

**HANCOCK COUNTY, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED NOVEMBER 30, 2015**

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## INDEPENDENT AUDITORS' REPORT

Chairman and Members  
Hancock County Board  
Carthage, Illinois

### *Report on the Financial Statements*

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 Hancock County, Illinois (County) as of and for the year ended November 30, 2015, 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.

### *Auditors' 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 and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Because of the matters described in the "Basis for Disclaimer of Opinion" paragraphs, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Ambulance Fund or the Health Department.

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 principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Except, for the matters described in the "Basis for Disclaimer of Opinion" paragraphs, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Summary of Opinions*

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
Discretely Presented Component Unit	Unmodified
Governmental Fund – General Fund	Unmodified
Governmental Fund – Ambulance Fund	Disclaimer
Governmental Fund – Health Department	Disclaimer
Governmental Fund – Retirement Fund	Unmodified
Governmental Fund – County Highway	Unmodified
Enterprise Fund – Shelter Care Home	Unmodified
Aggregate Remaining Fund Information	Unmodified

*Basis for Qualified Opinion on the Governmental Activities*

Management recorded certain capital assets in governmental activities during the year ended November 30, 2010. We were not able to verify the cost of these assets and therefore offer no opinion with regards to the capital assets reported in the governmental activities. The capital assets (net of accumulated depreciation) balance at November 30, 2010, was \$13,596,111.

We were also unable to verify the balances of the Ambulance Fund's accounts receivable at November 30, 2015, and therefore offer no opinion with regards to the Ambulance Fund. The accounts receivable balance at November 30, 2015, was \$298,008.

We were also unable to verify the balances of the Health Department's accounts receivable related to Home Health at November 30, 2015, and therefore offer no opinion with regards to the Health Department. The accounts receivable balance at November 30, 2015, was \$248,299.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion on the Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Hancock County, as of November 30, 2015, 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.

*Basis for Disclaimer of Opinion on the Ambulance Fund*

We were unable to verify the balances of the Ambulance Fund's accounts receivable at November 30, 2015, and therefore offer no opinion with regards to the Ambulance Fund. The accounts receivable balance at November 30, 2015, was \$298,008.

*Disclaimer of Opinion*

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the Ambulance Fund" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Ambulance Fund, a major fund of Hancock County, as of November 30, 2015. Accordingly, we do not express an opinion on these financial statements.

*Basis for Disclaimer of Opinion on the Health Department*

We were unable to verify the balances of the Health Department's accounts receivable at November 30, 2015, and therefore offer no opinion with regards to the Health Department. The accounts receivable balance at November 30, 2015, was \$248,299.

*Disclaimer of Opinion*

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the Health Department" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Health Department, a major fund of Hancock County, as of November 30, 2015. Accordingly, we do not express an opinion on these financial statements.

### *Unmodified Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component unit, the General Fund, the Retirement Fund, the County Highway, and the aggregate remaining fund information of Hancock County, as of November 30, 2015, 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.

### *Change in Accounting Principle*

As described in Note 16, to the financial statements, in the year ended November 30, 2015, the County adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that pension and budgetary comparison information on pages 31 through 40 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. Hancock County, Illinois has omitted the management's discussion and analysis that accounting principles accepted in the United States of America require to 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 statement 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 made for the purpose of forming opinions on the financial statements that collectively comprise Hancock County, Illinois' basic financial statements. The supplementary information and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and was derived from and related 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 supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The statistical section 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 it.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2016, on our consideration of the Hancock County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hancock County, Illinois' internal control over financial reporting and compliance.

*Greg Hunter Steen LLP*  
Certified Public Accountants

Dated at Quincy, Illinois  
June 13, 2016

**BASIC FINANCIAL STATEMENTS**

Exhibit "A"

## HANCOCK COUNTY, ILLINOIS

## STATEMENT OF NET POSITION

NOVEMBER 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash	\$ 2,248,743	\$ 56,441	\$ 2,305,184	\$ 71,434
Investments	3,991,700	-	3,991,700	433,853
Accounts and grants receivable	1,350,152	-	1,350,152	81,550
Prepaid insurance	38,477	-	38,477	-
Prepaid expenses	17,465	-	17,465	-
Due from fiduciary funds	65,994	-	65,994	-
Inventories	41,844	-	41,844	-
Capital assets				
Land	20,000	-	20,000	-
Construction in progress	129,839	-	129,839	-
Building and equipment (net of accumulated depreciation)	13,922,396	78,787	14,001,183	99,770
<b>Total Assets</b>	<b>\$ 21,826,610</b>	<b>\$ 135,228</b>	<b>\$ 21,961,838</b>	<b>\$ 686,607</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Property taxes receivable	\$ 3,596,000	\$ -	\$ 3,596,000	\$ -
Future pension expenses	596,820	-	596,820	-
<b>Total deferred outflows of resources</b>	<b>\$ 4,192,820</b>	<b>\$ -</b>	<b>\$ 4,192,820</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 214,226	\$ 8,731	\$ 222,957	\$ -
Accrued expenses	115,045	26,696	141,741	-
Unearned income	8,403	-	8,403	-
Funds held for others	610,040	-	610,040	-
Net pension liability	244,426	-	244,426	-
Long-term liabilities				
Due within one year	101,602	-	101,602	-
Due in more than one year	147,276	-	147,276	-
<b>Total Liabilities</b>	<b>\$ 1,441,018</b>	<b>\$ 35,427</b>	<b>\$ 1,476,445</b>	<b>\$ -</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred property taxes	\$ 3,596,000	\$ -	\$ 3,596,000	\$ -
<b>NET POSITION</b>				
Invested in capital assets, net of related debt	\$ 13,823,357	\$ 78,787	\$ 13,902,144	\$ 99,770
Restricted for:				
General government	1,527,656	-	1,527,656	-
Public safety	15,529	-	15,529	-
Judiciary	204,854	-	204,854	-
Public works and transportation	293,191	-	293,191	-
Health and welfare	618,575	-	618,575	-
Unrestricted	4,499,250	21,014	4,520,264	586,837
<b>Total Net Position</b>	<b>\$ 20,982,412</b>	<b>\$ 99,801</b>	<b>\$ 21,082,213</b>	<b>\$ 686,607</b>

The accompanying notes to basic financial statements are an integral part of this statement.

**HANCOCK COUNTY, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Assets			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary Government</b>								
<b>Governmental activities</b>								
General government	\$ 2,396,952	\$ 261,823	\$ 65,529	\$ -	\$ (2,069,600)	\$ -	\$ (2,069,600)	
Public safety	1,519,968	253,547	4,334	-	(1,262,087)	-	(1,262,087)	
Judiciary	624,170	407,811	169,820	-	(46,539)	-	(46,539)	
Public works and transportation	3,184,622	664,957	1,063,009	-	(1,456,656)	-	(1,456,656)	
Health and welfare	3,296,776	2,152,990	390,105	-	(753,681)	-	(753,681)	
Education	46,307	-	-	-	(46,307)	-	(46,307)	
Interest expense	6,600	-	-	-	(6,600)	-	(6,600)	
<b>Total governmental activities</b>	<b>\$ 11,075,395</b>	<b>\$ 3,741,128</b>	<b>\$ 1,692,797</b>	<b>\$ -</b>	<b>\$ (5,641,470)</b>	<b>\$ -</b>	<b>\$ (5,641,470)</b>	
<b>Business-Type activities</b>								
Shelter Care Home	606,495	481,177	-	-	-	(125,318)	(125,318)	
<b>Total primary government</b>	<b>\$ 11,681,890</b>	<b>\$ 4,222,305</b>	<b>\$ 1,692,797</b>	<b>\$ -</b>	<b>\$ (5,641,470)</b>	<b>\$ (125,318)</b>	<b>\$ (5,766,788)</b>	
<b>Component Unit</b>								
Emergency Telephone System Board	\$ 288,234	\$ -	\$ 146,768	\$ -				\$ (141,466)
<b>General Revenues</b>								
<b>Taxes</b>								
Property taxes					\$ 3,462,616	\$ -	\$ 3,462,616	\$ -
Telephone surcharge					-	-	-	138,377
Intergovernmental - unrestricted					1,362,695	-	1,362,695	-
Interest					19,032	101	19,133	2,788
Other reimbursements					260,773	9,474	270,247	1,500
Transfers					-	-	-	-
<b>Total general revenue and transfers</b>					<b>\$ 5,105,116</b>	<b>\$ 9,575</b>	<b>\$ 5,114,691</b>	<b>\$ 142,665</b>
Change in net position					\$ (536,354)	\$ (115,743)	\$ (652,097)	\$ 1,199
Net position, beginning					21,518,766	215,544	21,734,310	685,408
Net position, ending					<b>\$ 20,982,412</b>	<b>\$ 99,801</b>	<b>\$ 21,082,213</b>	<b>\$ 686,607</b>

The accompanying notes to basic financial statements are an integral part of this statement.

**HANCOCK COUNTY, ILLINOIS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**AS AT NOVEMBER 30, 2015**

	General	Ambulance	Health Department	Retirement	County Highway	Other Governmental	Total
<b>ASSETS</b>							
Cash	\$ 981,851	\$ 37,286	\$ 172,540	\$ 83,537	\$ 25,734	\$ 327,959	\$ 1,628,907
Investments	969,803	755,519	-	410,000	399,000	1,204,378	3,738,700
Accounts receivable	369,180	298,008	360,208	-	4,121	318,635	1,350,152
Property taxes receivable	829,000	175,000	310,000	860,000	316,000	1,081,000	3,571,000
Prepaid expenses	17,465	-	-	-	-	-	17,465
Inventories, at cost	-	-	41,844	-	-	-	41,844
Due from other funds	22,332	-	-	-	-	69,737	92,069
<b>Total Assets</b>	<b>\$ 3,189,631</b>	<b>\$ 1,265,813</b>	<b>\$ 884,592</b>	<b>\$ 1,353,537</b>	<b>\$ 744,855</b>	<b>\$ 3,001,709</b>	<b>\$ 10,440,137</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ 19,041	\$ 19,016	\$ 36,677	\$ -	\$ 25,018	\$ 114,474	\$ 214,226
Accrued expenses	-	-	5,013	-	-	-	5,013
Unearned income	829,000	175,000	318,403	860,000	316,000	1,081,000	3,579,403
Funds held for others	610,040	-	-	-	-	-	610,040
Due to other funds	3,743	7,596	-	-	-	14,736	26,075
<b>Total Liabilities</b>	<b>\$ 1,461,824</b>	<b>\$ 201,612</b>	<b>\$ 360,093</b>	<b>\$ 860,000</b>	<b>\$ 341,018</b>	<b>\$ 1,210,210</b>	<b>\$ 4,434,757</b>
<b>Fund Balances</b>							
Nonspendable	\$ -	\$ -	\$ 41,844	\$ -	\$ -	\$ -	\$ 41,844
Restricted	34,669	33,231	482,655	493,537	161,969	1,480,130	2,686,191
Assigned	-	1,030,970	-	-	241,868	216,569	1,489,407
Unassigned	1,693,138	-	-	-	-	94,800	1,787,938
<b>Total Fund Balances</b>	<b>\$ 1,727,807</b>	<b>\$ 1,064,201</b>	<b>\$ 524,499</b>	<b>\$ 493,537</b>	<b>\$ 403,837</b>	<b>\$ 1,791,499</b>	<b>\$ 6,005,380</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,189,631</b>	<b>\$ 1,265,813</b>	<b>\$ 884,592</b>	<b>\$ 1,353,537</b>	<b>\$ 744,855</b>	<b>\$ 3,001,709</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds							13,445,553
Deferred outflows of resources due to pension expense							596,820
Long-term liabilities related to governmental activities							(493,304)
Accrued expenses related to governmental activities							(110,032)
The assets and liabilities of internal service funds are included in governmental activities							1,537,995
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>							<b>\$ 20,982,412</b>

The accompanying notes to basic financial statements are an integral part of this statement.

**HANCOCK COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	General	Ambulance	Health Department	Retirement	County Highway	Other Governmental	Total
<b>REVENUES</b>							
Taxes - Property	\$ 814,977	\$ 149,845	\$ 314,926	\$ 799,703	\$ 306,728	\$ 1,051,440	\$ 3,437,619
Intergovernmental - State of Illinois	1,578,713	-	222,834	-	-	666,040	2,467,587
Federal revenue	2,326	-	179,624	-	207,488	210,820	600,258
Grants and contributions	-	-	5,492	-	-	-	5,492
Charges for services	141,000	906,019	1,229,126	-	545,667	121,510	2,943,322
Fees	330,305	-	-	-	-	121,166	451,471
Fines	227,274	-	-	-	-	101,216	328,490
Interest	4,320	5,510	366	872	925	5,470	17,463
Other	271,111	8,535	10,104	4,924	-	42,498	337,172
<b>Total Revenues</b>	<b>\$ 3,370,026</b>	<b>\$ 1,069,909</b>	<b>\$ 1,962,472</b>	<b>\$ 805,499</b>	<b>\$ 1,060,808</b>	<b>\$ 2,320,160</b>	<b>\$ 10,588,874</b>
<b>EXPENDITURES</b>							
<b>Current</b>							
General government	\$ 1,399,021	\$ -	\$ -	\$ 105,986	\$ -	\$ 787,662	\$ 2,292,669
Public safety	1,087,187	-	-	252,289	-	66,366	1,405,842
Judiciary	565,204	-	-	40,645	-	18,321	624,170
Public works and transportation	-	-	-	85,678	971,288	1,437,622	2,494,588
Health and welfare	2,500	919,962	1,781,546	363,392	-	27,069	3,094,469
Education	46,307	-	-	-	-	-	46,307
Debt service							
Principal	39,178	11,297	12,886	-	48,787	-	112,148
Interest	1,717	175	2,665	-	2,043	-	6,600
Capital outlay	-	168,225	-	-	223,249	32,885	424,359
<b>Total Expenditures</b>	<b>\$ 3,141,114</b>	<b>\$ 1,099,659</b>	<b>\$ 1,797,097</b>	<b>\$ 847,990</b>	<b>\$ 1,245,367</b>	<b>\$ 2,369,925</b>	<b>\$ 10,501,152</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ 228,912</b>	<b>\$ (29,750)</b>	<b>\$ 165,375</b>	<b>\$ (42,491)</b>	<b>\$ (184,559)</b>	<b>\$ (49,765)</b>	<b>\$ 87,722</b>
<b>Other Financing Sources (Uses)</b>							
Proceeds from borrowing	\$ -	\$ 44,528	\$ -	\$ -	\$ 134,295	\$ -	\$ 178,823
Transfers from (to) other funds	-	(43,246)	-	43,246	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ 1,282</b>	<b>\$ -</b>	<b>\$ 43,246</b>	<b>\$ 134,295</b>	<b>\$ -</b>	<b>\$ 178,823</b>
<b>Net Change in Fund Balances</b>	<b>\$ 228,912</b>	<b>\$ (28,468)</b>	<b>\$ 165,375</b>	<b>\$ 755</b>	<b>\$ (50,264)</b>	<b>\$ (49,765)</b>	<b>\$ 266,545</b>
<b>Fund Balances, Beginning</b>	<b>1,498,895</b>	<b>1,092,669</b>	<b>359,124</b>	<b>492,782</b>	<b>454,101</b>	<b>1,841,264</b>	<b>5,738,835</b>
<b>Fund Balances, Ending</b>	<b>\$ 1,727,807</b>	<b>\$ 1,064,201</b>	<b>\$ 524,499</b>	<b>\$ 493,537</b>	<b>\$ 403,837</b>	<b>\$ 1,791,499</b>	<b>\$ 6,005,380</b>

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "E"

HANCOCK 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, 2015

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

Net change in fund balances - total Governmental Funds	\$	266,545
Proceeds from the issuance of debt principal are recorded as other financing sources in the Governmental Funds, but increases long-term liabilities in the Statement of Net Assets		(178,823)
Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term debt liabilities in the Statement of Net Assets		112,148
Capital outlay is an expenditure in the Governmental Funds, but are capitalized and depreciated in the statement of activities		424,359
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Depreciation		(983,626)
Compensated absences		(11,354)
Pension obligations		(244,327)
Internal Service Funds are used to charge the cost of certain activities, such as health and unemployment insurance and rent, to individual funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities		<u>78,724</u>
Change in net position of governmental activities	\$	<u>(536,354)</u>

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "F"

HANCOCK COUNTY, ILLINOISSTATEMENT OF NET POSITIONPROPRIETARY FUNDSNOVEMBER 30, 2015

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Funds</u>
	<u>Shelter Care Home</u>	
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 56,441	\$ 619,836
Investments	-	253,000
Prepaid insurance	-	38,477
	<u>                    </u>	<u>                    </u>
Total Current Assets	\$ <u>56,441</u>	\$ <u>911,313</u>
Capital assets, net of accumulated depreciation	\$ <u>78,787</u>	\$ <u>626,682</u>
	<u>                    </u>	<u>                    </u>
<b><u>Total Assets</u></b>	<b>\$ <u>135,228</u></b>	<b>\$ <u>1,537,995</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Property taxes receivable	\$ <u>-</u>	\$ <u>25,000</u>
	<u>                    </u>	<u>                    </u>
<b><u>LIABILITIES</u></b>		
Accounts payable	\$ 8,731	\$ -
Accrued expenses	26,696	-
	<u>                    </u>	<u>                    </u>
<b><u>Total Liabilities</u></b>	<b>\$ <u>35,427</u></b>	<b>\$ <u>-</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Deferred income	\$ <u>-</u>	\$ <u>25,000</u>
	<u>                    </u>	<u>                    </u>
<b><u>NET POSITION</u></b>		
Invested in capital assets	\$ 78,787	\$ 626,682
Unrestricted	21,014	911,313
	<u>                    </u>	<u>                    </u>
<b><u>Total Net Position</u></b>	<b>\$ <u>99,801</u></b>	<b>\$ <u>1,537,995</u></b>

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "G"

HANCOCK COUNTY, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund Shelter Care Home</u>	<u>Internal Service Funds</u>
<u>OPERATING REVENUES</u>		
Taxes - Property	\$ -	\$ 24,997
Charges for services	481,177	380,000
Rent	-	424,820
Other	9,474	-
<u>Total Operating Revenues</u>	\$ 490,651	\$ 829,817
<u>OPERATING EXPENSES</u>		
Medical claims and expenses	\$ 4,115	\$ 280,866
Personnel costs	476,947	26,409
Professional and contractual	2,400	47,817
Food	81,351	-
Telephone and utilities	10,042	102,523
Repairs and maintenance	1,433	188,849
Insurance	-	66,950
Travel	2,596	-
Office expense	390	-
Miscellaneous	18,662	-
Depreciation	8,559	39,248
<u>Total Operating Expenses</u>	\$ 606,495	\$ 752,662
<u>OPERATING INCOME (LOSS)</u>	\$ (115,844)	\$ 77,155
<u>NONOPERATING REVENUE</u>		
Interest income	\$ 101	\$ 1,569
<u>NET INCOME (LOSS)</u>	\$ (115,743)	\$ 78,724
Net Position, December 1, 2014	215,544	1,459,271
<u>NET POSITION, NOVEMBER 30, 2015</u>	\$ 99,801	\$ 1,537,995

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "H"

HANCOCK COUNTY, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund Shelter Care Home</u>	<u>Internal Service Funds</u>
<u>Cash flows from operating activities</u>		
Receipts from residents, premiums	\$ 481,177	\$ -
Receipts from other funds	-	804,820
Receipts from property taxes	-	24,997
Other receipts	9,474	-
Payments to employees	(486,403)	(59,826)
Claims paid	-	(327,371)
Payments for goods and services	(120,828)	(372,722)
<u>Net cash provided by (applied to) operating activities</u>	<u>\$ (116,580)</u>	<u>\$ 69,898</u>
<u>Cash flows from investing activities</u>		
Interest income	\$ 101	\$ 1,569
Purchases and redemptions of investments	-	(151,000)
<u>Net cash provided by investing activities</u>	<u>\$ 101</u>	<u>\$ (149,431)</u>
<u>Net increase (decrease) in cash</u>	<u>\$ (116,479)</u>	<u>\$ (79,533)</u>
Cash balance, December 1, 2014	172,920	699,369
<u>CASH BALANCE, NOVEMBER 30, 2015</u>	<u>\$ 56,441</u>	<u>\$ 619,836</u>
<u>Reconciliation of income (loss) to net cash provided by (applied to) operating activities:</u>		
Operating income (loss)	\$ (115,844)	\$ 77,155
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:		
Non-cash: Depreciation	8,559	39,248
Changes in assets and liabilities:		
Prepaid expenses	-	(38,477)
Accounts payable and accrued expenses	(9,295)	(8,028)
<u>Net cash provided by (applied to) operating activities</u>	<u>\$ (116,580)</u>	<u>\$ 69,898</u>

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "I"

HANCOCK COUNTY, ILLINOISSTATEMENT OF NET POSITIONFIDUCIARY FUNDSNOVEMBER 30, 2015

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
<b><u>ASSETS</u></b>		
Cash	\$ 55,844	\$ 401,365
Investments	546,000	22,908
Accounts receivable	<u>629,207</u>	<u>-</u>
<b>Total Assets</b>	<b>\$ <u>1,231,051</u></b>	<b>\$ <u>424,273</u></b>
<b><u>LIABILITIES</u></b>		
Accounts payable	\$ 27,236	\$ -
Due to other funds	65,994	-
Funds held for others	<u>-</u>	<u>424,273</u>
<b>Total Liabilities</b>	<b>\$ <u>93,230</u></b>	<b>\$ <u>424,273</u></b>
<b><u>NET POSITION</u></b>		
Held in trust for other governments	<b>\$ <u>1,137,821</u></b>	<b>\$ <u>-</u></b>

The accompanying notes to basic financial statements are an integral part of this statement.

Exhibit "J"

HANCOCK COUNTY, ILLINOIS  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>Private Purpose Trust Funds</u>
<b><u>ADDITIONS</u></b>	
Intergovernmental revenue	\$ 1,747,239
Interest	<u>5,524</u>
<b><u>Total Additions</u></b>	<b>\$ <u>1,752,763</u></b>
<b><u>DEDUCTIONS</u></b>	
Township road and bridge construction and maintenance	\$ <u>2,308,586</u>
<b><u>Total Deductions</u></b>	<b>\$ <u>2,308,586</u></b>
<b><u>CHANGE IN NET POSITION</u></b>	<b>\$ <u>(555,823)</u></b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>	
Transfers from (to) other funds	\$ <u>-</u>
<b><u>CHANGE IN NET ASSETS AFTER OTHER FINANCING SOURCES (USES)</u></b>	<b>\$ (555,823)</b>
Net Position, December 1, 2014	<u>1,693,644</u>
<b><u>NET POSITION, NOVEMBER 30, 2015</u></b>	<b>\$ <u>1,137,821</u></b>

The accompanying notes to basic financial statements are an integral part of this statement.

HANCOCK COUNTY, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
NOVEMBER 30, 2015

Note (1) Summary Of Accounting Policies

Hancock County is a governmental entity located in West Central Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to Hancock County (examples would be property taxes, sales taxes, income taxes, and motor fuel taxes) and charges for services performed for constituents of the County and others. Hancock County revenues are therefore primarily dependent on the economy within its territorial boundaries. Industry within the County is primarily agriculture, manufacturing, and retail.

The financial statements of Hancock County, Illinois are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through June 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting and reporting policies used by the County are discussed below.

Reporting Entity

The County's financial reporting entity is composed of the following:

Primary Government	Hancock County
Blended Component Unit	Hancock Public Building Commission
Discretely Presented Component Unit	Emergency Telephone System Board

Blended Component Unit

A blended component unit is a separate legal entity that the County is financially responsible for and its governing body is the same or substantially the same as the County Board or the component unit provides services entirely to the County. The component unit's funds are blended into those of the County by appropriate fund type to constitute the primary government presentation.

The County's blended component unit consists of the Hancock Public Building Commission which was created in 1985 to finance the construction of the County Jail and to remodel the Shelter Care Home and the County Courthouse. The fund is presented as an Internal Service Fund.

Discretely Presented Component Unit

A discretely presented component unit is a separate legal entity that the County is financially accountable for but does not have the same or substantially the same governing body as the County Board nor does it provide services entirely to the County.

The County's discretely presented component unit consists of the Emergency Telephone System Board (ETSB). ETSB was created to establish and maintain the County's Emergency 911 telephone system. The County appoints the Board, and the County Treasurer is custodian for the Board's funds. The ETSB is considered major based upon the nature and significance of its relationship to the primary government.

Fiscal Year

The fiscal year of the County ends on November 30.

Note (1) Summary Of Accounting Policies (Cont'd)Basis of Presentation

The basic financial statements include both government-wide and fund financial statements.

Government-wide Financial Statements

Government-wide statements focus on the County as a whole, and primary activities are categorized as either governmental or business-type. Even though the government-wide statements focus on the County as a whole, fiduciary funds are not included in the government-wide statements. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reported on a full accrual, economic resource basis.

The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major funds are determined based on criteria established by GASB No. 34.

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

The County has the following major governmental funds:

General Fund

This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund includes the general operating funds of the County. These include the General Fund, County Clerk Fee Fund, County Clerk Payroll Fund, Sheriff Fee Fund and Circuit Clerk Fund.

Retirement Fund

This fund accounts for the activities resulting from the County's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which is used to pay the County's contributions to the fund on behalf of the County employees. This fund also accounts for the social security contributions made for County employees which are also financed by a specific annual property tax levy.

Ambulance Fund

This fund accounts for the operating activities of the County's ambulance services.

Health Department

This fund accounts for the operating activities of the Hancock County Health Department.

County Highway Fund

This fund accounts for the operating activities of the County's highway department.

Note (1) Summary Of Accounting Policies (Cont'd)Basis of Presentation (Cont'd)

The County has the following fund types:

Proprietary FundsEnterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expense incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Shelter Care Home facility is the only Enterprise Fund and is used to account for the operation and maintenance of the facility which provides a residence for individuals on a user charge basis.

Internal Service Funds

The Internal Service Funds consist of the Hancock Public Building Commission (the Commission), the Unemployment Compensation Fund, and the Premium and Medical Fund. The purpose of the Commission is to provide maintenance for the Courthouse, Jail and Shelter Care Home. The Unemployment Compensation Fund and the Premium and Medical Fund account for the payment of health and unemployment insurance coverage and claims of County employees.

Fiduciary FundsPrivate Purpose Trust Funds

These funds report principal and income which benefits individuals, private organizations or other governments.

Agency Funds

These funds account for monies held on behalf of other governments, including property taxes and other taxes collected, and also commissary funds for prisoners in the County Jail.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

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

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified basis of accounting when the liability is incurred. The exception to this general rule is that debt service expenditures and expenditures related to compensated absences are recognized when due.

Note (1) Summary Of Accounting Policies (Cont'd)Use of Estimates

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

Cash and Cash Equivalents

The County has defined cash and cash equivalents to include cash on hand and demand deposits. For the purpose of the statements of cash flows, all highly liquid assets with a maturity of three months or less are considered to be cash equivalents. At November 30, 2015, no investments qualified as cash equivalents.

Investments

Investments, which consist primarily of certificates of deposit and repurchase agreements, are stated at cost, which approximates fair value.

Accounts Receivable

Except for the Health Department and Ambulance Fund, accounts receivable in the governmental funds and the internal service funds are reported at gross with no allowance for uncollectibles since the amount of any uncollectible accounts is considered immaterial by management. Accounts receivable of the Health Department and Ambulance Fund are from individuals, insurance companies and governmental units. The Health Department and Ambulance Fund considers accounts receivable to be partially uncollectible and has established an allowance for bad debts to account for amounts considered to be uncollectible. Finance charges occur on individual accounts when 60 days or more are in arrears. When amounts are determined to be uncollectible, they are charged to the allowance. The allowance is evaluated on an annual basis and adjusted based on prior history of collections and a set percentage as stated by policy. The annual adjustment to the allowance is reflected in the bad debt expense or as a bad debt recovery in miscellaneous income. Bad debt recoveries are recorded when received.

Inventories

Inventories consist of expendable supplies and are stated at lower of cost or market with cost determined on a first-in, first-out (FIFO) basis. The cost of inventory is recorded as expenditure at the time individual inventory items are purchased.

Interfund Activity

Interfund receivables/payables are reported on the fund financial statements in full and are not netted against each other. However, on the government-wide financial statements the interfund receivables/payables are netted against each other and any residual balance is reported on its respective due to other funds or due from other funds line. Interfund revenue and expenses are eliminated in the government-wide statement of activities.

Capital Assets

GASB No. 34 requires all capital assets to be recorded and depreciated over useful lives. Capital assets are carried at historical cost or estimated historical cost if historical cost is not available. A capitalization threshold of \$5,000 is used for all capital assets. The County calculates depreciation on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-50 years
Equipment	3-10 years
Improvements	20-40 years
Infrastructure	50 years

Long-Term Liabilities

The long-term liabilities of the County consist of notes payable for highway equipment and sheriff vehicles. All interest has been expensed.

Note (1) Summary Of Accounting Policies (Cont'd)Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 position that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents the acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only two items that meet the criterion for this category: property taxes receivable and future pension expenses.

Property Taxes

The 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 governmental entities prior to the lien dates set by statute. The collection date for property tax receipts is thirty days after the property tax bills are mailed to taxpayers. The first installment is generally due around June 1 of each year, with the second equal installment due September 1. Property taxes collected are distributed to each taxing district 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 in November of each year.

Property taxes levied in 2014 are reflected as revenues in fiscal year 2015. Amounts not collected by the Collector by November 30, 2015 are either under tax objection or forfeiture. Distributions of these tax objection and forfeiture amounts are recognized as revenue in the year of distribution since collection is uncertain.

Property taxes levied in 2015 have been recognized as deferred outflows of resources and deferred inflows of resources as these taxes will be collected and associated for budget purposes to be used in 2016.

Net Position and Fund Equity

In the government-wide financial statements, net position is reported in three categories: invested in capital assets, net of related debt, restricted net position, and unrestricted net position. Net position invested in capital assets, net of related debt represents capital assets less accumulated depreciation less outstanding principal of related debt. Restricted net position represents net position restricted by parties outside of the County (such as grantors, laws, and regulations of other governments). All other net position is considered unrestricted.

In the fund financial statements, fund balance for governmental funds is reported according to GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement enhances the usefulness of the fund balance information by providing clearer fund balance classifications and clarifying the existing governmental fund type definitions. The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance

Fund balance amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance

Fund balance amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation (such as tax levy).

Committed Fund Balance

Fund balance amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned Fund Balance

Fund balance amounts a government intends to use for a specific purpose. The intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Note (1) Summary Of Accounting Policies (Cont'd)Net Position and Fund Equity (Cont'd)Unassigned Fund Balance

Fund balance amounts that are available for any purpose.

The County's Board of Directors establishes (and modifies or rescinds) fund balance commitments and assignments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget.

The County considers restricted amounts to have been spent when expenditures are incurred for purposes for which the restricted fund balance is available. The County has not established a policy for its use of unrestricted fund balance amounts. It considers that committed would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Detail of the fund balance classifications for the governmental funds is as follows at November 30, 2015:

	<u>Major</u> <u>General</u> <u>Fund</u>	<u>Major</u> <u>Ambulance</u>	<u>Major</u> <u>Health</u> <u>Dept.</u>	<u>Major</u> <u>Retirement</u>	<u>Major</u> <u>County</u> <u>Highway</u>	<u>Other</u> <u>Funds</u>	<u>Total</u>
Nonspendable:							
Inventory	\$ -	\$ -	\$ 41,844	\$ -	\$ -	\$ -	\$ 41,844
Restricted for:							
Retirement	-	-	-	493,537	-	-	493,537
Insurances	-	-	-	-	-	420,445	420,445
Health and welfare	-	-	482,655	-	-	-	482,655
Highways	-	-	-	-	-	320,401	320,401
Debt service	34,669	33,231	-	-	161,969	602	230,471
Court-related costs	-	-	-	-	-	144,529	144,529
Veteran services	-	-	-	-	-	120,108	120,108
Information Technology	-	-	-	-	-	324,510	324,510
Other capital projects	-	-	-	-	-	2,647	2,647
Other purposes	-	-	-	-	-	146,888	146,888
Assigned to:							
Ambulance services	-	1,030,970	-	-	-	-	1,030,970
Law enforcement	-	-	-	-	-	95,736	95,736
Highways	-	-	-	-	241,868	120,311	362,179
Other purposes	-	-	-	-	-	522	522
Unassigned	<u>1,693,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,800</u>	<u>1,787,938</u>
Total fund balances	<u>\$ 1,727,807</u>	<u>\$ 1,064,201</u>	<u>\$ 524,499</u>	<u>\$ 493,537</u>	<u>\$ 403,837</u>	<u>\$ 1,791,499</u>	<u>\$ 6,005,380</u>

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 on a modified accrual basis for all budgetary funds.

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. The ultimate level of control is the funds, but is carried down to department and line item. Budgets are not prepared funds when it is not deemed appropriate by the Board.

Note (2) Deposits and Investments

The investment and deposit of County monies is governed by the provisions of the Illinois Compiled Statutes. In accordance with these provisions, all County monies may be invested in one or more of the following:

- a. Interest-bearing savings accounts, interest-bearing certificates of deposit, or interest-bearing time deposits constituting direct obligations of any bank as shall have been selected and designated under the terms of the Statutes and as shall have complied with the requirements thereof;
- b. Shares or other forms of securities legally issuable by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States, provided such shares or securities are insured by the Federal Depository Insurance Corporation;
- c. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
- d. Short-term discount obligations of the Federal National Mortgage Association.

During the year ended November 30, 2015, the County complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made.

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the bank or counterparty, the County will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The County's investment policy requires deposits in excess of the federally insured amount to be collateralized to the extent of 110% and evidenced by an approved written agreement.

At November 30, 2015, the carrying amount of the primary County's (primary government) deposits, which consisted of cash in checking accounts, savings accounts, repurchase agreements, and certificates of deposit, was 7,322,652. The bank balance of these accounts at November 30, 2015 was \$8,906,340, of which all was covered by federal depository insurance or by collateral held by the County's agent in the County's name. The County also had cash on hand of \$1,948 at November 30, 2015.

The deposits of the Hancock Public Building Commission (included in primary County above) consist of cash. The carrying value of the deposits at November 30, 2015 was \$574,406 and the bank balance was \$574,406. The deposits were maintained in one financial institution. Federal depository insurance collateralized \$250,000 of the deposits and collateral held by the County's agent in the County's name collateralized the remaining balance of the deposits.

At November 30, 2015, the carrying amount of the Emergency Telephone System Board's (component unit) deposits, which consisted of cash in checking accounts, repurchase agreements, and certificates of deposit, was \$505,287. The bank balance of these accounts at November 30, 2015 was \$511,168. Federal depository insurance collateralized all of the deposits.

## Reconciliation to Government-wide Statement of Net Position:

	Government- Wide	Fiduciary Funds	Total
Cash	\$ 2,305,184	\$ 457,209	\$ 2,762,393
Certificates of deposits	793,700	22,908	816,608
Repurchase agreements	3,198,000	546,000	3,744,000
	\$ 6,296,884	\$ 1,026,117	\$ 7,323,001
Less cash on hand	(1,848)	(100)	(1,948)
	\$ 6,295,036	\$ 1,026,017	\$ 7,321,053

Note (3) Receivables

Accounts receivable as of year-end for the County's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	<u>Major</u> General Fund	<u>Major</u> Ambulance	<u>Major</u> Health Dept.	<u>Major</u> Retirement	<u>Major</u> County Highway	<u>Other</u> Funds	<u>Total</u>
Property taxes	\$ 829,000	\$ 175,000	\$ 310,000	\$ 860,000	\$ 316,000	\$ 1,081,000	\$ 3,571,000
Income taxes	144,111	-	-	-	-	-	144,111
Sales taxes	77,054	-	-	-	-	-	77,054
Use tax	59,706	-	-	-	-	-	59,706
Motor fuel taxes	-	-	-	-	-	157,984	157,984
Salary reimbursements	85,045	-	-	-	-	-	85,045
Accounts	-	298,008	274,419	-	-	-	572,427
Grants	-	-	85,789	-	-	33,050	118,839
Other	3,264	-	-	-	4,121	127,601	134,986
	<u>\$ 1,198,180</u>	<u>\$ 473,008</u>	<u>\$ 670,208</u>	<u>\$ 860,000</u>	<u>\$ 320,121</u>	<u>\$ 1,399,635</u>	<u>\$ 4,921,152</u>

An allowance has been established for the Health Department's accounts receivable for Home Health, Wellness and Dental services. The gross receivables at November 30, 2015 were \$340,783 with an allowance of \$66,364.

Note (4) Balance Due to/from Other Funds

The interfund receivable and payable balances at November 30, 2015 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Ambulance Fund	\$ 7,596
General Fund	Nonmajor Funds	14,736
Nonmajor Funds	Agency Funds	65,994
Nonmajor Funds	General Fund	<u>3,743</u>
		<u>\$ 92,069</u>

The primary purpose for the above interfund balance is short-term loans and amounts due other funds for expenditures made on their behalf.

Note (5) Transfers to/from Other Funds

Transfers to/from other funds during the year ended November 30, 2015 were as follows:

Ambulance Fund		
To the Retirement Fund	\$	<u>(43,246)</u>
Retirement Fund		
From the Ambulance Fund	\$	<u>43,246</u>
Net Transfers	\$	<u>-</u>

Transfers are primarily used to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note (6) Capital Assets

Capital asset activity for the County's governmental activities for the year ended November 30, 2015 was as follows:

	Balance November 30, 2014	Additions	Deletions	Balance November 30, 2015
<b>Capital assets, non-depreciable:</b>				
Land	\$ 20,000	\$ -	\$ -	\$ 20,000
Construction in progress	<u>101,754</u>	<u>32,885</u>	<u>(4,800)</u>	<u>129,839</u>
<b>Total capital assets, non-depreciable:</b>	<b>\$ 121,754</b>	<b>\$ 32,885</b>	<b>\$ (4,800)</b>	<b>\$ 149,839</b>
<b>Capital assets, depreciable:</b>				
Buildings	\$ 5,685,533	\$ 105,158	\$ -	\$ 5,790,691
Equipment	4,323,220	291,117	(55,327)	4,559,010
Infrastructure	<u>17,446,027</u>	<u>-</u>	<u>-</u>	<u>17,446,027</u>
<b>Total capital assets, depreciable</b>	<b>\$ 27,454,780</b>	<b>\$ 396,275</b>	<b>\$ (55,327)</b>	<b>\$ 27,795,728</b>
<b>Less accumulated depreciation for:</b>				
Buildings	\$ (2,563,014)	\$ (151,470)	\$ -	\$ (2,714,484)
Equipment	(3,130,952)	(260,052)	55,327	(3,335,677)
Infrastructure	<u>(7,211,818)</u>	<u>(611,353)</u>	<u>-</u>	<u>(7,823,171)</u>
<b>Total accumulated depreciation</b>	<b>\$ (12,905,784)</b>	<b>\$ (1,022,875)</b>	<b>\$ 55,327</b>	<b>\$ (13,873,332)</b>
<b>Total capital assets, depreciable</b>	<b><u>14,548,996</u></b>	<b><u>(626,600)</u></b>	<b><u>-</u></b>	<b><u>13,922,396</u></b>
<b>Total capital assets, net</b>	<b>\$ <u>14,670,750</u></b>	<b>\$ <u>(593,715)</u></b>	<b>\$ <u>(4,800)</u></b>	<b>\$ <u>14,072,235</u></b>

Capital asset activity for the County's business-type activities for the year ended November 30, 2015 was as follows:

	Balance November 30, 2014	Additions	Deletions	Balance November 30, 2015
<b>Capital assets, depreciable:</b>				
Buildings	\$ 303,791	\$ -	\$ -	\$ 303,791
Equipment	<u>465,791</u>	<u>-</u>	<u>-</u>	<u>465,791</u>
<b>Total capital assets, depreciable</b>	<b>\$ 769,582</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 769,582</b>
<b>Less accumulated depreciation for:</b>				
Buildings	\$ (274,405)	\$ (1,838)	\$ -	\$ (276,243)
Equipment	<u>(407,831)</u>	<u>(6,721)</u>	<u>-</u>	<u>(414,552)</u>
<b>Total accumulated depreciation</b>	<b>\$ (682,236)</b>	<b>\$ (8,559)</b>	<b>\$ -</b>	<b>\$ (690,795)</b>
<b>Total capital assets, net</b>	<b>\$ <u>87,346</u></b>	<b>\$ <u>(8,559)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>78,787</u></b>

Note (6) Capital Assets (Cont'd)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities

General government	\$ 24,498
Public safety	115,670
Transportation	688,918
Health and welfare	<u>154,540</u>
<b>Total depreciation expense - governmental activities</b>	<b>\$ <u>983,626</u></b>

Activity for the Emergency Telephone System Board (discretely presented component unit) for the year ended November 30, 2015 was as follows:

	Balance November 30, 2014	Additions	Deletions	Balance November 30, 2015
Capital assets, depreciable:				
Furniture and equipment	\$ 180,633	\$ -	\$ -	\$ 180,633
Less accumulated depreciation	<u>(61,778)</u>	<u>(19,085)</u>	<u>-</u>	<u>(80,863)</u>
<b>Total capital assets, net</b>	<b>\$ <u>118,855</u></b>	<b>\$ <u>(19,085)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>99,770</u></b>

Note (7) Long-term Debt and Obligations

Hancock County, Illinois has notes payable and capital leases associated with equipment at November 30, 2015, as well as a long-term liability for compensated absences. The liability for compensated absences for governmental activities is liquidated by the General Fund or by the Special Revenue Fund from which the related employee's salary is normally paid. The equipment loans will be liquidated by the General Fund and the County Highway Fund. The capital leases will be liquidated by the Health Department.

Below is a summary of long-term debt for the year ended November 30, 2015:

	Balance November 30, 2014	Increases	Decreases	Balance November 30, 2015
<u>Governmental activities:</u>				
Compensated absences	\$ 98,678	\$ 110,032	\$ (98,678)	\$ 110,032
Equipment notes:				
Ford Transit Ambulance	-	44,528	(11,297)	33,231
Mack Truck	-	134,295	-	134,295
Dump Truck	54,685	-	(27,011)	27,674
Wheel Loader	21,775	-	(21,775)	-
Police Interceptors	73,848	-	(39,179)	34,669
Capital leases:				
MyWay lease	1,062	-	(1,062)	-
Telehealth lease	<u>30,833</u>	<u>-</u>	<u>(11,824)</u>	<u>19,009</u>
<b>Total long-term debt</b>	<b>\$ <u>280,881</u></b>	<b>\$ <u>288,855</u></b>	<b>\$ <u>(210,826)</u></b>	<b>\$ <u>358,910</u></b>

Note (7) Long-term Debt and Obligations (Cont'd)

The County borrowed \$107,172 to purchase a 2013 International 7400 Dump Truck in 2012. The equipment collateralizes the loan. The interest rate is 2.5% and principal and interest are due in yearly payments of \$28,378, beginning on January 2, 2013 and ending on January 2, 2016.

The County borrowed \$84,342 to purchase a CAT 924H Wheel Loader in 2011. The equipment collateralizes the loan. The interest rate is 3.05% and principal and interest are due on demand or if no demand is made, in yearly payments of \$22,452, beginning on January 2, 2012 and ending on January 2, 2015.

The County borrowed \$34,000 to purchase a Sheriff Interceptor in 2013. The equipment collateralizes the loan. The interest rate is 1.62% and principal and interest are due in yearly payments of \$11,708, beginning on April 8, 2014 and ending on April 8, 2016.

The County borrowed \$51,000 to purchase two Sheriff Interceptors in 2014. The equipment collateralizes the loan. The interest rate is 1.75% and principal and interest are due in yearly payments of \$17,569, beginning on May 1, 2015 and ending on May 1, 2017.

The County borrowed \$44,528 to purchase a 2015 Ford Transit Ambulance in 2015. The equipment collateralizes the loan. The interest rate is 1.90% and principal and interest are due in yearly payments of \$11,472, beginning on December 1, 2015 and ending on December 1, 2018.

The County borrowed \$134,295 to purchase a 2016 Mack Truck in 2015. The equipment collateralizes the loan. The interest rate is 2.00% and principal and interest are due in yearly payments of \$35,126, beginning on January 2, 2016 and ending on January 2, 2019.

The following is a schedule of debt service requirements for the years ended November 30:

	Equipment		Bonds		Total	
	\$	Notes/Leases	\$		\$	
2016	\$	101,602	\$	-	\$	101,602
2017		67,733		-		67,733
2018		45,105		-		45,105
2019		34,438		-		34,438
	\$	<u>248,878</u>	\$	<u>-</u>	\$	<u>248,878</u>

Note (8) Operating Leases

The County has entered into a lease with the Hancock Public Building Commission (a blended component unit in the accompanying financial statements) for the lease of the County Courthouse, County Jail and the County Shelter Care Home. The term of the lease is from December 1 to November 30 and renewable each year. The annual lease payment for 2015 was \$424,820. The lease payment is a direct obligation of the County which levies an annual tax to fund the payment. The Commission is responsible for the maintenance, insurance and any improvements to the properties.

Note (9) Defined Benefit Pension PlanPlan Description

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

Note (9) Defined Benefit Pension Plan (Cont'd)Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

Employees hired 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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2014, the following employees were covered by the benefit terms:

	<u>Regular Plan</u>	<u>SLEP Plan</u>
Retirees and Beneficiaries receiving benefits	88	9
Inactive Plan Members entitled to but not yet receiving benefits	99	3
Active Plan Members	<u>104</u>	<u>9</u>
	<u>291</u>	<u>21</u>

Contributions

As set by statute, the County's Regular and SLEP plan members are required to contribute 4.50% and 7.50%, respectively, of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual contribution rates for calendar year 2014 were 10.22% and 21.11% of payroll, respectively, for Regular and SLEP plans. For the fiscal year ended 2015, the County contributed \$311,659 and \$101,841, respectively, for the Regular and SLEP plans. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Note (9) Defined Benefit Pension Plan (Cont'd)Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 3.5%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	1%	2.25%
Total	<u>100%</u>	

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56, and the resulting single discount rate is 7.50% for the regular plan and 7.47% for the SLEP plan.

Note (9) Defined Benefit Pension Plan (Cont'd)Changes in the Net Pension Liability

The combined changes in the net pension liability for the Regular and SLEP plan is:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	\$ 19,484,553	\$ 19,671,106	\$ (186,553)
Changes for the year:			
Service Cost	436,338	-	436,338
Interest on the Total Pension Liability	1,442,642	-	1,442,642
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the Total Pension Liability	(144,109)	-	(144,109)
Changes of assumptions	663,850	-	663,850
Contributions - employer	-	410,168	(410,168)
Contributions - employees	-	186,222	(186,222)
Net investment income	-	1,190,263	(1,190,263)
Benefit payments, including refunds of employee contributions	(913,594)	(913,594)	-
Other (Net Transfer)	-	181,089	(181,089)
Net Changes	\$ 1,485,127	\$ 1,054,148	\$ 430,979
 Balances at December 31, 2014	 \$ 20,969,680	 \$ 20,725,254	 \$ 244,426
 Plan fiduciary net positions as a percentage of the total pension liability	 98.83%		
 Covered valuation payroll	 \$ 3,798,231		
 Net pension liability as a percentage of covered valuation payroll	 6.44%		

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Lower (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Total Pension Liability	\$ 18,763,548	\$ 16,676,710	\$ 14,993,159
Plan Fiduciary Net Position	17,410,310	17,410,310	17,410,310
Net Pension Liability/(Asset)	\$ 1,353,238	\$ (733,600)	\$ (2,417,151)

The following presents the SLEP plan's net pension liability, calculated using a Single Discount Rate of 7.47%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.47%)	Current Discount (7.47%)	1% Higher (8.47%)
Total Pension Liability	\$ 4,834,580	\$ 4,292,970	\$ 3,849,543
Plan Fiduciary Net Position	3,314,944	3,314,944	3,314,944
Net Pension Liability/(Asset)	\$ 1,519,636	\$ 978,026	\$ 534,599

Note (10) Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended November 30, 2015, the County recognized pension expense of \$244,327. At November 30, 2015, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ (106,701)	\$ -
Changes in assumptions	479,548	-
Net difference between projected and actual earnings on pension plan investments	<u>223,973</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in future periods	\$ <u>596,820</u>	\$ <u>-</u>
Pension contributions made subsequent to measurement date	\$ <u>-</u>	\$ <u>-</u>
Total Deferred Amounts Related to Pensions	\$ <u><u>596,820</u></u>	\$ <u><u>-</u></u>

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

<u>Year Ending December 31</u>	<u>Net Deferred Outflows of Resources</u>
2015	\$ 202,887
2016	202,887
2017	132,598
2018	58,448
2019	-
Thereafter	<u>-</u>
Total	\$ <u><u>596,820</u></u>

Note (11) Risk Management

The County is exposed to various risks related to torts; theft; damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County carries commercial insurance for these risks, including workers compensation insurance. Settlements have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in insurance coverage from the prior year.

**Note (12) Other Required Disclosures**

Generally accepted accounting principles require disclosure, as part of the basic financial statements, of certain information concerning individual funds including:

**Excess of expenditures over appropriations in individual funds**

The following funds had an excess of expenditures over appropriations for the year ended November 30, 2015:

	<u>Appropriations</u>	<u>Expenditures</u>
Ambulance	\$ 1,087,660	\$ 1,098,377
Township Motor Fuel Tax	<u>1,500,000</u>	<u>2,229,922</u>
	<u>\$ 2,587,660</u>	<u>\$ 3,328,299</u>

**Note (13) Legal Debt Margin**

The legal debt margin at November 30, 2015 is calculated as follows:

Equalized Assessed Valuation – 2014 Tax Extension	\$ <u>306,867,927</u>
Statutory Debt Limitation (2.875% Valuation) Minus Applicable Debt	\$ 8,822,453 <u>-</u>
Legal Debt Margin	\$ <u>8,822,453</u>

**Note (14) Commitments**

The County has a commitment to purchase a new 2015 Ford E-450 Transit Ambulance for \$110,713 during fiscal year 2016.

**Note (15) Related Party Transactions**

The County uses a vendor for IT services that is significant other of an administrator. The IT services provided during the year totaled \$25,388. Amounts due to the vendor at November 30, 2015 were \$113.

**Note (16) Prior period adjustment**

The governmental activities beginning net position in the Government-Wide Financial Statements was increased by \$596,721 due to the implementation of GASB 68.

**Note (17) Subsequent Events**

Subsequent events have been evaluated through June 13, 2016, which is the date the financial statements were available to be issued.

At the end of April 2016, the County closed the Shelter Care Home due to continued losses from operations. The County agreed to sell the Shelter Care Home facility to a private party for \$50,000 in May 2016.

**REQUIRED SUPPLEMENTARY INFORMATION**

HANCOCK COUNTY, ILLINOISSCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS -  
DEFINED BENEFIT RETIREMENT PLANSNOVEMBER 30, 2015

(Unaudited - See Accompanying Independent Auditors' Report)

REGULAR PLAN

Calendar year ending December 31,	<u>2014</u>
<u>Total Pension Liability</u>	
Service cost	\$ 357,019
Interest on the total pension liability	1,142,344
Benefit terms	-
Difference between expected and actual experience	(81,116)
Assumption changes	575,162
Benefit payments and refunds	<u>(738,880)</u>
Net change in total pension liability	\$ 1,254,529
Total pension liability - beginning	<u>15,422,181</u>
Total pension liability - ending (A)	\$ <u>16,676,710</u>
<u>Plan Fiduciary Net Position</u>	
Employer contributions	\$ 328,548
Employee contributions	154,007
Pension plan net investment income	998,480
Benefit payments and refunds	(738,880)
Other	<u>171,464</u>
Net change in plan fiduciary net position	\$ 913,619
Plan fiduciary net position - beginning	<u>16,496,691</u>
Plan fiduciary net position - ending (B)	\$ <u>17,410,310</u>
Net pension liability - Ending (A) - (B)	\$ <u>(733,600)</u>
Plan fiduciary net position as a percentage of the total pension liability	104.40%
Covered valuation payroll	\$ 3,399,885
Net pension liability as a percentage of covered valuation payroll	-21.58%

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

HANCOCK COUNTY, ILLINOISSCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS -  
DEFINED BENEFIT RETIREMENT PLANSNOVEMBER 30, 2015

(Unaudited - See Accompanying Independent Auditors' Report)

SLEP PLAN

Calendar year ending December 31,	<u>2014</u>
<u>Total Pension Liability</u>	
Service cost	\$ 79,319
Interest on the total pension liability	300,298
Benefit terms	-
Difference between expected and actual experience	(62,993)
Assumption changes	88,688
Benefit payments and refunds	<u>(174,714)</u>
Net change in total pension liability	\$ 230,598
Total pension liability - beginning	<u>4,062,372</u>
Total pension liability - ending (A)	\$ <u>4,292,970</u>
<u>Plan Fiduciary Net Position</u>	
Employer contributions	\$ 81,620
Employee contributions	32,215
Pension plan net investment income	191,783
Benefit payments and refunds	(174,714)
Other	<u>9,625</u>
Net change in plan fiduciary net position	\$ 140,529
Plan fiduciary net position - beginning	<u>3,174,415</u>
Plan fiduciary net position - ending (B)	\$ <u>3,314,944</u>
Net pension liability - Ending (A) - (B)	\$ <u>978,026</u>
Plan fiduciary net position as a percentage of the total pension liability	77.22%
Covered valuation payroll	\$ 398,346
Net pension liability as a percentage of covered valuation payroll	245.52%

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

HANCOCK COUNTY, ILLINOISSCHEDULE OF EMPLOYER CONTRIBUTIONS -  
DEFINED BENEFIT RETIREMENT PLANSNOVEMBER 30, 2015

(Unaudited - See Accompanying Independent Auditors' Report)

REGULAR PLAN

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 326,389	\$ 328,548	\$ (2,159)	\$ 3,399,885	9.66%

SLEP PLAN

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 90,385	\$ 81,620	\$ 8,765	\$ 398,346	20.49%

HANCOCK COUNTY, ILLINOIS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS -  
DEFINED BENEFIT RETIREMENT PLANS

NOVEMBER 30, 2015

(Unaudited - See Accompanying Independent Auditors' Report)

NOTES TO SCHEDULE OF CONTRIBUTIONS:

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2014 CONTRIBUTION RATE\*

Valuation Date:

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

Methods and Assumptions used to determine 2014 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period Taxing bodies (Regular, SLEP and ECO groups): 29-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 24 years for most employers (two employers were financed over 33 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.00%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

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

**HANCOCK COUNTY, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
<b>Budgetary fund balance, December 1, 2014</b>	\$ 1,498,895	\$ 1,498,895	\$ 1,498,895	\$ -
<b>Resources (inflows)</b>				
Property taxes	\$ 818,000	\$ 818,000	\$ 814,977	\$ (3,023)
Intergovernmental	1,566,710	1,566,710	1,581,039	14,329
Charges-ETSB 911	141,000	141,000	141,000	-
Fees	305,955	305,955	330,305	24,350
Fines	134,600	134,600	227,274	92,674
Interest	1,500	1,500	4,320	2,820
Other	228,300	228,300	271,111	42,811
<b>Total Resources</b>	<b>\$ 3,196,065</b>	<b>\$ 3,196,065</b>	<b>\$ 3,370,026</b>	<b>\$ 173,961</b>
<b>Amounts available for appropriation</b>	<b>\$ 4,694,960</b>	<b>\$ 4,694,960</b>	<b>\$ 4,868,921</b>	<b>\$ 173,961</b>
<b>Charges to appropriations (outflows)</b>				
<b>General Government</b>				
Courthouse and jail	\$ 274,750	\$ 288,946	\$ 278,616	\$ 10,330
County Clerk	159,853	159,853	126,816	33,037
County Treasurer	125,487	126,011	126,157	(146)
County Board	53,625	50,529	49,365	1,164
Supervisor of Assessments	174,725	174,725	132,500	42,225
Elections	168,076	168,076	154,468	13,608
Miscellaneous	489,759	492,855	506,202	(13,347)
Contingencies	50,000	28,204	24,897	3,307
<b>Total General Government</b>	<b>\$ 1,496,275</b>	<b>\$ 1,489,199</b>	<b>\$ 1,399,021</b>	<b>\$ 90,178</b>
<b>Public Safety</b>				
County Sheriff	\$ 1,113,856	\$ 1,113,856	\$ 1,038,974	\$ 74,882
Coroner	35,297	38,717	35,823	2,894
Emergency Services	21,525	21,525	20,979	546
Animal Control	31,525	32,306	32,306	-
<b>Total Public Safety</b>	<b>\$ 1,202,203</b>	<b>\$ 1,206,404</b>	<b>\$ 1,128,082</b>	<b>\$ 78,322</b>
<b>Judiciary</b>				
Courts	\$ 117,000	\$ 118,171	\$ 126,797	\$ (8,626)
State's Attorney	258,524	260,228	260,228	-
Circuit Clerk	181,706	181,706	178,179	3,527
<b>Total Judiciary</b>	<b>\$ 557,230</b>	<b>\$ 560,105</b>	<b>\$ 565,204</b>	<b>\$ (5,099)</b>
<b>Health and Welfare</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ -</b>
<b>Education</b>	<b>\$ 46,307</b>	<b>\$ 46,307</b>	<b>\$ 46,307</b>	<b>\$ -</b>
<b>Total charges to appropriations</b>	<b>\$ 3,304,515</b>	<b>\$ 3,304,515</b>	<b>\$ 3,141,114</b>	<b>\$ 163,401</b>
Transfers (to) from other funds	\$ 110,000	\$ 110,000	\$ -	\$ (110,000)
<b>Budgetary fund balance, November 30, 2015</b>	<b>\$ 1,500,445</b>	<b>\$ 1,500,445</b>	<b>\$ 1,727,807</b>	<b>\$ 227,362</b>

Schedule "4"

**HANCOCK COUNTY, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMBULANCE FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
Budgetary fund balance, December 1, 2014	\$ 1,092,669	\$ 1,092,669	\$ 1,092,669	\$ -
<b>Resources (inflows)</b>				
Taxes - Property	\$ 150,000	\$ 150,000	\$ 149,845	\$ (155)
Charges for services	745,700	745,700	906,019	160,319
Interest	5,040	5,040	5,510	470
Miscellaneous	1,000	1,000	8,535	7,535
<b>Total Resources</b>	<b>\$ 901,740</b>	<b>\$ 901,740</b>	<b>\$ 1,069,909</b>	<b>\$ 168,169</b>
<b>Amounts available for appropriation</b>	<b>\$ 1,994,409</b>	<b>\$ 1,994,409</b>	<b>\$ 2,162,578</b>	<b>\$ 168,169</b>
<b>Charges to appropriations (outflows)</b>				
<b>Health and welfare</b>				
Salaries	\$ 560,160	\$ 560,160	\$ 677,399	\$ (117,239)
Ambulance expense	75,000	75,000	41,602	33,398
Repairs and maintenance	25,000	25,000	69,026	(44,026)
Education	6,000	6,000	7,034	(1,034)
Mileage	500	500	54	446
Runs and rent	-	-	(53,144)	53,144
Telephone	3,000	3,000	6,789	(3,789)
Supplies	6,000	6,000	3,282	2,718
Ambulance supplies	40,000	40,000	29,782	10,218
Uniforms	4,000	4,000	3,474	526
PBS commission	40,000	40,000	62,907	(22,907)
First responders	10,000	10,000	9,138	862
Building	175,000	175,000	53,856	121,144
Miscellaneous	1,000	1,000	7,000	(6,000)
Special events	2,000	2,000	1,763	237
Capital outlay	105,000	105,000	135,169	(30,169)
<b>Total charges to appropriations</b>	<b>\$ 1,052,660</b>	<b>\$ 1,052,660</b>	<b>\$ 1,055,131</b>	<b>\$ (2,471)</b>
Transfers (to) from other funds	\$ (35,000)	\$ (35,000)	\$ (43,246)	\$ (8,246)
<b>Budgetary fund balance, November 30, 2015</b>	<b>\$ 906,749</b>	<b>\$ 906,749</b>	<b>\$ 1,064,201</b>	<b>\$ 157,452</b>

Schedule "5"

**HANCOCK COUNTY, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**HEALTH DEPARTMENT**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Budgetary fund balance, December 1, 2014	\$ 359,124	\$ 359,124	\$ 359,124	\$ -
<b><u>Resources (inflows)</u></b>				
Property taxes	\$ 315,000	315,000	\$ 314,926	\$ (74)
Intergovernmental	375,356	375,356	222,834	(152,522)
Federal revenue	-	-	179,624	179,624
Grants and contributions	-	-	5,492	5,492
Charges for services	1,265,370	1,265,370	1,229,126	(36,244)
Interest	480	480	366	(114)
Other	6,000	6,000	10,104	4,104
<b><u>Total Resources</u></b>	<b>\$ 1,962,206</b>	<b>\$ 1,962,206</b>	<b>\$ 1,962,472</b>	<b>\$ 266</b>
<b><u>Amounts available for appropriation</u></b>	<b>\$ 2,321,330</b>	<b>\$ 2,321,330</b>	<b>\$ 2,321,596</b>	<b>\$ 266</b>
<b><u>Charges to appropriations (outflows)</u></b>				
<b>Health and welfare</b>				
Administration	\$ 545,161	\$ 545,161	\$ 232,325	\$ 312,836
Dental	447,126	447,126	443,037	4,089
Grants	385,138	385,138	356,490	28,648
Home Health	403,619	403,619	594,258	(190,639)
Wellness	150,707	150,707	155,436	(4,729)
Debt service	-	-	15,551	(15,551)
<b><u>Total charges to appropriations</u></b>	<b>\$ 1,931,751</b>	<b>\$ 1,931,751</b>	<b>\$ 1,797,097</b>	<b>\$ 134,654</b>
Transfers (to) from other funds	\$ -	\$ -	\$ -	\$ -
<b><u>Budgetary fund balance, November 30, 2015</u></b>	<b>\$ 389,579</b>	<b>\$ 389,579</b>	<b>\$ 524,499</b>	<b>\$ 134,920</b>

Schedule "6"

**HANCOCK COUNTY, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**RETIREMENT FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>Budgetary fund balance, December 1, 2014</b>	\$ 492,782	\$ 492,782	\$ 492,782	\$ -
<b>Resources (inflows)</b>				
Property taxes	\$ 800,000	\$ 800,000	\$ 799,703	\$ (297)
Interest	500	500	872	372
Other	2,500	2,500	4,924	2,424
<b>Total Resources</b>	<b>\$ 803,000</b>	<b>\$ 803,000</b>	<b>\$ 805,499</b>	<b>\$ 2,499</b>
<b>Amounts available for appropriation</b>	<b>\$ 1,295,782</b>	<b>\$ 1,295,782</b>	<b>\$ 1,298,281</b>	<b>\$ 2,499</b>
<b>Charges to appropriations (outflows)</b>				
<b>General government</b>				
Court services share - IMRF	\$ 32,425	\$ 32,425	\$ 76,038	\$ (43,613)
Court services share - SS/Medicare	17,775	17,775	17,775	-
County Contribution - IMRF	460,000	460,000	417,269	42,731
County Contribution - SS/Medicare	340,000	340,000	330,733	9,267
Illinois withholding	-	-	-	-
Stipends	5,000	5,000	6,175	(1,175)
<b>Total charges to appropriations</b>	<b>\$ 855,200</b>	<b>\$ 855,200</b>	<b>\$ 847,990</b>	<b>\$ 7,210</b>
Transfers (to) from other funds	-	-	43,246	43,246
<b>Budgetary fund balance, November 30, 2015</b>	<b>\$ 440,582</b>	<b>\$ 440,582</b>	<b>\$ 493,537</b>	<b>\$ 52,955</b>

Schedule "7"

**HANCOCK COUNTY, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**COUNTY HIGHWAY FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
Budgetary fund balance, December 1, 2014	\$ 454,101	\$ 454,101	\$ 454,101	\$ -
<b>Resources (inflows)</b>				
Property taxes	\$ 312,000	\$ 312,000	\$ 306,728	\$ (5,272)
Federal revenue	400,000	400,000	207,488	(192,512)
Charges for Services	200,000	200,000	545,667	345,667
Interest	500	500	925	425
<b>Total Resources</b>	<b>\$ 912,500</b>	<b>\$ 912,500</b>	<b>\$ 1,060,808</b>	<b>\$ 148,308</b>
<b>Amounts available for appropriation</b>	<b>\$ 1,366,601</b>	<b>\$ 1,366,601</b>	<b>\$ 1,514,909</b>	<b>\$ 148,308</b>
<b>Charges to appropriations (outflows)</b>				
<b>Public works and transportation</b>				
Salaries	\$ 180,000	\$ 191,000	\$ 190,456	\$ 544
Office supplies	5,500	5,500	3,024	2,476
Miscellaneous expense	25,000	25,000	5,774	19,226
Bridge & culvert maintenance	5,000	5,000	3,890	1,110
Maintenance building & grounds	42,000	51,000	50,772	228
Machinery repair	160,000	160,000	81,346	78,654
Construction & maintenance roads	530,000	588,000	609,089	(21,089)
Operation of garage	30,000	30,000	19,652	10,348
Contingencies	20,000	20,000	-	20,000
Administration	12,000	12,000	7,285	4,715
Debt service	51,000	51,000	50,830	170
Capital outlay	350,000	272,000	223,249	48,751
<b>Total charges to appropriations</b>	<b>\$ 1,410,500</b>	<b>\$ 1,410,500</b>	<b>\$ 1,245,367</b>	<b>\$ 165,133</b>
Proceeds from borrowing	\$ 132,000	\$ 132,000	\$ 134,295	\$ 2,295
Transfers (to) from other funds	\$ (10,000)	\$ (10,000)	\$ -	\$ 10,000
<b>Budgetary fund balance, November 30, 2015</b>	<b>\$ 78,101</b>	<b>\$ 78,101</b>	<b>\$ 403,837</b>	<b>\$ 325,736</b>

HANCOCK COUNTY, ILLINOIS  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

- Note (1) **Basis of Accounting**  
Hancock County, Illinois' budget is prepared on the cash basis for all budgeted funds, including major funds.

**SUPPLEMENTARY INFORMATION**

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND**  
**AS AT NOVEMBER 30, 2015**

	<u>General</u>	<u>County Clerk Fee</u>	<u>County Clerk Payroll</u>	<u>Circuit Clerk Fee</u>	<u>Total</u>
<b>ASSETS</b>					
Cash	\$ 202,424	\$ 776,072	\$ 3,355	\$ -	\$ 981,851
Investments	900,000	-	-	69,803	969,803
Accounts receivable	369,180	-	-	-	369,180
Property taxes receivable	829,000	-	-	-	829,000
Prepaid expenses	17,465	-	-	-	17,465
Due from other funds	<u>22,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,332</u>
<b>Total Assets</b>	<b>\$ <u>2,340,401</u></b>	<b>\$ <u>776,072</u></b>	<b>\$ <u>3,355</u></b>	<b>\$ <u>69,803</u></b>	<b>\$ <u>3,189,631</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 19,041	\$ -	\$ -	\$ -	\$ 19,041
Deferred income	829,000	-	-	-	829,000
Funds held for others	-	610,040	-	-	610,040
Due to other funds	<u>-</u>	<u>3,743</u>	<u>-</u>	<u>-</u>	<u>3,743</u>
<b>Total Liabilities</b>	<b>\$ <u>848,041</u></b>	<b>\$ <u>613,783</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,461,824</u></b>
<b>Fund Balances</b>					
Restricted	\$ 34,669	\$ -	\$ -	\$ -	\$ 34,669
Unassigned	<u>1,457,691</u>	<u>162,289</u>	<u>3,355</u>	<u>69,803</u>	<u>1,693,138</u>
<b>Total Fund Balances</b>	<b>\$ <u>1,492,360</u></b>	<b>\$ <u>162,289</u></b>	<b>\$ <u>3,355</u></b>	<b>\$ <u>69,803</u></b>	<b>\$ <u>1,727,807</u></b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ <u>2,340,401</u></b>	<b>\$ <u>776,072</u></b>	<b>\$ <u>3,355</u></b>	<b>\$ <u>69,803</u></b>	<b>\$ <u>3,189,631</u></b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>General</u>	<u>County Clerk Fee</u>	<u>County Clerk Payroll</u>	<u>Circuit Clerk Fee</u>	<u>Total</u>
<b>REVENUES</b>					
<b>Taxes</b>					
Property	\$ 814,977	\$ -	\$ -	\$ -	\$ 814,977
<b>Intergovernmental</b>					
State income tax	\$ 682,949	\$ -	\$ -	\$ -	\$ 682,949
State sales tax	594,631	-	-	-	594,631
State replacement tax	78,972	-	-	-	78,972
Video gaming tax	6,143	-	-	-	6,143
State's Attorney salary	121,291	-	-	-	121,291
Public defenders reimbursement	37,996	-	-	-	37,996
Supervisor of Assessments	26,466	-	-	-	26,466
Victim Coordinator	10,533	-	-	-	10,533
Reimburse election costs	14,633	-	-	-	14,633
Election judges	7,425	-	-	-	7,425
<b>Total intergovernmental</b>	<b>\$ 1,581,039</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,581,039</b>
<b>Fees</b>					
County Clerk	\$ 93,638	\$ 21,568	\$ -	\$ -	\$ 115,206
Circuit Clerk	148,569	-	-	-	148,569
Public Defender	1,191	-	-	-	1,191
State's Attorney	2,543	-	-	-	2,543
Sheriff	25,108	-	-	-	25,108
Sheriff answering service	3,546	-	-	-	3,546
Sales	21,201	-	-	-	21,201
Other	12,941	-	-	-	12,941
<b>Total fees</b>	<b>\$ 308,737</b>	<b>\$ 21,568</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 330,305</b>
<b>Fines</b>					
Fines	\$ 177,573	\$ -	\$ -	\$ -	\$ 177,573
Real estate tax penalties	44,906	-	-	-	44,906
Bond forfeitures	4,795	-	-	-	4,795
<b>Total fines</b>	<b>\$ 227,274</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 227,274</b>
<b>Charges - ETSB 911</b>	<b>\$ 141,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,000</b>
<b>Interest</b>	<b>\$ 3,259</b>	<b>\$ 541</b>	<b>\$ 4</b>	<b>\$ 516</b>	<b>\$ 4,320</b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	General	County Clerk Fee	County Clerk Payroll	Circuit Clerk Fee	Total
<b>Other</b>					
Reimbursement - 911 coordinator	\$ 57,190	\$ -	\$ -	\$ -	\$ 57,190
Reimbursement - health department	35,000	-	-	-	35,000
Reimbursement - janitor salary	67,026	-	-	-	67,026
Other	<u>111,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,895</u>
<b>Total other</b>	<b>\$ <u>271,111</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>271,111</u></b>
<b>TOTAL REVENUES</b>	<b>\$ <u>3,347,397</u></b>	<b>\$ <u>22,109</u></b>	<b>\$ <u>4</u></b>	<b>\$ <u>516</u></b>	<b>\$ <u>3,370,026</u></b>
<b>EXPENDITURES</b>					
<b>General government</b>					
Courthouse and jail	\$ 278,616	\$ -	\$ -	\$ -	\$ 278,616
County Clerk	126,551	-	265	-	126,816
County Treasurer	126,157	-	-	-	126,157
County Board	49,365	-	-	-	49,365
Supervisor of Assessments	132,500	-	-	-	132,500
Elections	154,468	-	-	-	154,468
Miscellaneous	506,202	-	-	-	506,202
Contingencies	<u>24,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,897</u>
<b>Total general government</b>	<b>\$ <u>1,398,756</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>265</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,399,021</u></b>
<b>Public Safety</b>					
County Sheriff	\$ 1,038,974	\$ -	\$ -	\$ -	\$ 1,038,974
Coroner	35,823	-	-	-	35,823
ESDA	20,979	-	-	-	20,979
Animal Control	<u>32,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,306</u>
<b>Total public safety</b>	<b>\$ <u>1,128,082</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,128,082</u></b>
<b>Judiciary</b>					
Courts	\$ 126,797	\$ -	\$ -	\$ -	\$ 126,797
State's Attorney	260,228	-	-	-	260,228
Circuit Clerk	<u>178,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,179</u>
<b>Total judiciary</b>	<b>\$ <u>565,204</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>565,204</u></b>
<b>Health and welfare</b>					
Soil and Water Conservation District	\$ <u>2,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
<b>Education</b>					
Office of Regional Superintendent	\$ <u>46,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,307</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ <u>3,140,849</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>265</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>3,141,114</u></b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>General</u>	<u>County Clerk Fee</u>	<u>County Clerk Payroll</u>	<u>Circuit Clerk Fee</u>	<u>Total</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES</u></b>					
<u>OVER EXPENDITURES</u>	\$ 206,548	\$ 22,109	\$ (261)	\$ 516	\$ 228,912
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-
<b><u>NET CHANGE IN FUND BALANCE</u></b>	\$ 206,548	\$ 22,109	\$ (261)	\$ 516	\$ 228,912
Fund Balance, December 1, 2014	<u>1,285,812</u>	<u>140,180</u>	<u>3,616</u>	<u>69,287</u>	<u>1,498,895</u>
<b><u>FUND BALANCE, NOVEMBER 30, 2015</u></b>	<u>\$ 1,492,360</u>	<u>\$ 162,289</u>	<u>\$ 3,355</u>	<u>\$ 69,803</u>	<u>\$ 1,727,807</u>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS AT NOVEMBER 30, 2015**

	<u>Capital Improvement</u>	<u>Debt Service</u>	<u>County Bridge</u>	<u>County Motor Fuel Tax</u>	<u>Federal Aid</u>	<u>Engineering and Administration</u>	<u>Building Lease</u>
<b><u>ASSETS</u></b>							
Cash	\$ 2,647	\$ 602	\$ 25,852	\$ 25,621	\$ 25,810	\$ 25,324	\$ -
Investments	-	-	10,000	41,000	33,000	17,000	-
Accounts receivable	-	-	115,608	157,984	-	11,993	-
Property taxes receivable	-	-	158,000	-	158,000	-	425,000
Due from other funds	-	-	-	-	-	65,994	-
<b>Total Assets</b>	<b>\$ <u>2,647</u></b>	<b>\$ <u>602</u></b>	<b>\$ <u>309,460</u></b>	<b>\$ <u>224,605</u></b>	<b>\$ <u>216,810</u></b>	<b>\$ <u>120,311</u></b>	<b>\$ <u>425,000</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>							
<b><u>Liabilities</u></b>							
Accounts payable	\$ -	\$ -	\$ 106,237	\$ 8,237	\$ -	\$ -	\$ -
Unearned income	-	-	158,000	-	158,000	-	425,000
Due to other funds	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>264,237</u></b>	<b>\$ <u>8,237</u></b>	<b>\$ <u>158,000</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>425,000</u></b>
<b><u>Fund Balances</u></b>							
Restricted	\$ 2,647	\$ 602	\$ 45,223	\$ 216,368	\$ 58,810	\$ -	\$ -
Assigned	-	-	-	-	-	120,311	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>\$ <u>2,647</u></b>	<b>\$ <u>602</u></b>	<b>\$ <u>45,223</u></b>	<b>\$ <u>216,368</u></b>	<b>\$ <u>58,810</u></b>	<b>\$ <u>120,311</u></b>	<b>\$ <u>-</u></b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ <u>2,647</u></b>	<b>\$ <u>602</u></b>	<b>\$ <u>309,460</u></b>	<b>\$ <u>224,605</u></b>	<b>\$ <u>216,810</u></b>	<b>\$ <u>120,311</u></b>	<b>\$ <u>425,000</u></b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS AT NOVEMBER 30, 2015**

	<u>Circuit Clerk Administration</u>	<u>Treasurer's Automation</u>	<u>Veterans Assistance</u>	<u>Workers' Compensation</u>	<u>Liability Insurance</u>	<u>Sheriff</u>	<u>Midwest Public Assistance Grant</u>
<b>ASSETS</b>							
Cash	\$ 2,606	\$ 6,814	\$ 6,108	\$ 7,399	\$ 7,782	\$ 19,284	\$ -
Investments	18,000	45,000	114,000	120,000	300,000	-	-
Accounts receivable	-	-	-	-	-	-	-
Property taxes receivable	-	-	30,000	140,000	170,000	-	-
Due from other funds	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 20,606</b>	<b>\$ 51,814</b>	<b>\$ 150,108</b>	<b>\$ 267,399</b>	<b>\$ 477,782</b>	<b>\$ 19,284</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned income	-	-	30,000	140,000	170,000	-	-
Due to other funds	-	-	-	-	14,736	-	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,000</b>	<b>\$ 140,000</b>	<b>\$ 184,736</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balances</b>							
Restricted	\$ 20,606	\$ 51,814	\$ 120,108	\$ 127,399	\$ 293,046	\$ -	\$ -
Assigned	-	-	-	-	-	19,284	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>\$ 20,606</b>	<b>\$ 51,814</b>	<b>\$ 120,108</b>	<b>\$ 127,399</b>	<b>\$ 293,046</b>	<b>\$ 19,284</b>	<b>\$ -</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 20,606</b>	<b>\$ 51,814</b>	<b>\$ 150,108</b>	<b>\$ 267,399</b>	<b>\$ 477,782</b>	<b>\$ 19,284</b>	<b>\$ -</b>

HANCOCK COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAIOR GOVERNMENTAL FUNDS  
AS AT NOVEMBER 30, 2015

	<u>Record Preservation</u>	<u>Vital Records</u>	<u>Court Automation</u>	<u>Document Storage</u>	<u>Forfeiture Fund</u>	<u>Maintenance and Child Support</u>	<u>Home Confinement</u>
<b><u>ASSETS</u></b>							
Cash	\$ 4,314	\$ 3,373	\$ 2,325	\$ 1,881	\$ 86	\$ 3,042	\$ 436
Investments	85,239	37,000	58,000	106,000	-	13,000	-
Accounts receivable	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-
Due from other funds	<u>1,233</u>	<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<b>\$ <u>90,786</u></b>	<b>\$ <u>40,573</u></b>	<b>\$ <u>60,325</u></b>	<b>\$ <u>107,881</u></b>	<b>\$ <u>86</u></b>	<b>\$ <u>16,042</u></b>	<b>\$ <u>436</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>							
<b><u>Liabilities</u></b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned income	-	-	-	-	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>
<b><u>Fund Balances</u></b>							
Restricted	\$ 90,786	\$ 40,573	\$ 60,325	\$ 107,881	\$ -	\$ 16,042	\$ -
Assigned	-	-	-	-	86	-	436
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Fund Balances</b>	<b>\$ <u>90,786</u></b>	<b>\$ <u>40,573</u></b>	<b>\$ <u>60,325</u></b>	<b>\$ <u>107,881</u></b>	<b>\$ <u>86</u></b>	<b>\$ <u>16,042</u></b>	<b>\$ <u>436</u></b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ <u>90,786</u></b>	<b>\$ <u>40,573</u></b>	<b>\$ <u>60,325</u></b>	<b>\$ <u>107,881</u></b>	<b>\$ <u>86</u></b>	<b>\$ <u>16,042</u></b>	<b>\$ <u>436</u></b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AS AT NOVEMBER 30, 2015**

	<u>GIS</u>	<u>Coroner Grant</u>	<u>Drug Act</u>	<u>DUI</u>	<u>Public Transportation</u>	<u>Total</u>
<b><u>ASSETS</u></b>						
Cash	\$ 2,922	\$ 15,529	\$ 56,655	\$ 19,797	\$ 61,750	\$ 327,959
Investments	207,139	-	-	-	-	1,204,378
Accounts receivable	-	-	-	-	33,050	318,635
Property taxes receivable	-	-	-	-	-	1,081,000
Due from other funds	<u>2,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,737</u>
<b>Total Assets</b>	<b><u>\$ 212,371</u></b>	<b><u>\$ 15,529</u></b>	<b><u>\$ 56,655</u></b>	<b><u>\$ 19,797</u></b>	<b><u>\$ 94,800</u></b>	<b><u>\$ 3,001,709</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
<b><u>Liabilities</u></b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,474
Unearned income	-	-	-	-	-	1,081,000
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,736</u>
<b>Total Liabilities</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,210,210</u></b>
<b><u>Fund Balances</u></b>						
Restricted	\$ 212,371	\$ 15,529	\$ -	\$ -	\$ -	\$ 1,480,130
Assigned	-	-	56,655	19,797	-	216,569
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,800</u>	<u>94,800</u>
<b>Total Fund Balances</b>	<b><u>\$ 212,371</u></b>	<b><u>\$ 15,529</u></b>	<b><u>\$ 56,655</u></b>	<b><u>\$ 19,797</u></b>	<b><u>\$ 94,800</u></b>	<b><u>\$ 1,791,499</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 212,371</u></b>	<b><u>\$ 15,529</u></b>	<b><u>\$ 56,655</u></b>	<b><u>\$ 19,797</u></b>	<b><u>\$ 94,800</u></b>	<b><u>\$ 3,001,709</u></b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>Capital Improvement</u>	<u>Debt Service</u>	<u>County Bridge</u>	<u>County Motor Fuel Tax</u>	<u>Federal Aid</u>	<u>Engineering and Administration</u>	<u>Building Lease</u>
<b>REVENUES</b>							
Taxes - Property	\$ -	\$ -	\$ 153,366	\$ -	\$ 153,366	\$ -	\$ 424,820
Intergovernmental - State of Illinois	-	-	-	474,470	-	-	-
Federal revenue	-	-	128,856	-	-	13,010	-
Charges for services	-	-	33,642	-	-	85,648	-
Fees	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-
Interest	-	-	438	873	62	112	-
Other	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 316,302</b>	<b>\$ 475,343</b>	<b>\$ 153,428</b>	<b>\$ 98,770</b>	<b>\$ 424,820</b>
<b>EXPENDITURES</b>							
<b>Current</b>							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 424,820
Public Safety	-	-	-	-	-	-	-
Judiciary	-	-	-	-	-	-	-
Public works and transportation	-	-	417,582	582,933	143,975	70,697	-
Health and welfare	-	-	-	-	-	-	-
Capital Outlay	-	-	32,885	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,467</b>	<b>\$ 582,933</b>	<b>\$ 143,975</b>	<b>\$ 70,697</b>	<b>\$ 424,820</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (134,165)</b>	<b>\$ (107,590)</b>	<b>\$ 9,453</b>	<b>\$ 28,073</b>	<b>\$ -</b>
<b>Other Financing Sources (Uses)</b>							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (134,165)</b>	<b>\$ (107,590)</b>	<b>\$ 9,453</b>	<b>\$ 28,073</b>	<b>\$ -</b>
Fund Balances, December 1, 2014	2,647	602	179,388	323,958	49,357	92,238	-
<b>Fund Balances, November 30, 2015</b>	<b>\$ 2,647</b>	<b>\$ 602</b>	<b>\$ 45,223</b>	<b>\$ 216,368</b>	<b>\$ 58,810</b>	<b>\$ 120,311</b>	<b>\$ -</b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>Circuit Clerk Administration</u>	<u>Treasurer's Automation</u>	<u>Veterans Assistance</u>	<u>Workers' Compensation</u>	<u>Liability Insurance</u>	<u>Sheriff</u>	<u>Midwest Public Assistance Grant</u>
<b>REVENUES</b>							
Taxes - Property	\$ -	\$ -	\$ 29,999	\$ 129,961	\$ 159,928	\$ -	\$ -
Intergovernmental - State of Illinois	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	17,005
Charges for services	-	-	-	-	-	2,220	-
Fees	3,646	9,575	-	-	-	4,308	-
Fines	-	-	-	-	-	-	-
Interest	59	165	460	134	821	1	-
Other	-	-	-	-	-	18,020	-
<b>Total Revenues</b>	<b>\$ 3,705</b>	<b>\$ 9,740</b>	<b>\$ 30,459</b>	<b>\$ 130,095</b>	<b>\$ 160,749</b>	<b>\$ 24,549</b>	<b>\$ 17,005</b>
<b>EXPENDITURES</b>							
<b>Current</b>							
General government	\$ -	\$ 1,519	\$ -	\$ 83,598	\$ 150,586	\$ -	\$ 17,005
Public Safety	-	-	-	-	-	26,481	-
Judiciary	-	-	-	-	11,072	-	-
Public works and transportation	-	-	-	-	-	-	-
Health and welfare	-	-	27,069	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ 1,519</b>	<b>\$ 27,069</b>	<b>\$ 83,598</b>	<b>\$ 161,658</b>	<b>\$ 26,481</b>	<b>\$ 17,005</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>\$ 3,705</b>	<b>\$ 8,221</b>	<b>\$ 3,390</b>	<b>\$ 46,497</b>	<b>\$ (909)</b>	<b>\$ (1,932)</b>	<b>\$ -</b>
<b>Other Financing Sources (Uses)</b>							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ 3,705</b>	<b>\$ 8,221</b>	<b>\$ 3,390</b>	<b>\$ 46,497</b>	<b>\$ (909)</b>	<b>\$ (1,932)</b>	<b>\$ -</b>
Fund Balances, December 1, 2014	16,901	43,593	116,718	80,902	293,955	21,216	-
<b>Fund Balances, November 30, 2015</b>	<b>\$ 20,606</b>	<b>\$ 51,814</b>	<b>\$ 120,108</b>	<b>\$ 127,399</b>	<b>\$ 293,046</b>	<b>\$ 19,284</b>	<b>\$ -</b>

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>Record Preservation</u>	<u>Vital Records</u>	<u>Court Automation</u>	<u>Document Storage</u>	<u>Forfeiture Fund</u>	<u>Maintenance and Child Support</u>	<u>Home Confinement</u>
<b>REVENUES</b>							
Taxes - Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State of Illinois	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fees	24,293	5,430	14,635	14,585	-	144	-
Fines	-	-	-	-	401	-	-
Interest	491	139	186	361	-	55	-
Other	72	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 24,856</b>	<b>\$ 5,569</b>	<b>\$ 14,821</b>	<b>\$ 14,946</b>	<b>\$ 401</b>	<b>\$ 199</b>	<b>\$ -</b>
<b>EXPENDITURES</b>							
<b>Current</b>							
General government	\$ 26,168	\$ 3,102	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-	-	-
Judiciary	-	-	2,428	2,899	1,922	-	-
Public works and transportation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 26,168</b>	<b>\$ 3,102</b>	<b>\$ 2,428</b>	<b>\$ 2,899</b>	<b>\$ 1,922</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>\$ (1,312)</b>	<b>\$ 2,467</b>	<b>\$ 12,393</b>	<b>\$ 12,047</b>	<b>\$ (1,521)</b>	<b>\$ 199</b>	<b>\$ -</b>
<b>Other Financing Sources (Uses)</b>							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (1,312)</b>	<b>\$ 2,467</b>	<b>\$ 12,393</b>	<b>\$ 12,047</b>	<b>\$ (1,521)</b>	<b>\$ 199</b>	<b>\$ -</b>
Fund Balances, December 1, 2014	92,098	38,106	47,932	95,834	1,607	15,843	436
<b>Fund Balances, November 30, 2015</b>	<b>\$ 90,786</b>	<b>\$ 40,573</b>	<b>\$ 60,325</b>	<b>\$ 107,881</b>	<b>\$ 86</b>	<b>\$ 16,042</b>	<b>\$ 436</b>

HANCOCK COUNTY, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>GIS</u>	<u>Coroner Grant</u>	<u>Drug Act</u>	<u>DUI</u>	<u>Public Transportation</u>	<u>Total</u>
<b><u>REVENUES</u></b>						
Taxes - Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,051,440
Intergovernmental - State of Illinois	-	4,334	-	-	187,236	666,040
Federal revenue	-	-	-	-	51,949	210,820
Charges for services	-	-	-	-	-	121,510
Fees	43,008	-	-	1,542	-	121,166
Fines	-	-	77,365	23,450	-	101,216
Interest	1,013	29	17	-	54	5,470
Other	-	-	-	-	24,406	42,498
<b>Total Revenues</b>	<b>\$ 44,021</b>	<b>\$ 4,363</b>	<b>\$ 77,382</b>	<b>\$ 24,992</b>	<b>\$ 263,645</b>	<b>\$ 2,320,160</b>
<b><u>EXPENDITURES</u></b>						
<b>Current</b>						
General government	\$ 80,864	\$ -	\$ -	\$ -	\$ -	\$ 787,662
Public Safety	-	2,150	25,694	12,041	-	66,366
Judiciary	-	-	-	-	-	18,321
Public works and transportation	-	-	-	-	222,435	1,437,622
Health and welfare	-	-	-	-	-	27,069
Capital Outlay	-	-	-	-	-	32,885
<b>Total Expenditures</b>	<b>\$ 80,864</b>	<b>\$ 2,150</b>	<b>\$ 25,694</b>	<b>\$ 12,041</b>	<b>\$ 222,435</b>	<b>\$ 2,369,925</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>\$ (36,843)</b>	<b>\$ 2,213</b>	<b>\$ 51,688</b>	<b>\$ 12,951</b>	<b>\$ 41,210</b>	<b>\$ (49,765)</b>
<b><u>Other Financing Sources (Uses)</u></b>						
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (36,843)</b>	<b>\$ 2,213</b>	<b>\$ 51,688</b>	<b>\$ 12,951</b>	<b>\$ 41,210</b>	<b>\$ (49,765)</b>
Fund Balances, December 1, 2014	249,214	13,316	4,967	6,846	53,590	1,841,264
<b>Fund Balances, November 30, 2015</b>	<b>\$ 212,371</b>	<b>\$ 15,529</b>	<b>\$ 56,655</b>	<b>\$ 19,797</b>	<b>\$ 94,800</b>	<b>\$ 1,791,499</b>

Schedule "13"

HANCOCK COUNTY, ILLINOIS  
COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

NOVEMBER 30, 2015

	<u>Hancock Public Building Commission</u>	<u>Unemployment Compensation</u>	<u>Premium and Medical Care</u>	<u>Total</u>
<u>ASSETS</u>				
Current assets:				
Cash	\$ 574,406	\$ 3,156	\$ 42,274	\$ 619,836
Investments	-	103,000	150,000	253,000
Prepaid insurance	-	-	38,477	38,477
<b>Total Current Assets</b>	<b>\$ 574,406</b>	<b>\$ 106,156</b>	<b>\$ 230,751</b>	<b>\$ 911,313</b>
Capital assets, net of accumulated depreciation	\$ 626,682	\$ -	\$ -	\$ 626,682
<b>Total Assets</b>	<b>\$ 1,201,088</b>	<b>\$ 106,156</b>	<b>\$ 230,751</b>	<b>\$ 1,537,995</b>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Property taxes receivable	\$ -	\$ 25,000	\$ -	\$ 25,000
<u>LIABILITIES</u>				
Claims payable	\$ -	\$ -	\$ -	\$ -
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unearned income	\$ -	\$ 25,000	\$ -	\$ 25,000
<u>NET POSITION</u>				
Invested in capital assets	\$ 626,682	\$ -	\$ -	\$ 626,682
Unrestricted	574,406	106,156	230,751	911,313
<b>Total Net Position</b>	<b>\$ 1,201,088</b>	<b>\$ 106,156</b>	<b>\$ 230,751</b>	<b>\$ 1,537,995</b>

Schedule "14"

HANCOCK COUNTY, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>Hancock Public Building Commission</u>	<u>Unemployment Compensation</u>	<u>Premium and Medical Care</u>	<u>Total</u>
<u>OPERATING REVENUES</u>				
Taxes - Property	\$ -	\$ 24,997	\$ -	\$ 24,997
Charges for services	-	-	380,000	380,000
Rent	<u>424,820</u>	<u>-</u>	<u>-</u>	<u>424,820</u>
<u>Total Operating Revenues</u>	<u>\$ 424,820</u>	<u>\$ 24,997</u>	<u>\$ 380,000</u>	<u>\$ 829,817</u>
<u>OPERATING EXPENSES</u>				
Claims and expenses	\$ -	\$ 17,094	\$ 263,772	\$ 280,866
Utilities	102,523	-	-	102,523
Janitor	19,209	-	-	19,209
Maintenance superintendent	47,817	-	-	47,817
Treasurer's fees	7,200	-	-	7,200
Insurance	66,950	-	-	66,950
Repairs and maintenance	188,849	-	-	188,849
Depreciation	<u>39,248</u>	<u>-</u>	<u>-</u>	<u>39,248</u>
<u>Total Operating Expenses</u>	<u>\$ 471,796</u>	<u>\$ 17,094</u>	<u>\$ 263,772</u>	<u>\$ 752,662</u>
<u>OPERATING INCOME (LOSS)</u>	<u>\$ (46,976)</u>	<u>\$ 7,903</u>	<u>\$ 116,228</u>	<u>\$ 77,155</u>
<u>NONOPERATING REVENUE</u>				
Interest	<u>\$ 1,019</u>	<u>\$ 358</u>	<u>\$ 192</u>	<u>\$ 1,569</u>
<u>NET INCOME (LOSS)</u>	<u>\$ (45,957)</u>	<u>\$ 8,261</u>	<u>\$ 116,420</u>	<u>\$ 78,724</u>
Net Position, December 1, 2014	<u>1,247,045</u>	<u>97,895</u>	<u>114,331</u>	<u>1,459,271</u>
<u>NET POSITION, NOVEMBER 30, 2015</u>	<u>\$ 1,201,088</u>	<u>\$ 106,156</u>	<u>\$ 230,751</u>	<u>\$ 1,537,995</u>

Schedule "15"

**HANCOCK COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2015**

	<u>Hancock Public Building Commission</u>	<u>Unemployment Compensation</u>	<u>Premium and Medical Care</u>	<u>Total</u>
<b><u>Cash flows from operating activities</u></b>				
Receipts from other funds	\$ 424,820	\$ -	\$ 380,000	\$ 804,820
Receipts from property taxes	-	24,997	-	24,997
Payments to employees	(59,826)	-	-	(59,826)
Claims paid	-	(24,992)	(302,379)	(327,371)
Payments for goods and services	(372,722)	-	-	(372,722)
<b><u>Net cash provided by (applied to) operating activities</u></b>	<b><u>\$ (7,728)</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 77,621</u></b>	<b><u>\$ 69,898</u></b>
<b><u>Cash flows from investing activities</u></b>				
Interest	\$ 1,019	\$ 358	\$ 192	\$ 1,569
Purchases and redemptions of investments	-	(1,000)	(150,000)	(151,000)
<b><u>Net cash provided by investing activities</u></b>	<b><u>\$ 1,019</u></b>	<b><u>\$ (642)</u></b>	<b><u>\$ (149,808)</u></b>	<b><u>\$ (149,431)</u></b>
<b><u>Net increase (decrease) in cash</u></b>	<b><u>\$ (6,709)</u></b>	<b><u>\$ (637)</u></b>	<b><u>\$ (72,187)</u></b>	<b><u>\$ (79,533)</u></b>
Cash balance, December 1, 2014	<u>581,115</u>	<u>3,793</u>	<u>114,461</u>	<u>699,369</u>
<b><u>CASH BALANCE, NOVEMBER 30, 2015</u></b>	<b><u>\$ 574,406</u></b>	<b><u>\$ 3,156</u></b>	<b><u>\$ 42,274</u></b>	<b><u>\$ 619,836</u></b>
<b><u>Reconciliation of income (loss) to net cash provided by (applied to) operating activities</u></b>				
Operating income (loss)	\$ (46,976)	\$ 7,903	\$ 116,228	\$ 77,155
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:				
Non-cash: Depreciation	39,248	-	-	39,248
Changes in assets and liabilities:				
Prepaid expenses	-	-	(38,477)	(38,477)
Accounts payable and accrued expenses	-	(7,898)	(130)	(8,028)
<b><u>Net cash provided by (applied to) operating activities</u></b>	<b><u>\$ (7,728)</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 77,621</u></b>	<b><u>\$ 69,898</u></b>

Schedule "16"

HANCOCK COUNTY, ILLINOIS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUST FUNDS

NOVEMBER 30, 2015

	<u>Township Motor Fuel Tax</u>	<u>Township Bridge</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash	\$ 30,483	\$ 25,361	\$ 55,844
Investments	518,000	28,000	546,000
Accounts receivable	<u>629,207</u>	<u>-</u>	<u>629,207</u>
<b>Total Assets</b>	<b>\$ <u>1,177,690</u></b>	<b>\$ <u>53,361</u></b>	<b>\$ <u>1,231,051</u></b>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 27,236	\$ -	\$ 27,236
Due to other funds	<u>65,994</u>	<u>-</u>	<u>65,994</u>
<b>Total Liabilities</b>	<b>\$ <u>93,230</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>93,230</u></b>
<b><u>NET POSITION</u></b>			
Unrestricted	<b>\$ <u>1,084,460</u></b>	<b>\$ <u>53,361</u></b>	<b>\$ <u>1,137,821</u></b>

Schedule "17"

HANCOCK COUNTY, ILLINOIS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED NOVEMBER 30, 2015

	<u>Township Motor Fuel Tax</u>	<u>Township Bridge</u>	<u>Total</u>
<b><u>ADDITIONS</u></b>			
Intergovernmental revenue			
Illinois motor fuel tax	\$ 1,651,246	\$ -	\$ 1,651,246
State of Illinois	-	47,600	47,600
Townships	<u>17,148</u>	<u>31,245</u>	<u>48,393</u>
Total intergovernmental	\$ 1,668,394	\$ 78,845	\$ 1,747,239
Interest	<u>5,379</u>	<u>145</u>	<u>5,524</u>
<b><u>Total Additions</u></b>	<b><u>\$ 1,673,773</u></b>	<b><u>\$ 78,990</u></b>	<b><u>\$ 1,752,763</u></b>
<b><u>DEDUCTIONS</u></b>			
Township road and bridge			
Construction and maintenance	\$ <u>2,229,922</u>	\$ <u>78,664</u>	\$ <u>2,308,586</u>
<b><u>Total Deductions</u></b>	<b><u>\$ 2,229,922</u></b>	<b><u>\$ 78,664</u></b>	<b><u>\$ 2,308,586</u></b>
<b><u>CHANGE IN NET POSITION</u></b>	<b><u>\$ (556,149)</u></b>	<b><u>\$ 326</u></b>	<b><u>\$ (555,823)</u></b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers from (to) other funds	\$ -	\$ -	\$ -
<b><u>CHANGE IN NET POSITION AFTER OTHER FINANCING SOURCES (USES)</u></b>	<b><u>\$ (556,149)</u></b>	<b><u>\$ 326</u></b>	<b><u>\$ (555,823)</u></b>
Net Position - Beginning	<u>1,640,609</u>	<u>53,035</u>	<u>1,693,644</u>
<b><u>NET POSITION, ENDING</u></b>	<b><u>\$ 1,084,460</u></b>	<b><u>\$ 53,361</u></b>	<b><u>\$ 1,137,821</u></b>

## HANCOCK COUNTY, ILLINOIS

## COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

## AGENCY FUNDS

NOVEMBER 30, 2015

	County Collector	Protested Tax	Circuit Clerk	Abandoned Property	Sheriff Bond	Probation Fees	Drug Act
<b>ASSETS</b>							
Cash	\$ 31,799	\$ 2,572	\$ 196,762	\$ 2,896	\$ 634	\$ 147,713	1,361
Investments	-	11,000	11,908	-	-	-	-
<b>Total Assets</b>	<b>\$ 31,799</b>	<b>\$ 13,572</b>	<b>\$ 208,670</b>	<b>\$ 2,896</b>	<b>\$ 634</b>	<b>\$ 147,713</b>	<b>1,361</b>
<b>LIABILITIES</b>							
Due to taxing districts	\$ 31,799	\$ 13,572	\$ -	\$ -	\$ -	\$ -	-
Funds held for others	-	-	208,670	2,896	634	147,713	1,361
<b>Total Liabilities</b>	<b>\$ 31,799</b>	<b>\$ 13,572</b>	<b>\$ 208,670</b>	<b>\$ 2,896</b>	<b>\$ 634</b>	<b>\$ 147,713</b>	<b>1,361</b>

	Adult Restitution	Condemnation	Inmate Commissary	ICP Dist. #9 Fish & Wildlife	ISP DUI Equipment	Total
<b>ASSETS</b>						
Cash	\$ (964)	\$ 2	\$ 18,587	\$ 3	\$ -	\$ 401,365
Investments	-	-	-	-	-	22,908
<b>Total Assets</b>	<b>\$ (964)</b>	<b>\$ 2</b>	<b>\$ 18,587</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 424,273</b>
<b>LIABILITIES</b>						
Due to taxing districts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,371
Funds held for others	(964)	2	18,587	3	-	378,902
<b>Total Liabilities</b>	<b>\$ (964)</b>	<b>\$ 2</b>	<b>\$ 18,587</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 424,273</b>

**STATISTICAL SECTION**

Schedule "19"

**HANCOCK COUNTY, ILLINOIS**  
**NET POSITION BY COMPONENT**  
**LAST THREE FISCAL YEARS**  
**(Accrual basis of accounting)**

	Year Ending November 30		
	2013	2014	2015
<b><u>Governmental Activities</u></b>			
Invested in capital assets, net of related debt	\$ 15,282,053	\$ 14,488,547	\$ 13,823,357
Restricted	2,513,007	2,607,616	2,659,805
Unrestricted	<u>3,209,252</u>	<u>3,825,882</u>	<u>4,499,250</u>
<b><u>Total Governmental Activities Net Position</u></b>	<b>\$ <u>21,004,312</u></b>	<b>\$ <u>20,922,045</u></b>	<b>\$ <u>20,982,412</u></b>
<b><u>Business-type Activities</u></b>			
Invested in capital assets, net of related debt	\$ 96,008	\$ 87,346	\$ 78,787
Unrestricted	<u>155,882</u>	<u>128,198</u>	<u>21,014</u>
<b><u>Total Business-type Activities Net Position</u></b>	<b>\$ <u>251,890</u></b>	<b>\$ <u>215,544</u></b>	<b>\$ <u>99,801</u></b>
<b><u>Primary Government</u></b>			
Invested in capital assets, net of related debt	\$ 15,378,061	\$ 14,575,893	\$ 13,902,144
Restricted	2,513,007	2,607,616	2,659,805
Unrestricted	<u>3,365,134</u>	<u>3,954,080</u>	<u>4,520,264</u>
<b><u>Total Primary Government Net Position</u></b>	<b>\$ <u>21,256,202</u></b>	<b>\$ <u>21,137,589</u></b>	<b>\$ <u>21,082,213</u></b>

HANCOCK COUNTY, ILLINOISCHANGES IN NET POSITIONLAST THREE FISCAL YEARS(Accrual basis of accounting)

	Year Ending November 30		
	2013	2014	2015
<u>Expenses</u>			
<u>Governmental activities:</u>			
General government	\$ 2,267,812	\$ 2,324,218	\$ 2,396,952
Public safety	1,457,857	1,508,554	1,519,968
Judiciary	669,898	657,584	624,170
Public works and transportation	2,801,012	2,860,322	3,184,622
Health and welfare	1,960,880	3,216,163	3,296,776
Education	43,008	43,637	46,307
Interest Expense	7,180	9,659	6,600
<u>Total Governmental Activities Expenses</u>	<u>\$ 9,207,647</u>	<u>\$ 10,620,137</u>	<u>\$ 11,075,395</u>
<u>Business-type Activities</u>			
Shelter Care Home expenditures	618,052	622,798	606,495
<u>Total Primary Government Expenses</u>	<u>\$ 9,825,699</u>	<u>\$ 11,242,935</u>	<u>\$ 11,681,890</u>
<u>Program Revenues</u>			
<u>Governmental activities:</u>			
<u>Charges for services</u>			
Fines and forfeitures	\$ 141,934	\$ 160,355	\$ 328,490
County Clerk, Circuit Clerk and Sheriff fees	275,469	277,807	288,883
ETBS, Highway and Ambulance	1,094,138	1,408,900	1,047,019
All other charges for services	910,729	1,647,858	2,076,736
Operating grants and contributions	1,851,919	2,126,055	1,692,797
<u>Total Governmental Activities Revenues</u>	<u>\$ 4,274,189</u>	<u>\$ 5,620,975</u>	<u>\$ 5,433,925</u>
<u>Business-type Activities</u>			
Shelter Care Home room and board	587,303	575,762	481,177
<u>Total Primary Government Program Revenues</u>	<u>\$ 4,861,492</u>	<u>\$ 6,196,737</u>	<u>\$ 5,915,102</u>
<u>Net Revenue (Expense)</u>			
Governmental Activities	\$ (4,933,458)	\$ (4,999,162)	\$ (5,641,470)
Business-type Activities	(30,749)	(47,036)	(125,318)
<u>Total Primary Government Net Revenue (Expense)</u>	<u>\$ (4,964,207)</u>	<u>\$ (5,046,198)</u>	<u>\$ (5,766,788)</u>
<u>General Revenue and Other Changes in Net Position</u>			
<u>Governmental activities:</u>			
Property taxes	\$ 3,179,411	\$ 3,359,127	\$ 3,462,616
Other taxes	1,253,508	1,311,217	1,362,695
Interest	19,209	17,097	19,032
Miscellaneous	348,434	229,457	260,773
Transfers in (out)	-	-	-
<u>Total Governmental Activities</u>	<u>\$ 4,800,562</u>	<u>\$ 4,916,898</u>	<u>\$ 5,105,116</u>
<u>Business-type activities:</u>			
Interest	\$ 389	\$ 207	\$ 101
Miscellaneous	9,969	10,483	9,474
<u>Total Business-type Activities</u>	<u>\$ 10,358</u>	<u>\$ 10,690</u>	<u>\$ 9,575</u>
<u>Total Primary Government</u>	<u>\$ 4,810,920</u>	<u>\$ 4,927,588</u>	<u>\$ 5,114,691</u>
<u>Changes in Net Position</u>			
Governmental activities	\$ (132,896)	\$ (82,264)	\$ (536,354)
Business-type activities	(20,391)	(36,346)	(115,743)
<u>Total Primary Government</u>	<u>\$ (153,287)</u>	<u>\$ (118,610)</u>	<u>\$ (652,097)</u>

Schedule "21"

**HANCOCK COUNTY, ILLINOIS**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST THREE FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	Year Ending November 30		
	2013	2014	2015
<b><u>General Fund</u></b>			
Restricted	\$ 89,932	\$ 69,287	\$ 34,669
Unassigned	<u>1,300,583</u>	<u>1,429,608</u>	<u>1,693,138</u>
<b><u>Total General Fund</u></b>	<b>\$ <u>1,390,515</u></b>	<b>\$ <u>1,498,895</u></b>	<b>\$ <u>1,727,807</u></b>
<b><u>All Other Governmental Funds</u></b>			
Nonspendable	\$ 19,950	\$ 19,950	\$ 41,844
Restricted	2,472,951	2,568,780	2,651,522
Assigned	1,199,268	1,597,620	1,489,407
Unassigned	<u>74,597</u>	<u>53,590</u>	<u>94,800</u>
<b><u>Total All Other Governmental Funds</u></b>	<b>\$ <u>3,766,766</u></b>	<b>\$ <u>4,239,940</u></b>	<b>\$ <u>4,277,573</u></b>
<b><u>Total Governmental Funds</u></b>	<b>\$ <u>5,157,281</u></b>	<b>\$ <u>5,738,835</u></b>	<b>\$ <u>6,005,380</u></b>

Note: For this schedule and the schedule on the following page, Governmental Funds include the General Fund, Special Revenue Debt Service and Capital Project Funds.

Schedule "22"

HANCOCK COUNTY, ILLINOIS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST THREE FISCAL YEARS  
(Modified accrual basis of accounting)

	Year Ending November 30		
	2013	2014	2015
<b>REVENUES</b>			
Taxes - Property	\$ 3,179,411	\$ 3,334,163	\$ 3,437,619
Intergovernmental - State of Illinois	2,732,699	2,630,102	2,467,587
Federal revenue	367,335	770,973	600,258
Grants and contributions	5,393	36,197	5,492
Charges for services	1,841,278	2,866,488	2,943,322
Fees	439,058	468,077	451,471
Fines	141,934	160,355	328,490
Interest	18,179	15,503	17,463
Other	409,494	306,588	337,172
<b>Total Revenues</b>	<b>\$ 9,134,781</b>	<b>\$ 10,588,446</b>	<b>\$ 10,588,874</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government	\$ 2,484,569	\$ 2,382,568	\$ 2,292,669
Public Safety	1,347,546	1,407,401	1,405,842
Judiciary	669,898	657,584	624,170
Public works and transportation	2,064,441	2,136,094	2,494,588
Health and welfare	1,824,642	3,007,174	3,094,469
Education	43,008	43,637	46,307
Debt Service			
Principal	68,682	90,593	112,148
Interest	7,180	9,659	6,600
Capital Outlay	265,165	231,509	424,359
<b>Total Expenditures</b>	<b>\$ 8,775,131</b>	<b>\$ 9,966,219</b>	<b>\$ 10,501,152</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ 359,650</b>	<b>\$ 622,227</b>	<b>\$ 87,722</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from borrowing	\$ 34,000	\$ 51,000	\$ 178,823
Transfers from (to) other funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 34,000</b>	<b>\$ 51,000</b>	<b>\$ 178,823</b>
<b>Net Changes in Fund Balance</b>	<b>\$ 393,650</b>	<b>\$ 673,227</b>	<b>\$ 266,545</b>

**FEDERAL FINANCIAL ASSISTANCE**

**GRAY HUNTER STENN LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Chairman and Members of the  
Hancock County Board  
Hancock County, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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 Hancock County, Illinois (County) as of and for the year ended November 30, 2015, and the related notes to the financial statements, which collectively comprise Hancock County, Illinois' basic financial statements and have issued our report thereon dated June 13, 2016. Our report disclaims an opinion on the Ambulance Fund (major fund) and the Health Department (major fund) because we were unable to verify balances of certain accounts receivable.

*Internal Control Over Financial Reporting*

In planning and performing our audit of the financial statements, we considered Hancock County, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hancock County, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Hancock County, Illinois' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned cost as findings 2015-001, 2015-002, 2015-003 and 2014-004 to be material weaknesses.

Additional internal control matters were communicated to management in a separate letter dated June 13, 2016.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Hancock County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2015-001, 2015-002, 2015-003, 2015-004, 2015-005 and 2015-006.

### ***Hancock County, Illinois' Responses to Findings***

Hancock County, Illinois' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Hancock County, Illinois' responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Greg Hunter Stern LLP*

Certified Public Accountants

Dated at Quincy, Illinois  
June 13, 2016

**GRAY HUNTER STENN LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133

Chairman and Members of the  
Hancock County Board  
Hancock County, Illinois

*Report on Compliance for Each Major Federal Program*

We have audited Hancock County, Illinois' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Hancock County, Illinois' major federal programs for the year ended November 30, 2015. Hancock County, Illinois' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

*Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of Hancock County, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Hancock County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Hancock County, Illinois' compliance.

*Opinion on Each Major Federal Program*

In our opinion, Hancock County, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2015.

*Other Matters*

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Findings 2015-001, 2015-003, 2015-005 and 2015-006. Our opinion on each major federal program is not modified with respect to these matters.

Hancock County, Illinois' responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Hancock County, Illinois' responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

#### *Report on Internal Control Over Compliance*

Management of Hancock County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hancock County, Illinois' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Hancock County, Illinois' internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2015-001, 2015-003, 2014-005 and 2015-006 to be material weaknesses.

Hancock County, Illinois' responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Hancock County, Illinois' responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Gary Hunter Stens LLP*

Certified Public Accountants

Dated at Quincy, Illinois  
June 13, 2016

HANCOCK COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2015

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through/ Grantor's Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through Illinois Department of Human Services:			
(M) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	FCSTQ00883	\$ 40,137
(M) WIC	10.557	FCSUQ00883	22,969
(M) WIC Non-Cash Food Instruments	10.557		152,362
			<u>\$ 215,468</u>
<u>Total U.S. Department of Agriculture</u>			<u>\$ 215,468</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Illinois Department of Healthcare and Family Services:			
Child Support Enforcement Title IV-D	93.563		\$ 2,326
Medical Assistance Program	93.778		\$ 25,131
Total Passed through Illinois Department of Healthcare and Family Services			<u>\$ 27,457</u>
Passed through Illinois Department of Public Health:			
Public Health Emergency Preparedness	93.074	57180035C	\$ 17,225
Public Health Emergency Preparedness	93.074	67180035D	8,192 *
			<u>\$ 25,417</u>
Ground Water Protection	66.605	55380154C	\$ 63
Ground Water Protection	66.605	65380153D	25 *
			<u>\$ 88</u>
Breast & Cervical Cancer Prevention	93.752	56180010C	\$ 41,344
Breast & Cervical Cancer Prevention	93.752	66180010D	17,841 *
			<u>\$ 59,185</u>
Dental Sealant	93.994	53480117C	\$ 2,517 *
Vaccines For Children	93.268		\$ 24,160
Total Passed through Illinois Department of Public Health			<u>\$ 111,367</u>
Passed through National Association of County and City Health Officials:			
Medical Reserve Corps Small Grant Program	93.008		\$ 3,500
<u>Total U.S. Department of Health and Human Services</u>			<u>\$ 142,324</u>

**HANCOCK COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED NOVEMBER 30, 2015**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through/ Grantor's Number</u>	<u>Federal Expenditures</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Passed through Department of Commerce and Economic Opportunity:			
Community Development Block Grants	14.228	08-302013	\$ <u>17,005</u>
<b><u>Total U.S. Department of Housing and Urban Development</u></b>			<b>\$ <u>17,005</u></b>
<b><u>U.S. Department of Transportation</u></b>			
Passed through Illinois Department of Transportation:			
(M) Highway Construction Engineering	20.205		\$ <u>349,353</u>
Non-Metro Area Transportation Grant	20.509	OP-15-17-FED	\$ 27,465
Non-Metro Area Transportation Grant	20.509	OP-16-17-FED	<u>24,484</u>
			<u>\$ 51,949</u>
<b><u>Total U.S. Department of Transportation</u></b>			<b>\$ <u>401,302</u></b>
<b><u>Total Expenditures of Federal Awards</u></b>			<b>\$ <u><u>776,099</u></u></b>

(M) - Denotes Major Program

\* Estimated amounts due to the Illinois Department of Public Health not confirming federal amounts.

See accompanying notes to schedule of expenditures of federal awards.

HANCOCK COUNTY, ILLINOIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2015

Note (1) Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Hancock County, Illinois and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note (2) Commodities

The County received vaccines at no charge from the Illinois Department of Public Health through federally assisted programs (Vaccines for Children, CFDA #93.268). During fiscal year 2015, the County received additional vaccines from the State.

<u>Beginning Inventory</u> <u>November 30, 2014</u>	<u>Acquisitions</u>	<u>Usage</u>	<u>Ending Inventory</u> <u>November 30, 2015</u>
<u>\$ 9,366</u>	<u>\$ 23,481</u>	<u>\$ 3,939</u>	<u>\$ 28,908</u>

Note (3) Noncash Food Instruments

The County participates in the Supplemental Food Program for Women, Infants and Children (CFDA #10.557) and issues food instruments to eligible participants. The food instruments can be exchanged for authorized supplemental foods at retail stores. The State of Illinois processes and tracks the food instruments redeemed. The federal portion of food instruments distributed by Hancock County and redeemed during the period July 1, 2014 to June 30, 2015 was \$152,362 and is reported in the Schedule of Expenditures of Federal Awards. Information is not available from the State of Illinois to report this information on the County's fiscal year.

Note (4) Federal Insurance and Loans

Hancock County, Illinois did not have any federal insurance or loans in effect during the year ended November 30, 2015.

Note (5) Subrecipients

Hancock County, Illinois did not disburse any federal funds to subrecipients during the year ended November 30, 2015.

HANCOCK COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2015

I. Summary Of Auditors' Results:*Financial Statements*

Type of auditors' report issued:

Qualified – Governmental Activities  
 Unmodified – Business-type Activities  
 Unmodified – Discretely Presented  
                   Component Unit  
 Unmodified – General Fund  
 Disclaimer – Ambulance Fund  
 Disclaimer – Health Department  
 Unmodified – Retirement Fund  
 Unmodified – County Highway Fund  
 Unmodified – Shelter Care Home  
 Unmodified – Aggregate Remaining Fund  
                   Information

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiencies identified that are  
not considered to be material weaknesses?        Yes   X   None Reported
- Noncompliance material to the combined financial  
statements noted?        Yes   X   No

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiencies identified that  
are not considered to be material  
weakness(es)?        Yes   X   None Reported

Type of auditors' report issued on compliance for  
major programs:

Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with section  
510(a) of Circular A-133?  X   Yes        No

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
20.205	Highway Construction Engineering

Dollar threshold used to distinguish between  
type A and type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

       Yes   X   No

II. Findings Relating To The Financial Statement Audit That Are Required To Be Reported In Accordance With Generally Accepted Government Auditing Standards

MATERIAL WEAKNESSES

Finding 2015-001 – Segregation of Duties

**Condition:**

The County departments are comprised of a limited number of employees. The limited number of employees allows for a lack of segregation of duties over accounting transactions.

**Criteria:**

Accounting duties of authorization, recording, and custodian should be segregated between employees to prevent financial misstatements and the opportunity for fraudulent behavior.

**Effect:**

With a limited number of employees and a lack of segregation of duties, the County is at a higher risk for errors or misappropriations.

**Cause:**

The County departments are comprised of a limited number of employees.

**Recommendation:**

When a lack of segregation of duties exists, management's and the County Board's close supervision and review of accounting information are the best means of preventing or detecting errors and irregularities.

**Views of responsible officials and planned corrective action:**

The County Board will continue to review all claims provided to them.

Finding 2015-002 – 3<sup>rd</sup> Party Billing Providers

**Federal Agency Program:**

No federal programs affected.

**Condition:**

The Ambulance Fund contracts with a 3<sup>rd</sup> party billing provider to manage the Ambulance's revenue and receivables. From our testing, it was determined that there is a lack of controls related to the oversight of the services that the 3<sup>rd</sup> party is providing. For instance, the Orion bank account was not closed and funds sent to the Carthage bank account.

**Criteria:**

When a 3<sup>rd</sup> party provider is used for services, all the services should be reviewed periodically for accuracy and timeliness.

**Effect:**

Lack of oversight or review, allows errors (whether due to fraud or error) to occur. Examples are: services not billed, weak collection procedures (unnecessary write-offs), and inconsistent remittance procedures.

**Cause:**

The County does not currently have a policy in place regarding the review of the 3<sup>rd</sup> party provider's services.

II. Findings Relating To The Financial Statement Audit That Are Required To Be Reported In Accordance With Generally Accepted Government Auditing Standards (Continued)

Finding 2015-002 – 3<sup>rd</sup> Party Billing Providers (Continued)

**Recommendation:**

We recommend that the County establish a policy that establishes a monthly review of the 3<sup>rd</sup> party provider's services. This should include comparing the services provided for the month (using internal data) and what the 3<sup>rd</sup> party provider billed for. The review should also include receiving a listing of accounts wrote-off during the period detailing who the payer was, what kind of write-off it is (contractual, old, etc.) and the age of the receivable before write-off. An aged listing of current receivables should be obtained and compared to prior periods.

**Views of responsible officials and planned corrective action:**

The Ambulance Coordinator, the County Treasurer and the County Board will work together to develop a monitoring system that reviews the 3<sup>rd</sup> party provider's services, bank accounts and accounts receivables.

Finding 2015-003 – Lack of Fiscal Management – Health Department

**Federal Agency Program:**

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children

**Condition:**

During the audit period, there was a lack of knowledge and experience regarding fiscal management at the Health Department. During the year ended November 30, 2015, the Health Department switched accounting software. The beginning balances entered into the new software were incorrect. The accounting staff continued to write checks out of the old software, thereby making accounts payable and expenses incorrect. Also, accounting of Home Health revenue and accounts receivable were not being correctly billed, recorded in Allscripts, or recorded in the general ledger. Also, the activity of the Health and Wellness Coalition was not recorded during the year.

**Criteria:**

Knowledge and experience in fiscal management is required to provide current and accurate information to allow management to make good decisions.

**Effect:**

A lack of knowledge and experience in fiscal management can result in management making decisions based on old or inaccurate data. If receivables are not managed effectively and efficiently, it can lead to lost billings and unnecessary write-offs.

**Cause:**

The Health Department did not have a knowledgeable or experienced fiscal director for most of the year.

**Recommendation:**

We recommend that the Health Department continue to develop a fiscal department that has the necessary knowledge and experience in managing the Health Department's financial responsibilities.

**Views of responsible officials and planned corrective action:**

We have discontinued the use of our old fiscal system/company. Staff is now posting receivables in Allscripts into the general ledger. Staff has made some progress on the Home Health's Accounts Receivable in the Allscripts system but still needs to sort out some of the payer sources from previous years. The Administrator hopes to accomplish this prior to November 30, 2016. Accounts receivables are now being separated in the accounting system into their payer sources. The Finance Director and staff are now posting and reconciling the Health and Wellness Coalition account. The Finance Director was hired on as full-time and works with the fiscal staff to ensure tasks are done correctly.

II. Findings Relating To The Financial Statement Audit That Are Required To Be Reported In Accordance With Generally Accepted Government Auditing Standards (Continued)

Finding 2015-004 – Oversight – County Collector Fund

Federal Agency Program:  
No federal programs affected.

*Condition:*

The initial trial balance given to the auditors for the County Collector Fund had cash and revenue overstated.

*Criteria:*

Reconciliations and reviews of reconciliations and trial balances are required to ensure that accurate information is being reported and used to prepare financial statements.

*Effect:*

Failure to review trial balances can result in materially misstated financial statements.

*Cause:*

The Treasurer's office did not properly review or reconcile the accounts in the trial balance in order to catch the material errors.

*Recommendation:*

We recommend that the Treasurer's office reconcile all cash accounts. All reconciliations and trial balances should be reviewed by the Treasurer monthly.

*Views of responsible officials and planned corrective action:*

The audit finding for the County Collector account was corrected on the first day of the audit. The Treasurer's office has a new deputy that has not gone through an audit before and was not aware that this was a duty the previous deputy had performed. The audit was done in January when it has been done in April in the past. It was difficult to have everything prepared in that short of a time frame. The Treasurer's office reconciles all cash accounts monthly and will reconcile trial balances on a monthly basis as well.

III. Federal Award Findings and Questioned Costs

MATERIAL WEAKNESSES

Finding 2015-001 – Segregation of Duties

See Section II – Financial Statement Findings

Federal Agency Program:  
All federal programs are affected.

Questioned costs: None

Finding 2015-003 – Lack of Fiscal Management – Health Department

See Section II – Financial Statement Findings

Federal Agency Program:  
10.557 Special Supplemental Nutrition Program for Women, Infants, and Children

Questioned costs: None

III. Federal Award Findings and Questioned Costs (Continued)Finding 2015-005 – Indirect Cost Allocations

## Federal Agency Program:

10.557

Special Supplemental Nutrition Program for Women, Infants, and Children

*Condition:*

The County did not follow a cost allocation plan when charging indirect costs to the various Health Department programs.

*Criteria:*

The A-133 Compliance Supplement requires a cost allocation plan be used to produce an equitable and consistent distribution of costs.

*Effect:*

Indirect costs were allocated to various programs in an inequitable and inconsistent manner throughout the year.

*Cause:*

The County does not currently have a written cost allocation plan in place.

*Recommendation:*

We recommend that the County establish a cost allocation plan that produces an equitable and consistent distribution of costs. The plan should then be followed consistently until revised or replaced.

*Views of responsible officials and planned corrective action:*

As of July 28, 2016 the Finance Director and Administrator will present the Cost Allocation Policy to the Board of Health at their July 28, 2016 meeting. Once the policy has been approved, the Fiscal Clerk, Finance Director, and Administrator will ensure that the policy is implemented for the FY' 2016-2017 budget year.

Finding 2015-006 – Eligibility Determinations

## Federal Agency Program:

10.557

Special Supplemental Nutrition Program for Women, Infants, and Children

*Condition:*

Multiple WIC Program Client Certification Forms were missing applicant signatures, staff signatures and/or dates.

*Criteria:*

WIC requires eligibility be determined prior to the client receiving benefits. The eligibility determination process includes filling out a form to determine initial eligibility or annually to recertify eligibility. The client is required to sign a statement that they are certifying that the information they have provided for their eligibility determination is correct. The interviewer and the Certifying Health Professional are also required to sign and date the form.

*Effect:*

Eligibility can be in question when a client fails to sign the form agreeing to the statements they have made regarding their income or other eligibility factors. Also, eligibility can be in question when the staff member fails to sign and date the form verifying that they were present and documented the client's statements.

III. Federal Award Findings and Questioned Costs (Continued)Finding 2015-006 – Eligibility Determinations (Continued)***Cause:***

Proper procedures for documenting eligibility determinations were not followed.

***Recommendation:***

We recommend that the County follow the procedures for documenting eligibility determinations. We also recommend that files are spot checked by the WIC director periodically to ensure compliance with the procedures.

***Views of responsible officials and planned corrective action:***

As of July 1, 2016 the WIC Clerk will inspect each eligibility sheet at the conclusion of each participant's visit. If the sheet is not completed properly the participant and/or the CHP will make the appropriate corrections. Then the participant will then be issued their food instruments.

HANCOCK COUNTY, ILLINOIS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED NOVEMBER 30, 2015

Finding 2014-001 – Segregation of Duties

This condition continues to exist due to a limited number of accounting personnel. The County does monitor monthly financial results. This finding has been repeated in the current year as finding 2015-001.

Finding 2014-002 – Payroll Approvals – Health Department

This finding was not repeated in the current year.

Finding 2014-003 – 3<sup>rd</sup> Party Billing Providers

This condition continues to exist. This finding has been repeated in the current year as finding 2015-002.

Finding 2014-004 – Lack of Fiscal Management – Health Department

This condition continues to exist due to the changes within the accounting staff and accounting software. This finding has been repeated in the current year as finding 2015-003.

Finding 2014-005 – Inventory Control – Health Department

This finding was not repeated in the current year.

Finding 2014-006 – Indirect Cost Allocations

This condition continues to exist. This finding has been repeated in the current year as finding 2015-005.

Finding 2014-007 – Eligibility Determinations

This condition continues to exist. This finding has been repeated in the current year as finding 2015-006.