



**MCDONOUGH COUNTY, ILLINOIS**

---

ANNUAL FINANCIAL REPORT

For the Year Ended November 30, 2017



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## **INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of McDonough County, Illinois (County), as of and for the year ended November 30, 2017, 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, 2017, 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  
June 18, 2018

## **BASIC FINANCIAL STATEMENTS**

McDONOUGH COUNTY, ILLINOIS  
STATEMENT OF NET POSITION  
November 30, 2017

	Primary Government			Component Unit - ETSB
	Governmental Activities	Business-Type Activities	Government Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,777,890	\$ 2,288,900	\$ 15,066,790	\$ 744,376
Restricted cash	-	39,140	39,140	-
Investments	1,217,989	970,142	2,188,131	-
Restricted investments	-	40,322	40,322	-
Receivables, net:				
State of Illinois	942,564	817,111	1,759,675	-
Property Taxes	5,635,006	401,464	6,036,470	-
Accrued interest	-	9,376	9,376	-
Other	97,884	245,576	343,460	148,612
Due from fiduciary funds	118,584	-	118,584	-
Due from (to) other funds	9,000	(9,000)	-	-
Due from component unit	17,138	-	17,138	-
Inventories	5,738	59,097	64,835	-
Prepaid expense	245,465	2,327	247,792	-
Net pension asset	36,504	-	36,504	-
Capital assets not being depreciated	228,647	61,427	290,074	-
Capital assets, net of accumulated depreciation	5,095,587	1,799,343	6,894,930	-
<b>TOTAL ASSETS</b>	<b>26,427,996</b>	<b>6,725,225</b>	<b>33,153,221</b>	<b>892,988</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension items - IMRF	3,033,527	1,291,624	4,325,151	-
<b>Total assets and deferred outflows of resources</b>	<b>29,461,523</b>	<b>8,016,849</b>	<b>37,478,372</b>	<b>892,988</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>				
<b>LIABILITIES</b>				
Accounts payable	440,942	245,458	686,400	-
Claims payable	2,187,811	-	2,187,811	-
Due to primary government	-	-	-	17,138
Accrued expense	-	88,640	88,640	-
Due to others	43,998	-	43,998	-
Unearned revenue	8,315	401	8,716	-
Resident deposits	-	13,369	13,369	-
Long-term obligations, due within one year:				
Leases payable	-	2,606	2,606	-
Compensated absences - current	188,961	79,453	268,414	-
Long-term obligations, due in more than one year:				
Leases payable	-	408	408	-
Compensated absences - long-term	54,595	69,572	124,167	-
Net OPEB obligation	282,309	179,805	462,114	-
Net pension liability	5,178,617	2,124,002	7,302,619	-
<b>Total liabilities</b>	<b>8,385,548</b>	<b>2,803,714</b>	<b>11,189,262</b>	<b>17,138</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned property taxes	5,635,006	401,464	6,036,470	-
Pension items - IMRF	92,669	40,113	132,782	-
<b>Total deferred inflows of resources</b>	<b>5,727,675</b>	<b>441,577</b>	<b>6,169,252</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>14,113,223</b>	<b>3,245,291</b>	<b>17,358,514</b>	<b>17,138</b>
<b>NET POSITION</b>				
Net investment in capital assets	5,324,234	1,857,756	7,181,990	-
Restricted for:				
Highways and streets	1,186,213	-	1,186,213	-
Health and welfare	1,610,751	-	1,610,751	-
Public safety	773,005	-	773,005	875,850
Economic development	65,177	-	65,177	-
Retirement	2,001,853	-	2,001,853	-
Specific purpose	2,305,314	66,093	2,371,407	-
Unrestricted	2,081,753	2,847,709	4,929,462	-
<b>TOTAL NET POSITION</b>	<b>\$ 15,348,300</b>	<b>\$ 4,771,558</b>	<b>\$ 20,119,858</b>	<b>\$ 875,850</b>

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



McDONOUGH COUNTY, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended November 30, 2017

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		
<b>GOVERNMENTAL</b>								
General government	\$ 2,279,478	\$ 660,822	\$ 59,212	\$ -	\$ (1,559,444)	\$ -	\$ (1,559,444)	\$ -
Public safety	3,035,233	1,358,241	145,202	37,890	(1,493,900)	-	(1,493,900)	-
Corrections	1,202,661	47,691	-	-	(1,154,970)	-	(1,154,970)	-
Judiciary and court related	3,241,461	900,336	475,840	-	(1,865,285)	-	(1,865,285)	-
Transportation	2,744,622	389,008	667,283	63,450	(1,624,881)	-	(1,624,881)	-
Public health	4,072,601	1,829,242	543,474	-	(1,699,885)	-	(1,699,885)	-
Public welfare	199,854	-	-	-	(199,854)	-	(199,854)	-
Total governmental activities	<u>16,775,910</u>	<u>5,185,340</u>	<u>1,891,011</u>	<u>101,340</u>	<u>(9,598,219)</u>	<u>-</u>	<u>(9,598,219)</u>	<u>-</u>
<b>BUSINESS-TYPE</b>								
The Elms Nursing Home	<u>6,177,358</u>	<u>5,167,303</u>	<u>-</u>	<u>91,121</u>	<u>-</u>	<u>(918,934)</u>	<u>(918,934)</u>	<u>-</u>
<b>TOTAL McDONOUGH COUNTY</b>	<u>\$ 22,953,268</u>	<u>\$ 10,352,643</u>	<u>\$ 1,891,011</u>	<u>\$ 192,461</u>	<u>(9,598,219)</u>	<u>(918,934)</u>	<u>(10,517,153)</u>	<u>-</u>
<b>COMPONENT UNIT</b>								
ETSB	<u>\$ 548,289</u>	<u>\$ 499,165</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,124)</u>
General revenues:								
Taxes:								
Property taxes					5,413,726	392,211	5,805,937	-
Local use tax					161,731	-	161,731	-
General sales tax					2,303,407	-	2,303,407	-
Income and replacement taxes					814,017	-	814,017	-
Investment income					35,128	20,913	56,041	2,678
Miscellaneous					591,183	38,354	629,537	278,232
Total general revenues and special items					<u>9,319,192</u>	<u>451,478</u>	<u>9,770,670</u>	<u>280,910</u>
Change in net position					(279,027)	(467,456)	(746,483)	231,786
Net position - beginning of year					<u>15,627,327</u>	<u>5,239,014</u>	<u>20,866,341</u>	<u>644,064</u>
<b>Net position - end of year</b>					<u>\$ 15,348,300</u>	<u>\$ 4,771,558</u>	<u>\$ 20,119,858</u>	<u>\$ 875,850</u>

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

McDONOUGH COUNTY, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
November 30, 2017

	General Fund	Illinois Municipal Retirement Fund	Public Safety Sales Tax Fund	Social Security Fund	County Health Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 760,821	\$ 1,392,166	\$ 325,579	\$ 891,173	\$ 883,135	\$ 4,537,600	\$ 8,790,474
Investments	-	-	-	-	4,300	1,213,689	1,217,989
Receivables, net:							
State of Illinois	220,747	-	262,602	-	82,536	376,679	942,564
Property taxes	1,124,000	1,328,000	-	720,000	337,508	1,671,913	5,181,421
Other	49,460	-	-	-	8,885	39,539	97,884
Due from other funds	28,225	2,692	-	2,577	5,417	237,274	276,185
Inventories	5,738	-	-	-	-	-	5,738
Due from component unit	-	-	-	-	-	17,138	17,138
Advances to other funds	-	-	90,681	-	-	-	90,681
Prepaid items	-	-	-	-	-	205,328	205,328
<b>TOTAL ASSETS</b>	<b>\$ 2,188,991</b>	<b>\$ 2,722,858</b>	<b>\$ 678,862</b>	<b>\$ 1,613,750</b>	<b>\$ 1,321,781</b>	<b>\$ 8,299,160</b>	<b>\$ 16,825,402</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 72,729	\$ 171,693	\$ 2,824	\$ -	\$ 10,729	\$ 182,967	\$ 440,942
Due to others	309	-	-	-	-	43,689	43,998
Due to other funds	5,269	100,000	10,724	-	11,774	129,047	256,814
Unearned revenue	-	-	-	-	8,315	-	8,315
Advances from other funds	90,681	-	-	-	-	-	90,681
Total liabilities	168,988	271,693	13,548	-	30,818	355,703	840,750
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable property taxes	1,124,000	1,328,000	-	720,000	337,508	1,671,913	5,181,421
Total deferred inflows of resources	1,124,000	1,328,000	-	720,000	337,508	1,671,913	5,181,421
Total liabilities and deferred inflows of resources	1,292,988	1,599,693	13,548	720,000	368,326	2,027,616	6,022,171
<b>FUND BALANCES</b>							
Nonspendable							
Nonspendable - prepaids	-	-	-	-	-	205,328	205,328
Nonspendable - inventories	5,738	-	-	-	-	-	5,738
Restricted for highways and streets	-	-	-	-	-	1,186,213	1,186,213
Restricted for public safety	14,640	-	665,314	-	-	93,051	773,005
Restricted for economic development	-	-	-	-	-	65,177	65,177
Restricted for health and welfare	-	-	-	-	895,751	715,000	1,610,751
Restricted for retirement	-	1,123,165	-	878,688	-	-	2,001,853
Restricted for specific purpose	-	-	-	-	-	2,305,314	2,305,314
Unrestricted:							
Committed for highways and streets	-	-	-	-	-	251,357	251,357
Assigned for highways and streets	-	-	-	-	-	926,791	926,791
Assigned for public safety	-	-	-	-	-	246	246
Assigned for economic development	-	-	-	-	-	1,092	1,092
Assigned for health and welfare	-	-	-	-	57,704	35,064	92,768
Assigned for retirement	-	-	-	15,062	-	-	15,062
Assigned for specific purpose	488,822	-	-	-	-	486,911	975,733
Unassigned	386,803	-	-	-	-	-	386,803
Total fund balances	896,003	1,123,165	665,314	893,750	953,455	6,271,544	10,803,231
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,188,991</b>	<b>\$ 2,722,858</b>	<b>\$ 678,862</b>	<b>\$ 1,613,750</b>	<b>\$ 1,321,781</b>	<b>\$ 8,299,160</b>	<b>\$ 16,825,402</b>

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, 2017

Total fund balance for government funds (Exhibit 3) \$ 10,803,231

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		739,522	
Building improvements, net		1,018,373	
Infrastructure, net		2,902,920	
Vehicles, net		221,852	
Maintenance equipment, net		176,254	
Computer equipment, net		22,031	
Software, net		3,385	
Office equipment, net		11,250	5,324,234

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: 1,947,955

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 2,940,858

Net pension assets are not a current financial resource and, therefore, are not reported in the government funds. 36,504

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	\$	(243,556)	
Net OPEB obligation		(282,309)	
Net pension liability		(5,178,617)	
Total long-term liabilities			(5,704,482)

**TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**(EXHIBIT 1)** \$ 15,348,300

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, 2017

	<b>General Fund</b>	<b>Illinois Municipal Retirement Fund</b>	<b>Public Safety Sales Tax Fund</b>	<b>Social Security Fund</b>	<b>County Health Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>							
Property taxes	\$ 1,090,541	\$ 1,297,011	\$ -	\$ 703,393	\$ 329,741	\$ 1,652,472	\$ 5,073,158
State of Illinois:							
Local use tax	161,731	-	-	-	-	-	161,731
Sales tax	751,418	-	1,034,659	-	-	517,330	2,303,407
Income tax	595,214	-	-	-	-	-	595,214
Motor fuel tax allotments	-	-	-	-	-	373,743	373,743
Personal property replacement taxes	206,942	11,861	-	-	-	-	218,803
State grants and expenditure reimbursements	340,700	-	-	-	174,116	446,278	961,094
Federal revenue	15,186	-	-	-	369,358	212,304	596,848
Fees for services and materials	1,205,559	-	-	-	238,675	793,879	2,238,113
Investment income	7,780	894	594	1,536	478	20,818	32,100
Other	166,731	2,139	7,850	2,716	6,050	368,598	554,084
Total revenues	<u>4,541,802</u>	<u>1,311,905</u>	<u>1,043,103</u>	<u>707,645</u>	<u>1,118,418</u>	<u>4,385,422</u>	<u>13,108,295</u>
<b>EXPENDITURES</b>							
Current:							
General government	1,265,328	111,619	-	65,070	-	325,398	1,767,415
Public safety	1,466,851	181,547	502,877	106,846	-	37,607	2,295,728
Corrections	399,906	13,200	424,333	8,509	-	265,332	1,111,280
Judiciary and court related	1,573,908	238,650	-	148,568	-	584,550	2,545,676
Public health	-	436,760	-	308,143	1,061,992	632,885	2,439,780
Public welfare	-	-	-	-	-	179,345	179,345
Transportation	-	72,848	-	46,960	-	2,087,534	2,207,342
Capital outlay	16,331	-	74,593	-	8,100	106,200	205,224
Total expenditures	<u>4,722,324</u>	<u>1,054,624</u>	<u>1,001,803</u>	<u>684,096</u>	<u>1,070,092</u>	<u>4,218,851</u>	<u>12,751,790</u>
Excess (deficiency) of revenues over expenditures	<u>(180,522)</u>	<u>257,281</u>	<u>41,300</u>	<u>23,549</u>	<u>48,326</u>	<u>166,571</u>	<u>356,505</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	101,291	35,000	-	-	16,196	404,877	557,364
Transfers out	-	-	(125,000)	-	-	(431,073)	(556,073)
Insurance proceeds	-	-	3,435	-	-	-	3,435
Total other financing sources (uses)	<u>101,291</u>	<u>35,000</u>	<u>(121,565)</u>	<u>-</u>	<u>16,196</u>	<u>(26,196)</u>	<u>4,726</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(79,231)</u>	<u>292,281</u>	<u>(80,265)</u>	<u>23,549</u>	<u>64,522</u>	<u>140,375</u>	<u>361,231</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 896,003</u>	<u>\$ 1,123,165</u>	<u>\$ 665,314</u>	<u>\$ 893,750</u>	<u>\$ 953,455</u>	<u>\$ 6,271,544</u>	<u>\$ 10,803,231</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, 2017

Net change in fund balances - total governmental funds (Exhibit 4)	\$ 361,231
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	57,701
Depreciation	(403,603)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to increase/decrease net position:	
Contributions of capital assets	37,890
The change in deferred outflows of resources for IMRF is reported only in the statement of activities.	
	(747,643)
The change in the net pension asset for IMRF is reported only in the statement of activities.	
	24,873
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	(24,003)
Net OPEB obligation	(36,042)
Net pension liability	276,625
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	
	173,944
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b> <b>(EXHIBIT 2)</b>	<b>\$ (279,027)</b>

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

**McDONOUGH COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
November 30, 2017

	<u>Business-type Activities</u> <u>Enterprise Fund - The Elms</u>	<u>Governmental Activities</u> <u>Internal Service Funds</u>
<b>ASSETS AND DEFERRED INFLOW OF RESOURCES</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,288,900	\$ 3,987,416
Restricted cash	39,140	-
Investments	970,142	-
Restricted investments	40,322	-
Receivables:		
State of Illinois	817,111	-
Property taxes	401,464	453,585
Accrued interest	9,376	-
Other	245,576	-
Due from other funds	-	120,774
Inventories	59,097	-
Prepaid expenses	2,327	40,137
Total current assets	<u>4,873,455</u>	<u>4,601,912</u>
<b>NONCURRENT ASSETS</b>		
Capital assets (net of accumulated depreciation)	<u>1,860,770</u>	<u>-</u>
Total assets	<u>6,734,225</u>	<u>4,601,912</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Pension - IMRF	<u>1,291,624</u>	<u>-</u>
Total deferred outflow of resources	<u>1,291,624</u>	<u>-</u>
Total assets and deferred outflow of resources	<u>8,025,849</u>	<u>4,601,912</u>

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

**McDONOUGH COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
November 30, 2017

	<u>Business-type Activities</u> <u>Enterprise Fund - The Elms</u>	<u>Governmental Activities</u> <u>Internal Service Funds</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 245,458	\$ -
Claims payable	-	2,187,811
Accrued expense	88,640	-
Due to other funds	9,000	12,561
Unearned revenue	401	-
Resident deposits	13,369	-
Leases payable	2,606	-
Compensated absences payable - current	79,453	-
Total current liabilities	<u>438,927</u>	<u>2,200,372</u>
<b>NONCURRENT LIABILITIES</b>		
Leases payable - noncurrent	408	-
Compensated absences payable	69,572	-
Net pension liability	2,124,002	-
Net OPEB obligation	179,805	-
Total noncurrent liabilities	<u>2,373,787</u>	<u>-</u>
Total liabilities	<u>2,812,714</u>	<u>2,200,372</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unearned revenue - property taxes	401,464	453,585
Pension - IMRF	40,113	-
Total deferred inflows of resources	<u>441,577</u>	<u>453,585</u>
Total liabilities and deferred inflows of resources	<u>3,254,291</u>	<u>2,653,957</u>
<b>NET POSITION</b>		
Net investment in capital assets	1,857,756	-
Restricted for:		
Other purposes	66,093	-
Unrestricted	<u>2,847,709</u>	<u>1,947,955</u>
<b>TOTAL NET POSITION</b>	<u>\$ 4,771,558</u>	<u>\$ 1,947,955</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, 2017

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund - The Elms</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 5,167,303	\$ 2,947,227
Total operating revenues	<u>5,167,303</u>	<u>2,947,227</u>
<b>OPERATING EXPENSES</b>		
Insurance premiums	-	464,090
Medical claims and administration fees	-	2,707,938
Public health:		
Dietary	623,551	-
Housekeeping	179,663	-
Laundry	107,585	-
Maintenance	140,395	-
Nursing	2,531,663	-
Therapy	483,446	-
Activities	134,890	-
Social services	64,768	-
Administrative	400,594	-
Payroll related	1,229,151	-
Depreciation	126,210	-
Plant operations	155,442	-
Total operating expenses	<u>6,177,358</u>	<u>3,172,028</u>
Operating income (loss)	<u>(1,010,055)</u>	<u>(224,801)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Property taxes	392,211	340,568
Investment income	20,913	3,028
Grants	-	22,777
Other	38,354	33,663
Total nonoperating revenues (expenses)	<u>451,478</u>	<u>400,036</u>
Income before transfers	<u>(558,577)</u>	<u>175,235</u>
<b>TRANSFERS</b>		
Transfers out	-	(1,291)
Total transfers	<u>-</u>	<u>(1,291)</u>
<b>CONTRIBUTION REVENUE - Farm and Macomb Public Building Commission</b>		
	<u>91,121</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(467,456)	173,944
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<u>5,239,014</u>	<u>1,774,011</u>
<b>TOTAL NET POSITION - END OF YEAR</b>	<u>\$ 4,771,558</u>	<u>\$ 1,947,955</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, 2017

	<b>Business-type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund - The Elms</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 5,274,501	\$ -
Payments to suppliers	(1,635,797)	(3,183,720)
Payments to employees	(3,238,812)	-
Receipts from employees and others	-	121,968
Internal activity-payments for interfund services	(997,116)	-
Internal activity-payments from other funds	-	2,825,259
Net cash from operating activities	<u>(597,224)</u>	<u>(236,493)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Property taxes	392,211	340,568
Other nonoperating revenue	38,354	33,663
Grants received	-	22,777
Interfund borrowing (lending)	(907)	(10)
Transfers out	-	(1,291)
Net cash from noncapital financing activities	<u>429,658</u>	<u>395,707</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Repayment of loan proceeds	(2,976)	-
Proceeds from sale of property and equipment	422	-
Net cash from capital financing activities	<u>(2,554)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	20,913	3,028
Proceeds from maturity of investments	945,035	-
Purchase of investments	(950,000)	-
Net cash from investing activities	<u>15,948</u>	<u>3,028</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(154,172)	162,242
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>2,482,212</u>	<u>3,825,174</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 2,328,040</u>	<u>\$ 3,987,416</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>		
Cash and cash equivalents	\$ 2,288,900	\$ 3,987,416
Restricted cash	39,140	-
Total	<u>\$ 2,328,040</u>	<u>\$ 3,987,416</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (1,010,055)	\$ (224,801)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	126,210	-
Change in assets and liabilities:		
Accounts receivable	109,952	-
Inventories	(6,011)	-
Prepaid expenses	784	29,033
Accounts payable	(24,095)	(40,725)
Deferred revenue	(2,754)	-
Accrued liabilities	10,677	-
Compensated absences payable	(16,627)	-
Pension items	197,409	-
Net OPEB obligation	17,286	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>\$ (597,224)</u>	<u>\$ (236,493)</u>
<b>Non-cash capital and related financing activities:</b>		
Donated capital assets	\$ 91,121	\$ -
Total non-cash capital and related financing activities	<u>\$ 91,121</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, 2017

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,741,144
Investments	70,000
Receivables:	
State of Illinois	<u>812,678</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,623,822</u></u>
 <b>LIABILITIES</b>	
Accounts payable	\$ 212,184
Due to county funds	118,584
Due to other taxing units	1,603,768
Due to others	<u>1,689,286</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 3,623,822</u></u>

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

# McDONOUGH COUNTY, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

November 30, 2017

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### 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, consists primarily of certificates of deposit with an original maturity of greater than three months and are stated at cost, which approximates fair value. Investments also consists of mutual funds which are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Interest earned on certain Agency Fund investments is transferred to and recorded as income in the General Fund.

E. Accounts Receivable

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

F. Inventories and Prepaid Items

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

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

G. Capital Assets

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

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

G. Capital Assets (Continued)

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.

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.



**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**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

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

I. Compensated Absences (Continued)

**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

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.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

J. Long-term Obligations (Continued)

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.”

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.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

L. Fund Balance/Net Position (Continued)

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.

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.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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.

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**2. DEPOSITS AND INVESTMENTS (Continued)**

B. Investments

At November 30, 2017, the County had the following investments:

Investments:	
Certificates of deposit	\$ 2,258,131
Mutual Funds	<u>40,322</u>
Total investments	<u>\$ 2,298,453</u>
Total County:	
Primary government investments	\$ 2,188,131
Primary government restricted investments	40,322
Agency fund investments	<u>70,000</u>
Total investments	<u>\$ 2,298,453</u>

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.

C. Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quote prices in active markets for identical assets or liabilities; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs).

**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, 2017 consists of the following:

	<u>Balances December 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances November 30</u>
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	2,740,632	-	-	2,740,632
Maintenance equipment	1,575,550	-	-	1,575,550
Software	114,680	-	-	114,680
Vehicles	866,112	77,679	(23,025)	920,766
Office equipment	217,049	-	(11,000)	206,049
Computer equipment	349,808	17,912	-	367,720
Infrastructure	<u>5,506,273</u>	<u>-</u>	<u>-</u>	<u>5,506,273</u>
Total capital assets being depreciated	<u>13,852,324</u>	<u>95,591</u>	<u>(34,025)</u>	<u>13,913,890</u>
Less accumulated depreciation for:				
Buildings	(1,692,031)	(50,667)	-	(1,742,698)
Building improvements	(1,624,191)	(98,068)	-	(1,722,259)
Maintenance equipment	(1,374,116)	(25,180)	-	(1,399,296)
Software	(111,295)	-	-	(111,295)
Vehicles	(625,022)	(96,917)	23,025	(698,914)
Office equipment	(205,799)	-	11,000	(194,799)
Computer equipment	(335,815)	(9,874)	-	(345,689)
Infrastructure	<u>(2,480,456)</u>	<u>(122,897)</u>	<u>-</u>	<u>(2,603,353)</u>
Total accumulated depreciation	<u>(8,448,725)</u>	<u>(403,603)</u>	<u>34,025</u>	<u>(8,818,302)</u>
Total capital assets, being depreciated, net	<u>5,403,599</u>	<u>(308,012)</u>	<u>-</u>	<u>5,095,587</u>
<b>Total capital assets, net of accumulated depreciation</b>	<u>\$ 5,632,246</u>	<u>\$ (308,012)</u>	<u>\$ -</u>	<u>\$ 5,324,234</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>448,944</u>	<u>-</u>	<u>(448,944)</u>	<u>-</u>
Total capital assets - at cost, not being depreciated	<u>510,371</u>	<u>-</u>	<u>(448,944)</u>	<u>61,427</u>
Building and improvements, land improvements/ landscaping	4,308,915	540,065	(11,913)	4,837,067
Equipment, including vehicles	<u>935,423</u>	<u>-</u>	<u>(27,905)</u>	<u>907,518</u>
Total capital assets - at cost, being depreciated	<u>5,244,338</u>	<u>540,065</u>	<u>(39,818)</u>	<u>5,744,585</u>
Less accumulated depreciation for:				
Building and improvements, land improvements/ landscaping	(3,022,158)	(97,192)	11,890	(3,107,460)
Equipment, including vehicles	<u>(836,270)</u>	<u>(29,018)</u>	<u>27,506</u>	<u>(837,782)</u>
Total accumulated depreciation	<u>(3,858,428)</u>	<u>(126,210)</u>	<u>39,396</u>	<u>(3,945,242)</u>
Total capital assets, being depreciated, net	<u>1,385,910</u>	<u>413,855</u>	<u>(422)</u>	<u>1,799,343</u>
<b>Total capital assets net of accumulated depreciation</b>	<u>\$ 1,896,281</u>	<u>\$ 413,855</u>	<u>\$ (449,366)</u>	<u>\$ 1,860,770</u>

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

Governmental activities:

General government	\$ 97,483
Public safety	63,841
Corrections	42,196
Transportation	179,573
Public health and welfare	<u>20,510</u>

Total depreciation expense - governmental activities \$ 403,603

Business-type activities:

The Elms Nursing Home	<u>\$ 126,210</u>
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**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](http://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, 2016 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	250
Inactive employees entitled to but not yet receiving benefits	264
Active employees	245
	<hr/>
TOTAL	<u>759</u>

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

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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, 2016 was 11.02% of covered payroll.

*Actuarial Assumptions*

The County's net pension liability was measured as of December 31, 2016 (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, 2016
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 (Continued)*

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2016	\$ 49,024,256	\$ 42,377,929	\$ 6,646,327
Changes for the period:			
Service cost	971,485	-	971,485
Interest	3,627,728	-	3,627,728
Difference between expected and actual experience	215,793	-	215,793
Changes in assumptions	(128,750)	-	(128,750)
Employer contributions	-	1,022,091	(1,022,091)
Employee contributions	-	475,913	(475,913)
Net investment income	-	3,575,613	(3,575,613)
Benefit payments and refunds	(2,124,697)	(2,138,306)	13,609
Other (net transfer)	-	(28,180)	28,180
Net changes	2,561,559	2,907,131	(345,572)
BALANCES AT DECEMBER 31, 2016	\$ 51,585,815	\$ 45,285,060	\$ 6,300,755

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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, 2016 was \$957,800 and \$5,923,991, respectively. The Center’s proportionate share of the employer contributions and net pension liability at December 31, 2016 was \$64,291 and \$376,764, respectively.

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

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

For the year ended November 30, 2017, the County recognized pension expense of \$1,633,615. At November 30, 2017, 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	\$ 345,643	\$ 26,390
Changes in assumption	272,970	91,846
Net difference between projected and actual earnings on pension plan investments	2,235,767	-
Contributions made after measurement date	952,779	-
<b>TOTAL</b>	<b>\$ 3,807,159</b>	<b>\$ 118,236</b>

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, 2017 was \$3,577,875 and \$111,115, respectively. The Center’s proportionate share of the deferred outflows of resources and inflows of resources at November 30, 2017 was \$229,284 and \$7,121, respectively.

\$952,779 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, 2018. 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**

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**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>	
2017	\$ 1,146,846
2018	873,720
2019	662,296
2020	<u>53,282</u>
<b>TOTAL</b>	<b><u>\$ 2,736,144</u></b>

*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 7.50% 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 (6.50%) 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 liability(County)	\$ 12,528,970	\$ 5,923,991	\$ 631,344
Net pension liability (Center)	<u>802,906</u>	<u>376,764</u>	<u>40,459</u>
Net pension liability (Total)	<u>\$ 13,331,876</u>	<u>\$ 6,300,755</u>	<u>\$ 671,803</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**

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

*Plan Membership*

At December 31, 2016 (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, 2016 was 20.57% of covered payroll.

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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, 2016 (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, 2016
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 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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, 2016	\$ 721,557	\$ 733,188	\$ (11,631)
Changes for the period:			
Service cost	15,801	-	15,801
Interest	54,331	-	54,331
Difference between expected and actual experience	(17,535)	-	(17,535)
Changes in assumptions	-	-	-
Employer contributions	-	12,198	(12,198)
Employee contributions	-	4,827	(4,827)
Net investment income	-	60,768	(60,768)
Benefit payments and refunds	(10,696)	(10,765)	69
Other (net transfer)	-	(254)	254
Net changes	41,901	66,774	(24,873)
BALANCES AT DECEMBER 31, 2016	\$ 763,458	\$ 793,962	\$ (36,504)

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

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

For the year ended November 30, 2017, the County recognized pension expense of (\$3,692). At November 30, 2017, 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	\$ -	\$ 6,578
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	36,461	-
Contributions made after measurement date	11,982	-
TOTAL	\$ 48,443	\$ 6,578



**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

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

\$11,982 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, 2018. 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>	
2017	\$ 5,970
2018	12,549
2019	10,645
2020	<u>719</u>
TOTAL	<u>\$ 29,883</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	\$ 54,286	\$ (36,504)	\$ (110,847)

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.

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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

Sheriff’s Law Enforcement Personnel (Continued)

*Plan Membership*

At December 31, 2016 (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><u>36</u></u>

*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, 2016 was 19.92% of covered payroll.

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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, 2016 (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, 2016
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 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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**

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**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 7.50%. 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.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2016	\$ 8,177,323	\$ 6,729,591	\$ 1,447,732
Changes for the period:			
Service cost	147,079	-	147,079
Interest	600,042	-	600,042
Difference between expected and actual experience	8,736	-	8,736
Changes in assumptions	(19,323)	-	(19,323)
Employer contributions	-	167,529	(167,529)
Employee contributions	-	65,384	(65,384)
Net investment income	-	602,797	(602,797)
Benefit payments and refunds	(483,939)	(487,039)	3,100
Other (net transfer)	-	(26,972)	26,972
Net changes	252,595	321,699	(69,104)
BALANCES AT DECEMBER 31, 2016	\$ 8,429,918	\$ 7,051,290	\$ 1,378,628

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

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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, 2017, the County recognized pension expense of \$248,389. At November 30, 2017, 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	\$ 87,070	\$ -
Changes in assumption	85,902	15,089
Net difference between projected and actual earnings on pension plan investments	358,152	-
Contributions made after measurement date	167,708	-
<b>TOTAL</b>	<b>\$ 698,832</b>	<b>\$ 15,089</b>

\$167,708 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, 2018. 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>	
2017	\$ 195,561
2018	195,563
2019	119,305
2020	5,606
<b>TOTAL</b>	<b>\$ 516,035</b>

**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 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 2,431,434	\$ 1,378,628	\$ 529,230

**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. Operating Leases

**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, April 1999 and December 1017, the County entered into supplemental agreements with the Building Commission whereby the original lease was extended from April 1, 1991 until January 31, 2020, with annual rental payments of \$1.

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**7. LONG-TERM DEBT (Continued)**

A. Operating Leases (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 noncancelable lease agreements in effect as of November 30, 2017.

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

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**7. LONG-TERM DEBT (Continued)**

A. Operating Leases (Continued)

**Equipment Leases**

During the fiscal year ended November 30, 2017, the County entered into two noncancelable lease agreements with Watts Copy Systems, Inc. for the lease of four copiers totaling \$18,900. The agreements call for monthly payments of \$170 commencing in April of 2017 and \$145 commencing in October of 2017. Current year rental costs totaled \$1,650. The final payments are due in 2022. Upon completion of the leases, ownership of the equipment will transfer to the County.

Following is a schedule of minimum future rental payments as of November 30, 2017 for the above operating equipment leases:

	<u>Operating</u>
Year ending November 30:	
2018	\$3,780
2019	3,780
2020	3,780
2021	3,780
2022	2,130
Total minimum lease payments:	<u>\$17,250</u>

B. Capital Leases

**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, 2017 was \$3,014. The leased asset and related obligation are accounted for as business-type activities. The asset under the capital lease net of depreciation totaled \$3,910 at November 30, 2017.

Following is a schedule of minimum future rental payments and the net present value of these minimum lease payments as of November 30, 2017 for the above capital equipment lease:

	<u>Business-Type Activities</u>
Year ending November 30:	
2018	\$2,606
2019	408
Total minimum lease payments:	<u>\$3,014</u>



**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**7. LONG-TERM DEBT (Continued)**

C. Changes in Long-Term Debt

Long-term liability activity for the year ended November 30, 2017 was as follows:

	Balances <u>December 1</u>	<u>Additions</u>	<u>Reductions</u>	Balances <u>November 30</u>	Due Within <u>One Year</u>
Governmental Activities:					
Compensated absences payable	\$ 219,553	\$ 315,513	\$ 291,510	\$ 243,556	\$ 188,961
Net OPEB obligation	246,267	36,042	-	282,309	-
Net pension asset	(11,631)	(24,873)	-	(36,504)	-
Net pension liability	<u>5,455,242</u>	<u>-</u>	<u>276,625</u>	<u>5,178,617</u>	<u>-</u>
Governmental activity - long-term liabilities	<u>\$ 5,909,431</u>	<u>\$ 326,682</u>	<u>\$ 568,135</u>	<u>\$ 5,667,978</u>	<u>\$ 188,961</u>
Business-type activities:					
Capital Leases payable	\$ 5,990	\$ -	\$ 2,976	\$ 3,014	\$ 2,606
Net OPEB obligation	162,519	17,286	-	179,805	-
Net pension liability	2,241,241	-	117,239	2,124,002	-
Compensated absences payable	<u>165,652</u>	<u>177,116</u>	<u>193,743</u>	<u>149,025</u>	<u>79,453</u>
Business-type activity - long-term liabilities	<u>\$ 2,575,402</u>	<u>\$ 194,402</u>	<u>\$ 313,958</u>	<u>\$ 2,455,846</u>	<u>\$ 82,059</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:

2016 Assessed valuation	<u>\$ 421,209,203</u>
Statutory debt limitation (2.875 percent of assessed valuation)	\$ 12,109,765
Debt outstanding at November 30, 2017	<u>-</u>
<b>Statutory debt margin, November 30, 2017</b>	<u>\$ 12,109,765</u>

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**9. INTERFUND TRANSACTIONS**

Interfund receivable and payable balances at November 30, 2017 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Funds:		
Illinois Municipal Retirement Fund	\$ -	\$ 2,692
Social Security Fund	-	2,577
Internal Service Funds	6,854	-
Agency Funds	<u>21,371</u>	<u>-</u>
	<u>28,225</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>
Public Safety Sales Tax Fund:		
Nonmajor Governmental Funds	<u>-</u>	<u>10,724</u>
Social Security Fund:		
General Fund	<u>2,577</u>	<u>-</u>
County Health Funds:		
Internal Service Funds	-	11,774
Nonmajor Governmental Funds	<u>5,417</u>	<u>-</u>
	<u>5,417</u>	<u>11,774</u>
The Elms:		
Internal Service Funds	<u>-</u>	<u>9,000</u>
Internal Service Funds:		
General Fund	-	6,854
Illinois Municipal Retirement Fund	100,000	-
County Health Fund	11,774	-
The Elms	9,000	-
Nonmajor Governmental Funds	<u>-</u>	<u>5,707</u>
	<u>120,774</u>	<u>12,561</u>
Agency Funds:		
General Fund	-	21,371
Nonmajor Governmental Funds	<u>-</u>	<u>97,213</u>
	<u>-</u>	<u>118,584</u>
Nonmajor Governmental Funds:		
Public Safety Sales Tax Fund	10,724	-
County Health Fund	-	5,417
Internal Service Funds	5,707	-
Agency Funds	97,213	-
Nonmajor Governmental Funds	<u>123,630</u>	<u>123,630</u>
	<u>237,274</u>	<u>129,047</u>
Total Interfund Receivables/Payables	<u>\$ 396,959</u>	<u>\$ 396,959</u>

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**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.
- \$97,213 due to Nonmajor governmental funds from Agency funds. This balance relates to a) accrued but unpaid transfers of \$88,100 from the Township Motor Fuel Tax fund to the Engineering Revolving fund and b) accrued but unpaid fees of \$9,113 from the County Clerk fund. The County expects the obligation will be liquidated within one year.
- \$123,630 due between Nonmajor governmental funds. The balance relates to accrued but unpaid transfers between the various County Highway Department funds. The County expects the obligation will be liquidated within one year.

Advances from/to other funds at November 30, 2017 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**

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**9. INTERFUND TRANSACTIONS (Continued)**

Interfund transfers during fiscal year ending November 30, 2017 consist of:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Funds:		
Public Safety Sales Tax Fund	\$ 100,000	\$ -
Internal Service funds	<u>1,291</u>	<u>-</u>
	<u>101,291</u>	<u>-</u>
Illinois Municipal Retirement Fund:		
Public Safety Sales Tax Fund	25,000	-
Nonmajor Governmental Funds	<u>10,000</u>	<u>-</u>
	<u>35,000</u>	<u>-</u>
Public Safety Sales Tax Funds:		
General Fund	-	100,000
Illinois Municipal Retirement Fund	<u>-</u>	<u>25,000</u>
	<u>-</u>	<u>125,000</u>
County Health Fund:		
Nonmajor Governmental Funds	<u>16,196</u>	<u>-</u>
	<u>16,196</u>	<u>-</u>
Internal Service Funds:		
General Fund	<u>-</u>	<u>1,291</u>
	<u>-</u>	<u>1,291</u>
Nonmajor Governmental Funds:		
Illinois Municipal Retirement Fund	-	10,000
County Health Fund	-	16,196
Nonmajor Governmental Funds	<u>404,877</u>	<u>404,877</u>
	<u>404,877</u>	<u>431,073</u>
Total interfund transfers	<u>\$ 557,364</u>	<u>\$ 557,364</u>

The purposes of the significant interfund transfers are as follows:

- \$100,000 transferred from the Public Safety Sales Tax fund to the General Fund is a routine budgeted transfer. This transfer will not be repaid.
- \$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.
- \$404,877 transferred between the Nonmajor governmental funds. This amount relates to a) transfers of \$300,399 to the County Highway fund to repay roadway maintenance expenditures, b) transfers of \$98,924 to the Equipment Replacement fund for replacement of equipment and vehicles on a scheduled basis, c) transfer of \$5,554 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, 2017, the Macomb Public Building Commission has cash and investment balances of \$801,053 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**

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**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, 2017, follows:

Statement of Net Position Information

Assets and deferred outflows of resources:	
Current assets	\$ 376,381
Property and equipment, net	304,276
Deferred outflows of resources	<u>229,284</u>
Total assets	<u>\$ 909,941</u>
Liabilities, deferred inflows of resources, and net position:	
Liabilities	\$ 444,448
Deferred inflows of resources	7,121
Net position	<u>458,372</u>
Total liabilities and net position	<u>\$ 909,941</u>

Statement of Activities Information

Operating revenue	\$ 899,033
Operating expenses	<u>967,863</u>
Operating net loss	<u>(68,830)</u>
Nonoperating revenue	<u>153,916</u>
Change in net position	85,086
Net position, beginning	<u>373,286</u>
Net position, ending	<u>\$ 458,372</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 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Balance at beginning of year	\$ 161,011	\$ 165,350
Claims incurred	2,206,666	2,354,781
Claims paid	<u>2,248,562</u>	<u>2,359,120</u>
<b>Balance at end of year</b>	<b><u>\$ 119,115</u></b>	<b><u>\$ 161,011</u></b>

The Internal service funds also includes \$2,068,696 in claims payable reported in the Liability Insurance Fund. Of that amount, \$2,067,525 relates to 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, 2018, and fees for services under this agreement are assessed at \$21 per participant per month. Fees paid to Mutual Medical for administrative, clerical, and consulting services in fiscal 2017 were \$79,641.

**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, 2017, the principal amount payable under these bonds was \$5,719,166. 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**

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**14. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Membership*

At December 1, 2016 (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>
<b>TOTAL</b>	<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, 2017, retirees contributed \$96,337 and the County contributed \$59,199. 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, 2016 to determine the employer's annual required contribution (ARC) for the fiscal year ended November 30, 2017. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2017, 2016, and 2015 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
November 30, 2017	\$ 112,527	\$ 59,199	52.61%	\$ 462,114
November 30, 2016	117,204	54,311	46.34%	408,786
November 30, 2015	99,100	44,477	44.88%	345,893

**McDONOUGH COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**14. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Annual OPEB costs and Net OPEB Obligation (Continued)*

The net OPEB obligation (NOPEBO) as November 30, 2017 (latest information available), was calculated as follows:

Annual required contribution	\$ 119,228
Interest on net OPEB obligation	18,395
Adjustment to annual required contribution	<u>(25,096)</u>
Annual OPEB cost	112,527
Contributions made	<u>59,199</u>
Increase (decrease) in net OPEB obligation	53,328
Net OPEB obligation beginning of year	<u>408,786</u>
<b>NET OPEB OBLIGATION END OF YEAR</b>	<b><u>\$ 462,114</u></b>

*Funded Status and Funding Progress.* The funded status of the plan as of December 1, 2016 (latest information available), was as follows:

Actuarial accrued liability (AAL)	\$ 844,255
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 844,255
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 8,279,097
UAAL as a percentage of covered payroll	10.20%

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, 2016 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. LEGAL CONTINGENCY**

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, 2017. The ruling was overturned through a motion for judgment notwithstanding the verdict in October 2017, but that motion has since been appealed and the outcome of the appellate process is unknown at this time.

**16. FUND DEFICITS**

The Liability Insurance Fund had a deficit net position of \$841,494 at November 30, 2017. The County plans to eliminate the deficit net position through future fund operating results or with funds transferred from another County fund.

**17. MCDONOUGH COUNTY EMERGENCY TELEPHONE SYSTEM BOARD**

a. Summary of Significant Accounting Policies

The financial statements of the McDonough County Emergency Telephone System Board (ETSB) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard setting-body for establishing governmental accounting and financial reporting principles. The following is a brief summary of the accounting policies followed by the ETSB:

- 1) The records of the ETSB are maintained as a single fund and the financial statements have been prepared on the accrual basis of accounting and the economic resources measurement focus.

**17. MCDONOUGH COUNTY EMERGENCY TELEPHONE SYSTEM BOARD**

a. Summary of Significant Accounting Policies (Continued)

- 2) Cash and cash equivalents includes deposits at financial institutions and certificates of deposits with an original maturity of three months or less when purchased.
- 3) Accounts receivable are reported net of allowance for doubtful accounts.
- 4) Fund balance includes 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 ETSB.

b. Cash and cash equivalents

The ETSB does not have a separate investment policy, but does follow the County investment policy. The County has adopted an investment policy to invest in instruments allowed by the Illinois Compiled Statutes.

Custodial credit risk is the risk that in the event of a bank failure, the ETSB'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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**McDONOUGH COUNTY, ILLINOIS**

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

November 30, 2017

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a) / c)</b>
12/01/16	\$ -	\$ 844,255	\$ 844,255	0.00%	\$ 8,279,097	10.20%
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%

See accompanying Independent Auditor's Report.

**MCDONOUGH COUNTY, ILLINOIS**

SCHEDULES OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2017	2016	2015
Actuarially determined contribution	\$ 1,039,959	\$ 1,030,631	\$ 1,019,089
Contributions in relation to the actuarially determined contribution	<u>1,039,959</u>	<u>1,030,631</u>	<u>1,019,089</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 9,414,962	\$ 9,214,036	\$ 9,074,147
Contributions as a percentage of covered-employee payroll	11.05%	11.19%	11.23%

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 27 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 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

**MCDONOUGH COUNTY, ILLINOIS**

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

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2017	2016	2015
Actuarially determined contribution	\$ 12,904	\$ 12,296	\$ 13,730
Contributions in relation to the actuarially determined contribution	<u>12,904</u>	<u>12,296</u>	<u>13,730</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 60,265	\$ 59,211	\$ 58,177
Contributions as a percentage of covered-employee payroll	21.41%	20.77%	23.60%

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 27 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 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.



**MCDONOUGH COUNTY, ILLINOIS**

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

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2017	2016	2015
Actuarially determined contribution	\$ 181,547	\$ 159,502	\$ 168,699
Contributions in relation to the actuarially determined contribution	<u>181,547</u>	<u>159,502</u>	<u>168,699</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 933,538	\$ 801,316	\$ 846,280
Contributions as a percentage of covered-employee payroll	19.45%	19.91%	19.93%

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 27 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 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

**McDONOUGH COUNTY, ILLINOIS**

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

November 30, 2017

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<b>Fiscal Year Ending</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage Contributed</b>
11/30/17	\$ 59,199	\$ 119,228	49.65%
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%

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 Three Years

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<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Employer's Proportion of Net Pension Liability	93.98%	94.06%	93.97%
Employer's Proportionate Share of Net Pension Liability	\$ 5,923,992	\$ 6,248,752	\$ 2,987,277
Employer's Covered-Employee Payroll	\$ 8,676,018	\$ 8,526,779	\$ 8,182,817
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	68.28%	73.28%	36.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.79%	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 Three Years

MEASUREMENT DATE DECEMBER 31,	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 15,801	\$ 15,539	\$ 16,030
Interest	54,331	51,200	47,436
Differences between expected and actual experience	(17,535)	(14,547)	(4,634)
Changes of assumptions	-	-	1,769
Benefit payments, including refunds of member contributions	(10,696)	(10,447)	(10,211)
Net change in total pension liability	41,901	41,745	50,390
Total pension liability - beginning	721,557	679,812	629,422
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u>\$ 763,458</u>	<u>\$ 721,557</u>	<u>\$ 679,812</u>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 12,198	\$ 13,529	\$ 16,685
Contributions - member	4,827	5,179	4,623
Net investment income	60,768	(668)	43,787
Benefit payments, including refunds of member contributions	(10,765)	(10,461)	(10,211)
Other income (expense)	(254)	614	(129)
Net change in plan fiduciary net position	66,774	8,193	54,755
Plan fiduciary net position - beginning	733,188	724,995	670,240
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<u>\$ 799,962</u>	<u>\$ 733,188</u>	<u>\$ 724,995</u>
<b>EMPLOYER'S NET PENSION (ASSET) LIABILITY</b>			
Plan fiduciary net position as a percentage of the total pension liability	104.78%	101.61%	106.65%
Covered-employee payroll	\$ 59,299	\$ 58,263	\$ 57,248
Employer's net pension liability (asset) as a percentage of covered-employee payroll	(61.56%)	(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 Three Years

MEASUREMENT DATE DECEMBER 31,	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 147,079	\$ 156,205	\$ 159,068
Interest	600,042	574,518	534,679
Differences between expected and actual experience	8,736	80,040	82,984
Changes of assumptions	(19,323)	9,395	198,682
Benefit payments, including refunds of member contributions	<u>(483,939)</u>	<u>(444,290)</u>	<u>(433,889)</u>
Net change in total pension liability	252,595	375,868	541,524
Total pension liability - beginning	<u>8,177,323</u>	<u>7,801,455</u>	<u>7,259,931</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u>\$ 8,429,918</u>	<u>\$ 8,177,323</u>	<u>\$ 7,801,455</u>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 167,529	\$ 162,504	\$ 179,180
Contributions - member	65,384	68,564	68,012
Net investment income	602,797	(6,288)	429,214
Benefit payments, including refunds of member contributions	(487,039)	(444,886)	(433,889)
Other income (expense)	<u>(26,972)</u>	<u>(3,273)</u>	<u>(2,946)</u>
Net change in plan fiduciary net position	321,699	(223,379)	239,571
Plan fiduciary net position - beginning	<u>6,729,591</u>	<u>6,952,970</u>	<u>6,713,399</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<u>\$ 7,051,290</u>	<u>\$ 6,729,591</u>	<u>\$ 6,952,970</u>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<u>\$ 1,378,628</u>	<u>\$ 1,447,732</u>	<u>\$ 848,485</u>
Plan fiduciary net position as a percentage of the total pension liability	83.65%	82.30%	89.12%
Covered-employee payroll	\$ 803,305	\$ 843,222	\$ 843,641
Employer's net pension liability as a percentage of covered-employee payroll	171.62%	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, 2017

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Property taxes	\$ 1,094,077	\$ 1,094,077	\$ 1,090,541
State of Illinois:			
Local use tax	100,000	100,000	161,731
Sales tax	785,000	785,000	744,432
Income tax	600,000	600,000	689,828
Personal property replacement taxes	200,000	200,000	206,942
State grants and expenditure reimbursements	306,352	311,089	333,143
Federal revenue	8,500	8,500	8,115
Fees for services and materials	1,104,038	1,104,038	1,139,654
Investment income	5,500	5,500	9,279
Other	168,200	168,200	170,851
Total revenues	<u>4,371,667</u>	<u>4,376,404</u>	<u>4,554,516</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,410,907	1,400,907	1,183,834
Employee benefits	455,000	455,000	435,228
Public safety	1,398,548	1,403,135	1,291,265
Corrections	422,957	422,957	368,925
Judiciary and court related	1,460,455	1,460,455	1,406,233
Capital outlay	35,500	45,650	17,709
Total expenditures	<u>5,183,367</u>	<u>5,188,104</u>	<u>4,703,194</u>
Excess (deficiency) of revenue over expenditures	<u>(811,700)</u>	<u>(811,700)</u>	<u>(148,678)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>272,500</u>	<u>272,500</u>	<u>140,195</u>
Total other financing sources (uses)	<u>272,500</u>	<u>272,500</u>	<u>140,195</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (539,200)</u>	<u>\$ (539,200)</u>	<u>(8,483)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>			
			(77,702)
<b>SHERIFF FUND - SUBFUND ACTIVITY NOT BUDGETED</b>			
			6,954
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>			
			<u>975,234</u>
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>			
			<u>\$ 896,003</u>

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
 ILLINOIS MUNICIPAL RETIREMENT FUND

Year Ended November 30, 2017

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Property taxes	\$ 1,328,000	\$ 1,328,000	\$ 1,297,011
Replacement taxes	11,860	11,860	11,861
Investment income	500	500	894
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>2,139</u>
 Total revenues	 <u>1,343,360</u>	 <u>1,343,360</u>	 <u>1,311,905</u>
 <b>EXPENDITURES</b>			
Current:			
Employee benefits	<u>1,465,979</u>	<u>1,465,979</u>	<u>1,053,317</u>
 Total expenditures	 <u>1,465,979</u>	 <u>1,465,979</u>	 <u>1,053,317</u>
 Excess (deficiency) of revenue over expenditures	 <u>(122,619)</u>	 <u>(122,619)</u>	 <u>258,588</u>
Other financing sources (uses)			
Transfers in	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
 Total other financing sources (uses)	 <u>35,000</u>	 <u>35,000</u>	 <u>35,000</u>
 <b>NET CHANGE IN FUND BALANCES</b>	 <u>\$ (87,619)</u>	 <u>\$ (87,619)</u>	 293,588
 <b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>			
			(1,307)
 <b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>			
			<u>830,884</u>
 <b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>			
			<u>\$ 1,123,165</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, 2017

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Sales taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,056,241
Investment income	800	800	594
Other	12,500	12,500	7,850
Total revenues	<u>1,113,300</u>	<u>1,113,300</u>	<u>1,064,685</u>
<b>EXPENDITURES</b>			
Current:			
Employee benefits	400,000	400,000	393,893
Public safety	353,126	350,086	315,358
Corrections	235,845	240,845	239,892
Capital outlay	75,000	75,000	74,593
Total expenditures	<u>1,063,971</u>	<u>1,065,931</u>	<u>1,023,736</u>
Excess (deficiency) of revenue over expenditures	<u>49,329</u>	<u>47,369</u>	<u>40,949</u>
Other financing sources (uses)			
Transfers out	(240,000)	(240,000)	(125,000)
Insurance proceeds	-	1,960	3,435
Total other financing sources (uses)	<u>(240,000)</u>	<u>(238,040)</u>	<u>(121,565)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (190,671)</u>	<u>\$ (190,671)</u>	(80,616)
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>			
			351
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>			<u>745,579</u>
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>			<u>\$ 665,314</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, 2017

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	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Property taxes	\$ 720,000	\$ 720,000	\$ 703,393
Investment income	1,000	1,000	1,536
Other	3,500	3,500	2,716
Total revenues	<u>724,500</u>	<u>724,500</u>	<u>707,645</u>
<b>EXPENDITURES</b>			
Current:			
Employee benefits	<u>729,139</u>	<u>729,139</u>	<u>684,096</u>
Total expenditures	<u>729,139</u>	<u>729,139</u>	<u>684,096</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (4,639)</u>	<u>\$ (4,639)</u>	23,549
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>			-
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>			<u>870,201</u>
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>			<u>\$ 893,750</u>

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Property taxes	\$ 337,508	\$ 337,508	\$ 329,741
State grant and expenditure reimbursements	63,025	63,025	172,827
Federal revenue	318,824	318,824	159,855
Fees for services and materials	204,987	204,987	251,574
Investment income	-	-	478
Other	4,500	4,500	6,050
	<hr/>	<hr/>	<hr/>
Total revenues	928,844	928,844	920,525
<b>EXPENDITURES</b>			
Current:			
Public health	919,321	919,321	875,573
Capital outlay	5,000	5,000	8,100
	<hr/>	<hr/>	<hr/>
Total expenditures	924,321	924,321	883,673
<b>NET CHANGE IN FUND BALANCES</b>			
	<u>\$ 4,523</u>	<u>\$ 4,523</u>	36,852
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>			
			27,670
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>			
			<hr/>
			888,933
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>			
			<hr/>
			\$ 953,455

See accompanying Independent Auditor's Report.

# McDONOUGH COUNTY, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOVEMBER 30, 2017

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### **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, Child Advocacy 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, 2017 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)

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**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, 2017:

	<u>Appropriations</u>	<u>Expenditures</u>
Drug Enforcement Fund	10,000	43,914
Economic Development Revolving Loan Fund	35,929	40,540
Insurance Reserve Fund	-	3,327
Court Appointed Special Advocacy Fund	31,000	32,300

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**McDONOUGH COUNTY, ILLINOIS**

COMBINING BALANCE SHEET - BY SUBFUND  
GENERAL FUND

November 30, 2017

	<b>General Corporate</b>	<b>Sheriff</b>	<b>Total General Fund</b>
<b>ASSETS</b>			
Cash and Cash equivalents	\$ 742,806	\$ 18,015	\$ 760,821
Receivables, net:			
State of Illinois	220,747	-	220,747
Property taxes	1,124,000	-	1,124,000
Other	49,460	-	49,460
Due from other funds	31,291	(3,066)	28,225
Inventories	5,738	-	5,738
<b>TOTAL ASSETS</b>	<b><u>\$ 2,174,042</u></b>	<b><u>\$ 14,949</u></b>	<b><u>\$ 2,188,991</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 72,729	\$ -	\$ 72,729
Due to others	-	309	309
Due to other funds	5,269	-	5,269
Advances from other funds	90,681	-	90,681
Total liabilities	<u>168,679</u>	<u>309</u>	<u>168,988</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property taxes	<u>1,124,000</u>	<u>-</u>	<u>1,124,000</u>
Total deferred inflows of resources	<u>1,124,000</u>	<u>-</u>	<u>1,124,000</u>
 Total liabilities and deferred inflows of resources	 <u>1,292,679</u>	 <u>309</u>	 <u>1,292,988</u>
<b>FUND BALANCES</b>			
Nonspendable - inventories	5,738	-	5,738
Restricted for public safety	-	14,640	14,640
Unrestricted:			
Assigned for specific purpose	488,822	-	488,822
Unassigned	386,803	-	386,803
 Total fund balances	 <u>881,363</u>	 <u>14,640</u>	 <u>896,003</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 2,174,042</u></b>	<b><u>\$ 14,949</u></b>	<b><u>\$ 2,188,991</u></b>

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, 2017

	<u>General Corporate</u>	<u>Sheriff</u>	<u>Total General Fund</u>
<b>REVENUES</b>			
Property taxes	\$ 1,090,541	\$ -	\$ 1,090,541
State of Illinois:			
Local use tax	161,731	-	161,731
Sales tax	751,418	-	751,418
Income tax	595,214	-	595,214
Personal property replacement taxes	206,942	-	206,942
State grants and expenditure reimbursements	339,850	850	340,700
Federal revenue	15,186	-	15,186
Fees for services and materials	1,144,378	61,181	1,205,559
Investment income	7,778	2	7,780
Other	166,731	-	166,731
Total revenues	<u>4,479,769</u>	<u>62,033</u>	<u>4,541,802</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,265,328	-	1,265,328
Public safety	1,451,967	14,884	1,466,851
Corrections	399,906	-	399,906
Judiciary and court related	1,573,908	-	1,573,908
Capital outlay	16,331	-	16,331
Total expenditures	<u>4,707,440</u>	<u>14,884</u>	<u>4,722,324</u>
Excess (deficiency) of revenue over expenditures	<u>(227,671)</u>	<u>47,149</u>	<u>(180,522)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	<u>141,486</u>	<u>(40,195)</u>	<u>101,291</u>
Total other financing sources (uses)	<u>141,486</u>	<u>(40,195)</u>	<u>101,291</u>
<b>NET CHANGE IN FUND BALANCES</b>	(86,185)	6,954	(79,231)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>967,548</u>	<u>7,686</u>	<u>975,234</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 881,363</u>	<u>\$ 14,640</u>	<u>\$ 896,003</u>

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

**SCHEDULE OF CERTAIN REVENUE ITEMS  
GENERAL FUND**

Year Ended November 30, 2017

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**FEES FOR SERVICES AND MATERIALS**

General Corporate:

Maintenance salary reimbursement	\$ 44,798
County Clerk fees	210,565
Circuit Clerk fines	686,862
Circuit Clerk fees	192,864
Industry police protection	8,639
Sheriff - interstate transfer fee	650
Total	<u>1,144,378</u>

Sheriff:

Process dockets	5,438
Foreign service	1,529
Board bill - work release	8,520
Warrants	20,986
Other	24,708
Total	<u>61,181</u>

**TOTAL FEES FOR SERVICES AND MATERIALS** \$ 1,205,559

**OTHER**

General Corporate:

Tax penalties, interest, and costs	\$ 44,079
TIF surplus	10,953
Landfill host fees	61,930
Insight franchise fees	22,504
Miscellaneous	25,661
Reimburse telephone - other funds	1,604

**TOTAL OTHER** \$ 166,731

See accompanying Independent Auditor's Report.



**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>GENERAL GOVERNMENT</b>			
County Board:			
Members per diem	\$ 51,700	\$ 51,700	\$ 53,124
Mileage	10,000	10,000	8,703
Administrative assistant	13,441	13,441	10,081
Office supplies	2,830	2,830	1,924
County dues	2,550	2,550	3,280
Other	3,200	3,200	2,385
	<u>83,721</u>	<u>83,721</u>	<u>79,497</u>
County Treasurer:			
Salary	53,765	53,765	53,765
Deputy clerk salaries	62,173	62,173	47,987
Office supplies and expense	10,939	10,939	8,339
	<u>126,877</u>	<u>126,877</u>	<u>110,091</u>
County Clerk:			
Salary	53,765	53,765	53,765
Deputy clerk salaries	122,716	122,716	122,712
Office supplies and expense	1,000	1,000	706
Recording births and deaths	650	650	578
	<u>178,131</u>	<u>178,131</u>	<u>177,761</u>
Microfilming Department:			
Salary	29,050	29,050	29,049
Supplies	2,400	2,400	2,253
	<u>31,450</u>	<u>31,450</u>	<u>31,302</u>
Elections:			
Building and equipment rental	880	880	880
Judges	26,000	26,000	14,614
Election supplies	40,000	40,000	33,528
Printing and publications of ballots	600	600	465
Computer equipment	23,000	23,000	13,094
Deputy clerk salaries	30,172	30,172	28,740
	<u>120,652</u>	<u>120,652</u>	<u>91,321</u>

(Continued)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>GENERAL GOVERNMENT (Continued)</b>			
Supervisor of Assessments:			
Salary - Supervisor	\$ 53,765	\$ 53,765	\$ 53,765
Deputy clerk salaries	66,740	66,740	66,740
Office supplies	4,000	4,000	3,379
Mileage, education, and dues	8,000	8,000	4,823
Publications	9,500	9,500	10,529
	<u>142,005</u>	<u>142,005</u>	<u>139,236</u>
Board of Review:			
Salaries	15,224	15,224	15,223
Appraisals and administration	1,000	1,000	-
Mileage, supplies, and meetings	500	500	134
	<u>16,724</u>	<u>16,724</u>	<u>15,357</u>
Building and Grounds:			
Maintenance supervisor salary	51,020	51,020	51,020
Salaries - maintenance personnel	59,735	59,735	59,670
Building supplies	10,000	10,000	6,395
Contractual	28,000	28,000	24,313
Janitorial supplies	6,000	6,000	3,755
Reimbursement expense	4,800	4,800	4,800
Telephone and phone repairs	41,000	41,000	35,282
Utilities	65,000	65,000	55,036
Call out pay	3,000	3,000	-
	<u>268,555</u>	<u>268,555</u>	<u>240,271</u>
Network Administrator			
Salary	37,870	37,870	37,870
Supplies	1,000	1,000	561
Miscellaneous	1,000	1,000	717
	<u>39,870</u>	<u>39,870</u>	<u>39,148</u>
			(Continued)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>GENERAL GOVERNMENT (Continued)</b>			
Regional Office of Superintendent of Educational Service:			
Allocated portion of joint cost	\$ 63,622	\$ 63,622	\$ 63,622
Contingency	100,000	89,890	-
	<u>163,622</u>	<u>153,512</u>	<u>63,622</u>
Other:			
Surety bonds	3,500	3,500	524
W.I.R.C. dues	3,900	4,010	4,010
Postage	50,000	50,000	39,405
Preparation of budget	1,000	1,000	-
Training and education	6,500	6,500	1,963
Computer service	65,000	65,000	50,910
Audits	94,400	94,400	86,400
MAIDCO	5,000	5,000	5,000
Accounting and consulting services	10,000	10,000	8,016
	<u>239,300</u>	<u>239,410</u>	<u>196,228</u>
 Total General Government	 <u>1,410,907</u>	 <u>1,400,907</u>	 <u>1,183,834</u>
 <b>EMPLOYEE BENEFITS</b>	 <u>455,000</u>	 <u>455,000</u>	 <u>435,228</u>
 <b>PUBLIC SAFETY</b>			
Police Protection - Sheriff:			
Sheriff salary	79,322	79,322	79,322
Deputies, Dispatchers, and Jailers' salaries	942,275	942,275	912,710
Deputy pay - call-out, court	7,500	7,500	4,493
Deputy and Jailer overtime	99,500	99,500	67,738
Courthouse security salaries	92,097	92,097	83,578
Courthouse security overtime	8,000	10,500	8,570
Courthouse security - Bailiff's	3,000	3,000	1,620
Courthouse security equipment	2,500	2,500	-
Courthouse security uniforms	2,000	2,150	2,147
Office supplies	12,000	12,000	6,085
Radio repair and maintenance	20,000	20,000	17,201
Miscellaneous	24,000	21,200	18,303
Monthly access fee	7,500	7,500	7,974
	<u>1,299,694</u>	<u>1,299,544</u>	<u>1,209,741</u>
			(Continued)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>PUBLIC SAFETY (Continued)</b>			
Civil Defense:			
Director salary	\$ 16,768	\$ 16,768	\$ 16,768
Part time secretary	250	250	-
Travel	2,000	2,000	376
Local emergency planning	1,500	1,500	-
Office supplies	2,095	2,095	996
Equipment and contractual	6,000	6,000	3,661
	<u>28,613</u>	<u>28,613</u>	<u>21,801</u>
Coroner:			
Salary	33,000	33,000	33,000
Office supplies and education	4,500	4,500	3,249
Transportation	7,100	7,100	2,643
Professional services	10,000	10,000	8,100
Medical and contractual	7,335	7,335	4,458
Coroner's grant expense	3,506	8,243	3,473
Reimbursable expense	4,800	4,800	4,800
	<u>70,241</u>	<u>74,978</u>	<u>59,723</u>
Total Public Safety	<u>1,398,548</u>	<u>1,403,135</u>	<u>1,291,265</u>
<b>CORRECTIONS</b>			
Juvenile Probation Officer:			
Child Care	<u>130,000</u>	<u>130,000</u>	<u>81,086</u>
Adult Probation Officer:			
County share of joint cost	<u>287,457</u>	<u>287,457</u>	<u>287,457</u>
Drug Court:			
Claims	<u>5,500</u>	<u>5,500</u>	<u>382</u>
Total Corrections	<u>422,957</u>	<u>422,957</u>	<u>368,925</u>

(Continued)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>JUDICIARY AND COURT RELATED</b>			
State's Attorney:			
Salary	\$ 166,508	\$ 166,508	\$ 166,508
Assistants	130,050	130,050	134,612
Collection Specialist salary	21,200	21,200	19,421
Secretary salaries	94,950	94,950	94,950
Investigator	18,081	18,081	18,081
Witness fees	2,500	2,500	-
Office supplies and maintenance	10,000	10,000	9,854
Appellate Prosecutor	12,000	12,000	12,000
Court ordered medical	5,000	5,000	-
	<u>460,289</u>	<u>460,289</u>	<u>455,426</u>
Courts:			
Circuit and Associated Judges' salary	1,500	1,500	1,403
County share Chief Judge	4,305	4,305	4,303
Office supplies and expense	9,000	9,000	8,907
Administrative secretary	28,421	28,421	28,420
Court appointed attorneys	133,000	133,000	121,709
Court appointed transcripts/fees	4,000	4,000	3,635
Child protection data court project	5,584	5,584	2,287
Translator	5,000	5,000	834
	<u>190,810</u>	<u>190,810</u>	<u>171,498</u>
Public Defender:			
Public Defender	166,508	166,508	166,508
Office Manager	42,246	42,246	42,246
Secretary	14,222	14,222	13,257
Assistant PD 1	87,869	87,869	87,869
Assistant PD 2	60,903	60,903	60,903
Court ordered medical	15,000	15,000	4,188
Office supplies and expense	10,000	10,000	8,611
	<u>396,748</u>	<u>396,748</u>	<u>383,582</u>

(Continued)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<u>Original Appropriations</u>	<u>Amended Appropriations</u>	<u>Expenditures Paid</u>
<b>JUDICIARY AND COURT RELATED (Continued)</b>			
Circuit Clerk:			
Salary	\$ 53,765	\$ 53,765	\$ 53,765
Deputy clerk salaries	327,843	327,843	324,215
Jury certifiicates	20,000	20,000	6,747
Jury commissioner	11,000	11,000	11,000
	<u>412,608</u>	<u>412,608</u>	<u>395,727</u>
 Total Judiciary and Court Related	 <u>1,460,455</u>	 <u>1,460,455</u>	 <u>1,406,233</u>
 <b>CAPITAL OUTLAY</b>			
Office Improvements	10,000	20,000	11,981
Equipment purchases	20,000	20,000	84
Computer purchases	5,500	5,650	5,644
	<u>35,500</u>	<u>45,650</u>	<u>17,709</u>
 <b>TOTAL GENERAL FUND</b>	 <u>\$ 5,183,367</u>	 <u>\$ 5,188,104</u>	 <u>\$ 4,703,194</u> (Concluded)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

November 30, 2017

	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	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 4,143,055	\$ 51	\$ 326,156	\$ 7,859	\$ 60,479	\$ 4,537,600
Investments	1,170,000	-	-	-	43,689	1,213,689
Receivables, net:						
State of Illinois	376,679	-	-	-	-	376,679
Property taxes	1,671,913	-	-	-	-	1,671,913
Other	39,539	-	-	-	-	39,539
Due from other funds	234,574	-	-	2,700	-	237,274
Due from component unit	17,138	-	-	-	-	17,138
Prepaid items	205,328	-	-	-	-	205,328
<b>TOTAL ASSETS</b>	<b>\$ 7,858,226</b>	<b>\$ 51</b>	<b>\$ 326,156</b>	<b>\$ 10,559</b>	<b>\$ 104,168</b>	<b>\$ 8,299,160</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 171,142	\$ -	\$ 11,825	\$ -	\$ -	\$ 182,967
Due to others	-	-	-	-	43,689	43,689
Due to other funds	129,047	-	-	-	-	129,047
Total liabilities	300,189	-	11,825	-	43,689	355,703
Deferred inflows of resources						
Unavailable property taxes	1,671,913	-	-	-	-	1,671,913
Total deferred inflows of resources	1,671,913	-	-	-	-	1,671,913
Total liabilities and deferred inflows of resources	1,972,102	-	11,825	-	43,689	2,027,616
Fund balances:						
Nonspendable - prepaids	205,328	-	-	-	-	205,328
Restricted for highways and streets	1,186,213	-	-	-	-	1,186,213
Restricted for public safety	93,051	-	-	-	-	93,051
Restricted for economic development	65,177	-	-	-	-	65,177
Restricted for health and welfare	654,521	-	-	-	60,479	715,000
Restricted for specific purpose	2,305,314	-	-	-	-	2,305,314
Unrestricted						
Committed for highways and streets	251,357	-	-	-	-	251,357
Assigned for highways and streets	926,791	-	-	-	-	926,791
Assigned for public safety	246	-	-	-	-	246
Assigned for economic development	1,092	-	-	-	-	1,092
Assigned for health and welfare	35,064	-	-	-	-	35,064
Assigned for specific purpose	161,970	51	314,331	10,559	-	486,911
Total fund balances	5,886,124	51	314,331	10,559	60,479	6,271,544
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 7,858,226</b>	<b>\$ 51</b>	<b>\$ 326,156</b>	<b>\$ 10,559</b>	<b>\$ 104,168</b>	<b>\$ 8,299,160</b>

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, 2017

	Special Revenue Funds	Debt Service	Capital Projects Funds		Permanent	Total Nonmajor Governmental Funds
		Fund	Equipment Replacement Funds	Capital Improvement & Equipment Fund	County Farm Fund	
		Insurance Bond Funds				
<b>REVENUE</b>						
Property taxes	\$ 1,652,472	\$ -	\$ -	\$ -	\$ -	\$ 1,652,472
State of Illinois:						
Sales tax	517,330	-	-	-	-	517,330
Motor fuel tax allotments	373,743	-	-	-	-	373,743
State grants and expenditure reimbursements	446,278	-	-	-	-	446,278
Federal revenue	212,304	-	-	-	-	212,304
Fees for services and materials	793,879	-	-	-	-	793,879
Investment income	19,827	-	509	4	478	20,818
Other	328,099	-	499	-	40,000	368,598
Total revenues	<u>4,343,932</u>	<u>-</u>	<u>1,008</u>	<u>4</u>	<u>40,478</u>	<u>4,385,422</u>
<b>EXPENDITURES</b>						
Current:						
General government	321,327	-	-	-	4,071	325,398
Public safety	37,607	-	-	-	-	37,607
Corrections	265,332	-	-	-	-	265,332
Judiciary and court related	584,550	-	-	-	-	584,550
Public health	577,359	-	-	-	55,526	632,885
Public welfare	179,345	-	-	-	-	179,345
Transportation	2,087,534	-	-	-	-	2,087,534
Capital outlay	25,928	-	80,272	-	-	106,200
Total expenditures	<u>4,078,982</u>	<u>-</u>	<u>80,272</u>	<u>-</u>	<u>59,597</u>	<u>4,218,851</u>
Excess (deficiency) of revenues over expenditures	<u>264,950</u>	<u>-</u>	<u>(79,264)</u>	<u>4</u>	<u>(19,119)</u>	<u>166,571</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	305,953	-	98,924	-	-	404,877
Transfers out	(431,073)	-	-	-	-	(431,073)
Total other financing sources (uses)	<u>(125,120)</u>	<u>-</u>	<u>98,924</u>	<u>-</u>	<u>-</u>	<u>(26,196)</u>
<b>NET CHANGE IN FUND BALANCES</b>	139,830	-	19,660	4	(19,119)	140,375
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 5,886,124</u>	<u>\$ 51</u>	<u>\$ 314,331</u>	<u>\$ 10,559</u>	<u>\$ 60,479</u>	<u>\$ 6,271,544</u>

See accompanying Independent Auditor's Report.



McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	County Highway Fund	County Motor Fuel Fund	County Aid to Bridges Fund	Federal Aid Matching Fund	Engineering Revolving Fund	Tuberculosis Fund	Veterans' Assistance Fund
<b>ASSETS</b>							
Cash and cash equivalents	\$ 587,596	\$ 439,991	\$ 413,438	\$ 423,937	\$ 53,998	\$ 90,813	\$ 156,864
Investments	-	-	50,000	-	100,000	-	-
Receivables, net:							
State of Illinois	-	32,318	-	212,304	-	-	-
Property taxes	293,560	-	160,886	201,003	-	5,000	40,000
Other	-	-	-	-	-	-	-
Due from other funds	32,063	81,236	-	-	98,432	-	-
Due from component unit	17,138	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 930,357</u>	<u>\$ 553,545</u>	<u>\$ 624,324</u>	<u>\$ 837,244</u>	<u>\$ 252,430</u>	<u>\$ 95,813</u>	<u>\$ 196,864</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 50,945	\$ -	\$ 2,442	\$ -	\$ 1,073	\$ -	\$ 3,374
Due to other funds	81,236	-	42,394	-	-	5,417	-
Total liabilities	<u>132,181</u>	<u>-</u>	<u>44,836</u>	<u>-</u>	<u>1,073</u>	<u>5,417</u>	<u>3,374</u>
Deferred inflows of resources							
Unavailable property taxes	293,560	-	160,886	201,003	-	5,000	40,000
Total deferred inflows of resources	<u>293,560</u>	<u>-</u>	<u>160,886</u>	<u>201,003</u>	<u>-</u>	<u>5,000</u>	<u>40,000</u>
Total liabilities and deferred inflows of resources	<u>425,741</u>	<u>-</u>	<u>205,722</u>	<u>201,003</u>	<u>1,073</u>	<u>10,417</u>	<u>43,374</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	552,718	-	633,495	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	-	-	-	85,160	150,238
Restricted for specific purpose	-	-	-	-	-	-	-
Unrestricted							
Committed for highways and streets	-	-	-	-	251,357	-	-
Assigned for highways and streets	504,616	827	418,602	2,746	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	236	3,252
Assigned for specific purpose	-	-	-	-	-	-	-
Total fund balances	<u>504,616</u>	<u>553,545</u>	<u>418,602</u>	<u>636,241</u>	<u>251,357</u>	<u>85,396</u>	<u>153,490</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 930,357</u>	<u>\$ 553,545</u>	<u>\$ 624,324</u>	<u>\$ 837,244</u>	<u>\$ 252,430</u>	<u>\$ 95,813</u>	<u>\$ 196,864</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	<b>Building Rental Fund</b>	<b>Cooperative Extension Fund</b>	<b>Animal Control Fund</b>	<b>Mental Health Fund</b>	<b>Law Library Fund</b>	<b>Recorder Automation Fund</b>	<b>Court Automation Fund</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$ 197,432	\$ 2,501	\$ 21,648	\$ 48,214	\$ 167,916
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	350,000	172,000	-	401,464	-	-	-
Other	-	-	27,184	-	-	-	-
Due from other funds	-	-	-	-	-	2,878	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	205,328	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 350,000</b>	<b>\$ 172,000</b>	<b>\$ 224,616</b>	<b>\$ 609,293</b>	<b>\$ 21,648</b>	<b>\$ 51,092</b>	<b>\$ 167,916</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 4,593	\$ -	\$ -	\$ 179	\$ 12,785
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	4,593	-	-	179	12,785
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	4,593	401,464	-	179	12,785
Fund balances:							
Nonspendable - prepaids	-	-	-	205,328	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	214,883	1,992	-	-	-
Restricted for specific purpose	-	-	-	-	21,557	50,716	154,788
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	5,140	509	-	-	-
Assigned for specific purpose	-	-	-	-	91	197	343
Total fund balances	-	-	220,023	207,829	21,648	50,913	155,131
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 350,000</b>	<b>\$ 172,000</b>	<b>\$ 224,616</b>	<b>\$ 609,293</b>	<b>\$ 21,648</b>	<b>\$ 51,092</b>	<b>\$ 167,916</b>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	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
<b>ASSETS</b>							
Cash and cash equivalents	\$ 29,993	\$ 51,239	\$ 104,331	\$ 54,435	\$ 12,800	\$ 45,831	\$ 97,928
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	756	-	-	-
Property taxes	-	-	22,000	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	382	-	-	-	3,007	-	-
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 30,375</u>	<u>\$ 51,239</u>	<u>\$ 126,331</u>	<u>\$ 55,191</u>	<u>\$ 15,807</u>	<u>\$ 45,831</u>	<u>\$ 97,928</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 558	\$ 4,619
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>558</u>	<u>4,619</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>-</u>	<u>-</u>	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>558</u>	<u>4,619</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	51,096	-	-	-	-	-
Restricted for economic development	-	-	-	-	-	-	-
Restricted for health and welfare	-	-	4,584	-	-	-	-
Restricted for specific purpose	30,271	-	-	55,149	15,779	37,262	92,912
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	143	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	-	-
Assigned for specific purpose	104	-	99,747	42	28	8,011	397
Total fund balances	<u>30,375</u>	<u>51,239</u>	<u>104,331</u>	<u>55,191</u>	<u>15,807</u>	<u>45,273</u>	<u>93,309</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 30,375</u>	<u>\$ 51,239</u>	<u>\$ 126,331</u>	<u>\$ 55,191</u>	<u>\$ 15,807</u>	<u>\$ 45,831</u>	<u>\$ 97,928</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	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
<b>ASSETS</b>							
Cash and cash equivalents	\$ 98,239	\$ -	\$ 49,085	\$ 6,611	\$ 20,598	\$ 18,260	\$ 43,834
Investments	-	-	-	-	-	-	-
Receivables, net:							
State of Illinois	-	-	-	-	-	-	-
Property taxes	-	26,000	-	-	-	-	-
Other	8,999	-	-	-	298	-	-
Due from other funds	-	-	-	-	-	-	5,586
Due from component unit	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 107,238</b>	<b>\$ 26,000</b>	<b>\$ 49,085</b>	<b>\$ 6,611</b>	<b>\$ 20,896</b>	<b>\$ 18,260</b>	<b>\$ 49,420</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 3,551	\$ -	\$ -	\$ 3,709	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>3,551</u>	<u>-</u>	<u>-</u>	<u>3,709</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Unavailable property taxes	-	26,000	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>26,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>3,551</u>	<u>26,000</u>	<u>-</u>	<u>3,709</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	2,878	20,880	18,197	-
Restricted for economic development	-	-	-	-	-	-	48,386
Restricted for health and welfare	103,360	-	-	-	-	-	-
Restricted for specific purpose	-	-	48,694	-	-	-	-
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	24	16	63	-
Assigned for economic development	-	-	-	-	-	-	1,034
Assigned for health and welfare	327	-	-	-	-	-	-
Assigned for specific purpose	-	-	391	-	-	-	-
Total fund balances	<u>103,687</u>	<u>-</u>	<u>49,085</u>	<u>2,902</u>	<u>20,896</u>	<u>18,260</u>	<u>49,420</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 107,238</b>	<b>\$ 26,000</b>	<b>\$ 49,085</b>	<b>\$ 6,611</b>	<b>\$ 20,896</b>	<b>\$ 18,260</b>	<b>\$ 49,420</b>

(Continued)

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	County Clerk GIS Fee Fund	State's Attorney Child Advocacy Fund	Animal Control Memorial Fund	Animal Pet Population Fund	Insurance Reserve Fund	Child Advocacy Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 16,854	\$ 98,314	\$ 43,101	\$ 78,880	\$ 19,974	\$ 20,144
Investments	-	-	-	-	1,020,000	-
Receivables, net:						
State of Illinois	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-
Other	-	-	-	-	3,058	-
Due from other funds	266	-	-	-	-	-
Due from component unit	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 17,120</u>	<u>\$ 98,314</u>	<u>\$ 43,101</u>	<u>\$ 78,880</u>	<u>\$ 1,043,032</u>	<u>\$ 20,144</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 271	\$ -	\$ 1,447	\$ 630	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>271</u>	<u>-</u>	<u>1,447</u>	<u>630</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources						
Unavailable property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>271</u>	<u>-</u>	<u>1,447</u>	<u>630</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable - prepaids	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-
Restricted for economic development	16,791	-	-	-	-	-
Restricted for health and welfare	-	-	16,345	77,959	-	-
Restricted for specific purpose	-	98,102	-	-	991,713	20,144
Unrestricted						
Committed for highways and streets	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-
Assigned for economic development	58	-	-	-	-	-
Assigned for health and welfare	-	-	25,309	291	-	-
Assigned for specific purpose	-	212	-	-	51,319	-
Total fund balances	<u>16,849</u>	<u>98,314</u>	<u>41,654</u>	<u>78,250</u>	<u>1,043,032</u>	<u>20,144</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 17,120</u>	<u>\$ 98,314</u>	<u>\$ 43,101</u>	<u>\$ 78,880</u>	<u>\$ 1,043,032</u>	<u>\$ 20,144</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	Coroner's Automation Fund	Circuit Clerk Electronic Citation Fund	State's Attorney Recorders Automation Fund	Adult Redevelop Grant Fund	Court Appointed Special Advocacy Fund	Transportation Sales Tax Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 16,101	\$ 29,123	\$ 6,659	\$ 74,212	\$ 8,355	\$ 493,806	\$ 4,143,055
Investments	-	-	-	-	-	-	1,170,000
Receivables, net:							
State of Illinois	-	-	-	-	-	131,301	376,679
Property taxes	-	-	-	-	-	-	1,671,913
Other	-	-	-	-	-	-	39,539
Due from other funds	-	-	-	-	-	10,724	234,574
Due from component unit	-	-	-	-	-	-	17,138
Prepaid items	-	-	-	-	-	-	205,328
<b>TOTAL ASSETS</b>	<u>\$ 16,101</u>	<u>\$ 29,123</u>	<u>\$ 6,659</u>	<u>\$ 74,212</u>	<u>\$ 8,355</u>	<u>\$ 635,831</u>	<u>\$ 7,858,226</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 73,784	\$ -	\$ 7,182	\$ 171,142
Due to other funds	-	-	-	-	-	-	129,047
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,784</u>	<u>-</u>	<u>7,182</u>	<u>300,189</u>
Deferred inflows of resources							
Unavailable property taxes	-	-	-	-	-	-	1,671,913
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,671,913</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,784</u>	<u>-</u>	<u>7,182</u>	<u>1,972,102</u>
Fund balances:							
Nonspendable - prepaids	-	-	-	-	-	-	205,328
Restricted for highways and streets	-	-	-	-	-	-	1,186,213
Restricted for public safety	-	-	-	-	-	-	93,051
Restricted for economic development	-	-	-	-	-	-	65,177
Restricted for health and welfare	-	-	-	-	-	-	654,521
Restricted for specific purpose	16,072	29,086	6,652	428	8,344	627,645	2,305,314
Unrestricted							
Committed for highways and streets	-	-	-	-	-	-	251,357
Assigned for highways and streets	-	-	-	-	-	-	926,791
Assigned for public safety	-	-	-	-	-	-	246
Assigned for economic development	-	-	-	-	-	-	1,092
Assigned for health and welfare	-	-	-	-	-	-	35,064
Assigned for specific purpose	29	37	7	-	11	1,004	161,970
Total fund balances	<u>16,101</u>	<u>29,123</u>	<u>6,659</u>	<u>428</u>	<u>8,355</u>	<u>628,649</u>	<u>5,886,124</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 16,101</u>	<u>\$ 29,123</u>	<u>\$ 6,659</u>	<u>\$ 74,212</u>	<u>\$ 8,355</u>	<u>\$ 635,831</u>	<u>\$ 7,858,226</u>

(Concluded)

**McDONOUGH COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<b>County Highway Fund</b>	<b>County Motor Fuel Fund</b>	<b>County Aid to Bridges Fund</b>	<b>Federal Aid Matching Fund</b>	<b>Engineering Revolving Fund</b>	<b>Tuberculosis Fund</b>	<b>Veterans' Assistance Fund</b>
<b>REVENUES</b>							
Property taxes	\$ 286,821	\$ -	\$ 157,201	\$ 196,428	\$ -	\$ 4,899	\$ 39,138
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	373,743	-	-	-	-	-
State grants and expenditure reimbursements	-	144,686	-	-	-	-	-
Federal revenue	-	-	-	212,304	-	-	-
Fees for services and materials	69,500	-	-	-	58,108	-	-
Investment income	1,381	412	785	981	460	48	162
Other	157,445	-	80,963	-	18,304	-	154
Total revenues	<u>515,147</u>	<u>518,841</u>	<u>238,949</u>	<u>409,713</u>	<u>76,872</u>	<u>4,947</u>	<u>39,454</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	52,043
Transportation	963,322	93,630	234,766	283,965	119,376	-	-
Capital outlay	-	-	-	-	2,723	-	-
Total expenditures	<u>963,322</u>	<u>93,630</u>	<u>234,766</u>	<u>283,965</u>	<u>122,099</u>	<u>-</u>	<u>52,043</u>
Excess (deficiency) of revenues over expenditures	<u>(448,175)</u>	<u>425,211</u>	<u>4,183</u>	<u>125,748</u>	<u>(45,227)</u>	<u>4,947</u>	<u>(12,589)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	300,399	-	-	-	5,554	-	-
Transfers out	-	(312,713)	(92,164)	-	-	(16,196)	-
Total other financing sources (uses)	<u>300,399</u>	<u>(312,713)</u>	<u>(92,164)</u>	<u>-</u>	<u>5,554</u>	<u>(16,196)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(147,776)</u>	<u>112,498</u>	<u>(87,981)</u>	<u>125,748</u>	<u>(39,673)</u>	<u>(11,249)</u>	<u>(12,589)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 504,616</u>	<u>\$ 553,545</u>	<u>\$ 418,602</u>	<u>\$ 636,241</u>	<u>\$ 251,357</u>	<u>\$ 85,396</u>	<u>\$ 153,490</u>

(Continued)

**McDONOUGH COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<b>Building Rental Fund</b>	<b>Cooperative Extension Fund</b>	<b>Animal Control Fund</b>	<b>Mental Health Fund</b>	<b>Law Library Fund</b>	<b>Recorder Automation Fund</b>	<b>Court Automation Fund</b>
<b>REVENUES</b>							
Property taxes	\$ 345,640	\$ 168,071	\$ -	\$ 392,211	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	-	-	153,796	-	21,546	36,932	75,628
Investment income	-	-	639	58	10	21	86
Other	-	-	506	-	-	-	-
Total revenues	<u>345,640</u>	<u>168,071</u>	<u>154,941</u>	<u>392,269</u>	<u>21,556</u>	<u>36,953</u>	<u>75,714</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	168,071	-	-	-	25,271	-
Public safety	-	-	-	-	-	-	-
Corrections	245,640	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	19,906	-	76,991
Public health	-	-	136,263	366,608	-	-	-
Public welfare	100,000	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	1,396	-	-	10,117	-
Total expenditures	<u>345,640</u>	<u>168,071</u>	<u>137,659</u>	<u>366,608</u>	<u>19,906</u>	<u>35,388</u>	<u>76,991</u>
Excess (deficiency) of revenues over expenditures	-	-	17,282	25,661	1,650	1,565	(1,277)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(10,000)	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	7,282	25,661	1,650	1,565	(1,277)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	-	-	212,741	182,168	19,998	49,348	156,408
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,023</u>	<u>\$ 207,829</u>	<u>\$ 21,648</u>	<u>\$ 50,913</u>	<u>\$ 155,131</u>

(Continued)



McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2017

	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
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ 21,523	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	26,000	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	5,812	10,260	-	9,523	-	2,190	75,940
Investment income	16	17	174	24	4	23	59
Other	-	47,318	-	-	-	3,935	-
Total revenues	<u>5,828</u>	<u>57,595</u>	<u>21,697</u>	<u>9,547</u>	<u>26,004</u>	<u>6,148</u>	<u>75,999</u>
<b>EXPENDITURES</b>							
Current:							
General government	2,388	-	-	-	-	9,869	-
Public safety	-	37,607	-	-	-	-	-
Corrections	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	626	25,655	-	110,129
Public health	-	-	-	-	-	-	-
Public welfare	-	-	27,302	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	2,910	6,307	-	-	-	-	-
Total expenditures	<u>5,298</u>	<u>43,914</u>	<u>27,302</u>	<u>626</u>	<u>25,655</u>	<u>9,869</u>	<u>110,129</u>
Excess (deficiency) of revenues over expenditures	<u>530</u>	<u>13,681</u>	<u>(5,605)</u>	<u>8,921</u>	<u>349</u>	<u>(3,721)</u>	<u>(34,130)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>530</u>	<u>13,681</u>	<u>(5,605)</u>	<u>8,921</u>	<u>349</u>	<u>(3,721)</u>	<u>(34,130)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 30,375</u>	<u>\$ 51,239</u>	<u>\$ 104,331</u>	<u>\$ 55,191</u>	<u>\$ 15,807</u>	<u>\$ 45,273</u>	<u>\$ 93,309</u>

(Continued)

**McDONOUGH COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<b>County Waste Management Fund</b>	<b>Economic Development Revolving Loan Fund</b>	<b>Court System Maintenance Fund</b>	<b>Arrestees' Medical Cost Fund</b>	<b>Sheriff's DUI Equipment Fund</b>	<b>State's Attorney Drug Enforcement Fund</b>	<b>GIS Fee Fund</b>
<b>REVENUES</b>							
Property taxes	\$ -	\$ 40,540	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:							
Sales tax	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Fees for services and materials	55,866	-	30,852	9,121	5,341	-	73,731
Investment income	51	-	18	5	8	7	23
Other	-	-	-	1,690	-	8,959	392
Total revenues	<u>55,917</u>	<u>40,540</u>	<u>30,870</u>	<u>10,816</u>	<u>5,349</u>	<u>8,966</u>	<u>74,146</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	40,540	-	-	-	-	71,370
Public safety	-	-	-	-	-	-	-
Corrections	-	-	-	19,692	-	-	-
Judiciary and court related	-	-	16,632	-	-	2,384	-
Public health	54,681	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,374	-	-
Total expenditures	<u>54,681</u>	<u>40,540</u>	<u>16,632</u>	<u>19,692</u>	<u>1,374</u>	<u>2,384</u>	<u>71,370</u>
Excess (deficiency) of revenues over expenditures	<u>1,236</u>	<u>-</u>	<u>14,238</u>	<u>(8,876)</u>	<u>3,975</u>	<u>6,582</u>	<u>2,776</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,236	-	14,238	(8,876)	3,975	6,582	2,776
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>102,451</u>	<u>-</u>	<u>34,847</u>	<u>11,778</u>	<u>16,921</u>	<u>11,678</u>	<u>46,644</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 103,687</u>	<u>\$ -</u>	<u>\$ 49,085</u>	<u>\$ 2,902</u>	<u>\$ 20,896</u>	<u>\$ 18,260</u>	<u>\$ 49,420</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2017

	County Clerk GIS Fee Fund	State's Attorney Child Advocacy Fund	Animal Control Memorial Fund	Animal Pet Population Fund	Insurance Reserve Fund	Child Advocacy Fund
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:						
Sales tax	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-
Fees for services and materials	3,511	40,338	520	12,250	-	-
Investment income	7	47	22	42	13,497	-
Other	-	-	3,979	-	-	-
Total revenues	<u>3,518</u>	<u>40,385</u>	<u>4,521</u>	<u>12,292</u>	<u>13,497</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current:						
General government	491	-	-	-	3,327	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and court related	-	33,806	-	-	-	379
Public health	-	-	4,760	15,047	-	-
Public welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Capital outlay	1,101	-	-	-	-	-
Total expenditures	<u>1,592</u>	<u>33,806</u>	<u>4,760</u>	<u>15,047</u>	<u>3,327</u>	<u>379</u>
Excess (deficiency) of revenues over expenditures	<u>1,926</u>	<u>6,579</u>	<u>(239)</u>	<u>(2,755)</u>	<u>10,170</u>	<u>(379)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,926</u>	<u>6,579</u>	<u>(239)</u>	<u>(2,755)</u>	<u>10,170</u>	<u>(379)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>14,923</u>	<u>91,735</u>	<u>41,893</u>	<u>81,005</u>	<u>1,032,862</u>	<u>20,523</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 16,849</u>	<u>\$ 98,314</u>	<u>\$ 41,654</u>	<u>\$ 78,250</u>	<u>\$ 1,043,032</u>	<u>\$ 20,144</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

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

Year Ended November 30, 2017

	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
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,652,472
State of Illinois:							
Sales tax	-	-	-	-	-	517,330	517,330
Motor fuel tax allotments	-	-	-	-	-	-	373,743
State grants and expenditure reimbursements	-	-	-	275,592	-	-	446,278
Federal revenue	-	-	-	-	-	-	212,304
Fees for services and materials	6,880	4,258	2,475	-	29,501	-	793,879
Investment income	5	13	3	47	3	669	19,827
Other	4,454	-	-	-	-	-	328,099
Total revenues	<u>11,339</u>	<u>4,271</u>	<u>2,478</u>	<u>275,639</u>	<u>29,504</u>	<u>517,999</u>	<u>4,343,932</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	-	321,327
Public safety	-	-	-	-	-	-	37,607
Corrections	-	-	-	-	-	-	265,332
Judiciary and court related	-	-	750	275,592	21,700	-	584,550
Public health	-	-	-	-	-	-	577,359
Public welfare	-	-	-	-	-	-	179,345
Transportation	-	-	-	-	-	392,475	2,087,534
Capital outlay	-	-	-	-	-	-	25,928
Total expenditures	<u>-</u>	<u>-</u>	<u>750</u>	<u>275,592</u>	<u>21,700</u>	<u>392,475</u>	<u>4,078,982</u>
Excess (deficiency) of revenues over expenditures	<u>11,339</u>	<u>4,271</u>	<u>1,728</u>	<u>47</u>	<u>7,804</u>	<u>125,524</u>	<u>264,950</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	305,953
Transfers out	-	-	-	-	-	-	(431,073)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,120)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>11,339</u>	<u>4,271</u>	<u>1,728</u>	<u>47</u>	<u>7,804</u>	<u>125,524</u>	<u>139,830</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 16,101</u>	<u>\$ 29,123</u>	<u>\$ 6,659</u>	<u>\$ 428</u>	<u>\$ 8,355</u>	<u>\$ 628,649</u>	<u>\$ 5,886,124</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, 2017

	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
<b>REVENUES</b>								
Property taxes	\$ 293,559	\$ 286,821	\$ -	\$ -	\$ 160,886	\$ 157,201	\$ 201,003	\$ 196,428
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	420,000	375,313	-	-	-	-
State grants and expenditure reimbursements	-	-	175,000	63,450	-	-	-	-
Federal revenue	-	-	-	-	-	-	215,000	34,413
Fees for services and materials	376,000	302,140	-	-	-	-	-	-
Investment income	1,500	1,381	250	412	1,000	785	640	981
Other	300,000	125,381	-	-	40,000	127,174	-	-
Total revenues	<u>971,059</u>	<u>715,723</u>	<u>595,250</u>	<u>439,175</u>	<u>201,886</u>	<u>285,160</u>	<u>416,643</u>	<u>231,822</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	1,057,500	859,877	591,000	406,343	350,000	294,258	400,000	283,965
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>1,057,500</u>	<u>859,877</u>	<u>591,000</u>	<u>406,343</u>	<u>350,000</u>	<u>294,258</u>	<u>400,000</u>	<u>283,965</u>
Excess (deficiency) of revenues over expenditures	<u>(86,441)</u>	<u>(144,154)</u>	<u>4,250</u>	<u>32,832</u>	<u>(148,114)</u>	<u>(9,098)</u>	<u>16,643</u>	<u>(52,143)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	100,000	67,760	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>100,000</u>	<u>67,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 13,559</u>	<u>(76,394)</u>	<u>\$ 4,250</u>	<u>32,832</u>	<u>\$ (148,114)</u>	<u>(9,098)</u>	<u>\$ 16,643</u>	<u>(52,143)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		(71,382)		79,666		(78,883)		177,891
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>652,392</u>		<u>441,047</u>		<u>506,583</u>		<u>510,493</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 504,616</u>		<u>\$ 553,545</u>		<u>\$ 418,602</u>		<u>\$ 636,241</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, 2017

	Special Revenue							
	Engineering Revolving		Tuberculosis Fund		Veterans' Assistance		Building Rental Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ 5,000	\$ 4,899	\$ 40,000	\$ 39,138	\$ 350,000	\$ 345,640
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	112,000	61,246	-	-	-	-	-	-
Investment income	500	460	45	48	150	162	-	-
Other	500	7,972	-	-	-	154	-	-
Total revenues	<u>113,000</u>	<u>69,678</u>	<u>5,045</u>	<u>4,947</u>	<u>40,150</u>	<u>39,454</u>	<u>350,000</u>	<u>345,640</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	250,000	245,640
Judiciary and court related	-	-	-	-	-	-	-	-
Public health	-	-	25,000	11,634	-	-	-	-
Public welfare	-	-	-	-	64,215	51,431	100,000	100,000
Transportation	152,500	119,471	-	-	-	-	-	-
Capital outlay	5,000	1,690	-	-	-	-	-	-
Total expenditures	<u>157,500</u>	<u>121,161</u>	<u>25,000</u>	<u>11,634</u>	<u>64,215</u>	<u>51,431</u>	<u>350,000</u>	<u>345,640</u>
Excess (deficiency) of revenues over expenditures	<u>(44,500)</u>	<u>(51,483)</u>	<u>(19,955)</u>	<u>(6,687)</u>	<u>(24,065)</u>	<u>(11,977)</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	20,000	5,554	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>20,000</u>	<u>5,554</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (24,500)</u>	<u>(45,929)</u>	<u>\$ (19,955)</u>	<u>(6,687)</u>	<u>\$ (24,065)</u>	<u>(11,977)</u>	<u>\$ -</u>	<u>-</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		6,256		(4,562)		(612)		-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>291,030</u>		<u>96,645</u>		<u>166,079</u>		<u>-</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 251,357</u>		<u>\$ 85,396</u>		<u>\$ 153,490</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, 2017

	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
<b>REVENUES</b>								
Property taxes	\$ 172,000	\$ 168,071	\$ -	\$ -	\$ 401,464	\$ 392,211	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	163,400	137,299	-	-	19,200	21,375
Investment income	-	-	500	639	-	58	10	10
Other	-	-	1,250	506	-	-	-	-
Total revenues	<u>172,000</u>	<u>168,071</u>	<u>165,150</u>	<u>138,444</u>	<u>401,464</u>	<u>392,269</u>	<u>19,210</u>	<u>21,385</u>
<b>EXPENDITURES</b>								
Current:								
General government	172,000	168,071	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	20,635	19,906
Public health	-	-	154,955	136,266	401,464	366,608	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	2,500	-	-	-	-	-
Total expenditures	<u>172,000</u>	<u>168,071</u>	<u>157,455</u>	<u>136,266</u>	<u>401,464</u>	<u>366,608</u>	<u>20,635</u>	<u>19,906</u>
Excess (deficiency) of revenues over expenditures	-	-	7,695	2,178	-	25,661	(1,425)	1,479
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	(10,000)	-	-	-	-
Transfers out	-	-	(10,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	(10,000)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ -</u>	<u>-</u>	<u>\$ (2,305)</u>	<u>(7,822)</u>	<u>\$ -</u>	<u>25,661</u>	<u>\$ (1,425)</u>	<u>1,479</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>								
			-	15,104		-		171
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>				212,741		182,168		19,998
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ -</u>		<u>\$ 220,023</u>		<u>\$ 207,829</u>		<u>\$ 21,648</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, 2017

	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
<b>REVENUES</b>								
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	36,337	80,000	75,247	6,000	5,850	-	10,646
Investment income	1,500	21	60	86	10	16	-	17
Other	-	-	-	-	-	-	10,000	46,932
Total revenues	<u>31,500</u>	<u>36,358</u>	<u>80,060</u>	<u>75,333</u>	<u>6,010</u>	<u>5,866</u>	<u>10,000</u>	<u>57,595</u>
<b>EXPENDITURES</b>								
Current:								
General government	29,000	25,631	-	-	3,000	2,607	-	-
Public safety	-	-	-	-	-	-	10,000	37,607
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	70,000	65,001	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	12,000	10,117	-	-	3,000	2,910	-	6,307
Total expenditures	<u>41,000</u>	<u>35,748</u>	<u>70,000</u>	<u>65,001</u>	<u>6,000</u>	<u>5,517</u>	<u>10,000</u>	<u>43,914</u>
Excess (deficiency) of revenues over expenditures	<u>(9,500)</u>	<u>610</u>	<u>10,060</u>	<u>10,332</u>	<u>10</u>	<u>349</u>	<u>-</u>	<u>13,681</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (9,500)</u>	<u>610</u>	<u>\$ 10,060</u>	<u>10,332</u>	<u>\$ 10</u>	<u>349</u>	<u>\$ -</u>	<u>13,681</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		955		(11,609)		181		-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>49,348</u>		<u>156,408</u>		<u>29,845</u>		<u>37,558</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 50,913</u>		<u>\$ 155,131</u>		<u>\$ 30,375</u>		<u>\$ 51,239</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, 2017

	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
<b>REVENUES</b>								
Property taxes	\$ 22,000	\$ 21,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	26,000	26,000	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	6,000	11,161	-	-	3,000	2,190
Investment income	-	174	45	24	-	4	23	23
Other	-	-	-	-	-	-	4,300	3,935
Total revenues	<u>22,000</u>	<u>21,697</u>	<u>6,045</u>	<u>11,185</u>	<u>26,000</u>	<u>26,004</u>	<u>7,323</u>	<u>6,148</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	30,000	9,311
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	30,000	626	26,000	25,655	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	42,000	27,302	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>42,000</u>	<u>27,302</u>	<u>30,000</u>	<u>626</u>	<u>26,000</u>	<u>25,655</u>	<u>30,000</u>	<u>9,311</u>
Excess (deficiency) of revenues over expenditures	<u>(20,000)</u>	<u>(5,605)</u>	<u>(23,955)</u>	<u>10,559</u>	<u>-</u>	<u>349</u>	<u>(22,677)</u>	<u>(3,163)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (20,000)</u>	<u>(5,605)</u>	<u>\$ (23,955)</u>	<u>10,559</u>	<u>\$ -</u>	<u>349</u>	<u>\$ (22,677)</u>	<u>(3,163)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>								
				(1,638)				(558)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>109,936</u>		<u>46,270</u>		<u>15,458</u>		<u>48,994</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 104,331</u>		<u>\$ 55,191</u>		<u>\$ 15,807</u>		<u>\$ 45,273</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, 2017

	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
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 35,929	\$ 40,540	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	78,000	75,368	55,000	55,604	-	-	32,000	30,568
Investment income	60	59	45	51	-	-	20	18
Other	-	-	-	-	-	-	-	-
Total revenues	<u>78,060</u>	<u>75,427</u>	<u>55,045</u>	<u>55,655</u>	<u>35,929</u>	<u>40,540</u>	<u>32,020</u>	<u>30,586</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	35,929	40,540	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	130,000	110,674	-	-	-	-	40,000	16,632
Public health	-	-	76,500	58,030	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>130,000</u>	<u>110,674</u>	<u>76,500</u>	<u>58,030</u>	<u>35,929</u>	<u>40,540</u>	<u>40,000</u>	<u>16,632</u>
Excess (deficiency) of revenues over expenditures	<u>(51,940)</u>	<u>(35,247)</u>	<u>(21,455)</u>	<u>(2,375)</u>	<u>-</u>	<u>-</u>	<u>(7,980)</u>	<u>13,954</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (51,940)</u>	<u>(35,247)</u>	<u>\$ (21,455)</u>	<u>(2,375)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ (7,980)</u>	<u>13,954</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		1,117		3,611		-		284
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>127,439</u>		<u>102,451</u>		<u>-</u>		<u>34,847</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 93,309</u>		<u>\$ 103,687</u>		<u>\$ -</u>		<u>\$ 49,085</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, 2017

	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
<b>REVENUES</b>								
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	9,143	7,000	5,341	-	-	75,000	74,172
Investment income	5	5	5	8	5	7	20	23
Other	2,500	1,690	-	-	5,000	8,959	-	392
Total revenues	<u>12,505</u>	<u>10,838</u>	<u>7,005</u>	<u>5,349</u>	<u>5,005</u>	<u>8,966</u>	<u>75,020</u>	<u>74,587</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	81,026	79,320
Public safety	-	-	-	-	-	-	-	-
Corrections	25,000	16,774	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	5,000	2,384	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	10,000	1,374	-	-	-	-
Total expenditures	<u>25,000</u>	<u>16,774</u>	<u>10,000</u>	<u>1,374</u>	<u>5,000</u>	<u>2,384</u>	<u>81,026</u>	<u>79,320</u>
Excess (deficiency) of revenues over expenditures	<u>(12,495)</u>	<u>(5,936)</u>	<u>(2,995)</u>	<u>3,975</u>	<u>5</u>	<u>6,582</u>	<u>(6,006)</u>	<u>(4,733)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	15,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 2,505</u>	<u>(5,936)</u>	<u>\$ (2,995)</u>	<u>3,975</u>	<u>\$ 5</u>	<u>6,582</u>	<u>\$ (6,006)</u>	<u>(4,733)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		(2,940)		-		-		7,509
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>11,778</u>		<u>16,921</u>		<u>11,678</u>		<u>46,644</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 2,902</u>		<u>\$ 20,896</u>		<u>\$ 18,260</u>		<u>\$ 49,420</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, 2017

	Special Revenue							
	County Clerk GIS Fee		State's Attorney Child Advocacy Fund		Animal Control Memorial		Animal Pet Population	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>								
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	3,532	43,000	40,800	2,500	1,156	13,000	12,250
Investment income	5	7	40	47	25	22	40	42
Other	-	-	-	-	5,000	3,979	-	-
Total revenues	<u>4,005</u>	<u>3,539</u>	<u>43,040</u>	<u>40,847</u>	<u>7,525</u>	<u>5,157</u>	<u>13,040</u>	<u>12,292</u>
<b>EXPENDITURES</b>								
Current:								
General government	2,000	491	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	36,892	33,806	-	-	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	16,000	3,948	23,038	14,797
Transportation	-	-	-	-	-	-	-	-
Capital outlay	2,000	1,253	-	-	-	-	-	-
Total expenditures	<u>4,000</u>	<u>1,744</u>	<u>36,892</u>	<u>33,806</u>	<u>16,000</u>	<u>3,948</u>	<u>23,038</u>	<u>14,797</u>
Excess (deficiency) of revenues over expenditures	<u>5</u>	<u>1,795</u>	<u>6,148</u>	<u>7,041</u>	<u>(8,475)</u>	<u>1,209</u>	<u>(9,998)</u>	<u>(2,505)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 5</u>	<u>1,795</u>	<u>\$ 6,148</u>	<u>7,041</u>	<u>\$ (8,475)</u>	<u>1,209</u>	<u>\$ (9,998)</u>	<u>(2,505)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		131		(462)		(1,448)		(250)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>14,923</u>		<u>91,735</u>		<u>41,893</u>		<u>81,005</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 16,849</u>		<u>\$ 98,314</u>		<u>\$ 41,654</u>		<u>\$ 78,250</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, 2017

	Special Revenue					
	Insurance Reserve Fund		Coroner's Automation Fund		Circuit Clerk Electronic Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
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	6,880	5,000	4,262
Investment income	7,000	13,497	5	5	10	13
Other	-	-	-	4,454	-	-
Total revenues	<u>7,000</u>	<u>13,497</u>	<u>5,005</u>	<u>11,339</u>	<u>5,010</u>	<u>4,275</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	3,327	-	-	-	-
Public safety	-	-	-	-	-	-
Corrections	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>3,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>7,000</u>	<u>10,170</u>	<u>5,005</u>	<u>11,339</u>	<u>5,010</u>	<u>4,275</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(30,000)	-	-	-	-	-
Total other financing sources (uses)	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (23,000)</u>	<u>10,170</u>	<u>\$ 5,005</u>	<u>11,339</u>	<u>\$ 5,010</u>	<u>4,275</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>						
						(4)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>1,032,862</u>		<u>4,762</u>		<u>24,852</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 1,043,032</u>		<u>\$ 16,101</u>		<u>\$ 29,123</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, 2017

	Special Revenue				Special Revenue			
	State's Attorney		Adult Redeploy		Court Appointed		Transportation	
	Recorders Automation Fund		Grant Fund		Special Advocacy Fund		Sales Tax Fund	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:								
Sales tax	-	-	-	-	-	-	540,000	512,035
Motor fuel tax allotments	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Fees for services and materials	2,500	2,519	423,000	293,439	30,500	29,896	-	-
Investment income	1	3	-	47	5	3	250	669
Other	-	-	-	-	-	-	-	-
Total revenues	<u>2,501</u>	<u>2,522</u>	<u>423,000</u>	<u>293,486</u>	<u>30,505</u>	<u>29,899</u>	<u>540,250</u>	<u>512,704</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Corrections	-	-	-	-	-	-	-	-
Judiciary and court related	750	750	423,000	322,572	31,000	32,300	-	-
Public health	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	598,000	385,293
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>750</u>	<u>750</u>	<u>423,000</u>	<u>322,572</u>	<u>31,000</u>	<u>32,300</u>	<u>598,000</u>	<u>385,293</u>
Excess (deficiency) of revenues over expenditures	<u>1,751</u>	<u>1,772</u>	<u>-</u>	<u>(29,086)</u>	<u>(495)</u>	<u>(2,401)</u>	<u>(57,750)</u>	<u>127,411</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
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>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 1,751</u>	<u>1,772</u>	<u>\$ -</u>	<u>(29,086)</u>	<u>\$ (495)</u>	<u>(2,401)</u>	<u>\$ (57,750)</u>	<u>127,411</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		(44)		29,133		10,205		(1,887)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>4,931</u>		<u>381</u>		<u>551</u>		<u>503,125</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 6,659</u>		<u>\$ 428</u>		<u>\$ 8,355</u>		<u>\$ 628,649</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, 2017

	Capital Projects			
	Equipment Replacement Fund		Capital Improvement & Equipment Fund	
	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State of Illinois:				
Sales tax				
Motor fuel tax allotments	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-
Federal revenue	-	-	-	-
Fees for services and materials	-	-	-	-
Investment income	400	509	5	4
Other	140,000	99,422	-	-
Total revenues	<u>140,400</u>	<u>99,931</u>	<u>5</u>	<u>4</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Corrections	-	-	-	-
Judiciary and court related	-	-	-	-
Public health	-	-	-	-
Public welfare	-	-	-	-
Transportation	50,000	-	-	-
Capital outlay	200,000	92,897	2,500	-
Total expenditures	<u>250,000</u>	<u>92,897</u>	<u>2,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(109,600)</u>	<u>7,034</u>	<u>(2,495)</u>	<u>4</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (109,600)</u>	<u>7,034</u>	<u>\$ (2,495)</u>	<u>4</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		12,626		-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		<u>294,671</u>		<u>10,555</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		<u>\$ 314,331</u>		<u>\$ 10,559</u>

(Concluded)

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

November 30, 2017

	<b>Liability Insurance Fund</b>	<b>Self Insurance Fund</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,089,388	\$ 2,898,028	\$ 3,987,416
Receivables, net:			
Property taxes	453,585	-	453,585
Prepaid insurance	40,137	-	40,137
Due from other funds	110,238	10,536	120,774
<b>TOTAL ASSETS</b>	<b>1,693,348</b>	<b>2,908,564</b>	<b>4,601,912</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Current liabilities:			
Claims payable	2,068,696	119,115	2,187,811
Due to other funds	12,561	-	12,561
Total liabilities	2,081,257	119,115	2,200,372
Deferred inflows of resources:			
Unearned revenue - property taxes	453,585	-	453,585
Total deferred inflows of resources	453,585	-	453,585
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>2,534,842</b>	<b>119,115</b>	<b>2,653,957</b>
<b>NET POSITION</b>			
Unrestricted	(841,494)	2,789,449	1,947,955
<b>TOTAL NET POSITION</b>	<b>\$ (841,494)</b>	<b>\$ 2,789,449</b>	<b>\$ 1,947,955</b>



**McDONOUGH COUNTY, ILLINOIS**

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

For the Year Ended November 30, 2017

	<b>Liability Insurance Fund</b>	<b>Self Insurance Fund</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 194,925	\$ 2,752,302	\$ 2,947,227
<b>OPERATING EXPENSES</b>			
Unemployment	37,423	-	37,423
Liability insurance	211,296	-	211,296
Workman's compensation	215,371	-	215,371
Medical claims and administration fees	46,030	2,661,908	2,707,938
Total operating expenses	510,120	2,661,908	3,172,028
Operating income (loss)	(315,195)	90,394	(224,801)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Property taxes	340,568	-	340,568
Investment income	1,738	1,290	3,028
Grants	22,777	-	22,777
Other	33,531	132	33,663
Total nonoperating revenue	398,614	1,422	400,036
Income (loss) before transfers	83,419	91,816	175,235
<b>TRANSFERS</b>			
Transfers out	-	(1,291)	(1,291)
Total other financing sources (uses)	-	(1,291)	(1,291)
<b>CHANGE IN NET POSITION</b>	83,419	90,525	173,944
<b>TOTAL NET POSITION - BEGINNING</b>	(924,913)	2,698,924	1,774,011
<b>TOTAL NET POSITION - ENDING</b>	\$ (841,494)	\$ 2,789,449	\$ 1,947,955

See accompanying Independent Auditor's Report.

**McDONOUGH COUNTY, ILLINOIS**

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

For the year ended November 30, 2017

	<b>Liability Insurance Fund</b>	<b>Self Insurance Fund</b>	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers	\$ (479,916)	\$ (2,703,804)	\$ (3,183,720)
Receipts from employees and others	-	121,968	121,968
Internal activity-payments from other funds	194,925	2,630,334	2,825,259
Net cash from operating activities	(284,991)	48,498	(236,493)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property taxes	340,568	-	340,568
Other nonoperating revenue (expense)	33,531	132	33,663
Grants received	22,777	-	22,777
Interfund borrowing	800	(810)	(10)
Transfers out	-	(1,291)	(1,291)
Net cash from noncapital financing activities	397,676	(1,969)	395,707
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	1,738	1,290	3,028
Net cash from investing activities	1,738	1,290	3,028
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	114,423	47,819	162,242
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>			
	974,965	2,850,209	3,825,174
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			
	\$ 1,089,388	\$ 2,898,028	\$ 3,987,416
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES</b>			
Operating loss	\$ (315,195)	\$ 90,394	\$ (224,801)
Adjustments to reconcile operating loss to net cash from operating activities			
Change in assets and liabilities:			
Prepaid insurance	29,033	-	29,033
Accounts payable	1,171	(41,896)	(40,725)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (284,991)</b>	<b>\$ 48,498</b>	<b>\$ (236,493)</b>

See accompanying Independent Auditor's Report.

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS

November 30, 2017

	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						
<b>ASSETS</b>								
Cash and cash equivalents	\$ 4,897	\$ 251	\$ 639,771	\$ 102,642	\$ 262,417	\$ 22,096	\$ 1,717	\$ 158
Investments	-	-	-	-	-	20,000	-	-
Receivables:								
State of Illinois	-	-	718,333	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 4,897</u>	<u>\$ 251</u>	<u>\$ 1,358,104</u>	<u>\$ 102,642</u>	<u>\$ 262,417</u>	<u>\$ 42,096</u>	<u>\$ 1,717</u>	<u>\$ 158</u>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ 186,816	\$ -	\$ 9,196	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	267	-	359	-
Due to other taxing units	4,897	251	-	-	-	-	-	-
Due to others	-	-	1,171,288	102,642	252,954	42,096	1,358	158
<b>TOTAL LIABILITIES</b>	<u>\$ 4,897</u>	<u>\$ 251</u>	<u>\$ 1,358,104</u>	<u>\$ 102,642</u>	<u>\$ 262,417</u>	<u>\$ 42,096</u>	<u>\$ 1,717</u>	<u>\$ 158</u>

(Continued)

McDONOUGH COUNTY, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS

November 30, 2017

	<u>Dive and Rescue Team Fund</u>	<u>Sheriff's Inmate Commissary Fund</u>	<u>State's Attorney Restitution Fund</u>	<u>Township MFT Fund</u>	<u>Township Bridge Fund</u>	<u>Tax Sale Indemnity Fund</u>	<u>County Clerk</u>	<u>Circuit Clerk</u>	<u>Total</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$ 392	\$ 11,144	\$ 3,251	\$ 1,190,401	\$ 167,531	\$ 104,003	\$ 61,540	\$ 168,933	\$ 2,741,144
Investments	-	-	-	-	-	-	-	50,000	70,000
Receivables:									
State of Illinois	-	-	-	94,345	-	-	-	-	812,678
<b>TOTAL ASSETS</b>	<u>\$ 392</u>	<u>\$ 11,144</u>	<u>\$ 3,251</u>	<u>\$ 1,284,746</u>	<u>\$ 167,531</u>	<u>\$ 104,003</u>	<u>\$ 61,540</u>	<u>\$ 218,933</u>	<u>\$ 3,623,822</u>
<b>LIABILITIES</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ 13,421	\$ 2,751	\$ -	\$ -	\$ -	\$ 212,184
Due to other funds	-	-	-	88,101	-	-	29,857	-	118,584
Due to other taxing units	-	-	-	1,183,224	164,780	-	31,683	218,933	1,603,768
Due to others	392	11,144	3,251	-	-	104,003	-	-	1,689,286
<b>TOTAL LIABILITIES</b>	<u>\$ 392</u>	<u>\$ 11,144</u>	<u>\$ 3,251</u>	<u>\$ 1,284,746</u>	<u>\$ 167,531</u>	<u>\$ 104,003</u>	<u>\$ 61,540</u>	<u>\$ 218,933</u>	<u>\$ 3,623,822</u>

(Concluded)

**MCDONOUGH COUNTY, ILLINOIS**

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended November 30, 2017

	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>Total All Agency Funds</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,860,172	\$ 51,192,882	\$ 51,311,910	\$ 2,741,144
Investments	70,000	30,000	30,000	70,000
Accounts receivable	615,921	812,678	615,921	812,678
<b>TOTAL ASSETS</b>	<u>\$ 3,546,093</u>	<u>\$ 52,035,560</u>	<u>\$ 51,957,831</u>	<u>\$ 3,623,822</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 190,472	\$ 40,188	\$ 18,476	\$ 212,184
Due to other funds	134,755	87,965	104,136	118,584
Due to other taxing units	1,545,599	48,178,954	48,120,785	1,603,768
Due to others	1,675,267	3,731,204	3,717,185	1,689,286
<b>TOTAL LIABILITIES</b>	<u>\$ 3,546,093</u>	<u>\$ 52,038,311</u>	<u>\$ 51,960,582</u>	<u>\$ 3,623,822</u>
<b>1. County Collector - Current Tax Collection Account</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,449	\$ 44,649,877	\$ 44,647,429	\$ 4,897
<b>TOTAL ASSETS</b>	<u>\$ 2,449</u>	<u>\$ 44,649,877</u>	<u>\$ 44,647,429</u>	<u>\$ 4,897</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ 2,449	\$ 44,649,877	\$ 44,647,429	\$ 4,897
<b>TOTAL LIABILITIES</b>	<u>\$ 2,449</u>	<u>\$ 44,649,877</u>	<u>\$ 44,647,429</u>	<u>\$ 4,897</u>
<b>2. County Collector - Mobile Home Privilege Tax Account</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 401	\$ 46,176	\$ 46,326	\$ 251
<b>TOTAL ASSETS</b>	<u>\$ 401</u>	<u>\$ 46,176</u>	<u>\$ 46,326</u>	<u>\$ 251</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ 401	\$ 46,176	\$ 46,326	\$ 251
<b>TOTAL LIABILITIES</b>	<u>\$ 401</u>	<u>\$ 46,176</u>	<u>\$ 46,326</u>	<u>\$ 251</u>

**MCDONOUGH COUNTY, ILLINOIS**

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

For the Year Ended November 30, 2017

	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>3. Court Services</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 831,991	\$ 2,823,064	\$ 3,015,284	\$ 639,771
Accounts receivable	521,402	718,333	521,402	718,333
<b>TOTAL ASSETS</b>	<u>\$ 1,353,393</u>	<u>\$ 3,541,397</u>	<u>\$ 3,536,686</u>	<u>\$ 1,358,104</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 173,409	\$ 14,820	\$ 1,413	\$ 186,816
Due to others	1,179,984	3,526,577	3,535,273	1,171,288
<b>TOTAL LIABILITIES</b>	<u>\$ 1,353,393</u>	<u>\$ 3,541,397</u>	<u>\$ 3,536,686</u>	<u>\$ 1,358,104</u>
<b>4. Multi-County Chief Judge</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 94,702	\$ 24,841	\$ 16,901	\$ 102,642
<b>TOTAL ASSETS</b>	<u>\$ 94,702</u>	<u>\$ 24,841</u>	<u>\$ 16,901</u>	<u>\$ 102,642</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 79	\$ -	\$ 79	\$ -
Due to others	94,623	24,841	16,822	102,642
<b>TOTAL LIABILITIES</b>	<u>\$ 94,702</u>	<u>\$ 24,841</u>	<u>\$ 16,901</u>	<u>\$ 102,642</u>
<b>5. Probation Service</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 210,106	\$ 69,502	\$ 17,191	\$ 262,417
<b>TOTAL ASSETS</b>	<u>\$ 210,106</u>	<u>\$ 69,502</u>	<u>\$ 17,191</u>	<u>\$ 262,417</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 406	\$ 9,196	\$ 406	\$ 9,196
Due to other funds	267	-	-	267
Due to others	209,433	60,306	16,785	252,954
<b>TOTAL LIABILITIES</b>	<u>\$ 210,106</u>	<u>\$ 69,502</u>	<u>\$ 17,191</u>	<u>\$ 262,417</u>

**MCDONOUGH COUNTY, ILLINOIS**

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

For the Year Ended November 30, 2017

	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>6. Condemnation</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 22,019	\$ 77	\$ -	\$ 22,096
Investments	20,000	20,000	20,000	20,000
<b>TOTAL ASSETS</b>	<u>\$ 42,019</u>	<u>\$ 20,077</u>	<u>\$ 20,000</u>	<u>\$ 42,096</u>
<b>LIABILITIES</b>				
Due to others	\$ 42,019	\$ 20,077	\$ 20,000	\$ 42,096
<b>TOTAL LIABILITIES</b>	<u>\$ 42,019</u>	<u>\$ 20,077</u>	<u>\$ 20,000</u>	<u>\$ 42,096</u>
<b>7. Unclaimed Estates</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,648	\$ 2	\$ 6,933	\$ 1,717
<b>TOTAL ASSETS</b>	<u>\$ 8,648</u>	<u>\$ 2</u>	<u>\$ 6,933</u>	<u>\$ 1,717</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 359	\$ -	\$ -	\$ 359
Due to others	8,289	2	6,933	1,358
<b>TOTAL LIABILITIES</b>	<u>\$ 8,648</u>	<u>\$ 2</u>	<u>\$ 6,933</u>	<u>\$ 1,717</u>
<b>8. Advocacy</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 158	\$ -	\$ -	\$ 158
<b>TOTAL ASSETS</b>	<u>\$ 158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158</u>
<b>LIABILITIES</b>				
Due to others	\$ 158	\$ -	\$ -	\$ 158
<b>TOTAL LIABILITIES</b>	<u>\$ 158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158</u>
<b>9. Dive and Rescue Team</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 392	\$ -	\$ -	\$ 392
<b>TOTAL ASSETS</b>	<u>\$ 392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392</u>
<b>LIABILITIES</b>				
Due to others	\$ 392	\$ -	\$ -	\$ 392
<b>TOTAL LIABILITIES</b>	<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, 2017

	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>10. Sheriff's Inmate Commissary Account</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 39,805	\$ 78,742	\$ 107,403	\$ 11,144
<b>TOTAL ASSETS</b>	<u>\$ 39,805</u>	<u>\$ 78,742</u>	<u>\$ 107,403</u>	<u>\$ 11,144</u>
<b>LIABILITIES</b>				
Due to others	\$ 39,805	\$ 78,742	\$ 107,403	\$ 11,144
<b>TOTAL LIABILITIES</b>	<u>\$ 39,805</u>	<u>\$ 78,742</u>	<u>\$ 107,403</u>	<u>\$ 11,144</u>
<b>11. State's Attorney Restitution Account</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,238	\$ 13,982	\$ 13,969	\$ 3,251
<b>TOTAL ASSETS</b>	<u>\$ 3,238</u>	<u>\$ 13,982</u>	<u>\$ 13,969</u>	<u>\$ 3,251</u>
<b>LIABILITIES</b>				
Due to others	\$ 3,238	\$ 13,982	\$ 13,969	\$ 3,251
<b>TOTAL LIABILITIES</b>	<u>\$ 3,238</u>	<u>\$ 13,982</u>	<u>\$ 13,969</u>	<u>\$ 3,251</u>
<b>12. Township MFT</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,068,735	\$ 1,160,430	\$ 1,038,764	\$ 1,190,401
Accounts receivable	94,519	94,345	94,519	94,345
<b>TOTAL ASSETS</b>	<u>\$ 1,163,254</u>	<u>\$ 1,254,775</u>	<u>\$ 1,133,283</u>	<u>\$ 1,284,746</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 16,578	\$ 13,421	\$ 16,578	\$ 13,421
Due to other funds	91,239	58,108	61,246	88,101
Due to other taxing units	1,055,437	1,183,246	1,055,459	1,183,224
<b>TOTAL LIABILITIES</b>	<u>\$ 1,163,254</u>	<u>\$ 1,254,775</u>	<u>\$ 1,133,283</u>	<u>\$ 1,284,746</u>



**MCDONOUGH COUNTY, ILLINOIS**

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

For the Year Ended November 30, 2017

	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>13. Township Bridge</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 181,977	\$ 179	\$ 14,625	\$ 167,531
<b>TOTAL ASSETS</b>	<u>\$ 181,977</u>	<u>\$ 179</u>	<u>\$ 14,625</u>	<u>\$ 167,531</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 2,751	\$ -	\$ 2,751
Due to other taxing units	<u>181,977</u>	<u>179</u>	<u>17,376</u>	<u>164,780</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 181,977</u>	<u>\$ 2,930</u>	<u>\$ 17,376</u>	<u>\$ 167,531</u>
<b>14. Tax Sale Indemnity</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 97,326	\$ 6,677	\$ -	\$ 104,003
<b>TOTAL ASSETS</b>	<u>\$ 97,326</u>	<u>\$ 6,677</u>	<u>\$ -</u>	<u>\$ 104,003</u>
<b>LIABILITIES</b>				
Due to others	\$ 97,326	\$ 6,677	\$ -	\$ 104,003
<b>TOTAL LIABILITIES</b>	<u>\$ 97,326</u>	<u>\$ 6,677</u>	<u>\$ -</u>	<u>\$ 104,003</u>
<b>15. County Clerk</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 69,323	\$ 1,064,278	\$ 1,072,061	\$ 61,540
<b>TOTAL ASSETS</b>	<u>\$ 69,323</u>	<u>\$ 1,064,278</u>	<u>\$ 1,072,061</u>	<u>\$ 61,540</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 42,890	\$ 29,857	\$ 42,890	\$ 29,857
Due to other taxing units	<u>26,433</u>	<u>1,034,421</u>	<u>1,029,171</u>	<u>31,683</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 69,323</u>	<u>\$ 1,064,278</u>	<u>\$ 1,072,061</u>	<u>\$ 61,540</u>

MCDONOUGH COUNTY, ILLINOIS

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

For the Year Ended November 30, 2017

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	<u>Balances, December 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances, November 30, 2017</u>
<b>16. Circuit Clerk</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 228,902	\$ 1,255,055	\$ 1,315,024	\$ 168,933
Investments	50,000	10,000	10,000	50,000
<b>TOTAL ASSETS</b>	<u>\$ 278,902</u>	<u>\$ 1,265,055</u>	<u>\$ 1,325,024</u>	<u>\$ 218,933</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ 278,902	\$ 1,265,055	\$ 1,325,024	\$ 218,933
<b>TOTAL LIABILITIES</b>	<u>\$ 278,902</u>	<u>\$ 1,265,055</u>	<u>\$ 1,325,024</u>	<u>\$ 218,933</u>

**SUPPLEMENTAL INFORMATION**

**McDONOUGH COUNTY, ILLINOIS**

SCHEDULE OF TAX INFORMATION

Last Three Levy Years

	Year Ended November 30, 2017		
	2016 Levy	Rate	Collection
General Corporate **	\$ 1,102,800	0.25338	\$ 1,082,407
County Highway	287,803	0.06833	286,491
County Aid to Bridges	157,731	0.03745	157,021
Federal Aid Matching	197,062	0.04679	196,202
Tuberculosis	25,578	0.00608	4,894
Veterans' Assistance	61,895	0.01470	39,093
Municipal Retirement	1,223,000	0.29036	1,295,519
Social Security	677,310	0.16081	702,584
Building Rental (Building Commission)	350,000	0.08310	345,243
Cooperative Extension	174,260	0.04138	167,877
Mental Health	393,592	0.09345	391,760
County Health	330,890	0.07856	329,362
Senior Citizens' Transportation	42,000	0.00998	21,498
Economic Development Revolving Loan	-	-	40,540
Liability Insurance	341,750	0.08114	340,176
The Elms	393,592	0.09345	391,760
<b>TOTALS</b>	<b>\$ 5,759,263</b>	<b>1.35896</b>	<b>\$ 5,792,427</b>
<b>ASSESSED VALUATION</b>		<b>\$ 421,209,203</b>	

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

\*\* For the year ended November 30, 2017, the assessed valuations used for General Corporate was \$450,650,029, which includes the assessed valuation of Enterprise Zone properties. Collections of \$40,540 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).

<b>Year Ended November 30, 2016</b>			<b>Year Ended November 30, 2015</b>		
<b>2015</b>			<b>2014</b>		
<b>Levy</b>	<b>Rate</b>	<b>Collection</b>	<b>Levy</b>	<b>Rate</b>	<b>Collection</b>
\$ 1,082,950	0.25351	\$ 1,068,073	\$ 1,035,500	0.25537	\$ 1,040,646
281,300	0.06851	286,838	276,150	0.06959	280,515
154,200	0.03756	157,210	151,350	0.03815	153,790
192,600	0.04691	196,417	188,960	0.04763	192,076
25,000	0.00609	25,521	30,000	0.00757	24,934
60,500	0.01474	61,707	62,000	0.01564	60,354
1,190,450	0.28992	1,218,875	1,145,000	0.28848	1,187,094
662,000	0.16123	675,050	650,000	0.01680	660,161
350,000	0.08524	348,838	350,000	0.08853	349,017
174,260	0.04244	173,704	171,100	0.04312	173,773
384,700	0.09369	392,287	377,700	0.09519	383,616
323,475	0.07878	329,782	317,600	0.08034	322,567
42,000	0.01023	41,894	42,000	0.01059	41,888
-	-	42,337	-	-	53,765
329,150	0.08017	340,609	323,150	0.08174	328,257
384,700	0.09369	392,287	377,700	0.09554	384,129
<u>\$ 5,637,285</u>	<u>1.36271</u>	<u>\$ 5,751,429</u>	<u>\$ 5,498,210</u>	<u>1.23428</u>	<u>\$ 5,636,582</u>
	<u>\$ 410,615,362</u>		<u>\$ 395,368,669</u>		