

Hancock County, Illinois

Financial Statements and
Supplemental Information

November 30, 2021



Hancock County, Illinois

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November 30, 2021

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Hancock County, Illinois

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Independent Auditors' Report

Chairman and Members of the 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, 2021, 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.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified and qualified 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 – Liability Insurance Fund	Unmodified
Governmental Fund – Health Department	Unmodified
Governmental Fund – IMRF Fund	Unmodified
Aggregate Remaining Fund Information	Disclaimer

Basis for Qualified Opinion on the Governmental Activities

We were unable to verify the revenue of the Ambulance Fund at November 30, 2021, and therefore offer no opinion with regards to the Ambulance Fund. The revenue at November 30, 2021, was \$1,012,044.

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, 2021, 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 Aggregate Remaining Fund Information

We were unable to verify the revenue of the Ambulance Fund at November 30, 2021, and therefore offer no opinion with regards to the Ambulance Fund. The revenue at November 30, 2021, was \$1,012,044.

Disclaimer of Opinion

Because of the significance of the matter described in the “Basis for Disclaimer of Opinion on the Aggregate Remaining Fund Information” 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 Aggregate Remaining Fund Information, nonmajor funds of Hancock County, as of November 30, 2021. 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, Liability Insurance Fund, the Health Department, and the IMRF Fund, of Hancock County, as of November 30, 2021, 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 Supplemental Information

Accounting principles generally accepted in the United States of America require that pension and budgetary comparison information on pages 32 through 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental 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 supplemental 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards*, and is also not a required part of the financial statements. The supplemental information and the schedule of expenditures of federal awards 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 supplemental information and schedule of expenditures of federal awards 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 July 15, 2022, 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.



Gray Hunter Stenn LLP

Dated at Quincy, Illinois
July 15, 2022

Hancock County, Illinois

Statement of Net Position

November 30, 2021

	Primary Government	
	Governmental	Component
	Activities	Unit
Assets		
Cash	\$ 4,772,405	\$ 85,413
Investments	6,425,793	934,141
Accounts and grants receivable	1,041,382	121,229
Prepaid insurance	83,684	-
Due from other funds	150,756	-
Inventories	67,756	-
Net pension asset	1,949,225	-
Deferred compensation	701,815	-
Capital assets:		
Land	61,128	-
Construction in progress	255,886	362,732
Building and equipment (net of accumulated depreciation)	11,064,413	121,587
Total Assets	26,574,243	1,625,102
Deferred Outflows of Resources		
Property taxes receivable	4,423,673	-
Total Deferred Outflows of Resources	4,423,673	-
Liabilities		
Accounts payable	278,932	-
Accrued expenses	61,437	-
Claims payable	50,000	-
Unearned income	163,118	-
Funds held for others	56,006	-
Deferred compensation	701,815	-
Long-term liabilities:		
Due within one year	134,246	-
Total Liabilities	1,445,554	-
Deferred Inflows of Resources		
Deferred property taxes	4,423,673	-
Future pension expenses	1,738,205	-
Total Deferred Inflows of Resources	6,161,878	-
Net Position		
Net investment in capital assets	11,381,427	484,319
Restricted for:		
General government	4,108,400	-
Public safety	16,608	-
Judiciary	647,532	-
Public works and transportation	1,184,592	-
Health and welfare	1,284,886	-
Unrestricted	4,767,039	1,140,783
Total Net Position	\$ 23,390,484	\$ 1,625,102

Hancock County, Illinois
Statement of Activities
Year Ended November 30, 2021

Activities	Expenses	Program Revenues			Net Revenue(Expense) and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit
Primary Government						
Governmental Activities						
General government	\$ 2,321,590	\$ 377,550	\$ 2,193,722	\$ -	\$ 249,682	
Public safety	2,450,080	641,375	62,347	-	(1,746,358)	
Judiciary	775,991	578,148	213,165	-	15,322	
Public works and transportation	3,029,080	651,913	1,493,206	-	(883,961)	
Health and welfare	3,617,476	1,844,367	860,931	-	(912,178)	
Education	57,030	-	-	-	(57,030)	
Interest expense	6,042	-	-	-	(6,042)	
Total Primary Government	<u>12,257,289</u>	<u>4,093,353</u>	<u>4,823,371</u>	<u>-</u>	<u>(3,340,565)</u>	
Component Unit						
Emergency Telephone System Board	\$ 286,549	\$ -	\$ 800,143	\$ -		\$ 513,594
General Revenues and Transfers						
					4,324,624	-
					1,880,293	-
					27,713	8,515
					735,997	-
Total General Revenue and Transfers					<u>6,968,627</u>	<u>8,515</u>
Change in Net Position					3,628,062	522,109
Net Position, Beginning					<u>19,762,422</u>	<u>1,102,993</u>
Net Position, Ending					\$ 23,390,484	\$ 1,625,102

Hancock County, Illinois

Balance Sheet

Governmental Funds

November 30, 2021

	General	Liability Insurance	Health Department	IMRF	Other Governmental	Total
Assets						
Cash	\$ 1,983,347	\$ 2,353	\$ 1,009,246	\$ 91,481	\$ 856,219	\$ 3,942,646
Investments	1,275,616	448,000	-	535,000	3,808,177	6,066,793
Accounts receivable	275,419	-	399,876	-	318,125	993,420
Property taxes receivable	1,017,994	673,830	331,000	500,849	1,865,000	4,388,673
Prepaid insurance	-	52,265	-	-	6,290	58,555
Inventories, at cost	-	-	53,766	-	13,990	67,756
Due from other funds	72,485	54,357	-	-	206,768	333,610
Total Assets	<u>4,624,861</u>	<u>1,230,805</u>	<u>1,793,888</u>	<u>1,127,330</u>	<u>7,074,569</u>	<u>15,851,453</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	71,773	-	86,813	61,792	58,554	278,932
Accrued expenses	7,007	-	22,611	-	31,819	61,437
Unearned income	1,017,994	673,830	494,967	500,000	1,865,000	4,551,791
Funds held for others	56,006	-	-	-	-	56,006
Due to other funds	7,803	-	22,410	-	98,284	128,497
Total Liabilities	<u>1,160,583</u>	<u>673,830</u>	<u>626,801</u>	<u>561,792</u>	<u>2,053,657</u>	<u>5,076,663</u>
Fund Balances						
Nonspendable	-	-	53,766	-	13,990	67,756
Restricted	1,686,190	556,975	1,113,321	565,538	3,386,484	7,308,508
Assigned	-	-	-	-	1,620,438	1,620,438
Unassigned	1,778,088	-	-	-	-	1,778,088
Total Fund Balances	<u>3,464,278</u>	<u>556,975</u>	<u>1,167,087</u>	<u>565,538</u>	<u>5,020,912</u>	<u>10,774,790</u>
Total Liabilities and Fund Balances	<u>\$ 4,624,861</u>	<u>\$ 1,230,805</u>	<u>\$ 1,793,888</u>	<u>\$ 1,127,330</u>	<u>\$ 7,074,569</u>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds						10,312,395
Deferred inflows of resources due to pension expense						(1,738,205)
Long-term assets related to governmental activities						1,949,225
Long-term liabilities related to governmental activities						(134,246)
The assets and liabilities of internal service funds are included in governmental activities						2,226,525
Net Position of Governmental Activities						<u>\$ 23,390,484</u>

Hancock County, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended November 30, 2021

	General	Liability Insurance	Health Department	IMRF	Other Governmental	Total
Revenues						
Property taxes	\$ 1,010,360	\$ 614,132	\$ 329,459	\$ 496,335	\$ 1,839,387	\$ 4,289,673
Intergovernmental - State of Illinois	2,271,492	-	107,498	-	1,035,148	3,414,138
Federal revenue	2,022,827	-	628,902	-	545,591	3,197,320
Grants and contributions	-	-	46,106	-	46,100	92,206
Charges for services	126,985	-	1,187,345	-	1,684,087	2,998,417
Fees	537,795	-	-	-	330,947	868,742
Fines	208,418	-	-	-	17,776	226,194
Interest	7,409	693	4,306	635	10,560	23,603
Other	396,992	54,357	11,904	-	106,517	569,770
Total Revenues	<u>6,582,278</u>	<u>669,182</u>	<u>2,315,520</u>	<u>496,970</u>	<u>5,616,113</u>	<u>15,680,063</u>
Expenditures						
Current						
General government	2,125,025	438,437	-	52,100	626,573	3,242,135
Public safety	1,618,170	-	-	190,076	455,024	2,263,270
Judiciary	497,099	67,892	-	25,380	62,304	652,675
Public works and transportation	-	-	-	43,094	2,343,979	2,387,073
Health and welfare	2,500	-	2,178,298	157,399	1,160,321	3,498,518
Education	57,030	-	-	-	-	57,030
Debt Service:						
Principal	-	-	-	-	90,581	90,581
Interest	-	-	-	-	6,042	6,042
Capital outlay	246,427	-	115,691	-	426,285	788,403
Total Expenditures	<u>4,546,251</u>	<u>506,329</u>	<u>2,293,989</u>	<u>468,049</u>	<u>5,171,109</u>	<u>12,985,727</u>
Excess of Revenues Over (Under) Expenditures	<u>2,036,027</u>	<u>162,853</u>	<u>21,531</u>	<u>28,921</u>	<u>445,004</u>	<u>2,694,336</u>
Fund Balances, Beginning	<u>1,428,251</u>	<u>394,122</u>	<u>1,145,556</u>	<u>536,617</u>	<u>4,575,908</u>	<u>8,080,454</u>
Fund Balances, Ending	\$ <u>3,464,278</u>	\$ <u>556,975</u>	\$ <u>1,167,087</u>	\$ <u>565,538</u>	\$ <u>5,020,912</u>	\$ <u>10,774,790</u>

Hancock County, Illinois
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
Governmental Funds to the Statement of Activities
Year Ended November 30, 2021

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

Net change in fund balances - total Governmental Funds	\$ 2,694,336
Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term debt liabilities in the Statement of Net Position	90,581
Capital outlay is an expenditure in the Governmental Funds, but are capitalized and depreciated in the statement of activities	788,403
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	(873,013)
Gain/loss on disposal of capital assets	(43,120)
Compensated absences	26,049
Pension obligations	771,775
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>173,051</u>
Change in Net Positions of Governmental Activities	\$ <u><u>3,628,062</u></u>

Hancock County, Illinois

Statement of Net Position

Proprietary Funds

November 30, 2021

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Assets	
Current Assets	
Cash	\$ 829,759
Investments	359,000
Reinsurance receivable	47,962
Prepaid insurance	<u>25,129</u>
Total Current Assets	<u>1,261,850</u>
Capital Assets	
Building and equipment (net of accumulated depreciation)	<u>1,069,032</u>
Total Capital Assets	<u>1,069,032</u>
Total Assets	<u>2,330,882</u>
Deferred Outflows of Resources	
Property taxes receivable	<u>35,000</u>
Liabilities	
Claims payable	50,000
Due to other funds	<u>54,357</u>
Total Liabilities	<u>104,357</u>
Deferred Inflows of Resources	
Deferred income	<u>35,000</u>
Net Position	
Invested in capital assets	1,069,032
Unrestricted	<u>1,157,493</u>
Total Net Position	<u>\$ 2,226,525</u>

Hancock County, Illinois
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended November 30, 2021

	Governmental Activities
	<u>Internal Service Funds</u>
Operating Revenues	
Taxes - Property	\$ 34,951
Charges for services	541,787
Rent	429,608
Federal revenue	14,149
Other	<u>257,672</u>
Total Operating Revenues	<u>1,278,167</u>
Operating Expenses	
Medical claims and expenses	776,368
Personnel costs	46,505
Professional and contractual	9,324
Telephone and utilities	70,759
Repairs and maintenance	77,727
Insurance	54,357
Depreciation	<u>74,186</u>
Total Operating Expenses	<u>1,109,226</u>
Operating Income (Loss)	<u>168,941</u>
Nonoperating Revenue	
Interest income	<u>4,110</u>
Net Income (Loss)	173,051
Net Position, December 1, 2020	<u>2,053,474</u>
Net Position, November 30, 2021	\$ <u><u>2,226,525</u></u>

Hancock County, Illinois
Statement of Cash Flows
Proprietary Funds
Year Ended November 30, 2021

	Governmental Activities
	<u>Internal Service Funds</u>
Cash Flows from Operating Activities	
Receipts from other funds	\$ 971,395
Receipts from property taxes	34,951
Other receipts	225,199
Payments to employees	(44,263)
Claims paid	(796,823)
Payments for goods and services	<u>(160,052)</u>
Net Cash Provided by (Applied to) Operating Activities	<u>230,407</u>
Cash Flows from Investing Activities	
Interest income	4,110
Purchases and redemptions of investments	<u>(5,000)</u>
Net Cash Provided by (Applied to) Investing Activities	<u>(890)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of capital assets	<u>(269,158)</u>
Net Cash Provided by (Applied to) Capital and Related Financing Activities	<u>(269,158)</u>
Net Increase (Decrease) in Cash	(39,641)
Cash Balance, December 1, 2020	<u>869,400</u>
Cash Balance, November 30, 2021	<u>\$ 829,759</u>
Reconciliation of Income (Loss) to Net Cash Provided by (Applied to) Operating Activities	
Operating Income (Loss)	\$ 168,941
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:	
Non-cash: Depreciation	74,186
Changes in assets and liabilities:	
Reinsurance receivable	(46,622)
Prepaid expenses	(455)
Accounts payable and accrued expenses	<u>34,357</u>
Net cash provided by (applied to) operating activities	<u>\$ 230,407</u>

Hancock County, Illinois

Statement of Net Position

Fiduciary Funds

November 30, 2021

	Private Purpose Trust Funds	Custodial Funds
Assets		
Cash	\$ 56,506	\$ 356,677
Investments	2,845,000	25,636
Accounts receivable	<u>198,874</u>	<u>1,650</u>
Total Assets	<u>3,100,380</u>	<u>383,963</u>
Liabilities		
Accounts payable	342,434	-
Due to other funds	<u>100,681</u>	<u>50,075</u>
Total Liabilities	<u>443,115</u>	<u>50,075</u>
Net Position		
Restricted for individuals, organizations, and other governments	\$ <u><u>2,657,265</u></u>	\$ <u><u>333,888</u></u>

Hancock County, Illinois
Statement of Changes in Net Position
Fiduciary Funds
Year Ended November 30, 2021

	Private Purpose Trust Funds	Custodial Funds
Additions		
Intergovernmental revenue	\$ 3,820,287	\$ -
Property taxes collected	-	32,369,356
Collections from others	-	171,887
Interest	<u>6,523</u>	<u>17,241</u>
Total Additions	<u>3,826,810</u>	<u>32,558,484</u>
Deductions		
Transportation expenditures	3,479,386	-
Property taxes disbursed	-	32,075,081
Disbursements to others	<u>-</u>	<u>481,031</u>
Total Deductions	<u>3,479,386</u>	<u>32,556,112</u>
Change in Net Position	<u>347,424</u>	<u>2,372</u>
Net Position, December 1, 2020	<u>2,309,841</u>	<u>331,516</u>
Net Position, November 30, 2021	\$ <u><u>2,657,265</u></u>	\$ <u><u>333,888</u></u>

Hancock County, Illinois

Notes to Basic Financial Statements

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.

1. **Summary of Accounting Policies** (Continued)

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, Sheriff Fee Fund, Circuit Clerk Fund and the ARPA Fund.

Liability Insurance

This fund accounts for expenditures for the County's liability insurance. Funding is provided by a specific annual property tax levy.

Health Department

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

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.

1. **Summary of Accounting Policies** (Continued)

Basis of Presentation (Continued)

The County has the following proprietary funds:

Internal Service Funds

The Internal Service Funds consist of the Hancock Public Building Commission (the Commission), the Unemployment Compensation Fund, and the Premium and Medical Fund. The purpose of the Commission is to provide maintenance for the Courthouse 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.

The County has the following fiduciary funds:

Private Purpose Trust Funds

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

Custodial 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 custodial 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.

1. **Summary of Accounting Policies** (Continued)

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 other than repurchase agreements with a maturity of three months or less are considered to be cash equivalents. At November 30, 2021, no investments qualified as cash equivalents.

Investments

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

Accounts Receivable

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

Inventories

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

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net positions. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources and debt repayments as debt service expenditures.

1. **Summary of Accounting Policies** (Continued)

Deferred Outflows/Inflows of Resources

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

Property Taxes

The Supervisor of Assessments prepares the property tax assessment rolls with the property tax liens as of January 1 of each year. Levies are set by individual governmental entities prior to the lien dates set by statute. The collection date for property tax receipts is thirty days after the property tax bills are mailed to taxpayers. The first installment is generally due around June 1 of each year, with the second equal installment due September 1. Property taxes collected are distributed to each taxing district thirty days after receipt. Any unpaid property tax levies are sold at a tax sale the last week of October and final distribution is made in November of each year.

Property taxes levied in 2020 are reflected as revenues in fiscal year 2021. Amounts not collected by the Collector by November 30, 2021 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 2021 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 2022.

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.

1. **Summary of Accounting Policies** (Continued)

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.

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, 2021:

	Major				Other	
	General	Liability	Health	IMRF	Funds	Total
	Fund	Insurance	Department			
Nonspendable						
Inventory	\$ -	\$ -	\$ 53,766	\$ -	\$ 13,990	\$ 67,756
Restricted for						
Retirement	-	-	-	565,538	-	565,538
Social Security/Medicare	-	-	-	-	309,794	309,794
Insurances	-	556,975	-	-	430,926	987,901
Health and welfare	-	-	1,113,321	-	-	1,113,321
Law enforcement	-	-	-	-	27,903	27,903
Highways	-	-	-	-	1,217,029	1,217,029
Debt service	-	-	-	-	602	602
Court-related costs	-	-	-	-	600,137	600,137
Veteran services	-	-	-	-	161,473	161,473
Information Technology	-	-	-	-	408,163	408,163
Other capital projects	-	-	-	-	2,647	2,647
Other purposes	1,686,190	-	-	-	227,810	1,914,000
Assigned to						
Ambulance services	-	-	-	-	191,634	191,634
Law enforcement	-	-	-	-	234,764	234,764
Highways	-	-	-	-	816,642	816,642
Court-related costs	-	-	-	-	219,906	219,906
Other purposes	-	-	-	-	157,492	157,492
Unassigned	<u>1,778,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,778,088</u>
Total Fund Balances	\$ <u>3,464,278</u>	\$ <u>556,975</u>	\$ <u>1,167,087</u>	\$ <u>565,538</u>	\$ <u>5,020,912</u>	\$ <u>10,774,790</u>

1. **Summary of Accounting Policies** (Continued)

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.

2. **Deposits and Investments**

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

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

During the year ended November 30, 2021, 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, 2021, 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 \$14,481,137. The bank balance of these accounts at November 30, 2021 was \$14,288,572. 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. The County also had cash on hand of \$880 at November 30, 2021.

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, 2021 was \$772,001 and the bank balance was \$772,376. 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.

2. Deposits and Investments (Continued)

At November 30, 2021, 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 \$1,019,554. The bank balance of these accounts at November 30, 2021 was \$1,019,554. Federal depository insurance collateralized \$250,000 of the deposits at each institution and collateral held by the County's agent in the County's name collateralized the remaining balance of the deposits.

Reconciliation to Government-wide Statement of Net Position:

	Primary Government	Fiduciary Funds	Total
Cash	\$ 4,772,405	\$ 413,183	\$ 5,185,588
Certificates of deposits	509,793	10,636	520,429
Repurchase agreements	<u>5,916,000</u>	<u>2,860,000</u>	<u>8,776,000</u>
Subtotal	11,198,198	3,283,819	14,482,017
Less cash on hand	<u>(780)</u>	<u>(100)</u>	<u>(880)</u>
Total	\$ <u>11,197,418</u>	\$ <u>3,283,719</u>	\$ <u>14,481,137</u>

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:

	Major General Fund	Major Liability Insurance	Major Health Dept.	Major IMRF	Other Funds	Total
Income taxes	\$ 53,171	\$ -	\$ -	\$ -	\$ -	\$ 53,171
Sales taxes	123,915	-	-	-	-	123,915
Use tax	38,160	-	-	-	-	38,160
Motor fuel taxes	-	-	-	-	41,990	41,990
Salary reimbursements	37,416	-	-	-	-	37,416
Accounts	-	-	240,979	-	120,779	361,758
Grants	21,016	-	158,897	-	133,311	313,224
Other	<u>1,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,045</u>	<u>23,786</u>
Total	\$ <u>275,419</u>	\$ <u>-</u>	\$ <u>399,876</u>	\$ <u>-</u>	\$ <u>318,125</u>	\$ <u>993,420</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, 2021 were \$300,595 with an allowance of \$59,616.

An allowance has been established for the Ambulance's accounts receivable. The gross receivables at November 30, 2021 were \$241,558 with an allowance of \$120,779.

4. Balance Due to/from Other Funds

The interfund receivable and payable balances at November 30, 2021 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Health Department	\$ 22,410
General Fund	Fiduciary Funds	50,075
Liability Fund	Internal Service Funds	54,357
Nonmajor Funds	General Fund	7,803
Nonmajor Funds	Nonmajor Funds	98,284
Nonmajor Funds	Fiduciary Funds	100,681
Net Governmental Fund Receivable		\$ 333,610

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

5. Capital Assets

Capital asset activity for the County's governmental activities for the year ended November 30, 2021 was as follows:

	Balance November 30, 2020	Additions	Deletions	Balance November 30, 2021
Capital Assets, Non-Depreciable				
Land	\$ 61,128	\$ -	\$ -	\$ 61,128
Construction in progress	151,138	104,748	-	255,886
Total Capital Assets, Non-Depreciable	212,266	104,748	-	317,014
Capital Assets, Depreciable				
Buildings	6,666,673	384,849	-	7,051,522
Equipment	4,777,096	567,964	(285,363)	5,059,697
Infrastructure	17,555,299	-	-	17,555,299
Total Capital Assets, Depreciable	28,999,068	952,813	(285,363)	29,666,518
Less Accumulated Depreciation for				
Buildings	(3,573,071)	(196,548)	-	(3,769,619)
Equipment	(3,806,414)	(243,910)	242,243	(3,808,081)
Infrastructure	(10,517,664)	(506,741)	-	(11,024,405)
Total Accumulated Depreciation	(17,897,149)	(947,199)	242,243	(18,602,105)
Total Capital Assets, Depreciable	11,101,919	5,614	(43,120)	11,064,413
Total Capital Assets, Net	\$ 11,314,185	\$ 110,362	\$ (43,120)	\$ 11,381,427

5. **Capital Assets** (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities

General government	\$ 57,168
Public safety	133,884
Judiciary	18,618
Transportation	628,052
Health and welfare	<u>109,477</u>

Total Depreciation Expense \$ 947,199

Activity for the Emergency Telephone System Board (discretely presented component unit) for the year ended November 30, 2021 was as follows:

	Balance November 30, 2020	Additions	Deletions	Balance November 30, 2021
Capital Assets, Non-Depreciable:				
Construction in progress	\$ -	\$ 362,732	\$ -	\$ 362,732
Capital Assets, Depreciable				
Furniture and equipment	315,571	26,577	-	342,148
Less accumulated depreciation	<u>(197,164)</u>	<u>(23,397)</u>	<u>-</u>	<u>(220,561)</u>
Total Capital Assets, Depreciable	<u>118,407</u>	<u>3,180</u>	<u>-</u>	<u>121,587</u>
Total Capital Assets, Net	\$ <u>118,407</u>	\$ <u>365,912</u>	\$ <u>-</u>	\$ <u>484,319</u>

6. **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 2021 was \$429,608. 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.

7. **Related Party Transactions**

The County uses a vendor for IT services that is a spouse of an administrator. The IT services provided during the year totaled \$44,399. There was \$0 due to the vendor at November 30, 2021.

8. Long-term Liabilities

The County utilized direct borrowings in the form of notes payables from banks and vendors for the purchase or construction of property and equipment.

General long-term obligations of the County at November 30, 2021, are comprised of the following:

Description/Interest Rates	Maturity Dates	Original Balance	Outstanding Balance
Governmental Activities			
Notes Payable			
Ambulance Building: Collateralized by building at 2005 East US Hwy 136, Carthage, IL Interest rate 2.47%	June 1, 2027	\$ 250,000	\$ -
Starcom Tower: Unsecured Interest rate 3.28%	March 1, 2022	45,000	-
Other Long-term Obligations			
Compensated absences	N/A	N/A	<u>134,246</u>
Total Long-term Obligations			<u>\$ 134,246</u>

The changes in long-term obligations for the year ended November 30, 2021, are as follows:

	Balance November 30, 2020	Increases	Decreases	Balance November 30, 2021	Due within One Year
Governmental Activities					
Compensated absences	\$ 160,295	\$ 134,246	\$ (160,295)	\$ 134,246	\$ 134,246
Direct borrowings	<u>90,581</u>	<u>-</u>	<u>(90,581)</u>	<u>-</u>	<u>-</u>
Total Long-Term Debt	<u>\$ 250,876</u>	<u>\$ 134,246</u>	<u>\$ (250,876)</u>	<u>\$ 134,246</u>	<u>\$ 134,246</u>

Compensated absences are liquidated out of the fund from which the employee was paid. This may include the General Fund or a special revenue fund.

9. Legal Debt Margin

The legal debt margin at November 30, 2021 is calculated as follows:

Equalized Assessed Valuation - 2020 Tax Extension	\$ <u>373,966,154</u>
Statutory Debt Limitation (2.875% Valuation)	10,751,527
Minus Applicable Debt	<u>-</u>
Legal Debt Margin	<u>\$ 10,751,527</u>

10. Defined Benefit Pension Plan

Plan 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 affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multi-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplemental information (RSI). That report may be obtained on-line at www.imrf.org.

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, 2020, the following employees were covered by the benefit terms:

	<u>Regular Plan</u>	<u>SLEP Plan</u>
Retirees and Beneficiaries receiving benefits	125	15
Inactive Plan Members entitled to but not yet receiving benefits	92	2
Active Plan Members	89	11
Total	<u>306</u>	<u>28</u>

10. Defined Benefit Pension Plan (Continued)

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 2020 were 7.52% and 22.78% of payroll, respectively, for Regular and SLEP plans. For the fiscal year ended 2021, the County contributed \$327,518 and \$108,276, 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, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

- 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 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For disabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For active members, the Pub-2010, Amount-Weighted, below median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

10. Defined Benefit Pension Plan (Continued)

- 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 Rate of Return
Domestic equity	37 %	5.00 %
International equity	18	6.00
Fixed income	28	1.30
Real estate	9	6.20
Alternative investments	7	2.85-6.95
Cash equivalents	1	0.70
Total	100 %	

Single Discount Rate

A Single Discount Rate of 7.25% 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:

- 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
- 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 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25% for each plan.

10. Defined Benefit Pension Plan (Continued)

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, 2019	\$ 26,094,381	\$ 26,098,692	\$ (4,311)
Changes for the Year			
Service cost	454,717	-	454,717
Interest on the Total Pension Liability	1,853,776	-	1,853,776
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the Total Pension Liability	478,229	-	478,229
Changes of assumptions	(301,148)	-	(301,148)
Contributions - employer	-	413,225	(413,225)
Contributions - employees	-	213,941	(213,941)
Net investment income	-	3,793,614	(3,793,614)
Benefit payments, including refunds of employee contributions	(1,504,840)	(1,504,840)	-
Other (net transfer)	-	9,708	(9,708)
Net Changes	<u>980,734</u>	<u>2,925,648</u>	<u>(1,944,914)</u>
Balances at December 31, 2020	\$ <u>27,075,115</u>	\$ <u>29,024,340</u>	\$ <u>(1,949,225)</u>
Plan fiduciary net positions as a percentage of the total pension liability	107.20%		
Covered valuation payroll	\$ 4,348,300		
Net pension liability as a percentage of covered valuation payroll	-44.83%		

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 7.25%, 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 (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Total Pension Liability	\$ 24,166,812	\$ 21,821,479	\$ 19,979,857
Plan Fiduciary Net Position	<u>24,012,318</u>	<u>24,012,318</u>	<u>24,012,318</u>
Net Pension Liability/(Asset)	<u>\$ 154,494</u>	<u>\$ (2,190,839)</u>	<u>\$ (4,032,461)</u>

10. Defined Benefit Pension Plan (Continued)

The following presents the SLEP plan's net pension liability, calculated using a Single Discount Rate of 7.25%, 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 (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Total Pension Liability	\$ 5,945,904	\$ 5,253,636	\$ 4,688,878
Plan Fiduciary Net Position	<u>5,012,022</u>	<u>5,012,022</u>	<u>5,012,022</u>
Net Pension Liability/(Asset)	\$ <u>933,882</u>	\$ <u>241,614</u>	\$ <u>(323,144)</u>

For the year ended November 30, 2021, the County recognized pension benefit of \$771,775. At November 30, 2021, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ (350,449)
Changes in assumptions	-	118,041
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>2,370,186</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>-</u>	<u>2,137,778</u>
Pension contributions made subsequent to measurement date	<u>-</u>	<u>(399,573)</u>
Total Deferred Amounts Related to Pensions	\$ <u>-</u>	\$ <u>1,738,205</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:

Years Ending December 31	Net Deferred Outflows of Resources
2021	\$ 184,524
2022	249,218
2023	933,821
2024	<u>370,642</u>
Total	\$ <u>1,738,205</u>

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, 2021 was \$0. Total contributions by plan members for the year ended November 30, 2021 was \$28,958. The value of the plan on November 30, 2021 was \$701,815. The plan assets, which are used solely for paying benefits, remain the property of the County until paid.

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 2021 were:

	<u>Balance at Beginning of Year</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>Balance at End of Year</u>
\$	70,000	\$ 526,017	\$ 546,017	\$ 50,000

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.

13. Concentrations

For the year ending November 30, 2021, approximately 4% of the County's property tax collections were received from one taxpayer.

14. COVID-19 and Government Assistance

The ongoing COVID-19 pandemic has impacted and could further impact the County's operations. The extent to which the pandemic impacts the County's financial position and changes in financial position will depend on future developments, which are highly uncertain, including but not limited to the duration, spread, and severity of the pandemic and the remedial actions and stimulus measures adopted by local and federal government. The pandemic remains a rapidly evolving situation, and the County cannot reasonably estimate the impact at this time.

During fiscal year 2021, the County's governmental activities received \$1,719,786 as part of the American Rescue Plan Act (ARPA) that was signed into law on March 11, 2021. As of November 30, 2021, only \$35,000 has been spent from the ARPA funds. The County is anticipating an additional funding totaling \$1,719,786 to be received from the government through ARPA. In addition, the County's governmental activities expended \$379,087 of Coronavirus Relief Funding that was reimbursed by the Federal government.

15. Subsequent Events

Subsequent events have been evaluated through July 15, 2022, which is the date the financial statements were available to be issued. The Health Department's dental clinic closed as of June 15, 2022 due to the departure of their dentist. The dental clinic will re-open when a dentist is hired. As of the date of this report, a new dentist has not been hired.

Hancock County, Illinois
Schedule of Changes in Net Pension Liability and Related Ratios - Defined Benefit Retirement Plans
November 30, 2021
Regular Plan - Unaudited

Calendar year ending December 31,	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	\$ 356,921	\$ 366,603	\$ 364,946	\$ 360,121	\$ 373,250	\$ 374,692	\$ 357,019
Interest on the total pension liability	1,499,366	1,455,278	1,400,007	1,417,630	1,296,606	1,232,460	1,142,344
Difference between expected and actual experience	315,637	(19,670)	272,041	(325,372)	1,059,325	238,965	(81,116)
Assumption changes	(245,957)	-	503,559	(586,606)	-	-	575,162
Benefit payments and refunds	<u>(1,213,879)</u>	<u>(1,164,624)</u>	<u>(1,106,085)</u>	<u>(1,100,212)</u>	<u>(1,117,727)</u>	<u>(862,506)</u>	<u>(738,880)</u>
Net Change in Total Pension Liability	712,088	637,587	1,434,468	(234,439)	1,611,454	983,611	1,254,529
Total pension liability - beginning	<u>21,109,391</u>	<u>20,471,804</u>	<u>19,037,336</u>	<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>21,821,479</u>	<u>21,109,391</u>	<u>20,471,804</u>	<u>19,037,336</u>	<u>19,271,775</u>	<u>17,660,321</u>	<u>16,676,710</u>
Plan Fiduciary Net Position							
Employer contributions	284,498	244,386	356,774	292,135	286,264	309,600	328,548
Employee contributions	171,560	160,073	160,549	164,864	222,625	158,317	154,007
Pension plan net investment income	3,132,091	3,604,157	(1,164,041)	3,245,457	1,116,260	86,065	998,480
Benefit payments and refunds	(1,213,879)	(1,164,624)	(1,106,085)	(1,100,212)	(1,117,727)	(862,506)	(738,880)
Other (Net Transfer)	<u>(25,406)</u>	<u>1,880</u>	<u>664,298</u>	<u>(505,774)</u>	<u>300,659</u>	<u>(100,250)</u>	<u>171,464</u>
Net Change in Plan Fiduciary Net Position	2,348,864	2,845,872	(1,088,505)	2,096,470	808,081	(408,774)	913,619
Plan fiduciary net position - beginning	<u>21,663,454</u>	<u>18,817,582</u>	<u>19,906,087</u>	<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>24,012,318</u>	<u>21,663,454</u>	<u>18,817,582</u>	<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>(2,190,839)</u>	\$ <u>(554,063)</u>	\$ <u>1,654,222</u>	\$ <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	110.04%	102.62%	91.92%	104.56%	92.41%	96.27%	104.40%
Covered valuation payroll	\$ 3,783,218	\$ 3,546,960	\$ 3,567,741	\$ 3,656,254	\$ 3,623,600	\$ 3,514,228	\$ 3,399,885
Net pension liability as a % of covered valuation payroll	-57.91%	-15.62%	46.37%	-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, 2021

SLEP Plan - Unaudited

Calendar year ending December 31,	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service cost	\$ 97,796	\$ 104,650	\$ 80,746	\$ 90,095	\$ 73,128	\$ 76,032	\$ 79,319
Interest on the total pension liability	354,410	348,840	326,803	313,145	322,710	316,614	300,298
Difference between expected and actual experience	162,592	(103,191)	133,292	59,039	(335,277)	(126,388)	(62,993)
Assumption changes	(55,191)	-	142,562	(49,958)	(20,683)	5,102	88,688
Benefit payments and refunds	(290,961)	(249,146)	(233,142)	(217,919)	(180,016)	(185,018)	(174,714)
Net Change in Total Pension Liability	268,646	101,153	450,261	194,402	(140,138)	86,342	230,598
Total pension liability - beginning	4,984,990	4,883,837	4,433,576	4,239,174	4,379,312	4,292,970	4,062,372
Total Pension Liability - Ending (A)	5,253,636	4,984,990	4,883,837	4,433,576	4,239,174	4,379,312	4,292,970
Plan Fiduciary Net Position							
Employer contributions	128,727	143,123	123,225	115,802	123,380	104,164	81,620
Employee contributions	42,381	41,752	37,580	47,771	33,588	28,720	32,215
Pension plan net investment income	661,523	756,755	(256,641)	534,579	231,418	16,444	191,783
Benefit payments and refunds	(290,961)	(249,146)	(233,142)	(217,919)	(180,016)	(185,018)	(174,714)
Other (Net Transfer)	35,114	16,121	446,382	(5,736)	(364,297)	11,405	9,625
Net Change in Plan Fiduciary Net Position	576,784	708,605	117,404	474,497	(155,927)	(24,285)	140,529
Plan fiduciary net position - beginning	4,435,238	3,726,633	3,609,229	3,134,732	3,290,659	3,314,944	3,174,415
Plan Fiduciary Net Position - Ending (B)	5,012,022	4,435,238	3,726,633	3,609,229	3,134,732	3,290,659	3,314,944
Net Pension Liability - Ending (A) - (B)	\$ 241,614	\$ 549,752	\$ 1,157,204	\$ 824,347	\$ 1,104,442	\$ 1,088,653	\$ 978,026
Plan fiduciary net position as a % of the total pension liability	95.40%	88.97%	76.31%	81.41%	73.95%	75.14%	77.22%
Covered valuation payroll	\$ 565,082	\$ 556,687	\$ 501,062	\$ 449,193	\$ 447,838	\$ 381,312	\$ 398,346
Net pension liability as a percentage of covered valuation payroll	42.76%	98.75%	230.95%	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, 2021

Unaudited

Regular Plan

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 326,389	\$ 328,548	\$ (2,159)	\$ 3,399,885	9.66%
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%
2018	356,774	356,774	-	3,567,741	10.00%
2019	244,386	244,386	-	3,546,960	6.89%
2020	322,708	284,498	38,210	3,783,218	7.52%

SLEP Plan

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 90,385	\$ 81,620	\$ 8,765	\$ 398,346	20.49%
2015	103,908	104,164	(256)	381,312	27.32%
2016	123,379	123,379	-	447,838	27.55%
2017	115,802	115,802	-	449,193	25.78%
2018	116,447	123,225	(6,778)	501,062	23.24%
2019	143,124	143,123	1	556,687	25.71%
2020	128,726	128,727	(1)	565,082	22.78%

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, Illinois
Schedule of Employer Contributions - Defined Benefit Retirement Plans
November 30, 2021
Unaudited

Notes to Schedule of Contributions

Summary of actuarial methods and assumptions used in the calculation of the 2020 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 2020 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): 23-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 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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-2017 (base year 2015). 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, 2018, actuarial valuation.

Hancock County, Illinois
Budgetary Comparison Schedule
General Fund
Year Ended November 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
Resources (Inflows)				
Property taxes	\$ 1,010,820	\$ 1,010,820	\$ 1,010,360	\$ (460)
Intergovernmental	1,825,315	1,825,315	4,055,783	2,230,468
Charges-ETSB 911	150,000	150,000	126,985	(23,015)
Fees	409,580	409,580	478,534	68,954
Fines	169,500	169,500	208,418	38,918
Interest	6,000	6,000	7,189	1,189
Other	272,986	272,986	263,371	(9,615)
Total Resources	<u>3,844,201</u>	<u>3,844,201</u>	<u>6,150,640</u>	<u>2,306,439</u>
Charges to Appropriations (Outflows)				
General Government				
Courthouse and jail	416,627	459,869	451,204	8,665
County Clerk	185,473	185,473	150,585	34,888
County Treasurer	151,030	151,030	150,000	1,030
County Board	53,311	56,308	56,208	100
Supervisor of Assessments	208,518	208,518	197,502	11,016
Elections	153,228	153,228	134,888	18,340
Miscellaneous	670,271	681,794	681,294	500
Contingencies	30,000	6,128	6,125	3
Total General Government	<u>1,868,458</u>	<u>1,902,348</u>	<u>1,827,806</u>	<u>74,542</u>
Public Safety				
County Sheriff	1,421,252	1,429,159	1,429,159	-
Coroner	46,317	46,317	37,139	9,178
Emergency Services	23,930	23,930	22,971	959
Animal Control	45,677	45,677	33,262	12,415
Total Public Safety	<u>1,537,176</u>	<u>1,545,083</u>	<u>1,522,531</u>	<u>22,552</u>
Judiciary				
Courts	120,000	72,305	38,481	33,824
State's Attorney	359,692	381,709	381,710	(1)
Circuit Clerk	213,307	213,307	207,031	6,276
Total Judiciary	<u>692,999</u>	<u>667,321</u>	<u>627,222</u>	<u>40,099</u>
Health and Welfare	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Education	<u>60,055</u>	<u>60,055</u>	<u>57,030</u>	<u>3,025</u>
Total Charges to Appropriations	<u>4,161,188</u>	<u>4,177,307</u>	<u>4,037,089</u>	<u>140,218</u>
Excess (Deficiency) of Resources over Appropriations	<u>(316,987)</u>	<u>(333,106)</u>	<u>2,113,551</u>	<u>2,446,657</u>
Transfers (to) from other funds	<u>282,000</u>	<u>282,000</u>	<u>-</u>	<u>(282,000)</u>
Net Change to Budgetary Fund Balance	<u>\$ (34,987)</u>	<u>\$ (51,106)</u>	<u>\$ 2,113,551</u>	<u>\$ 2,164,657</u>
Reconciliation to modified accrual			(77,524)	
Budgetary Fund Balance, December 1, 2020			<u>1,428,251</u>	
Budgetary Fund Balance, November 30, 2021			<u>\$ 3,464,278</u>	

Hancock County, Illinois
Budgetary Comparison Schedule
Liability Insurance Fund
Year Ended November 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
Resources (Inflows)				
Property taxes	\$ 614,343	\$ 614,343	\$ 614,132	\$ (211)
Interest	2,400	2,400	693	(1,707)
Miscellaneous	-	-	-	-
Total Resources	<u>616,743</u>	<u>616,743</u>	<u>614,825</u>	<u>(1,918)</u>
Charges to Appropriations (Outflows)				
General Government:				
Bonds	100	123	123	-
Liability insurance	152,000	180,628	180,628	-
Health insurance fixed cost	277,000	277,000	256,700	20,300
HAVA settlement	25,000	28,223	28,223	-
Miscellaneous	10,000	16,183	16,183	-
Judiciary:				
Liability insurance	<u>100,000</u>	<u>100,000</u>	<u>67,892</u>	<u>32,108</u>
Total Charges to Appropriations	<u>564,100</u>	<u>602,157</u>	<u>549,749</u>	<u>52,408</u>
Excess (Deficiency) of Resources over Appropriations	<u>52,643</u>	<u>14,586</u>	<u>65,076</u>	<u>50,490</u>
Transfers (to) from other funds	<u>(52,643)</u>	<u>(14,586)</u>	<u>-</u>	<u>14,586</u>
Net Change to Budgetary Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ 65,076	\$ <u>65,076</u>
Reconciliation to modified accrual			97,777	
Budgetary Fund Balance, December 1, 2020			<u>394,122</u>	
Budgetary Fund Balance, November 30, 2021			\$ <u>556,975</u>	

Hancock County, Illinois
Budgetary Comparison Schedule
Health Department
Year Ended November 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
Resources (Inflows)				
Property taxes	\$ 331,750	\$ 331,750	\$ 329,459	\$ (2,291)
Intergovernmental	1,142,611	1,142,611	141,855	(1,000,756)
Federal revenue	-	-	579,904	579,904
Grants and contributions	-	-	34,949	34,949
Charges for services	1,065,816	1,065,816	1,257,924	192,108
Interest	-	-	4,306	4,306
Other	-	-	11,795	11,795
Total Resources	<u>2,540,177</u>	<u>2,540,177</u>	<u>2,360,192</u>	<u>(179,985)</u>
Charges to Appropriations (Outflows)				
Health and welfare:				
Administration	291,144	291,144	362,930	(71,786)
Dental	561,877	561,877	467,029	94,848
Grants	1,151,174	1,151,174	809,020	342,154
Home Health	347,506	347,506	381,349	(33,843)
Wellness	188,404	188,404	188,002	402
Capital outlay	-	-	115,691	(115,691)
Total Charges to Appropriations	<u>2,540,105</u>	<u>2,540,105</u>	<u>2,324,021</u>	<u>216,084</u>
Excess (Deficiency) of Resources over Appropriations	<u>72</u>	<u>72</u>	<u>36,171</u>	<u>36,099</u>
Transfers (to) from other funds	-	-	-	-
Net Change to Budgetary Fund Balance	<u>\$ 72</u>	<u>\$ 72</u>	<u>\$ 36,171</u>	<u>\$ 36,099</u>
Reconciliation to modified accrual			(14,640)	
Budgetary Fund Balance, December 1, 2020			<u>1,145,556</u>	
Budgetary Fund Balance, November 30, 2021			<u>\$ 1,167,087</u>	

Hancock County, Illinois
Budgetary Comparison Schedule
IMRF Fund
Year Ended November 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Favorable (Unfavorable)
Resources (Inflows)				
Property taxes	\$ 500,000	\$ 500,000	\$ 496,335	\$ (3,665)
Interest	<u>3,000</u>	<u>3,000</u>	<u>635</u>	<u>(2,365)</u>
Total Resources	<u>503,000</u>	<u>503,000</u>	<u>496,970</u>	<u>(6,030)</u>
Charges to Appropriations (Outflows)				
General government:				
County Contribution - IMRF	<u>403,042</u>	<u>534,831</u>	<u>468,049</u>	<u>66,782</u>
Total Charges to Appropriations	<u>403,042</u>	<u>534,831</u>	<u>468,049</u>	<u>66,782</u>
Excess (Deficiency) of Resources over Appropriations	<u>99,958</u>	<u>(31,831)</u>	<u>28,921</u>	<u>60,752</u>
Transfers (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change to Budgetary Fund Balance	<u>\$ 99,958</u>	<u>\$ (31,831)</u>	<u>\$ 28,921</u>	<u>\$ 60,752</u>
Reconciliation to modified accrual			-	
Budgetary Fund Balance, December 1, 2020			<u>536,617</u>	
Budgetary Fund Balance, November 30, 2021			<u>\$ 565,538</u>	

Hancock County, Illinois
Notes to Budgetary Comparison Schedules
Major Governmental Funds

1. Basis of Accounting

Hancock County, Illinois' budget is prepared on the cash basis for all budgeted funds, including major funds.

Hancock County, Illinois

Combining Balance Sheet

General Fund

November 30, 2021

	<u>General</u>	<u>County Clerk Fee</u>	<u>Circuit Clerk Fee</u>	<u>ARPA Funds</u>	<u>Total</u>
Assets					
Cash	\$ 136,990	\$ 135,167	\$ -	\$ 1,711,190	\$ 1,983,347
Investments	1,200,267	-	75,349	-	1,275,616
Accounts receivable	275,419	-	-	-	275,419
Property taxes receivable	1,017,994	-	-	-	1,017,994
Due from other funds	<u>72,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,485</u>
Total Assets	<u>2,703,155</u>	<u>135,167</u>	<u>75,349</u>	<u>1,711,190</u>	<u>4,624,861</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	39,283	7,490	-	25,000	71,773
Accrued expenses	7,007	-	-	-	7,007
Deferred income	1,017,994	-	-	-	1,017,994
Funds held for others	-	56,006	-	-	56,006
Due to other funds	<u>-</u>	<u>7,803</u>	<u>-</u>	<u>-</u>	<u>7,803</u>
Total Liabilities	<u>1,064,284</u>	<u>71,299</u>	<u>-</u>	<u>25,000</u>	<u>1,160,583</u>
Fund Balances					
Restricted	-	-	-	1,686,190	1,686,190
Unassigned	<u>1,638,871</u>	<u>63,868</u>	<u>75,349</u>	<u>-</u>	<u>1,778,088</u>
Total Fund Balances	<u>1,638,871</u>	<u>63,868</u>	<u>75,349</u>	<u>1,686,190</u>	<u>3,464,278</u>
Total Liabilities and Fund Balances	\$ <u>2,703,155</u>	\$ <u>135,167</u>	\$ <u>75,349</u>	\$ <u>1,711,190</u>	\$ <u>4,624,861</u>

Hancock County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Year Ended November 30, 2021

	General	County Clerk Fee	Circuit Clerk Fee	ARPA Funds	Total
Revenues					
Property taxes	\$ 1,010,360	\$ -	\$ -	\$ -	\$ 1,010,360
Intergovernmental					
State income tax	847,012	-	-	-	847,012
State sales tax	877,415	-	-	-	877,415
State replacement tax	131,045	-	-	-	131,045
Video gaming tax	15,941	-	-	-	15,941
Cannabis use tax	8,880	-	-	-	8,880
State's Attorney salary	123,338	-	-	-	123,338
Public defenders reimbursement	61,327	-	-	-	61,327
Supervisor of Assessments	38,100	-	-	-	38,100
Victim Coordinator	28,500	-	-	-	28,500
Reimburse election costs	61,632	-	-	-	61,632
IEMA grant and reimbursement	7,139	-	-	-	7,139
Other	374,204	-	-	1,719,786	2,093,990
Total Intergovernmental	2,574,533	-	-	1,719,786	4,294,319
Fees					
County Clerk	162,616	20,619	-	-	183,235
Circuit Clerk	188,976	-	-	-	188,976
Public Defender	16,666	-	-	-	16,666
State's Attorney	480	-	-	-	480
Sheriff	115,457	-	-	-	115,457
Sheriff answering service	8,510	-	-	-	8,510
Sales	12,110	-	-	-	12,110
Other	12,361	-	-	-	12,361
Total Fees	517,176	20,619	-	-	537,795
Fines					
Fines	147,168	-	-	-	147,168
Real estate tax penalties	61,250	-	-	-	61,250
Total Fines	208,418	-	-	-	208,418
Charges - ETSB 911	126,985	-	-	-	126,985
Interest	3,691	516	1,798	1,404	7,409
Other					
Reimbursement - 911 coordinator	70,477	-	-	-	70,477
Reimbursement - health department	12,714	-	-	-	12,714
Reimbursement - janitor salary	50,046	-	-	-	50,046
Other	263,585	170	-	-	263,755
Total Other	396,822	170	-	-	396,992
Total Revenues	\$ 4,837,985	\$ 21,305	\$ 1,798	\$ 1,721,190	\$ 6,582,278

Hancock County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Year Ended November 30, 2021

	<u>General</u>	<u>County Clerk Fee</u>	<u>Circuit Clerk Fee</u>	<u>ARPA Funds</u>	<u>Total</u>
Expenditures					
General Government					
Courthouse and jail	\$ 457,613	\$ -	\$ -	\$ -	\$ 457,613
County Clerk	150,585	-	-	25,000	175,585
County Treasurer	150,120	-	-	-	150,120
County Board	56,208	-	-	-	56,208
Supervisor of Assessments	197,502	-	-	-	197,502
Elections	106,396	-	-	-	106,396
Miscellaneous	1,038,124	-	-	10,000	1,048,124
Contingencies	<u>6,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,125</u>
Total General Government	<u>2,162,673</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>2,197,673</u>
Public Safety					
County Sheriff	1,593,879	-	-	-	1,593,879
Coroner	37,139	-	-	-	37,139
ESDA	22,971	-	-	-	22,971
Animal Control	<u>33,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,262</u>
Total Public Safety	<u>1,687,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,687,251</u>
Judiciary					
Courts	38,481	-	-	-	38,481
State's Attorney	356,285	-	-	-	356,285
Circuit Clerk	<u>207,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,031</u>
Total Judiciary	<u>601,797</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>601,797</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>57,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,030</u>
Total Expenditures	<u>4,511,251</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>4,546,251</u>
Excess (Deficiency) of Revenues over Expenditures	<u>326,734</u>	<u>21,305</u>	<u>1,798</u>	<u>1,686,190</u>	<u>2,036,027</u>
Fund Balance, December 1, 2020	<u>1,312,137</u>	<u>42,563</u>	<u>73,551</u>	<u>-</u>	<u>1,428,251</u>
Fund Balance, November 30, 2021	<u>\$ 1,638,871</u>	<u>\$ 63,868</u>	<u>\$ 75,349</u>	<u>\$ 1,686,190</u>	<u>\$ 3,464,278</u>

Hancock County, Illinois
Combining Balance Sheet
Nonmajor Governmental Funds
November 30, 2021

	Capital Improvement	Debt Service	County Highway	County Bridge	County Motor Fuel Tax	Federal Aid	Engineering and Administration	Building Lease
Assets								
Cash	\$ 2,647	\$ 602	\$ 24,929	\$ 25,332	\$ 25,168	\$ 25,583	\$ 25,037	\$ -
Investments	-	-	481,448	186,000	1,008,000	5,000	76,000	-
Accounts receivable	-	-	-	-	41,990	-	22,045	-
Property taxes receivable	-	-	334,000	167,000	-	167,000	-	432,000
Prepaid insurance	-	-	-	-	-	-	-	-
Inventories, at cost	-	-	-	-	13,990	-	-	-
Due from other funds	-	-	98,284	-	-	-	100,681	-
Total Assets	<u>2,647</u>	<u>602</u>	<u>938,661</u>	<u>378,332</u>	<u>1,089,148</u>	<u>197,583</u>	<u>223,763</u>	<u>432,000</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	-	-	11,782	1,760	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-	-
Unearned income	-	-	334,000	167,000	-	167,000	-	432,000
Due to other funds	-	-	-	-	98,284	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>345,782</u>	<u>168,760</u>	<u>98,284</u>	<u>167,000</u>	<u>-</u>	<u>432,000</u>
Fund Balances								
Nonspendable	-	-	-	-	13,990	-	-	-
Restricted	2,647	602	-	209,572	976,874	30,583	-	-
Assigned	-	-	592,879	-	-	-	223,763	-
Total Fund Balances	<u>2,647</u>	<u>602</u>	<u>592,879</u>	<u>209,572</u>	<u>990,864</u>	<u>30,583</u>	<u>223,763</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 2,647</u>	<u>\$ 602</u>	<u>\$ 938,661</u>	<u>\$ 378,332</u>	<u>\$ 1,089,148</u>	<u>\$ 197,583</u>	<u>\$ 223,763</u>	<u>\$ 432,000</u>

Hancock County, Illinois
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
November 30, 2021

	Circuit Clerk Admin.	Treasurer's Automation	Veterans Assistance	Workers' Comp.	Ambulance	Sheriff	Social Security/ Medicare	Interest Escrow
Assets								
Cash	\$ 2,426	\$ 3,172	\$ 3,783	\$ 2,636	\$ 82,839	\$ 205,477	\$ 29,794	\$ 30,815
Investments	113,000	84,000	157,690	422,000	40,000	-	280,000	-
Accounts receivable	-	-	-	-	120,779	-	-	-
Property taxes receivable	-	-	30,000	140,000	215,000	-	380,000	-
Prepaid insurance	-	-	-	6,290	-	-	-	-
Inventories, at cost	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Total Assets	<u>115,426</u>	<u>87,172</u>	<u>191,473</u>	<u>570,926</u>	<u>458,618</u>	<u>205,477</u>	<u>689,794</u>	<u>30,815</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	-	-	-	-	20,165	1,345	-	-
Accrued expenses	-	-	-	-	31,819	-	-	-
Unearned income	-	-	30,000	140,000	215,000	-	380,000	-
Due to other funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>140,000</u>	<u>266,984</u>	<u>1,345</u>	<u>380,000</u>	<u>-</u>
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	115,426	87,172	161,473	430,926	-	-	309,794	30,815
Assigned	-	-	-	-	191,634	204,132	-	-
Total Fund Balances	<u>115,426</u>	<u>87,172</u>	<u>161,473</u>	<u>430,926</u>	<u>191,634</u>	<u>204,132</u>	<u>309,794</u>	<u>30,815</u>
Total Liabilities and Fund Balances	<u>\$ 115,426</u>	<u>\$ 87,172</u>	<u>\$ 191,473</u>	<u>\$ 570,926</u>	<u>\$ 458,618</u>	<u>\$ 205,477</u>	<u>\$ 689,794</u>	<u>\$ 30,815</u>

Hancock County, Illinois
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
November 30, 2021

	<u>Record Preservation</u>	<u>Vital Records</u>	<u>Court Automation</u>	<u>Document Storage</u>	<u>State's Attorney Automation</u>	<u>Public Defender Automation</u>	<u>Court Operations</u>	<u>Law Library</u>
Assets								
Cash	\$ 8,008	\$ 2,507	\$ 2,465	\$ 2,052	\$ 6,457	\$ 1,647	\$ 2,665	\$ 2,137
Investments	98,499	67,000	62,000	255,000	-	-	207,000	-
Accounts receivable	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-
Inventories, at cost	-	-	-	-	-	-	-	-
Due from other funds	<u>4,273</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>110,780</u>	<u>69,607</u>	<u>64,465</u>	<u>257,052</u>	<u>6,457</u>	<u>1,647</u>	<u>209,665</u>	<u>2,137</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	-	-	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-	-
Unearned income	-	-	-	-	-	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	110,780	69,607	64,465	257,052	-	-	-	-
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,457</u>	<u>1,647</u>	<u>209,665</u>	<u>2,137</u>
Total Fund Balances	<u>110,780</u>	<u>69,607</u>	<u>64,465</u>	<u>257,052</u>	<u>6,457</u>	<u>1,647</u>	<u>209,665</u>	<u>2,137</u>
Total Liabilities and Fund Balances	<u>\$ 110,780</u>	<u>\$ 69,607</u>	<u>\$ 64,465</u>	<u>\$ 257,052</u>	<u>\$ 6,457</u>	<u>\$ 1,647</u>	<u>\$ 209,665</u>	<u>\$ 2,137</u>

Hancock County, Illinois
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
November 30, 2021

	Maintenance and Child Support	GIS	Coroner Grant	Drug Act	DUI	Public Transportation	Probation Fees	Total
Assets								
Cash	\$ 2,070	\$ 2,556	\$ 16,608	\$ 37,644	\$ 20,891	\$ 47,683	\$ 210,589	\$ 856,219
Investments	15,000	250,540	-	-	-	-	-	3,808,177
Accounts receivable	-	-	-	-	-	133,311	-	318,125
Property taxes receivable	-	-	-	-	-	-	-	1,865,000
Prepaid insurance	-	-	-	-	-	-	-	6,290
Inventories, at cost	-	-	-	-	-	-	-	13,990
Due from other funds	-	3,430	-	-	-	-	-	206,768
Total Assets	<u>17,070</u>	<u>256,526</u>	<u>16,608</u>	<u>37,644</u>	<u>20,891</u>	<u>180,994</u>	<u>210,589</u>	<u>7,074,569</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	-	-	-	-	-	23,502	-	58,554
Accrued expenses	-	-	-	-	-	-	-	31,819
Unearned income	-	-	-	-	-	-	-	1,865,000
Due to other funds	-	-	-	-	-	-	-	98,284
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,502</u>	<u>-</u>	<u>2,053,657</u>
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	13,990
Restricted	17,070	256,526	16,608	27,903	-	-	210,589	3,386,484
Assigned	-	-	-	9,741	20,891	157,492	-	1,620,438
Total Fund Balances	<u>17,070</u>	<u>256,526</u>	<u>16,608</u>	<u>37,644</u>	<u>20,891</u>	<u>157,492</u>	<u>210,589</u>	<u>5,020,912</u>
Total Liabilities and Fund Balances	\$ <u>17,070</u>	\$ <u>256,526</u>	\$ <u>16,608</u>	\$ <u>37,644</u>	\$ <u>20,891</u>	\$ <u>180,994</u>	\$ <u>210,589</u>	\$ <u>7,074,569</u>

Hancock County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended November 30, 2021

	<u>Capital Improvement</u>	<u>Debt Service</u>	<u>County Highway</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								
Property taxes	\$ -	\$ -	\$ 328,749	\$ 164,374	\$ -	\$ 164,374	\$ -	\$ 429,608
Intergovernmental - State of Illinois	-	-	-	-	975,470	-	-	-
Federal revenue	-	-	224,859	-	-	-	22,045	-
Grants and contributions	-	-	-	-	-	-	-	-
Charges for services	-	-	537,276	13,000	-	-	100,681	-
Fees	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-
Interest	-	-	1,058	273	1,447	234	237	-
Other	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>1,091,942</u>	<u>177,647</u>	<u>976,917</u>	<u>164,608</u>	<u>122,963</u>	<u>429,608</u>
Expenditures								
Current								
General government	-	-	-	-	-	-	-	429,608
Public Safety	-	-	-	-	-	-	-	-
Judiciary	-	-	-	-	-	-	-	-
Public works and transportation	-	-	1,119,017	16,022	574,091	244,466	89,018	-
Health and welfare	-	-	-	-	-	-	-	-
Capital Outlay	-	-	120,253	39,983	-	30,893	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,239,270</u>	<u>56,005</u>	<u>574,091</u>	<u>275,359</u>	<u>89,018</u>	<u>429,608</u>
Excess of Revenues over (under) Expenditures	<u>-</u>	<u>-</u>	<u>(147,328)</u>	<u>121,642</u>	<u>402,826</u>	<u>(110,751)</u>	<u>33,945</u>	<u>-</u>
Fund Balances, December 1, 2020	<u>2,647</u>	<u>602</u>	<u>740,207</u>	<u>87,930</u>	<u>588,038</u>	<u>141,334</u>	<u>189,818</u>	<u>-</u>
Fund Balances, November 30, 2021	<u>\$ 2,647</u>	<u>\$ 602</u>	<u>\$ 592,879</u>	<u>\$ 209,572</u>	<u>\$ 990,864</u>	<u>\$ 30,583</u>	<u>\$ 223,763</u>	<u>\$ -</u>

Hancock County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
Year Ended November 30, 2021

	<u>Circuit Clerk Admin.</u>	<u>Treasurer's Automation</u>	<u>Veterans Assistance</u>	<u>Workers' Comp.</u>	<u>Ambulance</u>	<u>Sheriff</u>	<u>Social Security/ Medicare</u>	<u>Interest Escrow</u>
Revenues								
Property taxes	\$ -	\$ -	\$ 30,168	\$ 139,364	\$ 204,768	\$ -	\$ 377,982	\$ -
Intergovernmental - State of Illinois	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	32,325	51,286	-	-
Grants and contributions	-	-	-	-	46,100	-	-	-
Charges for services	-	-	-	-	657,022	375,152	-	-
Fees	8,851	8,682	-	-	-	-	-	30,748
Fines	-	-	-	-	-	-	-	-
Interest	170	152	1,131	663	479	122	637	67
Other	-	-	100	-	71,350	12,906	2,477	-
Total Revenues	<u>9,021</u>	<u>8,834</u>	<u>31,399</u>	<u>140,027</u>	<u>1,012,044</u>	<u>439,466</u>	<u>381,096</u>	<u>30,815</u>
Expenditures								
Current								
General government	-	2,844	-	72,574	-	-	64,076	-
Public Safety	-	-	-	-	-	335,382	106,359	-
Judiciary	-	-	-	-	-	-	24,960	-
Public works and transportation	-	-	-	-	-	-	43,268	-
Health and welfare	-	-	22,532	-	982,748	-	155,041	-
Capital Outlay	-	6,800	-	-	191,946	36,410	-	-
Debt Service	-	-	-	-	65,250	31,373	-	-
Total Expenditures	<u>-</u>	<u>9,644</u>	<u>22,532</u>	<u>72,574</u>	<u>1,239,944</u>	<u>403,165</u>	<u>393,704</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	<u>9,021</u>	<u>(810)</u>	<u>8,867</u>	<u>67,453</u>	<u>(227,900)</u>	<u>36,301</u>	<u>(12,608)</u>	<u>30,815</u>
Fund Balances, December 1, 2020	<u>106,405</u>	<u>87,982</u>	<u>152,606</u>	<u>363,473</u>	<u>419,534</u>	<u>167,831</u>	<u>322,402</u>	<u>-</u>
Fund Balances, November 30, 2021	<u>\$ 115,426</u>	<u>\$ 87,172</u>	<u>\$ 161,473</u>	<u>\$ 430,926</u>	<u>\$ 191,634</u>	<u>\$ 204,132</u>	<u>\$ 309,794</u>	<u>\$ 30,815</u>

Hancock County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
Year Ended November 30, 2021

	<u>Record Preservation</u>	<u>Vital Records</u>	<u>Court Automation</u>	<u>Document Storage</u>	<u>State's Attorney Automation</u>	<u>Public Defender Automation</u>	<u>Court Operations</u>	<u>Law Library</u>
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State of Illinois	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fees	48,339	5,466	31,617	30,793	826	902	95,297	998
Fines	-	-	-	-	-	-	-	-
Interest	902	127	80	364	15	3	235	4
Other	-	-	-	-	-	-	-	-
Total Revenues	<u>49,241</u>	<u>5,593</u>	<u>31,697</u>	<u>31,157</u>	<u>841</u>	<u>905</u>	<u>95,532</u>	<u>1,002</u>
Expenditures								
Current								
General government	23,400	4,751	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Judiciary	-	-	13,170	-	-	-	-	-
Public works and transportation	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>23,400</u>	<u>4,751</u>	<u>13,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	<u>25,841</u>	<u>842</u>	<u>18,527</u>	<u>31,157</u>	<u>841</u>	<u>905</u>	<u>95,532</u>	<u>1,002</u>
Fund Balances, December 1, 2020	<u>84,939</u>	<u>68,765</u>	<u>45,938</u>	<u>225,895</u>	<u>5,616</u>	<u>742</u>	<u>114,133</u>	<u>1,135</u>
Fund Balances, November 30, 2021	<u>\$ 110,780</u>	<u>\$ 69,607</u>	<u>\$ 64,465</u>	<u>\$ 257,052</u>	<u>\$ 6,457</u>	<u>\$ 1,647</u>	<u>\$ 209,665</u>	<u>\$ 2,137</u>

Hancock County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued)

Nonmajor Governmental Funds

Year Ended November 30, 2021

	Maintenance and Child Support	GIS	Coroner Grant	Drug Act	DUI	Public Transportation	Probation Fees	Total
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,839,387
Intergovernmental - State of Illinois	-	-	3,922	-	-	55,756	-	1,035,148
Federal revenue	-	-	-	-	-	215,076	-	545,591
Grants and contributions	-	-	-	-	-	-	-	46,100
Charges for services	-	-	-	-	-	956	-	1,684,087
Fees	72	38,371	-	-	408	-	29,577	330,947
Fines	-	-	-	15,271	2,505	-	-	17,776
Interest	34	1,412	49	23	-	121	521	10,560
Other	-	-	-	-	(1,310)	20,994	-	106,517
Total Revenues	<u>106</u>	<u>39,783</u>	<u>3,971</u>	<u>15,294</u>	<u>1,603</u>	<u>292,903</u>	<u>30,098</u>	<u>5,616,113</u>
Expenditures								
Current								
General government	-	29,320	-	-	-	-	-	626,573
Public Safety	-	-	2,476	7,860	2,947	-	-	455,024
Judiciary	-	-	-	-	-	-	24,174	62,304
Public works and transportation	-	-	-	-	-	258,097	-	2,343,979
Health and welfare	-	-	-	-	-	-	-	1,160,321
Capital Outlay	-	-	-	-	-	-	-	426,285
Debt Service	-	-	-	-	-	-	-	96,623
Total Expenditures	<u>-</u>	<u>29,320</u>	<u>2,476</u>	<u>7,860</u>	<u>2,947</u>	<u>258,097</u>	<u>24,174</u>	<u>5,171,109</u>
Excess of Revenues over (under) Expenditures	<u>106</u>	<u>10,463</u>	<u>1,495</u>	<u>7,434</u>	<u>(1,344)</u>	<u>34,806</u>	<u>5,924</u>	<u>445,004</u>
Fund Balances, December 1, 2020	<u>16,964</u>	<u>246,063</u>	<u>15,113</u>	<u>30,210</u>	<u>22,235</u>	<u>122,686</u>	<u>204,665</u>	<u>4,575,908</u>
Fund Balances, November 30, 2021	<u>\$ 17,070</u>	<u>\$ 256,526</u>	<u>\$ 16,608</u>	<u>\$ 37,644</u>	<u>\$ 20,891</u>	<u>\$ 157,492</u>	<u>\$ 210,589</u>	<u>\$ 5,020,912</u>

Hancock County, Illinois
Combining Statement of Net Position

Internal Service Funds

November 30, 2021

	Hancock Public Building Commission	Unemployment Compensation	Premium and Medical Care	Total
Assets				
Current Assets				
Cash	\$ 772,001	\$ 3,784	\$ 53,974	\$ 829,759
Investments	-	199,000	160,000	359,000
Reinsurance receivable	-	-	47,962	47,962
Prepaid insurance	-	-	25,129	25,129
Total Current Assets	<u>772,001</u>	<u>202,784</u>	<u>287,065</u>	<u>1,261,850</u>
Capital Assets				
Building and equipment (net of accumulated depreciation)	<u>1,069,032</u>	<u>-</u>	<u>-</u>	<u>1,069,032</u>
Total Assets	<u>1,841,033</u>	<u>202,784</u>	<u>287,065</u>	<u>2,330,882</u>
Deferred Outflows of Resources				
Property taxes receivable	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Liabilities				
Accounts/Claims payable	-	-	50,000	50,000
Due to other funds	<u>54,357</u>	<u>-</u>	<u>-</u>	<u>54,357</u>
Total Liabilities	<u>54,357</u>	<u>-</u>	<u>50,000</u>	<u>104,357</u>
Deferred Inflows of Resources				
Unearned income	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Net Position				
Invested in capital assets	1,069,032	-	-	1,069,032
Unrestricted	<u>717,644</u>	<u>202,784</u>	<u>237,065</u>	<u>1,157,493</u>
Total Net Position	\$ <u>1,786,676</u>	\$ <u>202,784</u>	\$ <u>237,065</u>	\$ <u>2,226,525</u>

Hancock County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Net Position

Internal Service Funds

Year Ended November 30, 2021

	Hancock Public Building Commission	Unemployment Compensation	Premium and Medical Care	Total
Operating Revenues				
Taxes - Property	\$ -	\$ 34,951	\$ -	\$ 34,951
Charges for services	-	-	541,787	541,787
Rent	429,608	-	-	429,608
Federal revenue	14,149	-	-	14,149
Other	-	-	257,672	257,672
Total Operating Revenues	<u>443,757</u>	<u>34,951</u>	<u>799,459</u>	<u>1,278,167</u>
Operating Expenses				
Claims and expenses	-	5,311	771,057	776,368
Utilities	70,759	-	-	70,759
Janitor	40,722	-	-	40,722
Maintenance superintendent	9,324	-	-	9,324
Treasurer's fees	5,783	-	-	5,783
Insurance	54,357	-	-	54,357
Repairs and maintenance	77,727	-	-	77,727
Depreciation	74,186	-	-	74,186
Total Operating Expenses	<u>332,858</u>	<u>5,311</u>	<u>771,057</u>	<u>1,109,226</u>
Operating Income (Loss)	<u>110,899</u>	<u>29,640</u>	<u>28,402</u>	<u>168,941</u>
Nonoperating Revenue				
Interest	<u>3,145</u>	<u>321</u>	<u>644</u>	<u>4,110</u>
Net Income (Loss)	114,044	29,961	29,046	173,051
Net Position, December 1, 2020	<u>1,672,632</u>	<u>172,823</u>	<u>208,019</u>	<u>2,053,474</u>
Net Position, November 30, 2021	\$ <u><u>1,786,676</u></u>	\$ <u><u>202,784</u></u>	\$ <u><u>237,065</u></u>	\$ <u><u>2,226,525</u></u>

Hancock County, Illinois
Combining Statement of Cash Flows
Internal Service Funds
Year Ended November 30, 2021

	Hancock Public Building Commission	Unemployment Compensation	Premium and Medical Care	Total
Cash Flows from Operating Activities				
Receipts from other funds	\$ 429,608	\$ -	\$ 541,787	\$ 971,395
Receipts from property taxes	-	34,951	-	34,951
Other receipts	14,149	-	211,050	225,199
Payments to employees	(44,263)	-	-	(44,263)
Claims paid	-	(5,311)	(791,512)	(796,823)
Payments for goods and services	(160,052)	-	-	(160,052)
Net Cash Provided by (Applied to) Operating Activities	<u>239,442</u>	<u>29,640</u>	<u>(38,675)</u>	<u>230,407</u>
Cash Flows from Investing Activities				
Interest	3,145	321	644	4,110
Purchases and redemptions of investments	-	(30,000)	25,000	(5,000)
Net Cash Provided by (Applied to) Investing Activities	<u>3,145</u>	<u>(29,679)</u>	<u>25,644</u>	<u>(890)</u>
Cash Flows from Capital and Financing Activities				
Purchase of capital assets	(269,158)	-	-	(269,158)
Net Cash Applied to Capital and Financing Activities	<u>(269,158)</u>	<u>-</u>	<u>-</u>	<u>(269,158)</u>
Net Increase (Decrease) in Cash	(26,571)	(39)	(13,031)	(39,641)
Cash Balance, December 1, 2020	<u>798,572</u>	<u>3,823</u>	<u>67,005</u>	<u>869,400</u>
Cash Balance, November 30, 2021	<u>\$ 772,001</u>	<u>\$ 3,784</u>	<u>\$ 53,974</u>	<u>\$ 829,759</u>
Reconciliation of Income (Loss) to Net Cash Provided by (Applied to) Operating Activities				
Operating income (loss)	\$ 110,899	\$ 29,640	\$ 28,402	\$ 168,941
Adjustments to reconcile net operating income (loss) to net cash provided by (applied to) operating activities:				
Non-cash: Depreciation	74,186	-	-	74,186
Changes in assets and liabilities:				
Reinsurance receivable	-	-	(46,622)	(46,622)
Prepaid expenses	-	-	(455)	(455)
Accounts payable and accrued expenses	54,357	-	(20,000)	34,357
Net Cash Provided by (Applied to) Operating Activities	<u>\$ 239,442</u>	<u>\$ 29,640</u>	<u>\$ (38,675)</u>	<u>\$ 230,407</u>

Hancock County, Illinois
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
November 30, 2021

	Township Motor Fuel Tax	Township Bridge	Total
Assets			
Cash	\$ 30,985	\$ 25,521	\$ 56,506
Investments	2,761,000	84,000	2,845,000
Accounts receivable	<u>198,874</u>	<u>-</u>	<u>198,874</u>
Total Assets	<u><u>2,990,859</u></u>	<u><u>109,521</u></u>	<u><u>3,100,380</u></u>
Liabilities			
Accounts payable	342,434	-	342,434
Due to other funds	<u>100,681</u>	<u>-</u>	<u>100,681</u>
Total Liabilities	<u><u>443,115</u></u>	<u><u>-</u></u>	<u><u>443,115</u></u>
Net Position			
Unrestricted	\$ <u><u>2,547,744</u></u>	\$ <u><u>109,521</u></u>	\$ <u><u>2,657,265</u></u>

Hancock County, Illinois
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
Year Ended November 30, 2021

	Township Motor Fuel Tax	Township Bridge	Total
Additions			
Intergovernmental			
Illinois motor fuel tax	\$ 2,575,175	\$ -	\$ 2,575,175
State of Illinois	<u>1,245,112</u>	<u>-</u>	<u>1,245,112</u>
Total Intergovernmental	3,820,287	-	3,820,287
Interest	<u>6,142</u>	<u>381</u>	<u>6,523</u>
Total Additions	<u>3,826,429</u>	<u>381</u>	<u>3,826,810</u>
Deductions			
Township Road and Bridge Construction and maintenance	<u>3,472,434</u>	<u>6,952</u>	<u>3,479,386</u>
Total Deductions	<u>3,472,434</u>	<u>6,952</u>	<u>3,479,386</u>
Change in Net Position	353,995	(6,571)	347,424
Net Position - Beginning	<u>2,193,749</u>	<u>116,092</u>	<u>2,309,841</u>
Net Position - Ending	\$ <u><u>2,547,744</u></u>	\$ <u><u>109,521</u></u>	\$ <u><u>2,657,265</u></u>

Hancock County, Illinois
Combining Statement of Fiduciary Assets and Liabilities
Custodial Funds
Year Ended November 30, 2021

	County Collector	Protested Tax	Circuit Clerk	Abandoned Property	Sheriff Bond
Assets					
Cash	\$ 30,429	\$ 2,041	\$ 311,744	\$ 2,031	\$ 280
Investments	-	12,000	10,636	3,000	-
Accounts receivable	<u>1,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>32,079</u>	<u>14,041</u>	<u>322,380</u>	<u>5,031</u>	<u>280</u>
Liabilities					
Due to other funds	<u>-</u>	<u>-</u>	<u>50,075</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>50,075</u>	<u>-</u>	<u>-</u>
Net Position					
Restricted for individuals, organizations, and other governments	\$ <u>32,079</u>	\$ <u>14,041</u>	\$ <u>272,305</u>	\$ <u>5,031</u>	\$ <u>280</u>

	Adult Restitution	Condemnation	ICP Dist. #9 Fish & Wildlife	ISP DUI Equipment	Total
Assets					
Cash	\$ -	\$ 1,951	\$ 6,595	\$ 1,606	\$ 356,677
Investments	-	-	-	-	25,636
Accounts receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,650</u>
Total Assets	<u>-</u>	<u>1,951</u>	<u>6,595</u>	<u>1,606</u>	<u>383,963</u>
Liabilities					
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,075</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,075</u>
Net Position					
Restricted for individuals, organizations, and other governments	\$ <u>-</u>	\$ <u>1,951</u>	\$ <u>6,595</u>	\$ <u>1,606</u>	\$ <u>333,888</u>

Hancock County, Illinois
Net Position by Component
Last Three Fiscal Years
(Accrual Basis of Accounting)

		Year Ending November 30		
		2019	2020	2021
Governmental Activities				
Invested in capital assets, net of related debt	\$	11,815,355	\$ 11,223,604	\$ 11,381,427
Restricted		3,942,547	4,799,241	7,242,018
Unrestricted		<u>2,895,782</u>	<u>3,739,577</u>	<u>4,767,039</u>
Total Governmental Activities Net Position	\$	<u>18,653,684</u>	\$ <u>19,762,422</u>	\$ <u>23,390,484</u>

Hancock County, Illinois

Changes in Net Position

Last Three Fiscal Years

(Accrual Basis of Accounting)

	Year Ending November 30		
	2019	2020	2021
Program Revenues			
Governmental Activities			
Charges for services			
Fines and forfeitures	248,373	184,142	226,194
County Clerk, Circuit Clerk and Sheriff fees	439,118	392,508	487,668
ETBS, Highway and Ambulance	866,798	126,552	126,985
All other charges for services	1,969,871	3,338,065	3,252,506
Operating grants and contributions	1,471,981	2,494,768	4,823,371
Total Governmental Activities Revenues	<u>4,996,141</u>	<u>6,536,035</u>	<u>8,916,724</u>
Expenses			
Governmental Activities			
General government	\$ 2,245,681	\$ 2,903,691	\$ 2,321,590
Public safety	1,947,393	2,052,464	2,450,080
Judiciary	814,665	840,068	775,991
Public works and transportation	2,893,195	2,901,472	3,029,080
Health and welfare	2,827,723	3,049,018	3,617,476
Education	55,701	59,415	57,030
Interest Expense	<u>7,020</u>	<u>3,139</u>	<u>6,042</u>
Total Governmental Activities Expenses	<u>10,791,378</u>	<u>11,809,267</u>	<u>12,257,289</u>
Net Revenue (Expense)	<u>(5,795,237)</u>	<u>(5,273,232)</u>	<u>(3,340,565)</u>
General Revenue and Other Changes in Net Position			
Governmental Activities			
Property taxes	4,166,354	4,186,761	4,324,624
Other taxes	1,481,044	1,546,496	1,880,293
Interest	79,742	49,338	27,713
Miscellaneous	<u>517,467</u>	<u>599,375</u>	<u>735,997</u>
Total Governmental Activities	<u>6,244,607</u>	<u>6,381,970</u>	<u>6,968,627</u>
Changes in Net Position	<u>\$ 449,370</u>	<u>\$ 1,108,738</u>	<u>\$ 3,628,062</u>

Hancock County, Illinois
Fund Balances, Governmental Funds
Last Three Fiscal Years
(Modified Accrual Basis of Accounting)

	Year Ending November 30		
	2019	2020	2021
General Fund			
Nonspendable	\$ 22,527	\$ 2,996	\$ -
Restricted	9,575	-	1,686,190
Unassigned	<u>1,338,948</u>	<u>1,425,255</u>	<u>1,778,088</u>
Total General Fund	<u>1,371,050</u>	<u>1,428,251</u>	<u>3,464,278</u>
All Other Governmental Funds			
Nonspendable	49,332	56,243	67,756
Restricted	4,005,999	4,900,297	5,622,318
Assigned	<u>1,128,364</u>	<u>1,695,663</u>	<u>1,620,438</u>
Total All Other Governmental Funds	<u>5,183,695</u>	<u>6,652,203</u>	<u>7,310,512</u>
Total Governmental Funds	\$ <u><u>6,554,745</u></u>	\$ <u><u>8,080,454</u></u>	\$ <u><u>10,774,790</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.

Hancock County, Illinois
Changes in Fund Balances, Governmental Funds
Last Three Fiscal Years
(Modified Accrual Basis of Accounting)

	Year Ending November 30		
	2019	2020	2021
Revenues			
Taxes - Property	\$ 4,131,376	\$ 4,151,741	\$ 4,289,673
Intergovernmental - State of Illinois	2,347,730	3,075,995	5,098,924
Federal revenue	593,677	913,093	1,512,534
Grants and contributions	11,618	52,176	92,206
Charges for services	2,544,646	3,136,868	2,998,417
Fees	731,141	720,257	868,742
Fines	248,373	184,142	226,194
Interest	68,691	42,426	23,603
Other	376,502	502,280	569,770
Total Revenues	<u>11,053,754</u>	<u>12,778,978</u>	<u>15,680,063</u>
Expenditures			
Current			
General government	2,565,082	2,911,221	3,068,356
Public Safety	1,793,899	1,916,828	2,332,351
Judiciary	807,536	846,530	757,373
Public works and transportation	2,273,084	2,278,815	2,387,073
Health and welfare	2,661,925	2,894,681	3,498,518
Education	55,701	59,415	57,030
Debt Service			
Principal	166,462	50,536	90,581
Interest	7,020	3,139	6,042
Capital Outlay	129,872	292,104	788,403
Total Expenditures	<u>10,460,581</u>	<u>11,253,269</u>	<u>12,985,727</u>
Excess of Revenues Over (Under) Expenditures	<u>593,173</u>	<u>1,525,709</u>	<u>2,694,336</u>
Other Financing Sources (Uses)			
Proceeds from borrowing	<u>65,000</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>\$ 658,173</u>	<u>\$ 1,525,709</u>	<u>\$ 2,694,336</u>



**Independent Auditors' Report on Internal Control over Financial
Reporting and on Compliance and Other Matters Based on an
Audit of Financials Statements Performed in Accordance
with *Government Auditing Standards***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hancock County, Illinois (County) as of and for the year ended November 30, 2021, and the related notes to the financial statements, which collectively comprise Hancock County, Illinois' basic financial statements and have issued our report thereon dated July 15, 2022.

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) as a basis for designing 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 the County's 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 exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2021-001, that we consider to be a material weakness.

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 financial statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Hancock County, Illinois' Responses to Finding

Hancock County, Illinois' response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Hancock County, Illinois' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in black ink that reads "Gray Hunter Stenn LLP". The signature is written in a cursive, flowing style.

Gray Hunter Stenn LLP

Dated at Quincy, Illinois
July 15, 2022



**Independent Auditors' Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by the Uniform Guidance**

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

Report on Compliance for Each Major Federal Program

We have audited Hancock County, Illinois' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Hancock County, Illinois' major federal programs for the year ended November 30, 2021. Hancock County, Illinois' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Hancock County, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Hancock County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Hancock County, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as finding 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2021-001 to be a material weakness.

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

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



Gray Hunter Stenn LLP

Dated at Quincy, Illinois
July 15, 2022

Hancock County, Illinois
Schedule of Expenditures of Federal Awards
Year Ended November 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Pass-through/ Grantor's Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through Illinois Department of Human Services			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	FCSAQ00883	\$ 14,634
WIC	10.557	FCSZQ00883	<u>18,514</u>
Total Passed through Illinois Department of Human Services			<u>33,148</u>
Total U.S. Department of Agriculture			<u>33,148</u>
U.S. Department of the Treasury			
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>35,000</u>
Passed through Illinois Department of Commerce and Economic Opportunity			
(M) COVID-19: Coronavirus Relief Fund	21.019	20-491032	154,499
(M) COVID-19: Coronavirus Relief Fund	21.019	20-492032	<u>34,650</u>
Total Passed through Illinois Department of Commerce and Economic Opportunity			<u>189,149</u>
Passed through Illinois Department of Public Health			
(M) COVID-19: Coronavirus Relief Fund	21.019	05180135H	<u>189,938</u>
			<u>379,087</u>
Total U.S. Department of Treasury			<u>414,087</u>
U.S. Department of Housing and Urban Development			
Passed through Illinois Department of Commerce and Economic Opportunity			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228		<u>238,750</u>
Total U.S. Department of Housing and Urban Development			<u>238,750</u>
U.S. Election Assistance Commission			
Passed through Illinois State Board of Elections			
COVID-19: Help America Vote Act Requirements Payments	90.401		<u>413</u>
Total U.S. Election Assistance Commission			<u>413</u>
U.S. Environmental Protection Agency			
Passed through Illinois Department of Public Health			
Performance Partnership Grants	66.605	0005080063H	38
Performance Partnership Grants	66.605	1005080036J	<u>12</u>
Total Passed through Illinois Department of Public Health			<u>50</u>
Total U.S. Environmental Protection Agency			<u>50</u>

Hancock County, Illinois
Schedule of Expenditures of Federal Awards
Year Ended November 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Pass-through/ Grantor's Number	Federal Expenditures
U.S. Department of Health and Human Services			
Passed through Illinois Department of Public Health			
Public Health Emergency Preparedness	93.069	07180035J	10,090
Public Health Emergency Preparedness	93.069	07180035I	<u>32,529</u>
			42,619
COVID-19: Public Health Emergency Response	93.354	07680035H	<u>2,931</u>
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	06180010H	24,820
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	26180010J	<u>20,004</u>
			44,824
(M) Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	05180135H	<u>221,722</u>
Immunization Cooperative Agreements	93.268	2005080036J	3,401
COVID-19: Immunization Cooperative Agreements	93.268	150806351I	<u>55,365</u>
			58,766
Maternal and Child health Services Block Grant to States	93.994	93489011G	254
Total Passed through Illinois Department of Public Health			<u>371,116</u>
Total U.S. Department of Health and Human Services			<u>371,116</u>
U.S. Department of Homeland Security			
Passed through Illinois Emergency Management Agency			
Emergency Management Performance Grants	97.042	20EMAHANCO	2,151
Emergency Management Performance Grants	97.042	21EMAHANCO	<u>4,988</u>
Total Passed through Illinois Emergency Management Agency			<u>7,139</u>
Total U.S. Department of Homeland Security			<u>7,139</u>
U.S. Department of Transportation			
Passed through Illinois Department of Transportation			
Highway Planning and Construction	20.205		<u>246,904</u>
(M) Formula Grants for Rural Areas	20.509	20-0338-27220	40,167
(M) Formula Grants for Rural Areas	20.509	21-0338-24336	18,442
(M) COVID-19: Formula Grants for Rural Areas	20.509	2410-24332	<u>156,467</u>
			215,076
Total Passed through Illinois Department of Transportation			<u>461,980</u>
Total U.S. Department of Transportation			<u>461,980</u>
Total Expenditures of Federal Awards			\$ <u>1,526,683</u>

(M) - Denotes Major Program

Hancock County, Illinois
Notes to Schedule of Expenditures of Federal Awards
Year Ended November 30, 2021

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Hancock County, Illinois and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Federal Insurance and Loans

Hancock County, Illinois did not have any federal insurance, loans or federal loan guarantees in effect during the year ended November 30, 2021.

3. Indirect Cost Rate

Hancock County, Illinois has not elected to use the 10% de minimis indirect cost rate for the year ended November 30, 2021.

4. Subrecipients

Hancock County, Illinois did not disburse any federal funds to subrecipients during the year ended November 30, 2021.

Hancock County, Illinois
Schedule of Findings and Questioned Costs for Federal Awards
Year Ended November 30, 2021

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to the combined financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of Major Program

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases
20.509	Formula Grants for Rural Areas

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? ☐ Yes ☒ No

II. Findings Relating to the Financial Statement Audit that are Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

Material Weakness

Finding 2021-001 – Segregation of Duties

Condition

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

Criteria

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

Effect

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

Cause

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

Recommendation

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

Views of Responsible Officials and Planned Corrective Action

To the extent possible, monitoring of monthly financial results and compliance information will continue in the County Courthouse offices and the County Health Department.

Responsible Parties

Delbert Kreps, County Board Chairman
Kris Pilkington, County Treasurer
Holly Wilde-Tillman, County Clerk

III. Federal Award Findings and Questioned Costs

Material Weakness

Finding 2021-001 – Segregation of Duties

See Section II – Financial Statement Findings

Federal Agency Program:

All federal programs are affected.

Questioned costs: None

Hancock County, Illinois
Summary Schedule of Prior Audit Findings
Year Ended November 30, 2021

Finding 2020-001 – Segregation of Duties

This condition continues to exist due to a limited number of accounting personnel. The County does monitor monthly financial results. This finding has been repeated in the current year as finding 2021-001.

Finding 2020-002 – Indirect Cost Allocations

Corrective action was taken. No similar finding was noted in the 2021 audit.

Finding 2020-003 – Cash Disbursements

Corrective action was taken. No similar finding was noted in the 2021 audit.



HANCOCK COUNTY BOARD

P.O. BOX 39 • CARTHAGE, ILLINOIS 62321 • PHONE (217) 357-3811

The findings from the November 30, 2021, Schedule of Findings and Questioned Costs – Major Federal Award Program are discussed below. The findings are numbered with the numbers assigned in the schedule.

Federal Award Program Audit Findings

Material Weakness

Finding 2021-001 – Segregation of Duties

Corrective Action Plan

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

Anticipated Completion Date

The County is not in a financial position to hire additional employees. The increased monitoring has already begun.

Responsible Parties

Delbert Kreps, County Board Chairman
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Carthage, Illinois 62321
(217) 357-3986

Kris Pilkington, County Treasurer
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Carthage, Illinois 62321
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