supplies	1,000	1,000	672
Miscellaneous	1,000	1,000	269
	<u>38,414</u>	<u>38,414</u>	<u>36,113</u>
			(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND**

Year Ended November 30, 2016

	<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	\$ 60,000	\$ 60,000	\$ 60,000
Contingency	100,000	88,950	-
	<u>160,000</u>	<u>148,950</u>	<u>60,000</u>
Other:			
Surety bonds	3,500	4,800	4,786
W.I.R.C. dues	3,900	3,900	3,885
Postage	50,000	50,000	43,343
Preparation of budget	1,000	1,000	-
Revenue stamps	85,000	85,000	31,826
Training and education	6,500	6,500	2,104
Computer service	65,000	65,000	52,485
Audits	92,500	92,500	92,500
MAIDCO	5,000	5,000	5,000
Accounting and consulting services	10,000	10,000	5,813
	<u>322,400</u>	<u>323,700</u>	<u>241,742</u>
Total General Government	<u>1,546,293</u>	<u>1,551,567</u>	<u>1,291,728</u>
EMPLOYEE BENEFITS	<u>460,000</u>	<u>460,000</u>	<u>443,333</u>
PUBLIC SAFETY			
Police Protection - Sheriff:			
Sheriff salary	77,767	77,767	77,767
Deputies, Dispatchers, and Jailers' salaries	918,890	918,890	901,512
Deputy pay - call-out, court	7,500	7,500	2,335
Deputy and Jailer overtime	99,500	99,500	79,027
Courthouse security salaries	90,007	90,092	90,090
Courthouse security overtime	10,500	10,415	7,894
Courthouse security - Bailiff's	3,000	3,000	1,620
Courthouse security equipment	2,500	2,500	264
Courthouse security uniforms	2,000	2,000	1,577
Office supplies	12,000	12,000	5,560
Radio repair and maintenance	22,000	22,000	21,371
Sheriff grant	-	68,408	68,407
Miscellaneous	24,000	24,000	22,426
Monthly access fee	7,500	7,500	7,334
	<u>1,277,164</u>	<u>1,345,572</u>	<u>1,287,184</u>

See accompanying Independent Auditor's Report.

(Continued)

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
PUBLIC SAFETY (Continued)			
Civil Defense:			
Director salary	\$ 16,280	\$ 16,280	\$ 16,280
Part time secretary	250	250	-
Travel	2,000	2,000	665
Local emergency planning	1,500	1,500	-
Office supplies	2,095	2,095	975
Equipment and contractual	5,400	5,400	125
	<u>27,525</u>	<u>27,525</u>	<u>18,045</u>
Coroner:			
Salary	31,147	31,147	31,147
Office supplies and education	4,500	4,500	4,392
Transportation	7,100	7,100	5,664
Professional services	10,000	10,000	7,797
Medical and contractual	7,335	7,335	6,931
Coroner's grant expense	8,155	8,155	4,649
Reimbursable expense	4,800	4,800	4,800
	<u>73,037</u>	<u>73,037</u>	<u>65,380</u>
 Total Public Safety	 <u>1,377,726</u>	 <u>1,446,134</u>	 <u>1,370,609</u>
CORRECTIONS			
Juvenile Probation Officer:			
Child Care	<u>130,000</u>	<u>130,000</u>	<u>67,540</u>
Adult Probation Officer:			
County share of joint cost	<u>271,808</u>	<u>271,808</u>	<u>271,808</u>
Drug Court:			
Claims	<u>5,500</u>	<u>5,500</u>	<u>2,912</u>
 Total Corrections	 <u>407,308</u>	 <u>407,308</u>	 <u>342,260</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	<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	133,538	133,538	121,714
Collection Specialist salary	20,400	20,400	19,799
Secretary salaries	92,337	92,337	92,337
Grant victim/witness salaries	1,500	1,500	-
Investigator	17,727	17,727	17,727
Witness fees	2,500	2,500	2,227
Office supplies and maintenance	10,000	10,000	8,892
Appellate Prosecutor	12,000	12,000	12,000
Court ordered medical	5,000	5,000	643
	<u>461,510</u>	<u>461,510</u>	<u>441,847</u>
Courts:			
Circuit and Associated Judges' salary	1,500	1,500	1,426
County share Chief Judge	4,305	4,305	4,303
Office supplies and expense	9,000	10,600	10,590
Administrative secretary	27,863	27,863	27,863
Court appointed attorneys	133,000	131,400	125,894
Court appointed transcripts/fees	4,000	4,000	1,728
Child protection data court project	5,584	5,584	1,145
Translator	5,000	5,000	1,224
	<u>190,252</u>	<u>190,252</u>	<u>174,173</u>
Public Defender:			
Public Defender	166,508	166,508	166,508
Office Manager	41,418	41,418	41,418
Secretary	13,943	13,943	13,592
Assistant PD 1	86,146	86,146	86,146
Assistant PD 2	59,709	59,709	59,709
Court ordered medical	15,000	15,000	3,824
Office supplies and expense	10,000	10,000	9,100
	<u>392,724</u>	<u>392,724</u>	<u>380,297</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS
GENERAL FUND

Year Ended November 30, 2016

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
JUDICIARY AND COURT RELATED (Continued)			
Circuit Clerk:			
Salary	\$ 52,711	\$ 52,711	\$ 52,711
Deputy clerk salaries	321,415	321,415	315,733
Jury certifiicates	20,000	20,000	10,079
Jury commissioner	9,044	9,044	9,044
	<u>403,170</u>	<u>403,170</u>	<u>387,567</u>
 Total Judiciary and Court Related	 <u>1,447,656</u>	 <u>1,447,656</u>	 <u>1,383,884</u>
CAPITAL OUTLAY			
Office Improvements	10,000	10,000	-
Equipment purchases	20,000	20,000	4,479
Computer purchases	5,500	5,500	2,629
	<u>35,500</u>	<u>35,500</u>	<u>7,108</u>
 Total capital outlay	 <u>35,500</u>	 <u>35,500</u>	 <u>7,108</u>
 TOTAL GENERAL FUND	 <u><u>\$ 5,274,483</u></u>	 <u><u>\$ 5,348,165</u></u>	 <u><u>\$ 4,838,922</u></u>
			(Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

November 30, 2016

	Special Revenue Funds	Debt Service	Capital Projects		Permanent	Total Nonmajor Governmental Funds
		Insurance Bond Funds	Equipment Replacement Funds	Capital Improvement & Equipment Fund	County Farm Fund	
ASSETS						
Cash and cash equivalents	\$ 4,190,251	\$ 51	\$ 319,121	\$ 7,855	\$ 79,598	\$ 4,596,876
Investments	1,165,563	-	-	-	43,689	1,209,252
Receivables, net:						
State of Illinois	207,425	-	-	-	-	207,425
Property taxes	1,681,841	-	-	-	-	1,681,841
Other	67,521	-	-	-	-	67,521
Due from other funds	103,263	-	-	2,700	-	105,963
Due from component unit	17,138	-	-	-	-	17,138
Prepaid items	179,662	-	-	-	-	179,662
TOTAL ASSETS	\$ 7,612,664	\$ 51	\$ 319,121	\$ 10,555	\$ 123,287	\$ 8,065,678
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 183,674	\$ -	\$ 24,450	\$ -	\$ -	\$ 208,124
Due to others	-	-	-	-	43,689	43,689
Due to other funds	855	-	-	-	-	855
Total liabilities	184,529	-	24,450	-	43,689	252,668
Deferred inflows of resources						
Unavailable property taxes	1,681,841	-	-	-	-	1,681,841
Total deferred inflows of resources	1,681,841	-	-	-	-	1,681,841
Total liabilities and deferred inflows of resources	1,866,370	-	24,450	-	43,689	1,934,509
Fund balances:						
Nonspendable - prepaids	179,662	-	-	-	-	179,662
Restricted for highways and streets	1,256,490	-	-	-	-	1,256,490
Restricted for public safety	77,726	-	-	-	-	77,726
Restricted for economic development	60,897	-	-	-	-	60,897
Restricted for health and welfare	684,280	-	-	-	79,598	763,878
Restricted for specific purpose	2,168,539	-	-	-	-	2,168,539
Unrestricted						
Committed for highways and streets	291,030	-	-	-	-	291,030
Assigned for highways and streets	854,025	-	-	-	-	854,025
Assigned for public safety	209	-	-	-	-	209
Assigned for economic development	670	-	-	-	-	670
Assigned for health and welfare	29,403	-	-	-	-	29,403
Assigned for specific purpose	143,363	51	294,671	10,555	-	448,640
Total fund balances	5,746,294	51	294,671	10,555	79,598	6,131,169
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 7,612,664	\$ 51	\$ 319,121	\$ 10,555	\$ 123,287	\$ 8,065,678

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

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

For the Year Ended November 30, 2016

	Special Revenue Funds	Debt Service	Capital Projects Funds		Permanent	Total Nonmajor Governmental Funds
		Fund	Equipment Replacement Funds	Capital Improvement & Equipment Fund	County Farm Fund	
REVENUE						
Property taxes	\$ 1,728,654	\$ -	\$ -	\$ -	\$ -	\$ 1,728,654
State of Illinois:						
Sales tax	534,232	-	-	-	-	534,232
Motor fuel tax allotments	386,332	-	-	-	-	386,332
State grants and expenditure reimbursements	701,233	-	-	-	-	701,233
Federal revenue	258,173	-	-	-	-	258,173
Fees for services and materials	803,860	-	-	-	-	803,860
Investment income	16,205	-	546	4	465	17,220
Other	352,185	-	167	-	40,000	392,352
Total revenues	<u>4,780,874</u>	<u>-</u>	<u>713</u>	<u>4</u>	<u>40,465</u>	<u>4,822,056</u>
EXPENDITURES						
Current:						
General government	319,358	-	-	-	3,879	323,237
Public safety	7,830	-	-	-	-	7,830
Corrections	267,931	-	-	-	-	267,931
Judiciary and court related	762,309	-	-	-	-	762,309
Public health	690,666	-	-	-	16,910	707,576
Public welfare	182,031	-	-	-	-	182,031
Transportation	1,858,928	-	138,282	-	-	1,997,210
Capital outlay	69,614	-	83,365	-	-	152,979
Total expenditures	<u>4,158,667</u>	<u>-</u>	<u>221,647</u>	<u>-</u>	<u>20,789</u>	<u>4,401,103</u>
Excess (deficiency) of revenues over expenditures	<u>622,207</u>	<u>-</u>	<u>(220,934)</u>	<u>4</u>	<u>19,676</u>	<u>420,953</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	363,839	-	116,467	-	-	480,306
Transfers out	(491,487)	-	-	-	-	(491,487)
Total other financing sources (uses)	<u>(127,648)</u>	<u>-</u>	<u>116,467</u>	<u>-</u>	<u>-</u>	<u>(11,181)</u>
NET CHANGE IN FUND BALANCES	494,559	-	(104,467)	4	19,676	409,772
FUND BALANCES, BEGINNING OF YEAR	<u>5,251,735</u>	<u>51</u>	<u>399,138</u>	<u>10,551</u>	<u>59,922</u>	<u>5,721,397</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,746,294</u>	<u>\$ 51</u>	<u>\$ 294,671</u>	<u>\$ 10,555</u>	<u>\$ 79,598</u>	<u>\$ 6,131,169</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	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	\$ 663,990	\$ 407,159	\$ 422,535	\$ 476,080	\$ 99,926	\$ 97,500	\$ 168,841
Investments	-	-	50,000	-	100,000	-	-
Receivables, net:							
State of Illinois	-	33,888	-	34,413	-	-	-
Property taxes	293,559	-	160,886	201,003	-	5,000	40,000
Other	-	-	46,211	-	-	-	-
Due from other funds	-	-	-	-	91,239	-	-
Due from component unit	17,138	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 974,687	\$ 441,047	\$ 679,632	\$ 711,496	\$ 291,165	\$ 102,500	\$ 208,841
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 28,736	\$ -	\$ 12,163	\$ -	\$ 135	\$ -	\$ 2,762
Due to other funds	-	-	-	-	-	855	-
Total liabilities	28,736	-	12,163	-	135	855	2,762
Deferred inflows of resources							
Unavailable property taxes	293,559	-	160,886	201,003	-	5,000	40,000
Total deferred inflows of resources	293,559	-	160,886	201,003	-	5,000	40,000
Total liabilities and deferred inflows of resources	322,295	-	173,049	201,003	135	5,855	42,762
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	165,895	440,632	141,235	508,728	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	-	-	-	96,457	163,143
Restricted for specific purpose	-	-	-	-	-	-	-
Unrestricted							
Committed for highways and streets	-	-	-	-	291,030	-	-
Assigned for highways and streets	486,497	415	365,348	1,765	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	188	2,936
Assigned for specific purpose	-	-	-	-	-	-	-
Total fund balances	652,392	441,047	506,583	510,493	291,030	96,645	166,079
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 974,687	\$ 441,047	\$ 679,632	\$ 711,496	\$ 291,165	\$ 102,500	\$ 208,841

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	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	\$ -	\$ -	\$ 205,254	\$ 2,506	\$ 19,998	\$ 47,603	\$ 157,203
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	350,000	172,000	-	401,464	-	-	-
Other	-	-	10,687	-	-	-	-
Due from other funds	-	-	-	-	-	2,283	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	179,662	-	-	-
TOTAL ASSETS	\$ 350,000	\$ 172,000	\$ 215,941	\$ 583,632	\$ 19,998	\$ 49,886	\$ 157,203
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 3,200	\$ -	\$ -	\$ 538	\$ 795
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	3,200	-	-	538	795
Deferred inflows of resources							
Unavailable property taxes	350,000	172,000	-	401,464	-	-	-
Total deferred inflows of resources	350,000	172,000	-	401,464	-	-	-
Total liabilities and deferred inflows of resources	350,000	172,000	3,200	401,464	-	538	795
Fund balances:							
Nonspendable - prepaids	-	-	-	179,662	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	208,746	2,055	-	-	-
Restricted for specific purpose	-	-	-	-	19,917	49,172	156,151
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	3,995	451	-	-	-
Assigned for specific purpose	-	-	-	-	81	176	257
Total fund balances	-	-	212,741	182,168	19,998	49,348	156,408
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 350,000	\$ 172,000	\$ 215,941	\$ 583,632	\$ 19,998	\$ 49,886	\$ 157,203

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	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	\$ 29,645	\$ 37,558	\$ 109,936	\$ 43,876	\$ 12,451	\$ 48,994	\$ 132,603
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	2,394	-	-	-
Property taxes	-	-	22,000	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	420	-	-	-	3,007	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 30,065</u>	<u>\$ 37,558</u>	<u>\$ 131,936</u>	<u>\$ 46,270</u>	<u>\$ 15,458</u>	<u>\$ 48,994</u>	<u>\$ 132,603</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,164
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,164</u>
Deferred inflows of resources							
Unavailable property taxes	-	-	22,000	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>220</u>	<u>-</u>	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,164</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	37,432	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	10,363	-	-	-	-
Restricted for specific purpose	29,757	-	-	46,252	15,434	44,941	127,101
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	126	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	-	-
Assigned for specific purpose	88	-	99,573	18	24	4,053	338
Total fund balances	<u>29,845</u>	<u>37,558</u>	<u>109,936</u>	<u>46,270</u>	<u>15,458</u>	<u>48,994</u>	<u>127,439</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 30,065</u>	<u>\$ 37,558</u>	<u>\$ 131,936</u>	<u>\$ 46,270</u>	<u>\$ 15,458</u>	<u>\$ 48,994</u>	<u>\$ 132,603</u>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	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	\$ 100,615	\$ -	\$ 34,847	\$ 12,569	\$ 16,623	\$ 11,678	\$ 48,567
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	-	35,929	-	-	-	-	-
Other	8,736	-	-	-	298	-	-
Due from other funds	-	-	-	-	-	-	6,027
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 109,351	\$ 35,929	\$ 34,847	\$ 12,569	\$ 16,921	\$ 11,678	\$ 54,594
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 6,900	\$ -	\$ -	\$ 791	\$ -	\$ -	\$ 7,950
Due to other funds	-	-	-	-	-	-	-
Total liabilities	6,900	-	-	791	-	-	7,950
Deferred inflows of resources							
Unavailable property taxes	-	35,929	-	-	-	-	-
Total deferred inflows of resources	-	35,929	-	-	-	-	-
Total liabilities and deferred inflows of resources	6,900	35,929	-	791	-	-	7,950
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	11,759	16,913	11,622	-
Restricted for economic development	-	-	-	-	-	-	46,025
Restricted for health and welfare	102,175	-	-	-	-	-	-
Restricted for specific purpose	-	-	34,474	-	-	-	-
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	19	8	56	-
Assigned for economic development	-	-	-	-	-	-	619
Assigned for health and welfare	276	-	-	-	-	-	-
Assigned for specific purpose	-	-	373	-	-	-	-
Total fund balances	102,451	-	34,847	11,778	16,921	11,678	46,644
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 109,351	\$ 35,929	\$ 34,847	\$ 12,569	\$ 16,921	\$ 11,678	\$ 54,594

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	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	\$ 15,059	\$ 91,735	\$ -	\$ 41,893	\$ 81,385	\$ 15,710	\$ 20,523
Investments	-	-	-	-	-	1,015,563	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,589	-
Due from other funds	287	-	-	-	-	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 15,346	\$ 91,735	\$ -	\$ 41,893	\$ 81,385	\$ 1,032,862	\$ 20,523
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 423	\$ -	\$ -	\$ -	\$ 380	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	423	-	-	-	380	-	-
Deferred inflows of resources							
Unavailable property taxes	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	423	-	-	-	380	-	-
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	14,872	-	-	-	-	-	-
Restricted for health and welfare	-	-	-	20,585	80,756	-	-
Restricted for specific purpose	-	91,570	-	-	-	995,040	20,523
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	51	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	21,308	249	-	-
Assigned for specific purpose	-	165	-	-	-	37,822	-
Total fund balances	14,923	91,735	-	41,893	81,005	1,032,862	20,523
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 15,346	\$ 91,735	\$ -	\$ 41,893	\$ 81,385	\$ 1,032,862	\$ 20,523

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2016

	Coroner's Automation Fund	Circuit Clerk Electronic Citation Fund	State's Attorney Recorders Automation Fund	Adult Redeploy Grant Fund	Court Appointed Special Advocacy Fund	Transportation Sales Tax Fund	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and cash equivalents	\$ 4,762	\$ 24,852	\$ 4,931	\$ 103,298	\$ 11,151	\$ 366,395	\$ 4,190,251
Investments	-	-	-	-	-	-	1,165,563
Receivables, net:							
State of Illinois	-	-	-	-	-	136,730	207,425
Property taxes	-	-	-	-	-	-	1,681,841
Other	-	-	-	-	-	-	67,521
Due from other funds	-	-	-	-	-	-	103,263
Due from component unit	-	-	-	-	-	-	17,138
Prepaid items	-	-	-	-	-	-	179,662
TOTAL ASSETS	<u>\$ 4,762</u>	<u>\$ 24,852</u>	<u>\$ 4,931</u>	<u>\$ 103,298</u>	<u>\$ 11,151</u>	<u>\$ 503,125</u>	<u>\$ 7,612,664</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 102,917	\$ 10,600	\$ -	\$ 183,674
Due to other funds	-	-	-	-	-	-	855
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,917</u>	<u>10,600</u>	<u>-</u>	<u>184,529</u>
Deferred inflows of resources							
Unavailable property taxes	-	-	-	-	-	-	1,681,841
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,681,841</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,917</u>	<u>10,600</u>	<u>-</u>	<u>1,866,370</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	179,662
Restricted for highways and streets	-	-	-	-	-	-	1,256,490
Restricted for public safety	-	-	-	-	-	-	77,726
Restricted for economic development	-	-	-	-	-	-	60,897
Restricted for health and welfare	-	-	-	-	-	-	684,280
Restricted for specific purpose	4,738	24,828	4,927	381	543	502,790	2,168,539
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	291,030
Assigned for highways and streets	-	-	-	-	-	-	854,025
Assigned for public safety	-	-	-	-	-	-	209
Assigned for economic development	-	-	-	-	-	-	670
Assigned for health and welfare	-	-	-	-	-	-	29,403
Assigned for specific purpose	24	24	4	-	8	335	143,363
Total fund balances	<u>4,762</u>	<u>24,852</u>	<u>4,931</u>	<u>381</u>	<u>551</u>	<u>503,125</u>	<u>5,746,294</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 4,762</u>	<u>\$ 24,852</u>	<u>\$ 4,931</u>	<u>\$ 103,298</u>	<u>\$ 11,151</u>	<u>\$ 503,125</u>	<u>\$ 7,612,664</u>

(Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	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	\$ 287,162	\$ -	\$ 157,387	\$ 196,639	\$ -	\$ 25,550	\$ 61,777
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	386,332	-	-	-	-	-
State grants and expenditure reimbursements	-	202,294	-	-	-	-	-
Federal revenue	-	-	-	258,173	-	-	-
Fees for services and materials	66,033	-	-	-	61,246	-	-
Investment income	1,318	415	747	893	462	47	155
Other	178,366	-	117,101	-	1,307	-	1,949
Total revenues	<u>532,879</u>	<u>589,041</u>	<u>275,235</u>	<u>455,705</u>	<u>63,015</u>	<u>25,597</u>	<u>63,881</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	45,514
Transportation	875,901	147,537	120,060	347,096	104,643	-	-
Capital outlay	-	-	-	-	3,611	-	-
Total expenditures	<u>875,901</u>	<u>147,537</u>	<u>120,060</u>	<u>347,096</u>	<u>108,254</u>	<u>-</u>	<u>45,514</u>
Excess (deficiency) of revenues over expenditures	<u>(343,022)</u>	<u>441,504</u>	<u>155,175</u>	<u>108,609</u>	<u>(45,239)</u>	<u>25,597</u>	<u>18,367</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	337,520	-	-	-	11,319	-	-
Transfers out	-	(413,751)	(51,555)	-	-	(16,744)	-
Total other financing sources (uses)	<u>337,520</u>	<u>(413,751)</u>	<u>(51,555)</u>	<u>-</u>	<u>11,319</u>	<u>(16,744)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(5,502)	27,753	103,620	108,609	(33,920)	8,853	18,367
FUND BALANCES, BEGINNING OF YEAR	<u>657,894</u>	<u>413,294</u>	<u>402,963</u>	<u>401,884</u>	<u>324,950</u>	<u>87,792</u>	<u>147,712</u>
FUND BALANCES, END OF YEAR	<u>\$ 652,392</u>	<u>\$ 441,047</u>	<u>\$ 506,583</u>	<u>\$ 510,493</u>	<u>\$ 291,030</u>	<u>\$ 96,645</u>	<u>\$ 166,079</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	Building Rental Fund	Cooperative Extension Fund	Animal Control Fund	Mental Health Fund	Law Library Fund	Recorder Automation Fund	Court Automation Fund
REVENUES							
Property taxes	\$ 349,231	\$ 173,900	\$ -	\$ 392,729	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	-	-	150,970	-	18,259	29,454	76,155
Investment income	-	-	636	84	10	26	73
Other	-	-	755	-	-	-	-
Total revenues	<u>349,231</u>	<u>173,900</u>	<u>152,361</u>	<u>392,813</u>	<u>18,269</u>	<u>29,480</u>	<u>76,228</u>
EXPENDITURES							
Current:							
General government	-	173,900	-	-	-	24,314	-
Public safety	-	-	-	-	-	-	-
Corrections	249,231	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	18,374	-	50,000
Public health	-	-	140,697	469,067	-	-	-
Public welfare	100,000	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	114	-	-	12,105	-
Total expenditures	<u>349,231</u>	<u>173,900</u>	<u>140,811</u>	<u>469,067</u>	<u>18,374</u>	<u>36,419</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>11,550</u>	<u>(76,254)</u>	<u>(105)</u>	<u>(6,939)</u>	<u>26,228</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(9,437)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(9,437)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>2,113</u>	<u>(76,254)</u>	<u>(105)</u>	<u>(6,939)</u>	<u>26,228</u>
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>210,628</u>	<u>258,422</u>	<u>20,103</u>	<u>56,287</u>	<u>130,180</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,741</u>	<u>\$ 182,168</u>	<u>\$ 19,998</u>	<u>\$ 49,348</u>	<u>\$ 156,408</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	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	\$ -	\$ -	\$ 41,942	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	26,000	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	6,482	4,288	-	19,641	-	4,160	75,825
Investment income	15	19	161	18	7	23	59
Other	-	14,474	-	-	-	3,901	-
Total revenues	<u>6,497</u>	<u>18,781</u>	<u>42,103</u>	<u>19,659</u>	<u>26,007</u>	<u>8,084</u>	<u>75,884</u>
EXPENDITURES							
Current:							
General government	3,151	-	-	-	-	4,172	-
Public safety	-	7,830	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	23,969	-	55,031
Public health	-	-	-	-	-	-	-
Public welfare	-	-	36,417	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	2,096	20,662	-	-	-	-	-
Total expenditures	<u>5,247</u>	<u>28,492</u>	<u>36,417</u>	<u>-</u>	<u>23,969</u>	<u>4,172</u>	<u>55,031</u>
Excess (deficiency) of revenues over expenditures	<u>1,250</u>	<u>(9,711)</u>	<u>5,686</u>	<u>19,659</u>	<u>2,038</u>	<u>3,912</u>	<u>20,853</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	1,250	(9,711)	5,686	19,659	2,038	3,912	20,853
FUND BALANCES, BEGINNING OF YEAR	<u>28,595</u>	<u>47,269</u>	<u>104,250</u>	<u>26,611</u>	<u>13,420</u>	<u>45,082</u>	<u>106,586</u>
FUND BALANCES, END OF YEAR	<u>\$ 29,845</u>	<u>\$ 37,558</u>	<u>\$ 109,936</u>	<u>\$ 46,270</u>	<u>\$ 15,458</u>	<u>\$ 48,994</u>	<u>\$ 127,439</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	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
REVENUES							
Property taxes	\$ -	\$ 42,337	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	55,034	-	32,578	9,258	7,367	-	76,965
Investment income	48	-	21	6	8	6	20
Other	-	-	-	2,095	-	2,160	599
Total revenues	55,082	42,337	32,599	11,359	7,375	2,166	77,584
EXPENDITURES							
Current:							
General government	-	42,337	-	-	-	-	68,177
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	18,700	-	-	-
Judiciary and court related	-	-	38,767	-	-	2,222	-
Public health	52,128	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	4,097	-	-
Total expenditures	52,128	42,337	38,767	18,700	4,097	2,222	68,177
Excess (deficiency) of revenues over expenditures	2,954	-	(6,168)	(7,341)	3,278	(56)	9,407
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	15,000	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	15,000	-	-	-
NET CHANGE IN FUND BALANCES	2,954	-	(6,168)	7,659	3,278	(56)	9,407
FUND BALANCES, BEGINNING OF YEAR	99,497	-	41,015	4,119	13,643	11,734	37,237
FUND BALANCES, END OF YEAR	\$ 102,451	\$ -	\$ 34,847	\$ 11,778	\$ 16,921	\$ 11,678	\$ 46,644

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	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	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	3,637	44,300	-	2,190	13,260	-	-
Investment income	8	42	-	24	43	10,430	-
Other	-	-	-	3,911	-	-	-
Total revenues	<u>3,645</u>	<u>44,342</u>	<u>-</u>	<u>6,125</u>	<u>13,303</u>	<u>10,430</u>	<u>-</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	3,307	-
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	32,920	-	-	-	-	1,070
Public health	-	-	-	13,233	15,541	-	-
Public welfare	-	-	100	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	3,929	-	-	-	-	-	-
Total expenditures	<u>3,929</u>	<u>32,920</u>	<u>100</u>	<u>13,233</u>	<u>15,541</u>	<u>3,307</u>	<u>1,070</u>
Excess (deficiency) of revenues over expenditures	<u>(284)</u>	<u>11,422</u>	<u>(100)</u>	<u>(7,108)</u>	<u>(2,238)</u>	<u>7,123</u>	<u>(1,070)</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>(284)</u>	<u>11,422</u>	<u>(100)</u>	<u>(7,108)</u>	<u>(2,238)</u>	<u>7,123</u>	<u>(1,070)</u>
FUND BALANCES, BEGINNING OF YEAR	<u>15,207</u>	<u>80,313</u>	<u>100</u>	<u>49,001</u>	<u>83,243</u>	<u>1,025,739</u>	<u>21,593</u>
FUND BALANCES, END OF YEAR	<u>\$ 14,923</u>	<u>\$ 91,735</u>	<u>\$ -</u>	<u>\$ 41,893</u>	<u>\$ 81,005</u>	<u>\$ 1,032,862</u>	<u>\$ 20,523</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2016

	Coroner's Automation Fund	Circuit Clerk Electronic Citation Fund	State's Attorney Recorders Automation Fund	Adult Redeploy Grant Fund	Court Appointed Special Advocacy Fund	Transportation Sales Tax Fund	Total Nonmajor Special Revenue Funds
REVENUES							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,728,654
State of Illinois:							
Sales tax	-	-	-	-	-	534,232	534,232
Motor fuel tax allotments	-	-	-	-	-	-	386,332
State grants and expenditure reimbursements	-	-	-	472,939	-	-	701,233
Federal revenue	-	-	-	-	-	-	258,173
Fees for services and materials	5,750	5,072	2,810	-	33,126	-	803,860
Investment income	5	10	1	29	4	332	16,205
Other	-	-	-	25,567	-	-	352,185
Total revenues	<u>5,755</u>	<u>5,082</u>	<u>2,811</u>	<u>498,535</u>	<u>33,130</u>	<u>534,564</u>	<u>4,780,874</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	319,358
Public safety	-	-	-	-	-	-	7,830
Corrections	-	-	-	-	-	-	267,931
Judiciary and court related	-	-	-	498,506	41,450	-	762,309
Public health	-	-	-	-	-	-	690,666
Public welfare	-	-	-	-	-	-	182,031
Transportation	-	-	-	-	-	263,691	1,858,928
Capital outlay	23,000	-	-	-	-	-	69,614
Total expenditures	<u>23,000</u>	<u>-</u>	<u>-</u>	<u>498,506</u>	<u>41,450</u>	<u>263,691</u>	<u>4,158,667</u>
Excess (deficiency) of revenues over expenditures	<u>(17,245)</u>	<u>5,082</u>	<u>2,811</u>	<u>29</u>	<u>(8,320)</u>	<u>270,873</u>	<u>622,207</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	363,839
Transfers out	-	-	-	-	-	-	(491,487)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(127,648)</u>
NET CHANGE IN FUND BALANCES	<u>(17,245)</u>	<u>5,082</u>	<u>2,811</u>	<u>29</u>	<u>(8,320)</u>	<u>270,873</u>	<u>494,559</u>
FUND BALANCES, BEGINNING OF YEAR	<u>22,007</u>	<u>19,770</u>	<u>2,120</u>	<u>352</u>	<u>8,871</u>	<u>232,252</u>	<u>5,251,735</u>
FUND BALANCES, END OF YEAR	<u>\$ 4,762</u>	<u>\$ 24,852</u>	<u>\$ 4,931</u>	<u>\$ 381</u>	<u>\$ 551</u>	<u>\$ 503,125</u>	<u>\$ 5,746,294</u>

(Concluded)

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2016

	Special Revenue							
	County Highway		County Motor Fuel Tax		County Aid to Bridges		Federal Aid Matching	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ 287,803	\$ 287,162		\$ -	\$ 157,731	\$ 157,387	\$ 197,062	\$ 196,639
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	420,000	528,692	-	-	-	-
State grants and expenditure reimbursements	-	-	140,000	202,294	-	-	-	-
Federal revenue	-	-	-	-	-	-	5,000	244,303
Fees for services and materials	376,000	372,489	-	-	-	-	-	-
Investment income	1,500	1,318	275	415	1,000	747	-	893
Other	300,000	304,090	-	-	60,000	70,890	-	-
Total revenues	<u>965,303</u>	<u>965,059</u>	<u>560,275</u>	<u>731,401</u>	<u>218,731</u>	<u>229,024</u>	<u>202,062</u>	<u>441,835</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	1,028,164	873,302	595,900	569,834	300,000	210,003	400,000	347,096
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>1,028,164</u>	<u>873,302</u>	<u>595,900</u>	<u>569,834</u>	<u>300,000</u>	<u>210,003</u>	<u>400,000</u>	<u>347,096</u>
Excess (deficiency) of revenues over expenditures	<u>(62,861)</u>	<u>91,757</u>	<u>(35,625)</u>	<u>161,567</u>	<u>(81,269)</u>	<u>19,021</u>	<u>(197,938)</u>	<u>94,739</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	15,000	31,064	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>15,000</u>	<u>31,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (47,861)</u>	<u>122,821</u>	<u>\$ (35,625)</u>	<u>161,567</u>	<u>\$ (81,269)</u>	<u>19,021</u>	<u>\$ (197,938)</u>	<u>94,739</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(128,323)		(133,814)		84,599		13,870
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>657,894</u>		<u>413,294</u>		<u>402,963</u>		<u>401,884</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 652,392</u>		<u>\$ 441,047</u>		<u>\$ 506,583</u>		<u>\$ 510,493</u>

(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, 2016

	Special Revenue							
	Engineering Revolving		Tuberculosis Fund		Veterans' Assistance		Building Rental Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ 25,578	\$ 25,550	\$ 61,895	\$ 61,777	\$ 350,000	\$ 349,231
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	142,000	130,543	-	-	-	-	-	-
Investment income	500	462	35	47	100	155	-	-
Other	5,000	1,307	-	-	1,750	1,949	-	-
Total revenues	<u>147,500</u>	<u>132,312</u>	<u>25,613</u>	<u>25,597</u>	<u>63,745</u>	<u>63,881</u>	<u>350,000</u>	<u>349,231</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	250,000	249,231
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	-	-	25,000	17,047	-	-	-	-
Public welfare	-	-	-	-	64,520	44,810	100,000	100,000
Transportation	180,854	104,812	-	-	-	-	-	-
Capital outlay	5,000	3,611	-	-	-	-	-	-
Total expenditures	<u>185,854</u>	<u>108,423</u>	<u>25,000</u>	<u>17,047</u>	<u>64,520</u>	<u>44,810</u>	<u>350,000</u>	<u>349,231</u>
Excess (deficiency) of revenues over expenditures	<u>(38,354)</u>	<u>23,889</u>	<u>613</u>	<u>8,550</u>	<u>(775)</u>	<u>19,071</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	15,000	11,319	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>15,000</u>	<u>11,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (23,354)</u>	<u>35,208</u>	<u>\$ 613</u>	<u>8,550</u>	<u>\$ (775)</u>	<u>19,071</u>	<u>\$ -</u>	<u>-</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(69,128)		303		(704)		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>324,950</u>		<u>87,792</u>		<u>147,712</u>		<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 291,030</u>		<u>\$ 96,645</u>		<u>\$ 166,079</u>		<u>\$ -</u>

(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, 2016

	Special Revenue							
	Cooperative Extension		Animal Control Fund		Mental Health Fund		Law Library Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ 174,260	\$ 173,900	\$ -	\$ -	\$ 393,592	\$ 392,729	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	149,300	168,715	-	-	19,200	18,772
Investment income	-	-	500	636	-	84	10	10
Other	-	-	500	755	-	-	-	-
Total revenues	<u>174,260</u>	<u>173,900</u>	<u>150,300</u>	<u>170,106</u>	<u>393,592</u>	<u>392,813</u>	<u>19,210</u>	<u>18,782</u>
EXPENDITURES								
Current:								
General government	174,260	173,900	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	21,055	18,374
Public health	-	-	157,338	139,223	393,592	469,067	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	2,500	114	-	-	-	-
Total expenditures	<u>174,260</u>	<u>173,900</u>	<u>159,838</u>	<u>139,337</u>	<u>393,592</u>	<u>469,067</u>	<u>21,055</u>	<u>18,374</u>
Excess (deficiency) of revenues over expenditures	-	-	(9,538)	30,769	-	(76,254)	(1,845)	408
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(10,000)	(9,437)	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	(9,437)	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>-</u>	<u>\$ (19,538)</u>	<u>21,332</u>	<u>\$ -</u>	<u>(76,254)</u>	<u>\$ (1,845)</u>	<u>408</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
				(19,219)				(513)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR				210,628		258,422		20,103
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ -</u>		<u>\$ 212,741</u>		<u>\$ 182,168</u>		<u>\$ 19,998</u>

(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, 2016

	Special Revenue							
	Recorder Automation		Court Automation Fund		Vital Records Automation		Drug Enforcement Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	30,000	29,225	70,000	77,801	6,000	6,518	-	4,288
Investment income	15	26	55	73	10	15	-	19
Other	-	-	-	-	-	-	10,000	14,474
Total revenues	<u>30,015</u>	<u>29,251</u>	<u>70,055</u>	<u>77,874</u>	<u>6,010</u>	<u>6,533</u>	<u>10,000</u>	<u>18,781</u>
EXPENDITURES								
Current:								
General government	27,000	24,306	-	-	3,000	2,931	-	-
Public safety	-	-	-	-	-	-	10,000	7,830
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	60,000	49,205	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	7,000	12,105	-	-	3,000	2,096	-	20,662
Total expenditures	<u>34,000</u>	<u>36,411</u>	<u>60,000</u>	<u>49,205</u>	<u>6,000</u>	<u>5,027</u>	<u>10,000</u>	<u>28,492</u>
Excess (deficiency) of revenues over expenditures	<u>(3,985)</u>	<u>(7,160)</u>	<u>10,055</u>	<u>28,669</u>	<u>10</u>	<u>1,506</u>	<u>-</u>	<u>(9,711)</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>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (3,985)</u>	<u>(7,160)</u>	<u>\$ 10,055</u>	<u>28,669</u>	<u>\$ 10</u>	<u>1,506</u>	<u>\$ -</u>	<u>(9,711)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		221		(2,441)		(256)		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>56,287</u>		<u>130,180</u>		<u>28,595</u>		<u>47,269</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 49,348</u>		<u>\$ 156,408</u>		<u>\$ 29,845</u>		<u>\$ 37,558</u>

(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, 2016

	Special Revenue							
	Senior Citizens' Transportation Fund		Support Processing Fund		State's Attorney Victim/Witness Fund		Treasurer's Automation	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ 42,000	\$ 41,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	26,000	39,000	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	20,000	17,247	-	-	3,000	4,160
Investment income	150	161	45	18	-	7	20	23
Other	-	-	-	-	-	-	4,000	3,901
Total revenues	<u>42,150</u>	<u>42,103</u>	<u>20,045</u>	<u>17,265</u>	<u>26,000</u>	<u>39,007</u>	<u>7,020</u>	<u>8,084</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	20,000	4,172
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	20,000	-	30,335	27,094	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	42,000	36,417	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>42,000</u>	<u>36,417</u>	<u>20,000</u>	<u>-</u>	<u>30,335</u>	<u>27,094</u>	<u>20,000</u>	<u>4,172</u>
Excess (deficiency) of revenues over expenditures	<u>150</u>	<u>5,686</u>	<u>45</u>	<u>17,265</u>	<u>(4,335)</u>	<u>11,913</u>	<u>(12,980)</u>	<u>3,912</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>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 150</u>	<u>5,686</u>	<u>\$ 45</u>	<u>17,265</u>	<u>\$ (4,335)</u>	<u>11,913</u>	<u>\$ (12,980)</u>	<u>3,912</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS								
				2,394		(9,875)		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>104,250</u>		<u>26,611</u>		<u>13,420</u>		<u>45,082</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 109,936</u>		<u>\$ 46,270</u>		<u>\$ 15,458</u>		<u>\$ 48,994</u>

(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, 2016

	Special Revenue							
	Document Storage Fund		County Waste Management Fund		Economic Development Revolving Loan Fund		Court System Maintenance Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 37,000	\$ 42,337	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	80,000	77,457	55,000	56,026	-	-	35,000	32,849
Investment income	60	59	45	48	-	-	20	21
Other	-	-	-	-	-	-	-	-
Total revenues	<u>80,060</u>	<u>77,516</u>	<u>55,045</u>	<u>56,074</u>	<u>37,000</u>	<u>42,337</u>	<u>35,020</u>	<u>32,870</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	37,000	42,337	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	70,000	55,355	-	-	-	-	40,000	38,767
Public health	-	-	86,500	51,701	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>70,000</u>	<u>55,355</u>	<u>86,500</u>	<u>51,701</u>	<u>37,000</u>	<u>42,337</u>	<u>40,000</u>	<u>38,767</u>
Excess (deficiency) of revenues over expenditures	<u>10,060</u>	<u>22,161</u>	<u>(31,455)</u>	<u>4,373</u>	<u>-</u>	<u>-</u>	<u>(4,980)</u>	<u>(5,897)</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>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 10,060</u>	<u>22,161</u>	<u>\$ (31,455)</u>	<u>4,373</u>	<u>\$ -</u>	<u>-</u>	<u>\$ (4,980)</u>	<u>(5,897)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(1,308)		(1,419)		-		(271)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>106,586</u>		<u>99,497</u>		<u>-</u>		<u>41,015</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 127,439</u>		<u>\$ 102,451</u>		<u>\$ -</u>		<u>\$ 34,847</u>

(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, 2016

	Special Revenue							
	Arrestees' Medical Cost		Sheriff's DUI Equipment		State's Attorney Drug Enforcement Fund		GIS Fee Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	10,000	9,455	5,000	7,621	-	-	75,000	76,335
Investment income	4	6	5	8	5	6	100	20
Other	2,500	2,095	-	-	5,000	2,160	-	599
Total revenues	<u>12,504</u>	<u>11,556</u>	<u>5,005</u>	<u>7,629</u>	<u>5,005</u>	<u>2,166</u>	<u>75,100</u>	<u>76,954</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	71,911	67,902
Public safety	-	-	-	-	-	-	-	-
Corrections	25,000	20,379	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	5,000	2,222	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	7,000	4,097	-	-	-	-
Total expenditures	<u>25,000</u>	<u>20,379</u>	<u>7,000</u>	<u>4,097</u>	<u>5,000</u>	<u>2,222</u>	<u>71,911</u>	<u>67,902</u>
Excess (deficiency) of revenues over expenditures	<u>(12,496)</u>	<u>(8,823)</u>	<u>(1,995)</u>	<u>3,532</u>	<u>5</u>	<u>(56)</u>	<u>3,189</u>	<u>9,052</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	15,000	15,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 2,504</u>	<u>6,177</u>	<u>\$ (1,995)</u>	<u>3,532</u>	<u>\$ 5</u>	<u>(56)</u>	<u>\$ 3,189</u>	<u>9,052</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		1,482		(254)		-		355
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>4,119</u>		<u>13,643</u>		<u>11,734</u>		<u>37,237</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 11,778</u>		<u>\$ 16,921</u>		<u>\$ 11,678</u>		<u>\$ 46,644</u>

(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, 2016

	Special Revenue							
	County Clerk GIS Fee		State's Attorney Child Advocacy Fund		USDA Solid Waste Fund		Animal Control Memorial	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	4,000	3,607	43,000	48,045	-	-	5,000	2,190
Investment income	5	8	30	42	-	-	25	24
Other	-	-	-	-	-	-	4,500	3,911
Total revenues	<u>4,005</u>	<u>3,615</u>	<u>43,030</u>	<u>48,087</u>	<u>-</u>	<u>-</u>	<u>9,525</u>	<u>6,125</u>
EXPENDITURES								
Current:								
General government	1,000	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	39,327	35,420	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	100	14,550	13,233
Transportation	-	-	-	-	-	-	-	-
Capital outlay	3,000	3,506	-	-	-	-	-	-
Total expenditures	<u>4,000</u>	<u>3,506</u>	<u>39,327</u>	<u>35,420</u>	<u>-</u>	<u>100</u>	<u>14,550</u>	<u>13,233</u>
Excess (deficiency) of revenues over expenditures	<u>5</u>	<u>109</u>	<u>3,703</u>	<u>12,667</u>	<u>-</u>	<u>(100)</u>	<u>(5,025)</u>	<u>(7,108)</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>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 5</u>	<u>109</u>	<u>\$ 3,703</u>	<u>12,667</u>	<u>\$ -</u>	<u>(100)</u>	<u>\$ (5,025)</u>	<u>(7,108)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(393)		(1,245)		-		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>15,207</u>		<u>80,313</u>		<u>100</u>		<u>49,001</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 14,923</u>		<u>\$ 91,735</u>		<u>\$ -</u>		<u>\$ 41,893</u>

(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, 2016

	Special Revenue							
	Animal Pet Population		Insurance Reserve Fund		Child Advocacy Fund		Coroner's Automation Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	13,000	13,260	-	-	-	-	5,000	5,750
Investment income	35	43	7,000	10,430	-	-	5	5
Other	-	-	-	-	-	-	-	-
Total revenues	<u>13,035</u>	<u>13,303</u>	<u>7,000</u>	<u>10,430</u>	<u>-</u>	<u>-</u>	<u>5,005</u>	<u>5,755</u>
EXPENDITURES								
Current:								
General government	-	-	-	3,307	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	1,070	1,070	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	20,400	15,426	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	23,000	23,000
Total expenditures	<u>20,400</u>	<u>15,426</u>	<u>-</u>	<u>3,307</u>	<u>1,070</u>	<u>1,070</u>	<u>23,000</u>	<u>23,000</u>
Excess (deficiency) of revenues over expenditures	<u>(7,365)</u>	<u>(2,123)</u>	<u>7,000</u>	<u>7,123</u>	<u>(1,070)</u>	<u>(1,070)</u>	<u>(17,995)</u>	<u>(17,245)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(25,000)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (7,365)</u>	<u>(2,123)</u>	<u>\$ (18,000)</u>	<u>7,123</u>	<u>\$ (1,070)</u>	<u>(1,070)</u>	<u>\$ (17,995)</u>	<u>(17,245)</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(115)		-		-		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>83,243</u>		<u>1,025,739</u>		<u>21,593</u>		<u>22,007</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 81,005</u>		<u>\$ 1,032,862</u>		<u>\$ 20,523</u>		<u>\$ 4,762</u>

(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, 2016

	Special Revenue							
	Circuit Clerk Electronic Fund		State's Attorney Recorders Automation Fund		Adult Redeploy Grant Fund		Court Appointed Special Advocacy Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	5,000	5,112	2,500	2,823	422,887	512,670	30,000	33,163
Investment income	5	10	1	1	-	29	5	4
Other	-	-	-	-	-	4,274	-	-
Total revenues	<u>5,005</u>	<u>5,122</u>	<u>2,501</u>	<u>2,824</u>	<u>422,887</u>	<u>516,973</u>	<u>30,005</u>	<u>33,167</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	750	-	403,435	449,871	30,850	30,850
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>750</u>	<u>-</u>	<u>403,435</u>	<u>449,871</u>	<u>30,850</u>	<u>30,850</u>
Excess (deficiency) of revenues over expenditures	<u>5,005</u>	<u>5,122</u>	<u>1,751</u>	<u>2,824</u>	<u>19,452</u>	<u>67,102</u>	<u>(845)</u>	<u>2,317</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>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 5,005</u>	<u>5,122</u>	<u>\$ 1,751</u>	<u>2,824</u>	<u>\$ 19,452</u>	<u>67,102</u>	<u>\$ (845)</u>	<u>2,317</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(40)		(13)		(67,073)		(10,637)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>19,770</u>		<u>2,120</u>		<u>352</u>		<u>8,871</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 24,852</u>		<u>\$ 4,931</u>		<u>\$ 381</u>		<u>\$ 551</u>

(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, 2016

	Special Revenue		Capital Projects			
	Transportation		Equipment		Capital Improvement	
	Sales Tax Fund		Replacement Fund		& Equipment Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:						
Sales tax	400,000	589,115				
Motor fuel tax allotments	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-
Fees for services and materials	-	-	-	-	-	-
Investment income	10	332	400	546	5	4
Other	-	-	145,000	158,542	-	-
Total revenues	<u>400,010</u>	<u>589,447</u>	<u>145,400</u>	<u>159,088</u>	<u>5</u>	<u>4</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-
Transportation	370,000	263,691	200,000	138,282	-	-
Capital outlay	-	-	100,000	58,914	2,500	-
Total expenditures	<u>370,000</u>	<u>263,691</u>	<u>300,000</u>	<u>197,196</u>	<u>2,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>30,010</u>	<u>325,756</u>	<u>(154,600)</u>	<u>(38,108)</u>	<u>(2,495)</u>	<u>4</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>
NET CHANGE IN FUND BALANCES	<u>\$ 30,010</u>	<u>325,756</u>	<u>\$ (154,600)</u>	<u>(38,108)</u>	<u>\$ (2,495)</u>	<u>4</u>
RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS		(54,883)		(66,359)		-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR		<u>232,252</u>		<u>399,138</u>		<u>10,551</u>
FUND BALANCES (DEFICIT), END OF YEAR		<u>\$ 503,125</u>		<u>\$ 294,671</u>		<u>\$ 10,555</u>

(Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

November 30, 2016

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 974,965	\$ 2,850,209	\$ 3,825,174
Receivables, net:			
Property taxes	348,585	-	348,585
Prepaid insurance	69,170	-	69,170
Due from other funds	111,038	9,726	120,764
TOTAL ASSETS	1,503,758	2,859,935	4,363,693
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Claims payable	2,067,525	161,011	2,228,536
Due to other funds	12,561	-	12,561
Total liabilities	2,080,086	161,011	2,241,097
Deferred inflows of resources:			
Unearned revenue - property taxes	348,585	-	348,585
Total deferred inflows of resources	348,585	-	348,585
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,428,671	161,011	2,589,682
NET POSITION			
Unrestricted	(924,913)	2,698,924	1,774,011
TOTAL NET POSITION	\$ (924,913)	\$ 2,698,924	\$ 1,774,011

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended November 30, 2016

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	\$ 215,536	\$ 2,679,173	\$ 2,894,709
OPERATING EXPENSES			
Unemployment	35,784	-	35,784
Liability insurance	187,171	-	187,171
Workman's compensation	269,161	-	269,161
Medical claims and administration fees	52,964	2,500,314	2,553,278
Total operating expenses	545,080	2,500,314	3,045,394
Operating income (loss)	(329,544)	178,859	(150,685)
NONOPERATING REVENUES (EXPENSES)			
Property taxes	340,993	-	340,993
Investment income	1,691	1,147	2,838
Grants	17,888	-	17,888
Other	18,595	32,661	51,256
Total nonoperating revenue	379,167	33,808	412,975
Income (loss) before transfers	49,623	212,667	262,290
TRANSFERS			
Transfers out	-	(1,147)	(1,147)
Total other financing sources (uses)	-	(1,147)	(1,147)
EXTRAORDINARY ITEM			
Legal settlement	(2,067,525)	-	(2,067,525)
CHANGE IN NET POSITION	(2,017,902)	211,520	(1,806,382)
TOTAL NET POSITION - BEGINNING	1,092,989	2,487,404	3,580,393
TOTAL NET POSITION - ENDING	\$ (924,913)	\$ 2,698,924	\$ 1,774,011

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the year ended November 30, 2016

	Liability Insurance Fund	Self Insurance Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers	\$ (540,587)	\$ (2,512,901)	\$ (3,053,488)
Receipts from employees and others	-	125,961	125,961
Internal activity-payments from other funds	215,536	2,553,212	2,768,748
Net cash from operating activities	<u>(325,051)</u>	<u>166,272</u>	<u>(158,779)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes	340,993	-	340,993
Other nonoperating revenue (expense)	18,595	32,661	51,256
Grants received	17,888	-	17,888
Interfund borrowing	(9,911)	810	(9,101)
Transfers out	-	(1,147)	(1,147)
Net cash from noncapital financing activities	<u>367,565</u>	<u>32,324</u>	<u>399,889</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	1,691	1,147	2,838
Net cash from investing activities	<u>1,691</u>	<u>1,147</u>	<u>2,838</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	44,205	199,743	243,948
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			
	<u>930,760</u>	<u>2,650,466</u>	<u>3,581,226</u>
CASH AND CASH EQUIVALENTS, END OF YEAR			
	<u>\$ 974,965</u>	<u>\$ 2,850,209</u>	<u>\$ 3,825,174</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES			
Operating loss	\$ (329,544)	\$ 178,859	\$ (150,685)
Adjustments to reconcile operating loss to net cash from operating activities			
Change in assets and liabilities:			
Prepaid insurance	4,493	-	4,493
Accounts payable	-	(12,587)	(12,587)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (325,051)</u>	<u>\$ 166,272</u>	<u>\$ (158,779)</u>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS

November 30, 2016

	County Collector's Tax Fund		Court Services Fund	Multi-County Chief Judge Fund	Probation Service Fund	Condemnation Fund	Unclaimed Estates Fund	Advocacy Fund
	Current Tax Collection Account	Mobile Home Privilege Tax Account						
ASSETS								
Cash and cash equivalents	\$ 2,449	\$ 401	\$ 831,991	\$ 94,702	\$ 210,106	\$ 22,019	\$ 8,648	\$ 158
Investments	-	-	-	-	-	20,000	-	-
Receivables:								
State of Illinois	-	-	521,402	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,449</u>	<u>\$ 401</u>	<u>\$ 1,353,393</u>	<u>\$ 94,702</u>	<u>\$ 210,106</u>	<u>\$ 42,019</u>	<u>\$ 8,648</u>	<u>\$ 158</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 173,409	\$ 79	\$ 406	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	267	-	359	-
Due to other taxing units	2,449	401	-	-	-	-	-	-
Due to others	-	-	1,179,984	94,623	209,433	42,019	8,289	158
TOTAL LIABILITIES	<u>\$ 2,449</u>	<u>\$ 401</u>	<u>\$ 1,353,393</u>	<u>\$ 94,702</u>	<u>\$ 210,106</u>	<u>\$ 42,019</u>	<u>\$ 8,648</u>	<u>\$ 158</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS

November 30, 2016

	Dive and Rescue Team Fund	Sheriff's Inmate Commissary Fund	State's Attorney Restitution Fund	Township MFT Fund	Township Bridge Fund	Tax Sale Indemnity Fund	County Clerk	Circuit Clerk	Total
ASSETS									
Cash and cash equivalents	\$ 392	\$ 39,805	\$ 3,238	\$ 1,068,735	\$ 181,977	\$ 97,326	\$ 69,323	\$ 228,902	\$ 2,860,172
Investments	-	-	-	-	-	-	-	50,000	70,000
Receivables:									
State of Illinois	-	-	-	94,519	-	-	-	-	615,921
TOTAL ASSETS	<u>\$ 392</u>	<u>\$ 39,805</u>	<u>\$ 3,238</u>	<u>\$ 1,163,254</u>	<u>\$ 181,977</u>	<u>\$ 97,326</u>	<u>\$ 69,323</u>	<u>\$ 278,902</u>	<u>\$ 3,546,093</u>
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ 16,578	\$ -	\$ -	\$ -	\$ -	\$ 190,472
Due to other funds	-	-	-	91,239	-	-	42,890	-	134,755
Due to other taxing units	-	-	-	1,055,437	181,977	-	26,433	278,902	1,545,599
Due to others	392	39,805	3,238	-	-	97,326	-	-	1,675,267
TOTAL LIABILITIES	<u>\$ 392</u>	<u>\$ 39,805</u>	<u>\$ 3,238</u>	<u>\$ 1,163,254</u>	<u>\$ 181,977</u>	<u>\$ 97,326</u>	<u>\$ 69,323</u>	<u>\$ 278,902</u>	<u>\$ 3,546,093</u>

(Concluded)

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
Total All Agency Funds				
ASSETS				
Cash and cash equivalents	\$ 2,468,630	\$ 50,687,868	\$ 50,296,326	\$ 2,860,172
Investments	70,000	20,000	20,000	70,000
Accounts receivable	795,786	615,921	795,786	615,921
Due from other funds	46,155	-	46,155	-
TOTAL ASSETS	<u>\$ 3,380,571</u>	<u>\$ 51,323,789</u>	<u>\$ 51,158,267</u>	<u>\$ 3,546,093</u>
LIABILITIES				
Accounts payable	\$ 240,108	\$ 190,472	\$ 240,108	\$ 190,472
Due to other funds	366,597	104,403	336,245	134,755
Due to other taxing units	1,474,101	47,705,865	47,634,367	1,545,599
Due to others	1,299,765	3,323,049	2,947,547	1,675,267
TOTAL LIABILITIES	<u>\$ 3,380,571</u>	<u>\$ 51,323,789</u>	<u>\$ 51,158,267</u>	<u>\$ 3,546,093</u>
1. County Collector - Current Tax Collection Account				
ASSETS				
Cash and cash equivalents	\$ 8,457	\$ 43,748,161	\$ 43,754,169	\$ 2,449
TOTAL ASSETS	<u>\$ 8,457</u>	<u>\$ 43,748,161</u>	<u>\$ 43,754,169</u>	<u>\$ 2,449</u>
LIABILITIES				
Due to other taxing units	\$ 8,457	\$ 43,748,161	\$ 43,754,169	\$ 2,449
TOTAL LIABILITIES	<u>\$ 8,457</u>	<u>\$ 43,748,161</u>	<u>\$ 43,754,169</u>	<u>\$ 2,449</u>
2. County Collector - Mobile Home Privilege Tax Account				
ASSETS				
Cash and cash equivalents	\$ 644	\$ 44,907	\$ 45,150	\$ 401
TOTAL ASSETS	<u>\$ 644</u>	<u>\$ 44,907</u>	<u>\$ 45,150</u>	<u>\$ 401</u>
LIABILITIES				
Due to other taxing units	\$ 644	\$ 44,907	\$ 45,150	\$ 401
TOTAL LIABILITIES	<u>\$ 644</u>	<u>\$ 44,907</u>	<u>\$ 45,150</u>	<u>\$ 401</u>

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
3. Court Services				
ASSETS				
Cash and cash equivalents	\$ 796,575	\$ 2,740,130	\$ 2,704,714	\$ 831,991
Accounts receivable	283,634	521,402	283,634	521,402
TOTAL ASSETS	<u>\$ 1,080,209</u>	<u>\$ 3,261,532</u>	<u>\$ 2,988,348</u>	<u>\$ 1,353,393</u>
LIABILITIES				
Accounts payable	\$ 160,421	\$ 173,409	\$ 160,421	\$ 173,409
Due to others	919,788	3,088,123	2,827,927	1,179,984
TOTAL LIABILITIES	<u>\$ 1,080,209</u>	<u>\$ 3,261,532</u>	<u>\$ 2,988,348</u>	<u>\$ 1,353,393</u>
4. Multi-County Chief Judge				
ASSETS				
Cash and cash equivalents	\$ 79,184	\$ 25,421	\$ 9,903	\$ 94,702
TOTAL ASSETS	<u>\$ 79,184</u>	<u>\$ 25,421</u>	<u>\$ 9,903</u>	<u>\$ 94,702</u>
LIABILITIES				
Accounts payable	\$ 18	\$ 79	\$ 18	\$ 79
Due to others	79,166	25,342	9,885	94,623
TOTAL LIABILITIES	<u>\$ 79,184</u>	<u>\$ 25,421</u>	<u>\$ 9,903</u>	<u>\$ 94,702</u>
5. Probation Service				
ASSETS				
Cash and cash equivalents	\$ 169,632	\$ 76,634	\$ 36,160	\$ 210,106
TOTAL ASSETS	<u>\$ 169,632</u>	<u>\$ 76,634</u>	<u>\$ 36,160</u>	<u>\$ 210,106</u>
LIABILITIES				
Accounts payable	\$ 19,219	\$ 406	\$ 19,219	\$ 406
Due to other funds	267	267	267	267
Due to others	150,146	75,961	16,674	209,433
TOTAL LIABILITIES	<u>\$ 169,632</u>	<u>\$ 76,634</u>	<u>\$ 36,160</u>	<u>\$ 210,106</u>

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
6. Condemnation				
ASSETS				
Cash and cash equivalents	\$ 21,947	\$ 72	\$ -	\$ 22,019
Investments	20,000	20,000	20,000	20,000
TOTAL ASSETS	<u>\$ 41,947</u>	<u>\$ 20,072</u>	<u>\$ 20,000</u>	<u>\$ 42,019</u>
LIABILITIES				
Due to others	\$ 41,947	\$ 20,072	\$ 20,000	\$ 42,019
TOTAL LIABILITIES	<u>\$ 41,947</u>	<u>\$ 20,072</u>	<u>\$ 20,000</u>	<u>\$ 42,019</u>
7. Unclaimed Estates				
ASSETS				
Cash and cash equivalents	\$ 1,731	\$ 6,917	\$ -	\$ 8,648
TOTAL ASSETS	<u>\$ 1,731</u>	<u>\$ 6,917</u>	<u>\$ -</u>	<u>\$ 8,648</u>
LIABILITIES				
Due to other funds	\$ 359	\$ -	\$ -	\$ 359
Due to others	1,372	6,917	-	8,289
TOTAL LIABILITIES	<u>\$ 1,731</u>	<u>\$ 6,917</u>	<u>\$ -</u>	<u>\$ 8,648</u>
8. Advocacy				
ASSETS				
Cash and cash equivalents	\$ 158	\$ -	\$ -	\$ 158
TOTAL ASSETS	<u>\$ 158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158</u>
LIABILITIES				
Due to others	\$ 158	\$ -	\$ -	\$ 158
TOTAL LIABILITIES	<u>\$ 158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158</u>
9. Dive and Rescue Team				
ASSETS				
Cash and cash equivalents	\$ 392	\$ -	\$ -	\$ 392
TOTAL ASSETS	<u>\$ 392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>
LIABILITIES				
Due to others	\$ 392	\$ -	\$ -	\$ 392
TOTAL LIABILITIES	<u>\$ 392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
10. Sheriff's Inmate Commissary Account				
ASSETS				
Cash and cash equivalents	\$ 15,875	\$ 85,940	\$ 62,010	\$ 39,805
TOTAL ASSETS	<u>\$ 15,875</u>	<u>\$ 85,940</u>	<u>\$ 62,010</u>	<u>\$ 39,805</u>
LIABILITIES				
Due to others	\$ 15,875	\$ 85,940	\$ 62,010	\$ 39,805
TOTAL LIABILITIES	<u>\$ 15,875</u>	<u>\$ 85,940</u>	<u>\$ 62,010</u>	<u>\$ 39,805</u>
11. State's Attorney Restitution Account				
ASSETS				
Cash and cash equivalents	\$ 4,142	\$ 10,147	\$ 11,051	\$ 3,238
TOTAL ASSETS	<u>\$ 4,142</u>	<u>\$ 10,147</u>	<u>\$ 11,051</u>	<u>\$ 3,238</u>
LIABILITIES				
Due to others	\$ 4,142	\$ 10,147	\$ 11,051	\$ 3,238
TOTAL LIABILITIES	<u>\$ 4,142</u>	<u>\$ 10,147</u>	<u>\$ 11,051</u>	<u>\$ 3,238</u>
12. Township MFT				
ASSETS				
Cash and cash equivalents	\$ 651,571	\$ 1,593,081	\$ 1,175,917	\$ 1,068,735
Accounts receivable	465,997	94,519	465,997	94,519
TOTAL ASSETS	<u>\$ 1,117,568</u>	<u>\$ 1,687,600</u>	<u>\$ 1,641,914</u>	<u>\$ 1,163,254</u>
LIABILITIES				
Accounts payable	\$ 60,137	\$ 16,578	\$ 60,137	\$ 16,578
Due to other funds	117,796	61,246	87,803	91,239
Due to other taxing units	939,635	1,609,776	1,493,974	1,055,437
TOTAL LIABILITIES	<u>\$ 1,117,568</u>	<u>\$ 1,687,600</u>	<u>\$ 1,641,914</u>	<u>\$ 1,163,254</u>

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
13. Township Bridge				
ASSETS				
Cash and cash equivalents	\$ 297,140	\$ 95,523	\$ 210,686	\$ 181,977
Accounts receivable	46,155	-	46,155	-
Due from other funds	46,155	-	46,155	-
TOTAL ASSETS	<u>\$ 389,450</u>	<u>\$ 95,523</u>	<u>\$ 302,996</u>	<u>\$ 181,977</u>
LIABILITIES				
Accounts payable	\$ 313	\$ -	\$ 313	\$ -
Due to other funds	210,372	-	210,372	-
Due to other taxing units	178,765	95,523	92,311	181,977
TOTAL LIABILITIES	<u>\$ 389,450</u>	<u>\$ 95,523</u>	<u>\$ 302,996</u>	<u>\$ 181,977</u>
14. Tax Sale Indemnity				
ASSETS				
Cash and cash equivalents	\$ 86,779	\$ 10,547	\$ -	\$ 97,326
TOTAL ASSETS	<u>\$ 86,779</u>	<u>\$ 10,547</u>	<u>\$ -</u>	<u>\$ 97,326</u>
LIABILITIES				
Due to others	\$ 86,779	\$ 10,547	\$ -	\$ 97,326
TOTAL LIABILITIES	<u>\$ 86,779</u>	<u>\$ 10,547</u>	<u>\$ -</u>	<u>\$ 97,326</u>
15. County Clerk				
ASSETS				
Cash and cash equivalents	\$ 79,253	\$ 999,354	\$ 1,009,284	\$ 69,323
TOTAL ASSETS	<u>\$ 79,253</u>	<u>\$ 999,354</u>	<u>\$ 1,009,284</u>	<u>\$ 69,323</u>
LIABILITIES				
Due to other funds	\$ 37,803	\$ 42,890	\$ 37,803	\$ 42,890
Due to other taxing units	41,450	956,464	971,481	26,433
TOTAL LIABILITIES	<u>\$ 79,253</u>	<u>\$ 999,354</u>	<u>\$ 1,009,284</u>	<u>\$ 69,323</u>

MCDONOUGH COUNTY, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended November 30, 2016

	<u>Balances, December 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2016</u>
16. Circuit Clerk				
ASSETS				
Cash and cash equivalents	\$ 255,150	\$ 1,251,034	\$ 1,277,282	\$ 228,902
Investments	50,000	-	-	50,000
TOTAL ASSETS	<u>\$ 305,150</u>	<u>\$ 1,251,034</u>	<u>\$ 1,277,282</u>	<u>\$ 278,902</u>
LIABILITIES				
Due to other taxing units	<u>\$ 305,150</u>	<u>\$ 1,251,034</u>	<u>\$ 1,277,282</u>	<u>\$ 278,902</u>
TOTAL LIABILITIES	<u>\$ 305,150</u>	<u>\$ 1,251,034</u>	<u>\$ 1,277,282</u>	<u>\$ 278,902</u>

SUPPLEMENTAL INFORMATION

McDONOUGH COUNTY, ILLINOIS

SCHEDULE OF TAX INFORMATION

Last Three Levy Years

	Year Ended November 30, 2016		
	2015 Levy	Rate	Collection
General Corporate **	\$ 1,082,950	0.25351	\$ 1,068,073
County Highway	281,300	0.06851	286,838
County Aid to Bridges	154,200	0.03756	157,210
Federal Aid Matching	192,600	0.04691	196,417
Tuberculosis	25,000	0.00609	25,521
Veterans' Assistance	60,500	0.01474	61,707
Municipal Retirement	1,190,450	0.28992	1,218,875
Social Security	662,000	0.16123	675,050
Building Rental (Building Commission)	350,000	0.08524	348,838
Cooperative Extension	174,260	0.04244	173,704
Mental Health	384,700	0.09369	392,287
County Health	323,475	0.07878	329,782
Senior Citizens' Transportation	42,000	0.01023	41,894
Economic Development Revolving Loan	-	-	42,337
Liability Insurance	329,150	0.08017	340,609
The Elms	384,700	0.09369	392,287
TOTALS	\$ 5,637,285	1.36271	\$ 5,751,429
ASSESSED VALUATION		\$ 410,615,362	

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

** For the year ended November 30, 2016, the assessed valuations used for General Corporate was \$441,997,180, which includes the assessed valuation of Enterprise Zone properties. Collections of \$42,337 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, 2015			Year Ended November 30, 2014		
2014			2013		
Levy	Rate	Collection	Levy	Rate	Collection
\$ 1,035,500	0.25537	\$ 1,040,646	\$ 1,012,700	0.25522	\$ 1,010,270
276,150	0.06959	280,515	270,265	0.06986	274,328
151,350	0.03815	153,790	148,134	0.03829	150,388
188,960	0.04763	192,076	184,855	0.04779	187,759
30,000	0.00757	24,934	33,200	0.00859	29,841
62,000	0.01564	60,354	62,843	0.01626	61,655
1,145,000	0.28848	1,187,094	1,035,716	0.26764	1,137,211
650,000	0.01680	660,161	692,535	0.17900	645,709
350,000	0.08853	349,017	350,000	0.09068	348,990
171,100	0.04312	173,773	167,453	0.04329	169,981
377,700	0.09519	383,616	369,672	0.09556	375,243
317,600	0.08034	322,567	310,856	0.08035	315,522
42,000	0.01059	41,888	44,815	0.01160	41,748
-	-	53,765	-	-	22,503
323,150	0.08174	328,257	316,135	0.08172	321,043
377,700	0.09554	384,129	369,672	0.09556	375,766
\$ 5,498,210	1.23428	\$ 5,636,582	\$ 5,368,851	1.38141	\$ 5,467,957
	\$ 395,368,669		\$ 385,986,186		