



**UNION COUNTY, ILLINOIS**

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**ANNUAL FINANCIAL REPORT**

**For the Year Ended November 30, 2017**



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**UNION COUNTY, ILLINOIS**  
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## **INDEPENDENT AUDITOR'S REPORT**

Members of the County  
Board Union County, Illinois  
Jonesboro, Illinois

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Union County, Illinois (County), as of and for the year ended November 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion over governmental activities and our unmodified opinion over the discretely presented component unit, each major fund, and the aggregate remaining fund information.

### **Basis for Qualified Opinion on Governmental Activities**

Management has not adopted GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The Governmental Accounting Standards Board requires that this standard be implemented for fiscal years beginning after December 15, 2008. The amount by which this departure would affect the liabilities, net position, and expenses of the governmental activities has not been determined.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of Union County, Illinois as of November 30, 2017 and the changes in financial position therefore for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Unmodified Opinions**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the discretely presented component unit, each major fund, and the aggregate remaining fund information of Union County, Illinois as of November 30, 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

Union County, Illinois has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Union County, Illinois' basic financial statements. The combining and individual fund financial statements and schedules and the supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as whole.

The accompanying financial information listed as "Supplemental Information" in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on that information.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing 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* in considering the County's internal control over financial reporting and compliance.

*Sikich LLP*

Springfield, Illinois  
January 18, 2019

## **BASIC FINANCIAL STATEMENTS**

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
November 30, 2017

	<u>Primary Government Governmental Activities</u>	<u>Component Unit - ETSB</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 3,903,480	\$ 136,349
Restricted cash and cash equivalents	2,520,166	-
Receivables, net:		
State of Illinois	579,532	73,271
Property Taxes	3,429,492	-
Notes receivable	224,026	-
Other	871,184	-
Due from fiduciary funds	48,626	-
Prepaid expense	128,555	-
Capital assets, net of accumulated depreciation	9,992,460	-
	<u>21,697,521</u>	<u>209,620</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension items - IMRF	<u>1,755,010</u>	<u>-</u>
<b>Total assets and deferred outflows of resources</b>	<u>23,452,531</u>	<u>209,620</u>

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

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
November 30, 2017

	<u>Primary Government Governmental Activities</u>	<u>Component Unit - ETSB</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>		
<b>LIABILITIES</b>		
Accounts payable	535,770	1,253
Other payables	8,572	-
Accrued interest	242,352	-
Due to others	17,269	-
Unearned revenue	32,782	-
Long-term obligations, due within one year:		
General obligation bonds payable	445,000	-
Leases payable	32,012	-
Compensated absences - current	138,814	-
Long-term obligations, due in more than one year		
General obligation bonds payable	14,035,000	-
Leases payable	97,335	-
Compensated absences - long-term	297,644	-
Net pension liability	2,285,426	-
<b>Total liabilities</b>	<u>18,167,976</u>	<u>1,253</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred property taxes	3,429,492	-
Pension items - IMRF	405,948	-
Total deferred inflows of resources	<u>3,835,440</u>	<u>-</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>22,003,416</u>	<u>1,253</u>
<b>NET POSITION</b>		
Net investment in capital assets	(2,981,887)	-
Restricted for		
Highways and streets	659,429	-
Health and welfare	421,932	-
Public safety	64,708	208,367
Retirement	4,301	-
Specific purpose	775,544	-
Debt service	2,854,783	-
Unrestricted	(349,695)	-
<b>TOTAL NET POSITION</b>	<u>\$ 1,449,115</u>	<u>\$ 208,367</u>

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

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

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit - ETSB
<b>PRIMARY GOVERNMENT</b>						
General government	\$ 4,040,616	\$ 1,764,278	\$ 407,741	\$ -	\$ (1,868,597)	\$ -
Public safety	1,642,516	213,249	-	-	(1,429,267)	-
Judiciary and court related	2,141,130	635,818	429,038	-	(1,076,274)	-
Transportation	2,356,672	830,425	877,265	-	(648,982)	-
Public welfare	1,231,677	948,143	-	-	(283,534)	-
Interest and fiscal charges	940,007	-	-	-	(940,007)	-
<b>Total primary government</b>	<b>\$ 12,352,618</b>	<b>\$ 4,391,913</b>	<b>\$ 1,714,044</b>	<b>\$ -</b>	<b>(6,246,661)</b>	<b>-</b>
<b>COMPONENT UNIT</b>						
ETSB	\$ 226,666	\$ 227,157	\$ -	\$ -	-	491
<b>General revenues:</b>						
Taxes:						
Property taxes					2,956,935	-
Local use tax					230,017	-
General sales tax					1,705,244	-
Hotel/motel tax					106,060	-
Income and replacement taxes					1,021,397	-
Investment income					18,405	390
Miscellaneous					593,157	1,280
Total general revenues					6,631,215	1,670
Change in net position					384,554	2,161
Net position - beginning of year					1,542,225	190,433
Prior period adjustment					(477,664)	15,773
Net position - beginning of year, restated					1,064,561	206,206
<b>Net position - end of year</b>					<b>\$ 1,449,115</b>	<b>\$ 208,367</b>

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

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

	General Fund	Illinois Municipal Retirement Fund	Bond and Interest Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,259,051	\$ 54,654	\$ 53,318	\$ 2,528,881	\$ 3,895,904
Restricted cash and cash equivalents	-	-	2,489,933	30,233	2,520,166
Receivables, net:					
State of Illinois	140,239	-	311,532	127,761	579,532
Property taxes	1,487,327	411,198	233,323	1,297,644	3,429,492
Notes receivable	-	-	-	224,026	224,026
Other	20,000	-	-	810,024	830,024
Due from other funds	48,101	-	-	38,475	86,576
Prepaid items	-	-	-	70,555	70,555
<b>TOTAL ASSETS</b>	<b>\$ 2,954,718</b>	<b>\$ 465,852</b>	<b>\$ 3,088,106</b>	<b>\$ 5,127,599</b>	<b>\$ 11,636,275</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 82,684	\$ 36,500	\$ -	\$ 343,077	\$ 462,261
Other payables	6,719	1,853	-	-	8,572
Due to others	-	-	-	17,269	17,269
Due to other funds	10,711	12,000	-	15,239	37,950
Unearned revenue	32,782	-	-	-	32,782
<b>Total liabilities</b>	<b>132,896</b>	<b>50,353</b>	<b>-</b>	<b>375,585</b>	<b>558,834</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property taxes	1,487,327	411,198	233,323	1,297,644	3,429,492
Unavailable revenues	-	-	-	1,038,759	1,038,759
<b>Total deferred inflows of resources</b>	<b>1,487,327</b>	<b>411,198</b>	<b>233,323</b>	<b>2,336,403</b>	<b>4,468,251</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>1,620,223</b>	<b>461,551</b>	<b>233,323</b>	<b>2,711,988</b>	<b>5,027,085</b>
<b>FUND BALANCES</b>					
Nonspendable					
Nonspendable - prepaids	-	-	-	70,555	70,555
Restricted for debt service	-	-	2,854,783	-	2,854,783
Restricted for highways and streets	-	-	-	659,429	659,429
Restricted for public safety	-	-	-	64,708	64,708
Restricted for health and welfare	-	-	-	421,932	421,932
Restricted for retirement	-	4,301	-	-	4,301
Restricted for specific purpose	-	-	-	775,544	775,544
Unrestricted:					
Committed for a specific purpose	1,156,319	-	-	76,815	1,233,134
Assigned for highways and streets	-	-	-	8,589	8,589
Assigned for public safety	-	-	-	4,981	4,981
Assigned for economic development	-	-	-	75	75
Assigned for health and welfare	-	-	-	1,225	1,225
Assigned for specific purpose	-	-	-	336,775	336,775
Unassigned	178,176	-	-	(5,017)	173,159
<b>Total fund balances</b>	<b>1,334,495</b>	<b>4,301</b>	<b>2,854,783</b>	<b>2,415,611</b>	<b>6,609,190</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,954,718</b>	<b>\$ 465,852</b>	<b>\$ 3,088,106</b>	<b>\$ 5,127,599</b>	<b>\$ 11,636,275</b>

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

**UNION COUNTY, ILLINOIS**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES**  
**TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES**  
November 30, 2017

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Total fund balance for government funds (Exhibit 3) \$ 6,609,190

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Buildings	14,517,752	
Equipment	1,051,463	
Vehicles	1,194,073	
Furniture and fixtures	2,532,500	
Accumulated depreciation	(9,303,328)	9,992,460

Internal service funds (see Exhibit 5) are used by the County to charge the cost of liability, unemployment, worker's compensation, and medical insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is: 33,227

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for IMRF are recognized as deferred outflows or inflows of resources on the statement of net position 1,349,062

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. The long-term liabilities consist of:

Bonds payable	\$ (14,480,000)	
Leases payable	(129,347)	
Accrued interest	(242,352)	
Compensated absences	(436,458)	
Net pension liability	<u>(2,285,426)</u>	
Total long-term liabilities		(17,573,583)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 1,038,759

**TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**(EXHIBIT 1)** \$ 1,449,115

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

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year ended November 30, 2017

	<b>General Fund</b>	<b>Illinois Municipal Retirement Fund</b>	<b>Bond and Interest Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Property taxes	\$ 1,393,965	\$ 231,986	\$ 209,226	\$ 1,121,758	\$ 2,956,935
State of Illinois:					
Local use tax	230,017	-	-	-	230,017
Sales tax	476,214	-	1,229,030	-	1,705,244
Income tax	846,522	-	-	-	846,522
Motor fuel tax allotments	-	-	-	798,951	798,951
Personal property replacement taxes	138,102	-	-	36,773	174,875
Hotel/motel tax	-	-	-	106,060	106,060
State grants and expenditure reimbursements	317,715	1,579	-	579,140	898,434
Federal revenue	-	-	-	16,659	16,659
Fees for services and materials	650,959	-	-	1,806,232	2,457,191
Investment income	1,511	-	14,086	2,799	18,396
Other	200,213	-	295,451	97,493	593,157
Total revenues	<u>4,255,218</u>	<u>233,565</u>	<u>1,747,793</u>	<u>4,565,865</u>	<u>10,802,441</u>
<b>EXPENDITURES</b>					
Current:					
General government	1,711,096	-	-	831,036	2,542,132
Employee benefits	-	451,369	-	-	451,369
Public safety	1,268,855	-	-	120,870	1,389,725
Judiciary and court related	1,495,204	-	-	579,751	2,074,955
Public welfare	79,007	-	-	1,028,562	1,107,569
Transportation	-	-	-	2,020,964	2,020,964
Capital outlay	-	-	-	266,146	266,146
Debt service					
Principal	-	-	440,000	-	440,000
Interest	-	-	944,408	-	944,408
Total expenditures	<u>4,554,162</u>	<u>451,369</u>	<u>1,384,408</u>	<u>4,847,329</u>	<u>11,237,268</u>
Excess (deficiency) of revenues over expenditures	<u>(298,944)</u>	<u>(217,804)</u>	<u>363,385</u>	<u>(281,464)</u>	<u>(434,827)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	367,439	253,006	-	494,416	1,114,861
Transfers out	(202,257)	-	(247,863)	(664,741)	(1,114,861)
Capital leases issued	11,995	-	-	-	11,995
Total other financing sources (uses)	<u>177,177</u>	<u>253,006</u>	<u>(247,863)</u>	<u>(170,325)</u>	<u>11,995</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(121,767)</u>	<u>35,202</u>	<u>115,522</u>	<u>(451,789)</u>	<u>(422,832)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	1,767,934	36,718	2,417,445	3,192,700	7,414,797
<b>Prior period adjustment</b>	<u>(311,672)</u>	<u>(67,619)</u>	<u>321,816</u>	<u>(325,300)</u>	<u>(382,775)</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR - RESTATED</b>	<u>1,456,262</u>	<u>(30,901)</u>	<u>2,739,261</u>	<u>2,867,400</u>	<u>7,032,022</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 1,334,495</u>	<u>\$ 4,301</u>	<u>\$ 2,854,783</u>	<u>\$ 2,415,611</u>	<u>\$ 6,609,190</u>

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

**UNION COUNTY, ILLINOIS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
For the Year Ended November 30, 2017

Net change in fund balances - total governmental funds (Exhibit 4) \$ (422,832)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which capital outlays exceeded depreciation in the current year:

Capital outlay	139,484
Depreciation	(1,282,835)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

Capital lease issuance	(11,995)
Repayment of bonds payable	440,000
Repayment of capital lease payable	37,918
Accrued interest payable	4,401

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.

Compensated absences	24,272
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The change in deferred outflows of resources for IMRF is reported only in the statement of activities.	426,118
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,038,759
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Internal services funds (See Exhibit 6) are used by the County to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities	(8,736)
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	
<b>(EXHIBIT 2)</b>	<b>\$ 384,554</b>

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

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

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 7,576
Accounts receivable	41,160
Prepaid expenses	58,000
Total current assets	106,736
Total assets	106,736
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 73,509
Total current liabilities	73,509
Total liabilities	73,509
<b>NET POSITION</b>	
Unrestricted	33,227
<b>TOTAL NET POSITION</b>	<b>\$ 33,227</b>

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

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
For the Year Ended November 30, 2017

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 895,963
Total operating revenues	895,963
<b>OPERATING EXPENSES</b>	
Fuel purchases	122,923
Health insurance	781,785
Total operating expenses	904,708
Operating income (loss)	(8,745)
<b>NONOPERATING REVENUES</b>	
Investment income	9
Total nonoperating revenues (expenses)	9
<b>CHANGE IN NET POSITION</b>	(8,736)
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	41,963
<b>TOTAL NET POSITION - END OF YEAR</b>	\$ 33,227

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

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended November 30, 2017

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Payments to suppliers	(889,199)
Internal activity-payments for interfund services	854,803
Net cash from operating activities	(34,396)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	9
Net cash from investing activities	9
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(34,387)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	41,963
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 7,576
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (8,745)
Adjustments to reconcile operating income (loss) to net cash from operating activities:	
Change in assets and liabilities:	
Accounts receivable	(41,160)
Prepaid expenses	(58,000)
Accounts payable	73,509
<b>NET CASH FROM OPERATING ACTIVITIES</b>	\$ (34,396)

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

**UNION COUNTY, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
November 30, 2017

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	<b>Agency Funds</b>
	<u>          </u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,213,397
Restricted cash and cash equivalents	350,072
Receivables:	
Property taxes	63,565
Due from county funds	<u>59</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,627,093</u></u>
<b>LIABILITIES</b>	
Deferred property tax	\$ 54,171
Due to county funds	48,685
Due to other taxing units	1,104,552
Due to others	<u>419,685</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,627,093</u></u>

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

# UNION COUNTY, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

November 30, 2017

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### 1. SIGNIFICANT ACCOUNTING POLICIES

Union County, Illinois is one of 102 counties organized in the State of Illinois. The County provides a broad range of services to citizens, including but not limited to general government, public safety, transportation, judiciary and court related services, and public health and welfare. The County operates under the Commission form of government with five elected County Commissioners. Those Commissioners also appoint members to various boards that are considered to be related organizations of the County.

The accounting policies and the presentation of the basic financial statements of Union County (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

#### A. Reporting Entity

The County's financial statements include all organizations, activities, functions, funds, and component units for which the County is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the County's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the County. The following component unit has been included in the financial statements of the County:

#### DISCRETELY PRESENTED COMPONENT UNIT:

The Union County Board Chairman, with the advice and consent of the Union County Board, appoints 4 of the 7 board members of the Union County Emergency Telephone System Board (ETSB). The remaining 3 members of the board include a member of the Union County Board of Commissioners, the Union County Sheriff or other person representing the law enforcement agency, and the Director of the Union County Ambulance Service or other person representing the Union County Ambulance Service. The members of the ETSB are then responsible for planning the 911 emergency system, receiving monies imposed under an established surcharge, and authorizing disbursements. The treasurer of Union County maintains the funds and invests or disburses them at the direction of the ETSB. Union County has the responsibility for approving the rate of the surcharges which fund the activities of the ETSB and, therefore, has the ability to impose its will on the ETSB. The ETSB does not issue any separate component unit reports.

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

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

A. Reporting Entity (Continued)

RELATED ORGANIZATIONS

The County's officials are responsible for appointing the voting majority of boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The other organizations include Ware Fire Protection District, Alto Pass Water District, Clear Creek Levee & Drainage District, Preston Levee & Drainage District, Union County Housing Authority, and Union County Hospital District.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and other non-exchange revenues.

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.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In determining when to recognize intergovernmental revenue (grants, motor fuel tax allotments and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies are virtually unrestricted as to the purpose of the expenditure and are nearly irrevocable; therefore, these amounts are recognized as revenue at the time of their receipt or earlier if they meet the criteria of availability. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the County; therefore, revenue is recognized based upon the expenditures recorded.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay current liabilities. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes collected within 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, intergovernmental revenues, other taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. All general tax revenues and other receipts not allocated by law or contractual agreement to another fund are accounted for in this fund. This fund provides for general operating expenditures, fixed charges, and capital improvement costs not paid through other funds.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Illinois Municipal Retirement Fund – This fund is used to account for tax monies and reimbursements for the funding of the County’s IMRF retirement system.

Bond and Interest Fund – The Bond and Interest Fund is a debt service fund used to account for the income, debt disbursements and reserved cash for the purpose of debt service payments.

Additionally, the County reports the following fund types:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Funds – These funds are used to account for resources that are restricted for expenditures for principal and interest.

Capital Projects Funds – These funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of capital facilities.

Internal Service Funds – These funds account for insurance and fuel costs provided to other departments or agencies of the government on a cost-reimbursement basis.

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the following fund type: Agency Funds. Agency Funds account for monies held on behalf of others.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the County's internal service funds are charges for services. Operating expenses for internal service funds include the cost of fuel and insurance. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

D. Cash and Cash Equivalents

The County Treasurer pools the cash resources of the County's various funds to facilitate the management of cash during the year. Cash applicable to a particular fund is readily identifiable in the supplementary information presented with the financial statements. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in interest-bearing certificates of deposit. The County considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents for all fund types. All certificates of deposit are considered to be cash equivalents.

E. Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. As of November 30, 2017, the County did not have any investments.

F. Accounts Receivable and Accounts Payable

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. All payables are reported at their gross value.

G. Notes Receivable

Notes receivable are loans made through economic development programs under the terms of mortgage-secured installment notes. The terms of the notes are ten to fifteen years. Notes are classified as interest bearing with ranges from 4.5 percent per year to 5.0 percent per year. Notes receivable that are not available as current financial resources are offset by deferred inflows of resources.

H. Prepaid Items

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

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

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

I. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets used in governmental fund operations (general capital assets) are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the statement of net position.

The County defines capital assets as assets with an initial, individual cost of \$500 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at acquisition value at the date of donation. Assets constructed or purchased with grants also follow the same capitalization policy. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Equipment	5-20
Software	3
Vehicles	5
Roads and bridges	10-50
Other infrastructure	10-50

J. Property Taxes

Property taxes are levied on the assessed value of property as listed on the previous January 1. Assessed values are an approximation of market value. Union County Supervisor of Assessments prepares the property tax assessment rolls with the property tax liens as of January 1 of each year. Levies are set by individual local governmental entities by the last Tuesday of December of each year.

The collection date for property tax receipts is thirty days after the property tax bills are mailed to property owners for the first installment, generally June 1 of each year. The second installment is generally due September 1 of each year.

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

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

J. Property Taxes (Continued)

Property taxes collected are distributed to each taxing district approximately thirty days after receipt. Any unpaid property tax levies are sold at a tax sale in February and final distribution is made by the end of March each year.

K. Compensated Absences

It is the government's policy to permit full-time, permanent employees to accumulate earned but unused vacation and sick pay benefits in varying amounts to specified maximums depending on tenure and collective bargaining agreements with the County. All vacation pay and sick pay (if applicable) is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Long-term Obligations

In the Government-wide Statement of Net Position, long-term debt and other long-term obligations are reported as liabilities. Bond discounts or premiums and the difference between the reacquisition price and the net carrying amount of refunded debt are capitalized and amortized over the life of the bonds using a method that approximates the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the noncurrent portion of interfund loans).

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

M. Interfund Transactions (Continued)

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used and reimbursements, are reported as transfers.

N. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the County.

Committed fund balance is constrained by formal actions of the County's Board, which is considered the County's highest level of decision making authority. Formal actions include ordinances or resolutions approved by the Board. These amounts cannot be used for any other purpose unless the County Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose, but that are neither restricted nor committed. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The authority to assign fund balance has been delegated to the County Treasurer.

Unassigned fund balance includes the residual fund balance for the General Fund and the amount established for minimum funding, which represents the portion of the General Fund balance that has been established to be used for debt service or in emergency situations. A 2/3 vote of the County Board is required to authorize the spending of any of these funds for any reason.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balance/Net Position (Continued)

The County's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the County considers committed funds to be expended first followed by assigned and then unassigned funds. The County reserves the right to selectively spend unassigned resources first to defer the use of other classified funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the County's net position is restricted as a result of enabling legislation adopted by the County. Net investment in capital assets, net of accumulated depreciation, represents the County's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

O. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represent those funds that are restricted as to use either at the time of the receipt, by action of a governing body, or by legal requirements. The County applies restricted resources when an expense is incurred for purposes where both restricted and unrestricted net position is available.

P. Use of Estimates

Management of the County has made certain estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the period. Actual results could differ from those estimates.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

**2. DEPOSITS AND INVESTMENTS**

Investment of County funds, by statute, is vested with the County Treasurer. The Treasurer's investment policy guides the investments of the County. The investment policy permits the County to invest in instruments allowed by the Illinois Compiled Statutes (ILCS). These investments include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

It is the policy of the County to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are conformance with federal state, and other legal requirements, safety of principal, liquidity, and yield.

**A. Deposits with Financial Institutions**

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. To guard against credit risk for deposits with financial institutions the County's investment policy allows for collateralization at the discretion of the County on all deposits with financial institutions in excess of federal depository at a minimum of 102% of market value of principal and accrued interest. Collateral is required to be held by an independent third-party custodian designated by the Treasurer and evidenced by safekeeping receipts and a written custodial agreement. As of November 30, 2017, the County's bank balances of deposits held at various institutions which were exposed to custodial credit risk because the collateral was not held by an independent third-party custodian in the name of the County totaled \$5,191,606, along with bank balances that were uninsured and collateralized totaling \$60,886.

**B. Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy limits the maturity of investments not matched to a specific cash flow to not more than two years from the date of purchase.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The County limits its exposure to credit risk by diversifying its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds.

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

**B. Investments (Continued)**

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County limits its exposure to custodial credit risk by utilizing independent third-party institutions, selected by the County, to act as custodian for its securities and collateral.

Concentration of credit risk – The County places no limit on the amount the County may invest in any one issuer, but the county shall diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds.

**C. Fair Value Hierarchy**

The County categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The County did not have any investments to measure at fair value as of November 30, 2017.

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

**3. CAPITAL ASSETS**

A. Governmental Activities

Capital asset activity for the year ended November 30, 2017 consists of the following:

	<b>Balances December 1 (Restated)</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balances November 30</b>
Buildings	\$ 14,520,752	\$ -	\$ (3,000)	\$ 14,517,752
Equipment	1,298,012	53,451	(300,000)	1,051,463
Vehicles	1,312,040	86,033	(204,000)	1,194,073
Furniture & fixtures	<u>2,532,500</u>	<u>-</u>	<u>-</u>	<u>2,532,500</u>
Total capital assets being depreciated	<u>19,663,304</u>	<u>139,484</u>	<u>(507,000)</u>	<u>19,295,788</u>
Less accumulated depreciation for:				
Buildings	(4,309,289)	(667,478)	3,000	(4,973,767)
Equipment	(982,987)	(113,362)	300,000	(796,349)
Vehicles	(1,122,717)	(81,995)	204,000	(1,000,712)
Furniture & fixtures	<u>(2,112,500)</u>	<u>(420,000)</u>	<u>-</u>	<u>(2,532,500)</u>
Total accumulated depreciation	<u>(8,527,493)</u>	<u>(1,282,835)</u>	<u>507,000</u>	<u>(9,303,328)</u>
Total capital assets, being depreciated, net	<u>11,135,811</u>	<u>(1,143,351)</u>	<u>-</u>	<u>9,992,460</u>
<b>Total capital assets, net of accumulated depreciation</b>	<u>\$ 11,135,811</u>	<u>\$ (1,143,351)</u>	<u>\$ -</u>	<u>\$ 9,992,460</u>

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

Governmental activities:	
General government	\$ 984,539
Public safety	64,843
Transportation	113,473
Public health and welfare	<u>119,980</u>
Total depreciation expense - governmental activities	<u>\$ 1,282,835</u>

#### 4. LONG-TERM DEBT

##### A. General Obligation Bonds

The General Obligation Alternate Revenue Source Taxable Recovery Zone Economic Development Bonds, Series 2010A were issued for \$1,070,000 on September 29, 2010 to finance the construction of a new County courthouse. The Series 2010A bear interest at 7.5%. Interest is paid semiannually on March 1 and September 1 beginning September 1, 2011 and the bonds mature on September 1 2041 and September 1, 2042 in amount ranging from \$215,000 to \$855,000. The County is eligible to receive a rebate from the U.S. Treasury of 45% of the interest paid each year in accordance with the American Recovery and Reinvestment Act.

The General Obligation Alternate Revenue Source Build America Bonds, Series 2010B were issued for \$12,635,000 on September 29, 2010 to finance the construction of a new County courthouse. The Series 2010B bear interest at 3.4% to 7.35%. Interest is paid semiannually on March 1 and September 1 and the bonds mature on September 1 annually beginning on September 1, 2015 through September 1, 2041 in amounts ranging from \$280,000 to \$790,000. The County is eligible to receive a rebate from the U.S. Treasury of 35% of the interest paid each year in accordance with the American Recovery and Reinvestment Act.

The General Obligation Alternate Revenue Source Bonds Series 2010A and 2010B, maturing through September 1, 2042, are payable from a pledge of 1% public safety sales tax, income taxes, and County sales tax with a remaining total pledge of \$26,780,268 as of November 30, 2017. The current year principal and interest payment of \$1,178,930 was 46.2% of the total pledged revenue of \$2,551,766.

The General Obligation Alternate Revenue Source Bonds Series 2010A and 2010B include general covenants that the County must comply with relating to pledged revenues, accounting, investment of funds in bond accounts, insurance, and required cash accounts.

The County did not comply with bond covenants requiring the County to cause an audit within 180 days following year end or bond covenants relating to the flow of funds. The 2010A and 2010B Bond Fund accounts did not have the necessary account balances at the year ending November 30, 2017 and the County was not causing all pledged revenues to be deposited into the 2010 Revenue Fund before the excess funds were being transferred to the General Fund.

The General Obligation Refunding Limited Bonds, Series 2014 were issued for \$2,040,000 on February 20, 2014 to advance refund the County's General Obligation Alternate Revenue Self-Insurance Bonds, Series 2006 and to pay the costs of the issuance of the bonds. The Series 2014 bear interest at 2.00% to 4.20%. Interest is paid semiannually on June 1 and December 1 beginning on December 1, 2014 and the bonds mature on December 1 annually beginning on December 1, 2014 through December 1, 2026 in amounts ranging from \$120,000 to \$190,000.

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

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**4. LONG-TERM DEBT**

A. General Obligation Bonds (Continued)

Maturities of general obligation bonds payable are as follows:

<u>November</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 445,000	\$ 925,623	\$ 1,370,623
2019	460,000	908,647	1,368,647
2020	475,000	889,955	1,364,955
2021	490,000	869,218	1,359,218
2022	510,000	846,370	1,356,370
2023-2027	2,795,000	3,824,516	6,619,516
2028-2032	2,420,000	3,041,822	5,461,822
2033-2037	3,070,000	2,085,613	5,155,613
2038-2042	<u>3,815,000</u>	<u>860,882</u>	<u>4,675,882</u>
	<u>\$ 14,480,000</u>	<u>\$ 14,252,646</u>	<u>\$ 28,732,646</u>

B. General Obligation Bonds Restricted Accounts

For the 2010A and 2010B bond series, the Bank of New York Mellon Trust Company, N.A. is the paying agent. The County's public safety tax income is distributed directly to the Bank of New York Mellon Trust Company, N.A. from the State of Illinois' Comptroller's Office. Any remaining public safety tax that is not deemed necessary to meet monthly escrow payments are forwarded to the County from the Bank of New York Mellon Trust Company, N.A. As of November 30, 2017, Bank of New York Mellon Trust Company, N.A. is the escrow agent on the following accounts and the escrow balances that are held for the County's debt obligations on the 2010A and 2010B bond series.

<u>Bank of New York Mellon, N.A. Trust Accounts</u>	<u>Balance at</u> <u>November 30, 2017</u>
Union County IL GO Refunding 2014 Tax Escrow	\$ 172,977
Union County IL 2010 FAC Sales Tax	377,429
Union County IL 2010A Bond Fund	11,744
Union County IL 2010B Bond Fund	211,496
Union County IL 2010B Bond Fund	1,716,287
Total Bond and Interest Fund Restricted cash and cash equivalents	2,489,933

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

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

C. Capital Lease Obligations

In October 2013, the County entered into a capital lease agreement to finance the purchase of various mowing equipment for the Highway Department. The lease calls for quarterly payments of principal and interest of \$4,967 with interest at 4.30% through July 2018. Equipment under the capital lease has a cost of \$90,000 with accumulated depreciation of \$90,000 as of November 30, 2017.

In June 2016, the County entered into a capital lease agreement to finance the purchase of a grader for the Highway Department. The lease calls for annual payments of principal and interest of \$22,150 with interest at 3.20% through March 2020. Equipment under the capital lease has a cost of \$147,101 with accumulated depreciation of \$22,065 as of November 30, 2017.

In June 2017, the County entered into a capital lease agreement to finance the purchase of two copiers for the Sheriff's Department. The lease calls for monthly payments of principal and interest of \$224 with interest at 4.57% through July 2022. Equipment under the capital lease has a cost of \$11,995 with accumulated depreciation of \$1,200 as of November 30, 2017.

The outstanding capital leases payable from governmental activities mature as follows:

November 30, 2018	\$ 36,102
November 30, 2019	24,838
November 30, 2020	74,048
November 30, 2021	2,688
November 30, 2022	<u>1,568</u>
Total minimum lease payments	139,244
Less: Amount representing interest	<u>9,897</u>
Present value of minimum lease payments	<u>\$ 129,347</u>

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

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

D. Changes in Long-Term Debt

	Balance 11/30/16 (Restated)	Additions	Retirements	Balance 11/30/17	Due Within One Year
G.O. Bonds	\$ 14,920,000	\$ -	\$ 440,000	\$14,480,000	\$ 445,000
Capital Leases	155,270	11,995	37,918	129,347	32,012
Net pension liability	2,285,426	-	-	2,285,426	-
Compensated Absences payable	<u>460,730</u>	<u>247,882</u>	<u>272,154</u>	<u>436,458</u>	<u>138,814</u>
Total Governmental Long-Term Debt	<u>\$ 17,821,426</u>	<u>\$ 259,877</u>	<u>\$ 750,072</u>	<u>\$17,331,231</u>	<u>\$ 615,826</u>

The bond and interest payments for all bond payments are generally liquidated through the Bond and Interest Fund. Compensated absences are generally liquidated through the General Fund.

**5. STATUTORY DEBT MARGIN**

A schedule indicating the statutory debt margin computation follows:

2016 Assessed valuation	<u>\$ 200,991,352</u>
Statutory debt limitation (2.875 percent of assessed valuation)	\$ 5,778,501
Debt outstanding at November 30, 2017	<u>1,635,000</u>
<b>Statutory debt margin, November 30, 2017</b>	<u>\$ 4,143,501</u>

**6. OPERATING LEASES**

The County is a lessee for equipment with annual lease payments of \$7,804 beginning July 2017 through July 2021. Total lease payments of \$7,804 was paid during the fiscal year ending November 30, 2017. The future minimum lease obligation is as follows:

November 30, 2018	\$ 7,804
November 30, 2019	7,804
November 30, 2020	7,804
November 30, 2021	<u>7,804</u>
Total minimum lease payments	<u>\$ 31,216</u>

**7. ILLINOIS MUNICIPAL RETIREMENT FUND – AGENT MULTIPLE EMPLOYER PENSION PLAN**

The County contributes to three agent multiple-employer defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF – County), Illinois Municipal Retirement Fund Elected County Officials (IMRF – ECO), and the Sheriff’s Law Enforcement Personnel (SLEP) (also administered by IMRF). The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. This report can be obtained on-line at [www.imrf.org](http://www.imrf.org). The net pension liability for the governmental activities has been liquidated by the IMRF Fund.

Illinois Municipal Retirement Fund – County

*Plan Administration*

All employees (other than those covered by IMRF-ECO or SLEP) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Plan Membership*

At December 31, 2016, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	91
Inactive employees entitled to but not yet receiving benefits	44
Active employees	66
 TOTAL	 201

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

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

Illinois Municipal Retirement Fund – County (Continued)

*Benefits Provided (Continued)*

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.5% of their annual salary to IMRF. The County is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2016 was 12.18% of covered payroll.

*Actuarial Assumptions*

The County’s net pension liability was measured as of December 31, 2016 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

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

Illinois Municipal Retirement Fund – County (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2016	\$ 16,232,121	\$ 14,210,792	\$ 2,021,329
Changes for the period:			
Service cost	253,763	-	253,763
Interest	1,188,697	-	1,188,697
Difference between expected and actual experience	(396,587)	-	(396,587)
Changes in assumptions	(37,296)	-	(37,296)
Employer contributions	-	299,706	(299,706)
Employee contributions	-	112,672	(112,672)
Net investment income	-	980,582	(980,582)
Benefit payments and refunds	(934,667)	(934,667)	-
Other (net transfer)	-	129,730	(129,730)
Net changes	73,910	588,023	(514,113)
BALANCES AT DECEMBER 31, 2016	\$ 16,306,031	\$ 14,798,815	\$ 1,507,216

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

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

For the year ended November 30, 2017, the County recognized pension expense of \$37,237. At November 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

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

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

Illinois Municipal Retirement Fund – County (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 16,844	\$ 345,534
Changes in assumption	119,534	27,126
Net difference between projected and actual earnings on pension plan investments	736,006	-
Contributions made after measurement date	<u>262,940</u>	<u>-</u>
<b>TOTAL</b>	<b><u>\$ 1,135,324</u></b>	<b><u>\$ 372,660</u></b>

\$262,940 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2017	\$ 234,501
2018	115,166
2019	135,955
2020	<u>14,102</u>
<b>TOTAL</b>	<b><u>\$ 499,724</u></b>

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

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

Illinois Municipal Retirement Fund – County (Continued)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the County calculated using the discount rate of 7.50% as well as what the County’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 3,523,746	\$ 1,507,216	\$ (151,134)

Illinois Municipal Retirement Fund – Elected County Officials

*Plan Administration*

All eligible elected county officials are enrolled in IMRF as participating members with the option of participating in the Elected County Officials plan. The Elected County Officials plan was closed to new members effective August 8, 2011.

*Plan Membership*

At December 31, 2016 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	10
Inactive employees entitled to but not yet receiving benefits	2
Active employees	2
<b>TOTAL</b>	<b>14</b>

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

*Benefits Provided*

IMRF ECO provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3% of their final rate of earnings, for each year of credited service up to eight years, 4% for each year after eight years up to 12 years, and 5% for each year thereafter to a maximum of 80% at 20 years of service. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after eight or ten years of service. Participating members who retire at age 55 with eight years of Tier 1 service credit or after age 62 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3% of their final rate of earnings, for each year of credited service up to eight years, 4% for each year after eight years up to 12 years, and 5% for each year thereafter to a maximum of 80% at 20 years of service.

*Contributions*

Participating members are required to contribute 7.5% of their annual salary to IMRF. The County is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2016 was 13.90% of covered payroll.

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

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

*Actuarial Assumptions*

The County’s net pension liability was measured as of December 31, 2016 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2016	\$ 2,738,312	\$ 2,639,366	\$ 98,946
Changes for the period:			
Service cost	45,459	-	45,459
Interest	201,187	-	201,187
Difference between expected and actual experience	9,439	-	9,439
Changes in assumptions	-	-	-
Employer contributions	-	36,617	(36,617)
Employee contributions	-	19,757	(19,757)
Net investment income	-	169,462	(169,462)
Benefit payments and refunds	(157,109)	(157,109)	-
Other (net transfer)	-	19,516	(19,516)
Net changes	98,976	88,243	10,733
BALANCES AT DECEMBER 31, 2016	\$ 2,837,288	\$ 2,727,609	\$ 109,679

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

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

For the year ended November 30, 2017, the County recognized pension expense of \$2,398. At November 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,554	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	146,348	-
Contributions made after measurement date	24,665	-
TOTAL	\$ 180,567	\$ -

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

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

Illinois Municipal Retirement Fund – Elected County Officials (Continued)

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

\$24,665 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2017	\$ 57,134
2018	51,361
2019	42,318
2020	<u>5,089</u>
TOTAL	<u>\$ 155,902</u>

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension (asset) liability to changes in the discount rate. The table below presents the net pension (asset) liability of the County calculated using the discount rate of 7.50% as well as what the County’s net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Net pension (asset) liability	\$ 470,176	\$ 109,679	\$ (182,576)

Sheriff’s Law Enforcement Personnel

*Plan Administration*

All eligible full-time deputized law enforcement personnel and correctional officers are enrolled in SLEP as participating members.

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

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

Sheriff’s Law Enforcement Personnel (Continued)

*Plan Membership*

At December 31, 2016 (most recent available), Sheriff’s Law Enforcement Personnel (SLEP) membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	11
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>18</u>
 TOTAL	 <u><u>35</u></u>

*Benefits Provided*

Sheriff’s Law Enforcement Personnel having accumulated at least 20 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. SLEP members meeting the two qualifications described in the first sentence of this paragraph are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at 55 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service. The pension for participating members who retire between age 50 and 55 will be reduced by 1/2% for each month under age 55. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.

*Contributions*

Participating members are required to contribute 7.5% of their annual salary to SLEP. The County is required to contribute the remaining amounts necessary to fund the SLEP as specified by statute. The employer contribution rate for the calendar year ended December 31, 2016 was 17.42% of covered payroll.

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

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

Sheriff’s Law Enforcement Personnel (Continued)

*Actuarial Assumptions*

The County’s net pension liability was measured as of December 31, 2016 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Cost of living adjustments	3.00%
Asset valuation method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, the IMRF’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Sheriff’s Law Enforcement Personnel (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2016	\$ 5,568,567	\$ 4,830,105	\$ 738,462
Changes for the period:			
Service cost	147,042	-	147,042
Interest	413,395	-	413,395
Difference between expected and actual experience	(26,932)	-	(26,932)
Changes in assumptions	(7,435)	-	(7,435)
Employer contributions	-	139,657	(139,657)
Employee contributions	-	60,965	(60,965)
Net investment income	-	338,024	(338,024)
Benefit payments and refunds	(245,601)	(245,601)	-
Other (net transfer)	-	57,355	(57,355)
Net changes	280,469	350,400	(69,931)
BALANCES AT DECEMBER 31, 2016	\$ 5,849,036	\$ 5,180,505	\$ 668,531

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

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

For the year ended November 30, 2017, the County recognized pension expense of \$10,145. At November 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 26,663	\$ 27,128
Changes in assumption	35,886	6,160
Net difference between projected and actual earnings on pension plan investments	247,611	-
Contributions made after measurement date	128,959	-
TOTAL	\$ 439,119	\$ 33,288

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

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

Sheriff’s Law Enforcement Personnel (Continued)

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

\$128,959 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended November 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2017	\$ 101,811
2018	101,809
2019	79,154
2020	(995)
2021	<u>(4,907)</u>
<b>TOTAL</b>	<b><u>\$ 276,872</u></b>

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the County calculated using the discount rate of 7.50% as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Net pension liability	\$ 1,473,130	\$ 668,531	\$ 11,014

**8. OTHER POST-EMPLOYMENT BENEFITS**

*Plan Description*

In addition to providing the pension benefits described previously, the County provides post-employment health care benefits (OPEB) for retired employees through a cost sharing multiple-employer benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County and can be amended by the County through its union contracts and employment agreements, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

*Benefits Provided*

The County provides continued health insurance coverage through the Health Options for Public Entities (HOPE) Joint Self-Insurance Risk Pool Association at rates established by the Association. To be eligible for benefits, an employee must qualify for retirement under the County's Retiree Health Insurance Program resolution. The County requires retirees to contribute all of the premium amount established by the Association except a small amount determined by the employee's years of employment. The amount contributed by the County ranges from \$900 to \$4,200 annually. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan.

*Funding Policy*

The County determines the contribution percentages between the County and employees through union contracts and employment agreements. All retirees contribute a determined amount of their premiums and the County contributes the remainder to cover the cost of providing the benefits to the retirees via the insured plan (pay as you go). For the fiscal year ended November 30, 2017 retirees contributed \$55,583 and the County contributed \$32,350. As of November 30, 2017, the County had 11 former employees for whom the County was providing an explicit and implicit subsidy. The County did not have an actuarial valuation performed for fiscal year 2017 and therefore, the liability of the explicit and implicit subsidy was not determined as of November 30, 2017.

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

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**9. INTERFUND TRANSACTIONS**

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

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Funds:		
Illinois Municipal Retirement Fund	\$ 12,000	\$ -
Agency Funds	29,707	-
Nonmajor Governmental Funds	<u>6,394</u>	<u>10,711</u>
	<u>48,101</u>	<u>10,711</u>
Illinois Municipal Retirement Funds:		
General Funds	<u>-</u>	<u>12,000</u>
	<u>-</u>	<u>12,000</u>
Agency Funds:		
General Fund	-	29,707
Nonmajor Governmental Funds	-	18,919
Agency Funds	<u>59</u>	<u>59</u>
	<u>59</u>	<u>48,685</u>
Nonmajor Governmental Funds:		
General Funds	10,711	6,394
Agency Funds	18,919	-
Nonmajor Governmental Funds	<u>8,845</u>	<u>8,845</u>
	<u>38,475</u>	<u>15,239</u>
Total Interfund Receivables/Payables	<u>\$ 86,635</u>	<u>\$ 86,635</u>

The purposes of the significant interfund receivable and payable balances are as follows:

- \$12,000 due to General Funds from the Illinois Municipal Retirement fund. This balance relates to a loan to the Illinois Municipal Retirement fund to cover operating expenses. The County expects the obligation will be liquidated within one year.
- \$29,707 due to General Funds and \$18,919 due to Nonmajor governmental funds from Agency funds. This balance relates to accrued but unpaid fees of \$48,626 from the Circuit Clerk fund. The County expects the obligation will be liquidated within one year.

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

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**9. INTERFUND TRANSACTIONS (Continued)**

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

	<u>Transfers In</u>	<u>Transfers Out</u>
General Funds:		
Illinois Municipal Retirement Fund	\$ -	\$ 91,742
Bond and Interest Fund	247,863	-
Nonmajor Governmental Funds	<u>119,576</u>	<u>110,515</u>
	<u>367,439</u>	<u>202,257</u>
Illinois Municipal Retirement Fund:		
General Fund	91,742	-
Nonmajor Governmental Funds	<u>161,264</u>	<u>-</u>
	<u>253,006</u>	<u>-</u>
Bond and Interest Fund:		
General Fund	<u>-</u>	<u>247,863</u>
	<u>-</u>	<u>247,863</u>
Nonmajor Governmental Funds:		
General Fund	110,515	119,576
Illinois Municipal Retirement Fund	-	161,264
Nonmajor Governmental Funds	<u>383,901</u>	<u>383,901</u>
	<u>494,416</u>	<u>664,741</u>
Total interfund transfers	<u>\$ 1,114,861</u>	<u>\$ 1,114,861</u>

The purposes of the significant interfund transfers are as follows:

- Routine General Fund budget transfers include: \$59,410 transferred from the Nonmajor governmental funds to the General Fund and \$14,358 transferred from the General Fund to Nonmajor governmental funds. These transfers will not be repaid.
- \$71,157 transferred from the General Fund to Nonmajor governmental funds in order to adjust for negative cash balances. This transfer will not be repaid.
- \$247,863 transferred from the Bond and Interest Fund to the General Fund. This amount relates to excess public safety sales tax that was not used for required bond payments. This transfer will not be repaid.
- \$91,742 transferred from the General Fund and \$161,264 transferred from the Nonmajor governmental funds to the Illinois Municipal Retirement Fund to cover retirement contributions. These transfers will not be repaid.
- \$383,901 transferred between the Nonmajor governmental funds. This amount relates to a) transfers of \$297,107 to the Liability Insurance fund from the Ambulance fund and the County Highway fund, b) transfers of \$76,927 from the Ambulance fund to the Capital Improvements fund for equipment and vehicle purchases, c) transfer of \$9,867 for routine budget transfers between funds. These transfers will not be repaid.

**10. 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; health claims of employees; and natural disasters.

A. Health Coverage

The County participates in Health Options for Public Entities (HOPE) Joint Self-Insurance Risk Pool for health care coverage. HOPE is a joint self-insurance risk pool association maintained by an independent third-party administrator and is responsible for claims administration and risk data reporting. The HOPE Pool establishes the monthly contribution rates for employees based upon different plan options. These monthly amounts determine the amount that the employee and County are required to pay. If the HOPE pool determines the assets are insufficient to meet the liabilities, an amount is assessed to all participants based upon their most recent gross annual contributions, provided that in no event shall the annual total of the assessment exceed 10% of the most recent gross annual contributions. All participants are required to make prompt payment of all contributions and abide by any resolutions, rules or regulations established by the HOPE Pool.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

B. Liability Coverage

For all liability insurance coverage, the County participates in the Illinois Counties Risk Management Trust (ICRMT). Property, general liability, automobile liability, crime, equipment breakdown, public officials' liability, law enforcement liability, and workers' compensation liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

For December 1, 2016 through December 1, 2017, general liability losses exceeding the \$1,000,000 per occurrence limit would be the responsibility of the County. The County has not had any settlements exceed insurance coverage in each of the past three years.

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

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**11. FUND DEFICITS**

The Social Security Fund had a deficit fund balance of \$5,017 at November 30, 2017. The County plans to eliminate the deficit fund balance through future property taxes or with funds transferred from another County fund. The Employee Benefit Fund had a deficit net position of \$108 at November 30, 2017. The County plans to eliminate the deficit net position through future operating revenues or with funds transferred from another County fund.

**12. PRIOR PERIOD ADJUSTMENTS**

The County has restated beginning net position as of December 1, 2016 to correct the following misstatements:

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>IMRF Fund</u>	<u>Bond &amp; Interest Fund</u>	<u>Non-major Governmental</u>	<u>Component Unit - ETSB</u>
Net position, December 1, 2016, as reported	\$ 1,542,225	\$ 1,767,934	\$ 36,718	\$ 2,417,445	\$ 3,192,700	\$ 190,433
a) Misstated accounts receivable	(18,187)	(428,997)	-	321,816	88,994	15,773
b) Misstated expenses	(26,480)	(18,628)	(26,480)	-	18,628	-
c) Overstated revenue	(224,046)	(1,532)	-	-	(222,514)	-
d) Prior Audit activity not reported	137,485	137,485	-	-	-	-
e) Misstated accounts payable	(41,139)	-	(41,139)	-	-	-
f) Duplicate activity reported	(210,408)	-	-	-	(210,408)	-
g) Misclassified funds	(238,590)	-	-	-	-	-
h) Understated capital assets and accumulated depreciation	205,802	-	-	-	-	-
i) Understated capital leases	(155,270)	-	-	-	-	-
j) Understated accrued interest payable	(246,753)	-	-	-	-	-
k) Overstated compensated absences payable	<u>339,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position, December 1, 2016, As Restated	<u>\$ 1,064,561</u>	<u>\$ 1,456,262</u>	<u>\$ (30,901)</u>	<u>\$ 2,739,261</u>	<u>\$ 2,867,400</u>	<u>\$ 206,206</u>

**13. UNION COUNTY EMERGENCY TELEPHONE SYSTEM BOARD**

a. Summary of Significant Accounting Policies

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

- 1) The records of the ETSB are maintained as a single fund and the financial statements have been prepared on the accrual basis of accounting and the economic resources measurement focus.
- 2) Cash and cash equivalents includes deposits at financial institutions and highly liquid investments with an original maturity of three months or less when purchased.
- 3) All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. All payables are reported at their gross value.
- 4) Fund balance includes restrictions of fund balance reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the ETSB.

b. Cash and cash equivalents

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

Custodial credit risk is the risk that in the event of a bank failure, the ETSB's deposits may not be returned to it. To guard against credit risk for deposits with financial institutions the County's investment policy requires collateralization at the discretion of the County on all deposits with financial institutions in excess of federal depository at a minimum of 102% of market value of principal and accrued interest. Collateral is required to be conducted on a delivery-versus-payment (DVP) basis with securities held by an independent third-party custodian designated by the Treasurer and evidenced by safekeeping receipts and a written custodial agreement.

**REQUIRED SUPPLEMENTARY INFORMATION**

**UNION COUNTY, ILLINOIS**

**SCHEDULES OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY**

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 291,575	\$ 295,101	\$ 309,559
Contributions in relation to the actuarially determined contribution	<u>291,575</u>	<u>295,101</u>	<u>313,215</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,656)</u>
Covered-employee payroll	\$ 2,558,857	\$ 2,473,608	\$ 2,350,489
Contributions as a percentage of covered-employee payroll	11.39%	11.93%	13.33%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 27 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

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

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2017	2016	2015
Actuarially determined contribution	\$ 26,781	\$ 41,049	\$ 35,071
Contributions in relation to the actuarially determined contribution	<u>26,781</u>	<u>41,050</u>	<u>55,779</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u><u>\$ -</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (20,708)</u></u>
Covered-employee payroll	\$ 189,650	\$ 269,530	\$ 197,919
Contributions as a percentage of covered-employee payroll	14.12%	15.23%	28.18%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 27 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

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

Last Three Fiscal Years

FISCAL YEAR ENDING NOVEMBER 30,	2017	2016	2015
Actuarially determined contribution	\$ 139,746	\$ 121,599	\$ 140,739
Contributions in relation to the actuarially determined contribution	<u>139,746</u>	<u>160,992</u>	<u>177,372</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u><u>\$ -</u></u>	<u><u>\$ (39,393)</u></u>	<u><u>\$ (36,633)</u></u>
Covered-employee payroll	\$ 850,182	\$ 777,488	\$ 741,511
Contributions as a percentage of covered-employee payroll	16.44%	20.71%	23.92%

Notes to Required Supplementary Information:

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 27 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND - COUNTY

Last Three Years

MEASUREMENT DATE DECEMBER 31,	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 253,763	\$ 248,785	\$ 269,314
Interest	1,188,697	1,162,350	1,083,671
Differences between expected and actual experience	(396,587)	(123,961)	84,434
Changes of assumptions	(37,296)	19,033	555,213
Benefit payments, including refunds of member contributions	<u>(934,667)</u>	<u>(936,758)</u>	<u>(888,494)</u>
Net change in total pension liability	73,910	369,449	1,104,138
Total pension liability - beginning	<u>16,232,121</u>	<u>15,862,672</u>	<u>14,758,534</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b><u>\$ 16,306,031</u></b>	<b><u>\$ 16,232,121</u></b>	<b><u>\$ 15,862,672</u></b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 299,706	\$ 295,101	\$ 313,215
Contributions - member	112,672	112,548	108,788
Net investment income	980,582	71,358	853,498
Benefit payments, including refunds of member contributions	(934,667)	(936,758)	(888,494)
Other income (expense)	<u>129,730</u>	<u>132,443</u>	<u>(75,915)</u>
Net change in plan fiduciary net position	588,023	(325,308)	311,092
Plan fiduciary net position - beginning	<u>14,210,792</u>	<u>14,536,100</u>	<u>14,225,008</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b><u>\$ 14,798,815</u></b>	<b><u>\$ 14,210,792</u></b>	<b><u>\$ 14,536,100</u></b>
<b>EMPLOYER'S NET PENSION (ASSET) LIABILITY</b>	<b><u>\$ 1,507,216</u></b>	<b><u>\$ 2,021,329</u></b>	<b><u>\$ 1,326,572</u></b>
Plan fiduciary net position as a percentage of the total pension liability	90.76%	87.55%	91.64%
Covered-employee payroll	\$ 2,458,274	\$ 2,473,608	\$ 2,350,489
Employer's net pension liability (asset) as a percentage of covered-employee payroll	61.31%	81.72%	56.44%

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
ELECTED COUNTY OFFICIALS  
Last Three Years

MEASUREMENT DATE DECEMBER 31,	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 45,459	\$ 35,810	\$ 69,773
Interest	201,187	189,310	177,446
Differences between expected and actual experience	9,439	79,833	11,997
Changes of assumptions	-	-	49,682
Benefit payments, including refunds of member contributions	<u>(157,109)</u>	<u>(145,728)</u>	<u>(121,729)</u>
Net change in total pension liability	98,976	159,225	187,169
Total pension liability - beginning	<u>2,738,312</u>	<u>2,579,087</u>	<u>2,391,918</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b><u>\$ 2,837,288</u></b>	<b><u>\$ 2,738,312</u></b>	<b><u>\$ 2,579,087</u></b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 36,617	\$ 41,050	\$ 55,779
Contributions - member	19,757	20,215	23,609
Net investment income	169,462	13,245	156,025
Benefit payments, including refunds of member contributions	<u>(157,109)</u>	<u>(145,728)</u>	<u>(121,729)</u>
Other income (expense)	<u>19,516</u>	<u>19,426</u>	<u>(1,487)</u>
Net change in plan fiduciary net position	88,243	(51,792)	112,197
Plan fiduciary net position - beginning	<u>2,639,366</u>	<u>2,691,158</u>	<u>2,578,961</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b><u>\$ 2,727,609</u></b>	<b><u>\$ 2,639,366</u></b>	<b><u>\$ 2,691,158</u></b>
<b>EMPLOYER'S NET PENSION (ASSET) LIABILITY</b>	<b><u>\$ 109,679</u></b>	<b><u>\$ 98,946</u></b>	<b><u>\$ (112,071)</u></b>
Plan fiduciary net position as a percentage of the total pension liability	96.13%	96.39%	104.35%
Covered-employee payroll	\$ 263,431	\$ 269,530	\$ 197,919
Employer's net pension liability (asset) as a percentage of covered-employee payroll	41.63%	36.71%	(56.62%)

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SHERIFF'S LAW ENFORCEMENT PERSONNEL  
Last Three Years

MEASUREMENT DATE DECEMBER 31,	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 147,042	\$ 142,882	\$ 165,043
Interest	413,395	392,193	357,953
Differences between expected and actual experience	(26,932)	(7,421)	58,145
Changes of assumptions	(7,435)	7,075	68,248
Benefit payments, including refunds of member contributions	<u>(245,601)</u>	<u>(247,910)</u>	<u>(115,665)</u>
Net change in total pension liability	280,469	286,819	533,724
Total pension liability - beginning	<u>5,568,567</u>	<u>5,281,748</u>	<u>4,748,024</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u><b>\$ 5,849,036</b></u>	<u><b>\$ 5,568,567</b></u>	<u><b>\$ 5,281,748</b></u>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 139,657	\$ 160,992	\$ 177,372
Contributions - member	60,965	58,312	65,263
Net investment income	338,024	24,367	283,811
Benefit payments, including refunds of member contributions	(245,601)	(247,910)	(115,665)
Other income (expense)	<u>57,355</u>	<u>(53,361)</u>	<u>(112,232)</u>
Net change in plan fiduciary net position	350,400	(57,600)	298,549
Plan fiduciary net position - beginning	<u>4,830,105</u>	<u>4,887,705</u>	<u>4,589,156</u>
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<u><b>\$ 5,180,505</b></u>	<u><b>\$ 4,830,105</b></u>	<u><b>\$ 4,887,705</b></u>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<u><b>\$ 668,531</b></u>	<u><b>\$ 738,462</b></u>	<u><b>\$ 394,043</b></u>
Plan fiduciary net position as a percentage of the total pension liability	88.57%	86.74%	92.54%
Covered-employee payroll	\$ 798,527	\$ 777,488	\$ 741,511
Employer's net pension liability as a percentage of covered-employee payroll	83.72%	94.98%	53.14%

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 1,425,103	\$ 1,393,965
State of Illinois:		
Local use tax	210,000	230,017
Sales tax	435,000	472,192
Income tax	900,000	981,084
Personal property replacement taxes	115,000	138,102
State grants and expenditure reimbursements	331,920	316,774
Fees for services and materials	702,146	687,188
Investment income	2,082	1,520
Other	158,898	201,168
Total revenues	<u>4,280,149</u>	<u>4,422,010</u>
<b>EXPENDITURES</b>		
Current:		
General government	1,791,807	1,696,569
Public safety	1,206,561	1,239,843
Judiciary and court related	1,389,961	1,446,650
Public welfare	81,385	76,419
Total expenditures	<u>4,469,714</u>	<u>4,459,481</u>
Excess (deficiency) of revenue over expenditures	<u>(189,565)</u>	<u>(37,471)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	512,424	367,439
Transfers out	<u>(271,100)</u>	<u>(202,257)</u>
Total other financing sources (uses)	<u>241,324</u>	<u>165,182</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u><u>\$ 51,759</u></u>	127,711
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		
		<u>(249,478)</u>
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>		1,767,934
Prior period adjustment		<u>(311,672)</u>
<b>FUND BALANCES, BEGINNING OF THE YEAR - RESTATED</b>		<u>1,456,262</u>
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>		<u><u>\$ 1,334,495</u></u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

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

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 238,696	\$ 231,986
Investment income	150	-
State expenditures reimbursements	6,960	1,579
Total revenues	<u>245,806</u>	<u>233,565</u>
<b>EXPENDITURES</b>		
Current:		
Employee benefits	<u>500,000</u>	<u>456,008</u>
Total expenditures	<u>500,000</u>	<u>456,008</u>
Excess (deficiency) of revenue over expenditures	<u>(254,194)</u>	<u>(222,443)</u>
Other financing sources (uses)		
Transfers in	<u>271,243</u>	<u>253,006</u>
Total other financing sources (uses)	<u>271,243</u>	<u>253,006</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u><u>\$ 17,049</u></u>	<u>30,563</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		<u>4,639</u>
<b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>		36,718
Prior period adjustment		<u>(67,619)</u>
<b>FUND BALANCES (DEFICIT), BEGINNING OF THE YEAR - RESTATED</b>		<u>(30,901)</u>
<b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>		<u><u>\$ 4,301</u></u>

See accompanying Independent Auditor's Report.

# UNION COUNTY, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOVEMBER 30, 2017

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### 1. BUDGET AND APPROPRIATIONS

The County prepares a budget and an appropriation ordinance annually, which includes all general, special revenue and agency fund types. Once approved, the County Board may amend the legally adopted budget when unexpected modifications are required in estimated revenues or appropriations. The budget information presented reflects the originally adopted budget and final budget information. The budget initiation process follows applicable statutes and regulations. The County does not employ encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. A fiscal year budget was not performed for the Sheriff Forfeitures Fund.

The County budgetary control is exercised at the account level to ensure that actual expenditures do not exceed available budget amounts. This constitutes the legal level of control. Budget revisions at this level are subject to final review by the County Board. The cash basis of accounting is used in the budgetary preparation process.

The budgets for the other operating funds are prepared on the cash basis of accounting. Revenues are budgeted in the year receipt is expected and expenditures are budgeted in the year that the applicable claim is expected to be issued. Unexpended appropriations for all annually budgeted funds lapse at fiscal year end.

### 2. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

The budgetary comparison schedules present comparisons of the budget on a cash basis with actual data on the cash basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present basic financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of resultant basis and timing differences in the excess (deficiency) of revenue over expenditures for the year ended November 30, 2017 is presented on each budgetary comparison schedule in the line item titled "Reconciliation to modified accrual basis - net change resulting from recording accounts receivable, payable, and other accrued items."

**UNION COUNTY, ILLINOIS****NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)****3. EXCESS OVER BUDGET**

Generally accepted accounting principles require disclosure of certain information concerning individual funds (which are presented only in combination on the basic financial statements). Funds with overexpended appropriations during the year are required to be disclosed.

The following budgeted funds had an excess of expenditures over appropriations for the year ended November 30, 2017:

	<u>Appropriations</u>	<u>Expenditures</u>
General Fund		
General – Probation	192,030	230,436
General – Regional Office of Education	33,949	36,793
County Clerk – Service contracts	3,000	3,932
Treasurer – Office supplies	2,000	2,176
Treasurer – Publishing	3,660	4,762
Treasurer – Dues	340	490
Communications – Telecommunications	50,000	57,972
Elections – Election supplies	10,000	12,753
Other – compensated absences	18,171	18,485
Sheriff – Officials	62,250	63,752
Sheriff – Secretary and employees	500,508	509,350
Sheriff – Food	-	6
Sheriff – Service contracts	13,500	13,698
Sheriff – Training	40,000	67,405
Coroner – Office supplies	400	1,738
Coroner – Telecommunications	648	702
Coroner – Autopsies	15,000	22,785
Coroner – Lab services	3,000	7,570
State’s Attorney – Office supplies	5,750	6,649
State’s Attorney – Dues	1,500	1,961
State’s Attorney – Service contracts	7,600	7,735
Jail – Detention	512,500	544,798
Jail – Service contracts	15,000	25,022
Court – Employees	109,100	109,962
Court – Office supplies	1,000	1,201
Court – Service contracts	1,000	1,824
Court – Circuit Court jurors	7,000	8,519
Court – Court ordered public defenders	60,000	90,137
Animal Control – Office supplies	500	1,368
Animal Control – Maintenance	2,500	4,509
Animal Control – Fuel	2,500	2,977
Emergency Services – Officials	14,075	14,061
Emergency Services – Office supplies	500	669
Emergency Services – Equipment	1,000	3,431

**UNION COUNTY, ILLINOIS****NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)**

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**3. EXCESS OVER BUDGET (Continued)**

Bond and Interest Fund – Debt Service	1,621,208	1,632,271
General Assistance – Public Welfare	-	19
Federal Aid Matching – Capital Outlay	45,000	68,498
County MFT - Transportation	456,200	481,608
Liability Insurance Fund - General	335,000	408,666
Law Library Fund – Judiciary and court related	19,000	20,647
Recorder’s Automation Fund - General	17,820	19,717
Collector’s Automation Fund - General	-	5
Child Support Admin Fund – Judiciary and court related	-	556
Sheriff’s Donations Fund – Transfers Out	14,604	15,353
County Clerk Fees & Doc Stamps Fund - General	-	35,558
Sheriff Bond Fund – Public Safety	60,000	84,546
Judicial Security Fund – Judiciary and court related	43,000	44,835
Unemployment Compensation Fund - General	10,000	15,599
U of I Extension Fund – Public Welfare	40,000	78,405
Extra Court Services Funds – Transfer Out	9,867	20,033

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**UNION COUNTY, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - CASH BASIS  
BOND AND INTEREST**

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>
	<u>          </u>	<u>          </u>
<b>REVENUES</b>		
Property taxes	\$ 215,690	\$ 209,226
Sales taxes	1,200,000	1,239,313
Investment income	7,600	14,086
Other	295,450	295,451
Total revenues	<u>1,718,740</u>	<u>1,758,076</u>
 <b>EXPENDITURES</b>		
Debt service	<u>1,381,208</u>	<u>1,384,408</u>
 Total expenditures	<u>1,381,208</u>	<u>1,384,408</u>
 Excess (deficiency) of revenue over expenditures	<u>337,532</u>	<u>373,668</u>
 Transfers out	<u>(240,000)</u>	<u>(247,863)</u>
Total other financing sources (uses)	<u>(240,000)</u>	<u>(247,863)</u>
 <b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 97,532</u>	125,805
 <b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>		<u>(10,283)</u>
 <b>FUND BALANCES, GAAP BASIS, BEGINNING OF YEAR</b>		2,417,445
Prior period adjustment		<u>321,816</u>
 <b>FUND BALANCES, BEGINNING OF THE YEAR - RESTATED</b>		<u>2,739,261</u>
 <b>FUND BALANCES, GAAP BASIS, END OF YEAR</b>		<u>\$ 2,854,783</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING BALANCE SHEET - BY SUBFUND  
GENERAL FUND

November 30, 2017

	<u>General</u>	<u>Compensated Absences</u>	<u>General Fund Reserve</u>	<u>Total General Fund</u>
<b>ASSETS</b>				
Cash and Cash equivalents	\$ 99,824	\$ 38,345	\$ 1,120,882	\$ 1,259,051
Receivables, net:				
State of Illinois	140,239	-	-	140,239
Property taxes	1,487,327	-	-	1,487,327
Other	20,000	-	-	20,000
Due from other funds	48,101	-	-	48,101
<b>TOTAL ASSETS</b>	<u>\$ 1,795,491</u>	<u>\$ 38,345</u>	<u>\$ 1,120,882</u>	<u>\$ 2,954,718</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 79,776	\$ 2,908	\$ -	\$ 82,684
Other payables	6,719	-	-	6,719
Unearned revenue	32,782	-	-	32,782
Due to other funds	10,711	-	-	10,711
Total liabilities	<u>129,988</u>	<u>2,908</u>	<u>-</u>	<u>132,896</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable property taxes	1,487,327	-	-	1,487,327
Total deferred inflows of resources	<u>1,487,327</u>	<u>-</u>	<u>-</u>	<u>1,487,327</u>
Total liabilities and deferred inflows of resources	<u>1,617,315</u>	<u>2,908</u>	<u>-</u>	<u>1,620,223</u>
<b>FUND BALANCES</b>				
Unrestricted:				
Committed for a specific purpose	-	35,437	1,120,882	1,156,319
Unassigned	178,176	-	-	178,176
Total fund balances	<u>178,176</u>	<u>35,437</u>	<u>1,120,882</u>	<u>1,334,495</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 1,795,491</u>	<u>\$ 38,345</u>	<u>\$ 1,120,882</u>	<u>\$ 2,954,718</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BY SUBFUND  
GENERAL FUND**

Year Ended November 30, 2017

	<u>General</u>	<u>Compensated Absences</u>	<u>General Fund Reserve</u>	<u>Eliminations</u>	<u>Total General Fund</u>
<b>REVENUES</b>					
Property taxes	\$ 1,393,965	\$ -	\$ -	\$ -	\$ 1,393,965
State of Illinois:					
Local use tax	230,017	-	-	-	230,017
Sales tax	476,214	-	-	-	476,214
Income tax	846,522	-	-	-	846,522
Personal property replacement taxes	138,102	-	-	-	138,102
State grants and expenditure reimbursements	317,715	-	-	-	317,715
Fees for services and materials	650,959	-	-	-	650,959
Investment income	1,262	-	249	-	1,511
Other	200,213	-	-	-	200,213
Total revenues	<u>4,254,969</u>	<u>-</u>	<u>249</u>	<u>-</u>	<u>4,255,218</u>
<b>EXPENDITURES</b>					
Current:					
General government	1,689,703	21,393	-	-	1,711,096
Public safety	1,268,855	-	-	-	1,268,855
Judiciary and court related	1,495,204	-	-	-	1,495,204
Public welfare	79,007	-	-	-	79,007
Total expenditures	<u>4,532,769</u>	<u>21,393</u>	<u>-</u>	<u>-</u>	<u>4,554,162</u>
Excess (deficiency) of revenue over expenditures	<u>(277,800)</u>	<u>(21,393)</u>	<u>249</u>	<u>-</u>	<u>(298,944)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	367,439	50,000	50,000	(100,000)	367,439
Transfers (out)	(302,257)	-	-	100,000	(202,257)
Capital leases issued	11,995	-	-	-	11,995
Total other financing sources (uses)	<u>77,177</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>177,177</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(200,623)</u>	<u>28,607</u>	<u>50,249</u>	<u>-</u>	<u>(121,767)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	690,471	6,830	1,070,633	-	1,767,934
Prior period adjustment	<u>(311,672)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(311,672)</u>
<b>FUND BALANCES, BEGINNING OF THE YEAR - RESTATED</b>	<u>378,799</u>	<u>6,830</u>	<u>1,070,633</u>	<u>-</u>	<u>1,456,262</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 178,176</u>	<u>\$ 35,437</u>	<u>\$ 1,120,882</u>	<u>\$ -</u>	<u>\$ 1,334,495</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Expenditures Paid</b>
	<u>          </u>	<u>          </u>
<b>GENERAL GOVERNMENT</b>		
General:		
IMRF agent	\$      4,936	\$      4,936
Health insurance	411,945	389,172
Postage	25,000	23,611
Audits	59,500	53,500
Contingencies	50,522	29,996
Economic development	1,000	1,000
Probation	192,030	230,436
Regional Office of Education	33,949	36,793
	<u>778,882</u>	<u>769,444</u>
Commissioners:		
Salaries	40,000	40,000
County administrator salary	62,956	61,613
Office supplies	1,000	748
Publishing	1,000	948
Travel	2,603	124
Dues	3,655	3,015
	<u>111,214</u>	<u>106,448</u>
Human Resource:		
Salary	35,385	34,279
Office supplies	1,000	393
Travel	500	304
Dues	250	-
	<u>37,135</u>	<u>34,976</u>

(Continued)

See accompanying Independent Auditor's Report.

UNION COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original and Final Budget</u>	<u>Expenditures Paid</u>
<b>GENERAL GOVERNMENT (Continued)</b>		
County Clerk:		
Officials	60,000	60,000
Employees	96,435	94,929
Office and vital records supplies	5,750	4,676
Maintenance	1,600	-
Travel	2,000	58
Dues	260	240
Service contracts	3,000	3,932
	<u>169,045</u>	<u>163,835</u>
Treasurer:		
Officials	60,000	60,000
Employees	110,812	94,193
Office supplies	2,000	2,176
Publishing	3,660	4,762
Dues	340	490
	<u>176,812</u>	<u>161,621</u>
Supervisor of Assessments:		
Officials	60,000	60,000
Employees	105,147	103,165
Office supplies	1,500	474
Publishing	4,500	3,754
Travel	1,000	948
Fuel	1,000	272
Maintenance	1,000	51
Dues	325	325
Training	1,500	-
	<u>175,972</u>	<u>168,989</u>
		(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Expenditures Paid</b>
<b>GENERAL GOVERNMENT (Continued)</b>		
Communications:		
Officials	55,000	55,000
Office supplies	100	16
Publishing	100	53
Travel	500	-
Dues	500	-
Service contracts	68,651	63,275
Telecommunications	50,000	57,972
Computer service and equipment	10,000	9,422
	<u>184,851</u>	<u>185,738</u>
Elections:		
Election judges	8,000	7,429
Employees	5,000	3,960
Publishing	4,000	2,784
Maintenance	8,000	5,432
Software and licenses	14,890	14,890
Election supplies	10,000	12,753
Polling facilities	1,000	950
Election contract	38,835	38,835
	<u>89,725</u>	<u>87,033</u>
Other:		
Compensated absences	18,171	18,485
General fund reserve disbursements	50,000	-
	<u>68,171</u>	<u>18,485</u>
 Total General Government	 <u>1,791,807</u>	 <u>1,696,569</u> (Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Expenditures Paid</b>
<b>PUBLIC SAFETY</b>		
Sheriff:		
Officials	62,250	63,752
Secretary and employees	500,508	509,350
Radio operators	338,715	336,317
Custodian	58,934	58,918
Civil process server	4,250	-
Drug Task Force agent	50,187	50,172
Office supplies	12,000	10,717
Maintenance	21,000	20,137
Travel	3,500	3,314
Fuel	21,000	20,574
Officer supplies and uniforms	13,400	10,798
Custodian supplies and uniforms	800	599
Operating supplies	14,604	11,286
Food	-	6
Dues	2,215	2,030
Service contracts	13,500	13,698
Training	5,000	4,988
Arrestees medical	40,000	67,405
Prisoner transport	2,000	812
Merit board	450	450
	<u>1,164,313</u>	<u>1,185,323</u>
Coroner:		
Officials	14,000	14,000
Secretary and employees	6,600	6,600
Office supplies	300	13
Equipment	400	1,738
Travel	1,000	-
Dues	300	300
Training	1,000	812
Telecommunications	648	702
Autopsies	15,000	22,785
Lab services	3,000	7,570
	<u>42,248</u>	<u>54,520</u>
Total Public Safety	<u>1,206,561</u>	<u>1,239,843</u>

(Continued)

See accompanying Independent Auditor's Report.

UNION COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<u>Original and Final Budget</u>	<u>Expenditures Paid</u>
<b>JUDICIARY AND COURT RELATED</b>		
Circuit Clerk:		
Officials	60,000	60,000
Assistant and employees	111,532	105,448
Office supplies	4,000	3,680
Equipment	1,500	1,500
Maintenance	500	428
Travel	1,000	1,000
Dues	420	285
	<u>178,952</u>	<u>172,341</u>
State's Attorney:		
Officials	128,958	128,958
Assistant and employees	245,451	244,945
Office supplies	5,750	6,649
Travel	5,000	4,286
Dues	1,500	1,961
Service contracts	7,600	7,735
Training	2,000	1,275
Appellate prosecutor	7,000	7,000
Grand jury expenses	13,000	10,368
	<u>416,259</u>	<u>413,177</u>
Jail:		
Detention	512,500	544,798
Maintenance	15,000	11,853
Service contracts	15,000	25,022
Utilities	62,200	60,857
	<u>604,700</u>	<u>642,530</u>

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

	<b>Original and Final Budget</b>	<b>Expenditures Paid</b>
<b>JUDICIARY AND COURT RELATED (Continued)</b>		
Court:		
Employees	109,100	109,962
Office supplies	1,000	1,201
Equipment	1,500	37
Dues	450	450
Service contracts	1,000	1,824
Circuit Court jurors	7,000	8,519
Court ordered public defenders	60,000	90,137
Legal publications	10,000	6,472
	<u>190,050</u>	<u>218,602</u>
 Total Judiciary and Court Related	 <u>1,389,961</u>	 <u>1,446,650</u>
<b>PUBLIC WELFARE</b>		
Animal Control:		
Officials	18,000	17,538
Employees	21,500	17,224
Office supplies	500	1,368
Maintenance	2,500	4,509
Travel	500	-
Uniforms	500	-
Fuel	2,500	2,977
Operating supplies	4,000	2,845
Rabies tags	1,000	815
Utilities	5,000	4,284
Telecommunications	2,160	1,620
Landfill/disposal	800	768
	<u>58,960</u>	<u>53,948</u>
		(Continued)

See accompanying Independent Auditor's Report.

UNION COUNTY, ILLINOIS

SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - CASH BASIS  
GENERAL FUND

Year Ended November 30, 2017

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	<b>Original and Final Budget</b>	<b>Expenditures Paid</b>
<b>PUBLIC WELFARE (Continued)</b>		
Emergency Services and Disaster Agency:		
Officials	14,075	14,061
Office supplies	500	669
Equipment	1,000	3,431
Maintenance	1,500	497
Travel	750	387
Fuel	350	181
Dues	65	65
Training	750	67
Utilities	2,075	2,071
Telecommunications	1,360	1,042
	<u>22,425</u>	<u>22,471</u>
 Total Public Welfare	 <u>81,385</u>	 <u>76,419</u>
 <b>TOTAL GENERAL FUND</b>	 <u><u>\$ 4,469,714</u></u>	 <u><u>\$ 4,459,481</u></u>
		(Concluded)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

November 30, 2017

	<u>Capital Projects</u>				<b>Total Nonmajor Governmental Funds</b>
	<b>Special Revenue Funds</b>	<b>Courthouse Repair &amp; Maintenance</b>	<b>Capital Improvements</b>	<b>Extra Court Services Fund</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,225,172	\$ 50,041	\$ 253,668	\$ -	\$ 2,528,881
Investments	30,233	-	-	-	30,233
Receivables, net:					
State of Illinois	127,761	-	-	-	127,761
Property taxes	1,297,644	-	-	-	1,297,644
Notes receivable	224,026	-	-	-	224,026
Other	810,024	-	-	-	810,024
Due from other funds	38,475	-	-	-	38,475
Prepaid items	70,555	-	-	-	70,555
<b>TOTAL ASSETS</b>	<u>\$ 4,823,890</u>	<u>\$ 50,041</u>	<u>\$ 253,668</u>	<u>\$ -</u>	<u>\$ 5,127,599</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 343,077	\$ -	\$ -	\$ -	\$ 343,077
Due to others	17,269	-	-	-	17,269
Due to other funds	15,239	-	-	-	15,239
Total liabilities	<u>375,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,585</u>
Deferred inflows of resources					
Unavailable property taxes	1,297,644	-	-	-	1,297,644
Unavailable grant revenues	1,038,759	-	-	-	1,038,759
Total deferred inflows of resources	<u>2,336,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,336,403</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>2,711,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,711,988</u>
Fund balances:					
Nonspendable - prepaids	70,555	-	-	-	70,555
Restricted for highways and streets	659,429	-	-	-	659,429
Restricted for public safety	64,708	-	-	-	64,708
Restricted for health and welfare	421,932	-	-	-	421,932
Restricted for specific purpose	775,544	-	-	-	775,544
Unrestricted					
Committed for a specific purpose	76,815	-	-	-	76,815
Assigned for highways and streets	8,589	-	-	-	8,589
Assigned for public safety	4,981	-	-	-	4,981
Assigned for economic development	75	-	-	-	75
Assigned for health and welfare	1,225	-	-	-	1,225
Assigned for specific purpose	33,066	50,041	253,668	-	336,775
Unassigned	(5,017)	-	-	-	(5,017)
<b>Total fund balances</b>	<u>2,111,902</u>	<u>50,041</u>	<u>253,668</u>	<u>-</u>	<u>2,415,611</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 4,823,890</u>	<u>\$ 50,041</u>	<u>\$ 253,668</u>	<u>\$ -</u>	<u>\$ 5,127,599</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended November 30, 2017

	<u>Capital Projects Funds</u>				<b>Total Nonmajor Governmental Funds</b>
	<b>Special Revenue Funds</b>	<b>Courthouse Repair &amp; Maintenance</b>	<b>Capital Improvements</b>	<b>Extra Court Services Fund</b>	
<b>REVENUE</b>					
Property taxes	\$ 1,121,758	\$ -	\$ -	\$ -	\$ 1,121,758
State of Illinois:					
Motor fuel tax allotments	798,951	-	-	-	798,951
Personal property replacement taxes	36,773	-	-	-	36,773
State grants and expenditure reimbursements	579,140	-	-	-	579,140
Hotel/motel tax	106,060	-	-	-	106,060
Federal revenue	16,659	-	-	-	16,659
Fees for services and materials	1,806,232	-	-	-	1,806,232
Investment income	2,712	12	66	9	2,799
Other	97,493	-	-	-	97,493
Total revenues	<u>4,565,778</u>	<u>12</u>	<u>66</u>	<u>9</u>	<u>4,565,865</u>
<b>EXPENDITURES</b>					
Current:					
General government	831,036	-	-	-	831,036
Public safety	120,870	-	-	-	120,870
Judiciary and court related	579,751	-	-	-	579,751
Public welfare	1,028,562	-	-	-	1,028,562
Transportation	2,020,964	-	-	-	2,020,964
Capital outlay	116,067	-	150,079	-	266,146
Total expenditures	<u>4,697,250</u>	<u>-</u>	<u>150,079</u>	<u>-</u>	<u>4,847,329</u>
Excess (deficiency) of revenues over expenditures	<u>(131,472)</u>	<u>12</u>	<u>(150,013)</u>	<u>9</u>	<u>(281,464)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	392,489	25,000	76,927	-	494,416
Transfers out	<u>(644,708)</u>	<u>-</u>	<u>-</u>	<u>(20,033)</u>	<u>(664,741)</u>
Total other financing sources (uses)	<u>(252,219)</u>	<u>25,000</u>	<u>76,927</u>	<u>(20,033)</u>	<u>(170,325)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(383,691)</u>	<u>25,012</u>	<u>(73,086)</u>	<u>(20,024)</u>	<u>(451,789)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	2,820,893	25,029	326,754	20,024	3,192,700
<b>Prior period adjustment</b>	<u>(325,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(325,300)</u>
<b>FUND BALANCES, BEGINNING OF YEAR, RESTATED</b>	<u>2,495,593</u>	<u>25,029</u>	<u>326,754</u>	<u>20,024</u>	<u>2,867,400</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 2,111,902</u>	<u>\$ 50,041</u>	<u>\$ 253,668</u>	<u>\$ -</u>	<u>\$ 2,415,611</u>

See accompanying Independent Auditor's Report.

UNION COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	Ambulance Fund	General Assistance	Public Safety Tax	County Highway	County Bridge	Federal Aid Matching	County MFT	Unit Road District	Unit Road District Bridge	Unit Road District MFT
Cash and cash equivalents	\$ 460,494	\$ -	\$ -	\$ 105,555	\$ 83,167	\$ 73,073	\$ 15,282	\$ 154,452	\$ 70,765	\$ 25,426
Restricted cash and cash equivalents	500	-	-	-	-	-	-	-	-	-
Receivables, net:										
State of Illinois	-	-	-	-	-	-	20,678	-	-	43,083
Property taxes	160,229	23	-	70,867	140,739	84,600	-	267,195	101,674	-
Notes receivable	-	-	-	-	-	-	-	-	-	-
Other	800,208	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	90	8,845	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,421,431</b>	<b>\$ 23</b>	<b>\$ -</b>	<b>\$ 176,422</b>	<b>\$ 223,906</b>	<b>\$ 157,673</b>	<b>\$ 36,050</b>	<b>\$ 430,492</b>	<b>\$ 172,439</b>	<b>\$ 68,509</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities:										
Accounts payable	\$ 6,099	\$ -	\$ -	\$ 8,046	\$ -	\$ -	\$ 1,632	\$ 6,212	\$ -	\$ 2,287
Other Payables	17,170	-	-	-	-	-	-	-	-	-
Due to other funds	50	-	-	-	-	-	-	-	8,845	-
Total liabilities	23,319	-	-	8,046	-	-	1,632	6,212	8,845	2,287
Deferred inflows of resources:										
Unavailable property taxes	160,229	23	-	70,867	140,739	84,600	-	267,195	101,674	-
Unavailable revenue	814,733	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	998,281	23	-	78,913	140,739	84,600	1,632	273,407	110,519	2,287

Fund balances:

Nonspendable - prepaids	-	-	-	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	89,578	83,075	73,045	34,311	156,876	61,861	66,155
Restricted for public safety	-	-	-	-	-	-	-	-	-	-
Restricted for health and welfare	421,932	-	-	-	-	-	-	-	-	-
Restricted for specific purpose	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	-
Committed for a specific purpose	-	-	-	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	7,931	92	28	107	209	59	67
Assigned for public safety	-	-	-	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-	-	-	-
Assigned for health and welfare	1,218	-	-	-	-	-	-	-	-	-
Assigned for specific purpose	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	423,150	-	-	97,509	83,167	73,073	34,418	157,085	61,920	66,222

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE**

	\$ 1,421,431	\$ 23	\$ -	\$ 176,422	\$ 223,906	\$ 157,673	\$ 36,050	\$ 430,492	\$ 172,439	\$ 68,509
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(Continued)

UNION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 November 30, 2017

	Township Bridge Program	Township Motor Fuel	Liability Insurance	Law Library	Recorder's Automation	Collector's Automation	Court Automation	State's Attorney Anti-Crime	Sheriff's Anti-Crime	Coroner's Automation
Cash and cash equivalents	\$ 30,624	\$ -	\$ 96,794	\$ -	\$ 18,879	\$ 4,412	\$ 40,249	\$ 3,454	\$ 20,843	\$ 13,127
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Receivables, net:										
State of Illinois	64,000	-	49,725	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	295	-	-	-	-
Other	-	-	-	1,973	-	-	6,479	-	3	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	70,555	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 94,624</b>	<b>\$ -</b>	<b>\$ 217,074</b>	<b>\$ 1,973</b>	<b>\$ 18,879</b>	<b>\$ 4,707</b>	<b>\$ 46,728</b>	<b>\$ 3,454</b>	<b>\$ 20,846</b>	<b>\$ 13,127</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ 1,305	\$ -	\$ -	\$ 775	\$ -	\$ 863	\$ -
Other Payables	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	1,305	-	-	775	-	863	-
Deferred inflows of resources										
Unavailable property taxes	-	-	49,725	-	-	-	-	-	-	-
Unavailable revenue	-	-	49,725	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	49,725	1,305	-	-	775	-	863	-
Fund balances:										
Nonspendable - prepaids	-	-	70,555	-	-	-	-	-	-	-
Restricted for highways and streets	94,528	-	-	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-	3,452	15,016	-
Restricted for health and welfare	-	-	-	-	-	-	-	-	-	-
Restricted for specific purpose	-	-	91,541	668	18,872	4,700	45,910	-	-	13,100
Unrestricted	-	-	-	-	-	-	-	-	-	-
Committed for a specific purpose	-	-	-	-	-	-	-	-	-	-
Assigned for highways and streets	96	-	-	-	-	-	-	-	2	4,967
Assigned for public safety	-	-	-	-	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	5,253	-	7	7	43	-	-	27
Assigned for specific purpose	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	94,624	-	167,349	668	18,879	4,707	45,953	3,454	19,983	13,127
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 94,624</b>	<b>\$ -</b>	<b>\$ 217,074</b>	<b>\$ 1,973</b>	<b>\$ 18,879</b>	<b>\$ 4,707</b>	<b>\$ 46,728</b>	<b>\$ 3,454</b>	<b>\$ 20,846</b>	<b>\$ 13,127</b>

(Continued)

UNION COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

November 30, 2017

	County Investments	County Revolving Loan	Recorder's GIS	Document Storage	Bad Check Restitution	Arrestee Medical	E-Citation	DUI Fund	Valentine's Fund	Project Redevelop
<b>ASSETS</b>										
Cash and cash equivalents	\$ 76,815	\$ -	\$ 56,270	\$ 80,356	\$ 1,094	\$ 543	\$ 2,244	\$ 18,136	\$ 44,950	\$ 322,669
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Receivables, net:										
State of Illinois	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Notes receivable	224,026	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	6,200	-	140	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 300,841</b>	<b>\$ -</b>	<b>\$ 56,270</b>	<b>\$ 86,556</b>	<b>\$ 1,094</b>	<b>\$ 683</b>	<b>\$ 2,244</b>	<b>\$ 18,136</b>	<b>\$ 44,950</b>	<b>\$ 322,669</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ 845	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,922
Other Payables	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	352	-	-	-	-	-	5,922	-
Total liabilities	-	-	352	845	-	-	-	-	5,922	300,922
Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-
Unavailable property taxes	224,026	-	-	-	-	-	-	-	-	-
Unavailable revenue	224,026	-	-	-	-	-	-	-	-	-
<b>Total liabilities and deferred inflows of resources</b>	<b>224,026</b>	<b>-</b>	<b>352</b>	<b>845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,922</b>	<b>300,922</b>
Fund balances:										
Nonspendable - prepaids	-	-	-	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	683	-	18,128	-	-
Restricted for health and welfare	-	-	-	-	-	-	-	-	-	-
Restricted for specific purpose	-	-	55,886	85,624	1,094	-	2,244	-	39,012	21,747
Unrestricted	-	-	-	-	-	-	-	-	-	-
Committed for a specific purpose	76,815	-	-	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	-	-	-	-	8	-	-
Assigned for economic development	-	-	32	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	-	-	-	-	-
Assigned for specific purpose	-	-	-	87	-	-	-	-	16	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<b>76,815</b>	<b>-</b>	<b>55,918</b>	<b>85,711</b>	<b>1,094</b>	<b>683</b>	<b>2,244</b>	<b>18,136</b>	<b>39,028</b>	<b>21,747</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 300,841</b>	<b>\$ -</b>	<b>\$ 56,270</b>	<b>\$ 86,556</b>	<b>\$ 1,094</b>	<b>\$ 683</b>	<b>\$ 2,244</b>	<b>\$ 18,136</b>	<b>\$ 44,950</b>	<b>\$ 322,669</b>

(Continued)

UNION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 November 30, 2017

	Juvenile Justice	Child Support Admin Fund	VCVA	Sheriff's Donations	Revenue Distribution Fund	VOCA	Indemnity Fund	Sale in Error	County Clerk Fees & Doc Stamps	Sheriff Bond
ASSETS										
Cash and cash equivalents	\$ 8,766	\$ 48,260	\$ 4,277	\$ 5,936	\$ 27,779	\$ 6,812	\$ 64,486	\$ 12,502	\$ 38,679	\$ 8,475
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Receivables, net:										
State of Illinois	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	87	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 8,766</b>	<b>\$ 48,260</b>	<b>\$ 4,277</b>	<b>\$ 5,936</b>	<b>\$ 27,866</b>	<b>\$ 6,812</b>	<b>\$ 64,486</b>	<b>\$ 12,502</b>	<b>\$ 38,679</b>	<b>\$ 8,475</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 320	\$ -	\$ 7,493	\$ -	\$ -	\$ -
Other Payables	-	-	-	-	-	-	-	-	-	99
Due to other funds	-	-	-	70	-	-	-	-	-	-
Total liabilities	-	-	-	70	320	-	7,493	-	-	99
Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-
Unavailable property taxes	-	-	-	-	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	70	320	-	7,493	-	-	99

Fund balances:

Nonspendable - prepaids	-	-	-	-	-	-	-	-	-	-
Restricted for highways and streets	-	-	-	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	5,862	-	-	-	-	-	8,376
Restricted for health and welfare	-	-	-	-	-	-	-	-	-	-
Restricted for specific purpose	8,766	48,214	4,277	-	-	6,812	56,964	12,497	38,679	-
Unrestricted	-	-	-	-	-	-	-	-	-	-
Committed for a specific purpose	-	-	-	-	-	-	-	-	-	-
Assigned for highways and streets	-	-	-	-	-	-	-	-	-	-
Assigned for public safety	-	-	-	4	-	-	-	-	-	-
Assigned for economic development	-	-	-	-	-	-	-	-	-	-
Assigned for health and welfare	-	-	-	-	-	-	-	-	-	-
Assigned for specific purpose	-	46	-	-	27,546	-	29	5	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	\$ 8,766	\$ 48,260	\$ 4,277	\$ 5,866	\$ 27,546	\$ 6,812	\$ 56,993	\$ 12,502	\$ 38,679	\$ 8,376

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE**

	\$ 8,766	\$ 48,260	\$ 4,277	\$ 5,936	\$ 27,866	\$ 6,812	\$ 64,486	\$ 12,502	\$ 38,679	\$ 8,475
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(Continued)

UNION COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 November 30, 2017

	Circuit Clerk E-Station	Sheriff Forfeitures	Judicial Security	Circuit Clerk Op Add-on	Circuit Clerk Marriage Fund	Social Security	Unemployment Compensation	Senior Citizens	U of I Extension	Hotel Operators' Occupancy Tax Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>											
Cash and cash equivalents	\$ 13,586	\$ 3,300	\$ 1,146	\$ 2,970	\$ 4,297	\$ -	\$ -	\$ 12,951	\$ 1,490	\$ 141,277	\$ 2,225,172
Restricted cash and cash equivalents	-	-	-	-	-	-	-	28,243	-	-	30,233
Receivables, net:											
State of Illinois	-	-	-	-	-	-	-	-	-	-	127,761
Property taxes	-	-	-	-	-	336,254	33,486	11,346	41,506	-	1,297,644
Notes receivable	-	-	-	-	-	-	-	-	-	-	224,026
Other	-	-	-	-	-	-	-	-	-	9,521	810,024
Due from other funds	117	-	13,191	268	30	-	-	-	-	1,052	38,475
Prepaid items	-	-	-	-	-	-	-	-	-	-	70,555
<b>TOTAL ASSETS</b>	<b>\$ 13,703</b>	<b>\$ 3,300</b>	<b>\$ 14,337</b>	<b>\$ 3,238</b>	<b>\$ 4,327</b>	<b>\$ 336,254</b>	<b>\$ 33,486</b>	<b>\$ 52,540</b>	<b>\$ 42,996</b>	<b>\$ 151,850</b>	<b>\$ 4,823,890</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>											
Liabilities:											
Accounts payable	\$ -	\$ -	\$ 1,146	\$ -	\$ -	\$ 5,017	\$ -	\$ -	\$ 115	\$ -	\$ 343,077
Other Payables	-	-	-	-	-	-	-	-	-	-	17,269
Due to other funds	-	-	-	-	-	-	-	-	-	-	15,239
Total liabilities	-	-	1,146	-	-	5,017	-	-	115	-	375,585
Deferred inflows of resources	-	-	-	-	-	336,254	33,486	11,346	41,506	-	1,297,644
Unavailable property taxes	-	-	-	-	-	336,254	33,486	11,346	41,506	-	1,038,759
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	2,336,403
Total liabilities and deferred inflows of resources	-	-	1,146	-	-	341,271	33,486	11,346	41,621	-	2,711,988
Fund balances:											
Nonspendable - prepaids	-	-	-	-	-	-	-	-	-	-	70,555
Restricted for highways and streets	-	-	-	-	-	-	-	-	-	-	659,429
Restricted for public safety	-	-	13,191	-	-	-	-	-	-	-	64,708
Restricted for health and welfare	-	-	-	-	-	-	-	-	-	-	421,932
Restricted for specific purpose	13,703	3,300	-	3,238	4,327	-	-	41,187	1,375	151,807	775,544
Unrestricted	-	-	-	-	-	-	-	-	-	-	76,815
Committed for a specific purpose	-	-	-	-	-	-	-	-	-	-	8,589
Assigned for highways and streets	-	-	-	-	-	-	-	-	-	-	4,981
Assigned for public safety	-	-	-	-	-	-	-	-	-	43	75
Assigned for economic development	-	-	-	-	-	-	-	7	-	-	1,225
Assigned for health and welfare	-	-	-	-	-	-	-	-	-	-	33,066
Assigned for specific purpose	-	-	-	-	-	(5,017)	-	-	-	-	(5,017)
Unassigned	-	-	-	-	-	(5,017)	-	-	-	-	(5,017)
Total fund balances	13,703	3,300	13,191	3,238	4,327	(5,017)	-	41,194	1,375	151,850	2,111,902
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 13,703</b>	<b>\$ 3,300</b>	<b>\$ 14,337</b>	<b>\$ 3,238</b>	<b>\$ 4,327</b>	<b>\$ 336,254</b>	<b>\$ 33,486</b>	<b>\$ 52,540</b>	<b>\$ 42,996</b>	<b>\$ 151,850</b>	<b>\$ 4,823,890</b>

(Concluded)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS**

Year Ended November 30, 2017

	Ambulance Fund	General Assistance	Public Safety Tax	County Highway	County Bridge	Federal Aid Matching	County MFT	Unit Road District	Unit Road District Bridge	Unit Road District MFT
<b>REVENUES</b>										
Property taxes	\$ 243,796	\$ 19	\$ -	\$ 146,169	\$ 67,495	\$ 76,389	\$ -	\$ 190,680	\$ 67,036	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	-	-	-	-	291,896	-	-	507,055
Personal property replacement taxes	-	-	-	-	-	-	-	36,773	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	52,634	25,680	-	-
Hotel/motel tax	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	776,141	-	-	620,445	-	-	-	-	-	-
Investment income	1,218	110	-	110	92	28	107	209	59	67
Other	500	-	-	7,821	-	-	-	-	-	-
Total revenues	1,021,655	19	-	774,545	67,587	76,417	344,637	253,342	67,095	507,122
<b>EXPENDITURES</b>										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	-
Public welfare	932,326	19	-	613,068	46,917	-	481,608	238,881	57,265	583,225
Transportation	-	-	-	-	-	-	-	-	-	-
Capital outlay	932,326	19	-	613,068	46,917	68,498	481,608	238,881	57,265	583,225
Excess (deficiency) of revenues over expenditures	89,329	-	-	161,477	20,670	7,919	(136,971)	14,461	9,830	(76,103)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	(254,034)	-	-	(281,264)	-	-	-	-	-	-
Transfers out	(254,034)	-	-	(281,264)	-	-	-	-	-	-
Total other financing sources (uses)	(164,705)	-	-	(119,787)	20,670	7,919	(136,971)	14,461	9,830	(76,103)
<b>NET CHANGE IN FUND BALANCES</b>	701,380	-	73,149	217,072	62,497	65,154	150,256	142,624	52,090	99,162
Prior period adjustment	(113,525)	-	(73,149)	224	-	-	21,133	-	-	43,163
<b>FUND BALANCES, BEGINNING OF YEAR</b>	587,855	-	-	217,296	62,497	65,154	171,389	142,624	52,090	142,325
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>	423,150	\$ -	\$ -	\$ 97,509	\$ 83,167	\$ 73,073	\$ 34,418	\$ 157,085	\$ 61,920	\$ 66,222

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS**

Year Ended November 30, 2017

	Township Bridge Program	Township Motor Fuel	Liability Insurance	Law Library	Recorder's Automation	Collector's Automation	Court Automation	State's Attorney Anti-Crime	Sheriff's Anti-Crime	Coroner's Automation
<b>REVENUES</b>										
Property taxes	\$ -	\$ -	\$ 139,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	64,000	-	-	-	5,072	-	-	-	-	-
Hotel/motel tax	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	-	16,798	18,202	4,425	80,274	1,368	10,437	2,925
Investment income	96	-	2	-	7	-	43	2	22	27
Other	-	-	5,251	-	-	-	-	-	4,945	-
Total revenues	64,096	-	144,598	16,798	23,281	4,432	80,317	1,370	15,404	2,952
<b>EXPENDITURES</b>										
Current:										
General government	-	-	338,111	-	19,717	5	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	30,092	-
Judiciary and court related	-	-	-	21,952	-	-	88,177	1,292	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Capital outlay	47,569	-	-	-	-	-	-	-	-	-
	47,569	-	338,111	21,952	19,717	5	88,177	1,292	30,092	-
	16,527	-	(193,513)	(5,154)	3,564	4,427	(7,860)	78	(14,688)	2,952
Excess (deficiency) of revenues over expenditures										
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	-	-	297,107	5,273	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(12,057)	-	-	(10,000)	(12,000)
Total other financing sources (uses)	-	-	297,107	5,273	-	(12,057)	-	-	(10,000)	(12,000)
<b>NET CHANGE IN FUND BALANCES</b>	16,527	-	103,594	119	3,564	(7,630)	(7,860)	78	(24,688)	(9,048)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	78,097	4,553	63,755	(1,047)	15,315	12,337	48,623	3,376	44,671	22,175
Prior period adjustment	-	(4,553)	-	1,596	-	-	5,190	-	-	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>	78,097	-	63,755	549	15,315	12,337	53,813	3,376	44,671	22,175
<b>FUND BALANCES, END OF YEAR</b>	\$ 94,624	\$ -	\$ 167,349	\$ 668	\$ 18,879	\$ 4,707	\$ 45,953	\$ 3,454	\$ 19,983	\$ 13,127

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS

Year Ended November 30, 2017

	County Investments	County Revolving Loan	Recorder's GIS	Document Storage	Bad Check Restitution	Arrestee Medical	E-Citation	DUI Fund	Valentine's Fund	Project Redevelop
<b>REVENUES</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-	-	345,132
Hotel/motel tax	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	26,724	75,120	244	1,170	404	2,600	-	-
Investment income	207	-	32	87	-	-	-	8	16	6
Other	50,162	-	-	-	-	-	-	-	16,352	-
Total revenues	50,369	-	26,756	75,207	244	1,170	404	2,608	16,368	345,138
<b>EXPENDITURES</b>										
Current:										
General government	-	-	39,080	84,944	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	2,932	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	332,230
Public welfare	-	-	-	-	-	-	-	-	6,812	-
Transportation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	39,080	84,944	-	-	-	2,932	6,812	332,230
Excess (deficiency) of revenues over expenditures	50,369	-	(12,294)	(9,737)	244	1,170	404	(324)	9,556	12,908
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(10,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	-	-	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	50,369	-	(22,294)	(9,737)	244	1,170	404	(324)	9,556	12,908
<b>FUND BALANCES, BEGINNING OF YEAR</b>	26,446	132,706	87,261	90,734	850	(19,185)	1,808	18,460	29,472	102,995
Prior period adjustment	-	(132,706)	(9,049)	4,714	-	18,698	32	-	-	(94,156)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATE</b>	26,446	-	78,212	95,448	850	(487)	1,840	18,460	29,472	8,839
<b>FUND BALANCES, END OF YEAR</b>	76,815	-	55,918	85,711	1,094	683	2,244	18,136	39,028	21,747

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS

Year Ended November 30, 2017

	Juvenile Justice	Child Support Admin Fund	VCVA	Sheriff's Donations	Revenue Distribution Fund	VOCA	Indemnity Fund	Sale in Error	County Clerk Fees & Doc Stamps	Sheriff Bond
<b>REVENUES</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	30,514	-	20,283	-	-	33,109	-	-	-	-
Hotel/motel tax	-	-	-	-	16,659	-	-	-	-	-
Federal revenue	-	3,622	-	-	685	-	3,120	3,900	40,824	73,443
Fees for services and materials	3	46	-	4	39	2	29	5	80	-
Investment income	-	-	-	5,862	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total revenues	30,517	3,668	20,283	5,866	17,383	33,111	3,149	3,905	40,904	73,443
<b>EXPENDITURES</b>										
Current:										
General government	-	-	-	-	-	-	7,594	2,201	35,558	-
Public safety	-	-	-	-	-	-	-	-	-	84,546
Judiciary and court related	35,182	556	17,781	-	-	35,000	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
	35,182	556	17,781	-	-	35,000	7,594	2,201	35,558	84,546
Excess (deficiency) of revenues over expenditures	(4,665)	3,112	2,502	5,866	17,383	(1,889)	(4,445)	1,704	5,346	(11,103)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	1,100	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(15,353)	-	-	-	-	(50,000)	-
Total other financing sources (uses)	1,100	-	-	(15,353)	-	-	-	-	(50,000)	-
<b>NET CHANGE IN FUND BALANCES</b>	(3,565)	3,112	2,502	(9,487)	17,383	(1,889)	(4,445)	1,704	(44,654)	(11,103)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	18,339	45,148	1,775	15,353	9,907	8,701	61,438	10,798	83,333	19,479
Prior period adjustment	(6,008)	-	-	-	256	-	-	-	-	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATE</b>	12,331	45,148	1,775	15,353	10,163	8,701	61,438	10,798	83,333	19,479
<b>FUND BALANCES, END OF YEAR</b>	\$ 8,766	\$ 48,260	\$ 4,277	\$ 5,866	\$ 27,546	\$ 6,812	\$ 56,993	\$ 12,502	\$ 38,679	\$ 8,376

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS**

Year Ended November 30, 2017

	Circuit Clerk E-Citations	Sheriff Forfeitures	Judicial Security	Circuit Clerk Op Add-on	Circuit Clerk Marriage Fund	Social Security	Unemployment Compensation	Senior Citizens	U of I Extension	Hotel Operators' Occupancy Tax	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>											
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,715	\$ 8,729	\$ 10,013	\$ 41,372	\$ -	\$ 1,121,758
State of Illinois:											
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	798,951
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	36,773
State grants and expenditure reimbursements	-	-	-	-	-	2,716	-	-	-	-	579,140
Hotel/motel tax	-	-	-	-	-	-	-	-	-	106,060	106,060
Federal revenue	-	-	-	-	-	-	-	-	-	-	16,659
Fees for services and materials	2,104	-	39,106	1,891	260	-	-	-	-	-	1,806,232
Investment income	-	-	-	2	-	-	-	7	-	-	2,712
Other	-	6,600	-	-	-	-	-	-	-	-	97,493
Total revenues	2,104	6,600	39,106	1,893	260	133,431	8,729	10,020	41,372	106,103	4,565,778
<b>EXPENDITURES</b>											
Current:											
General government	-	-	-	-	-	201,551	15,599	-	-	86,706	831,036
Public safety	-	3,300	-	-	-	-	-	-	-	-	120,870
Judiciary and court related	-	-	45,981	1,600	-	-	-	-	-	-	579,751
Public welfare	-	-	-	-	-	-	-	11,000	78,405	-	1,028,562
Transportation	-	-	-	-	-	-	-	-	-	-	2,020,964
Capital outlay	-	3,300	45,981	1,600	-	201,551	15,599	11,000	78,405	86,706	116,067
Excess (deficiency) of revenues over expenditures	2,104	3,300	(6,875)	293	260	(68,120)	(6,870)	(980)	(37,033)	19,397	(131,472)
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	-	-	22,643	-	-	59,496	6,870	-	-	-	392,489
Transfers out	-	-	-	-	-	-	-	-	-	-	(644,708)
Total other financing sources (uses)	-	-	22,643	-	-	59,496	6,870	-	-	-	(252,219)
<b>NET CHANGE IN FUND BALANCES</b>	2,104	3,300	15,768	293	260	(8,624)	-	(980)	(37,033)	19,397	(383,691)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	11,474	-	(5,948)	2,838	4,057	3,607	-	42,174	38,408	123,226	2,820,893
Prior period adjustment	125	-	3,371	107	10	-	-	-	-	9,227	(325,300)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATE</b>	11,599	-	(2,577)	2,945	4,067	3,607	-	42,174	38,408	132,453	2,495,593
<b>FUND BALANCES, END OF YEAR</b>	13,703	3,300	13,191	3,238	4,327	(5,017)	-	41,194	1,375	151,850	2,111,902

(Concluded)

**UNION COUNTY, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2017

	Special Revenue											
	Ambulance		General Assistance		County Highway		County Bridge		Federal Aid Matching			
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>												
Property taxes	\$ 257,790	\$ 243,796	\$ 20	\$ 19	\$ 150,162	\$ 146,169	\$ 69,432	\$ 67,495	\$ 78,473	\$ 76,389		
State of Illinois:												
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	854,800	796,753	-	-	649,987	620,445	-	-	-	-	-	-
Investment income	79,550	1,218	-	-	180	110	65	92	30	28		
Other	-	500	-	-	1,158	7,821	-	-	-	-	-	-
Total revenues	<u>1,192,140</u>	<u>1,042,267</u>	<u>20</u>	<u>19</u>	<u>801,487</u>	<u>774,545</u>	<u>69,497</u>	<u>67,587</u>	<u>78,503</u>	<u>76,417</u>		
<b>EXPENDITURES</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	-	-	-
Public welfare	937,283	928,597	-	19	695,178	612,377	72,500	46,917	41,736	68,498		
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	937,283	928,597	-	-	695,178	612,377	72,500	46,917	45,000	68,498		
Excess (deficiency) of revenues over expenditures	<u>254,857</u>	<u>113,670</u>	<u>20</u>	<u>-</u>	<u>106,309</u>	<u>162,168</u>	<u>(3,003)</u>	<u>20,670</u>	<u>(8,233)</u>	<u>7,919</u>		
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(254,857)	(254,034)	(20)	-	(141,000)	(281,264)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(254,857)</u>	<u>(254,034)</u>	<u>(20)</u>	<u>-</u>	<u>(141,000)</u>	<u>(281,264)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ -</u>	<u>(140,364)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(34,691)</u>	<u>(119,096)</u>	<u>(3,003)</u>	<u>20,670</u>	<u>\$ (8,233)</u>	<u>\$ 7,919</u>		
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>												
		(24,341)				(691)						
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		701,380				217,072		62,497		65,154		
Prior period adjustment		(113,525)				224						
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>		587,855				217,296		62,497		65,154		
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ 423,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,509</u>	<u>\$ 83,167</u>	<u>\$ -</u>	<u>\$ 83,167</u>	<u>\$ (8,233)</u>	<u>\$ 73,073</u>		

(Continued)

**UNION COUNTY, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS**

Year Ended November 30, 2017

	Special Revenue											
	County MFT		Unit Road District		Unit Road District Bridge		Unit Road District MFT		Township Bridge Program			
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>												
Property taxes		\$ -	\$ 237,187	\$ 190,680	\$ 73,761	\$ 67,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:												
Motor fuel tax allotments	362,000	292,350	-	-	-	-	592,000	592,504	-	-	-	-
Personal property replacement taxes	-	-	38,892	36,773	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	52,633	52,634	-	25,680	-	-	-	-	78,000	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	275	107	110	209	40	59	100	67	120	96	96	96
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>414,908</u>	<u>345,091</u>	<u>276,189</u>	<u>253,342</u>	<u>73,801</u>	<u>67,095</u>	<u>592,100</u>	<u>592,571</u>	<u>78,120</u>	<u>78,120</u>	<u>78,120</u>	<u>96</u>
<b>EXPENDITURES</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	456,200	481,608	314,698	232,669	110,200	57,265	688,580	583,225	-	-	-	-
Capital outlay	456,200	481,608	314,698	232,669	110,200	57,265	688,580	583,225	80,501	80,501	47,569	47,569
Excess (deficiency) of revenues over expenditures	<u>(41,292)</u>	<u>(136,517)</u>	<u>(38,509)</u>	<u>20,673</u>	<u>(36,399)</u>	<u>9,830</u>	<u>(96,480)</u>	<u>9,346</u>	<u>(2,381)</u>	<u>(2,381)</u>	<u>(47,473)</u>	<u>(47,473)</u>
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	-	-	-	-	-	-	50,000	-	-	-	-	-
Transfers out	(50,000)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (91,292)</u>	<u>\$ (136,517)</u>	<u>\$ (38,509)</u>	<u>\$ 20,673</u>	<u>\$ (36,399)</u>	<u>\$ 9,830</u>	<u>\$ (46,480)</u>	<u>\$ 9,346</u>	<u>\$ (2,381)</u>	<u>\$ (2,381)</u>	<u>\$ (47,473)</u>	<u>\$ (47,473)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>												
		(454)		(6,212)				(85,449)				64,000
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		150,256		142,624		52,090		99,162				78,097
Prior period adjustment		21,133		-		-		43,163				-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>		171,389		142,624		52,090		142,325				78,097
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ 34,418</u>	<u>\$ 34,418</u>	<u>\$ 157,085</u>	<u>\$ 157,085</u>	<u>\$ 61,920</u>	<u>\$ 61,920</u>	<u>\$ 66,222</u>	<u>\$ 66,222</u>	<u>\$ 94,624</u>	<u>\$ 94,624</u>	<u>\$ 94,624</u>	<u>\$ 94,624</u>

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2017

	Special Revenue												
	Liability Insurance		Law Library		Recorder's Automation		Collector's Automation		Court Automation				
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	
<b>REVENUES</b>													
Property taxes	\$ 143,372	\$ 139,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:													
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	5,072	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	16,000	16,421	18,624	18,202	5,000	4,425	80,000	78,984	80,000	78,984	
Investment income	15	2	1	30	7	7	15	7	100	43	100	43	
Other	208,073	105,251	-	-	-	-	-	-	-	-	-	-	-
Total revenues	551,460	244,598	16,001	16,421	18,654	23,281	5,015	4,432	80,100	79,027	80,100	79,027	
<b>EXPENDITURES</b>													
Current:													
General government	335,000	408,666	-	-	17,820	19,717	-	5	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	19,000	20,647	-	-	-	-	109,075	87,402	109,075	87,402	
Public welfare	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	16,460	(164,068)	(2,999)	(4,226)	834	3,564	5,015	4,427	(28,975)	(8,375)	(28,975)	(8,375)	
<b>OTHER FINANCING SOURCES (USES)</b>													
Transfers in	-	197,107	5,122	5,273	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(12,057)	(12,057)	-	-	-	-	-
Total other financing sources (uses)	-	197,107	5,122	5,273	-	-	(12,057)	(12,057)	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	\$ 16,460	\$ 33,039	\$ 2,123	\$ 1,047	\$ 834	\$ 3,564	\$ (7,042)	\$ (7,630)	\$ (28,975)	\$ (8,375)	\$ (28,975)	\$ (8,375)	
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>													
		70,555		(928)									515
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		63,755		(1,047)		15,315							48,623
Prior period adjustment		-		1,596		-							5,190
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>		63,755		549		15,315							53,813
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		\$ 167,349		\$ 668		\$ 18,879		\$ 4,707		\$		\$	45,953

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2017

	Special Revenue												
	State's Attorney Anti-Crime		Sheriff's Anti-Crime		Coroner's Automation		County Investments		Recorder's GIS				
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	
<b>REVENUES</b>													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:													
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal revenue	200	1,368	20,000	10,437	2,400	2,925	300	207	26,000	26,724	30,000	207	26,724
Fees for services and materials	10	2	50	22	30	27	-	-	-	-	-	-	32
Investment income	-	-	-	4,945	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	210	1,370	20,050	15,404	2,430	2,952	300	50,162	26,000	26,756	30,300	50,369	26,756
<b>EXPENDITURES</b>													
Current:													
General government	-	-	-	-	-	-	-	-	-	-	30,000	-	39,050
Public safety	-	-	34,084	29,232	-	-	-	-	-	-	-	-	-
Judiciary and court related	3,201	1,292	-	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	3,201	1,292	34,084	29,232	10,200	-	-	-	10,200	-	30,000	-	39,050
Excess (deficiency) of revenues over expenditures	(2,991)	78	(14,034)	(13,828)	(7,770)	2,952	300	50,369	(40,723)	(12,294)	-	-	(12,294)
<b>OTHER FINANCING SOURCES (USES)</b>													
Transfers in	-	-	-	(10,000)	-	(12,000)	-	-	-	-	(10,000)	-	(10,000)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	(10,000)	(12,000)	(12,000)	-	-	(10,000)	(10,000)	(10,000)	-	(10,000)
<b>NET CHANGE IN FUND BALANCES</b>	(2,991)	78	(24,034)	(23,828)	(19,770)	(9,048)	300	50,369	(50,723)	(22,294)	-	-	(22,294)
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>													
	-	-	-	(860)	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	3,376	3,376	44,671	44,671	-	22,175	26,446	26,446	87,261	87,261	26,446	26,446	78,212
Prior period adjustment	-	-	-	-	-	-	-	-	(9,049)	(9,049)	-	-	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>	3,376	3,376	44,671	44,671	-	22,175	26,446	26,446	78,212	78,212	26,446	26,446	78,212
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	\$ 3,454	\$ 3,454	\$ 19,983	\$ 19,983	\$ 13,127	\$ 13,127	\$ 76,815	\$ 76,815	\$ 55,918	\$ 55,918	\$ 76,815	\$ 76,815	\$ 55,918

(Continued)





**UNION COUNTY, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS**

Year Ended November 30, 2017

	Special Revenue										
	Sheriff's Donations		Revenue Distribution Fund		VOCA		Indemnity Fund		Sale in Error		
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	
<b>REVENUES</b>											
Property taxes	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-
State of Illinois:											
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	42,336	-	33,109	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	16,659	-	-	-	-	-	-	-
Fees for services and materials	-	-	-	1,114	-	-	-	3,120	-	3,900	-
Investment income	-	4	-	39	-	2	-	100	-	25	-
Other	3,750	5,862	-	-	-	-	-	-	-	-	-
Total revenues	3,750	5,866	(9,809)	17,812	(9,809)	33,111	(3,220)	3,149	(6,898)	3,905	
<b>EXPENDITURES</b>											
Current:											
General government	-	-	-	-	-	-	61,000	101	10,823	2,201	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	51,037	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	3,750	5,866	(9,809)	17,812	(9,809)	(1,889)	(57,780)	3,048	(6,898)	1,704	
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	(14,604)	(15,353)	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(14,604)	(15,353)	-	-	-	-	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(10,854)	(9,487)	(9,809)	17,812	(9,809)	(1,889)	(57,780)	3,048	(6,898)	1,704	
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>											
				(429)						(7,493)	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>		15,353		9,907		8,701				61,438	10,798
Prior period adjustment		-		256		-				-	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED</b>		15,353		10,163		8,701				61,438	10,798
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>		5,866		27,546		6,812				56,993	12,502

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended November 30, 2017

	County Clerk Fees & Doc Stamps		Sheriff Bond		Special Revenue Circuit Clerk E-Citations		Sheriff Vehicles		Judicial Security	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>										
Property taxes	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -
State of Illinois:										
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-	-	-
Federal revenue	60,000	40,824	60,000	73,443	2,500	2,113	-	-	40,500	38,854
Fees for services and materials	-	80	-	-	-	-	-	-	14	-
Investment income	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	10,000	-	-	-
Total revenues	60,000	40,904	60,000	73,443	2,500	2,113	10,000	-	40,514	38,854
<b>EXPENDITURES</b>										
Current:										
General government	-	35,558	-	-	-	-	-	-	-	-
Public safety	-	-	60,000	84,546	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	5,000	-	-	-	43,000	44,835
Public welfare	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	10,000	-	-	-
	-	35,558	60,000	84,546	5,000	-	10,000	-	43,000	44,835
Excess (deficiency) of revenues over expenditures	60,000	5,346	-	(11,103)	(2,500)	2,113	-	-	(2,486)	(5,981)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	-	-	-	-	-	-	-	-	18,003	22,643
Transfers out	(50,000)	(50,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(50,000)	(50,000)	-	-	-	-	-	-	18,003	22,643
<b>NET CHANGE IN FUND BALANCES</b>	\$ 10,000	\$ (44,654)	\$ -	\$ (11,103)	\$ (2,500)	\$ 2,113	\$ -	\$ -	\$ 15,517	\$ 16,662
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>										
FUND BALANCES (DEFICIT), BEGINNING OF YEAR						(9)				(894)
Prior period adjustment						11,474				(5,948)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATE						125				3,371
FUND BALANCES (DEFICIT), END OF YEAR	83,333		19,479			11,599				(2,577)
	\$ 38,679	\$ 8,376	\$ -	\$ 13,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,191

(Continued)

See accompanying Independent Auditor's Report.



**UNION COUNTY, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS**

Year Ended November 30, 2017

	Special Revenue				Capital Projects				Extra Court Services Funds			
	U of I Extension		Hotel Operators' Occupancy Tax Fund		Courtthouse Repair & Maintenance		Capital Improvements		Final Budget		Actual	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>												
Property taxes	\$ 42,567	\$ 41,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Illinois:												
Motor fuel tax allotments	-	-	-	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	-	-	-	-	-	-	-	-	-	-	-	-
State grants and expenditure reimbursements	-	-	-	-	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	110,000	105,766	-	-	-	-	-	-	-	-
Federal revenue	-	-	-	-	-	-	-	-	-	-	-	-
Fees for services and materials	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	200	43	21	12	66	66	22	22	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>42,567</u>	<u>41,372</u>	<u>110,200</u>	<u>105,809</u>	<u>21</u>	<u>12</u>	<u>66</u>	<u>66</u>	<u>22</u>	<u>22</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>												
Current:												
General government	-	-	108,000	86,706	25,000	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-	-	-	-
Public welfare	40,000	78,405	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	40,000	78,405	108,000	86,706	25,000	-	272,483	150,079	10,046	10,046	-	-
Excess (deficiency) of revenues over expenditures	<u>2,567</u>	<u>(37,033)</u>	<u>2,200</u>	<u>19,103</u>	<u>(24,979)</u>	<u>12</u>	<u>(272,483)</u>	<u>(150,013)</u>	<u>(10,024)</u>	<u>(10,024)</u>	<u>-</u>	<u>9</u>
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	-	-	-	-	25,000	25,000	350,000	76,927	(9,867)	(9,867)	-	(20,033)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	25,000	25,000	350,000	76,927	(9,867)	(9,867)	-	(20,033)
<b>NET CHANGE IN FUND BALANCES</b>	<u>2,567</u>	<u>(37,033)</u>	<u>2,200</u>	<u>19,103</u>	<u>21</u>	<u>25,012</u>	<u>77,517</u>	<u>(73,086)</u>	<u>19,891</u>	<u>19,891</u>	<u>(20,024)</u>	<u>(20,024)</u>
<b>RECONCILIATION TO MODIFIED ACCRUAL BASIS - NET CHANGE RESULTING FROM RECORDING ACCOUNTS RECEIVABLE, PAYABLE, AND OTHER ACCRUED ITEMS</b>												
FUND BALANCES (DEFICIT), BEGINNING OF YEAR												
Prior period adjustment												
FUND BALANCES (DEFICIT), BEGINNING OF YEAR RESTATED												
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 1,375</u>	<u>\$ 1,375</u>	<u>\$ 151,850</u>	<u>\$ 151,850</u>	<u>\$ 50,041</u>	<u>\$ 50,041</u>	<u>\$ 253,668</u>	<u>\$ 253,668</u>	<u>\$ 253,668</u>	<u>\$ 253,668</u>	<u>\$ 253,668</u>	<u>\$ 253,668</u>

(Continued)

**UNION COUNTY, ILLINOIS**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

November 30, 2017

	<u>County Fuel Fund</u>	<u>Employee Benefit Fund</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 7,576	\$ -	\$ 7,576
Accounts receivable	41,160	-	41,160
Prepaid expenses	-	58,000	58,000
Total current assets	<u>48,736</u>	<u>58,000</u>	<u>106,736</u>
<b>TOTAL ASSETS</b>	<u>48,736</u>	<u>58,000</u>	<u>106,736</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 15,401	\$ 58,108	\$ 73,509
Total current liabilities	<u>15,401</u>	<u>58,108</u>	<u>73,509</u>
<b>TOTAL LIABILITIES</b>	<u>15,401</u>	<u>58,108</u>	<u>73,509</u>
<b>NET POSITION</b>			
Unrestricted	<u>33,335</u>	<u>(108)</u>	<u>33,227</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ 33,335</u>	<u>\$ (108)</u>	<u>\$ 33,227</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

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

For the Year Ended November 30, 2017

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	<b>County Fuel Fund</b>	<b>Employee Benefit Fund</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 124,142	771,821	\$ 895,963
<b>OPERATING EXPENSES</b>			
Fuel purchases	122,923	-	122,923
Health insurance	-	781,785	781,785
Total operating expenses	122,923	781,785	904,708
Operating income (loss)	1,219	(9,964)	(8,745)
<b>NONOPERATING REVENUES</b>			
Investment income	9	-	9
Total nonoperating revenue	9	-	9
<b>CHANGE IN NET POSITION</b>	1,228	(9,964)	(8,736)
<b>TOTAL NET POSITION - BEGINNING</b>	32,107	9,856	41,963
<b>TOTAL NET POSITION (DEFICIT) - ENDING</b>	\$ 33,335	\$ (108)	\$ 33,227

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

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

For the year ended November 30, 2017

	<b>County Fuel Fund</b>	<b>Employee Benefit Fund</b>	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers	\$ (107,522)	\$ (781,677)	\$ (889,199)
Internal activity-payments for interfund services	82,982	771,821	854,803
Net cash from operating activities	<u>(24,540)</u>	<u>(9,856)</u>	<u>(34,396)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	9	-	9
	<u>9</u>	<u>-</u>	<u>9</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(24,531)	(9,856)	(34,387)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>32,107</u>	<u>9,856</u>	<u>41,963</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 7,576</u>	<u>\$ -</u>	<u>\$ 7,576</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 1,219	\$ (9,964)	\$ (8,745)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Change in assets and liabilities:			
Accounts receivable	(41,160)	-	(41,160)
Prepaid expenses	-	(58,000)	(58,000)
Accounts payable	15,401	58,108	73,509
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>\$ (24,540)</u>	<u>\$ (9,856)</u>	<u>\$ (34,396)</u>

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS

November 30, 2017

	Southern Seven Health Tax Collection Trust	Mobile Home Privilege Tax Fund	Couty Taxes	Protested Taxes	Trustee Redemption Fund	Unclaimed Fund	Circuit Clerk Fees	County Clerk Tax Redemption	Total
<b>ASSETS</b>									
Cash and cash equivalents	\$ 9,736	\$ -	\$ 757,936	\$ 6,246	\$ 27	\$ -	\$ 338,313	\$ 101,139	\$ 1,213,397
Restricted cash and cash equivalents	-	337,222	-	-	-	12,850	-	-	350,072
Due from county funds	-	-	59	-	-	-	-	-	59
Property tax receivable	54,171	-	9,394	-	-	-	-	-	63,565
<b>TOTAL ASSETS</b>	<b>\$ 63,907</b>	<b>\$ 337,222</b>	<b>\$ 767,389</b>	<b>\$ 6,246</b>	<b>\$ 27</b>	<b>\$ 12,850</b>	<b>\$ 338,313</b>	<b>\$ 101,139</b>	<b>\$ 1,627,093</b>
<b>LIABILITIES</b>									
Due to county funds	\$ -	\$ 59	\$ -	\$ -	\$ -	\$ -	\$ 48,626	\$ -	\$ 48,685
Due to other taxing units	-	337,163	767,389	-	-	-	-	-	1,104,552
Due to others	9,736	-	-	6,246	27	12,850	289,687	101,139	419,685
Deferred property taxes	54,171	-	-	-	-	-	-	-	54,171
<b>TOTAL LIABILITIES</b>	<b>\$ 63,907</b>	<b>\$ 337,222</b>	<b>\$ 767,389</b>	<b>\$ 6,246</b>	<b>\$ 27</b>	<b>\$ 12,850</b>	<b>\$ 338,313</b>	<b>\$ 101,139</b>	<b>\$ 1,627,093</b>

**UNION COUNTY, ILLINOIS**

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended November 30, 2017

	<b>Balances Restated December 1, 2016</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances November 30, 2017</b>
<b>Total All Agency Funds</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,034,321	\$ 16,030,843	\$ 15,851,767	\$ 1,213,397
Restricted cash and cash equivalents	251,818	110,121	11,867	350,072
Due from county funds	9	50	-	59
Property tax receivable	57,901	63,565	57,901	63,565
<b>TOTAL ASSETS</b>	<b>\$ 1,344,049</b>	<b>\$ 16,204,579</b>	<b>\$ 15,921,535</b>	<b>\$ 1,627,093</b>
<b>LIABILITIES</b>				
Other Payables	\$ 179	\$ -	\$ 179	\$ -
Due to county funds	50,935	601,376	603,626	48,685
Due to other taxing units	689,036	14,667,550	14,252,034	1,104,552
Due to others	545,998	881,482	1,007,795	419,685
Deferred property taxes	57,901	54,171	57,901	54,171
<b>TOTAL LIABILITIES</b>	<b>\$ 1,344,049</b>	<b>\$ 16,204,579</b>	<b>\$ 15,921,535</b>	<b>\$ 1,627,093</b>
<b>1. Southern Seven Health Tax Collection</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 61,737	\$ 53,999	\$ 106,000	\$ 9,736
Property tax receivable	57,901	54,171	57,901	54,171
<b>TOTAL ASSETS</b>	<b>\$ 119,638</b>	<b>\$ 108,170</b>	<b>\$ 163,901</b>	<b>\$ 63,907</b>
<b>LIABILITIES</b>				
Deferred property taxes	\$ 57,901	\$ 54,171	\$ 57,901	\$ 54,171
Due to others	61,737	53,999	106,000	9,736
<b>TOTAL LIABILITIES</b>	<b>\$ 119,638</b>	<b>\$ 108,170</b>	<b>\$ 163,901</b>	<b>\$ 63,907</b>
<b>2. Mobile Home Privilege Tax</b>				
<b>ASSETS</b>				
Restricted cash and cash equivalents	\$ 231,412	\$ 105,810	\$ -	\$ 337,222
<b>TOTAL ASSETS</b>	<b>\$ 231,412</b>	<b>\$ 105,810</b>	<b>\$ -</b>	<b>\$ 337,222</b>
<b>LIABILITIES</b>				
Due to county funds	\$ 59	\$ -	\$ -	\$ 59
Due to other taxing units	231,353	105,810	-	337,163
<b>TOTAL LIABILITIES</b>	<b>\$ 231,412</b>	<b>\$ 105,810</b>	<b>\$ -</b>	<b>\$ 337,222</b>

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended November 30, 2017

	<b>Balances Restated December 1, 2016</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances November 30, 2017</b>
<b>3. County taxes</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 457,853	\$ 14,552,296	\$ 14,252,213	\$ 757,936
Property tax receivable	-	9,394	-	9,394
Due from county funds	9	50	-	59
<b>TOTAL ASSETS</b>	<b>\$ 457,862</b>	<b>\$ 14,561,740</b>	<b>\$ 14,252,213</b>	<b>\$ 767,389</b>
<b>LIABILITIES</b>				
Other Payables	\$ 179	\$ -	\$ 179	\$ -
Due to other taxing units	457,683	14,561,740	14,252,034	767,389
<b>TOTAL LIABILITIES</b>	<b>\$ 457,862</b>	<b>\$ 14,561,740</b>	<b>\$ 14,252,213</b>	<b>\$ 767,389</b>
<b>4. Protested Taxes</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,237	\$ 9	\$ -	\$ 6,246
<b>TOTAL ASSETS</b>	<b>\$ 6,237</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ 6,246</b>
<b>LIABILITIES</b>				
Due to others	6,237	9	-	6,246
<b>TOTAL LIABILITIES</b>	<b>\$ 6,237</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ 6,246</b>
<b>5. Trustee Redemption</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 27	\$ -	\$ 27
Restricted cash and cash equivalents	7,569	4,298	11,867	-
<b>TOTAL ASSETS</b>	<b>\$ 7,569</b>	<b>\$ 4,325</b>	<b>\$ 11,867</b>	<b>\$ 27</b>
<b>LIABILITIES</b>				
Due to others	7,569	4,325	11,867	27
<b>TOTAL LIABILITIES</b>	<b>\$ 7,569</b>	<b>\$ 4,325</b>	<b>\$ 11,867</b>	<b>\$ 27</b>

(Continued)

See accompanying Independent Auditor's Report.

**UNION COUNTY, ILLINOIS**

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended November 30, 2017

	<b>Balances Restated December 1, 2016</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances November 30, 2017</b>
<b>6. Unclaimed</b>				
<b>ASSETS</b>				
Restricted cash and cash equivalents	\$ 12,837	\$ 13	\$ -	\$ 12,850
<b>TOTAL ASSETS</b>	<u>\$ 12,837</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 12,850</u>
<b>LIABILITIES</b>				
Due to others	\$ 12,837	\$ 13	\$ -	\$ 12,850
<b>TOTAL LIABILITIES</b>	<u>\$ 12,837</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 12,850</u>
<b>7. Circuit Clerk Fees</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 494,507	\$ 997,427	\$ 1,153,621	\$ 338,313
<b>TOTAL ASSETS</b>	<u>\$ 494,507</u>	<u>\$ 997,427</u>	<u>\$ 1,153,621</u>	<u>\$ 338,313</u>
<b>LIABILITIES</b>				
Due to county funds	\$ 50,876	\$ 601,376	\$ 603,626	\$ 48,626
Due to others	443,631	396,051	549,995	289,687
<b>TOTAL LIABILITIES</b>	<u>\$ 494,507</u>	<u>\$ 997,427</u>	<u>\$ 1,153,621</u>	<u>\$ 338,313</u>
<b>8. County Clerk Tax Redemption</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 13,987	\$ 427,085	\$ 339,933	\$ 101,139
<b>TOTAL ASSETS</b>	<u>\$ 13,987</u>	<u>\$ 427,085</u>	<u>\$ 339,933</u>	<u>\$ 101,139</u>
<b>LIABILITIES</b>				
Due to others	\$ 13,987	\$ 427,085	\$ 339,933	\$ 101,139
<b>TOTAL LIABILITIES</b>	<u>\$ 13,987</u>	<u>\$ 427,085</u>	<u>\$ 339,933</u>	<u>\$ 101,139</u>

(Concluded)

See accompanying Independent Auditor's Report.

## **SUPPLEMENTAL INFORMATION**

**UNION COUNTY, ILLINOIS**

**SCHEDULE OF TAX INFORMATION**

Tax Levy Year 2016 Payable in 2017

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	<b>Year Ended November 30, 2017</b>		
	<b>2016</b>		
	<b>Levy</b>	<b>Rate</b>	<b>Collection</b>
Corporate/General Fund	\$ 1,376,466	0.68484	1,199,129
Bonds and Interest	213,275	0.10611	195,815
Social Security	150,000	0.07463	130,715
Unemployment	10,000	0.00498	8,729
IMRF	250,533	0.12465	218,291
County Health	44,539	0.02216	38,804
TB Sanitarium	6,681	0.00332	5,830
Mental Health	6,681	0.00332	5,830
Ambulance Service	261,390	0.13005	227,756
Tort Judgements and Liability Insurance	150,320	0.07479	130,973
General Assistance	20	0.00001	17
Extension Education	44,539	0.02216	38,804
Senior Citizens Social Services	10,000	0.00498	8,729
County Highway-General	157,529	0.07838	137,267
County Bridge	72,735	0.03619	63,385
Federal Aid Matching Highway	82,389	0.04099	71,798
County Unit Road Dist.-Road	251,501	0.12513	173,431
County Unit Road Dist.-Bridge	77,245	0.03843	67,036
	<u>\$ 3,165,843</u>	<u>1.57512</u>	<u>2,722,339</u>
<b>ASSESSED VALUATION</b>		<u>\$ 200,991,352</u>	

## **COMPLIANCE SECTION**

3201 W. White Oaks Dr., Suite 102  
Springfield, IL 62704  
217.793.3363

**SIKICH.COM**

**INDEPENDENT AUDITOR'S 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***

Members of the County  
Board Union County, Illinois  
Jonesboro, 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, discretely presented component unit, each major fund, and the aggregate remaining fund information of Union County, Illinois (County) as of and for the year ended November 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 18, 2019.

**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 responses, we did identify certain deficiencies in internal control that we consider to be a 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 responses as items 2017-001, 2017-002, and 2017-003 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 deficiencies described in the accompanying schedule of findings and questioned costs as items 2017-004, 2017-005 and 2017-007 to be significant deficiencies.

### **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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2017-006.

### **County's Response to Findings**

The County's response to the findings 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 the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Sikich LLP*

Springfield, Illinois  
January 18, 2019

# UNION COUNTY, ILLINOIS

## SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended November 30, 2017

### 2017-001 Internal Controls over Financial Reporting

#### **Criteria**

The County is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP).

#### **Condition**

The County's internal controls over GAAP financial reporting should include adequately trained personnel with knowledge and experience to prepare and/or thoroughly review GAAP based financial statements to ensure they are free of material misstatements and include all disclosures as required by the Government Accounting Standards Board (GASB). During the audit, material adjustments were recommended to correct accounts receivables, accounts payable, prepaid expenses, and governmental debt and capital asset activity.

#### **Cause and Effect**

During the audit, material adjustments were recommended to correct accounts receivables, accounts payable, prepaid expenses, and governmental debt and capital asset activity based upon audit procedures performed in the County's year-end reporting process.

#### **Recommendation**

We recommend the County improve controls to ensure all transactions are properly accounted for in accordance with generally accepted accounting principles.

#### **Auditee Response**

The County acknowledges the need for further control and review of year end reporting. The County Administrator will review each recommended adjusting journal entry and begin to implement year-end review procedures with the assistance of the County Treasurer to identify these entries prior to the start of the County Audit.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-002 Lack of Completed Personnel Records

#### **Criteria**

The County should maintain complete personnel files documenting the employee's hire date, pay rate, insurance, IMRF, and other benefit election forms, and current employee contact information in a central location for all current employees.

#### **Condition**

During the audit, we noted instances where completed personnel files were not maintained for employees or the files were not maintained in a central location.

#### **Cause and Effect**

Due to the size of the County and the limited staffing available, the various departments have been responsible for maintaining personnel files for their employees. Not having a central location to maintain personnel files with all required documents could cause errors in withholdings, insurance benefits, or retirement benefits.

#### **Recommendation**

We recommend the County maintain all personnel files in a central, secure location and perform an audit of the personnel files to make sure that all personnel files have the required information for all current employees of the County.

#### **Auditee Response**

The County will request all elected officials/department heads to turn over a copy of all personnel files for active employees within their respective departments to the Human Resource Director. The Human Resource Director will review each file for compliance and request any missing forms or information from active employees.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-003 Lack of Segregation of Duties

#### **Criteria**

The County should implement procedures regarding segregation of duties to prevent employees from having access to financial records and/or assets of the County which could allow employees to perpetrate fraud for their personal financial benefit. A proper segregation of duties is an integral part of an internal control system to safeguard an organization's assets.

#### **Condition**

During the audit, we noted instances where employees have access to financial records and/or assets of the County. We noted individuals within the Sheriff's Department and the Circuit Clerk's Office with the ability to collect receipts, make deposits, perform reconciliations, are authorized signers of the accounts and are responsible for distributing the checks.

#### **Cause and Effect**

Due to the size of the County and the limited staffing available, there was a lack of segregation of duties within the Sheriff's Department and the Circuit Clerk's Office. Errors may occur and go undetected and it increases the risk of fraud.

#### **Recommendation**

We recommend the County evaluate the procedures performed within those departments to determine if the procedures could be divided among other employees or if transactions can be reviewed and approved by a second individual not responsible for collecting or disbursing funds.

#### **Auditee Response**

The County will request to meet with the Sheriff and Circuit Clerk to evaluate their cash handling processes and suggest recommendations to assist with segregation of duties.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-004 Inadequate Bank Reconciliation Procedures

#### **Criteria**

The County should perform monthly bank reconciliations for all cash accounts of the County.

#### **Condition**

During the audit, we noted bank reconciliations were not being performed for accounts maintained in the County Clerk's Office that is not included in the accounting software. We also noted bank reconciliations performed for various accounts that did not agree to the cash balance reported in the accounting software.

#### **Cause and Effect**

Due to the decentralization of the bank accounts in the various County departments, errors may go undetected or may not be recognized and resolved on a timely basis. The lack of reconciliations could cause fraudulent activity to go undetected or cash accounts to be materially misstated.

#### **Recommendation**

We recommend the County perform bank reconciliations for all cash accounts and agree to the cash balance maintained in the accounting software or to the records maintained in the various departments.

#### **Auditee Response**

The County will request that the County Clerk begin reconciling all bank accounts held outside the Treasurer's office on a monthly basis and provide such reconciliations to the Treasurer for review. The County will also request copies of the monthly reconciliations from the Sheriff & Circuit Clerk for the bank accounts that are not in the custody of the Treasurer for review.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-005 Inadequate Controls over Fines and Fees Assessed by the Court

#### **Criteria**

The Clerk of the Circuit Clerk of Union County should ensure all fines and fees are properly assessed in accordance with the Illinois Compiled Statutes.

#### **Condition**

During the audit, we noted that certain fines and fees were not properly assessed by the Circuit Court in accordance with the Illinois Compiled Statutes.

#### **Cause and Effect**

Due to judicial orders issued and oversight of the numerous fines and fee requirements, the fines and fees may not be properly assessed and therefore, would not be distributed to the appropriate entities as directed by the Statutes.

#### **Recommendation**

We recommend the County implement a review process to determine that all fines and fees are assessed in accordance with the Illinois Compiled Statutes.

#### **Auditee Response**

The County will request to meet with the Circuit Clerk and State's Attorney to develop a review process of all fines and fees. The County will also suggest that all fines and fees are reviewed periodically throughout the year to ensure they are being assessed properly.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-006 Noncompliance with Debt Covenant

#### **Criteria**

The General Obligation Alternate Revenue Source Taxable Recovery Zone Economic Development Bonds, Series 2010A and the General Obligation Alternate Revenue Source Build America Bonds, Series 2010B general covenants requires that an audit by an independent certified public accountant be performed within 180 days following the close of each fiscal year. The General Obligation Refunding Limited Bonds, Series 2014 requires that an audit by an independent certified public accountant be performed within 210 days of the close of the fiscal year.

#### **Condition**

During the audit, we noted that an audit was not started within the 180 and 210 days after the close of the fiscal year end.

#### **Cause and Effect**

Due to the noncompliance with the bond covenants, the bonds could be called before their due dates and the full amounts of the bonds may be owed by the County before the established payment schedule.

#### **Recommendation**

We recommend the County establish an audit within the required time frame of the bond ordinances.

#### **Auditee Response**

In late 2017 the County made numerous attempts to contact their former auditing firm in an effort to receive the completed FY2016 audit but was unable to reach them. In January 2018, the County terminated the relationship with the County's former auditor due to non-compliance with the engagement letter. In April 2018, the County entered into an agreement with SIKICH to perform the County's audit for FY2017 and the Circuit Clerk's audits for FY2015, FY2016 & FY2017. This did not allow enough time for all audits to be completed within the time constraints set forth in the covenants. The County will request that SIKICH start the audit this year in January or February to ensure the audit is completed according to the terms of the bond covenants.

## UNION COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

2017-007 Inadequate Time and Attendance Reporting

#### **Criteria**

The County should maintain complete time and attendance records to properly calculate and report payroll in accordance with all federal, state, and pension requirements.

#### **Condition**

During the audit, we noted that each County office maintains their own process for tracking time and attendance records for payroll reporting, but only provides summary information for the pay period to the Human Resources Office for the calculation of payroll.

#### **Cause and Effect**

Due to the size of the County and the limited staffing available, each Office tracks their own employees' hours. Only providing summary information to calculate the payroll for each employee could cause errors in the determination of overtime hours and the required reporting for federal, state, and pension records.

#### **Recommendation**

We recommend the County establish a process to provide detailed records regarding the employees' hours worked for the pay period from the various County offices to the Human Resources Office for proper payroll calculation and reporting.

#### **Auditee Response**

The County plans to implement time clocks during FY2019. However, until this change occurs, the Human Resource director will reach out to each office holder/department head and request the detailed records of hours worked for each pay period. The Human Resource Director will also continue to request paid time off records (separated by category; sick, vacation and personal) from the Circuit Clerk. All other departments are now submitting detailed paid time off records with their bi-weekly payroll for proper tracking.

**UNION COUNTY, ILLINOIS**

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

For the Year Ended November 30, 2017

**Prior Year Findings**

Prior Finding	Condition	Status
2016-001	Governmental Accounting Standards Board's Statement No. 54	Not Repeated
2016-002	Lack of fines and fees reported to the County Board	Repeated
2016-003	Lack of Payroll Calculation Period	Not Repeated
2016-004	Decentralized compensated absences accrual records	Not Repeated
2016-005	Lack of policy regarding personal use of County-owned assets	Not Repeated
2016-006	Lack of capital asset accounting policies and procedures	Not Repeated
2016-007	Lack of support for compensated absences accrual for financial reporting	Not Repeated
2016-008	Lack of internal controls and reconciliation process over payroll	Not Repeated
2016-009	Lack of a properly designed payroll system	Not Repeated
2016-010	Lack of internal controls over receiving, depositing and recording cash receipts in the Sheriff's Department	Not Repeated
2016-011	Lack of internal controls over time and attendance records	Repeated