

HANCOCK COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED NOVEMBER 30, 2018

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GRAY HUNTER STENN LLP

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INDEPENDENT AUDITORS' REPORT

Chairman and Members
Hancock County Board
Carthage, Illinois

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hancock County, Illinois (County) as of and for the year ended November 30, 2018, 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" paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Ambulance Fund.

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

Except, for the matters described in the "Basis for Disclaimer of Opinion" paragraph, 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
Discretely Presented Component Unit	Unmodified
Governmental Fund – General Fund	Unmodified
Governmental Fund – Ambulance Fund	Disclaimer
Governmental Fund – Health Department	Unmodified
Governmental Fund – IMRF Fund	Unmodified
Governmental Fund – County Highway	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, 2018, and therefore offer no opinion with regards to the Ambulance Fund. The accounts receivable balance at November 30, 2018, was \$141,547.

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, 2018, 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, 2018, and therefore offer no opinion with regards to the Ambulance Fund. The accounts receivable balance at November 30, 2018, was \$141,547.

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, 2018. 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 discretely presented component unit, the General Fund, the Health Department, the IMRF Fund, the County Highway, and the aggregate remaining fund information of Hancock County, as of November 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that pension and budgetary comparison information on pages 30 through 39 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's 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 supplementary information schedules are the responsibility of management and were 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 is 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 May 24, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Certified Public Accountants

Dated at Quincy, Illinois
May 24, 2019

BASIC FINANCIAL STATEMENTS

Exhibit "A"

HANCOCK COUNTY, ILLINOISSTATEMENT OF NET POSITIONNOVEMBER 30, 2018

	<u>Primary Government</u>		<u>Component</u>
	<u>Governmental</u>		<u>Unit</u>
	<u>Activities</u>		<u>Unit</u>
<u>ASSETS</u>			
Cash	\$ 2,861,719	\$	36,223
Investments	3,286,821		560,753
Accounts and grants receivable	850,416		126,746
Prepaid insurance	34,454		-
Prepaid expenses	6,783		-
Due from fiduciary funds	64,313		-
Inventories	60,962		-
Net pension asset	44,404		-
Deferred compensation	589,039		-
Capital assets			
Land	58,685		-
Construction in progress	371,855		-
Building and equipment (net of accumulated depreciation)	<u>12,363,883</u>		<u>143,178</u>
Total Assets	\$ <u>20,593,334</u>	\$	<u>866,900</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Property taxes receivable	\$ <u>4,173,500</u>	\$	<u>-</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 165,656	\$	-
Accrued expenses	177,608		-
Claims payable	136,012		-
Funds held for others	30,944		-
Deferred compensation	589,039		-
Long-term liabilities			
Due within one year	90,610		-
Due in more than one year	<u>151,969</u>		<u>-</u>
Total Liabilities	\$ <u>1,341,838</u>	\$	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred property taxes	\$ 4,173,500	\$	-
Future pension expenses	<u>1,047,182</u>		<u>-</u>
Total Deferred Inflows Of Resources	\$ <u>5,220,682</u>	\$	<u>-</u>
<u>NET POSITION</u>			
Net investment in capital assets	\$ 12,551,844	\$	143,178
Restricted for:			
General government	1,895,609		-
Public safety	14,765		-
Judiciary	454,172		-
Public works and transportation	450,497		-
Health and welfare	1,018,000		-
Unrestricted	<u>1,819,427</u>		<u>723,722</u>
Total Net Position	\$ <u>18,204,314</u>	\$	<u>866,900</u>

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

GRAY HUNTER STENN LLP

HANCOCK COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2018

<u>Functions/Programs</u>	Program Revenues				Net Revenue (Expense) and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit
<u>Primary Government</u>						
Governmental activities						
General government	\$ 3,220,953	\$ 236,729	\$ 36,177	\$ -	\$ (2,948,047)	
Public safety	1,879,252	305,789	24,324	-	(1,549,139)	
Judiciary	797,802	422,443	199,596	-	(175,763)	
Public works and transportation	3,110,295	531,869	947,845	-	(1,630,581)	
Health and welfare	3,044,947	1,778,213	273,830	-	(992,904)	
Education	54,292	-	-	-	(54,292)	
Interest expense	6,591	-	-	-	(6,591)	
<u>Total primary government</u>	<u>\$ 12,114,132</u>	<u>\$ 3,275,043</u>	<u>\$ 1,481,772</u>	<u>\$ -</u>	<u>\$ (7,357,317)</u>	
<u>Component Unit</u>						
Emergency Telephone System Board	\$ 256,141	\$ -	\$ 392,582	\$ -		\$ 136,441
<u>General Revenues</u>						
Taxes						
Property taxes					\$ 3,978,772	\$ -
Intergovernmental - unrestricted					1,393,280	-
Interest					22,670	3,382
Other reimbursements					491,058	-
<u>Total general revenue and transfers</u>					<u>\$ 5,885,780</u>	<u>\$ 3,382</u>
Change in net position					\$ (1,471,537)	\$ 139,823
Net position, beginning					<u>19,675,851</u>	<u>727,077</u>
Net position, ending					<u>\$ 18,204,314</u>	<u>\$ 866,900</u>

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, 2018

	General	Ambulance	Health Department	IMRF	County Highway	Other Governmental	Total
ASSETS							
Cash	\$ 432,439	\$ 46,081	\$ 585,621	\$ 165,907	\$ 25,282	\$ 903,151	\$ 2,158,481
Investments	571,566	100,000	-	300,000	325,175	1,719,080	3,015,821
Accounts receivable	220,460	141,547	329,837	-	31,967	100,114	823,925
Property taxes receivable	979,000	212,000	331,000	500,000	322,000	1,794,500	4,138,500
Prepaid insurance	-	-	-	-	-	8,590	8,590
Prepaid expenses	6,783	-	-	-	-	-	6,783
Inventories, at cost	14,344	-	39,353	-	-	7,265	60,962
Due from other funds	4,469	-	-	-	-	70,358	74,827
Total Assets	\$ 2,229,061	\$ 499,628	\$ 1,285,811	\$ 965,907	\$ 704,424	\$ 4,603,058	\$ 10,287,889
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 20,677	\$ 5,832	\$ 20,454	\$ 69,575	\$ 4,958	\$ 44,160	\$ 165,656
Accrued expenses	11,145	10,631	12,773	-	2,983	8,171	45,703
Unearned income	979,000	212,000	331,000	500,000	322,000	1,794,500	4,138,500
Funds held for others	30,944	-	-	-	-	-	30,944
Due to other funds	6,045	-	4,469	-	-	-	10,514
Total Liabilities	\$ 1,047,811	\$ 228,463	\$ 368,696	\$ 569,575	\$ 329,941	\$ 1,846,831	\$ 4,391,317
Fund Balances							
Nonspendable	\$ 14,344	\$ -	\$ 39,353	\$ -	\$ -	\$ 7,265	\$ 60,962
Restricted	42,416	165,725	877,762	396,332	34,438	2,387,313	3,903,986
Assigned	-	105,440	-	-	340,045	361,649	807,134
Unassigned	1,124,490	-	-	-	-	-	1,124,490
Total Fund Balances	\$ 1,181,250	\$ 271,165	\$ 917,115	\$ 396,332	\$ 374,483	\$ 2,756,227	\$ 5,896,572
Total Liabilities and Fund Balances	\$ 2,229,061	\$ 499,628	\$ 1,285,811	\$ 965,907	\$ 704,424	\$ 4,603,058	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds							11,892,355
Deferred inflows of resources due to pension expense							(1,047,182)
Long-term assets related to governmental activities							44,404
Long-term liabilities related to governmental activities							(242,579)
Accrued expenses related to governmental activities							(131,905)
The assets and liabilities of internal service funds are included in governmental activities							1,792,649
NET POSITION OF GOVERNMENTAL ACTIVITIES							\$ 18,204,314

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, 2018

	General	Ambulance	Health Department	IMRF	County Highway	Other Governmental	Total
REVENUES							
Taxes - Property	\$ 937,194	\$ 211,439	\$ 330,007	\$ 498,520	\$ 319,056	\$ 1,647,660	\$ 3,943,876
Intergovernmental - State of Illinois	1,628,138	-	85,152	-	-	645,236	2,358,526
Federal revenue	18,762	-	177,137	-	216,512	90,574	502,985
Grants and contributions	-	-	11,541	-	-	2,000	13,541
Charges for services	147,413	727,786	1,050,427	-	345,961	269,523	2,541,110
Fees	355,886	-	-	-	-	185,239	541,125
Fines	165,979	-	-	-	-	26,829	192,808
Interest	4,796	63	2,382	671	2,010	8,940	18,862
Other	156,633	26,478	34,575	-	-	155,684	373,370
Total Revenues	\$ 3,414,801	\$ 965,766	\$ 1,691,221	\$ 499,191	\$ 883,539	\$ 3,031,685	\$ 10,486,203
EXPENDITURES							
Current							
General government	\$ 1,760,640	\$ -	\$ -	\$ 57,330	\$ -	\$ 956,149	\$ 2,774,119
Public safety	1,348,068	-	-	183,578	-	196,879	1,728,525
Judiciary	596,087	-	-	24,731	-	170,085	790,903
Public works and transportation	-	-	-	50,720	1,200,043	1,187,619	2,438,382
Health and welfare	2,500	910,032	1,609,116	167,825	-	152,873	2,842,346
Education	54,292	-	-	-	-	-	54,292
Debt service							
Principal	59,567	62,943	-	-	33,762	-	156,272
Interest	344	4,883	-	-	1,364	-	6,591
Capital outlay	14,570	-	71,201	-	67,123	109,057	261,951
Total Expenditures	\$ 3,836,068	\$ 977,858	\$ 1,680,317	\$ 484,184	\$ 1,302,292	\$ 2,772,662	\$ 11,053,381
Excess of Revenues Over (Under) Expenditures	\$ (421,267)	\$ (12,092)	\$ 10,904	\$ 15,007	\$ (418,753)	\$ 259,023	\$ (567,178)
Other Financing Sources (Uses)							
Proceeds from borrowing	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ 64,500	\$ 124,500
Transfers from (to) other funds	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ 64,500	\$ 124,500
Net Change in Fund Balances	\$ (421,267)	\$ 47,908	\$ 10,904	\$ 15,007	\$ (418,753)	\$ 323,523	\$ (442,678)
Fund Balances, Beginning	1,602,517	223,257	906,211	381,325	793,236	2,432,704	6,339,250
Fund Balances, Ending	\$ 1,181,250	\$ 271,165	\$ 917,115	\$ 396,332	\$ 374,483	\$ 2,756,227	\$ 5,896,572

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, 2018

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

Net change in fund balances - total Governmental Funds	\$ (442,678)
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	(124,500)
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	156,272
Capital outlay is an expenditure in the Governmental Funds, but are capitalized and depreciated in the statement of activities	261,951
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	(952,546)
Gain/loss on disposal of capital assets	(66,646)
Compensated absences	(17,028)
Pension obligations	(488,237)
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>201,875</u>
Change in net position of governmental activities	\$ <u><u>(1,471,537)</u></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, 2018

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 703,238	
Investments	271,000	
Reinsurance receivable	26,491	
Prepaid insurance	<u>25,864</u>	
Total Current Assets	\$ <u>1,026,593</u>	
Capital assets:		
Construction in progress	\$ 247,773	
Building and equipment (net of accumulated depreciation)	<u>654,295</u>	
Total Capital Assets	\$ <u>902,068</u>	
<u>Total Assets</u>	\$ <u>1,928,661</u>	
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Property taxes receivable	\$ <u>35,000</u>	
<u>LIABILITIES</u>		
Claims payable	\$ <u>136,012</u>	
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred income	\$ <u>35,000</u>	
<u>NET POSITION</u>		
Invested in capital assets	\$ 902,068	
Unrestricted	<u>890,581</u>	
<u>Total Net Position</u>	\$ <u><u>1,792,649</u></u>	

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, 2018

		<u>Governmental Activities</u>	<u>Internal Service Funds</u>
<u>OPERATING REVENUES</u>			
Taxes - Property	\$	34,896	
Charges for services		589,000	
Rent		430,735	
Other		<u>180,795</u>	
<u>Total Operating Revenues</u>	\$	<u>1,235,426</u>	
<u>OPERATING EXPENSES</u>			
Medical claims and expenses	\$	740,592	
Personnel costs		23,072	
Professional and contractual		54,663	
Telephone and utilities		74,216	
Repairs and maintenance		21,262	
Insurance		75,299	
Depreciation		<u>48,255</u>	
<u>Total Operating Expenses</u>	\$	<u>1,037,359</u>	
<u>OPERATING INCOME (LOSS)</u>	\$	<u>198,067</u>	
<u>NONOPERATING REVENUE</u>			
Interest income	\$	<u>3,808</u>	
<u>NET INCOME (LOSS)</u>	\$	201,875	
Net Position, December 1, 2017		<u>1,590,774</u>	
<u>NET POSITION, NOVEMBER 30, 2018</u>	\$	<u><u>1,792,649</u></u>	

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, 2018

		<u>Governmental Activities</u>	
			<u>Internal Service Funds</u>
<u>Cash flows from operating activities</u>			
Receipts from other funds	\$	1,019,735	
Receipts from property taxes		34,896	
Other receipts		154,304	
Payments to employees		(63,335)	
Claims paid		(742,484)	
Payments for goods and services		<u>(185,177)</u>	
<u>Net cash provided by (applied to) operating activities</u>	\$	<u>217,939</u>	
<u>Cash flows from investing activities</u>			
Interest income	\$	3,808	
Purchases and redemptions of investments		<u>(112,000)</u>	
<u>Net cash provided by (applied to) investing activities</u>	\$	<u>(108,192)</u>	
<u>Cash flows from capital and related financing activities</u>			
Purchase of capital assets	\$	<u>(176,900)</u>	
<u>Net cash provided by (applied to) capital and related financing activities</u>	\$	<u>(176,900)</u>	
<u>Net increase (decrease) in cash</u>	\$	(67,153)	
Cash balance, December 1, 2017		<u>770,391</u>	
<u>CASH BALANCE, NOVEMBER 30, 2018</u>	\$	<u><u>703,238</u></u>	
<u>Reconciliation of income (loss) to net cash provided by (applied to) operating activities:</u>			
Operating income (loss)	\$	198,067	
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:			
Non-cash: Depreciation		48,255	
Changes in assets and liabilities:			
Reinsurance receivable		(26,491)	
Prepaid expenses		(1,324)	
Accounts payable and accrued expenses		<u>(568)</u>	
<u>Net cash provided by (applied to) operating activities</u>	\$	<u><u>217,939</u></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, 2018

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
<u>ASSETS</u>		
Cash	\$ 56,079	\$ 223,498
Investments	812,000	22,287
Accounts receivable	<u>127,834</u>	<u>-</u>
<u>Total Assets</u>	<u>\$ 995,913</u>	<u>\$ 245,785</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 239,599	\$ -
Due to other funds	52,113	-
Funds held for others	<u>-</u>	<u>245,785</u>
<u>Total Liabilities</u>	<u>\$ 291,712</u>	<u>\$ 245,785</u>
<u>NET POSITION</u>		
Held in trust for other governments	<u>\$ 704,201</u>	<u>\$ -</u>

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, 2018

		<u>Private Purpose Trust Funds</u>
<u>ADDITIONS</u>		
Intergovernmental revenue	\$	2,224,087
Interest		<u>5,391</u>
<u>Total Additions</u>	\$	<u>2,229,478</u>
<u>DEDUCTIONS</u>		
Township road and bridge construction and maintenance	\$	<u>2,297,134</u>
<u>Total Deductions</u>	\$	<u>2,297,134</u>
<u>CHANGE IN NET POSITION</u>	\$	<u>(67,656)</u>
Net Position, December 1, 2017		<u>771,857</u>
<u>NET POSITION, NOVEMBER 30, 2018</u>	\$	<u>704,201</u>

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

HANCOCK COUNTY, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
NOVEMBER 30, 2018

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 maintain 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. In the government-wide Statement of Net Position the governmental activities are reported on a full accrual, economic resource basis.

The Statement of Activities presents a comparison between direct expenses and program revenues 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 funds, each displayed in a separate column. All remaining governmental 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.

IMRF 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.

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 FundsInternal 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 and Jail. 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.

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.

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, 2018, no investments qualified as cash equivalents.

Note (1) Summary Of Accounting Policies (Cont'd)Basis of Accounting (Cont'd)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	15-40 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.

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.

Note (1) Summary Of Accounting Policies (Cont'd)Basis of Accounting (Cont'd)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. During the year ended November 30, 2018, property tax bills were issued in October with one installment due in October.

Property taxes levied in 2017 are reflected as revenues in fiscal year 2018. Amounts not collected by the Collector by November 30, 2018 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 2018 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 2019.

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.

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.

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

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, 2018:

	<u>Major</u> General Fund	<u>Major</u> Ambulance	<u>Major</u> Health Dept.	<u>Major</u> IMRF	<u>Major</u> County Highway	Other Funds	Total
Nonspendable:							
Inventory	\$ 14,344	\$ -	\$ 39,353	\$ -	\$ -	\$ 7,265	\$ 60,962
Restricted for:							
Retirement	-	-	-	396,332	-	-	396,332
Social Security/Medicare	-	-	-	-	-	280,096	280,096
Insurances	-	-	-	-	-	547,826	547,826
Health and welfare	-	-	877,762	-	-	-	877,762
Highways	-	-	-	-	-	444,312	444,312
Debt service	42,416	165,725	-	-	34,438	602	243,181
Court-related costs	-	-	-	-	-	423,640	423,640
Veteran services	-	-	-	-	-	141,800	141,800
Information Technology	-	-	-	-	-	395,218	395,218
Other capital projects	-	-	-	-	-	2,647	2,647
Other purposes	-	-	-	-	-	151,172	151,172
Assigned to:							
Ambulance services	-	105,440	-	-	-	-	105,440
Law enforcement	-	-	-	-	-	144,780	144,780
Highways	-	-	-	-	340,045	124,608	464,653
Other purposes	-	-	-	-	-	92,261	92,261
Unassigned	<u>1,124,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,124,490</u>
Total fund balances	<u>\$ 1,181,250</u>	<u>\$ 271,165</u>	<u>\$ 917,115</u>	<u>\$ 396,332</u>	<u>\$ 374,483</u>	<u>\$ 2,756,227</u>	<u>\$ 5,896,572</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;

Note (2) Deposits and Investments (Cont'd.)

- 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, 2018, 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, 2018, the carrying amount of the County's (including Fiduciary Funds) deposits, which consisted of cash in checking accounts, savings accounts, repurchase agreements, and certificates of deposit, was \$7,258,908. The bank balance of these accounts at November 30, 2018 was \$9,383,967, 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 \$3,496 at November 30, 2018.

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, 2018 was \$661,579 and the bank balance was \$661,579. 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, 2018, 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 \$596,976. The bank balance of these accounts at November 30, 2018 was \$597,759. Federal depository insurance collateralized all of the deposits.

Reconciliation to Government-wide Statement of Net Position:

	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash	\$ 2,861,719	\$ 279,577	\$ 3,141,296
Certificates of deposits	291,821	22,287	314,108
Repurchase agreements	<u>2,995,000</u>	<u>812,000</u>	<u>3,807,000</u>
	\$ 6,148,540	\$ 1,113,864	\$ 7,262,404
Less cash on hand	<u>(3,396)</u>	<u>(100)</u>	<u>(3,496)</u>
	<u>\$ 6,145,144</u>	<u>\$ 1,113,764</u>	<u>\$ 7,258,908</u>

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> County Highway	<u>Other</u> Funds	<u>Total</u>
Income taxes	\$ 39,096	\$ -	\$ -	\$ -	\$ -	\$ 39,096
Sales taxes	102,062	-	-	-	-	102,062
Use tax	33,807	-	-	-	-	33,807
Motor fuel taxes	-	-	-	-	29,027	29,027
Salary reimbursements	35,160	-	-	-	-	35,160
Accounts	-	141,547	193,532	-	-	335,079
Grants	9,132	-	136,305	-	58,469	203,906
Other	1,203	-	-	31,967	12,618	45,788
	<u>\$ 220,460</u>	<u>\$ 141,547</u>	<u>\$ 329,837</u>	<u>\$ 31,967</u>	<u>\$ 100,114</u>	<u>\$ 823,925</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, 2018 were \$238,932 with an allowance of \$45,400.

Note (4) Balance Due to/from Other Funds

The interfund receivable and payable balances at November 30, 2018 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Health Department	\$ 4,469
Nonmajor Funds	General Fund	6,045
Nonmajor Funds	Fiduciary Funds	<u>64,313</u>
		<u>\$ 74,827</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, 2018 were as follows:

DUI Fund		
To the Sheriff Fund		\$ <u>8,000</u>
Drug Act Fund		
To the Sheriff Fund		\$ <u>7,104</u>
Sheriff Fund		
From the DUI Fund		\$ (8,000)
From the Drug Act Fund		<u>(7,104)</u>
Net Transfers to the Sheriff Fund		\$ <u>(15,104)</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, 2018 was as follows:

	Balance November 30, 2017			Additions	Deletions	Balance November 30, 2018	
Capital assets, non-depreciable:							
Land	\$	58,685	\$	-	\$	-	\$ 58,685
Construction in progress		<u>93,145</u>		<u>278,710</u>		-	<u>371,855</u>
Total capital assets, non-depreciable:	\$	<u>151,830</u>	\$	<u>278,710</u>	\$	-	\$ <u>430,540</u>
Capital assets, depreciable:							
Buildings	\$	6,279,141	\$	37,607	\$	-	\$ 6,316,748
Equipment		4,527,484		215,108		(135,370)	4,607,222
Infrastructure		<u>17,555,299</u>		-		-	<u>17,555,299</u>
Total capital assets, depreciable	\$	<u>28,361,924</u>	\$	<u>252,715</u>	\$	<u>(135,370)</u>	\$ <u>28,479,269</u>
Less accumulated depreciation for:							
Buildings	\$	(3,027,571)	\$	(168,989)	\$	-	\$ (3,196,560)
Equipment		(3,209,387)		(292,483)		68,724	(3,433,146)
Infrastructure		<u>(8,946,351)</u>		<u>(539,329)</u>		-	<u>(9,485,680)</u>
Total accumulated depreciation	\$	<u>(15,183,309)</u>	\$	<u>(1,000,801)</u>	\$	<u>68,724</u>	\$ <u>(16,115,386)</u>
Total capital assets, depreciable		<u>13,178,615</u>		<u>(748,086)</u>		<u>(66,646)</u>	<u>12,363,883</u>
Total capital assets, net	\$	<u><u>13,330,445</u></u>	\$	<u><u>(469,376)</u></u>	\$	<u><u>(66,646)</u></u>	\$ <u><u>12,794,423</u></u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities

General government	\$	57,013
Public safety		132,059
Judiciary		4,932
Transportation		652,200
Health and welfare		<u>154,597</u>
Total depreciation expense - governmental activities	\$	<u><u>1,000,801</u></u>

Note (6) Capital Assets (Cont'd)

Activity for the Emergency Telephone System Board (discretely presented component unit) for the year ended November 30, 2018 was as follows:

	Balance November 30, 2017	Additions	Deletions	Balance November 30, 2018
Capital assets, non-depreciable:				
Construction in progress	\$ 51,632	\$ 48,326	\$ (99,958)	\$ -
Capital assets, depreciable:				
Furniture and equipment	\$ 187,633	\$ 99,958	\$ -	\$ 287,591
Less accumulated depreciation	(119,383)	(25,030)	-	(144,413)
Total capital assets, depreciable	\$ 68,250	\$ 74,928	\$ -	\$ 143,178
Total capital assets, net	\$ 119,882	\$ 123,254	\$ (99,958)	\$ 143,178

Note (7) Long-term Debt and Obligations

Hancock County, Illinois has notes payable associated with equipment and buildings at November 30, 2018, 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, Ambulance Fund, and the County Highway Fund.

Below is a summary of long-term debt for the year ended November 30, 2018:

	Balance November 30, 2017	Increases	Decreases	Balance November 30, 2018
<u>Governmental activities:</u>				
Compensated absences	\$ 114,877	\$ 131,905	\$ (114,877)	\$ 131,905
<u>Equipment notes:</u>				
Dodge Durango	-	35,790	(12,254)	23,536
Dodge Charger	-	28,710	(9,830)	18,880
Ford Transit Ambulance	22,228	-	(10,971)	11,257
Mack Truck	68,200	-	(33,762)	34,438
Ford E-450 Medix Ambulance	26,440	-	(26,440)	-
Dodge Ram	22,879	-	(22,879)	-
Chevrolet Tahoe	14,604	-	(14,604)	-
<u>Building notes:</u>				
Ambulance	120,000	60,000	(25,532)	154,468
Total long-term debt	\$ 389,228	\$ 256,405	\$ (271,149)	\$ 374,484

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.

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

The County borrowed \$110,713 to purchase a 2016 Ford E-450 Medix Ambulance in 2016. The equipment collateralizes the loan. The interest rate is 1.90% and principal and interest are due in yearly payments of \$28,516, beginning on March 1, 2016 and ending on March 1, 2019.

The County borrowed \$34,000 to purchase a 2016 Dodge Ram in 2016. The equipment collateralizes the loan. The interest rate is 1.90% and principal and interest are due in yearly payments of \$11,767, beginning on June 30, 2017 and ending on June 30, 2019.

The County signed a promissory note for \$250,000 on June 21, 2017 for the purpose of renovating/remodeling the Hancock County Ambulance Building. A mortgage on the building collateralizes the note. The interest rate is variable and is based on changes in an independent index which is the weekly average yield on U.S. Treasury Securities adjusted to a current maturity of one year. The initial rate on the note is 2.47%. An interest payment was due May 31, 2018. Then principal and interest payments are due annually beginning on June 1, 2018 and ending on June 1, 2027. At November 30, 2018, \$180,000 had been advanced on the note.

The County borrowed \$35,790 to purchase a 2018 Dodge Durango in 2018. The equipment collateralizes the loan. The interest rate is 2.79% and principal and interest are due in yearly payments of \$12,331, beginning on November 1, 2018 and ending on November 1, 2020.

The County borrowed \$28,710 to purchase a 2018 Dodge Charger in 2018. The equipment collateralizes the loan. The interest rate is 2.79% and principal and interest are due in yearly payments of \$9,892, beginning on November 1, 2018 and ending on November 1, 2020.

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

	<u>Amount</u>
2019	\$ 90,610
2020	46,118
2021	25,222
2022	25,845
2023	26,484
+ 5 Years	<u>28,300</u>
	<u>\$ 242,579</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 and County Jail. The term of the lease is from December 1 to November 30 and renewable each year. The annual lease payment for 2018 was \$430,735. 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.

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, 2017, the following employees were covered by the benefit terms:

	<u>Regular Plan</u>	<u>SLEP Plan</u>
Retirees and Beneficiaries receiving benefits	115	13
Inactive Plan Members entitled to but not yet receiving benefits	86	2
Active Plan Members	92	9
	<u>293</u>	<u>24</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 2017 were 7.99% and 25.78 % of payroll, respectively, for Regular and SLEP plans. For the fiscal year ended 2018, the County contributed \$352,497 and \$115,353, 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, 2017. 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, 2017:

- 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 2.75%.
- 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 2012). 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 2012). 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:

	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	7.60%
International Equity	16%	7.80%
Fixed Income	29%	3.00%
Real Estate	8%	6.15%
Alternative Investments	8%	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 3.31%, and the resulting single discount rate is 7.50% for each 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, 2016	\$ 23,510,949	\$ 20,944,349	\$ 2,566,600
Changes for the year:			
Service Cost	450,216	-	450,216
Interest on the Total Pension Liability	1,730,775	-	1,730,775
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the Total Pension Liability	(266,333)	-	(266,333)
Changes of assumptions	(636,564)	-	(636,564)
Contributions - employer	-	407,937	(407,937)
Contributions - employees	-	212,635	(212,635)
Net investment income	-	3,780,036	(3,780,036)
Benefit payments, including refunds of employee contributions	(1,318,131)	(1,318,131)	-
Other (Net Transfer)	-	(511,510)	511,510
Net Changes	\$ (40,037)	\$ 2,570,967	\$ (2,611,004)
Balances at December 31, 2017	\$ 23,470,912	\$ 23,515,316	\$ (44,404)
Plan fiduciary net positions as a percentage of the total pension liability		100.19%	
Covered valuation payroll	\$ 4,105,447		
Net pension liability as a percentage of covered valuation payroll		-1.08%	

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	\$ 21,226,182	\$ 19,037,336	\$ 17,246,510
Plan Fiduciary Net Position	19,906,087	19,906,087	19,906,087
Net Pension Liability/(Asset)	\$ 1,320,095	\$ (868,751)	\$ (2,659,577)

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

The following presents the SLEP 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	\$ 5,019,473	\$ 4,433,576	\$ 3,952,877
Plan Fiduciary Net Position	<u>3,609,229</u>	<u>3,609,229</u>	<u>3,609,229</u>
Net Pension Liability/(Asset)	\$ <u>1,410,244</u>	\$ <u>824,347</u>	\$ <u>343,648</u>

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

For the year ended November 30, 2018, the County recognized pension expense of \$488,237. At November 30, 2018, 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	\$ -	\$ (60,934)
Changes in assumptions	-	456,203
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>1,086,033</u>
Total deferred amounts to be recognized in pension expense in future periods	\$ <u>-</u>	\$ <u>1,481,302</u>
Pension contributions made subsequent to measurement date	\$ <u>-</u>	\$ <u>(434,120)</u>
Total Deferred Amounts Related to Pensions	\$ <u><u>-</u></u>	\$ <u><u>1,047,182</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>Years Ending December 31</u>	<u>Net Deferred Inflows of Resources</u>
2018	\$ (326,469)
2019	348,260
2020	576,538
2021	449,154
2022	(301)
Thereafter	<u>-</u>
Total	\$ <u><u>1,047,182</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

Note (11) 457 Deferred Compensation Plan

The County implemented a 457 Deferred Compensation Plan in July 1996. The plan is being administered by John Hancock Financial. An employee may contribute the lesser of (a) the applicable dollar amount as specified under Code Section 457(e)(15) or (b) 100% of the employee's includible compensation. Participants' accounts are immediately 100% vested. The deferred compensation expense to the County for the year ended November 30, 2018 was \$0. Total contributions by plan members for the year ended November 30, 2018 was \$34,119. The value of the plan on November 30, 2018 was \$589,039. The plan assets, which are used solely for paying benefits, remain the property of the County until paid.

Note (12) Risk Management

The County is exposed to various risks related to torts; theft; damage and destruction of assets; errors and omissions; medical claims of its employees and their dependents; injuries to employees; and natural disasters.

The County uses an internal service fund to account for and finance its uninsured risks of loss related to the medical claims of its employees and their eligible covered dependents. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Under this program, the internal service fund provides coverage up to a maximum of \$30,000 per individual per year. The County purchases commercial insurance for claims in excess of coverage provided by the fund.

Changes in the claims liability in fiscal year 2018 were:

Balance at Beginning of Year	Claims Incurred	Claims Paid	Balance at End of Year
\$ 44,000	\$ 566,381	\$ 566,949	\$ 43,432

For other risks of loss, the County carries commercial insurance, 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 (13) Legal Debt Margin

The legal debt margin at November 30, 2018 is calculated as follows:

Equalized Assessed Valuation – 2016 Tax Extension	\$ <u>341,825,468</u>
Statutory Debt Limitation (2.875% Valuation)	\$ 9,827,482
Minus Applicable Debt	<u>-</u>
Legal Debt Margin	\$ <u>9,827,482</u>

Note (14) Concentrations

For the year ending November 30, 2018, approximately 4% of the County's property tax collections were received from one taxpayer.

Note (15) Related Party Transactions

The County uses a vendor for IT services that is a significant other of an administrator. The IT services provided during the year totaled \$22,141. No amounts were due to the vendor at November 30, 2018.

Note (16) Subsequent Events

Subsequent events have been evaluated through May 24, 2019, which is the date the financial statements were available to be issued.

HANCOCK COUNTY, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - DEFINED BENEFIT RETIREMENT PLANS

NOVEMBER 30, 2018

(Unaudited - See Accompanying Independent Auditors' Report)

REGULAR PLAN

Calendar year ending December 31,	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>				
Service cost	\$ 360,121	\$ 373,250	\$ 374,692	\$ 357,019
Interest on the total pension liability	1,417,630	1,296,606	1,232,460	1,142,344
Difference between expected and actual experience	(325,372)	1,059,325	238,965	(81,116)
Assumption changes	(586,606)	-	-	575,162
Benefit payments and refunds	<u>(1,100,212)</u>	<u>(1,117,727)</u>	<u>(862,506)</u>	<u>(738,880)</u>
Net change in total pension liability	\$ (234,439)	\$ 1,611,454	\$ 983,611	\$ 1,254,529
Total pension liability - beginning	<u>19,271,775</u>	<u>17,660,321</u>	<u>16,676,710</u>	<u>15,422,181</u>
Total pension liability - ending (A)	\$ <u>19,037,336</u>	\$ <u>19,271,775</u>	\$ <u>17,660,321</u>	\$ <u>16,676,710</u>
<u>Plan Fiduciary Net Position</u>				
Employer contributions	\$ 292,135	\$ 286,264	\$ 309,600	\$ 328,548
Employee contributions	164,864	222,625	158,317	154,007
Pension plan net investment income	3,245,457	1,116,260	86,065	998,480
Benefit payments and refunds	(1,100,212)	(1,117,727)	(862,506)	(738,880)
Other (Net Transfer)	<u>(505,774)</u>	<u>300,659</u>	<u>(100,250)</u>	<u>171,464</u>
Net change in plan fiduciary net position	\$ 2,096,470	\$ 808,081	\$ (408,774)	\$ 913,619
Plan fiduciary net position - beginning	<u>17,809,617</u>	<u>17,001,536</u>	<u>17,410,310</u>	<u>16,496,691</u>
Plan fiduciary net position - ending (B)	\$ <u>19,906,087</u>	\$ <u>17,809,617</u>	\$ <u>17,001,536</u>	\$ <u>17,410,310</u>
Net pension liability - Ending (A) - (B)	\$ <u>(868,751)</u>	\$ <u>1,462,158</u>	\$ <u>658,785</u>	\$ <u>(733,600)</u>
Plan fiduciary net position as a percentage of the total pension liability	104.56%	92.41%	96.27%	104.40%
Covered valuation payroll	\$ 3,656,254	\$ 3,623,600	\$ 3,514,228	\$ 3,399,885
Net pension liability as a percentage of covered valuation payroll	-23.76%	40.35%	18.75%	-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, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - DEFINED BENEFIT RETIREMENT PLANS

NOVEMBER 30, 2018

(Unaudited - See Accompanying Independent Auditors' Report)

SLEP PLAN

Calendar year ending December 31,	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>				
Service cost	\$ 90,095	\$ 73,128	\$ 76,032	\$ 79,319
Interest on the total pension liability	313,145	322,710	316,614	300,298
Difference between expected and actual experience	59,039	(335,277)	(126,388)	(62,993)
Assumption changes	(49,958)	(20,683)	5,102	88,688
Benefit payments and refunds	<u>(217,919)</u>	<u>(180,016)</u>	<u>(185,018)</u>	<u>(174,714)</u>
Net change in total pension liability	\$ 194,402	\$ (140,138)	\$ 86,342	\$ 230,598
Total pension liability - beginning	<u>4,239,174</u>	<u>4,379,312</u>	<u>4,292,970</u>	<u>4,062,372</u>
Total pension liability - ending (A)	\$ <u>4,433,576</u>	\$ <u>4,239,174</u>	\$ <u>4,379,312</u>	\$ <u>4,292,970</u>
<u>Plan Fiduciary Net Position</u>				
Employer contributions	\$ 115,802	\$ 123,380	\$ 104,164	\$ 81,620
Employee contributions	47,771	33,588	28,720	32,215
Pension plan net investment income	534,579	231,418	16,444	191,783
Benefit payments and refunds	(217,919)	(180,016)	(185,018)	(174,714)
Other (Net Transfer)	<u>(5,736)</u>	<u>(364,297)</u>	<u>11,405</u>	<u>9,625</u>
Net change in plan fiduciary net position	\$ 474,497	\$ (155,927)	\$ (24,285)	\$ 140,529
Plan fiduciary net position - beginning	<u>3,134,732</u>	<u>3,290,659</u>	<u>3,314,944</u>	<u>3,174,415</u>
Plan fiduciary net position - ending (B)	\$ <u>3,609,229</u>	\$ <u>3,134,732</u>	\$ <u>3,290,659</u>	\$ <u>3,314,944</u>
Net pension liability - Ending (A) - (B)	\$ <u>824,347</u>	\$ <u>1,104,442</u>	\$ <u>1,088,653</u>	\$ <u>978,026</u>
Plan fiduciary net position as a percentage of the total pension liability	81.41%	73.95%	75.14%	77.22%
Covered valuation payroll	\$ 449,193	\$ 447,838	\$ 381,312	\$ 398,346
Net pension liability as a percentage of covered valuation payroll	183.52%	246.62%	285.50%	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, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS -
DEFINED BENEFIT RETIREMENT PLANS

NOVEMBER 30, 2018

(Unaudited - See Accompanying Independent Auditors' Report)

REGULAR PLAN

<u>Calendar Year</u> <u>Ending</u> <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a Percentage</u> <u>of Covered</u> <u>Valuation Payroll</u>
2014	\$ 326,389	\$ 328,548	\$ (2,159)	\$ 3,399,885	9.66%
2015	309,252	309,600	(348)	3,514,228	8.81%
2016	286,264	286,264	-	3,623,600	7.90%
2017	292,135	292,135	-	3,656,254	7.99%

SLEP PLAN

<u>Calendar Year</u> <u>Ending</u> <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a Percentage</u> <u>of Covered</u> <u>Valuation Payroll</u>
2014	\$ 90,385	\$ 81,620	\$ 8,765	\$ 398,346	20.49%
2015	103,908	104,164	(256)	381,312	27.32%
2016	123,379	123,380	(1)	447,838	27.55%
2017	115,802	115,802	-	449,193	25.78%

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, 2018

(Unaudited - See Accompanying Independent Auditors' Report)

NOTES TO SCHEDULE OF CONTRIBUTIONS:

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE
2017 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 2017 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): 26-year closed 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 21 years for most employers (two employers were financed over 30 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.5%
Price Inflation	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from RP-2014 Disabled Retirees Mortality Table applying the same adjustment 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 2012). The IMRF specific rates developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

HANCOCK COUNTY, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Resources (inflows)</u>				
Property taxes	\$ 925,000	\$ 925,000	\$ 937,194	\$ 12,194
Intergovernmental	1,596,610	1,596,610	1,608,138	11,528
Charges-ETSB 911	145,000	145,000	147,413	2,413
Fees	302,730	302,730	355,886	53,156
Fines	236,700	236,700	165,979	(70,721)
Interest	2,700	2,700	4,587	1,887
Other	180,950	180,950	143,675	(37,275)
<u>Total Resources</u>	\$ 3,389,690	\$ 3,389,690	\$ 3,362,872	\$ (26,818)
<u>Charges to appropriations (outflows)</u>				
General Government				
Courthouse and jail	\$ 385,702	\$ 407,061	\$ 396,942	\$ 10,119
County Clerk	169,935	169,935	153,361	16,574
County Treasurer	134,090	134,090	133,536	554
County Board	55,373	55,081	55,081	-
Supervisor of Assessments	174,660	174,962	153,519	21,443
Elections	171,000	171,000	148,355	22,645
Miscellaneous	615,171	731,395	726,965	4,430
Contingencies	47,500	16,640	16,640	-
<u>Total General Government</u>	\$ 1,753,431	\$ 1,860,164	\$ 1,784,399	\$ 75,765
Public Safety				
County Sheriff	\$ 1,220,232	\$ 1,282,782	\$ 1,282,781	\$ 1
Coroner	45,329	45,328	43,117	2,211
Emergency Services	28,075	29,874	29,874	-
Animal Control	32,780	32,779	31,533	1,246
<u>Total Public Safety</u>	\$ 1,326,416	\$ 1,390,763	\$ 1,387,305	\$ 3,458
Judiciary				
Courts	\$ 132,500	\$ 132,500	\$ 99,530	\$ 32,970
State's Attorney	296,809	297,805	297,805	-
Circuit Clerk	199,916	199,916	194,696	5,220
<u>Total Judiciary</u>	\$ 629,225	\$ 630,221	\$ 592,031	\$ 38,190
Health and Welfare	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
Education	\$ 54,292	\$ 54,292	\$ 54,292	\$ -
<u>Total charges to appropriations</u>	\$ 3,765,864	\$ 3,937,940	\$ 3,820,527	\$ 117,413
<u>Excess (deficiency) of resources over appropriations</u>	\$ (376,174)	\$ (548,250)	\$ (457,655)	\$ 90,595
<u>Transfers (to) from other funds</u>	\$ 200,000	\$ 200,000	\$ 100,000	\$ (100,000)
<u>Net change to budgetary fund balance</u>	\$ (176,174)	\$ (348,250)	\$ (357,655)	\$ (9,405)
<u>Reconciliation to modified accrual</u>			(63,612)	
<u>Budgetary fund balance, December 1, 2017</u>			1,602,517	
<u>Budgetary fund balance, November 30, 2018</u>			\$ 1,181,250	

Schedule "4"

HANCOCK COUNTY, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
AMBULANCE FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
<u>Resources (inflows)</u>				
Taxes - Property	\$ 205,800	\$ 205,800	\$ 211,439	\$ 5,639
Charges for services	877,200	877,200	716,477	(160,723)
Interest	-	-	63	63
Miscellaneous	-	-	26,478	26,478
<u>Total Resources</u>	<u>\$ 1,083,000</u>	<u>\$ 1,083,000</u>	<u>\$ 954,457</u>	<u>\$ (128,543)</u>
<u>Charges to appropriations (outflows)</u>				
<u>Health and welfare</u>				
Salaries	\$ 711,325	\$ 754,868	\$ 746,602	\$ 8,266
Ambulance expense	26,500	30,546	30,546	-
Repairs and maintenance	66,000	61,954	15,487	46,467
Education	4,000	4,000	2,321	1,679
Mileage	100	100	-	100
Telephone	4,500	5,822	5,822	-
Supplies	6,000	6,000	3,134	2,866
Ambulance supplies	60,000	60,000	35,664	24,336
Ambulance insurance	5,500	5,500	-	5,500
Uniforms	3,000	1,678	1,531	147
PBS commission	50,000	50,000	35,758	14,242
First responders	10,000	10,000	5,000	5,000
Building	40,000	40,000	27,150	12,850
Miscellaneous	21,200	21,200	9,900	11,300
Special events	1,200	1,200	340	860
Capital outlay	45,000	1,457	(295)	1,752
<u>Total charges to appropriations</u>	<u>\$ 1,054,325</u>	<u>\$ 1,054,325</u>	<u>\$ 918,960</u>	<u>\$ 135,365</u>
<u>Excess (deficiency) of resources over appropriations</u>	<u>\$ 28,675</u>	<u>\$ 28,675</u>	<u>\$ 35,497</u>	<u>\$ 6,822</u>
<u>Transfers (to) from other funds</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Net change to budgetary fund balance</u>	<u>\$ 28,675</u>	<u>\$ 28,675</u>	<u>\$ 35,497</u>	<u>\$ 6,822</u>
<u>Reconciliation to modified accrual</u>			12,411	
<u>Budgetary fund balance, December 1, 2017</u>			223,257	
<u>Budgetary fund balance, November 30, 2018</u>			<u>\$ 271,165</u>	

Schedule "5"

HANCOCK COUNTY, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
HEALTH DEPARTMENT
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Resources (inflows)</u>				
Property taxes	\$ 331,750	331,750	\$ 330,007	\$ (1,743)
Intergovernmental	294,688	294,688	128,193	(166,495)
Federal revenue	-	-	131,798	131,798
Grants and contributions	-	-	1,541	1,541
Charges for services	981,990	981,990	1,016,991	35,001
Interest	-	-	2,382	2,382
Other	-	-	34,642	34,642
<u>Total Resources</u>	<u>\$ 1,608,428</u>	<u>\$ 1,608,428</u>	<u>\$ 1,645,554</u>	<u>\$ 37,126</u>
<u>Charges to appropriations (outflows)</u>				
<u>Health and welfare</u>				
Administration	\$ 155,071	\$ 155,071	\$ 93,488	\$ 61,583
Dental	127,126	127,126	57,913	69,213
Grants	94,049	94,049	95,749	(1,700)
Home Health	184,846	184,846	137,264	47,582
Wellness	101,373	101,373	113,882	(12,509)
Salaries	940,804	940,804	962,324	(21,520)
Debt service	-	-	-	-
Capital outlay	-	-	71,201	(71,201)
<u>Total charges to appropriations</u>	<u>\$ 1,603,269</u>	<u>\$ 1,603,269</u>	<u>\$ 1,531,821</u>	<u>\$ 71,448</u>
<u>Excess (deficiency) of resources over appropriations</u>	<u>\$ 5,159</u>	<u>\$ 5,159</u>	<u>\$ 113,733</u>	<u>\$ 108,574</u>
<u>Transfers (to) from other funds</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Net change to budgetary fund balance</u>	<u>\$ 5,159</u>	<u>\$ 5,159</u>	<u>\$ 113,733</u>	<u>\$ 108,574</u>
<u>Reconciliation to modified accrual</u>			(102,829)	
<u>Budgetary fund balance, December 1, 2017</u>			<u>906,211</u>	
<u>Budgetary fund balance, November 30, 2018</u>			<u>\$ 917,115</u>	

Schedule "6"

HANCOCK COUNTY, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
IMRF FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
Resources (inflows)				
Property taxes	\$ 500,000	\$ 500,000	\$ 498,520	\$ (1,480)
Interest	-	-	671	671
Total Resources	\$ 500,000	\$ 500,000	\$ 499,191	\$ (809)
Charges to appropriations (outflows)				
General government				
County Contribution - IMRF	\$ 25,239	\$ 600,455	\$ 443,185	\$ 157,270
Total charges to appropriations	\$ 25,239	\$ 600,455	\$ 443,185	\$ 157,270
Excess (deficiency) of resources over appropriations	\$ 474,761	\$ (100,455)	\$ 56,006	\$ 156,461
Transfers (to) from other funds	\$ -	\$ -	\$ -	\$ -
Net change to budgetary fund balance	\$ 474,761	\$ (100,455)	\$ 56,006	\$ 156,461
Reconciliation to modified accrual			(40,999)	
Budgetary fund balance, December 1, 2017			381,325	
Budgetary fund balance, November 30, 2018			\$ 396,332	

Schedule "7"

HANCOCK COUNTY, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
COUNTY HIGHWAY FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<u>Resources (inflows)</u>				
Property taxes	\$ 320,000	\$ 320,000	\$ 133,972	\$ (186,028)
Charges for Services	500,000	500,000	776,356	276,356
Interest	800	800	2,094	1,294
<u>Total Resources</u>	<u>\$ 820,800</u>	<u>\$ 820,800</u>	<u>\$ 912,422</u>	<u>\$ 91,622</u>
<u>Charges to appropriations (outflows)</u>				
Public works and transportation				
Salaries	\$ 230,000	\$ 230,000	\$ 170,178	\$ 59,822
Office supplies	5,300	5,300	4,001	1,299
Miscellaneous expense	15,000	15,000	3,144	11,856
Bridge & culvert maintenance	5,300	5,300	2,851	2,449
Maintenance building & grounds	45,000	45,000	25,854	19,146
Machinery repair	160,000	160,000	102,418	57,582
Construction & maintenance roads	850,000	850,474	850,474	-
Operation of garage	30,000	30,000	23,789	6,211
Contingencies	20,000	19,526	11,753	7,773
Administration	15,000	15,000	9,113	5,887
Debt service	35,200	35,200	35,126	74
Capital outlay	200,000	200,000	142,628	57,372
<u>Total charges to appropriations</u>	<u>\$ 1,610,800</u>	<u>\$ 1,610,800</u>	<u>\$ 1,381,329</u>	<u>\$ 229,471</u>
<u>Excess (deficiency) of resources over appropriations</u>	<u>\$ (790,000)</u>	<u>\$ (790,000)</u>	<u>\$ (468,907)</u>	<u>\$ 321,093</u>
<u>Transfers (to) from other funds</u>	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>	<u>\$ -</u>	<u>\$ 10,000</u>
<u>Net change to budgetary fund balance</u>	<u>\$ (800,000)</u>	<u>\$ (800,000)</u>	<u>\$ (468,907)</u>	<u>\$ 331,093</u>
<u>Reconciliation to modified accrual</u>			50,154	
<u>Budgetary fund balance, December 1, 2017</u>			793,236	
<u>Budgetary fund balance, November 30, 2018</u>			<u>\$ 374,483</u>	

HANCOCK COUNTY, ILLINOIS
NOTES TO BUDGETARY COMPARISON SCHEDULES
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

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

SUPPLEMENTARY INFORMATION

Schedule "9"

HANCOCK COUNTY, ILLINOIS
COMBINING BALANCE SHEET
GENERAL FUND
AS AT NOVEMBER 30, 2018

	<u>General</u>	<u>County Clerk Fee</u>	<u>County Clerk Payroll</u>	<u>Circuit Clerk Fee</u>	<u>Total</u>
<u>ASSETS</u>					
Cash	\$ 226,067	\$ 206,187	\$ 185	\$ -	\$ 432,439
Investments	500,000	-	-	71,566	571,566
Accounts receivable	220,460	-	-	-	220,460
Property taxes receivable	979,000	-	-	-	979,000
Prepaid expenses	6,783	-	-	-	6,783
Inventories, at cost	-	14,344	-	-	14,344
Due from other funds	4,469	-	-	-	4,469
Total Assets	\$ <u>1,936,779</u>	\$ <u>220,531</u>	\$ <u>185</u>	\$ <u>71,566</u>	\$ <u>2,229,061</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>Liabilities</u>					
Accounts payable	\$ 20,677	\$ -	\$ -	\$ -	\$ 20,677
Accrued expenses	11,145	-	-	-	11,145
Deferred income	979,000	-	-	-	979,000
Funds held for others	-	30,944	-	-	30,944
Due to other funds	-	6,045	-	-	6,045
Total Liabilities	\$ <u>1,010,822</u>	\$ <u>36,989</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,047,811</u>
<u>Fund Balances</u>					
Nonspendable	\$ -	\$ 14,344	\$ -	\$ -	\$ 14,344
Restricted	42,416	-	-	-	42,416
Unassigned	883,541	169,198	185	71,566	1,124,490
Total Fund Balances	\$ <u>925,957</u>	\$ <u>183,542</u>	\$ <u>185</u>	\$ <u>71,566</u>	\$ <u>1,181,250</u>
Total Liabilities and Fund Balances	\$ <u>1,936,779</u>	\$ <u>220,531</u>	\$ <u>185</u>	\$ <u>71,566</u>	\$ <u>2,229,061</u>

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	General	County Clerk Fee	County Clerk Payroll	Circuit Clerk Fee	Total
REVENUES					
Taxes					
Property	\$ 937,194	\$ -	\$ -	\$ -	\$ 937,194
Intergovernmental					
State income tax	\$ 616,351	\$ -	\$ -	\$ -	\$ 616,351
State sales tax	700,851	-	-	-	700,851
State replacement tax	67,181	-	-	-	67,181
Video gaming tax	8,897	-	-	-	8,897
State's Attorney salary	113,380	-	-	-	113,380
Public defenders reimbursement	60,216	-	-	-	60,216
Supervisor of Assessments	18,750	-	-	-	18,750
Victim Coordinator	26,000	-	-	-	26,000
Reimburse election costs	17,427	-	-	-	17,427
IEMA grant and reimbursement	17,847	-	-	-	17,847
Total intergovernmental	\$ 1,646,900	\$ -	\$ -	\$ -	\$ 1,646,900
Fees					
County Clerk	\$ 85,106	\$ 18,177	\$ -	\$ -	\$ 103,283
Circuit Clerk	154,126	-	-	-	154,126
Public Defender	441	-	-	-	441
State's Attorney	8,197	-	-	-	8,197
Sheriff	50,519	-	-	-	50,519
Sheriff answering service	7,095	-	-	-	7,095
Sales	17,067	-	-	-	17,067
Other	15,158	-	-	-	15,158
Total fees	\$ 337,709	\$ 18,177	\$ -	\$ -	\$ 355,886
Fines					
Fines	\$ 146,471	\$ -	\$ -	\$ -	\$ 146,471
Real estate tax penalties	19,508	-	-	-	19,508
Total fines	\$ 165,979	\$ -	\$ -	\$ -	\$ 165,979
Charges - ETSB 911	\$ 147,413	\$ -	\$ -	\$ -	\$ 147,413
Interest	\$ 3,228	\$ 1,010	\$ -	\$ 558	\$ 4,796
Other					
Reimbursement - 911 coordinator	\$ 47,235	\$ -	\$ -	\$ -	\$ 47,235
Reimbursement - health department	10,316	-	-	-	10,316
Reimbursement - janitor salary	70,535	-	-	-	70,535
Other	28,547	-	-	-	28,547
Total other	\$ 156,633	\$ -	\$ -	\$ -	\$ 156,633
TOTAL REVENUES	\$ 3,395,056	\$ 19,187	\$ -	\$ 558	\$ 3,414,801

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>General</u>	<u>County Clerk Fee</u>	<u>County Clerk Payroll</u>	<u>Circuit Clerk Fee</u>	<u>Total</u>
EXPENDITURES					
General government					
Courthouse and jail	\$ 384,739	\$ -	\$ -	\$ -	\$ 384,739
County Clerk	152,419	-	942	-	153,361
County Treasurer	133,717	-	-	-	133,717
County Board	55,081	-	-	-	55,081
Supervisor of Assessments	153,519	-	-	-	153,519
Elections	157,412	-	-	-	157,412
Miscellaneous	722,952	-	-	-	722,952
Contingencies	<u>14,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,429</u>
Total general government	\$ <u>1,774,268</u>	\$ <u>-</u>	\$ <u>942</u>	\$ <u>-</u>	\$ <u>1,775,210</u>
Public Safety					
County Sheriff	\$ 1,303,455	\$ -	\$ -	\$ -	\$ 1,303,455
Coroner	43,117	-	-	-	43,117
ESDA	29,874	-	-	-	29,874
Animal Control	<u>31,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,533</u>
Total public safety	\$ <u>1,407,979</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,407,979</u>
Judiciary					
Courts	\$ 103,586	\$ -	\$ -	\$ -	\$ 103,586
State's Attorney	297,805	-	-	-	297,805
Circuit Clerk	<u>194,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194,696</u>
Total judiciary	\$ <u>596,087</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>596,087</u>
Health and welfare					
Soil and Water Conservation District	\$ <u>2,500</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,500</u>
Education					
Office of Regional Superintendent	\$ <u>54,292</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>54,292</u>
TOTAL EXPENDITURES	\$ <u>3,835,126</u>	\$ <u>-</u>	\$ <u>942</u>	\$ <u>-</u>	\$ <u>3,836,068</u>
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	\$ <u>(440,070)</u>	\$ <u>19,187</u>	\$ <u>(942)</u>	\$ <u>558</u>	\$ <u>(421,267)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	\$ (340,070)	\$ (80,813)	\$ (942)	\$ 558	\$ (421,267)
Fund Balance, December 1, 2017	<u>1,266,027</u>	<u>264,355</u>	<u>1,127</u>	<u>71,008</u>	<u>1,602,517</u>
FUND BALANCE, NOVEMBER 30, 2018	\$ <u>925,957</u>	\$ <u>183,542</u>	\$ <u>185</u>	\$ <u>71,566</u>	\$ <u>1,181,250</u>

HANCOCK COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS AT NOVEMBER 30, 2018

	<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>
<u>ASSETS</u>							
Cash	\$ 2,647	\$ 602	\$ 59,446	\$ 25,260	\$ 26,451	\$ 25,013	\$ -
Investments	-	-	90,000	69,000	178,000	48,000	-
Accounts receivable	-	-	10,786	29,027	-	1,832	-
Property taxes receivable	-	-	161,000	-	161,000	-	432,000
Prepaid insurance	-	-	-	-	-	-	-
Inventories, at cost	-	-	-	7,265	-	-	-
Due from other funds	-	-	-	-	-	52,113	-
<u>Total Assets</u>	<u>\$ 2,647</u>	<u>\$ 602</u>	<u>\$ 321,232</u>	<u>\$ 130,552</u>	<u>\$ 365,451</u>	<u>\$ 126,958</u>	<u>\$ 432,000</u>
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ 28,913	\$ 8,924	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	5,821	-	2,350	-
Unearned income	-	-	161,000	-	161,000	-	432,000
<u>Total Liabilities</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,913</u>	<u>\$ 14,745</u>	<u>\$ 161,000</u>	<u>\$ 2,350</u>	<u>\$ 432,000</u>
<u>Fund Balances</u>							
Nonspendable	\$ -	\$ -	\$ -	\$ 7,265	\$ -	\$ -	\$ -
Restricted	2,647	602	131,319	108,542	204,451	-	-
Assigned	-	-	-	-	-	124,608	-
<u>Total Fund Balances</u>	<u>\$ 2,647</u>	<u>\$ 602</u>	<u>\$ 131,319</u>	<u>\$ 115,807</u>	<u>\$ 204,451</u>	<u>\$ 124,608</u>	<u>\$ -</u>
<u>Total Liabilities and Fund Balances</u>	<u>\$ 2,647</u>	<u>\$ 602</u>	<u>\$ 321,232</u>	<u>\$ 130,552</u>	<u>\$ 365,451</u>	<u>\$ 126,958</u>	<u>\$ 432,000</u>

HANCOCK COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS AT NOVEMBER 30, 2018

	<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>Social Security/ Medicare</u>
<u>ASSETS</u>							
Cash	\$ 3,075	\$ 5,582	\$ 6,800	\$ 140,764	\$ 128,752	\$ 121,745	\$ 80,096
Investments	36,000	68,000	135,000	90,000	170,000	-	200,000
Accounts receivable	-	-	-	-	-	-	-
Property taxes receivable	-	-	30,000	140,000	490,000	-	380,500
Prepaid insurance	-	-	-	-	8,590	-	-
Inventories, at cost	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	12,200	-	-
Total Assets	\$ <u>39,075</u>	\$ <u>73,582</u>	\$ <u>171,800</u>	\$ <u>370,764</u>	\$ <u>809,542</u>	\$ <u>121,745</u>	\$ <u>660,596</u>
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities</u>							
Accounts payable	\$ -	\$ 1,638	\$ -	\$ -	\$ 2,480	\$ 558	\$ -
Accrued expenses	-	-	-	-	-	-	-
Unearned income	-	-	30,000	140,000	490,000	-	380,500
Total Liabilities	\$ -	\$ 1,638	\$ 30,000	\$ 140,000	\$ 492,480	\$ 558	\$ 380,500
<u>Fund Balances</u>							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	39,075	71,944	141,800	230,764	317,062	-	280,096
Assigned	-	-	-	-	-	121,187	-
Total Fund Balances	\$ <u>39,075</u>	\$ <u>71,944</u>	\$ <u>141,800</u>	\$ <u>230,764</u>	\$ <u>317,062</u>	\$ <u>121,187</u>	\$ <u>280,096</u>
Total Liabilities and Fund Balances	\$ <u>39,075</u>	\$ <u>73,582</u>	\$ <u>171,800</u>	\$ <u>370,764</u>	\$ <u>809,542</u>	\$ <u>121,745</u>	\$ <u>660,596</u>

HANCOCK COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS AT NOVEMBER 30, 2018

	<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>
<u>ASSETS</u>							
Cash	\$ 2,723	\$ 3,009	\$ 4,917	\$ 2,783	\$ -	\$ 2,447	\$ -
Investments	75,452	53,000	30,000	182,000	-	14,000	-
Accounts receivable	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-
Inventories, at cost	-	-	-	-	-	-	-
Due from other funds	1,941	282	-	-	-	-	-
Total Assets	\$ 80,116	\$ 56,291	\$ 34,917	\$ 184,783	\$ -	\$ 16,447	\$ -
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-	-
Unearned income	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Fund Balances</u>							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	80,116	56,291	34,917	184,783	-	16,447	-
Assigned	-	-	-	-	-	-	-
Total Fund Balances	\$ 80,116	\$ 56,291	\$ 34,917	\$ 184,783	\$ -	\$ 16,447	\$ -
Total Liabilities and Fund Balances	\$ 80,116	\$ 56,291	\$ 34,917	\$ 184,783	\$ -	\$ 16,447	\$ -

HANCOCK COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS AT NOVEMBER 30, 2018

	<u>GIS</u>	<u>Coroner Grant</u>	<u>Drug Act</u>	<u>DUI</u>	<u>Public Transportation</u>	<u>Probation Fees</u>	<u>Total</u>
<u>ASSETS</u>							
Cash	\$ 3,907	\$ 14,765	\$ 3,593	\$ 20,000	\$ 33,792	\$ 184,982	\$ 903,151
Investments	280,628	-	-	-	-	-	1,719,080
Accounts receivable	-	-	-	-	58,469	-	100,114
Property taxes receivable	-	-	-	-	-	-	1,794,500
Prepaid insurance	-	-	-	-	-	-	8,590
Inventories, at cost	-	-	-	-	-	-	7,265
Due from other funds	3,822	-	-	-	-	-	70,358
Total Assets	\$ 288,357	\$ 14,765	\$ 3,593	\$ 20,000	\$ 92,261	\$ 184,982	\$ 4,603,058
<u>LIABILITIES AND FUND BALANCES</u>							
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,647	\$ 44,160
Accrued expenses	-	-	-	-	-	-	8,171
Unearned income	-	-	-	-	-	-	1,794,500
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,647	\$ 1,846,831
<u>Fund Balances</u>							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,265
Restricted	288,357	14,765	-	-	-	183,335	2,387,313
Assigned	-	-	3,593	20,000	92,261	-	361,649
Total Fund Balances	\$ 288,357	\$ 14,765	\$ 3,593	\$ 20,000	\$ 92,261	\$ 183,335	\$ 2,756,227
Total Liabilities and Fund Balances	\$ 288,357	\$ 14,765	\$ 3,593	\$ 20,000	\$ 92,261	\$ 184,982	\$ 4,603,058

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<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>
REVENUES							
Taxes - Property	\$ -	\$ -	\$ 159,528	\$ -	\$ 159,528	\$ -	\$ 430,735
Intergovernmental - State of Illinois	-	-	-	512,980	-	-	-
Federal revenue	-	-	-	-	-	13,714	-
Grants and contributions	-	-	-	-	-	-	-
Charges for services	-	-	120,757	-	-	65,151	-
Fees	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-
Interest	-	-	445	340	552	420	-
Other	-	-	-	-	-	-	-
Total Revenues	\$ -	\$ -	\$ 280,730	\$ 513,320	\$ 160,080	\$ 79,285	\$ 430,735
EXPENDITURES							
Current							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 430,735
Public Safety	-	-	-	-	-	-	-
Judiciary	-	-	-	-	-	-	-
Public works and transportation	-	-	210,104	493,679	145,344	87,748	-
Health and welfare	-	-	-	-	-	-	-
Capital Outlay	-	-	30,937	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ 241,041	\$ 493,679	\$ 145,344	\$ 87,748	\$ 430,735
Excess of Revenues over (under) Expenditures	\$ -	\$ -	\$ 39,689	\$ 19,641	\$ 14,736	\$ (8,463)	\$ -
Other Financing Sources (Uses)							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ -	\$ -	\$ 39,689	\$ 19,641	\$ 14,736	\$ (8,463)	\$ -
Fund Balances, December 1, 2017	2,647	602	91,630	96,166	189,715	133,071	-
Fund Balances, November 30, 2018	\$ 2,647	\$ 602	\$ 131,319	\$ 115,807	\$ 204,451	\$ 124,608	\$ -

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<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>Social Security/ Medicare</u>
REVENUES							
Taxes - Property	\$ -	\$ -	\$ 29,923	\$ 139,592	\$ 368,915	\$ -	\$ 359,439
Intergovernmental - State of Illinois	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	2,000	-
Charges for services	-	-	-	-	-	83,615	-
Fees	10,172	7,329	-	-	-	433	-
Fines	-	-	-	-	-	-	-
Interest	127	299	797	643	774	37	799
Other	-	-	-	5,652	68,809	32,506	2,486
Total Revenues	\$ 10,299	\$ 7,628	\$ 30,720	\$ 145,887	\$ 438,498	\$ 118,591	\$ 362,724
EXPENDITURES							
Current							
General government	\$ -	\$ 1,818	\$ -	\$ 116,253	\$ 311,189	\$ -	\$ 58,439
Public Safety	-	-	-	-	-	70,626	100,322
Judiciary	-	-	-	-	90,474	-	19,736
Public works and transportation	-	-	-	-	-	-	40,876
Health and welfare	-	-	19,948	-	-	-	132,925
Capital Outlay	-	-	-	-	-	68,100	-
Total Expenditures	\$ -	\$ 1,818	\$ 19,948	\$ 116,253	\$ 401,663	\$ 138,726	\$ 352,298
Excess of Revenues over (under) Expenditures	\$ 10,299	\$ 5,810	\$ 10,772	\$ 29,634	\$ 36,835	\$ (20,135)	\$ 10,426
Other Financing Sources (Uses)							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,500	\$ -
Transfers from (to) other funds	-	-	-	-	-	15,104	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,604	\$ -
Net Change in Fund Balances	\$ 10,299	\$ 5,810	\$ 10,772	\$ 29,634	\$ 36,835	\$ 59,469	\$ 10,426
Fund Balances, December 1, 2017	28,776	66,134	131,028	201,130	280,227	61,718	269,670
Fund Balances, November 30, 2018	\$ 39,075	\$ 71,944	\$ 141,800	\$ 230,764	\$ 317,062	\$ 121,187	\$ 280,096

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

	Record Preservation	Vital Records	Court Automation	Document Storage	Forfeiture Fund	Maintenance and Child Support	Home Confinement
REVENUES							
Taxes - Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State of Illinois	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fees	22,009	5,763	32,514	31,996	-	36	-
Fines	-	-	-	-	-	-	-
Interest	711	236	136	687	-	74	-
Other	-	-	-	-	-	-	-
Total Revenues	\$ 22,720	\$ 5,999	\$ 32,650	\$ 32,683	\$ -	\$ 110	\$ -
EXPENDITURES							
Current							
General government	\$ 22,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-	-	436
Judiciary	-	-	36,281	1,188	101	-	-
Public works and transportation	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Capital Outlay	-	-	5,000	-	-	-	-
Total Expenditures	\$ 22,835	\$ -	\$ 41,281	\$ 1,188	\$ 101	\$ -	\$ 436
Excess of Revenues over (under) Expenditures	\$ (115)	\$ 5,999	\$ (8,631)	\$ 31,495	\$ (101)	\$ 110	\$ (436)
Other Financing Sources (Uses)							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers from (to) other funds	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ (115)	\$ 5,999	\$ (8,631)	\$ 31,495	\$ (101)	\$ 110	\$ (436)
Fund Balances, December 1, 2017	80,231	50,292	43,548	153,288	101	16,337	436
Fund Balances, November 30, 2018	\$ 80,116	\$ 56,291	\$ 34,917	\$ 184,783	\$ -	\$ 16,447	\$ -

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

	GIS	Coroner Grant	Drug Act	DUI	Public Transportation	Probation Fees	Total
REVENUES							
Taxes - Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,647,660
Intergovernmental - State of Illinois	-	4,477	-	-	127,779	-	645,236
Federal revenue	-	-	-	-	76,860	-	90,574
Grants and contributions	-	-	-	-	-	-	2,000
Charges for services	-	-	-	-	-	-	269,523
Fees	42,388	-	-	-	-	32,599	185,239
Fines	-	-	16,714	10,115	-	-	26,829
Interest	1,575	71	13	-	25	179	8,940
Other	-	-	6,580	11,000	28,651	-	155,684
Total Revenues	\$ 43,963	\$ 4,548	\$ 23,307	\$ 21,115	\$ 233,315	\$ 32,778	\$ 3,031,685
EXPENDITURES							
Current							
General government	\$ 14,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 956,149
Public Safety	-	2,234	20,532	2,729	-	-	196,879
Judiciary	-	-	-	-	-	22,305	170,085
Public works and transportation	-	-	-	-	209,868	-	1,187,619
Health and welfare	-	-	-	-	-	-	152,873
Capital Outlay	-	-	-	5,020	-	-	109,057
Total Expenditures	\$ 14,880	\$ 2,234	\$ 20,532	\$ 7,749	\$ 209,868	\$ 22,305	\$ 2,772,662
Excess of Revenues over (under) Expenditures	\$ 29,083	\$ 2,314	\$ 2,775	\$ 13,366	\$ 23,447	\$ 10,473	\$ 259,023
Other Financing Sources (Uses)							
Proceeds from borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,500
Transfers from (to) other funds	-	-	(7,104)	(8,000)	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ (7,104)	\$ (8,000)	\$ -	\$ -	\$ 64,500
Net Change in Fund Balances	\$ 29,083	\$ 2,314	\$ (4,329)	\$ 5,366	\$ 23,447	\$ 10,473	\$ 323,523
Fund Balances, December 1, 2017	259,274	12,451	7,922	14,634	68,814	172,862	2,432,704
Fund Balances, November 30, 2018	\$ 288,357	\$ 14,765	\$ 3,593	\$ 20,000	\$ 92,261	\$ 183,335	\$ 2,756,227

Schedule "13"

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

NOVEMBER 30, 2018

	<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	\$ 661,579	\$ 7,946	\$ 33,713	\$ 703,238
Investments	-	95,000	176,000	271,000
Reinsurance receivable	-	-	26,491	26,491
Prepaid insurance	-	-	25,864	25,864
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Current Assets	\$ <u>661,579</u>	\$ <u>102,946</u>	\$ <u>262,068</u>	\$ <u>1,026,593</u>
Capital assets:				
Construction in progress	\$ 247,773	\$ -	\$ -	\$ 247,773
Building and equipment (net of accumulated depreciation)	<u>654,295</u>	<u>-</u>	<u>-</u>	<u>654,295</u>
Total Capital Assets	\$ <u>902,068</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>902,068</u>
<u>Total Assets</u>	\$ <u>1,563,647</u>	\$ <u>102,946</u>	\$ <u>262,068</u>	\$ <u>1,928,661</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Property taxes receivable	\$ <u>-</u>	\$ <u>35,000</u>	\$ <u>-</u>	\$ <u>35,000</u>
<u>LIABILITIES</u>				
Accounts/Claims payable	\$ <u>92,580</u>	\$ <u>-</u>	\$ <u>43,432</u>	\$ <u>136,012</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unearned income	\$ <u>-</u>	\$ <u>35,000</u>	\$ <u>-</u>	\$ <u>35,000</u>
<u>NET POSITION</u>				
Invested in capital assets	\$ 902,068	\$ -	\$ -	\$ 902,068
Unrestricted	<u>568,999</u>	<u>102,946</u>	<u>218,636</u>	<u>890,581</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Position	\$ <u>1,471,067</u>	\$ <u>102,946</u>	\$ <u>218,636</u>	\$ <u>1,792,649</u>

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, 2018

	<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	\$ -	\$ 34,896	\$ -	\$ 34,896
Charges for services	-	-	589,000	589,000
Rent	430,735	-	-	430,735
Other	-	-	180,795	180,795
<u>Total Operating Revenues</u>	\$ 430,735	\$ 34,896	\$ 769,795	\$ 1,235,426
<u>OPERATING EXPENSES</u>				
Claims and expenses	\$ -	\$ 8,885	\$ 731,707	\$ 740,592
Utilities	74,216	-	-	74,216
Janitor	15,872	-	-	15,872
Maintenance superintendent	54,663	-	-	54,663
Treasurer's fees	7,200	-	-	7,200
Insurance	75,299	-	-	75,299
Repairs and maintenance	21,262	-	-	21,262
Depreciation	48,255	-	-	48,255
<u>Total Operating Expenses</u>	\$ 296,767	\$ 8,885	\$ 731,707	\$ 1,037,359
<u>OPERATING INCOME (LOSS)</u>	\$ 133,968	\$ 26,011	\$ 38,088	\$ 198,067
<u>NONOPERATING REVENUE</u>				
Interest	\$ 2,412	\$ 329	\$ 1,067	\$ 3,808
<u>Total Nonoperating Revenue</u>	\$ 2,412	\$ 329	\$ 1,067	\$ 3,808
<u>NET INCOME (LOSS)</u>	\$ 136,380	\$ 26,340	\$ 39,155	\$ 201,875
Net Position, December 1, 2017	1,334,687	76,606	179,481	1,590,774
<u>NET POSITION, NOVEMBER 30, 2018</u>	\$ 1,471,067	\$ 102,946	\$ 218,636	\$ 1,792,649

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Hancock Public Building Commission</u>	<u>Unemployment Compensation</u>	<u>Premium and Medical Care</u>	<u>Total</u>
<u>Cash flows from operating activities</u>				
Receipts from other funds	\$ 430,735	\$ -	\$ 589,000	\$ 1,019,735
Receipts from property taxes	-	34,896	-	34,896
Other receipts	-	-	154,304	154,304
Payments to employees	(63,335)	-	-	(63,335)
Claims paid	-	(8,885)	(733,599)	(742,484)
Payments for goods and services	(185,177)	-	-	(185,177)
<u>Net cash provided by (applied to) operating activities</u>	<u>\$ 182,223</u>	<u>\$ 26,011</u>	<u>\$ 9,705</u>	<u>\$ 217,939</u>
<u>Cash flows from investing activities</u>				
Interest	\$ 2,412	\$ 329	\$ 1,067	\$ 3,808
Purchases and redemptions of investments	-	(21,000)	(91,000)	(112,000)
<u>Net cash provided by (applied to) investing activities</u>	<u>\$ 2,412</u>	<u>\$ (20,671)</u>	<u>\$ (89,933)</u>	<u>\$ (108,192)</u>
<u>Cash flows from capital and related financing activities</u>				
Purchase of capital assets	\$ (176,900)	-	-	\$ (176,900)
<u>Net cash applied to capital and related financing activities</u>	<u>\$ (176,900)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (176,900)</u>
<u>Net increase (decrease) in cash</u>	<u>\$ 7,735</u>	<u>\$ 5,340</u>	<u>\$ (80,228)</u>	<u>\$ (67,153)</u>
Cash balance, December 1, 2017	653,844	2,606	113,941	770,391
CASH BALANCE, NOVEMBER 30, 2018	<u>\$ 661,579</u>	<u>\$ 7,946</u>	<u>\$ 33,713</u>	<u>\$ 703,238</u>
<u>Reconciliation of income (loss) to net cash provided by (applied to) operating activities</u>				
Operating income (loss)	\$ 133,968	\$ 26,011	\$ 38,088	\$ 198,067
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:				
Non-cash: Depreciation	48,255	-	-	48,255
Changes in assets and liabilities:				
Reinsurance receivable	-	-	(26,491)	(26,491)
Prepaid expenses	-	-	(1,324)	(1,324)
Accounts payable and accrued expenses	-	-	(568)	(568)
Net cash provided by (applied to) operating activities	<u>\$ 182,223</u>	<u>\$ 26,011</u>	<u>\$ 9,705</u>	<u>\$ 217,939</u>

Schedule "16"

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS

NOVEMBER 30, 2018

	<u>Township Motor Fuel Tax</u>	<u>Township Bridge</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 29,528	\$ 26,551	\$ 56,079
Investments	485,000	327,000	812,000
Accounts receivable	<u>127,834</u>	<u>-</u>	<u>127,834</u>
<u>Total Assets</u>	<u>\$ 642,362</u>	<u>\$ 353,551</u>	<u>\$ 995,913</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 206,446	\$ 33,153	\$ 239,599
Due to other funds	<u>52,113</u>	<u>-</u>	<u>52,113</u>
<u>Total Liabilities</u>	<u>\$ 258,559</u>	<u>\$ 33,153</u>	<u>\$ 291,712</u>
<u>NET POSITION</u>			
Unrestricted	<u>\$ 383,803</u>	<u>\$ 320,398</u>	<u>\$ 704,201</u>

Schedule "17"

HANCOCK COUNTY, ILLINOIS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Township Motor Fuel Tax</u>	<u>Township Bridge</u>	<u>Total</u>
<u>ADDITIONS</u>			
Intergovernmental revenue			
Illinois motor fuel tax	\$ 1,584,990	\$ -	\$ 1,584,990
State of Illinois	-	615,223	615,223
Townships	-	23,874	23,874
Total intergovernmental	\$ 1,584,990	\$ 639,097	\$ 2,224,087
Interest	3,940	1,451	5,391
<u>Total Additions</u>	<u>\$ 1,588,930</u>	<u>\$ 640,548</u>	<u>\$ 2,229,478</u>
<u>DEDUCTIONS</u>			
Township road and bridge			
Construction and maintenance	\$ 1,831,328	\$ 465,806	\$ 2,297,134
<u>Total Deductions</u>	<u>\$ 1,831,328</u>	<u>\$ 465,806</u>	<u>\$ 2,297,134</u>
<u>CHANGE IN NET POSITION</u>	\$ (242,398)	\$ 174,742	\$ (67,656)
<u>CHANGE IN NET POSITION AFTER OTHER FINANCING SOURCES (USES)</u>	\$ (242,398)	\$ 174,742	\$ (67,656)
Net Position - Beginning	626,201	145,656	771,857
<u>NET POSITION, ENDING</u>	<u>\$ 383,803</u>	<u>\$ 320,398</u>	<u>\$ 704,201</u>

Schedule "18"

HANCOCK COUNTY, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIESAGENCY FUNDSNOVEMBER 30, 2018

	<u>County Collector</u>	<u>Protested Tax</u>	<u>Circuit Clerk</u>	<u>Abandoned Property</u>	<u>Sheriff Bond</u>
<u>ASSETS</u>					
Cash	\$ 1,567	\$ 2,704	\$ 207,622	\$ -	\$ 1,230
Investments	-	11,000	11,287	-	-
<u>Total Assets</u>	<u>\$ 1,567</u>	<u>\$ 13,704</u>	<u>\$ 218,909</u>	<u>\$ -</u>	<u>\$ 1,230</u>
<u>LIABILITIES</u>					
Due to taxing districts	\$ 1,567	\$ 13,704	\$ -	\$ -	\$ -
Funds held for others	-	-	218,909	-	1,230
<u>Total Liabilities</u>	<u>\$ 1,567</u>	<u>\$ 13,704</u>	<u>\$ 218,909</u>	<u>\$ -</u>	<u>\$ 1,230</u>

	<u>Adult Restitution</u>	<u>Condemnation</u>	<u>ICP Dist. #9 Fish & Wildlife</u>	<u>ISP DUI Equipment</u>	<u>Total</u>
<u>ASSETS</u>					
Cash	\$ 401	\$ 1,923	\$ 6,445	\$ 1,606	\$ 223,498
Investments	-	-	-	-	22,287
<u>Total Assets</u>	<u>\$ 401</u>	<u>\$ 1,923</u>	<u>\$ 6,445</u>	<u>\$ 1,606</u>	<u>\$ 245,785</u>
<u>LIABILITIES</u>					
Due to taxing districts	\$ -	\$ -	\$ -	\$ -	\$ 15,271
Funds held for others	401	1,923	6,445	1,606	230,514
<u>Total Liabilities</u>	<u>\$ 401</u>	<u>\$ 1,923</u>	<u>\$ 6,445</u>	<u>\$ 1,606</u>	<u>\$ 245,785</u>

STATISTICAL SECTION

Schedule "19"

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

	Year Ending November 30		
	2016	2017	2018
<u>Governmental Activities</u>			
Invested in capital assets, net of related debt	\$ 13,503,533	\$ 13,056,088	\$ 12,551,844
Restricted	3,191,580	3,608,130	3,833,043
Unrestricted	<u>3,117,932</u>	<u>3,011,633</u>	<u>1,819,427</u>
<u>Total Governmental Activities Net Position</u>	<u>\$ 19,813,045</u>	<u>\$ 19,675,851</u>	<u>\$ 18,204,314</u>
<u>Business-type Activities</u>			
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Business-type Activities Net Position</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Primary Government</u>			
Invested in capital assets, net of related debt	\$ 13,503,533	\$ 13,056,088	\$ 12,551,844
Restricted	3,191,580	3,608,130	3,833,043
Unrestricted	<u>3,153,118</u>	<u>3,011,633</u>	<u>1,819,427</u>
<u>Total Primary Government Net Position</u>	<u>\$ 19,848,231</u>	<u>\$ 19,675,851</u>	<u>\$ 18,204,314</u>

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

	Year Ending November 30		
	2016	2017	2018
<u>Expenses</u>			
<u>Governmental activities:</u>			
General government	\$ 3,022,873	\$ 2,308,455	\$ 3,220,953
Public safety	1,669,424	1,879,928	1,879,252
Judiciary	684,265	743,742	797,802
Public works and transportation	2,687,320	2,524,529	3,110,295
Health and welfare	3,308,623	3,270,509	3,044,947
Education	47,000	50,459	54,292
Interest Expense	5,402	5,251	6,591
Total Governmental Activities Expenses	\$ 11,424,907	\$ 10,782,873	\$ 12,114,132
<u>Business-type Activities</u>			
Shelter Care Home expenditures	283,221	-	-
Total Primary Government Expenses	\$ 11,708,128	\$ 10,782,873	\$ 12,114,132
<u>Program Revenues</u>			
<u>Governmental activities:</u>			
Charges for services			
Fines and forfeitures	\$ 247,558	\$ 230,517	\$ 192,808
County Clerk, Circuit Clerk and Sheriff fees	333,989	318,247	307,928
ETBS, Highway and Ambulance	876,333	968,606	875,199
All other charges for services	1,870,983	2,370,280	1,899,108
Operating grants and contributions	1,746,296	1,358,973	1,481,772
Total Governmental Activities Revenues	\$ 5,075,159	\$ 5,246,623	\$ 4,756,815
<u>Business-type Activities</u>			
Shelter Care Home room and board	151,108	-	-
Total Primary Government Program Revenues	\$ 5,226,267	\$ 5,246,623	\$ 4,756,815
<u>Net Revenue (Expense)</u>			
Governmental Activities	\$ (6,349,748)	\$ (5,536,250)	\$ (7,357,317)
Business-type Activities	(132,113)	-	-
Total Primary Government Net Revenue (Expense)	\$ (6,481,861)	\$ (5,536,250)	\$ (7,357,317)
<u>General Revenue and Other Changes in Net Position</u>			
<u>Governmental activities:</u>			
Property taxes	\$ 3,588,580	\$ 3,731,216	\$ 3,978,772
Other taxes	1,282,068	1,322,194	1,393,280
Interest	18,577	17,237	22,670
Miscellaneous	247,102	293,223	491,058
Transfers in (out)	(31,650)	-	-
Total Governmental Activities	\$ 5,104,677	\$ 5,363,870	\$ 5,885,780
<u>Business-type activities:</u>			
Interest	\$ 63	\$ -	\$ -
Miscellaneous	599	-	-
Transfers in (out)	31,650	-	-
Total Business-type Activities	\$ 32,312	\$ -	\$ -
Total Primary Government	\$ 5,136,989	\$ 5,363,870	\$ 5,885,780
<u>Changes in Net Position</u>			
Governmental activities	\$ (1,245,071)	\$ (172,380)	\$ (1,471,537)
Business-type activities	(99,801)	-	-
Total Primary Government	\$ (1,344,872)	\$ (172,380)	\$ (1,471,537)

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

	Year Ending November 30		
	2016	2017	2018
<u>General Fund</u>			
Nonspendable	\$ 19,910	\$ 15,112	\$ 14,344
Restricted	77,000	37,483	42,416
Unassigned	<u>1,585,244</u>	<u>1,549,922</u>	<u>1,124,490</u>
<u>Total General Fund</u>	\$ <u>1,682,154</u>	\$ <u>1,602,517</u>	\$ <u>1,181,250</u>
<u>All Other Governmental Funds</u>			
Nonspendable	\$ 25,422	\$ 29,351	\$ 46,618
Restricted	3,114,382	3,641,061	3,861,570
Assigned	1,124,137	1,066,321	807,134
Unassigned	<u>104,954</u>	<u>-</u>	<u>-</u>
<u>Total All Other Governmental Funds</u>	\$ <u>4,368,895</u>	\$ <u>4,736,733</u>	\$ <u>4,715,322</u>
<u>Total Governmental Funds</u>	\$ <u><u>6,051,049</u></u>	\$ <u><u>6,339,250</u></u>	\$ <u><u>5,896,572</u></u>

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		
	2016	2017	2018
REVENUES			
Taxes - Property	\$ 3,558,638	\$ 3,696,297	\$ 3,943,876
Intergovernmental - State of Illinois	2,266,251	2,133,812	2,358,526
Federal revenue	668,689	532,642	502,985
Grants and contributions	93,424	14,713	13,541
Charges for services	2,538,947	3,125,250	2,541,110
Fees	525,759	531,883	541,125
Fines	247,558	230,517	192,808
Interest	16,719	15,376	18,862
Other	321,390	357,320	373,370
Total Revenues	\$ 10,237,375	\$ 10,637,810	\$ 10,486,203
EXPENDITURES			
Current			
General government	\$ 2,302,978	\$ 2,350,048	\$ 2,774,119
Public Safety	1,526,430	1,719,663	1,728,525
Judiciary	681,906	737,209	790,903
Public works and transportation	2,039,575	1,861,898	2,438,382
Health and welfare	3,102,980	3,076,035	2,842,346
Education	47,000	50,459	54,292
Debt Service			
Principal	176,377	105,863	156,272
Interest	5,402	5,251	6,591
Capital Outlay	557,424	598,369	261,951
Total Expenditures	\$ 10,440,072	\$ 10,504,795	\$ 11,053,381
Excess of Revenues Over (Under) Expenditures	\$ (202,697)	\$ 133,015	\$ (567,178)
Other Financing Sources (Uses)			
Proceeds from borrowing	\$ 187,713	\$ 120,000	\$ 124,500
Transfers from (to) other funds	(31,650)	-	-
Total Other Financing Sources (Uses)	\$ 156,063	\$ 120,000	\$ 124,500
Net Changes in Fund Balance	\$ (46,634)	\$ 253,015	\$ (442,678)

COMPLIANCE SECTION

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 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, 2018, and the related notes to the financial statements, which collectively comprise Hancock County, Illinois' basic financial statements and have issued our report thereon dated May 24, 2019. Our report disclaims an opinion on the Ambulance Fund (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 responses as findings 2018-001 and 2018-002 to be material weaknesses.

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 responses as items 2018-001 and 2018-002.

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.

Gray Hunter Stein LLP
Certified Public Accountants

Dated at Quincy, Illinois
May 24, 2019

HANCOCK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED NOVEMBER 30, 2018

Finding 2018-001 – Segregation of Duties

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. Accounting duties of authorization, recording, and custodian should be segregated between employees to prevent financial misstatements and the opportunity for fraudulent behavior. With a limited number of employees and a lack of segregation of duties, the County is at a higher risk for errors or misappropriations. 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.

Response:

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

Finding 2018-002 – 3rd Party Billing Programs

The Ambulance Fund contracts with a 3rd 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 3rd party is providing. When a 3rd party provider is used for services, all the services should be reviewed periodically for accuracy and timeliness. 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. The County does not currently have a policy in place regarding the review of the 3rd party provider's services. We recommend that the County establish a policy that establishes a monthly review of the 3rd party provider's services. This should include comparing the services provided for the month (using internal data) and what the 3rd 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.

Response:

Hancock County Ambulance service will develop a policy comparing services provided using internal data with what the 3rd party provider billed that month. An aged listing of current receivables will be maintained and compared to prior periods, including any write-offs. All write-offs must be approved by the Hancock County Board, with documentation of age and collection attempts.

HANCOCK COUNTY, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2018

Finding 2017-001 – Segregation of Duties

Similar finding was noted in the 2018 audit.

Finding 2017-002 – 3rd Party Billing Programs

Similar finding was noted in the 2018 audit.

Finding 2017-003 – Home Health Accounts Receivable

Corrective action was taken. No similar finding was noted in the 2018 audit.