

**IROQUOIS COUNTY, ILLINOIS**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY  
INFORMATION**

**November 30, 2013**



**CliftonLarsonAllen**

## TABLE OF CONTENTS

	PAGE
<b>FINANCIAL SECTION</b>	
<b>INDEPENDENT AUDITORS' REPORT</b> .....	1-3
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b> .....	4-8
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position .....	9
Statement of Activities .....	10-11
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds .....	12
Reconciliation of the Balance Sheet of Governmental Funds to the Net Position of Governmental Activities .....	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	14-15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	16
Statement of Net Position – Proprietary Funds .....	17
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds .....	18
Statement of Cash Flows – Proprietary Fund Types .....	19
Statement of Fiduciary Net Position – Fiduciary Funds .....	20
Statement of Changes in Fiduciary Net Position – Fiduciary Funds – Private Purpose Trust Fund .....	21
<b>Notes to Financial Statements</b> .....	22-46

## TABLE OF CONTENTS

	PAGE
<b>Required Supplementary Information</b> .....	47
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	48-49
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Fund – Special Revenue Fund – County Motor Fuel Tax.....	50
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Fund – Special Revenue Fund – Retirement.....	51
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Fund - Special Revenue Fund – County Highway .....	52
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Fund - Special Revenue Fund – Ford – Iroquois Public Health Department .....	53
Schedules of Funding Progress .....	54-55
Notes to Required Supplementary Information .....	56
 <b>OTHER SUPPLEMENTARY INFORMATION</b> .....	 57
Combining Balance Sheet – General Fund.....	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund .....	59
Combining Balance Sheet – Nonmajor Governmental Funds .....	60-65
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) – Nonmajor Governmental Funds .....	66-71
Combining Statement of Net Position – Nonmajor Enterprise Funds .....	72
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds .....	73
Combining Statement of Cash Flows – Nonmajor Enterprise Fund Types.....	74
Combining Statement of Net Position – Internal Service Funds .....	75
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds .....	76
Combining Statement of Cash Flows – Internal Service Funds .....	77
Combining Statement of Fiduciary Net Position – Agency Funds.....	78-80
 <b>STATISTICAL INFORMATION</b> (Unaudited) .....	 81
Assessed Valuation and Tax Extensions (Unaudited) .....	82

## TABLE OF CONTENTS

	<b>PAGE</b>
<b>SINGLE AUDIT REPORTS .....</b>	<b>83</b>
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS .....</b>	<b>84-85</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 .....</b>	<b>86-88</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....</b>	<b>89-91</b>
<b>NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....</b>	<b>92</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS .....</b>	<b>93-101</b>
<b>SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS.....</b>	<b>102-103</b>

## Independent Auditors' Report

Iroquois County Board  
Watseka, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Iroquois County, Illinois (County), as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the entity'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Iroquois County, Illinois as of November 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules of funding progress on pages 4-8 and 48-56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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 combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The statistical information 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.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2014 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Champaign, Illinois  
April 9, 2014

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Iroquois County, Illinois' financial performance provides an overview of the County's financial activities for the year ended November 30, 2013.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities of Iroquois County, Illinois present an overall view of the County finances. These statements tell how these services were financed. The fund statements focus on financial information about activities in more detail than the government-wide statements.

### FINANCIAL HIGHLIGHTS

- The assets of Iroquois County exceeded its liabilities in the governmental activities at the close of the most recent fiscal year by \$63,483,926 (*net position*). Net investment in capital assets (net of depreciation and related debt) accounts for eighty-two percent of this amount (\$52,422,745). Of the total, \$2,789,730 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental net position decreased by \$935,442 from operations. The business-type net position decreased by \$116,488.
- Overall governmental activities revenues including transfers were \$13,851,379 which was \$935,442 less than expenses.

### REPORTING ON THE COUNTY AS A WHOLE

#### THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES

One of the most asked questions about County finances is "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities reports help answer this question. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. One way to measure the County's financial health or financial position is the difference between assets and liabilities. Increases or decreases in net position is one indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors, such as property tax base, factor in the overall health of the County.

In the Statement of Net Position and the Statement of Activities, we divide the County into two kinds of activities:

Governmental activities – Most of the County's basic services are reported here: general government, health and sanitation, public safety, transportation, culture and recreation, and public assistance. Property, income, sales and replacement taxes, intergovernmental revenues, investment earnings, miscellaneous revenues, and transfers finance most of these activities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities – The County reports the activities from the County farm and 911 Emergency Service Board as business-type activities.

### THE COUNTY'S MOST SIGNIFICANT FUNDS

#### FUND FINANCIAL STATEMENTS

The County has separate statements for each type of County funds – governmental, proprietary and fiduciary. The emphasis is on major governmental and enterprise funds displayed in separate columns. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds – Most of the County's basic services are reported in governmental funds using the current financial resources management focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. General capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary funds – Most of the County's proprietary funds revenues comes from charges for services in the 911 Emergency Service Board and cash rent of the County farm.

#### COUNTY'S FIDUCIARY RESPONSIBILITIES

The County is trustee, or fiduciary, for the following fund: Township Motor Fuel Tax. It is also responsible for other assets that, because of an agency arrangement, can be used only for certain beneficiaries. These activities are excluded from the County's financial statements because these assets cannot be used for County operations.

#### COUNTY AS A WHOLE

Tables presenting the net position and the changes in net position for the years ended November 30, 2013 and 2012 follow.

**TABLE 1  
NET POSITION**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 17,789,878	\$ 16,746,167	\$ 261,553	\$ 344,826	\$ 18,051,431	\$ 17,090,993
Capital assets	<u>52,422,745</u>	<u>54,160,012</u>	<u>244,019</u>	<u>294,485</u>	<u>52,666,764</u>	<u>54,454,497</u>
Total assets	<u>70,212,623</u>	<u>70,906,179</u>	<u>505,572</u>	<u>639,311</u>	<u>70,718,195</u>	<u>71,545,490</u>
Current liabilities	6,215,668	5,804,885	2,191	19,442	6,217,859	5,824,327
Non-current liabilities	<u>513,029</u>	<u>681,926</u>	-	-	<u>513,029</u>	<u>681,926</u>
Total liabilities	<u>6,728,697</u>	<u>6,486,811</u>	<u>2,191</u>	<u>19,442</u>	<u>6,730,888</u>	<u>6,506,253</u>
Net position:						
Net investment in capital assets	52,422,745	54,160,012	244,019	294,485	52,666,764	54,454,497
Restricted	8,271,451	8,703,429	-	-	8,271,451	8,703,429
Unrestricted	<u>2,789,730</u>	<u>1,555,927</u>	<u>259,362</u>	<u>325,384</u>	<u>3,049,092</u>	<u>1,881,311</u>
Total net position	<u>\$ 63,483,926</u>	<u>\$ 64,419,368</u>	<u>\$ 503,381</u>	<u>\$ 619,869</u>	<u>\$ 63,987,307</u>	<u>\$ 65,039,237</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**TABLE 2  
CHANGES IN NET POSITION**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,385,717	\$ 2,410,909	\$ 567,908	\$ 523,606	\$ 2,953,625	\$ 2,934,515
Grants and contributions	1,538,153	2,560,745	-	-	1,538,153	2,560,745
General revenues:						
Property taxes	5,176,491	3,800,811	-	-	5,176,491	3,800,811
Other taxes/intergovernmental	3,741,960	4,139,707	-	-	3,741,960	4,139,707
Other general revenues	<u>704,710</u>	<u>771,538</u>	<u>741</u>	<u>1,118</u>	<u>705,451</u>	<u>772,656</u>
Total revenues	<u>13,547,031</u>	<u>13,683,710</u>	<u>568,649</u>	<u>524,724</u>	<u>14,115,680</u>	<u>14,208,434</u>
<b>Program expenses</b>						
General government	3,429,313	3,331,594	-	-	3,429,313	3,331,594
Health and sanitation	2,579,254	2,713,850	-	-	2,579,254	2,713,850
Public safety	3,942,947	3,789,591	-	-	3,942,947	3,789,591
Transportation	4,791,451	4,987,911	-	-	4,791,451	4,987,911
Culture and recreation	17,531	23,797	-	-	17,531	23,797
Interest on long-term debt	1,361	1,940	-	-	1,361	1,940
Public assistance	24,964	21,440	-	-	24,964	21,440
Emergency services	-	-	317,372	350,060	317,372	350,060
Farm	-	-	<u>63,417</u>	<u>2,723</u>	<u>63,417</u>	<u>2,723</u>
Total expenses	<u>14,786,821</u>	<u>14,870,123</u>	<u>380,789</u>	<u>352,783</u>	<u>15,167,610</u>	<u>15,222,906</u>
Excess (deficiency) before transfers	(1,239,790)	(1,186,413)	187,860	171,941	(1,051,930)	(1,014,472)
Transfers	<u>304,348</u>	<u>315,004</u>	<u>(304,348)</u>	<u>(315,004)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>\$ (935,442)</u>	<u>\$ (871,409)</u>	<u>\$ (116,488)</u>	<u>\$ (143,063)</u>	<u>\$ (1,051,930)</u>	<u>\$ (1,014,472)</u>

At the end of the current year, Iroquois County maintained positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The County was in the same situation the previous fiscal year.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **GOVERNMENTAL ACTIVITIES**

The County reports 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.

County Motor Fuel Tax Fund – This fund receives and accounts for the County's share of motor fuel taxes from the State of Illinois and expenditures thereon.

Retirement Fund – This fund accounts for the County's share to the Illinois Municipal Retirement Fund and FICA.

County Highway Fund – This fund is used to collect and disburse funds for County engineering projects.

Ford-Iroquois Health Department Fund – This fund accounts for the operations of the Health Department.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The revenue side of the budget relied heavily on property taxes and intergovernmental revenues, which were over budget by \$480,463, and charges for services, licenses, permits and fees which were over budget by \$62,728. The actual total revenue was over budgeted revenues by \$564,985. Actual expenditures in public safety trailed budgeted amounts by \$44,706 while total expenditures were \$167,697 under budget. The General Fund result before other financing sources (uses) was an excess of revenues over expenditures of \$369,072 (includes County Information Systems Fund).

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets

On November 30, 2013 and 2012, the County had \$106,211,378 and \$105,002,399 invested in capital assets including highway, infrastructure, farm land, equipment, buildings and roads. See Note 6 for more detailed information about the County's capital assets.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 18,600	\$ 18,600	\$ 153,037	\$ 153,037	\$ 171,637	\$ 171,637
Buildings and improvements	8,051,107	8,051,107	-	-	8,051,107	8,051,107
Equipment	1,319,645	1,153,450	1,556,713	1,556,713	2,876,358	2,710,163
Transportation network	93,645,614	92,668,481	-	-	93,645,614	92,668,481
Vehicles	<u>1,466,662</u>	<u>1,401,011</u>	<u>-</u>	<u>-</u>	<u>1,466,662</u>	<u>1,401,011</u>
<b>Totals</b>	<u>\$104,501,628</u>	<u>\$103,292,649</u>	<u>\$ 1,709,750</u>	<u>\$ 1,709,750</u>	<u>\$106,211,378</u>	<u>\$105,002,399</u>

#### Debt

Non-current liabilities reported on the entity-wide statement of net position represent accumulated compensation due to employees, note payable – Health Department, and net pension obligation. See Note 7 for more detailed information about the County's general long-term debt.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In 2013 the County was able to meet its ongoing obligations without borrowing from the bank. The use of automation funds has been and will continue to be a resource that we cannot do without. During 2013, transfers from the Automation and Farm Funds increased from \$204,691 in 2012 to \$365,572 in 2013, an increase from 4% to 7% of total revenue in the General Fund. In addition, expenses in the General Fund decreased from \$5,088,419 in 2012 to \$4,831,017 in 2013, a 5% reduction. The Elected Officials and Department Heads continue to partner with the County Board to bring financial stability to the County and the Board appreciates this. As we look to FY2014, the County's focus will be on establishment of the new Iroquois County Health Department while ensuring the financial stability of all entities for which the County has fiscal responsibility.

### CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our taxpayers with a general overview of the County's finances and shows the County's accountability for the money it receives. If you have any questions about this report or need additional information, contact **IROQUOIS COUNTY FINANCE DIRECTOR ANITA SPECKMAN at 1001 EAST GRANT STREET, WATSEKA, ILLINOIS 60970.**

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**November 30, 2013**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,577,235	\$ 201,553	\$ 10,778,788
Investments	305,334	-	305,334
Receivables, net:			
Accounts	22,234	60,000	82,234
Taxes	4,720,092	-	4,720,092
Other	23,249	-	23,249
Due from other governmental agencies	1,441,655	-	1,441,655
Loans	117,555	-	117,555
Receivable from fiduciary fund	369,145	-	369,145
Net prepaid pension	213,379	-	213,379
Capital assets not being depreciated:			
Land	18,600	153,037	171,637
Capital assets depreciated:			
Vehicles	1,466,662	-	1,466,662
Buildings and improvements	8,051,107	-	8,051,107
Equipment	1,319,645	1,556,713	2,876,358
Transportation network	93,645,614	-	93,645,614
Less accumulated depreciation	(52,078,883)	(1,465,731)	(53,544,614)
<b>TOTAL ASSETS</b>	<b>\$ 70,212,623</b>	<b>\$ 505,572</b>	<b>\$ 70,718,195</b>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 958,913	\$ 2,191	\$ 961,104
Unearned revenue	5,251,742	-	5,251,742
Current portion of long-term debt	5,013	-	5,013
Noncurrent liabilities:			
Due in more than one year	513,029	-	513,029
<b>Total liabilities</b>	<b>6,728,697</b>	<b>2,191</b>	<b>6,730,888</b>
<b>NET POSITION</b>			
Net investment in capital assets	52,422,745	244,019	52,666,764
Restricted for:			
Retirement	2,064,914	-	2,064,914
General and administrative	241,681	-	241,681
Health and sanitation	1,208,078	-	1,208,078
Public safety	432,012	-	432,012
Transportation and highway	3,449,764	-	3,449,764
Culture and recreation	12	-	12
Public assistance	602,342	-	602,342
Capital projects	272,648	-	272,648
Unrestricted	2,789,730	259,362	3,049,092
<b>Total net position</b>	<b>63,483,926</b>	<b>503,381</b>	<b>63,987,307</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 70,212,623</b>	<b>\$ 505,572</b>	<b>\$ 70,718,195</b>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
Year Ended November 30, 2013

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>PROGRAMS</b>							
<b>Governmental Activities:</b>							
General government	\$ (3,429,313)	\$ 1,276,751	\$ -	\$ -	\$ (2,152,562)	\$ -	\$ (2,152,562)
Health and sanitation	(2,579,254)	614,480	1,034,007	-	(930,767)	-	(930,767)
Justice and public safety	(3,942,947)	328,021	4,765	-	(3,610,161)	-	(3,610,161)
Transportation and highway	(4,791,451)	166,465	-	499,381	(4,125,605)	-	(4,125,605)
Culture and recreation	(17,531)	-	-	-	(17,531)	-	(17,531)
Public assistance	(24,964)	-	-	-	(24,964)	-	(24,964)
Interest on long-term debt	(1,361)	-	-	-	(1,361)	-	(1,361)
Total governmental activities	<u>(14,786,821)</u>	<u>2,385,717</u>	<u>1,038,772</u>	<u>499,381</u>	<u>(10,862,951)</u>	<u>-</u>	<u>(10,862,951)</u>
<b>Business-Type Activities:</b>							
911 Emergency Service Board	(317,372)	363,708	-	-	-	46,336	46,336
County farm	(63,417)	204,200	-	-	-	140,783	140,783
Total business-type activities	<u>(380,789)</u>	<u>567,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,119</u>	<u>187,119</u>
<b>TOTAL</b>	<u>\$ (15,167,610)</u>	<u>\$ 2,953,625</u>	<u>\$ 1,038,772</u>	<u>\$ 499,381</u>	<u>(10,862,951)</u>	<u>187,119</u>	<u>(10,675,832)</u>

General revenues:			
Property taxes	\$ 5,176,491	\$ -	\$ 5,176,491
Income taxes	1,034,568	-	1,034,568
Sales taxes	980,356	-	980,356
Replacement taxes	212,776	-	212,776
Intergovernmental revenues	1,514,260	-	1,514,260
Interest	22,858	741	23,599
Miscellaneous	681,852	-	681,852
Transfers	<u>304,348</u>	<u>(304,348)</u>	<u>-</u>
Total general revenues and transfers	<u>9,927,509</u>	<u>(303,607)</u>	<u>9,623,902</u>
Change in net position	(935,442)	(116,488)	(1,051,930)
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>64,419,368</u>	<u>619,869</u>	<u>65,039,237</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 63,483,926</u>	<u>\$ 503,381</u>	<u>\$ 63,987,307</u>

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

**IROQUOIS COUNTY, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
November 30, 2013**

	<u>General Fund</u>	<u>County Motor Fuel Tax</u>	<u>Retirement</u>	<u>County Highway</u>	<u>Ford-Iroquois Public Health Department</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,372,484	\$ 1,023,127	\$ 2,007,162	\$ 1,140,924	\$ 946,733	\$ 3,217,221	\$ 9,707,651
Investments	-	-	-	-	149,652	155,682	305,334
Receivables (net of estimated uncollectible amounts)							
Accounts	-	-	-	-	22,234	-	22,234
Property taxes	1,296,000	-	2,158,492	480,000	-	515,600	4,450,092
Other	18,356	-	-	-	-	-	18,356
Intergovernmental	570,143	43,197	-	-	828,315	-	1,441,655
Loans	-	-	-	-	-	117,555	117,555
Due from other funds	<u>2,952</u>	<u>369,145</u>	<u>131,348</u>	<u>11,360</u>	<u>-</u>	<u>-</u>	<u>514,805</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,259,935</u>	<u>\$ 1,435,469</u>	<u>\$ 4,297,002</u>	<u>\$ 1,632,284</u>	<u>\$ 1,946,934</u>	<u>\$ 4,006,058</u>	<u>\$ 16,577,682</u>
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ 140,916	\$ 4,848	\$ 82,088	\$ 70,541	\$ 69,273	\$ 583,975	\$ 951,641
Due to other funds	110	11,360	-	2,374	131,348	578	145,770
Unearned revenue	<u>1,499,742</u>	<u>-</u>	<u>2,150,000</u>	<u>480,000</u>	<u>538,235</u>	<u>515,600</u>	<u>5,183,577</u>
Total liabilities	<u>1,640,768</u>	<u>16,208</u>	<u>2,232,088</u>	<u>552,915</u>	<u>738,856</u>	<u>1,100,153</u>	<u>6,280,988</u>
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	2,064,914	-	-	-	2,064,914
General and administrative	-	-	-	-	-	241,681	241,681
Health and sanitation	-	-	-	-	1,208,078	-	1,208,078
Justice and public safety	-	-	-	-	-	432,012	432,012
Transportation and highway	-	1,419,261	-	1,079,369	-	951,134	3,449,764
Culture and recreation	-	-	-	-	-	12	12
Public assistance	-	-	-	-	-	602,342	602,342
Capital projects	-	-	-	-	-	272,648	272,648
<b>Committed:</b>							
Capital projects	-	-	-	-	-	223,891	223,891
<b>Assigned:</b>							
General and administrative	-	-	-	-	-	500	500
Public safety	-	-	-	-	-	182,263	182,263
<b>Unassigned</b>	<u>1,619,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(578)</u>	<u>1,618,589</u>
Total fund balance	<u>1,619,167</u>	<u>1,419,261</u>	<u>2,064,914</u>	<u>1,079,369</u>	<u>1,208,078</u>	<u>2,905,905</u>	<u>10,296,694</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,259,935</u>	<u>\$ 1,435,469</u>	<u>\$ 4,297,002</u>	<u>\$ 1,632,284</u>	<u>\$ 1,946,934</u>	<u>\$ 4,006,058</u>	<u>\$ 16,577,682</u>

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

**IROQUOIS COUNTY, ILLINOIS**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**November 30, 2013**

Fund balances-total governmental funds	\$	10,296,694
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>		
Capital assets used in governmental activities are not financial resources, therefore, are not reported in the funds.		52,422,745
Certain revenues are reported as unearned revenue and are not reported in the fund financial statement because they are not current financial resources, but they are reported in the statement of net position on the full accrual basis.		203,742
Net prepaid pension contributions reported in the governmental activities are not financial resources, therefore are not reported in the funds.		213,379
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.		865,408
Payables resulting from the long-term economic focus on the statement of net position are not reported in the funds, which focus on current financial resources.		<u>(518,042)</u>
<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>63,483,926</u></b>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<u>General Fund</u>	<u>County Motor Fuel Tax</u>	<u>Retirement</u>	<u>County Highway</u>	<u>Ford-Iroquois Public Health Department</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>							
Property taxes	\$ 1,252,243	\$ -	\$ 1,994,646	\$ 463,579	\$ 478,648	\$ 498,820	\$ 4,687,936
Charges for services	659,808	-	-	166,465	614,480	-	1,440,753
Licenses, permits and fees	147,705	-	-	-	-	-	147,705
Fines, fees and forfeits	448,997	-	-	-	-	348,262	797,259
Intergovernmental	2,669,539	847,944	-	208,472	1,034,007	122,028	4,881,990
Interest	1,919	4,962	2,475	1,461	1,718	9,400	21,935
Miscellaneous	19,878	-	131,350	28,950	348,510	270,809	799,497
	<u>5,200,089</u>	<u>852,906</u>	<u>2,128,471</u>	<u>868,927</u>	<u>2,477,363</u>	<u>1,249,319</u>	<u>12,777,075</u>
<b>EXPENDITURES</b>							
General government	1,197,040	-	1,861,865	-	-	111,617	3,170,522
Health and sanitation	-	-	-	-	2,607,506	-	2,607,506
Justice and public safety	3,186,741	-	-	-	-	532,668	3,719,409
Transportation and highway	-	1,116,308	-	479,153	-	390,872	1,986,333
Culture and recreation	-	-	-	-	-	16,067	16,067
Public assistance	-	-	-	-	-	24,964	24,964
Capital outlay	22,292	-	-	252,234	28,461	455,383	758,370
Other	424,944	-	-	-	-	-	424,944
Debt service:							
Principal	-	-	-	-	4,829	-	4,829
Interest	-	-	-	-	1,361	-	1,361
	<u>4,831,017</u>	<u>1,116,308</u>	<u>1,861,865</u>	<u>731,387</u>	<u>2,642,157</u>	<u>1,531,571</u>	<u>12,714,305</u>
Excess (deficiency) of revenues over expenditures	<u>369,072</u>	<u>(263,402)</u>	<u>266,606</u>	<u>137,540</u>	<u>(164,794)</u>	<u>(282,252)</u>	<u>62,770</u>

	<u>General Fund</u>	<u>County Motor Fuel Tax</u>	<u>Retirement</u>	<u>County Highway</u>	<u>Ford-Iroquois Public Health Department</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	\$ 340,572	\$ -	\$ 76,450	\$ 17,018	\$ -	\$ 278,167	\$ 712,207
Operating transfers out	<u>(145,273)</u>	<u>(17,018)</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>(244,792)</u>	<u>(417,083)</u>
Total other financing sources (uses)	<u>195,299</u>	<u>(17,018)</u>	<u>76,450</u>	<u>7,018</u>	<u>-</u>	<u>33,375</u>	<u>295,124</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	564,371	(280,420)	343,056	144,558	(164,794)	(248,877)	357,894
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,054,796</u>	<u>1,699,681</u>	<u>1,721,858</u>	<u>934,811</u>	<u>1,372,872</u>	<u>3,154,782</u>	<u>9,938,800</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,619,167</u>	<u>\$ 1,419,261</u>	<u>\$ 2,064,914</u>	<u>\$ 1,079,369</u>	<u>\$ 1,208,078</u>	<u>\$ 2,905,905</u>	<u>\$ 10,296,694</u>

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

**IROQUOIS COUNTY, ILLINOIS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**Year Ended November 30, 2013**

Net change in fund balances - total governmental funds	\$	357,894
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>		
Revenues that are not available to pay current obligations are reported as unearned revenue in the fund financial statement, but they are presented in the statement of activities. The effect of the change from prior year is a reconciling item.		
		(101,258)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlay	\$ 1,240,251	
Depreciation expense	<u>(2,977,518)</u>	(1,737,267)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds.		
Principal repayments	4,829	
Decrease in compensated absences	<u>840</u>	5,669
Decrease in net pension obligation to prepaid pension		376,423
Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. The net expenditure of internal service funds is reported with governmental activities		
		<u>163,097</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>(935,442)</u></b>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**November 30, 2013**

	<b>Total Nonmajor Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
	<u>                    </u>	<u>                    </u>
<b>CURRENT ASSETS</b>		
Cash	\$ 201,553	\$ 869,584
Receivables, net		
Accounts	60,000	-
Property taxes	-	270,000
Other	-	4,893
Due from other funds	-	110
	<u>                    </u>	<u>                    </u>
Total current assets	<u>261,553</u>	<u>1,144,587</u>
 <b>NONCURRENT ASSETS</b>		
Land	153,037	-
Equipment	1,556,713	-
Less accumulated depreciation	<u>(1,465,731)</u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>
Total noncurrent assets	<u>244,019</u>	<u>                    </u>
 <b>TOTAL ASSETS</b>	 <u>\$ 505,572</u>	 <u>\$ 1,144,587</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 2,191	\$ 7,272
Unearned revenue	<u>                    </u>	<u>271,907</u>
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>2,191</u>	<u>279,179</u>
 <b>NET POSITION</b>		
Net investment in capital assets	244,019	-
Unrestricted	<u>259,362</u>	<u>865,408</u>
	<u>                    </u>	<u>                    </u>
Total net position	<u>503,381</u>	<u>865,408</u>
 <b>TOTAL LIABILITIES AND NET POSITION</b>	 <u>\$ 505,572</u>	 <u>\$ 1,144,587</u>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
Year Ended November 30, 2013

	<b>Total Nonmajor Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ -	\$ 699,467
Fees	363,708	-
Rental income	204,200	-
Miscellaneous	-	13,703
	<hr/>	<hr/>
Total operating revenues	567,908	713,170
	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>		
General and administrative	-	1,048,775
Public safety	316,104	-
Capital outlay	1,268	-
Farm	63,417	-
	<hr/>	<hr/>
Total operating expenses	380,789	1,048,775
	<hr/>	<hr/>
Operating income (loss)	187,119	(335,605)
	<hr/>	<hr/>
<b>NON-OPERATING REVENUES</b>		
Taxes	-	488,555
Interest	741	923
	<hr/>	<hr/>
Total non-operating revenues	741	489,478
	<hr/>	<hr/>
Net income before transfers	187,860	153,873
	<hr/>	<hr/>
<b>OPERATING TRANSFERS</b>		
Operating transfers in	-	9,224
Operating transfers out	(304,348)	-
	<hr/>	<hr/>
Total operating transfers	(304,348)	9,224
	<hr/>	<hr/>
<b>CHANGE IN NET POSITION</b>	(116,488)	163,097
<b>NET POSITION, BEGINNING OF YEAR</b>	<hr/> 619,869	<hr/> 702,311
<b>NET POSITION, END OF YEAR</b>	<hr/> \$ 503,381	<hr/> \$ 865,408

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

**IROQUOIS COUNTY, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPES  
Year Ended November 30, 2013**

	<b>Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers/interfund users	\$ 370,529	\$ 713,170
Cash received for rent	204,200	-
Cash paid to suppliers and for claims	(244,217)	(1,050,915)
Cash paid to employees	<u>(103,357)</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>227,155</u>	<u>(337,745)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Property tax receipts	-	488,555
Cash transfers from (to) other funds	<u>(304,348)</u>	<u>9,224</u>
Net cash provided by (used in) noncapital financing activities	<u>(304,348)</u>	<u>497,779</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from maturity of investments	150,340	-
Interest payments received	<u>741</u>	<u>923</u>
Net cash provided by (used in) investing activities	<u>151,081</u>	<u>923</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	73,888	160,957
<b>CASH, BEGINNING OF YEAR</b>	<u>127,665</u>	<u>708,627</u>
<b>CASH, END OF YEAR</b>	<u>\$ 201,553</u>	<u>\$ 869,584</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 187,119	\$ (335,605)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	50,466	-
Effects of changes in operating assets and liabilities:		
Receivables	6,821	195,500
Accounts payable and accrued expenses	(17,251)	(2,140)
Unearned revenue	<u>-</u>	<u>(195,500)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ 227,155</u>	<u>\$ (337,745)</u>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**November 30, 2013**

	<u>Private Purpose Trust Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Cash	\$ 4,793,835	\$ 2,547,789	\$ 7,341,624
Investments	4,782,110	189,829	4,971,939
Property taxes receivable	-	1,166,300	1,166,300
Inventory	-	11,112	11,112
Due from other governments	<u>158,746</u>	<u>-</u>	<u>158,746</u>
 Total assets	 <u>9,734,691</u>	 <u>3,915,030</u>	 <u>13,649,721</u>
 Accounts payable	 6,908	 -	 6,908
Due to other funds	369,145	-	369,145
Amounts held in trust and available for distribution to others	<u>-</u>	<u>3,915,030</u>	<u>3,915,030</u>
 Total liabilities	 <u>376,053</u>	 <u>3,915,030</u>	 <u>4,291,083</u>
 <b>NET POSITION RESTRICTED FOR OTHER PURPOSES</b>	 <u><u>\$ 9,358,638</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 9,358,638</u></u>

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

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST FUND**  
**November 30, 2013**

	<b>Private Purpose Trust Fund</b>
<b>ADDITIONS:</b>	
Intergovernmental Interest	\$ 2,741,856
	51,672
Total additions	2,793,528
 <b>DEDUCTIONS:</b>	
Transportation	3,482,140
<b>CHANGE IN NET POSITION</b>	(688,612)
<b>NET POSITION, BEGINNING OF YEAR</b>	10,047,250
<b>NET POSITION, END OF YEAR</b>	\$ 9,358,638

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

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Iroquois County, Illinois (County) was incorporated in 1883 and operates under a County Board form of government. Revenues are substantially generated as a result of taxes assessed and allocated to the County (examples are property, sales, income, and motor fuel taxes), charges for services performed and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the County and nearby surrounding area and the appropriations of entitlements at the state and federal government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base.

The following is a summary of the more significant accounting policies of the County.

**PRINCIPLES USED TO DETERMINE THE SCOPE OF THE REPORTING ENTITY**

Iroquois County is a municipal corporation governed by an elected board. As required by accounting principles generally accepted in the United States of America, these financial statements present Iroquois County, Illinois (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the County are financially accountable. Organizations for which the County is accountable because it appoints a majority of the voting board, but is not financially accountable for its operations, are related organizations. Component units and related organizations are described in Note 2.

The County Board Chairman and County Board make appointments of the governing boards of a number of fire protection, drainage, public water, and sanitary districts. Even though the County Board may appoint a majority of the members of the respective districts, the members do not serve at the discretion of the County Board, that is, they can be removed only for cause. There are no indications that the County Board can impose its will over these districts and, therefore, has no financial accountability. These units are not considered component units of Iroquois County, Illinois.

Financial information of component units is blended with that of Iroquois County, Illinois, where among other criteria, the nature of services rendered by the component unit is almost exclusively for the benefit of the County or where the governing body of the component unit is substantially the same as that of the County. Component unit financial information that is not blended with that of the County is discretely reported. The County does not have any discretely presented component units.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collectible within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, and fund balance/retained earnings, revenues, and expenditures/expenses.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION**

(Continued)

Governmental funds are those through which governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable resources and the related liabilities are accounted for through governmental funds. The County reports the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds:**

**County Motor Fuel Tax Fund** - This fund is used to collect and disburse state funds for County road projects.

**Retirement Fund** - This fund is used to collect and disburse contributions to IMRF and FICA.

**County Highway Fund** - This fund is used to collect and disburse funds for County engineering projects.

**Ford-Iroquois Health Department Fund** - This fund accounts for the operations of the Health Department.

Proprietary funds are used to account for those County activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The County has no major proprietary funds.

In addition to the General Fund mentioned above, the County uses the following fund types:

***Governmental Fund Types***

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

**Capital Projects Funds** - The Capital Projects Funds are used to account for the County's purchase or construction of major capital facilities which are not financed by other funds.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION**  
(Continued)

***Proprietary Fund Types***

**Enterprise Funds** - The Enterprise Funds operations are financed similar to a private business enterprise; the intent is that the cost of the service is financed by user charges, and the activities be measured on a net income basis.

**Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the government, on a cost-reimbursement basis.

***Fiduciary Fund Types***

**Agency Funds** - These funds are used to account for assets held in an agency capacity for others. The reporting is similar to proprietary funds. These funds are not reflected in the government-wide financial statements since not available to support County programs.

**Private Purpose Trust Fund** - This fund reports trust arrangements under which principal and income benefit other governments. This fund accounts for funds collected for the improvement of township roads within the County. This fund is not reported in the government-wide statement since not available to support County programs.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**BUDGET AND APPROPRIATIONS**

The County adopts an annual budget and appropriation ordinance in accordance with Illinois Compiled Statutes 55 ILCS 5/6. The budget covers the fiscal year ending November 30, and is available for public inspection at least 15 days prior to final adoption. All appropriations lapse with the close of the fiscal year. The budget document is prepared for all budgetary funds and is adopted on a basis consistent with accounting principles generally accepted in the United States of America using the same basis of accounting as described above.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**BUDGET AND APPROPRIATIONS (Continued)**

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, makes appropriations in excess of those authorized in the budget. The legal level of control, the level at which expenditures may not exceed appropriations, is at the fund level.

**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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are comprised of cash on hand, demand deposits, money market funds, and short-term investments with a maturity of three months or less at date of purchase.

The County maintains pooled cash accounts for different fund groups which are used to account for all cash transactions of that group. Monthly interest income of the pool is distributed to the individual funds based on their cash balances in the pool during the period.

**INVESTMENTS**

Investments consist of certificates of deposit with maturities of six months to five years. These investments are stated at cost which approximates fair value.

**RECEIVABLES**

Taxes receivable are recorded at 100% of the extension amounts. No allowance for uncollectible amounts for the property tax receivable, as the County feels they are fully collectible. Other receivables are recorded net of any estimated allowance for uncollectibles.

Loans receivable in governmental funds consist of development assistance loans that are scheduled to be collected over a number of years.

All loan and property tax receivables are shown net of an allowance for uncollectibility, if applicable.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**CAPITAL ASSETS**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to July 1, 2001, consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980, and are reported at estimated historical cost using deflated replacement cost. The County's other major infrastructure network, bridges, were added at December 1, 2005, and are reported at an estimated historical cost using the deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The County uses a \$10,000 threshold for capitalizing fixed assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Transportation network	35-45 years
Buildings and improvements	25-95 years
Equipment	5-25 years
Vehicles	5-12 years

**IMPAIRMENT OF LONG-LIVED ASSETS**

In accordance with government accounting standards, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries," management evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset is generally considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. No impairment losses were recognized in the year ended November 30, 2013.

**COMPENSATED ABSENCES**

Vested or accumulated vacation/sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation/sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

In accordance with the provisions of the accounting standards, Accounting for Compensated Absences, no liability is recorded for nonvesting, accumulating rights to receive vacation/sick leave benefits.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**COMPENSATED ABSENCES** (Continued)

County policy states that an employee must use each year's vacation days by their anniversary date. Sick days may be accumulated to a total of 60 days per employee with no amount payable upon separation from service. Any amounts earned in excess of the 60-day maximum is paid at half-pay rate to the employee in the ensuing month. Additionally, if employees have earned 30 days of sick leave, they may elect to have excesses over 30 days paid to them at half-pay.

**EQUITY**

**Fund Balance**

Fund balance is categorized based on the nature and extent of the constraints placed on the fund balance. The following classifications describe the relative strength of the spending constraints:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

**Assigned** – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the County Board Chair or Treasurer or other official. This classification also includes the remaining positive fund balance for all governmental funds, except for the General Fund.

**Unassigned** – This classification includes the residual fund balance for the General Fund and includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The County would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**EQUITY (Continued)**

**Net Position**

Beginning with fiscal year 2013, the County implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*.

The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

Net position represents the difference between assets and liabilities. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**PROPERTY TAXES**

The County levies property taxes annually on or before the last Tuesday in December based on the assessed valuation determined in April of the same year. Property tax payments are due in two equal installments. The first is generally due June 1, and the second is generally due on September 1 with distributions to the County and other districts shortly thereafter. Property taxes become a lien on the property on January 1. Taxes receivable at November 30 that are intended to finance the subsequent fiscal year are appropriately deferred.

**NOTE 2 - INDIVIDUAL COMPONENT UNITS AND RELATED ORGANIZATION DISCLOSURES**

Organizations qualifying as component units or related organizations as defined in Note 1 and their treatment are as follows:

**Component Units**

The Ford-Iroquois Public Health Department is an Illinois governmental entity, which is governed by a separate board, appointed by the Counties of Ford and Iroquois, which also approves its budget. The Health Department's financial statements are blended with those of the County because of the degree it is intertwined with the primary government. Its transactions are accounted for in the Ford-Iroquois Public Health Department Fund, which is shown as a major fund of the County.

The Veterans Assistance Commission is a central assistance committee composed of one delegate from each County post to oversee assistance to military veterans and their families. The oversight is shared by the Chairman of the County Board or his designee. Under Illinois law, the County is to provide office space, phone and supplies for the Commission and payment of assistance claims. Because of its oversight powers and the economic burden this requirement places on the County, and the degree to which it is intertwined with the County its transactions are accounted for in the Veterans Assistance Fund which is blended with other non-major governmental funds.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 2 - INDIVIDUAL COMPONENT UNITS AND RELATED ORGANIZATION DISCLOSURES**  
(CONTINUED)

The Iroquois County Emergency Service Board is created by the County Board which also defines its powers and duties. This board oversees the implementation and operations of the emergency telephone system. The operations are accounted for in the 911 Emergency Service Board Proprietary Fund.

The Iroquois County Joint Dispatch Committee is created by a joint agreement between the Emergency Service Board, the City of Watseka, and the County Board. The Committee oversees the operations of a communications system to dispatch and communicate regarding the usual customary functions of local government involving police, fire, EMS and other emergency functions. Because it is not a separate legal entity, the operations are accounted for in the Joint Dispatch Fund which is blended with other County non-major governmental funds.

**Related Organizations**

The Cooperative Extension Services of the College of Agriculture at the University of Illinois operate in counties where extension councils have been established to disseminate information on subjects related to agriculture and home economics and other University programs. Oversight is provided by extension councils which derive their duties and powers from the Board of Trustees of the University of Illinois. Extension service programs and related local funding are coordinated by an extension board numbering at least seven, comprised of four members from the Extension Council and three from the County Board. The County extends taxes to finance operations of the Extension Service. The County is not financially responsible for any part of the Extension Services' operations except as it may choose to be.

The above related organization is not included in the financial statements of the County. However, the County maintains an agency fund where property taxes are deposited and then disbursed to the Cooperative.

**NOTE 3 - CASH AND INVESTMENTS**

The County maintains commingled accounts for several funds for operating activity, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund. Separate operating and investment accounts are also maintained for certain funds independently. All accounts are the direct responsibility of the County Treasurer. The carrying amount of the County's bank deposits, including certificates of deposits, was \$23,393,958, and the bank balances totaled \$22,556,200. Included in the carrying amount of the County's bank deposits and the bank balances are certificates of deposits totaling \$5,127,621. The County's bank deposits were fully insured or collateralized as of November 30, 2013.

**Interest Rate Risk** – the risk that changes in interest rates will adversely affect the fair value of an investment. The County does 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. However, the County's policy states investments shall provide sufficient liquidity to enable the County to meet all operating requirements that may be reasonably anticipated. Additionally, the County's policy is to seek the highest interest rate available combined with safety of principal. The County's certificate of deposit investment maturities include \$950,000 with maturity dates in 2015 and the remainder mature in 2014.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

**Credit Risk** – risk that an issuer or other counter party to an investment will not fulfill its obligation. State law limits investments in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSRO's). In addition, the County's investment policy, in compliance with state statutes, authorizes the Treasurer to invest in the following:

- a. Notes, bonds, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America.
- b. Bonds, notes, or other similar obligations of the United States of America or its agencies.
- c. Interest bearing accounts, certificates of deposit or interest bearing time deposits or any other investment constituting direct obligation of any bank as defined by the Illinois Banking Act.
- d. Short term obligations (corporate paper) of corporations organized in the United States with assets exceeding \$500,000 if (a) such obligations are rated at the time of purchase within the 3 highest classifications established by at least 2 standard rating services and which mature not later than 180 days from the date of purchase, and (b) such purchases do not exceed 10% of the corporation's outstanding obligations or (c) in money market mutual funds registered under the Investment Company Act of 1940.

**Custodial Credit Risk** – the risk that a government will not be able to cover deposits if the depository financial institution fails or will not be able to recover collateral securities that are in the possession of an outside party. It shall be the discretion of the Iroquois County Treasurer to determine whether or not collateral will be required of financial institutions receiving funds from the Iroquois County Treasurer. At all times, the Iroquois County Treasurer will require that deposits in excess of 35% of the capital and surplus of a financial institution will be collateralized. The Iroquois County Treasurer may request collateral for any part of deposits in financial institutions when the Iroquois County Treasurer determines it to be in the best interest of safeguarding the funds on deposit. When collateral is required, 110% of the deposit will be required and evidenced by an approved written agreement.

**Concentration of Credit Risk** – The County's investment policy states that one of its objectives is diversity of investment to avoid unreasonable risks.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 4 - INTERFUND ACTIVITY**

Individual fund interfund receivable and payable (due to/due from other funds) at November 30, 2013 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
<b>General Fund</b>	\$ 2,952	\$ 110
<b>County Motor Fuel Tax</b>	369,145	11,360
<b>Retirement Fund</b>	131,348	-
<b>County Highway Fund</b>	11,360	2,374
<b>Ford-Iroquois Public Health Fund</b>	-	131,348
<b>Non-Major Fund</b>		
State's Attorney Automation	-	578
<b>Internal Service Fund</b>		
Group Insurance	110	-
<b>Fiduciary Fund</b>		
Township Motor Fuel Tax	-	369,145
<b>TOTAL</b>	<u>\$ 514,915</u>	<u>\$ 514,915</u>

The amounts due to/from other funds are for cash overdrafts within a pooled bank account at year-end and other routine interfund charges, except for the \$131,348. This amount is for reimbursements due from the Health Department to the County for IMRF and FICA that had already been reimbursed by other agencies. These amounts are expected to be repaid within one year.

Interfund transfers for the year ended November 30, 2013 consisted of the following:

<b>Transfers to General Fund from:</b>	
Non-major governmental funds	<u>\$ 175,050</u>
<b>Transfers to General Fund from:</b>	
Non-major enterprise funds	<u>\$ 150,000</u>
<b>Transfers to Non-major Governmental Funds from:</b>	
General fund	<u>\$ 145,273</u>
<b>Transfers to General Fund from:</b>	
County Highway	<u>\$ 10,000</u>
<b>Transfers to General Fund from:</b>	
Agency Fund	<u>\$ 5,522</u>
<b>Transfers to County Highway – Major Governmental Fund from:</b>	
County Motor Fuel Tax – Major governmental fund	<u>\$ 17,018</u>
<b>Transfers to Retirement Fund from:</b>	
Non-major governmental funds	<u>\$ 55,310</u>

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 4 - INTERFUND ACTIVITY (CONTINUED)**

<b>Transfers to Retirement Fund from:</b>		
Non-major enterprise funds	\$	<u>21,140</u>
<b>Transfers to Non-major Governmental Funds from:</b>		
Non-major governmental funds	\$	<u>6,750</u>
<b>Transfers to Non-major Governmental Funds from:</b>		
Non-major enterprise funds	\$	<u>131,666</u>
<b>Transfers to Internal Service Funds from:</b>		
Non-major enterprise funds	\$	1,542
Non-major governmental funds		<u>7,682</u>
Total	\$	<u>9,224</u>

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget reflects to expend them and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 5 - LOANS RECEIVABLE**

In accordance with its agreement with the Illinois Department of Commerce and Community Affairs Community Development Assistance Program, the County has received funding to issue community development loans.

Changes in loans receivable are summarized as follows:

	<b>Balance November 30, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance November 30, 2013</b>
Katherine Blunk	\$ 74,276	\$ -	\$ -	\$ 74,276
The Gathering	<u>52,337</u>	<u>-</u>	<u>9,058</u>	<u>43,279</u>
<b>Total</b>	<u>\$ 126,613</u>	<u>\$ -</u>	<u>\$ 9,058</u>	<u>\$ 117,555</u>

The description of the loans and the annual expected proceeds as of November 30, 2013, is as follows:

<b><u>Borrower</u></b>	<b><u>Katherine Blunk October 30, 2006</u></b>	<b><u>The Gathering May 1, 2009</u></b>
Original principal balance	\$ 105,000	\$ 85,000
Interest rate	5%	4%
Monthly installment	800.00	900.00

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 5 - LOANS RECEIVABLE (CONTINUED)**

<u>Year Ending November 30</u>	<u>Katherine Blunk May 31, 2014</u>		<u>The Gathering April 1, 2016</u>		<u>Total Principal</u>	<u>Total Interest</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>		
2014	\$ 74,276	\$ 4,800	\$ 9,094	\$ 1,706	\$ 83,370	\$ 6,506
2015	-	-	9,420	1,380	9,420	1,380
2016	-	-	<u>24,765</u>	<u>442</u>	<u>24,765</u>	<u>442</u>
<b>Total</b>	<u>\$ 74,276</u>	<u>\$ 4,800</u>	<u>\$ 43,279</u>	<u>\$ 3,528</u>	<u>\$ 117,555</u>	<u>\$ 8,328</u>

As of September 10, 2013, a new agreement was signed for the Katherine Blunk loan, with monthly payment of \$800 being applied to interest, while the full amount of principal will become due on May 31, 2014.

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the year ending November 30, 2013, was as follows:

**Primary government:  
Governmental activities**

	<u>Balance November 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance November 30, 2013</u>
Transportation network	\$ 92,668,481	\$ 977,133	\$ -	\$ 93,645,614
Buildings and improvements	8,051,107	-	-	8,051,107
Equipment	1,153,450	197,467	(31,272)	1,319,645
Vehicles	<u>1,383,511</u>	<u>83,151</u>	<u>-</u>	<u>1,466,662</u>
Capital assets depreciated	103,256,549	1,257,751	(31,272)	104,483,028
Less accumulated depreciation	(49,132,637)	(2,977,518)	31,272	(52,078,883)
Vehicle	17,500	-	(17,500)	-
Land	<u>18,600</u>	<u>-</u>	<u>-</u>	<u>18,600</u>
<b>Total</b>	<u>\$ 54,160,012</u>	<u>\$ (1,719,767)</u>	<u>\$ (17,500)</u>	<u>\$ 52,422,745</u>

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

**Business-Type activities:**  
**911 Emergency Service Board**

	<b>Balance November 30, <u>2012</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b>Balance November 30, <u>2013</u></b>
Equipment	\$ 1,556,713	\$ -	\$ -	\$ 1,556,713
Less accumulated depreciation	<u>(1,415,265)</u>	<u>(50,466)</u>	<u>-</u>	<u>(1,465,731)</u>
<b>Total</b>	<b><u>\$ 141,448</u></b>	<b><u>\$ (50,466)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 90,982</u></b>

**County Farm**

Land	<u>\$ 153,037</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,037</u>
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Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:

General government	\$ 108,753
Public safety	159,084
Transportation and highway	2,682,150
Culture and recreation	1,464
Health and sanitation	<u>26,067</u>

**Total depreciation – governmental activities** **\$2,977,518**

Business-type activities:

911 Emergency Service Board	<u>\$ 50,466</u>
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**NOTE 7 - GENERAL LONG-TERM DEBT**

As of November 30, 2013, the Ford-Iroquois Public Health Department had a note payable to Sumner National Bank of Sheldon. The note requires monthly payments of principal and interest beginning December 15, 2011, through March 1, 2019, secured by a certificate of deposit held at the bank. The interest rate is 3.75%.

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 7 - GENERAL LONG-TERM DEBT (CONTINUED)**

Future maturities on the note payable are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 5,013	\$ 985	\$ 5,998
2015	5,205	793	5,998
2016	5,401	597	5,998
2017	5,609	389	5,998
2018	5,824	175	5,999
2019	<u>1,490</u>	<u>9</u>	<u>1,499</u>
<b>Total</b>	<b><u>\$ 28,542</u></b>	<b><u>\$ 2,948</u></b>	<b><u>\$ 31,490</u></b>

Changes in long-term debt for the year ended November 30, 2013 are as follows:

	<u>Balance November 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2013</u>	<u>Due In One Year</u>
Compensated absences	\$ 490,340	\$ 410,270	\$ 411,110	\$ 489,500	\$ -
Note payable – Health Department	<u>33,371</u>	<u>-</u>	<u>4,829</u>	<u>28,542</u>	<u>5,013</u>
<b>Total</b>	<b><u>\$ 523,711</u></b>	<b><u>\$ 410,270</u></b>	<b><u>\$ 415,939</u></b>	<b><u>\$ 518,042</u></b>	<b><u>\$ 5,013</u></b>

For governmental activities, compensated absences are liquidated primarily by the General Fund.

	<u>Balance November 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2013</u>	<u>Due In One Year</u>
Net pension obligation (prepaid pension)	<u>\$ 163,044</u>	<u>\$ -</u>	<u>\$ (376,423)</u>	<u>\$ (213,379)</u>	<u>\$ -</u>

See Note 9 for additional information on the net pension obligation (prepaid pension).

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 8 - LEASES**

**Building leases**

The County leases space to various non-profit entities under formal and informal arrangements. As indicated below, certain lease agreements are beyond their scheduled due dates. However, payments continue to be made even though the leases have not been revised to reflect a modified due date. Rent receipts are recorded in the General Fund.

<u>Entity</u>	<u>Rent Amount</u>	<u>Lease Term</u>
County Farm Service Agency	\$3,698.25 monthly	September 30, 2011 to September 30, 2013 (automatic renewals thereafter)
Champaign Consortium JTPA	\$387.45 monthly	September 1, 2004 to August 31, 2008 (automatic renewals thereafter)
ECICA Headstart	\$1,166.66 monthly	September 1, 2013 to August 31, 2016
Volunteer Services of Iroquois Co.	\$500.00 monthly	September 1, 2013 to August 31, 2016
911 Emergency Service Board	\$400.00 monthly	August 1, 2013 to July 31, 2014
Champaign Regional Planning	\$401.50 monthly	July 1, 2013 to June 30, 2016 (automatic renewals thereafter)

**Farm lease**

The County owns farmland that is leased for cash. The current lease is effective for February 28, 2013 to November 1, 2015. Terms of the lease are \$390 cash rent per acre for a total rent over the three-year term of \$473,850. The County received rent of \$157,950 for the year ended November 30, 2013. The rent is recorded in the County Farm Propriety Fund.

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 9 - PENSION PLANS**

**DEFINED BENEFIT PENSION PLAN - OTHER QUALIFIED IROQUOIS COUNTY EMPLOYEES**

*Plan Description.* The County's defined benefit pension plan for regular employees 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 multiple-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 supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the County regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual required contribution rate for calendar year 2012 was 11.17 percent. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* The required contribution for fiscal year ended 2013 was \$376,665.

**THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN**

<b><u>Fiscal Year Ending</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
11/30/13	\$ 378,780	99%	\$ 101,006
11/30/12	374,847	100%	62,469
11/30/11	308,177	95%	62,469

The required contribution for 2012 (the plan year) was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County's regular plan's unfunded actuarial accrued liability at December 31, 2010, is being amortized as a level percentage of projected payroll on an open 30 year basis.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 9 - PENSION PLANS (CONTINUED)**

**DEFINED BENEFIT PENSION PLAN - OTHER QUALIFIED IROQUOIS COUNTY EMPLOYEES**  
(Continued)

*Funded Status and Funding Progress.* As of December 31, 2012, the most recent actuarial valuation date, the regular plan was 82.96 percent funded. The actuarial accrued liability for benefits was \$9,355,006 and the actuarial value of assets was \$7,760,749, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,594,257. The covered payroll (annual payroll of active employees covered by the plan) was \$3,225,297 and the ratio of the UAAL to the covered payroll was 49 percent.

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**DEFINED BENEFIT PENSION PLAN - SHERIFF'S LAW ENFORCEMENT PERSONNEL**

*Plan Description.* The County's defined benefit pension plan for Sheriff's Law Enforcement Personnel employees 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 multiple-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 supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the County Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual required contribution rate for calendar year 2012 was 23.68 percent. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* The required contribution for fiscal year ended 2013 was \$181,874.

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 9 - PENSION PLANS (CONTINUED)**

**DEFINED BENEFIT PENSION PLAN - SHERIFF'S LAW ENFORCEMENT PERSONNEL**  
(Continued)

**THREE-YEAR TREND INFORMATION FOR THE SHERIFF'S  
LAW ENFORCEMENT PERSONNEL PLAN**

<b><u>Fiscal Year Ending</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
11/30/13	\$ 183,224	99%	\$ 64,454
11/30/12	196,047	100%	-
11/30/11	170,024	100%	-

The required contribution for 2012 (the plan year) was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County Sheriff's Law Enforcement Personnel plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability at December 31, 2010, is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Funded Status and Funding Progress.* As of December 31, 2012, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 56.95 percent funded. The actuarial accrued liability for benefits was \$3,268,213 and the actuarial value of assets was \$1,861,295, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,406,918. The covered payroll (annual payroll of active employees covered by the plan) was \$787,139 and the ratio of the UAAL to the covered payroll was 179 percent.

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 9 - PENSION PLANS (CONTINUED)**

**DEFINED BENEFIT PENSION PLAN - ELECTED COUNTY OFFICIALS**

*Plan Description.* The County's defined benefit pension plan for Elected County Official employees 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 multiple-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 supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the County Elected County Official plan members are required to contribute 7.50 percent of their annual covered salary (of which there were none in fiscal year 2012 or 2013 as the plan is closed). The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual required contribution rate for calendar year 2012 was 18.17 percent. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For fiscal year ending November 30, 2013, the County's required contribution was \$221,934 and the County's actual contribution was \$821,934. Actual contributions exceeded the pension cost which created a net pension asset as shown below. The net pension asset represents an additional voluntary contribution to the plan and is presented as a prepaid asset (netted with the pension obligations from SLEP, Health Department, and Other Employees on the Statement of Net Position).

**THREE-YEAR TREND INFORMATION FOR THE ELECTED  
COUNTY OFFICIAL PLAN**

<b><u>Fiscal Year Ending</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation (Asset)</u></b>
11/30/13	\$ 221,934	370%	\$ (600,000)
11/30/12	138,240	100%	-
11/30/11	44,470	100%	-

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 9 - PENSION PLANS (CONTINUED)**

**DEFINED BENEFIT PENSION PLAN - ELECTED COUNTY OFFICIALS (Continued)**

The required contribution for calendar 2012 (the plan year) was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County Elected County Official plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Elected County Official plan's unfunded actuarial accrued liability at December 31, 2010, is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Funded Status and Funding Progress.* As of December 31, 2012, the most recent actuarial valuation date, the Elected County Official plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$-0- and the actuarial value of assets was \$(2,241,290), resulting in an underfunded actuarial accrued liability (UAAL) of \$2,241,290. The covered payroll (annual payroll of active employees covered by the plan) was \$-0- and the ratio of the UAAL to the covered payroll was 0 percent.

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**DEFINED BENEFIT PENSION PLAN - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT**

*Plan Description.* The Ford-Iroquois Public Health Department defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Health Department's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-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 supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, the Health Department's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Health Department's contribution rate for calendar year 2012 was 10.24 percent of annual covered payroll. The Health Department's annual required contribution rate for calendar year 2012 (the plan year) was 18.56 percent. The Health Department 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**IROQUOIS COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2013**

**NOTE 9 - PENSION PLANS (CONTINUED)**

**DEFINED BENEFIT PENSION PLAN - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT**  
(Continued)

*Annual Pension Cost.* For fiscal year ending December 31, 2012, the County's actual contributions for pension costs were \$148,414. Its required contribution for calendar year 2012 was \$269,000.

**THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN**

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/12	\$ 269,000	55%	\$ 221,161
12/31/11	211,853	63%	100,575
12/31/10	184,907	88%	22,189

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The regular plan's unfunded actuarial accrued liability at December 31, 2010, is being amortized as a level percentage of projected payroll on an open 10 year basis.

*Funded Status and Funding Progress.* As of December 31, 2012, the most recent actuarial valuation date, the regular plan was 70.06 percent funded. The actuarial accrued liability for benefits was \$3,277,363 and the actuarial value of assets was \$2,295,959, resulting in an underfunded actuarial accrued liability (UAAL) of \$981,404. The covered payroll (annual payroll of active employees covered by the plan) was \$1,449,352 and the ratio of the UAAL to the covered payroll was 68 percent.

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**NOTE 10 - DEFERRED COMPENSATION PLAN**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 11 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Expenditures over Budget**

The following individual funds had an excess of actual expenditures over legally enacted budgeted amounts for the year ended November 30, 2013: Group Insurance Trust, Retirement, County Information Systems, Public Safety, Police Vehicle, Drug Abuse, Coroner Automation, Teen Court, Court Document Storage, Circuit Clerk Automation, County Treasurer Automation, State's Attorney Automation, Electronic Voting System, Grant, Trust, Sale in Error, Tax Redemption, County Redemptions, Matching Tax, Township Motor Fuel, and 911 Emergency Service Board.

**Deficit Fund Balance**

The following individual fund had deficit fund balance as of November 30, 2013:

State's Attorney Automation Fund – Nonmajor Special Revenue Fund	\$578
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**NOTE 12 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The insurance funds account for and finance the County's risks. Premiums are paid into the insurance funds by all other funds and are available to pay claims, claim reserves, and administrative costs of the program. The County purchases commercial insurance for these risks.

There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**NOTE 13 - CONTINGENT LIABILITIES**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 14 - HEALTH CARE REVENUE BONDS**

The County issued \$7,000,000 of health care facilities revenue bonds dated July 1, 2003, under the Industrial Building Revenue Bond Act of the State of Illinois. The bonds were issued in order to provide funds to loan to Iroquois Memorial Hospital and Resident Home (Institution) for financing a building project. The bonds and interest thereon are limited obligations of the County and are payable solely out of the loan proceeds, revenues and receipts received by the County from the Institution. Bonds outstanding are approximately \$4,555,000 as of the Hospital's fiscal year ended September 30, 2012.

**NOTE 15 - SUBSEQUENT EVENTS**

Events or transactions occurring after November 30, 2013, but prior to April 9, 2014 that provided additional evidence about conditions that existed at November 30, 2013, have been recognized in the financial statements for the year ended November 30, 2013. Events or transactions that provided evidence about conditions that did not exist at November 30, 2013 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended November 30, 2013.

**NOTE 16 - DISSOLUTION OF FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT**

In February 2014, the Board approved a resolution to withdraw from the Ford-Iroquois Public Health Department and to re-establish an independent Iroquois County Health Department. The dissolution will be effective June 30, 2014, where the respective counties will apply separately for future grants. State law requires that all assets be liquidated. These assets will then be divided between the two member counties, with 68% due to Iroquois County. The new Iroquois County Health Department plans to continue all current programs. This will be accounted for as another fund of Iroquois County and will be part of Iroquois County accounting and internal control system. The overall impact of this change is unknown to the County's financial statements.

**NOTE 17 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)  
STATEMENTS**

The Governmental Accounting Standards Board (GASB) has issued new accounting standards that may restate portions of these financial statements in future periods. Listed below are the statements and short summary of the standard's objective.

New accounting standards effective for the November 30, 2014 financial statements include:

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, issued March 2012. The objective of this statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2013**

**NOTE 17 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)  
STATEMENTS (CONTINUED)**

GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, issued March 2012. The objective of this statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued April 2013. The objective of this statement is to enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive financial guarantees. This statement will also enhance the information disclosed about a government's obligations and risk exposure from extending nonexchange financial guarantees.

New accounting standards effective for the November 30, 2015 financial statements include:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, issued June 2012. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued January 2013. The objective of this statement is to improve financial reporting by addressing accounting and financial reporting for government combinations and disposals of government operations.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, issued November 2013. The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

The effects of these statements have not been determined.

This information is an integral part of the accompanying financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended November 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 1,195,000	\$ 1,195,000	\$ 1,252,243	\$ 57,243
Intergovernmental	2,246,319	2,246,319	2,669,539	423,220
Licenses, permits and fees	124,500	124,500	147,705	23,205
Charges for services	620,285	620,285	659,808	39,523
Interest	3,000	3,000	1,919	(1,081)
Fines, fees and forfeits	423,700	423,700	448,997	25,297
Miscellaneous	22,300	22,300	19,878	(2,422)
	<u>4,635,104</u>	<u>4,635,104</u>	<u>5,200,089</u>	<u>564,985</u>
<b>EXPENDITURES</b>				
General and Administrative:				
County Board	122,160	122,160	111,934	10,226
Board of Review	12,400	12,400	13,578	(1,178)
County Treasurer	114,882	118,182	117,928	254
Data Processing	228,985	229,635	210,774	18,861
Elections	123,122	124,422	116,762	7,660
Zoning and Planning	109,838	109,838	96,000	13,838
Superintendent of Schools	91,314	91,314	91,314	-
County Clerk	154,965	160,265	163,202	(2,937)
Other Public and County Services	450	450	408	42
Other County Offices	10,000	10,000	10,192	(192)
Assessment Offices	194,851	208,801	209,877	(1,076)
Postage for County Offices	52,000	52,000	55,071	(3,071)
	<u>1,214,967</u>	<u>1,239,467</u>	<u>1,197,040</u>	<u>42,427</u>
Justice and Public Safety:				
Sheriff	1,509,249	1,509,249	1,490,997	18,252
Coroner	79,723	79,723	78,869	854
Animal Control	71,100	71,100	63,125	7,975
Emergency Services Disaster Agency	27,896	27,896	23,151	4,745
Circuit Clerk	232,847	239,397	233,499	5,898
Public Defender	75,000	75,000	75,000	-
Courts and Administration of Justice	116,372	131,872	129,561	2,311
States Attorney	316,502	317,802	315,040	2,762
Courthouse and Jail	328,304	367,304	364,312	2,992
Probation Office	367,904	369,904	366,371	3,533
Jurors	35,200	42,200	46,816	(4,616)
	<u>3,160,097</u>	<u>3,231,447</u>	<u>3,186,741</u>	<u>44,706</u>
Other	<u>422,000</u>	<u>503,800</u>	<u>424,944</u>	<u>78,856</u>
Capital outlay	<u>24,000</u>	<u>24,000</u>	<u>22,292</u>	<u>1,708</u>
	<u>4,821,064</u>	<u>4,998,714</u>	<u>4,831,017</u>	<u>167,697</u>
Excess (deficiency) of revenues over expenditures	<u>(185,960)</u>	<u>(363,610)</u>	<u>369,072</u>	<u>732,682</u>

**IROQUOIS COUNTY, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
GENERAL FUND  
Year Ended November 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	\$ 325,050	\$ 335,050	\$ 340,572	\$ 5,522
Operating transfers out	<u>(131,666)</u>	<u>(139,751)</u>	<u>(145,273)</u>	<u>(5,522)</u>
Total other financing sources (uses)	<u>193,384</u>	<u>195,299</u>	<u>195,299</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 7,424</u>	<u>\$ (168,311)</u>	564,371	<u>\$ 732,682</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,054,796</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,619,167</u>	

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR FUND - SPECIAL REVENUE FUND - COUNTY MOTOR FUEL TAX**  
**Year Ended November 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 1,735,000	\$ 1,735,000	\$ 847,944	\$ (887,056)
Interest	<u>2,000</u>	<u>2,000</u>	<u>4,962</u>	<u>2,962</u>
Total revenues	<u>1,737,000</u>	<u>1,737,000</u>	<u>852,906</u>	<u>(884,094)</u>
<b>EXPENDITURES</b>				
Transportation	<u>1,207,043</u>	<u>1,207,043</u>	<u>1,116,308</u>	<u>90,735</u>
Excess (deficiency) of revenues over expenditures	529,957	529,957	(263,402)	(793,359)
<b>OTHER FINANCING USES</b>				
Operating transfers out	<u>(12,240)</u>	<u>(12,240)</u>	<u>(17,018)</u>	<u>(4,778)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ 517,717</u>	<u>\$ 517,717</u>	(280,420)	<u>\$ (798,137)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,699,681</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,419,261</u>	

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR FUND - SPECIAL REVENUE FUND - RETIREMENT**  
**Year Ended November 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Property taxes	\$ 1,996,159	\$ 1,996,159	\$ 1,994,646	\$ (1,513)
Miscellaneous	-	-	131,350	131,350
Interest	<u>4,000</u>	<u>4,000</u>	<u>2,475</u>	<u>(1,525)</u>
Total revenues	<u>2,000,159</u>	<u>2,000,159</u>	<u>2,128,471</u>	<u>128,312</u>
<b>EXPENDITURES</b>				
General Government:				
Retirement contributions	<u>1,856,468</u>	<u>1,856,468</u>	<u>1,861,865</u>	<u>(5,397)</u>
Excess (deficiency) of revenues over expenditures	143,691	143,691	266,606	122,915
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>77,000</u>	<u>77,000</u>	<u>76,450</u>	<u>(550)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ 220,691</u>	<u>\$ 220,691</u>	343,056	<u>\$ 122,365</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,721,858</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 2,064,914</u>	

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - SPECIAL REVENUE FUND - COUNTY HIGHWAY**  
**Year Ended November 30, 2013**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Property taxes	\$ 440,000	\$ 440,000	\$ 463,579	\$ 23,579
Charges for services	162,000	162,000	166,465	4,465
Intergovernmental	154,127	154,127	208,472	54,345
Interest income	2,000	2,000	1,461	(539)
Miscellaneous	28,240	28,240	28,950	710
Total revenues	786,367	786,367	868,927	82,560
<b>EXPENDITURES</b>				
Transportation and highway	651,596	657,446	479,153	178,293
Capital outlay	161,400	161,400	252,234	(90,834)
Total expenditures	812,996	818,846	731,387	87,459
Excess (deficiency) of revenues over expenditures	(26,629)	(32,479)	137,540	170,019
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	17,018	17,018
Operating transfers out	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	(10,000)	(10,000)	7,018	17,018
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (36,629)	\$ (42,479)	144,558	\$ 187,037
<b>FUND BALANCE, BEGINNING OF YEAR</b>			934,811	
<b>FUND BALANCE, END OF YEAR</b>			\$ 1,079,369	

**IROQUOIS COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR FUND - SPECIAL REVENUE FUND - FORD - IROQUOIS PUBLIC HEALTH DEPARTMENT**  
**Year Ended November 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget  Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Property taxes	\$ 464,719	\$ 464,719	\$ 478,648	\$ 13,929
Charges for services	707,000	707,000	614,480	(92,520)
Intergovernmental	1,154,000	1,154,000	1,034,007	(119,993)
Interest	3,800	3,800	1,718	(2,082)
Miscellaneous	<u>455,282</u>	<u>455,282</u>	<u>348,510</u>	<u>(106,772)</u>
Total revenues	<u>2,784,801</u>	<u>2,784,801</u>	<u>2,477,363</u>	<u>(307,438)</u>
<b>EXPENDITURES</b>				
Health and sanitation	2,878,082	2,878,082	2,613,696	264,386
Capital outlay	<u>45,000</u>	<u>45,000</u>	<u>28,461</u>	<u>16,539</u>
Total expenditures	<u>2,923,082</u>	<u>2,923,082</u>	<u>2,642,157</u>	<u>280,925</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ (138,281)</u>	<u>\$ (138,281)</u>	(164,794)	<u>\$ (26,513)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,372,872</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,208,078</u>	

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULES OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
QUALIFIED IROQUOIS COUNTY EMPLOYEES**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
12/31/12	\$ 7,760,749	\$ 9,355,006	\$ 1,594,257	82.96%	\$ 3,225,297	49.43%
12/31/11	7,108,310	8,911,023	1,802,713	79.77%	3,138,973	57.43%
12/31/10	6,574,214	8,236,892	1,662,678	79.81%	3,127,164	53.17%

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SHERIFF'S LAW ENFORCEMENT PERSONNEL**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
12/31/12	\$ 1,861,295	\$ 3,268,213	\$ 1,406,918	56.95%	\$ 787,139	178.74%
12/31/11	1,495,786	2,813,997	1,318,211	53.16%	728,955	180.84%
12/31/10	1,102,609	2,484,188	1,381,579	44.39%	801,791	172.31%

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULES OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
ELECTED COUNTY OFFICIALS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
12/31/12	* \$ (2,241,290)	\$ -	\$ 2,241,290	0.00%	\$ -	0.00%
12/31/11	(2,227,910)	-	2,227,910	0.00%	-	0.00%
12/31/10	(2,163,513)	-	2,163,513	0.00%	117,399	1842.87%

\* This plan is closed for new members and any unfunded balance shows as negative assets.

**ILLINOIS MUNICIPAL RETIREMENT FUND  
PUBLIC HEALTH DEPARTMENT**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
12/31/12	\$ 2,295,959	\$ 3,277,363	\$ 981,404	70.06%	\$ 1,449,352	67.71%
12/31/11	2,070,040	3,102,035	1,031,995	66.73%	1,427,582	72.29%
12/31/10	1,715,168	2,914,565	1,199,397	58.85%	1,430,062	83.87%

**IROQUOIS COUNTY, ILLINOIS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**November 30, 2013**

**Basis of Accounting**

The County's budget is prepared on the modified accrual basis for all budgeted funds as presented in the Required Supplementary Information.

**Expenditures over Budget**

The following individual funds had an excess of actual expenditures over legally enacted budgeted amounts for the year ended November 30, 2013: Group Insurance Trust, Retirement, County Information Systems, Public Safety, Police Vehicle, Drug Abuse, Coroner Automation, Teen Court, Court Document Storage, Circuit Clerk Automation, County Treasurer Automation, State's Attorney Automation, Electronic Voting System, Grant, Trust, Sale in Error, Tax Redemption, County Redemptions, Matching Tax, Township Motor Fuel, and 911 Emergency Service Board.

**OTHER SUPPLEMENTARY INFORMATION**

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
GENERAL FUND  
November 30, 2013**

	<u>General Account</u>	<u>County Information Systems</u>	<u>Total General Fund</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,340,812	\$ 31,672	\$ 1,372,484
Receivables (net of estimated uncollectible amounts)			
Property taxes	1,296,000	-	1,296,000
Other	18,356	-	18,356
Intergovernmental	570,143	-	570,143
Due from other funds	<u>2,952</u>	<u>-</u>	<u>2,952</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,228,263</u>	<u>\$ 31,672</u>	<u>\$ 3,259,935</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 140,916	\$ -	\$ 140,916
Due to other funds	110	-	110
Unearned revenue	<u>1,499,742</u>	<u>-</u>	<u>1,499,742</u>
Total liabilities	<u>1,640,768</u>	<u>-</u>	<u>1,640,768</u>
<b>FUND BALANCE</b>			
Unassigned	<u>1,587,495</u>	<u>31,672</u>	<u>1,619,167</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,228,263</u>	<u>\$ 31,672</u>	<u>\$ 3,259,935</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**Year Ended November 30, 2013**

	<u>General Account</u>	<u>County Information Systems</u>	<u>Total General Fund</u>
<b>REVENUES</b>			
Property taxes	\$ 1,252,243	\$ -	\$ 1,252,243
Charges for services	659,808	-	659,808
Licenses, permits and fees	147,705	-	147,705
Fines, fees and forfeits	448,997	-	448,997
Intergovernmental	2,669,539	-	2,669,539
Interest	1,912	7	1,919
Miscellaneous	18,778	1,100	19,878
	<u>5,198,982</u>	<u>1,107</u>	<u>5,200,089</u>
Total revenues			
<b>EXPENDITURES</b>			
General government	1,183,167	13,873	1,197,040
Justice and public safety	3,186,741	-	3,186,741
Other	424,944	-	424,944
Capital outlay	22,292	-	22,292
	<u>4,817,144</u>	<u>13,873</u>	<u>4,831,017</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>381,838</u>	<u>(12,766)</u>	<u>369,072</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	335,050	5,522	340,572
Operating transfers--intrafund	(25,000)	25,000	-
Operating transfers out	(145,273)	-	(145,273)
	<u>164,777</u>	<u>30,522</u>	<u>195,299</u>
Total other financing sources			
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	546,615	17,756	564,371
<b>FUND BALANCE,</b>			
<b>BEGINNING OF YEAR</b>	<u>1,040,880</u>	<u>13,916</u>	<u>1,054,796</u>
<b>FUND BALANCE,</b>			
<b>END OF YEAR</b>	<u>\$ 1,587,495</u>	<u>\$ 31,672</u>	<u>\$ 1,619,167</u>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

**Special Revenue**

	<u>Historical Documents</u>	<u>Indemnity</u>	<u>County Bridge</u>	<u>Township Bridge</u>	<u>Matching Tax</u>	<u>Tax Redemption</u>
Cash and cash equivalents	\$ 12	\$ 76,424	\$ 792,028	\$ 76,190	\$ 588,576	\$ 602
Investments	-	-	-	-	-	-
Receivables:						
Property taxes	9,600	-	240,000	-	240,000	-
Loans	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 9,612</u>	<u>\$ 76,424</u>	<u>\$ 1,032,028</u>	<u>\$ 76,190</u>	<u>\$ 828,576</u>	<u>\$ 602</u>
<b>LIABILITIES</b>						
Accounts payable	-	-	156,841	46,571	302,248	-
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	9,600	-	240,000	-	240,000	-
Total liabilities	<u>9,600</u>	<u>-</u>	<u>396,841</u>	<u>46,571</u>	<u>542,248</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	76,424	-	-	-	602
Justice and public safety	-	-	-	-	-	-
Transportation and highway	-	-	635,187	29,619	286,328	-
Culture and recreation	12	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
<b>Committed:</b>						
Capital projects	-	-	-	-	-	-
<b>Assigned:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	-	-	-	-	-	-
<b>Unrestricted</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>12</u>	<u>76,424</u>	<u>635,187</u>	<u>29,619</u>	<u>286,328</u>	<u>602</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 9,612</u>	<u>\$ 76,424</u>	<u>\$ 1,032,028</u>	<u>\$ 76,190</u>	<u>\$ 828,576</u>	<u>\$ 602</u>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

	<b>Special Revenue</b>					
	<b><u>Court Document Storage</u></b>	<b><u>Circuit Clerk Automation</u></b>	<b><u>County Clerk Automation</u></b>	<b><u>County Recorder Automation</u></b>	<b><u>County Treasurer Automation</u></b>	<b><u>Law Library</u></b>
Cash and cash equivalents	\$ 100,459	\$ 90,560	\$ 24,519	\$ 102,708	\$ 26,840	\$ 15,256
Investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Loans	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 100,459</u></b>	<b><u>\$ 90,560</u></b>	<b><u>\$ 24,519</u></b>	<b><u>\$ 102,708</u></b>	<b><u>\$ 26,840</u></b>	<b><u>\$ 15,256</u></b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ 1,110	\$ 6,335	\$ 280	\$ -
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,110</u>	<u>6,335</u>	<u>280</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	-	23,409	96,373	26,560	-
Justice and public safety	100,459	90,560	-	-	-	15,256
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
<b>Committed:</b>						
Capital projects	-	-	-	-	-	-
<b>Assigned:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	-	-	-	-	-	-
<b>Unrestricted</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>100,459</u>	<u>90,560</u>	<u>23,409</u>	<u>96,373</u>	<u>26,560</u>	<u>15,256</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b><u>\$ 100,459</u></b>	<b><u>\$ 90,560</u></b>	<b><u>\$ 24,519</u></b>	<b><u>\$ 102,708</u></b>	<b><u>\$ 26,840</u></b>	<b><u>\$ 15,256</u></b>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

	<b>Special Revenue</b>					
	<b><u>Probation Services</u></b>	<b><u>Court Security</u></b>	<b><u>Sale in Error</u></b>	<b><u>Drug Abuse</u></b>	<b><u>Veterans Assistance Commission</u></b>	<b><u>Joint Dispatch</u></b>
Cash and cash equivalents	\$ 90,900	\$ 29,094	\$ 500	\$ 13,940	\$ 25,549	\$ 153,646
Investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	26,000	-
Loans	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 90,900</u></b>	<b><u>\$ 29,094</u></b>	<b><u>\$ 500</u></b>	<b><u>\$ 13,940</u></b>	<b><u>\$ 51,549</u></b>	<b><u>\$ 153,646</u></b>
<b>LIABILITIES</b>						
Accounts payable	\$ 412	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	696	-	-	-	12,009
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	26,000	-
Total liabilities	<u>412</u>	<u>696</u>	<u>-</u>	<u>-</u>	<u>26,000</u>	<u>12,009</u>
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	90,488	28,398	-	13,940	-	-
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	25,549	-
Capital projects	-	-	-	-	-	-
<b>Committed:</b>						
Capital projects	-	-	-	-	-	-
<b>Assigned:</b>						
General and administrative	-	-	500	-	-	-
Justice and public safety	-	-	-	-	-	141,637
<b>Unrestricted</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>90,488</u>	<u>28,398</u>	<u>500</u>	<u>13,940</u>	<u>25,549</u>	<u>141,637</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b><u>\$ 90,900</u></b>	<b><u>\$ 29,094</u></b>	<b><u>\$ 500</u></b>	<b><u>\$ 13,940</u></b>	<b><u>\$ 51,549</u></b>	<b><u>\$ 153,646</u></b>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

	<b>Special Revenue</b>					
	<b>States Attorney Forfeiture</b>	<b>Electronic Voting System</b>	<b>Grant Fund</b>	<b>Revolving CDAP Loans</b>	<b>Teen Court</b>	<b>Public Safety</b>
Cash and cash equivalents	\$ 1,504	\$ 18,313	\$ 18,722	\$ 459,238	\$ 13,985	\$ 21,412
Investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Loans	-	-	-	117,555	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,504</b>	<b>\$ 18,313</b>	<b>\$ 18,722</b>	<b>\$ 576,793</b>	<b>\$ 13,985</b>	<b>\$ 21,412</b>
<b>LIABILITIES</b>						
Accounts payable	-	-	10,157	-	-	484
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	10,157	-	-	484
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	18,313	-	-	-	-
Justice and public safety	1,504	-	8,565	-	-	-
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	576,793	-	-
Capital projects	-	-	-	-	-	-
<b>Committed:</b>						
Capital projects	-	-	-	-	-	-
<b>Assigned:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	-	-	-	-	13,985	20,928
<b>Unrestricted</b>	-	-	-	-	-	-
Total fund balance (deficit)	1,504	18,313	8,565	576,793	13,985	20,928
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 1,504</b>	<b>\$ 18,313</b>	<b>\$ 18,722</b>	<b>\$ 576,793</b>	<b>\$ 13,985</b>	<b>\$ 21,412</b>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

<u>Special Revenue</u>						
	<u>Police Vehicle</u>	<u>Arrestees Medical Costs</u>	<u>Unclaimed Bonds</u>	<u>Coroner Automation</u>	<u>Trust Fund</u>	<u>Sheriff's E-Citation</u>
Cash and cash equivalents	\$ 4,348	\$ 1,871	\$ 21,907	\$ 2,969	\$ 5,614	\$ 569
Investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Loans	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 4,348</u>	<u>\$ 1,871</u>	<u>\$ 21,907</u>	<u>\$ 2,969</u>	<u>\$ 5,614</u>	<u>\$ 569</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 506	\$ 14,364	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>506</u>	<u>14,364</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	-	-	7,543	2,969	5,614	569
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
<b>Committed:</b>						
Capital projects	-	-	-	-	-	-
<b>Assigned:</b>						
General and administrative	-	-	-	-	-	-
Justice and public safety	4,348	1,365	-	-	-	-
<b>Unrestricted</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>4,348</u>	<u>1,365</u>	<u>7,543</u>	<u>2,969</u>	<u>5,614</u>	<u>569</u>
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<u>\$ 4,348</u>	<u>\$ 1,871</u>	<u>\$ 21,907</u>	<u>\$ 2,969</u>	<u>\$ 5,614</u>	<u>\$ 569</u>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2013**

	<u>Special Revenue</u>			<u>Capital Projects</u>		<u>Total</u>
	<u>Probation Operations</u>	<u>States Attorney Automation</u>	<u>GIS Fund</u>	<u>Solid Waste Disposal</u>	<u>Capital Projects</u>	
Cash and cash equivalents	\$ 5,571	\$ -	\$ 60,576	\$ 116,966	\$ 255,853	\$ 3,217,221
Investments	-	-	-	155,682	-	155,682
Receivables:						
Property taxes	-	-	-	-	-	515,600
Loans	-	-	-	-	-	117,555
<b>TOTAL ASSETS</b>	<b>\$ 5,571</b>	<b>\$ -</b>	<b>\$ 60,576</b>	<b>\$ 272,648</b>	<b>\$ 255,853</b>	<b>\$ 4,006,058</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 31,962	\$ 571,270
Accrued expenses	-	-	-	-	-	12,705
Due to other funds	-	578	-	-	-	578
Unearned revenue	-	-	-	-	-	515,600
Total liabilities	-	578	-	-	31,962	1,100,153
<b>FUND BALANCE (DEFICIT)</b>						
<b>Restricted:</b>						
General and administrative	-	-	-	-	-	241,681
Justice and public safety	5,571	-	60,576	-	-	432,012
Transportation and highway	-	-	-	-	-	951,134
Culture and recreation	-	-	-	-	-	12
Public assistance	-	-	-	-	-	602,342
Capital projects	-	-	-	272,648	-	272,648
<b>Committed:</b>						
Capital projects	-	-	-	-	223,891	223,891
<b>Assigned:</b>						
General and administrative	-	-	-	-	-	500
Justice and public safety	-	-	-	-	-	182,263
<b>Unrestricted</b>	-	(578)	-	-	-	(578)
Total fund balance (deficit)	5,571	(578)	60,576	272,648	223,891	2,905,905
<b>TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)</b>	<b>\$ 5,571</b>	<b>\$ -</b>	<b>\$ 60,576</b>	<b>\$ 272,648</b>	<b>\$ 255,853</b>	<b>\$ 4,006,058</b>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<b>Special Revenue</b>					
	<u>Historical Documents</u>	<u>Indemnity</u>	<u>County Bridge</u>	<u>Township Bridge</u>	<u>Matching Tax</u>	<u>Tax Redemption</u>
<b>REVENUES</b>						
Property taxes	\$ 9,317	\$ -	\$ 231,789	\$ -	\$ 231,790	\$ -
Fines, fees and forfeits	-	9,620	-	-	-	-
Intergovernmental	-	-	-	-	108,400	-
Interest	-	167	1,153	55	1,055	2
Miscellaneous	-	-	-	-	-	1,748
Total revenues	<u>9,317</u>	<u>9,787</u>	<u>232,942</u>	<u>55</u>	<u>341,245</u>	<u>1,750</u>
<b>EXPENDITURES</b>						
General and administrative	-	-	-	-	-	5,057
Health and sanitation	-	-	-	-	-	-
Justice and public safety	-	-	-	-	-	-
Transportation and highway	-	-	32,093	47,777	311,002	-
Culture and recreation	16,067	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital outlay	-	-	197,663	-	197,663	-
Total expenditures	<u>16,067</u>	<u>-</u>	<u>229,756</u>	<u>47,777</u>	<u>508,665</u>	<u>5,057</u>
Excess (deficiency) of revenues over expenditures	<u>(6,750)</u>	<u>9,787</u>	<u>3,186</u>	<u>(47,722)</u>	<u>(167,420)</u>	<u>(3,307)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	6,750	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>6,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	9,787	3,186	(47,722)	(167,420)	(3,307)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>12</u>	<u>66,637</u>	<u>632,001</u>	<u>77,341</u>	<u>453,748</u>	<u>3,909</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 12</u>	<u>\$ 76,424</u>	<u>\$ 635,187</u>	<u>\$ 29,619</u>	<u>\$ 286,328</u>	<u>\$ 602</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<b>Special Revenue</b>					
	<b>Court Document Storage</b>	<b>Circuit Clerk Automation</b>	<b>County Clerk Automation</b>	<b>County Recorder Automation</b>	<b>County Treasurer Automation</b>	<b>Law Library</b>
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, fees and forfeits	49,996	50,520	2,932	59,499	10,621	13,746
Intergovernmental	-	-	1,368	-	-	-
Interest	237	232	26	201	41	34
Miscellaneous	-	-	10,850	-	-	-
Total revenues	<u>50,233</u>	<u>50,752</u>	<u>15,176</u>	<u>59,700</u>	<u>10,662</u>	<u>13,780</u>
<b>EXPENDITURES</b>						
General and administrative	-	-	2,621	34,967	13,239	-
Health and sanitation	-	-	-	-	-	-
Justice and public safety	34,137	49,254	-	-	-	-
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>34,137</u>	<u>49,254</u>	<u>2,621</u>	<u>34,967</u>	<u>13,239</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>16,096</u>	<u>1,498</u>	<u>12,555</u>	<u>24,733</u>	<u>(2,577)</u>	<u>13,780</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	(58,750)	(50,000)	-	(54,000)	(2,000)	(14,000)
Total other financing sources (uses)	<u>(58,750)</u>	<u>(50,000)</u>	<u>-</u>	<u>(54,000)</u>	<u>(2,000)</u>	<u>(14,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(42,654)	(48,502)	12,555	(29,267)	(4,577)	(220)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>143,113</u>	<u>139,062</u>	<u>10,854</u>	<u>125,640</u>	<u>31,137</u>	<u>15,476</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 100,459</u>	<u>\$ 90,560</u>	<u>\$ 23,409</u>	<u>\$ 96,373</u>	<u>\$ 26,560</u>	<u>\$ 15,256</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<b>Special Revenue</b>					
	<b><u>Probation Services</u></b>	<b><u>Court Security</u></b>	<b><u>Sale in Error</u></b>	<b><u>Drug Abuse</u></b>	<b><u>Veterans Assistance Commission</u></b>	<b><u>Joint Dispatch</u></b>
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 25,924	\$ -
Fines, fees and forfeits	38,354	32,714	-	1,633	-	-
Intergovernmental	449	-	-	-	-	-
Interest	118	52	20	24	11	343
Miscellaneous	-	-	20,040	-	-	197,216
Total revenues	<u>38,921</u>	<u>32,766</u>	<u>20,060</u>	<u>1,657</u>	<u>25,935</u>	<u>197,559</u>
<b>EXPENDITURES</b>						
General and administrative	-	-	41,262	-	-	-
Health and sanitation	-	-	-	-	-	-
Justice and public safety	2,509	34,403	-	3,454	-	353,964
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	24,964	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>2,509</u>	<u>34,403</u>	<u>41,262</u>	<u>3,454</u>	<u>24,964</u>	<u>353,964</u>
Excess (deficiency) of revenues over expenditures	<u>36,412</u>	<u>(1,637)</u>	<u>(21,202)</u>	<u>(1,797)</u>	<u>971</u>	<u>(156,405)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	263,332
Operating transfers out	(2,000)	-	-	-	-	(62,992)
Total other financing sources (uses)	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,340</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	34,412	(1,637)	(21,202)	(1,797)	971	43,935
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>56,076</u>	<u>30,035</u>	<u>21,702</u>	<u>15,737</u>	<u>24,578</u>	<u>97,702</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 90,488</u>	<u>\$ 28,398</u>	<u>\$ 500</u>	<u>\$ 13,940</u>	<u>\$ 25,549</u>	<u>\$ 141,637</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<b>Special Revenue</b>					
	<b>States Attorney Forfeiture</b>	<b>Electronic Voting System</b>	<b>Grant Fund</b>	<b>Revolving CDAP Loans</b>	<b>Teen Court</b>	<b>Public Safety</b>
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, fees and forfeits	-	-	-	-	-	22,673
Intergovernmental	-	-	4,765	-	7,046	-
Interest	-	12	14	4,832	23	34
Miscellaneous	-	12,243	-	-	-	-
Total revenues	<u>-</u>	<u>12,255</u>	<u>4,779</u>	<u>4,832</u>	<u>7,069</u>	<u>22,707</u>
<b>EXPENDITURES</b>						
General and administrative	-	14,471	-	-	-	-
Health and sanitation	-	-	-	-	-	-
Justice and public safety	4,815	-	6,892	-	6,200	12,920
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>4,815</u>	<u>14,471</u>	<u>6,892</u>	<u>-</u>	<u>6,200</u>	<u>12,920</u>
Excess (deficiency) of revenues over expenditures	<u>(4,815)</u>	<u>(2,216)</u>	<u>(2,113)</u>	<u>4,832</u>	<u>869</u>	<u>9,787</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	(1,050)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,050)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(4,815)</u>	<u>(2,216)</u>	<u>(2,113)</u>	<u>3,782</u>	<u>869</u>	<u>9,787</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>6,319</u>	<u>20,529</u>	<u>10,678</u>	<u>573,011</u>	<u>13,116</u>	<u>11,141</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 1,504</u>	<u>\$ 18,313</u>	<u>\$ 8,565</u>	<u>\$ 576,793</u>	<u>\$ 13,985</u>	<u>\$ 20,928</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	<u>Special Revenue</u>					
	<u>Police Vehicle</u>	<u>Arrestees Medical Costs</u>	<u>Unclaimed Bonds</u>	<u>Coroner's Automation</u>	<u>Trust Fund</u>	<u>Sheriff's E-Citation</u>
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, fees and forfeits	8,386	5,910	-	4,875	-	495
Intergovernmental	-	-	-	-	-	-
Interest	8	1	35	11	9	-
Miscellaneous	-	-	2,336	5,000	2,976	-
Total revenues	<u>8,394</u>	<u>5,911</u>	<u>2,371</u>	<u>9,886</u>	<u>2,985</u>	<u>495</u>
<b>EXPENDITURES</b>						
General and administrative	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-
Justice and public safety	-	3,212	-	15,239	2,976	-
Transportation and highway	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Public assistance	-	-	-	-	-	-
Capital outlay	14,800	-	-	-	-	-
Total expenditures	<u>14,800</u>	<u>3,212</u>	<u>-</u>	<u>15,239</u>	<u>2,976</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(6,406)</u>	<u>2,699</u>	<u>2,371</u>	<u>(5,353)</u>	<u>9</u>	<u>495</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(6,406)</u>	<u>2,699</u>	<u>2,371</u>	<u>(5,353)</u>	<u>9</u>	<u>495</u>
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	<u>10,754</u>	<u>(1,334)</u>	<u>5,172</u>	<u>8,322</u>	<u>5,605</u>	<u>74</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 4,348</u>	<u>\$ 1,365</u>	<u>\$ 7,543</u>	<u>\$ 2,969</u>	<u>\$ 5,614</u>	<u>\$ 569</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2013**

	Special Revenue			Capital Projects		<u>Total</u>
	<u>Probation Operations</u>	<u>States Attorney Automation</u>	<u>GIS Fund</u>	<u>Solid Waste Disposal</u>	<u>Capital Projects</u>	
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 498,820
Fines, fees and forfeits	4,800	1,870	29,618	-	-	348,262
Intergovernmental	-	-	-	-	-	122,028
Interest	5	1	74	184	386	9,400
Miscellaneous	-	-	-	18,400	-	270,809
	4,805	1,871	29,692	18,584	386	1,249,319
<b>EXPENDITURES</b>						
General and administrative	-	-	-	-	-	111,617
Health and sanitation	-	-	-	-	-	-
Justice and public safety	-	2,693	-	-	-	532,668
Transportation and highway	-	-	-	-	-	390,872
Culture and recreation	-	-	-	-	-	16,067
Public assistance	-	-	-	-	-	24,964
Capital outlay	-	-	-	-	45,257	455,383
	-	2,693	-	-	45,257	1,531,571
Excess (deficiency) of revenues over expenditures	4,805	(822)	29,692	18,584	(44,871)	(282,252)
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	-	-	-	-	8,085	278,167
Operating transfers out	-	-	-	-	-	(244,792)
	-	-	-	-	8,085	33,375
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	4,805	(822)	29,692	18,584	(36,786)	(248,877)
<b>FUND BALANCE (DEFICIT), BEGINNING OF YEAR</b>	766	244	30,884	254,064	260,677	3,154,782
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	\$ 5,571	\$ (578)	\$ 60,576	\$ 272,648	\$ 223,891	\$ 2,905,905

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**November 30, 2013**

	<b>Nonmajor Enterprise Funds</b>		
	<b>911 Emergency Service Board</b>	<b>County Farm</b>	<b>Total</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 126,527	\$ 75,026	\$ 201,553
Receivables, net			
Accounts	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Total current assets	<u>186,527</u>	<u>75,026</u>	<u>261,553</u>
<b>NONCURRENT ASSETS</b>			
Land	-	153,037	153,037
Equipment	1,556,713	-	1,556,713
Less accumulated depreciation	<u>(1,465,731)</u>	<u>-</u>	<u>(1,465,731)</u>
Total noncurrent assets	<u>90,982</u>	<u>153,037</u>	<u>244,019</u>
<b>TOTAL ASSETS</b>	<u>\$ 277,509</u>	<u>\$ 228,063</u>	<u>\$ 505,572</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	<u>\$ 2,191</u>	<u>\$ -</u>	<u>\$ 2,191</u>
<b>NET POSITION</b>			
Net investment in capital assets	90,982	153,037	244,019
Unrestricted	<u>184,336</u>	<u>75,026</u>	<u>259,362</u>
Total net position	<u>275,318</u>	<u>228,063</u>	<u>503,381</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 277,509</u>	<u>\$ 228,063</u>	<u>\$ 505,572</u>

**IROQUOIS COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES,  
 EXPENSES AND CHANGES IN NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 Year Ended November 30, 2013**

	<b>Nonmajor Enterprise Funds</b>		
	<b>911 Emergency Service Board</b>	<b>County Farm</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Fees	\$ 363,708	\$ -	\$ 363,708
Rental income	-	204,200	204,200
Total operating revenues	<u>363,708</u>	<u>204,200</u>	<u>567,908</u>
<b>OPERATING EXPENSES</b>			
Public safety	316,104	-	316,104
Capital outlay	1,268	-	1,268
Farm	-	63,417	63,417
Total operating expenses	<u>317,372</u>	<u>63,417</u>	<u>380,789</u>
Operating income	<u>46,336</u>	<u>140,783</u>	<u>187,119</u>
<b>NON-OPERATING REVENUES</b>			
Interest	<u>631</u>	<u>110</u>	<u>741</u>
Net income before transfers	<u>46,967</u>	<u>140,893</u>	<u>187,860</u>
<b>OPERATING TRANSFERS</b>			
Operating transfers out	<u>(154,348)</u>	<u>(150,000)</u>	<u>(304,348)</u>
<b>CHANGE IN NET POSITION</b>	(107,381)	(9,107)	(116,488)
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>382,699</u>	<u>237,170</u>	<u>619,869</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 275,318</u>	<u>\$ 228,063</u>	<u>\$ 503,381</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUND TYPES**  
**Year Ended November 30, 2013**

	<b>Nonmajor Enterprise Funds</b>		
	<b>911 Emergency Service Board</b>	<b>County Farm</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 370,529	\$ -	\$ 370,529
Cash received for rent	-	204,200	204,200
Cash paid to suppliers and for claims	(180,287)	(63,930)	(244,217)
Cash paid to employees	(103,357)	-	(103,357)
Net cash provided by (used in) operating activities	<u>86,885</u>	<u>140,270</u>	<u>227,155</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash transfers to other funds	<u>(154,348)</u>	<u>(150,000)</u>	<u>(304,348)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of assets	150,340	-	150,340
Interest payments received	<u>631</u>	<u>110</u>	<u>741</u>
Net cash provided by (used in) investing activities	<u>150,971</u>	<u>110</u>	<u>151,081</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	83,508	(9,620)	73,888
<b>CASH, BEGINNING OF YEAR</b>	<u>43,019</u>	<u>84,646</u>	<u>127,665</u>
<b>CASH, END OF YEAR</b>	<u>\$ 126,527</u>	<u>\$ 75,026</u>	<u>\$ 201,553</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income	\$ 46,336	\$ 140,783	\$ 187,119
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	50,466	-	50,466
Effects of changes in operating assets and liabilities:			
Accounts receivables	6,821	-	6,821
Accounts payable	(16,738)	(513)	(17,251)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 86,885</u>	<u>\$ 140,270</u>	<u>\$ 227,155</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**November 30, 2013**

	<u>Liability Insurance</u>	<u>Unemployment Compensation</u>	<u>Workmen's Compensation</u>	<u>Group Insurance</u>	<u>Total</u>
<b>CURRENT ASSETS</b>					
Cash	\$ 215,419	\$ 191,441	\$ 299,694	\$ 163,030	\$ 869,584
Due from other funds	-	-	-	110	110
Other receivable, net	-	4,628	-	265	4,893
Taxes receivable, net	<u>170,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>270,000</u>
<b>TOTAL ASSETS</b>	<u>\$ 385,419</u>	<u>\$ 246,069</u>	<u>\$ 349,694</u>	<u>\$ 163,405</u>	<u>\$ 1,144,587</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 1,139	\$ -	\$ 6,133	\$ 7,272
Unearned revenue	<u>170,000</u>	<u>50,000</u>	<u>50,000</u>	<u>1,907</u>	<u>271,907</u>
Total liabilities	<u>170,000</u>	<u>51,139</u>	<u>50,000</u>	<u>8,040</u>	<u>279,179</u>
<b>NET POSITION</b>					
Unrestricted	<u>215,419</u>	<u>194,930</u>	<u>299,694</u>	<u>155,365</u>	<u>865,408</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 385,419</u>	<u>\$ 246,069</u>	<u>\$ 349,694</u>	<u>\$ 163,405</u>	<u>\$ 1,144,587</u>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
Year Ended November 30, 2013**

	<u>Liability Insurance</u>	<u>Unemployment Compensation</u>	<u>Workmen's Compensation</u>	<u>Group Insurance</u>	<u>Total</u>
<b>OPERATING REVENUES</b>					
Charges for services	\$ -	\$ -	\$ -	\$ 699,467	\$ 699,467
Miscellaneous	<u>-</u>	<u>-</u>	<u>13,703</u>	<u>-</u>	<u>13,703</u>
Total operating revenues	<u>-</u>	<u>-</u>	<u>13,703</u>	<u>699,467</u>	<u>713,170</u>
<b>OPERATING EXPENSES</b>					
General and administrative	<u>133,594</u>	<u>91,452</u>	<u>105,851</u>	<u>717,878</u>	<u>1,048,775</u>
Net income (loss) from operating activities	<u>(133,594)</u>	<u>(91,452)</u>	<u>(92,148)</u>	<u>(18,411)</u>	<u>(335,605)</u>
<b>NON-OPERATING REVENUES</b>					
Taxes	159,526	249,241	79,788	-	488,555
Interest	<u>258</u>	<u>82</u>	<u>421</u>	<u>162</u>	<u>923</u>
Total non-operating revenues	<u>159,784</u>	<u>249,323</u>	<u>80,209</u>	<u>162</u>	<u>489,478</u>
Income (loss) before operating transfers	<u>26,190</u>	<u>157,871</u>	<u>(11,939)</u>	<u>(18,249)</u>	<u>153,873</u>
<b>OPERATING TRANSFERS</b>					
Operating transfers in	<u>-</u>	<u>9,224</u>	<u>-</u>	<u>-</u>	<u>9,224</u>
<b>CHANGES IN NET POSITION</b>	26,190	167,095	(11,939)	(18,249)	163,097
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	<u>189,229</u>	<u>27,835</u>	<u>311,633</u>	<u>173,614</u>	<u>702,311</u>
<b>TOTAL NET POSITION, END OF YEAR</b>	<u>\$ 215,419</u>	<u>\$ 194,930</u>	<u>\$ 299,694</u>	<u>\$ 155,365</u>	<u>\$ 865,408</u>

**IROQUOIS COUNTY, ILLINOIS  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year Ended November 30, 2013**

	<u>Liability Insurance</u>	<u>Unemployment Compensation</u>	<u>Worker's Compensation</u>	<u>Group Insurance</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from interfund users	\$ -	\$ -	\$ 13,703	\$ 699,467	\$ 713,170
Cash paid to suppliers and for claims	<u>(135,800)</u>	<u>(91,976)</u>	<u>(105,851)</u>	<u>(717,288)</u>	<u>(1,050,915)</u>
Net cash used in operating activities	<u>(135,800)</u>	<u>(91,976)</u>	<u>(92,148)</u>	<u>(17,821)</u>	<u>(337,745)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Property tax receipts	159,526	249,241	79,788	-	488,555
Cash transfers from other funds	<u>-</u>	<u>9,224</u>	<u>-</u>	<u>-</u>	<u>9,224</u>
Net cash provided by noncapital financing activities	<u>159,526</u>	<u>258,465</u>	<u>79,788</u>	<u>-</u>	<u>497,779</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest payments received	<u>258</u>	<u>82</u>	<u>421</u>	<u>162</u>	<u>923</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	23,984	166,571	(11,939)	(17,659)	160,957
<b>CASH, BEGINNING OF YEAR</b>	<u>191,435</u>	<u>24,870</u>	<u>311,633</u>	<u>180,689</u>	<u>708,627</u>
<b>CASH, END OF YEAR</b>	<u>\$ 215,419</u>	<u>\$ 191,441</u>	<u>\$ 299,694</u>	<u>\$ 163,030</u>	<u>\$ 869,584</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating loss	\$ (133,594)	\$ (91,452)	\$ (92,148)	\$ (18,411)	\$ (335,605)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Effects of changes in operating assets and liabilities:					
Receivables	(18,000)	187,500	26,000	-	195,500
Accounts payable	(2,206)	(524)	-	590	(2,140)
Unearned revenue	<u>18,000</u>	<u>(187,500)</u>	<u>(26,000)</u>	<u>-</u>	<u>(195,500)</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>\$ (135,800)</u>	<u>\$ (91,976)</u>	<u>\$ (92,148)</u>	<u>\$ (17,821)</u>	<u>\$ (337,745)</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**November 30, 2013**

**ASSETS**

	<u>County Collection Fund</u>	<u>County Sheriff Fund</u>	<u>County Clerk Fund</u>	<u>County Recorder Fund</u>	<u>Mobile Home Privilege Tax Fund</u>	<u>Forfeitures Redeemed Fund</u>
Cash	\$ 82,942	\$ 4,472	\$ 129,969	\$ 52,655	\$ 2,020	\$ 49,269
Investments	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-
Inventory	-	-	-	11,112	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$ 82,942</u>	<u>\$ 4,472</u>	<u>\$ 129,969</u>	<u>\$ 63,767</u>	<u>\$ 2,020</u>	<u>\$ 49,269</u>

**LIABILITIES**

Amounts held in trust and available for distribution to others	\$ 82,942.00	\$ 4,472.00	\$ 129,969.00	\$ 63,767.00	\$ 2,020.00	\$ 49,269.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<u>\$ 82,942</u>	<u>\$ 4,472</u>	<u>\$ 129,969</u>	<u>\$ 63,767</u>	<u>\$ 2,020</u>	<u>\$ 49,269</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**November 30, 2013**

**ASSETS**

	<u>Circuit Clerk Fund</u>	<u>Restitution Fund</u>	<u>Sheriff Commissary Fund</u>	<u>Drainage District Fund</u>	<u>Marriage Fund</u>
Cash	\$ 309,878	\$ 2,610	\$ 3,778	\$ 1,884,552	\$ 3,728
Investments	-	-	-	189,829	-
Property taxes receivable	-	-	-	-	-
Inventory	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 309,878</u>	<u>\$ 2,610</u>	<u>\$ 3,778</u>	<u>\$ 2,074,381</u>	<u>\$ 3,728</u>

**LIABILITIES**

Amounts held in trust and available for distribution to others	\$ 309,878.00	\$ 2,610.00	\$ 3,778.00	\$ 2,074,381.00	\$ 3,728.00
<b>TOTAL LIABILITIES</b>	<u>\$ 309,878</u>	<u>\$ 2,610</u>	<u>\$ 3,778</u>	<u>\$ 2,074,381</u>	<u>\$ 3,728</u>

**IROQUOIS COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**November 30, 2013**

**ASSETS**

	<u>County Mental Health Fund</u>	<u>County Public Health Fund</u>	<u>377 Board Fund</u>	<u>County Extension Fund</u>	<u>Total</u>
Cash	\$ 10,767	\$ 11,149	\$ -	\$ -	\$ 2,547,789
Investments	-	-	-	-	189,829
Property taxes receivable	585,000	-	480,000	101,300	1,166,300
Inventory	-	-	-	-	11,112
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$ 595,767</u>	<u>\$ 11,149</u>	<u>\$ 480,000</u>	<u>\$ 101,300</u>	<u>\$ 3,915,030</u>

**LIABILITIES**

Amounts held in trust and available for distribution to others	\$ 595,767	\$ 11,149	\$ 480,000	\$ 101,300	\$ 3,915,030
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<u>\$ 595,767</u>	<u>\$ 11,149</u>	<u>\$ 480,000</u>	<u>\$ 101,300</u>	<u>\$ 3,915,030</u>

**STATISTICAL INFORMATION**  
(Unaudited)

**IROQUOIS COUNTY, ILLINOIS**  
**ASSESSED VALUATION AND TAX EXTENSIONS**  
**Tax Levies 2012, 2011, and 2010**  
**(Unaudited)**

	<u>2012</u> <u>Extended in 2013</u>		<u>2011</u> <u>Extended in 2012</u>		<u>2010</u> <u>Extended in 2011</u>	
<b>ASSESSED VALUATION</b>	\$	<u>481,218,771</u>	\$	<u>451,151,558</u>	\$	<u>452,496,162</u>
<b>TAXES EXTENDED</b>						
County (see below)	\$	6,181,149	13.93%	\$	4,784,355	11.70%
Townships and road districts		4,389,045	9.89%		4,241,828	10.37%
Cities and villages		3,618,180	8.16%		3,610,775	8.83%
District schools		22,964,289	51.77%		21,877,534	53.48%
High school and community college		4,535,052	10.22%		3,797,727	9.28%
Sanitary districts		13,770	0.03%		14,222	0.03%
Fire protection districts		1,678,346	3.78%		1,641,798	4.01%
Cemeteries		21,036	0.05%		21,153	0.05%
Libraries, parks, etc.		<u>958,014</u>	2.16%		<u>917,266</u>	2.24%
<b>TOTALS</b>	\$	<u>44,358,881</u>	<u>100.00%</u>	\$	<u>40,906,658</u>	<u>100.00%</u>

	<u>Extension</u>	<u>Rate</u> <u>Per \$100</u> <u>Valuation</u>	<u>Extension</u>	<u>Rate</u> <u>Per \$100</u> <u>Valuation</u>	<u>Extension</u>	<u>Rate</u> <u>Per \$100</u> <u>Valuation</u>
General County	\$ 1,255,530	0.26606	\$ 1,196,332	0.27000	\$ 1,198,880	0.27000
County IMRF	1,488,317	0.31539	630,024	0.14219	1,140,002	0.25674
County Highway	465,008	0.09854	443,086	0.10000	444,030	0.10000
Social Security	512,481	0.10860	310,027	0.06997	510,013	0.11486
County Health	316,030	0.06697	316,009	0.07132	316,016	0.07117
Bridge Fund	232,504	0.04927	221,543	0.05000	222,015	0.05000
Veterans Assistance	26,002	0.00551	23,439	0.00529	23,400	0.00527
Mental Health Board #708	585,011	0.12397	585,007	0.13203	560,010	0.12612
Matching Tax	232,504	0.04927	221,543	0.05000	222,015	0.05000
Liability Insurance	162,049	0.03434	130,046	0.02935	312,064	0.07028
Unemployment Insurance	250,011	0.05298	56,006	0.01264	10,035	0.00226
Workmen's Compensation	80,034	0.01696	98,011	0.02212	250,033	0.05631
Co-op Extension	101,316	0.02147	101,334	0.02287	101,328	0.02282
377 Board	465,008	0.09854	443,086	0.10000	444,030	0.10000
Historical Documents	<u>9,344</u>	0.00198	<u>8,862</u>	0.00200	<u>7,815</u>	0.00176
<b>TOTALS</b>	\$ <u>6,181,149</u>	<u>1.30985</u>	\$ <u>4,784,355</u>	<u>1.07978</u>	\$ <u>5,761,686</u>	<u>1.29759</u>

## **SINGLE AUDIT REPORTS**

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

Iroquois County Board  
Iroquois County, Illinois  
Watseka, 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, each major fund, and the aggregate remaining fund information of Iroquois County, Illinois (County), as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 9, 2014.

**Internal Control Over Financial Reporting**

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

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

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings 2013-001 and 2013-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2013-002 to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Iroquois County's Responses to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Champaign, Illinois  
April 9, 2014

**Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133**

Iroquois County Board  
Iroquois County, Illinois  
Watseka, Illinois

**Report on Compliance for Each Major Federal Program**

We have audited Iroquois County, Illinois' (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended November 30, 2013. The County's 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 the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's 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 the County's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the County 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, 2013.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-005. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's 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 the County 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-001 and 2013-003 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-004 and 2013-005 to be significant deficiencies.

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

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

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

**CliftonLarsonAllen LLP**

Champaign, Illinois  
April 9, 2014

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended November 30, 2013**

<u>Federal Grantor/ Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
<b>DEPARTMENT OF AGRICULTURE</b>			
Flow-through from Illinois Department of Human Services:			
Supplemental Nutrition Program for Women, Infants, and Children (WIC) Admin	10.557	FCSSQ00856 FCSRE00856	\$ 89,137 25,004
Supplemental Nutrition Program for Women, Infants, and Children - Noncash	10.557	None	<u>405,791</u>
			519,932
Flow-through from Illinois Department of Public Health:			
Summer Food Service Program	10.559	None	<u>300</u>
<b>Total Department of Agriculture</b>			<u><u>\$ 520,232</u></u>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>			
Flow-through from Illinois Department of Public Health:			
Performance Partnership	66.605	None	\$ 1,175
Flow-through from Illinois Emergency Management Agency:			
Indoor Radon	66.032	None	<u>17,538</u>
<b>Total Environmental Protection Agency</b>			<u><u>\$ 18,713</u></u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Flow-through from Illinois Department of Public Health:			
Illinois Immunization Grants - Noncash	93.268	H23/CCH504464	\$ 76,617
Illinois Immunization Agreements	93.268	None	355
Dental Sealant	93.994	DS116	500
MCHS Block Grant	93.994	46080122B	8,415
Diabetes	93.283	33287004A	16,526
Public Health Emergency Preparedness	93.074	37180029A/ 47180029B	<u>69,594</u>
Public Health Emergency Preparedness	93.069	27180029	<u>25,000</u>
			<u>197,007</u>
Flow-through from Illinois Department of Human Services:			
MCHS Block Grant	93.994	FCSRE01071	15,458
Title XX Block Grant	93.667	FCSSU03070 FCSRE01483	13,300 <u>2,900</u>
			<u>31,658</u>

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended November 30, 2013**

<b><u>Federal Grantor/ Pass Through Grantor/Program Title</u></b>	<b><u>CFDA Number</u></b>	<b><u>Pass-through Grantor's Number</u></b>	<b><u>Federal Expenditures</u></b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</b>			
Flow-through from Livingston County: Illinois Breast and Cervical Cancer	93.283	None	\$ <u>14,640</u>
Flow-through from East Central Illinois Area Agency On Aging:			
Title III-B	93.044	None	8,832
Title III-E	93.052	None	11,263
Title VII	93.041	None	<u>2,914</u>
			<u>23,009</u>
Flow-through Illinois Department of Healthcare and Family Services:			
Medical Assistance Program	93.778	None	41,965
Title XVIII Medicare	93.778	None	21,833
Children's Health Insurance Program	93.767	None	2,916
Child Support Enforcement	93.563	None	<u>7,958</u>
			<u>74,672</u>
Flow-through Illinois State Board of Elections: VAID V	93.617	None	<u>1,870</u>
<b>Total Department of Health and Human Services</b>			<b>\$ <u>342,856</u></b>
<b>DEPARTMENT OF TRANSPORTATION</b>			
Flow-through from Illinois Department of Transportation:			
Child Passenger Safety Seat	20.613	OP-13-005	\$ 4,487
	20.613	OP20027012	<u>4,011</u>
<b>Total Department of Transportation</b>			<b>\$ <u>8,498</u></b>
<b>DEPARTMENT OF JUSTICE</b>			
Flow-through from Illinois Department of Justice: SCAAP	16.606	None	<u>40</u>
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>			
Passed through Illinois State Board of Elections: HAVA	90.401	None	<u>358</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ <u>890,697</u></b>

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended November 30, 2013

	<u>Federal CFDA Number</u>	<u>Expenditures</u>	<u>Passed- Through to Subrecipients</u>	<u>Cluster Total, If Applicable</u>
<b>SUMMARY OF FEDERAL AWARDS BY FEDERAL CFDA NUMBER AND CLUSTER</b>				
	93.268	\$ 76,972	\$ -	
	93.994	24,373	-	
	93.069	25,000	-	
	66.605	1,175	-	
	93.667	16,200	-	
	93.074	69,594	-	
	16.606	40	-	
	20.613	8,498	-	
	66.032	17,538	-	
	10.557	519,932	-	
	10.559	300	-	
	93.617	1,870	-	
	93.044	8,832	-	
	93.052	11,263	-	
	93.041	2,914	-	
	93.778	63,798	-	
	93.767	2,916	-	
	93.563	7,958	-	
	93.283	31,166	-	
	90.401	<u>358</u>	<u>-</u>	
<b>TOTAL</b>		<u>\$ 890,697</u>	<u>\$ -</u>	

This schedule should be read only in connection with the accompanying note to the schedule.

**IROQUOIS COUNTY, ILLINOIS**  
**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**November 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting.

**Non-monetary Assistance**

Non-monetary assistance is reported in the schedule at the fair market value of the non-monetary assistance received and disbursed.

The Ford-Iroquois Public Health Department participates in an Immunization Program and receives vaccinations. The federal portion of the vaccinations received and distributed during the period December 1, 2012 to November 30, 2013, was \$76,617. This is included in the accompanying schedule under Department of Health and Human Services, CFDA 93.268.

The Ford-Iroquois Public Health Department issues food instruments to eligible participants in the WIC Program that are used to purchase food at retail stores. The State of Illinois processes and tracks the food instruments redeemed. The federal portion of food instruments distributed by the County and redeemed during the period July 1, 2012 to September 30, 2013 was \$405,791. This amount is included in the accompanying schedule under Department of Agriculture, CFDA 10.557. Information is not available from the State to report this information on the County's fiscal year.

No federal awards in the form of non-cash assistance for insurance in affect during the year, loans or loan guarantees were received during fiscal year 2013.

**Pass-through**

The County does not pass-through any of its grants to subrecipients.

This information is an integral part of the accompanying schedule.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended November 30, 2013**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified  
 Internal control over financial reporting:  
     • Material weaknesses identified? x Yes      \_\_\_ No  
     • Significant deficiencies identified that are not considered  
       to be material weaknesses? x Yes      \_\_\_ None reported  
 Noncompliance material to financial statements noted? \_\_\_ Yes      x No

**Federal Awards**

Internal control over major programs:  
     • Material weaknesses identified? x Yes      \_\_\_ No  
     • Significant deficiencies identified that are not considered  
       to be material weaknesses? x Yes      \_\_\_ None reported  
 Type of auditor's report issued on compliance for major  
 programs: unmodified opinion

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Supplemental Nutrition Program for Women, Infants and Children (WIC)

Dollar threshold used to distinguish between type A and type B programs: \$300,000  
 Auditee qualified as low-risk auditee? \_\_\_ Yes      x No

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended November 30, 2013**

**Section II - Financial Statement Findings**

**FINDING NO. 2013-001 - FINANCIAL STATEMENT PREPARATION AND AUDIT  
ADJUSTMENTS**

*Criteria or Specific Requirement:* The internal controls over the financial reporting process is the responsibility of management.

*Condition:* The County engages CliftonLarsonAllen LLP to assist in preparing its financial statements, including the schedule of expenditures of federal awards, and accompanying disclosures, including necessary adjustments to the general ledger for reporting purposes, which included adjusting accounts receivable balances and a correction of a mis-posting within the general ledger. However, as independent auditors, CliftonLarsonAllen LLP cannot be considered part of the County's internal control system.

*Context:* The County Board and management share the ultimate responsibility for the County's internal control system.

*Effect:* While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

*Cause:* The Finance Director did not have the capacity to correct all account balances prior to the audit commencing, nor the resources or training to prepare the financial statements.

*Recommendation:* The County should obtain additional training to be able to assist in the development of the necessary financial reporting package. In addition, additional review of interim financial information and allowing proper time to complete all reconciliations will reduce the number of adjustments at year end.

*Views of Responsible Officials and Planned Corrective Action:* The County made substantial progress during fiscal year 2013 and most accruals were booked in the Finance Department during the fiscal year. The Finance Department, with the support of the County Board, will continue to implement additional process changes to strengthen internal controls. The County will continue to work with the Finance Director to ensure additional reporting is implemented on a monthly basis.

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended November 30, 2013**

**Section II - Financial Statement Findings (CONTINUED)**

**FINDING NO. 2013-002 - DECENTRALIZED OFFICES**

*Criteria or Specific Requirement:* Internal control is the process, affected by management and other personnel, designed to provide reasonable assurance that transactions are properly recorded and accounted for and that transactions are executed in compliance with laws, regulations, and the provisions of contracts or grant agreements. Segregation of accounting duties is an aspect of an internal control environment.

*Condition:* There is an inadequate control over the functions of processing and recording the financial transactions of the County Clerk, Recorder, and Sheriff's offices due to an inadequate segregation of duties stemming from limited personnel. In addition, adequate review processes are not in place.

*Context:* During the process of obtaining an understanding of internal control in planning the audit, assessing control risk and assessing fraud risks, a lack of segregation of duties was noted in the County Clerk, Recorder, and Sheriff's offices. In addition, we noted a lack of detailed review of reconciliations in the County Clerk and Recorder's offices.

*Effect:* A lack of segregation of duties and lack of appropriate review functions are deficiencies in internal control that could lead to errors or irregularities in the processing and recording of financial transactions.

*Cause:* The County Clerk, Recorder, and Sheriff's offices have limited personnel over accounting transactions.

*Recommendation:* Management's and the County Board's (or other qualified, designated employee) close supervision and review of accounting information is the best means of preventing and detecting errors and irregularities. In addition, there are review procedures that can be implemented to mitigate these risks.

*Views of Responsible Officials and Planned Corrective Action:* In fiscal year 2013, the required statutory reporting of these transactions to the County Board Chairman was implemented. In addition, the County will work with the Finance Director to implement additional internal control procedures related to these accounts.

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended November 30, 2013**

**Section II - Financial Statement Findings (CONTINUED)**

**FINDING NO. 2013-003 - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT (FIPHD)**

*Criteria or Specific Requirement:* Internal control is the process, affected by management and other personnel, designed to provide reasonable assurance that transactions are properly recorded and accounted for and that transactions are executed in compliance with laws, regulations, and the provisions of contracts or grant agreements.

*Condition:* We noted the following items related to FIPHD, a separate entity on a separate accounting system from the County, during the audit process:

1. Lack of adequate segregation of duties over processing and recording financial transactions
2. Bank reconciliations were not always completed on a timely basis which resulted in several significant year-end adjustments required to be made by the third party accountant
3. Audit adjustments were required to correct balances at year end and the trial balance did not balance
4. Noted former employees remained as authorized signers on three bank accounts.
5. Two checks received from banks for matured certificates of deposit were held at the Department for several months during the year rather than deposited into a bank account, and were not properly recorded in the general ledger.
6. A former employee not removed from active user list in the financial accounting system.
7. A bank account that was closed was still on the general ledger with a balance.
8. Earned vacation time was transferred to other employees without proper written consent.
9. Certain IMRF and FICA costs were charged as allowable costs to certain grants, but were also reimbursed by the member counties.

*Context:* These items occurred throughout the fiscal year. The adjustments required when the bank reconciliations were prepared ranged from \$16,300 to \$150,000. The checks held for matured certificate of deposits were approximately \$200,000. The closed bank account that still showed a balance on the books was \$1,305. IMRF and FICA reimbursements of \$193,159 are being repaid to member counties.

*Effect:* Various weaknesses in internal control when combined together create a risk of errors or irregularities occurring and not being detected on a timely basis.

*Cause:* There are limited personnel with accounting experience at FIPHD, in addition to turnover in personnel during the year.

*Recommendation:* Additional assistance with accounting functions and reviews need considered by the Board. Management's or the Board's close supervision and review of accounting information by a qualified individual, including signature or initials to document approval, is the best means of preventing and detecting errors and irregularities. Bank reconciliations should occur on a monthly basis. Former employees should be removed from accounts immediately upon termination. Finally, checks should not be held for extended periods of time, but should be deposited on a timely basis. The Health Department discovered the duplicate billing of the Counties for certain IMRF/FICA expenses and has recorded a liability back to them and ceased this practice.

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended November 30, 2013**

**Section II - Financial Statement Findings (CONTINUED)**

**FINDING NO. 2013-003 - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT (FIPHD)**  
(Continued)

*Views of Responsible Officials and Planned Corrective Action:*

1. Lack of segregation of duties of processing and recording financial transactions:

Answer: The current Interim Administrator assumed the position on November 18, 2013 and has instituted a number of financial controls in order to assure proper segregation of duties within the financial department. Some of the controls instituted include but not limited to the following:

- Checks received from granting agencies and/or clients are logged by the receptionist, then reviewed for accuracy by either the Executive Assistant or the Grants Processor and then initialed as accurate by the Interim Administrator.
- Department Coordinators are responsible for monitoring and approving the respective budgets of their departments. They are intricately involved in creating their budgets and approving their expenditures, assuring compliance with their funding sources and accordance with their budgets. Variances of 10% or greater must be documented and reported to the Board of Health on a monthly basis.
- Department Coordinators review all grant billings prior to submission in order to assure accuracy for items being billed to their funding sources.
- Checks/claims are created by the financial department coordinator, approved by the department coordinator and ultimately approved by the BOH secretary (who signs the checks). The claims are then presented to the BOH for review at each BOH meeting.

2. Bank reconciliations were not always completed on a timely basis which resulted in several significant year-end adjustments required to be made by a third-party accountant:

- Financial Coordinator resigned as December 19, 2013.
- Promoted Assistant Financial Coordinator and hired outside CPA to work on a monthly basis with preparing financial statements; to include cash flow projections, balance sheet, profit-loss statement, and reconciliation of budgeted line items.
- The outside CPA is assisting the Financial Coordinator in bank reconciliations on a monthly basis.

3. Audit adjustments were required to correct balances at year-end and the trial balance did not balance:

- See answer to 2

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended November 30, 2013**

**Section II - Financial Statement Findings (CONTINUED)**

**FINDING NO. 2013-003 - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT (FIPHD)**  
(Continued)

4. Noted former employees remained as authorized signers on three bank accounts:
  - According to Financial Coordinator no formal employees are currently signers on bank accounts.
5. Two checks received from banks for matured certificates of deposit were held at the Department for several months during the year rather than deposited into a bank account, and were not properly recorded in the general ledger:
  - Currently there are no checks being held at the Department.
  - The checks that were held at the Department have been deposited properly into the Department's bank accounts.
6. A former employee not removed from active user list in the financial accounting system:
  - The former employees have been removed from the accounting software. The IT support for the accounting system made the necessary changes. Current staff are the only users and only employees who have passwords to this accounting software.
7. A bank account that was closed was still on the general ledger with a balance:
  - Issue is still being resolved. CPA is researching this issue and will submit the answer at a later date.
8. Earned vacation time was transferred to other employees without proper written consent:
  - Any gifting of earned vacation time will be documented and approved by proper supervisors.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended November 30, 2013**

**Section III - Federal Award Findings and Questioned Costs**

**FINDING NO. 2013-001 - FINANCIAL STATEMENT PREPARATION AND ADJUSTMENTS**

See Section II - Financial Statement Findings

Federal Agency/Program: Department of Agriculture - 10.557 - Supplemental Nutritional Program for Women, Infants, and Children; Pass-through Illinois Department of Human Services.

All other programs

Questioned Costs: None

**FINDING 2013-003 - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT**

See Section II - Financial Statement Findings

Federal Agency/Program: Department of Agriculture - 10.557 - Supplemental Nutritional Program for Women, Infants, and Children; Pass-through Illinois Department of Human Services

All others except:

Department of Health and Human Services - 93.617 - VAID V

U.S. Election Assistance Commission - 90.401 - HAVA

Department of Health and Human Services - 93.563 - Child Support Enforcement

Department of Justice – 16.606 - SCAAP

Questioned Costs: None

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended November 30, 2013**

**Section III - Federal Award Findings and Questioned Costs (Continued)**

**FINDING NO. 2013-004 - PROPER CONTROL OVER ELIGIBILITY - HEALTH DEPARTMENT**

Federal Agency/Program: Department of Agriculture - 10.557 - Supplemental  
Nutritional Program for Women, Infants, and Children; Pass-  
through Illinois Department of Human Services

Questioned Costs: None

*Criteria or Specific Requirement:* The Ford-Iroquois Public Health Department is required to have proper controls in place to ensure compliance with eligibility requirements. The Department's internal controls over eligibility states the Client Certification Form should be signed by the applicant/guardian, the nurse, and a case manager.

*Condition:* During the course of the audit, we noted two instances where the form was not properly signed by the nurse and one instance where the form was not properly signed by the parent/guardian.

*Context:* Of the forty participants tested, we noted three instances in which the proper signatures were not obtained.

*Effect:* Failure to properly complete the Client Certification Form results in lack of documentation of proof of eligibility.

*Cause:* The exception was an oversight by the WIC program personnel and review process did not detect this lapse in the control system.

*Recommendation:* We recommend the Health Department monitor controls to ensure all controls are being performed as designed.

*Views of Responsible Officials and Planned Corrective Action:* For the quarter January-March 2014, thirty WIC file audits were completed reflecting all files contained the required, signed certified forms.

*Person Responsible:* MCH Coordinator

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended November 30, 2013**

**Section III - Federal Award Findings and Questioned Costs (Continued)**

**FINDING NO. 2013-005 - PROPER CONTROL OVER REPORTING - HEALTH DEPARTMENT**

Federal Agency/Program: Department of Agriculture - 10.557 - Supplemental  
Nutritional Program for Women, Infants, and Children; Pass-  
through Illinois Department of Human Services

Questioned Costs: None

*Criteria or Specific Requirement:* The reporting requirements outlined in the OMB Circular A-133 Compliance Supplement indicate that financial reports are to be complete and supported by accurate accounting records. Illinois Department of Human Services requires all expense reports to be filed within fifteen days of month end. In addition, Ford-Iroquois Public Health Department is required to have proper controls in place to ensure compliance with reporting requirements. The monthly report filings, Summary Expenditure Documentation Forms, should be reviewed by an individual other than the one who prepares the report. This review should be completed prior to the monthly report being filed.

*Condition:* During our audit testing, we noted two monthly Summary of Expenditure Documentation Forms were not properly reviewed by someone other than the individual who prepared the report and two instances where the reports were not submitted timely. In addition, reviews that did occur did not include any review by the WIC Coordinator.

*Context:* Two of the four Summary of Expenditure Documentation Forms tested during the audit were not reviewed and submitted timely.

*Effect:* Without an internal control structure to ensure that grant expenditures are properly reported, and in a timely manner, grant dollars could be unused or the granting agency could cite the entity for noncompliance.

*Cause:* Due to staffing issues during the current year, the reporting personnel could not meet the review and filing requirements.

*Recommendation:* We recommend the Health Department put into place a policy where the monthly reports are reviewed by another individual other than the individual who prepares the report, prior to the filing. This review should be signed or initialed and dated. Specifically, the WIC Coordinator should be involved in the review or preparation.

*Views of Responsible Officials and Planned Corrective Action:* The current MCH Coordinator has worked to provide a better understanding of the financial process through contacts with other agency financial departments, program coordinators and DHS concerning completion of the reports/forms. Reports are being revised and resubmitted by the financial department, if needed.

*Person Responsible:* MCH Coordinator

**IROQUOIS COUNTY, ILLINOIS**  
**SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS**  
**Year Ended November 30, 2013**

**YEAR ENDED NOVEMBER 30, 2012**

**FINDING NO. 2012-1 - FINANCIAL STATEMENT PREPARATION AND AUDIT  
ADJUSTMENTS**

*Condition:* The County engages CliftonLarsonAllen LLP to assist in preparing its financial statements and accompanying disclosures including any necessary adjustments. However, as independent auditors, CliftonLarsonAllen LLP cannot be considered part of the County's internal control system.

Condition still exists.

**FINDING NO. 2012-2 - FORD-IROQUOIS PUBLIC HEALTH DEPARTMENT**

*Condition:* There is an inadequate control over the functions of processing and recording financial transactions of the Ford-Iroquois Public Health Department due to an inadequate segregation of duties stemming from limited personnel. In addition, review processes are not adequate and timely. Also noted improper compensation methods.

Condition still exists, except for analyzing independent contractor compared to employee and changing related pay processes as needed. In addition, checks to replenish the imprest account no longer get made to the Administrator.

**FINDING NO. 2012-3 - DECENTRALIZED OFFICES**

*Condition:* There is an inadequate control over the functions of processing and recording the financial transactions of the County Clerk, Recorder, and Sheriff's offices due to an inadequate segregation of duties stemming from limited personnel. In addition, adequate review processes are not in place and better control over check stock and signature stamps is needed.

Condition still exists.

**FINDING NO. 2012-4 - DUTIES WITHIN FINANCE DEPARTMENT**

*Condition:* There is inadequate control over the recording of payroll transactions, grant revenues, and related grant expenses.

No instances noted during current year testing.

**FINDING NO. 2012-5 - PROPER CONTROLS OVER ELIGIBILITY - HEALTH DEPARTMENT**

*Condition:* The Ford-Iroquois Public Health Department is required to have proper controls in place to ensure compliance with eligibility requirements. The Department's internal controls over eligibility states the Client Certification Form should be signed by the applicant/guardian, the nurse, and a case manager.

Condition still exists.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS  
Year Ended November 30, 2013**

**FINDING NO. 2012-6 - PROPER CONTROLS OVER VOUCHERS - HEALTH DEPARTMENT**

*Condition:* The Ford-Iroquois Public Health Department is required to have proper controls in place to ensure compliance with WIC voucher requirements. The Department's internal controls over the vouchers is to have the participant initial one side of the voucher and sign the other side of the voucher.

No instances noted during current year testing.

**FINDING NO. 2012-7 - PROPER CONTROLS OVER REPORTING - HEALTH DEPARTMENT**

*Condition:* The Ford-Iroquois Public Health Department is required to have proper controls in place to ensure compliance with reporting requirements. The monthly report filings, Summary Expenditure Documentation Forms, should be filed within 15 days after month-end.

Condition still exists.