

MENARD COUNTY, ILLINOIS
ANNUAL FINANCIAL REPORT
with
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED NOVEMBER 30, 2016

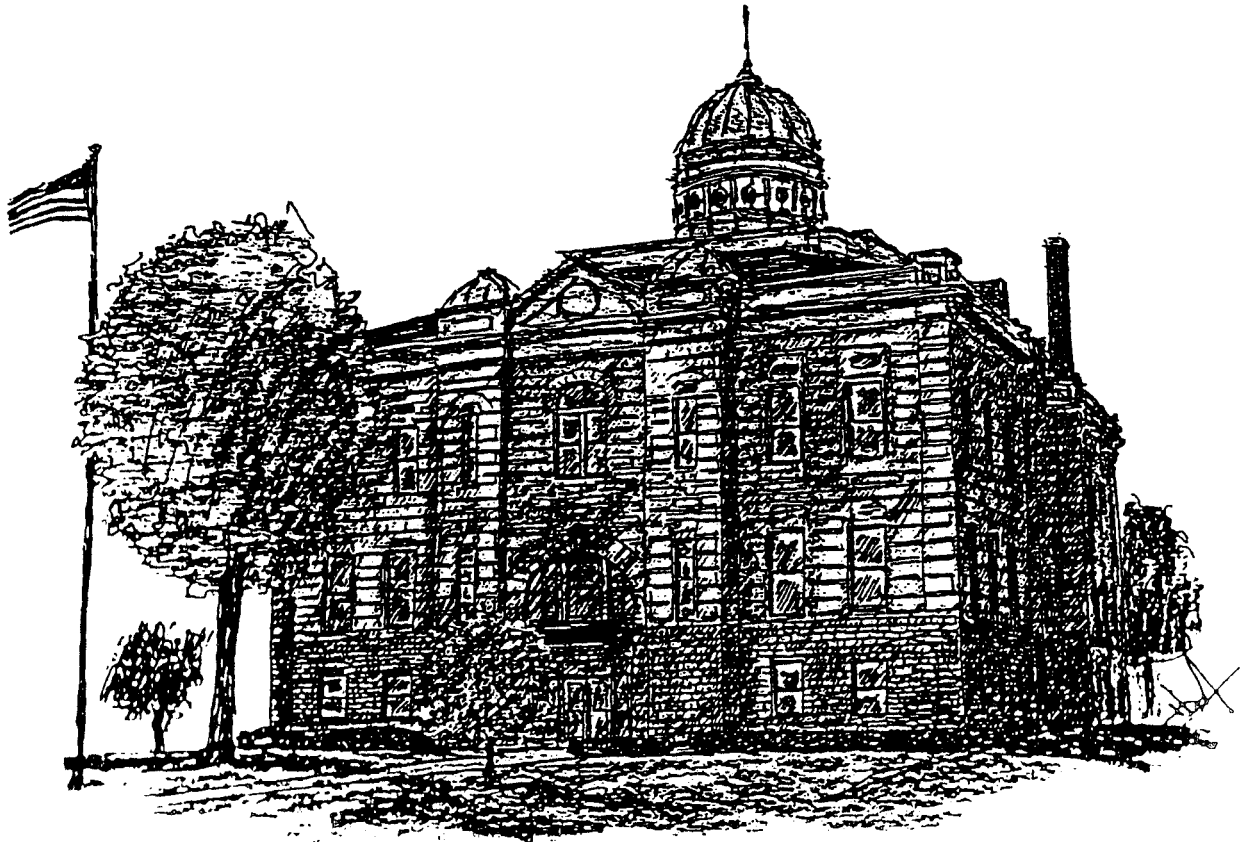


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ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED NOVEMBER 30, 2016

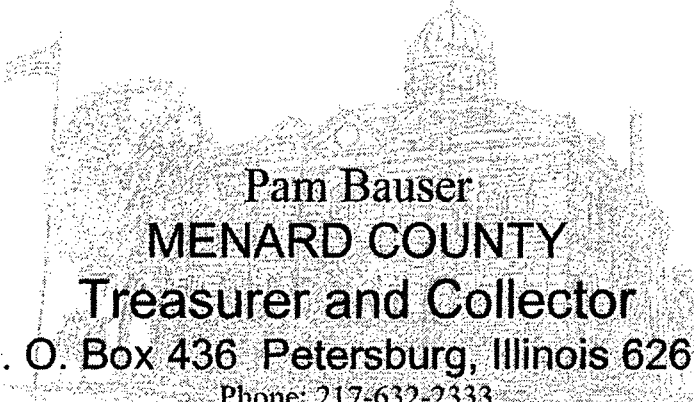
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TRANSMITTAL LETTER



Pam Bauser
MENARD COUNTY
Treasurer and Collector
P. O. Box 436 Petersburg, Illinois 62675
Phone: 217-632-2333
Rosanne Snyder, Chief Deputy Treasurer

May 26, 2017

To the Chairman of the County Board,
Members of the Board of Commissioners and
Citizens of Menard County

Gentlemen:

As Treasurer of Menard County, I am pleased to present the County's annual financial report for the fiscal year ended November 30, 2016. The financial statements included in this report conform to Generally Accepted Principles in the United States (GAAP) as established by the Governmental Accounting Standards Board (GASB)

The annual financial report was prepared with an emphasis on full disclosure of the financial activities of the County. Responsibility for the completeness and the reliability of the content rests with County management. To provide a reasonable basis for making these representations, management of the County strives constantly to maintain a comprehensive set of internal controls, designed to ensure the assets of the County are protected from loss, theft or misuse. These controls also ensure that adequate accounting data is recorded to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The data presented in the report is believed to be complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations as measured by the financial activity of the County's various funds. All statements and disclosures necessary for the reader to obtain an understanding of the County's financial activities have been included.

As a recipient of Federal and State financial assistance, the County's internal controls must also ensure, as well as document, compliance with applicable laws and regulations related to these programs. Management periodically evaluates the effectiveness of the County's internal controls.

Michael J. Feriozzi, certified public accountant, provided the independent audit of Menard County's financial statements. The goal of the independent audit is to provide reasonable assurance the financial statements of the County for the fiscal years ended November 30, 2016, are free of material misstatement. The audit included considerations of our internal control over financial reporting as a

basis for designing auditing procedures and involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and the County's compliance with applicable laws and regulations. In addition, with his communications letter to the audit committee, the County Commissioners, he continues to remind us to increase and maintain our organizational emphasis on monitoring the collection status of our accounts receivable for health services provided by our emergency medical services and Sunny Acres Nursing Home.

The independent auditor's reports directly follow this letter.

This annual financial report includes a narrative introduction from management in the form of Management's Discussion and Analysis (MD&A) that provides an overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

This report includes all funds of *governmental* and *business-type activities* as well as the component units for which the County is financially accountable. The County provides a full range of governmental services, in addition the County owns a skilled nursing home along with an independent living facility which account for the *governmental* and *business-type activities* reports. The Menard County Emergency Telephone System (ETSB) 911 is included in the County's basic financial statements as a "discretely" presented component unit. The fund for Emergency 911 appears in a separate column in the government-wide financial statements to emphasize that it is separate from the County and to differentiate its financial position and results of operation from that of the County.

ECONOMIC INFORMATION

The County's annual unemployment rate for 2016 averaged 4.9%, this was up .1% from the previous year. Menard County is included in the Local Workforce Area 20 (LWIA 20) which also includes Cass, Logan, Christian and Sangamon Counties. The unemployment rate for LWIA 20 was 5.1% in 2016, down from the 5.4% in 2015.

MAJOR INITIATIVES

Senior Transport received a new 2016 Dodge Entrevan from IDOT through the Consolidated Vehicle Procurement Grant.

Sangamon Menard Area Regional Transit (SMART) began a Beta test in Menard County in May, 2016. Due to State of Illinois impasse, the hours of service are shortened and the program could not begin in Sangamon County in 2016.

Menard County renewed its intergovernmental agreement with the Sangamon County Department of Public Health for FY2017. An office has been established in the Menard Memorial Medical Center that is located just outside of town. Doors are planned to be open on April 4, 2017.

Zoning permits are required for new building constructions as well as additions to current buildings within the county outside of city limits for Athens, Greenview and Petersburg. During 2016, 76 permits were issued, 13 of which were for new homes. The Zoning office also maintains GIS maps, which includes property splits, tax district maps and E911 maps.

Approximately 22 miles of county highway were chip sealed in 2016. This included Altig Bridge Avenue, Fairgrounds Street, Five Points Street (south of IL Rt. 123), Rock Creek Avenue and County Highway 11 from Quarry Avenue to Fancy Prairie Avenue. This work required 70,760 gallons of CRS-2 road oil, 2,000 tons of CA-16 and 800 tons of FA-4 crushed gravel chips.

No bridges were replaced on the County Highway system or on the Road District system in 2016.

A new single rear axle dump truck with a stainless steel dump bed, snow plow and salt spreader was purchased at end of 2016 with a total cost being \$140,357.

FINANCIAL INFORMATION, MANAGEMENT AND CONTROL

The Board of Commissioners, by Illinois State Statute, adopts an annual appropriation budget for the County on or around the last day of November. Appropriations represent the maximum expenditures authorized during the fiscal year and they cannot legally be exceeded unless amended by the County Board. Unexpected amounts lapse at fiscal year-end.

Maintaining the fund balance has been a challenge since 2006 when we started to see the balance returning in a positive direction. But with the State of Illinois not adopting a Budget for the past 2 years our fund balance has begun to take a nose dive. Our objective of retaining and restoring the General Fund's fund balance eliminates the need for short-term borrowing, ensures obligations can be met and provides a cushion against unexpected decreases in revenues.

The General Fund had an original loan to the Emergency Medical Services (EMS) Fund in the amount of \$327,000.00 which provided start-up costs to allow that department to purchase capital assets and provide operating capital to finance patient accounts and taxes receivable. Monthly principal and interest payments had been being made to the General Fund over the last several years, as November 30, 2016 the total loan has been paid back to the county.

The County continues to face future funding demands for several areas of government: (1) the increased cost of providing optional health insurance for employees, (2) the rising cost of property, casualty and liability insurance, (3) the constant maintenance and repair required to preserve the County's ageing buildings, (4) the replacement costs for roads and bridges, (6) the uncontrollable costs of unfunded mandates by our legislature and (5) the pressure and demands from the taxpayers for higher levels of service.

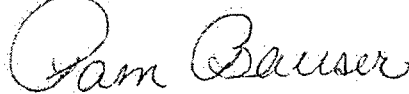
The County Treasurer pools and invests all funds of the County within Investment Policy guidelines established November 1999 (revised April 29, 2014) and according to federal, state and other legal requirements, most particularly the Illinois Compiles Statutes 30 ILCS 235/2. Cash is invested in insured and collateralized interest bearing demand deposits and money market accounts, certificates of deposit and the Illinois Fund Money Market investment pool that is administered by the Illinois State Treasurer. This is the fifth year in a row the interest received fell short of the budgeted amount with a shortfall in FY 2016 of approximately 28.5%.

ACKNOWLEDGEMENTS

As County Treasurer my responsibilities include assisting Menard County's management in safeguarding its assets, preparing and presenting reliable financial reports, maintaining effective and efficient operations and compliance with applicable laws and regulations. This report is the result of professionalism and cooperation with the County and was made possible from efforts of all elected officials and department heads and their staff.

As many of you know, it has been a tough year in the Treasurer's office with the loss of our Deputy, Jolene King. She is sadly missed and will be remembered in our hearts. For a brief time I had the wonderful help of Taya Smith as my new Deputy. She had been an asset to the office with her exceptional skills and cheery smiles. I also appreciate the dedication and hard work that my Chief Deputy, Rosanne Snyder, has provided. I would like to acknowledge the County Board of Commissioners for all their hard work and understanding of this past year.

Respectfully submitted,

A handwritten signature in cursive script that reads "Pam Bauser". The signature is written in black ink and is positioned below the typed name.

Pam Bauser
Menard County Treasurer

INDEPENDENT AUDITOR'S REPORTS

MJF
Michael J. Feriozzi, CPA

INDEPENDENT AUDITOR'S REPORT

To the Chairman and other County Commissioners
Menard County, Illinois

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Menard County, Illinois as of and for the year ended November 30, 2016, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. My audit of Menard County, Illinois' business-type activities was not conducted in accordance with *Government Auditing Standards*.

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, I 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.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Menard County, Illinois as of November 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of matter

The continuing implementation of GASB Statement Nos. 68 and 71 resulted in *net pension expense* for the year ended November 30, 2016 and a decrease in net position at November 30, 2016. The related *net pension asset and net pension liability; deferred outflows of resources; and deferred inflows of resources, are* included in the *Statement of Net Position*. The *net position for pensions* is included in the *restricted* category. The *pension expense* has been separately identified and segregated in the *Statement of Activities and* reported as non-operating revenue in the *Statement of Revenues, Expenses, and Changes in Fund Net Position*. My opinions are not modified with respect to this matter.

Other matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on pages I through XVII, and the *budgetary comparison information, schedules of employer contributions, and schedules of funding progress* on pages 41 through 60, including the related notes on pages i thru iii; be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements is required by the Governmental Accounting Standards Board who considers it to be a significant part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or other any form of assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Also, *Required Supplementary Information* includes certain pension data and information from the December 31, 2016 measurement date that will be used for pension reporting in the 2017 financial statements. Again, I do not express an opinion or other any form of assurance on that information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Menard County's *basic financial statements*. The *transmittal letter from the Menard County Treasurer*, and supplementary information sections *are* presented for purposes of additional analysis and are not required parts of the *basic financial statements*.

The *transmittal letter from the Menard County Treasurer* has not been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, accordingly, I do not express an opinion or provide any assurance on it.

The supplementary information is the responsibility of management and includes the *combining nonmajor funds* and the *fiduciary funds' financial statements*. The supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 26, 2017 on my consideration of Menard County, Illinois' internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Menard County, Illinois' internal control over financial reporting and compliance.

Michael J. Feriozzi

Springfield, Illinois
May 26, 2017

MJF
Michael J. Feriozzi, CPA

**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***

To the Chairman and other County Commissioners
Menard County, Illinois

I have audited, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Menard County, Illinois as of and for the year ended November 30, 2016, which collectively comprise the County's basic financial statements, and have issued my report thereon dated May 26, 2017. The financial statements of the *business-type activities and the proprietary funds' financial statements* were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a *deficiency or 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.

My consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily disclose deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I

consider to be *material weaknesses*. However, *material weaknesses* may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Menard County Illinois' financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreement's, 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 my audit and, accordingly, I do not express such an opinion.

Purpose of this Report

This purpose of this report is solely to describe the scope of my 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.

Michael J. Feriozzi

Springfield, Illinois
May 26, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

MENARD COUNTY, ILLINOIS
Management's Discussion and Analysis (MD &A)
For the year ended November 30, 2016

The County of Menard, Illinois' (County) management's discussion and analysis provides an overview of the County's financial activities for the year ended November 30, 2016 and is designed to (a) assist the reader in focusing on significant financial issues, (b) identify changes in the County's financial position (its ability to address the next and subsequent years' challenges), (c) identify any material deviations from the financial plan (the approved budget), and (d) identify the individual fund issues or concerns.

This *discussion and analysis* is intended to serve as an introduction to the County's *basic financial statements* and is designed to focus on the current year's financial activities, resulting changes, and currently known facts. We encourage you to read it in conjunction with the transmittal letter at the front of this report and the County's audited *basic financial statements*, which follow this section.

FINANCIAL HIGHLIGHTS

- At November 30, 2016, the County's net position was \$27,625,000. Of this amount, \$15,663,000 is invested in capital assets, net of related debt; \$7,907,000 is restricted for special purposes and uses and \$687,000 represents the net position of our three Illinois Municipal Retirement Fund pension plans which, as discussed below, is not available to the County; leaving \$1,598,000 available for the County's ongoing *governmental activities* and \$1,770,000 available for its ongoing *business-type activities*.
- In 2015, the County adopted and implemented the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date – An Amendment of GASB 68*. Among other requirements and changes, these standards required the County to recognize a liability (asset) in its government-wide financial statements for the net pension liability (asset) associated with its pension plans. The governmental fund financial statements are not affected by the new standards. The proprietary funds' financial statements, specifically, the Sunny Acres Nursing Home Fund, are affected. The impact of these new accounting and financial reporting standards for pensions has resulted in an increase in the County's reported net position, \$687,000, at November 30, 2016. We must emphasize that this equity component is reported as "restricted" and is not available to the County.
- The net position of our *governmental activities* increased \$480,000 or 2.7%; before reported pension expense, \$925,000 and capital grants and contributions, \$1,967,000. The net position of our *business-type activities* decreased \$101,000 or 1.5% before reported pension expense, \$389,000; and bequest income of \$196,000.
- General tax revenues increased 1.2%, with property taxes increasing 1.5%.
- The net cost of the County's *governmental activities* decreased 7.8 %. This, primarily, because we continue to work at conserving our *roads and bridges* net assets for future construction costs funding.
- The *net charges for services provided* for the County's *business-type activities* increased 2.4% while expenses decreased 3.4%. Bad debts expense in 2016 was significantly less than that for 2015.
- The *General Fund* experienced a decrease in the fund balance of \$142,000 before the return of \$60,000 from our *business-type activities* resulting in a \$82,000 net decrease in the fund balance. The annual transfer to the *Building Improvement Fund* was \$199,000.
- The *Emergency Medical Services Fund* had an increase in the fund balance of \$102,000 resulting in a fund balance of \$579,000 at year end.
- The *Health Department Fund* broke even after a \$32,000 transfer from the *General Fund* and a bequest of \$30,000. The Menard County Board of Health and the County's Board of Commissioners entered into a

Menard County, Illinois
Management Discussion and Analysis – continued

- contract with the Sangamon County Health Department in August 2014 where by Sangamon provides and administers the continuation of basic health services in the County. Presently, the contract provides that Sangamon will receive Menard County’s annual basic health grant from the Illinois Department of Public health, \$63,000, and a monthly fee of \$5,150 resulting in an annual cost to the County of \$125,000; a net annual cost of \$62,000. The monthly fee is effectively paid by the County’s *General Fund*, via a transfer to the *Health Department Fund*.

USING THIS ANNUAL FINANCIAL REPORT

The *basic financial statements* focus on the County as a whole (*government-wide*) and on the *major individual funds*. Both of these perspectives (*government wide* and *major fund*) allow the financial statements users to address relevant questions, broaden a basis for comparison (year to year or government to government), and enhance the County’s financial accountability.

Overview of the financial statements

This annual financial report consists of four parts – *management’s discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that *provides combining statements for nonmajor governmental funds* and the *fiduciary funds*. The *basic financial statements* include two kinds of statements that present different views of the County.

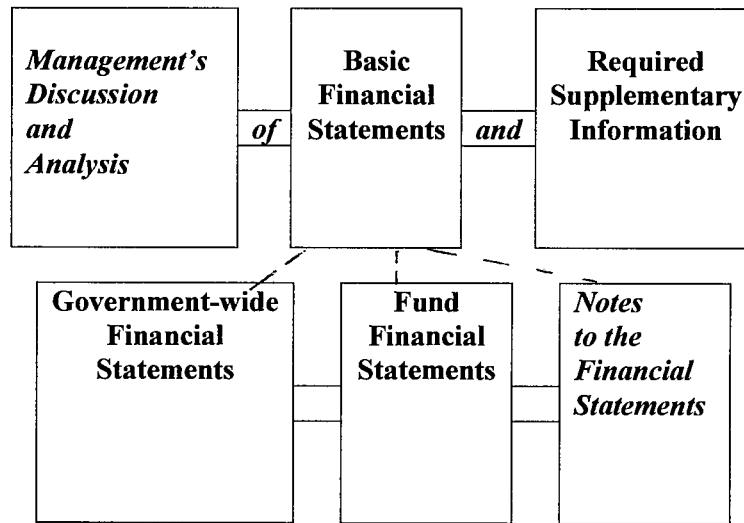
The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the County’s overall financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the County government, reporting the County’s operations in more *detail* than the *government-wide statements* -

- The *governmental funds* statements tell how general government services like public safety, and roads and bridges were financed in the short term as well what remains for future spending. Such funds include the *general fund*, and several other funds that are special revenue funds; funds that account for and report the proceeds of specific revenue sources that are restricted for use for specified sources other than debt service or capital projects. The County does not use or is required to use debt service or capital projects funds.
- *Proprietary funds* statements offer short-term and long-term financial information about the activities the government operates like *businesses (enterprise funds)*, such as *Sunny Acres Nursing Home* and *Countryside Estates of the County*.
- *Fiduciary funds* statements provide information about the financial relationships – like the *Menard County Collector*, and the *Township Bridge* and *Township Motor Fuel Tax* arrangements with the County’s road districts – in which the County acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The *basic financial statements* are followed by a section of required supplementary information that further explains and supports the information in the financial statements. These required parts of our annual financial report are arranged and relate to each other as follows –

Menard County, Illinois
Management Discussion and Analysis – continued



In addition to these required elements, we have included a section with combining statements that provide details about our *nonmajor governmental funds* and *fiduciary funds*.

The table that follows summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

*Menard County, Illinois
Management Discussion and Analysis – continued*

Major Features of Menard County’s Government-wide and Fund Financial Statements

	Government-wide Statements	Fund statements		
		Government Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County government (except fiduciary funds) and discretely presented component units	The activities of the County that are not proprietary or fiduciary	Activities the County operates similar to private businesses,	Instances in which the County is a trustee or agent
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues expenditures, and changes in fund balances	Statement of net assets, Statement of revenues, expenses and changes in net assets, Statement of cash flows	Statement of fiduciary net position, Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability data	All assets and liabilities, financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities financial and capital, and short-term, and long-term	All assets and liabilities financial and capital, and short-term, and long-term
Type of inflow and outflow data	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during the year or or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide financial statements

The *government-wide financial statements* report information about the County as a whole using accounting methods similar to those used by private-sector businesses. The government-wide financial statements include two statements, the *Statement of Net Position* and the *Statement of Activities*. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements. The *Statement of Net Position* presents information on all of the County’s assets and liabilities with the difference between the **two reported as net position**. **Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.** The County’s financial position improved somewhat during 2016.

Menard County, Illinois.
Management Discussion and Analysis – continued

The *Statement of Activities* presents information showing how the government’s net position changed during the most recent fiscal year. It presents the revenues and expenses of the County with the difference between the two reported as the change in *net position* for the year.

Both of these *government-wide financial statements* distinguish the various functions of Menard County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The *governmental activities* of Menard County include general government, public safety, roads and bridges, public health, judiciary and court, county development, liability and insurance, retirement and FICA, public welfare, and interest on long-term debt.

The *business-type activities* include Sunny Acres Nursing Home and Countryside Estates of the County.

The *government-wide financial statements* also include legally separate component units, the *Menard County Health Department*, for which the County is financially accountable, and the *Menard County 911 System*. The account balances and transactions of the *Menard County Health Department* have been blended into the County’s financial statements. “Blending” is a process by which the account balances and transactions of the component unit are reported in a manner similar to the account balances and transactions of the primary government entity. The account balances and transactions of the *Menard County 911 System* are discretely presented in the financial statements. A “discrete presentation” displays the component unit’s financial information in a separate column(s) apart from the primary government.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized into three distinct fund types, *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the *government-wide* financial statements. However, unlike the *government-wide* statements, *governmental funds’* financial statements only report on how general government services were financed during the year as well what financial resources remain for future spending.

Because the focus of *governmental funds’* financial statements is narrower than that of the *government-wide* financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the *government-wide* financial statements. By doing so, financial statement users may better understand the long-term impact of the County’s near-term financing decisions. Both the *governmental funds’ balance sheet* and the *governmental fund’s statement of revenues, expenditures, and changes in fund balances* provide a *reconciliation* to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains individual *governmental funds*. Information is reported separately in the *governmental funds’ balance sheet* and in the *governmental funds’ statement of revenues, expenditures, and changes in fund balances* for the **General Fund, Liability and Insurance Fund, Emergency Medical Services Fund, Health Department Fund, County Highway Fund, and County Motor Fuel Tax Fund**, all of which are considered to be major funds. Data from the other *governmental funds* are combined into a single, aggregated presentation. Individual fund data for each of these *nonmajor governmental funds* is provided elsewhere in this report.

Menard County, Illinois
Management Discussion and Analysis – continued

The County’s Board of Commissioners adopts an annual appropriations budget for its governmental funds. Budgetary comparison schedules have been provided for the *General Fund* and the other *major funds* to demonstrate budgetary compliance for these funds.

Proprietary funds

The County maintains one type of *proprietary funds*, *enterprise funds*, for the activities the County operates like businesses. The County uses *enterprise funds* to account for the financial activities of Sunny Acres Nursing Home and Countryside Estates of the County.

Proprietary funds’ financial statements provide the same type of information as the *government-wide* financial statements, only in more detail. The *proprietary funds’* financial statements provide separate information for *Sunny Acres Nursing Home* and *Countryside Estates of the County*.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. *Fiduciary funds* are not reflected in the *government-wide financial statements* because the resources of those funds are not available to support the County’s own programs. The accounting used for *fiduciary funds* is much like that used for *proprietary funds*.

Notes to the financial statements

The *notes* provide additional information that is essential to a full understanding of the data provided in the *government-wide* and *fund* financial statements. The notes also include information that is essential to a full understanding of the *required supplementary information*.

Other information

In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information* concerning the County’s *schedules of budgetary comparisons*, schedules of net pension liability for its three IMRF pension plans, and *progress in funding its obligations to provide pension benefits to its employees and employer contributions*.

Combining fund statements are also a part of this report.

Menard County, Illinois
Management Discussion and Analysis – continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The table that follows presents a comparison of the County’s condensed *Statement of Financial Position* as of November 30, 2015 and 2016.

(to the nearest thousand dollars)

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
<i>Current and other assets</i>	\$ 7,231,000	7,388,000	\$ 5,530,000	5,874,000	\$ 12,761,000	13,262,000
<i>Capital assets, net</i>	11,145,000	13,233,000	2,544,000	2,466,000	13,689,000	15,699,000
<i>Pension asset, net</i>	689,000	-	678,000	-	1,367,000	-
Total assets	19,065,000	20,621,000	8,752,000	8,340,000	27,817,000	28,961,000
<i>Deferred outflows of resources</i>	1,359,000	1,881,000	467,000	1,067,000	1,826,000	2,948,000
<i>Current and other liabilities</i>	713,000	522,000	1,311,000	1,483,000	2,024,000	2,005,000
<i>Long-term debt outstanding</i>	30,000	20,000	-	-	30,000	20,000
<i>Pension liability, net</i>	1,090,000	1,881,000	-	344,000	1,090,000	2,225,000
Total liabilities	1,833,000	2,423,000	1,311,000	1,827,000	3,144,000	4,250,000
<i>Deferred inflows of resources</i>	52,000	18,000	51,000	17,000	103,000	35,000
<i>Net position -</i>						
<i>Invested in capital assets, net of related debt</i>	11,105,000	13,197,000	2,544,000	2,466,000	13,649,000	15,663,000
<i>Restricted</i>	5,754,000	5,266,000	3,555,000	3,327,000	9,309,000	8,593,000
<i>Unrestricted</i>	1,680,000	1,598,000	1,758,000	1,770,000	3,438,000	3,368,000
Total net position	\$ 18,539,000	20,061,000	\$ 7,857,000	7,563,000	\$ 26,396,000	27,624,000

The largest portion of the County’s net position is reflected in its *investment in capital assets* (land, buildings, equipment, and infrastructure); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens and others; therefore, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of outstanding debt used to acquire the assets it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position represents a variety of programs, projects, services and funds that are subject to external and internal restrictions on how they may be used. Both the County’s *governmental activities* and its *business-type activities* have restricted net position. This means that these net assets are not available for funding the general operations of the related activity.

The remaining portion of the County’s *net position, unrestricted net position* is available for funding general operations related to the County’s *governmental* and *business-type activities*. **The trend in the amount of the County’s unrestricted net position is a leading indicator of the County’s continued ability to fund its obligations to citizens, creditors, and others. Unrestricted net position decreased \$70,000 during the year. Unrestricted net position for governmental activities decreased \$82,000 or 4.9%. Business-type activities’ unrestricted net position increased \$12,000 or .7%.**

The table that follows presents a comparison of the County’s condensed *statement of activities* for the years ended November 30, 2015 and 2016 and indicates how the *net position* changed each year.

Menard County, Illinois
Management Discussion and Analysis – continued

(in thousands of dollars)

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
<i>Program revenues</i>						
<i>Charges for services</i>	\$ 1,665	1,674	\$ 6,819	6,960	\$ 8,484	8,634
<i>Grants and contributions</i>	415	2,567	607	196	1,022	2,763
<i>General revenues</i>						
<i>Property taxes</i>	2,846	2,890	-	-	2,846	2,890
<i>Other taxes</i>	1,938	1,957	-	-	1,938	1,957
<i>Interest</i>	19	18	12	14	31	32
Total revenues	6,883	9,106	7,438	7,170	14,321	16,276
<i>Expenses</i>						
<i>General government</i>	1,356	1,457	-	-	1,356	1,457
<i>Public safety</i>	2,368	2,256	-	-	2,368	2,256
<i>Roads and bridges</i>	1,513	1,317	-	-	1,513	1,317
<i>Public health</i>	172	163	-	-	172	163
<i>Judiciary and court</i>	604	654	-	-	604	654
<i>County development</i>	61	53	-	-	61	53
<i>Liability and insurance</i>	247	226	-	-	247	226
<i>Retirement and FICA</i>	429	505	-	-	429	505
<i>Public welfare</i>	103	89	-	-	103	89
<i>Interest on long-term debt</i>	-	-	-	-	-	-
<i>Sunny Acres Nursing Home</i>	-	-	6,778	6,640	6,778	6,640
<i>Countryside Estates</i>	-	-	375	375	375	375
Total expenses	6,853	6,720	7,153	7,015	14,006	13,735
<i>Excess (deficiency)</i>	30	2,386	285	155	315	2,541
<i>Transfers</i>	60	60	(60)	(60)	-	-
<i>Increase in net position before pension income(expense)</i>	90	2,446	225	95	315	2,541
<i>Pension income(expense)</i>	2,010	(925)	795	(389)	2,805	(1,314)

Menard County, Illinois
Management Discussion and Analysis – continued

Governmental Activities

Program revenues for 2016 were \$4,241,000, an increase of \$2,161,000 from 2015. These revenues, consisting of *charges for services* and *grants and contributions*, are derived from the programs themselves and reduce the cost of the respective functions to the County. *Grants and contributions* increased \$2,152,000 primarily because of an increase in capital grants from the State of Illinois for *roads and bridges*.

General Tax Revenues

General tax revenues consist of property taxes, state income taxes shared by the state of Illinois, motor fuel taxes allocated by the state of Illinois, local sales taxes collected by the state of Illinois and distributed to the County, and certain other taxes. Property taxes comprised 59% of the general tax revenues and are levied by the County within the constraints of the State of Illinois *property tax limitation law* to assist in funding the costs of the *general government, public safety, roads and bridges, retirement and FICA, and liability and insurance* programs. The County has specific property tax levies for costs associated with certain *public safety* program costs, *liability and insurance, roads and bridges, county development, retirement and FICA, and public welfare* programs in addition to the general corporate levy. The motor fuel taxes received by the County are restricted for the *roads and bridges* program. The public safety sales taxes are restricted for *emergency medical services (public safety)*.

The following tables display the changes in the County’s *general tax revenues* for 2015 and 2016, and the related changes in *property taxes*.

General Tax Revenues (to the nearest one hundred dollars)

	2015	2016	Increase	
				%
Property taxes	\$ 2,846,000	2,889,700	43,700	1.5
State income taxes	729,000	677,700	(51,300)	(7.0)
Motor fuel taxes	291,000	329,200	38,200	13.1
Public Safety Sales Tax	468,000	424,800	(43,200)	(9.2)
Sales taxes	370,000	454,900	84,900	22.9
Other taxes	80,000	71,100	(8,900)	(11.1)
Total	\$ 4,784,000	4,847,400	63,400	1.21%

Property Taxes by Governmental Activities’ Programs (to the nearest 100 dollars)

	2015	2016	Change
General government	\$ 861,100	891,600	30,500
Public safety	319,300	320,400	1,100
Roads and bridges	675,600	685,300	9,700
Public health	8,000	8,100	100
County development	61,800	61,800	-
Liability and insurance	274,600	275,500	900
Retirement and fica	603,000	604,800	1,800
Public welfare	42,300	42,200	(100)
Total	\$ 2,845,700	2,889,700	44,000

Menard County, Illinois
Management Discussion and Analysis – continued

The table that follows presents a comparison of the *costs* of the County’s governmental activities as well as each activity’s *net cost* (costs less charges for services, operating grants and contributions, and capital grants contributions). The *net cost* indicates the financial burden placed on the County’s taxpayers by each activity.

Cost and Net Cost Comparison of Governmental Activities

(in thousands of dollars)

	Total cost		Net cost	
	of activities		of activities	
	2015	2016	2015	2016
General government	\$ 1,356	1,457	\$ 916	1,096
Public Safety	2,368	2,256	1,679	1,287
Roads and bridges	1,513	1,317	1,286	(870)
Public health	172	163	78	33
Judiciary and court	604	654	76	157
County development	61	53	9	5
Liability and insurance	247	226	247	226
Retirement and fica	429	505	429	505
Public welfare	103	89	54	39
Interest on long-term debt	-	-	-	-
Total	\$ 6,903	6,720	\$ 4,774	2,478

General government costs are incurred for the operation of certain offices and departments located in the County courthouse and are associated with the financial, administrative, property assessing, property tax extending and collection, document recording, election, and other general functions. *Public safety* costs are those associated with the County Sheriff’s Department and operation of the County jail complex. Also included are the costs associated with services provided by the County for emergency medical services including that department’s insurance costs and retirement costs, and the costs of providing animal control services. The County commenced providing emergency medical services in October 2005.

Roads and Bridges are the costs of operating the County’s Highway Department. The County utilizes several funds to account for the Highway Department’s activities. We experienced a significant capital contribution in 2016 for the completion of a portion of the capital safety improvements to the Athens blacktop.

Public Health costs are the costs of operating the Menard County Health Department’s programs including its administration of the tuberculosis program.

Judiciary and Court costs are those associated with operating the *Circuit Clerk’s Office*, the *State’s Attorney Office*, the *Probation Department* and the *County’s courts*.

County Development costs consist of certain costs pertaining to cooperative extension education, development of a countywide geographic information system, and certain economic development costs.

Liability and Insurance costs represent the County’s participation in the *Illinois Counties Risk Management Trust* for protection commonly associated with property, casualty, and workmen compensation protection as it pertains to the County’s governmental activities. Also included are certain unemployment compensation costs

Menard County, Illinois
Management Discussion and Analysis – continued

Retirement and FICA costs consist of the County’s required contribution to the *Illinois Municipal Retirement Fund* and *FICA* costs for employees involved with the County’s *governmental activities*’ programs.

Public Welfare costs relate to providing general assistance and emergency relief, and senior transport van services to the County’s citizens.

Interest on long-term debt is the annual interest costs, if any, associated with the County’s general obligation debt obligations.

Business-type Activities

Business-type activities increased the County’s net assets \$95,000 for the year ended November 30, 2016 after bequests of \$196,000. These same activities provided a \$225,000 increase, after \$607,000 in bequests, in net assets for 2015. The nursing home experienced decreased census (resident days) during 2016.

Sunny Acres Nursing Home and Countryside Estates of the County. The following chart provides a comparison of net revenues for 2015 and 2016.

(to the nearest thousand)

	2015	2016	Change
<i>Private pay</i>	\$ 3,389,600	\$ 2,849,700	\$ (539,900)
<i>Medicare</i>	1,826,600	2,322,500	495,900
<i>Medicaid</i>	1,633,200	1,830,700	197,500
<i>Medicaid Supplementary</i>	99,700	126,000	26,300
<i>Medicaid contribution</i>	(130,000)	(169,000)	(39,000)
Total	\$ 6,819,100	\$ 6,959,900	\$ 140,800

The following chart provides a comparison of Sunny Acres Nursing Home’s resident days for 2013, 2014, 2015, and 2016.

(resident days)

	2013	2014	2015	2016
<i>Private pay</i>	12,956	13,113	14,100	13,531
<i>Medicare and other</i>	4,297	3,801	3,133	3,289
<i>Medicaid</i>	14,104	13,648	14,383	14,447
Total	31,357	30,562	31,616	31,267
<i>Annual capacity</i>	38,690	38,690	38,690	38,796
Percent occupied	81.05%	78.99%	81.72%	80.59%

The assets of the *Intergovernmental Transfer Fund* that were derived from administrative allowances earned for administering an alternate Medicaid reimbursement methodology for the State of Illinois

Menard County, Illinois
Management Discussion and Analysis – continued

Department of Healthcare and Family Services were transferred to the *Sunny Acres Nursing Home Fund* in late 2006 because the intergovernmental agreement was terminated by the Department on September 30, 2006. Administration of the alternate Medicaid reimbursement methodology became a required activity of Sunny Acres Nursing Home on November 1, 2006. The net assets transferred were segregated within the Sunny Acres Nursing Home Fund and have been reserved for capital purposes by the Menard County Board of Commissioners. The commissioners designated that future increases in the net assets of the Sunny Acres Nursing Home Fund derived from administering the alternate Medicaid reimbursement methodology will be reserved as a *capital reserve* equity component of the *Sunny Acres Nursing Home Fund* and designated for future capital needs. The alternate Medicaid reimbursement methodology process was discontinued on September 30, 2009. The commissioners have indicated that the portion of future Medicaid reimbursements that effectively represents the administrative allowances (Medicaid supplementary) earned and collected through the alternate reimbursement process will be designated as *capital reserve*.

Countryside Estates of the County, the County’s independent living facility, operated profitably for 2015 and 2016 because of consistent high occupancy and a cost reduction in 2015.

The following table provides a summary comparison of the County’s *business-type activities* results for 2015 and 2016.

Business-type activities results

(in thousands of dollars)

	Sunny Acres Nursing Home Fund									
	Operations Component				Capital Reserve Component		Countryside Estates of the County Fund		Total	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Net revenue	\$ 6,370	6,527	\$ -	-	\$ 449	432	\$ 6,820	6,959		
Contributions	607	196	-	-	-	-	607	196		
Interest income	6	7	4	5	1	1	11	13		
Expenses	6,777	6,639	-	-	375	375	7,152	7,014		
Transfers, net	(252)	96	157	155	35	(311)	(60)	(60)		
Change in net position	\$ (46)	187	\$ 161	160	\$ 110	(253)	\$ 225	94		
Pension income (expense)	795	(389)	-	-	-	-	795	(389)		

Component Units

The *Menard County 911 System*’s net position increased from \$374,000 to \$381,000 during the year. Net position was \$795,000 in 2010. The net position is meant to be accumulated for financing future capital asset and

Menard County, Illinois
Management Discussion and Analysis – continued

infrastructure needs. 911 services for the County began in 2007.

The public's discontinuing use of land based telephone lines is hampering the system's ability to maintain revenues. A recent Illinois Attorney General's opinion suggests that the sponsoring units of local government for 911 systems are fiscally responsible for such systems.

Financial Analysis of the County's Funds

We noted earlier that the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the County's financing requirements. In particular, *unreserved fund balances* may serve as a leading indicator of a government's *net resources* available for spending at the end of the fiscal year.

At the end of the current fiscal year, the County's *governmental funds* reported combined ending fund balances of \$6,806,000. Of this amount, \$13,000 is in non-spendable form; nothing is committed for future spending; \$5,321,000 is restricted and assigned for future specific purposes such as roads and bridges, public safety, retirement costs, and insurance and liability costs. The remaining amount, \$1,472,000, the unassigned amount of fund balance of the County's *General Fund*, is available for funding future general operations and obligations.

The *General Fund* is the County's principal operating fund and is used to account for general operations. The fund balance of the General Fund at November 30, 2016 was \$1,598,000 with \$13,000 in non-spendable form and \$113,000 committed for employee health insurance funding.

The *Liability and Insurance Fund* is used to account for the annual property tax for the payment of the costs associated with our *governmental activities'* property and casualty risk management activities including workman's compensation; and self-insured unemployment compensation costs. The fund balance of this fund increased \$49,000 to \$542,000 in 2016.

The *Emergency Medical Services Fund* is used to account for the revenues and all of the costs of providing emergency medical services in the County. It had a fund balance of \$579,000 at November 30, 2016. We have improved the financial viability of this vital County service with increased property tax funding within the confines of the State's property tax limitation laws.

The *Health Department Fund* is the result of "blending" the Menard County Health Department into the County's financial statements.

The *County Highway Fund* is the Highway Department's general operating fund. It had a fund balance of \$768,000 at November 30, 2016.

The *County Motor Fuel Tax Fund* had a fund balance of \$349,000 at November 30, 2016. The balance for this fund is restricted for future road and bridge project and maintenance spending in accordance with project budgets approved the County Board of Commissioners and the Illinois Department of Transportation.

The remaining *nonmajor governmental funds* reported a combined fund balance of \$2,969,000 at November 30, 2016.

Menard County, Illinois
Management Discussion and Analysis – continued

Proprietary Funds

The County's *proprietary fund financial statements* provide the same type of information found in the *government-wide financial statements*, but in more detail. Proprietary funds consist of both *enterprise* and *internal service funds*. Our enterprise funds are essentially our *business-type activities*.

The *enterprise funds' unrestricted net position* at November 30, 2016 was \$1,770,000 as compared to \$1,758,000 at November 30, 2015. Factors concerning the finances of these funds are discussed in the *business-type activities* section of this *discussion and analysis*.

Fiduciary Funds

There were no significant changes in the operations of the *fiduciary funds* during the year ended November 30, 2016.

Major funds' budgetary highlights

The **General Fund** budgeted for a **decrease** in the fund balance of \$688,000 for the year ended November 30, 2016. The actual fund balance decrease for the year was \$82,000.

Revisions (individual line changes) to the original budget during the year were minimal and nominal. Budgeted revenues did not change and of course total budgeted expenditures and transfers out remained the same during the year.

Actual revenues were \$137,000 more than budgeted revenues. Actual expenditures were \$433,000 less than budgeted amounts. Actual net transfers out, were \$36,000 less than what was budgeted.

The **Liability and Insurance Fund's** fund balance increased \$49,000. We budgeted for a \$25,000 decrease.

The **Emergency Medical Services Fund's** fund balance increased \$101,000. We budgeted a decrease of \$6,000.

The **Health Department Fund's** fund balance remained at zero. The budgeted decrease was \$1,000.

The **Highway Fund's** fund balance decreased \$89,000. A \$619,000 decrease was budgeted.

The **County Motor Fuel Tax Fund's** fund balance decreased \$66,000. A \$310,000 decrease was budgeted.

The actual results for the County's *nonmajor governmental funds* were consistent with the County's Board of Commissioners and managements' expectations documented in the County's annual budget for the fiscal year ended November 30, 2014. A few *funds'* actual expenditures exceeded budgeted amounts. These funds and the excess amounts are listed in Note 2 to the basic financial statements.

A management budget is prepared each year for the two *enterprise funds* that comprise the County's *business-type activities*. The County Board of Commissioners' and management's expectations for *Sunny Acres Nursing Home* and *Countryside Estates of the County* results of operations are always greater than what is documented in the management budgets for those operations.

Capital Asset and Long-Term Debt

Capital Assets

At November 30, 2016, the County had invested \$15,698,000 in a broad range of capital assets including land, buildings and improvements, equipment vehicles, infrastructure (roads and bridges) and construction in progress.

Menard County, Illinois
Management Discussion and Analysis – continued

The following table provides a comparison of the County’s capital assets at November 30, 2015 and 2016.

(net of depreciation in thousands of dollars)

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
Land	\$ 334	334	\$ -	-	\$ 334	334
Construction in progress	349	252	-	-	349	252
Buildings and improvements	1,081	1,380	2,322	2,298	3,403	3,678
Equipment	94	92	222	168	316	260
Vehicles	259	462	-	-	259	462
Roads	5,868	7,606	-	-	5,868	7,606
Bridges	3,160	3,106	-	-	3,160	3,106
Total	\$ 11,145	13,232	\$ 2,544	2,466	\$ 13,689	15,698

This year’s major capital assets additions included-

- ✓ **Courthouse and EMS building \$344,000**
- ✓ **Vehicles and equipment \$357,000**
- ✓ **Sunny Acres improvements and equipment, \$202,000**

The table that follows provides a comparison of depreciation expense by County programs for 2015 and 2016.

(to the nearest one hundred dollars)

	2015	2016	Change
Governmental activities			
General government	\$ 63,900	72,800	\$ 8,900
Public safety	112,400	133,400	21,000
Roads and bridges	271,500	302,300	30,800
Public health	2,900	1,300	(1,600)
Judiciary and court	21,600	28,400	6,800
Public welfare	6,200	1,400	(4,800)
Total governmental activities	478,500	539,600	61,100
Business-type activities			
Sunny Acres Nursing Home	192,000	205,000	13,000
Countryside Estates of the County	81,700	75,200	(6,500)
Total Business-type activities	273,700	280,200	6,500
Total government-wide	\$ 752,200	819,800	\$ 67,600

Long-Term Debt

At the end of the year, the County’s long-term debt consisted solely of two installment contracts for *public safety* equipment of \$35,500 for our *governmental activities*. We borrowed \$100,000 through the Illinois Finance Authority in 2009 to assist us in purchasing a replacement ambulance for our fleet. The acquisition cost was

Menard County, Illinois
Management Discussion and Analysis – continued

\$138,000 and we owed \$30,000 on this obligation at the end of the year. Also, we financed \$20,000 of the acquisition cost of a vehicle for animal control and retired \$14,500 of this obligation during 2016.

Employee Retirement Benefit Plans

The County sponsors three defined benefit pension plans for County employees through the Illinois Municipal Retirement Fund (IMRF). IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. Detailed information and data for the County's pension plans are provided in the *notes* to the *basic financial statements* and in the *required supplementary information* section of this annual financial report. The *notes* also include a discussion of the deferred compensation plans the County sponsors for its employees.

We mentioned in the *Financial Highlights* section that the County implemented new accounting and financial reporting standards for pensions in 2015. This implementation has had a significant impact on our *government-wide* and *proprietary funds* financial statements.

We have, over the years, always contributed the annual required contribution to the three IMRF pension plans. The County does not contribute to the deferred compensation plans.

Economic Factors and 2017

- ❖ We continue to remain quite aware of the overarching nature of the ongoing State of Illinois' "budget and fiscal crisis" and the potential for its ultimate resolution to negatively impact the future financial results of several of our individual funds including but not limited to our *General Fund*, the *Health Department Fund*, *Sunny Acres Nursing Home Fund*, and certain *Highway Department Funds*. State shared income taxes account for approximately 23% of the *General Fund's* revenues and salary reimbursements from the State of Illinois and our component unit provide another 13%. We are also cognizant of the negative impact to us of the ongoing "zero interest rate" policies of the Federal Reserve on our interest earnings and the ability to accumulate adequate reserves for funding future capital assets needs for our governmental activities. We are grateful and appreciative for the ongoing State of Illinois funding through the Illinois Department of Transportation of the majority of the construction costs of our major road and bridge replacement projects.
- ❖ Because of the State of Illinois' "budget and fiscal crisis", we expect to continue having a concentration of credit with the State of Illinois periodically during 2017 and subsequent years while the state struggles with and resolve its ongoing cash flow problems. This condition, at times, slows down the flow of cash to fund our consistent and recurring costs of operations. This slow down and resulting concentration of credit with the State of Illinois can negatively impact cash flows of several funds including the *General Fund*, the *Health Department Fund*, and the *Sunny Acres Nursing Home Fund*. Fortunately, we have had adequate reserves to carry these concentrations of credit; however, our ability to replenish the reserves has been diminishing over the last several years.
- ❖ The State of Illinois has approved rules and procedures for the quarterly remittances of a portion of the annual Medicaid revenues for Sunny Acres Nursing Home. This arrangement was previously approved by the Federal government. However, it seems that one of the unintended consequences of the recent Medicare/Medicaid Alignment Initiative that is mandated to extend managed care to a minimum of 50% of the State of Illinois long term care population is that it was determined that the Federal government will not allow funding arrangements that provided for the quarterly remittances. The State of Illinois Department of Healthcare and Family Services has indicated that it has every intention of finding a way of continuing the quarterly remittance arrangement; such funds continue to be collected and we expect that to continue during 2017. It is this revenue, once collected, that we have retained and designated as *capital reserve* by the *Sunny Acres Nursing Home Fund*. Since 2007, \$900,000 of the approximately \$3.8

Menard County, Illinois
Management Discussion and Analysis – continued

- ❖ million collected has been used to fund certain Sunny Acres capital asset acquisitions and \$200,000 has been loaned to Sunny Acres' operations for interim cash flow needs. Also, \$179,000 has been loaned to the County's Building Improvement Fund for short term financing of a portion of the cost of the EMS building. We expect that this amount will be collected entirely during the next two fiscal years.
- ❖ Additional repairs and improvements to the courthouse are expected to continue into 2017. We have been fortunate during the past decade to be able to fund the costs of extraordinary improvements to the courthouse without issuing debt and or increasing real estate taxes. Our ability to fund such costs from operations' results has been greatly diminished during the last decade as one of the consequence of the continued low money market rate environment.

Requests for Information

The County's annual financial report is designed to provide our citizens, investors and creditors with the general overview of the County's finances. If you have questions about this report or need additional information, please contact the *Menard County Treasurer's Office* at the County Courthouse.

BASIC FINANCIAL STATEMENTS

MENARD COUNTY, ILLINOIS
STATEMENT OF NET POSITION

November 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash	\$ 3,346,668	\$ 817,226	\$ 4,163,894	\$ 91,099
Certificates of deposit	3,325,000	1,002,000	4,327,000	200,000
Accounts receivable, net	73,458	1,434,413	1,507,871	71,396
Taxes receivable, net	269,104	-	269,104	-
Due from other funds	280,393	-	280,393	-
Internal balances	(178,413)	178,413	-	-
Inventories	272,033	23,368	295,401	-
Restricted cash	-	1,068,920	1,068,920	-
Restricted certificates of deposit	-	1,350,000	1,350,000	-
Land	334,084	-	334,084	-
Capital assets, net	12,898,439	2,465,558	15,363,997	118,587
TOTAL ASSETS	20,620,766	8,339,898	28,960,664	481,082
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	1,880,627	1,067,021	2,947,648	-
LIABILITIES				
Accounts payable	420,159	739,136	1,159,295	-
Accrued compensation	34,527	310,948	345,475	-
Prepayments and deposits	-	432,226	432,226	-
Unearned revenue	41,094	-	41,094	-
Due to other funds	10,000	-	10,000	-
Debt payable within one year	15,499	-	15,499	19,410
Debt payable after one year	20,000	-	20,000	80,590
Pension liability, net	1,881,193	343,841	2,225,034	-
TOTAL LIABILITIES	2,422,472	1,826,151	4,248,623	100,000
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	17,525	17,645	35,170	-
NET POSITION				
Invested in capital assets, net of related debt	13,197,024	2,465,558	15,662,582	118,587
Restricted for -				
Roads and bridges	2,399,290	-	2,399,290	-
Public safety	625,334	-	625,334	-
Judiciary and court	372,688	-	372,688	-
Liability and insurance	541,654	-	541,654	-
Retirement and fica	716,214	-	716,214	-
Public health	58,155	-	58,155	-
Other	570,884	2,621,717	3,192,601	-
Pensions	(18,091)	705,535	687,444	-
Unrestricted	1,598,244	1,770,313	3,368,557	262,495
TOTAL NET POSITION	\$ 20,061,396	\$ 7,563,123	\$ 27,624,519	\$ 381,082

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

MENARD COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES

For the year ended November 30, 2016

Functions/Programs	Program Revenues				Primary Government		Total	Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities		
Primary Government								
Governmental Activities								
General government	\$ 1,456,519	\$ 328,091	\$ 31,995	\$ -	\$ (1,096,433)	\$ -	\$ (1,096,433)	
Public safety	2,255,901	768,134	200,891	-	(1,286,876)	-	(1,286,876)	
Roads and bridges	1,316,294	219,084	18	1,925,940	828,748	-	828,748	
Public health	162,983	2,129	127,514	-	(33,340)	-	(33,340)	
Judiciary and court	654,156	295,176	201,638	-	(157,342)	-	(157,342)	
County development	53,200	49,354	-	-	(3,846)	-	(3,846)	
Liability and insurance	226,224	-	-	-	(226,224)	-	(226,224)	
Retirement and Fica	504,757	-	-	-	(504,757)	-	(504,757)	
Public welfare	89,044	11,735	38,159	41,000	1,850	-	1,850	
Interest on long term debt	499	-	-	-	(499)	-	(499)	
Total Governmental Activities	6,719,577	1,673,703	600,215	1,966,940	(2,478,719)	-	(2,478,719)	
Business-type Activities								
Sunny Acres Nursing Home	6,640,078	6,527,397	196,255	-	-	83,574	83,574	
Countryside Estates	375,238	432,462	10	-	-	57,234	57,234	
Total Business-type Activities	7,015,316	6,959,859	196,265	-	-	140,808	140,808	
Total Primary Government	\$ 13,734,893	\$ 8,633,562	\$ 796,480	\$ 1,966,940	(2,478,719)	140,808	(2,337,911)	
Component Unit								
Menard County 911	\$ 234,277	\$ 240,669	\$ -	\$ -				\$ 6,392
Total Component Units	\$ 234,277	\$ 240,669	\$ -	\$ -				6,392
General Revenues								
Taxes:								
Property taxes					2,889,703	-	2,889,703	-
State income taxes					677,686	-	677,686	-
Motor fuel taxes					329,188	-	329,188	-
Public safety sales tax					424,762	-	424,762	-
Sales taxes					454,906	-	454,906	-
Personal property replacement taxes					71,106	-	71,106	-
Total taxes:					4,847,351	-	4,847,351	-
Interest income					18,227	14,139	32,366	824
Total general revenues					4,865,578	14,139	4,879,717	824
Transfers					60,000	(60,000)	-	-
Total general revenues and transfers					4,925,578	(45,861)	4,879,717	824
Change in net position					2,446,859	94,947	2,541,806	7,216
Net position - beginning					18,539,403	7,857,038	26,396,441	373,866
Pension expense					(924,866)	(388,862)	(1,313,728)	-
Net position - ending					\$ 20,061,396	\$ 7,563,123	\$ 27,624,519	\$ 381,082

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

MENARD COUNTY, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	General Fund	Liability and Insurance Fund	Emergency Medical Services Fund	Health Department Fund	County Highway Fund	County Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and certificates of deposit	\$ 1,147,856	\$ 533,335	\$ 511,128	\$ 47,124	\$ 734,881	\$ 340,710	\$ 3,356,634	\$ 6,671,668
Accounts receivable	66,377	-	(24,488)	26,334	270	-	4,965	73,458
Taxes receivable	133,922	-	115,071	-	-	17,852	2,259	269,104
Due from other funds	366,203	8,319	9,677	-	38,005	-	119,184	541,388
Total assets	\$ 1,714,358	\$ 541,654	\$ 611,388	\$ 73,458	\$ 773,156	\$ 358,562	\$ 3,483,042	\$ 7,555,618
LIABILITIES								
Accounts payable	\$ 41,021	\$ -	\$ 25,330	\$ 42,133	\$ -	\$ 9,621	\$ 106,423	\$ 224,528
Unearned revenue	6,319	-	-	-	-	-	34,775	41,094
Accrued compensation	25,027	-	6,000	-	-	-	3,500	34,527
Due to other funds	43,747	-	849	30,974	4,810	-	369,028	449,408
Total liabilities	116,114	-	32,179	73,107	4,810	9,621	513,726	749,557
FUND BALANCES								
Nonspendable	13,418	-	-	-	-	-	-	13,418
Restricted for:								
General government	-	-	-	-	-	-	229,979	229,979
Public safety	-	-	579,209	-	-	-	46,125	625,334
Roads and bridges	-	-	-	-	768,346	348,941	1,205,601	2,322,888
Public health	-	-	-	351	-	-	57,804	58,155
Judiciary and court	-	-	-	-	-	-	372,688	372,688
County development	-	-	-	-	-	-	203,651	203,651
Liability and insurance	-	541,654	-	-	-	-	-	541,654
Retirement and fca	-	-	-	-	-	-	716,214	716,214
Public welfare	-	-	-	-	-	-	137,254	137,254
Committed	-	-	-	-	-	-	-	-
Assigned	112,984	-	-	-	-	-	-	112,984
Unassigned	1,471,842	-	-	-	-	-	-	1,471,842
Total fund balances	1,598,244	541,654	579,209	351	768,346	348,941	2,969,316	6,806,061
Total liabilities and fund balances	\$ 1,714,358	\$ 541,654	\$ 611,388	\$ 73,458	\$ 773,156	\$ 358,562	\$ 3,483,042	\$ 7,555,618

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

MENARD COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

NOVEMBER 30, 2016

Total fund balances - governmental funds	\$ 6,806,061
Amounts reported for governmental activities in the statement of net assets are different because -	
Inventories of rock, sand, gravel, and other materials used for roads' and bridges' construction and maintenance are not financial resources and, therefore, are not reported in the funds	272,033
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds -	13,232,523
Some liabilities are not due and payable in the current period and are not reported in the funds. Those liabilities consist of -	
Accounts payable for road and bridge projects and other net items	(195,631)
Long-term debt	(35,499)
Pension activity (including long - term asset/ liability, deferred outflows and deferred inflows) is not used or reported in the funds	<u>(18,091)</u>
Net assets of governmental activities	<u>\$ 20,061,396</u>

The accompanying notes are an integral part of this schedule.

MENARD COUNTY, ILLINOIS

STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	General Fund	Liability and Insurance Fund	Emergency Medical Services Fund	Health Department Fund	County Highway Fund	County Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Property taxes	\$ 891,638	\$ 275,456	\$ 320,416	\$ -	\$ 278,975	\$ -	\$ 1,133,574	\$ 2,900,059
Public safety sales tax	-	-	424,762	-	-	-	-	424,762
Federal and State payments	1,451,028	-	17,493	97,514	-	329,188	45,139	1,940,362
Fines, fees, forfeitures and licenses	427,882	-	-	-	-	-	147,692	575,574
Charges for services	142,000	-	467,941	-	164,190	-	121,694	895,825
Other	21,809	-	180,237	32,129	14,302	-	123,210	371,687
Interest	12,819	-	361	-	4,365	506	110	18,161
Total revenues	2,947,176	275,456	1,411,210	129,643	461,832	329,694	1,571,419	7,126,430
EXPENDITURES								
Current:								
General government	1,091,594	-	-	-	-	-	78,738	1,170,332
Public safety	1,141,050	-	1,039,121	-	-	-	77,772	2,257,943
Roads and bridges	-	-	-	-	410,635	395,825	222,497	1,028,957
Public health	-	-	-	161,669	-	-	-	161,669
Judiciary and court	569,037	-	-	-	-	-	57,882	626,919
County development	6,250	-	-	-	-	-	70,625	76,875
Liability and insurance	-	226,225	-	-	-	-	17,576	243,801
Retirement and Fica	-	-	-	-	-	-	503,390	503,390
Public welfare	-	-	-	-	-	-	89,045	89,045
Debt service:								
Principal retirement	-	-	10,000	-	-	-	14,501	24,501
Interest and fiscal charges	-	-	57	-	-	-	499	556
Capital outlay:	26,004	-	83,420	-	140,357	-	449,878	699,659
Total expenditures	2,833,935	226,225	1,132,598	161,669	550,992	395,825	1,582,403	6,883,647
EXCESS REVENUES OVER (UNDER) EXPENDITURES	113,241	49,231	278,612	(32,026)	(89,160)	(66,131)	(10,984)	242,783
OTHER FINANCING SOURCES (USES)								
Operating transfers in	146,800	-	-	32,026	-	-	491,850	670,676
Operating transfers (out)	(342,026)	-	(176,850)	-	-	-	(91,800)	(610,676)
Total other financing sources and uses	(195,226)	-	(176,850)	32,026	-	-	400,050	60,000
NET CHANGES IN FUND BALANCES	(81,985)	49,231	101,762	-	(89,160)	(66,131)	389,066	302,783
FUND BALANCES - BEGINNING	1,680,229	492,423	477,447	351	857,506	415,072	2,580,250	6,503,278
FUND BALANCES - ENDING	\$ 1,598,244	\$ 541,654	\$ 579,209	\$ 351	\$ 768,346	\$ 348,941	\$ 2,969,316	\$ 6,806,061

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

MENARD COUNTY, ILLINOIS

RECONCILIATION OF THE CHANGES OF FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

NOVEMBER 30, 2016

Net changes in funds balances - total governmental funds \$ 302,783

Amounts reported for governmental activities in the statement of activities
are different because -

The cost of the County's new road and bridge construction projects completed during the year are usually primarily funded by the State of Illinois Department of Transportation. The State's share of the funding and the fair value of other contributed capital assets are reported as contributions in the government-wide financial statements but not in the fund financial statements - 1,925,940

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of debt principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.

Repayments:
Installment contracts for Public Safety vehicle and equipment purchases 24,501

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of the capital assets is allocated over their estimated useful lives and reported as depreciation expense -

Capital outlays \$ 699,659
Depreciation expense (539,589)

Excess of depreciation expense over capital outlay 160,070

Some costs do not require the use of current financial resources and are not reported as expenditures in the fund financial statements but must be included in the government-wide financial statements as expenses -

Increase in inventories of rock, sand, and gravel 33,563

Only a portion of the pension expense (IMRF) related to actual payments is reported in the Governmental funds. Additional (expense) income activity should be included in the Statement of Activities (924,866)

Change in net assets of governmental activities \$ 1,521,993

Consisting of----
Operations \$ 479,919
Capital grants and contributions 1,966,940
Pension activity (924,866)

\$ 1,521,993

MENARD COUNTY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

NOVEMBER 30, 2016

	Enterprise Funds				
	Sunny Acres Nursing Home Fund			Countryside Estates of the County Fund	Total Enterprise Funds
	Operations Component	Capital Reserve Component	Total		
ASSETS					
Current:					
Cash	\$ 260,478	\$ -	\$ 260,478	\$ 556,748	\$ 817,226
Certificates of deposit	777,000	-	777,000	225,000	1,002,000
Accounts receivable, net	1,432,364	938	1,433,302	1,111	1,434,413
Due from other funds	801	179,408	180,209	-	180,209
Due from capital reserve component	-	-	-	-	-
Inventories	21,621	-	21,621	1,747	23,368
Restricted:					
Cash	-	1,068,920	1,068,920	-	1,068,920
Certificates of deposit	-	1,350,000	1,350,000	-	1,350,000
Accounts receivable, net	-	-	-	-	-
Due from operations component	3,140	200,000	203,140	-	203,140
Total current assets	2,495,404	2,799,266	5,294,670	784,606	6,079,276
Non-current:					
Capital assets - net	1,584,251	-	1,584,251	881,307	2,465,558
TOTAL ASSETS	4,079,655	2,799,266	6,878,921	1,665,913	8,544,834
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	1,067,021	-	1,067,021	-	1,067,021
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,067,021	-	1,067,021	-	1,067,021
LIABILITIES					
Current					
Accounts payable	728,141	-	728,141	10,995	739,136
Accrued compensation	310,948	-	310,948	-	310,948
Residents' prepayments, overpayments, and deposits	242,503	172,734	415,237	16,989	432,226
Due to operations component	-	3,140	3,140	-	3,140
Due to capital reserve component	200,000	-	200,000	-	200,000
Due to other funds	121	1,675	1,796	-	1,796
Total current liabilities	1,481,713	177,549	1,659,262	27,984	1,687,246
Non-current:					
Pension liability	343,841	-	343,841	-	343,841
TOTAL LIABILITIES	1,825,554	177,549	2,003,103	27,984	2,031,087
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	17,645	-	17,645	-	17,645
TOTAL DEFERRED OUTFLOWS OF RESOURCES	17,645	-	17,645	-	17,645
NET POSITION					
Net investment in capital assets	1,584,251	-	1,584,251	881,307	2,465,558
Other restricted	705,535	2,621,717	3,327,252	-	3,327,252
Unrestricted	1,013,691	-	1,013,691	756,622	1,770,313
TOTAL NET POSITION	\$ 3,303,477	\$ 2,621,717	\$ 5,925,194	\$ 1,637,929	\$ 7,563,123

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

MENARD COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2016

	Enterprise Funds				
	Sunny Acres Nursing Home Fund			Countryside Estates of the County Fund	Total Enterprise Funds
	Operations Component	Capital Reserve Component	Total		
NET OPERATING REVENUES	\$ 6,527,397	\$ -	\$ 6,527,397	\$ 432,462	\$ 6,959,859
OPERATING EXPENSES					
Salaries and wages	3,075,768	-	3,075,768	108,792	3,184,560
Contractual nursing	32,121	-	32,121	-	32,121
Retirement costs	436,580	-	436,580	16,678	453,258
Therapy costs	1,068,266	-	1,068,266	-	1,068,266
Food and dietary supplies	256,154	-	256,154	41,424	297,578
Medical and nursing assistance and supplies	180,203	-	180,203	-	180,203
Insurance and risk management	408,689	-	408,689	38,563	447,252
Management fee	315,354	-	315,354	21,613	336,967
Depreciation	204,990	-	204,990	75,230	280,220
Maintenance and repairs	112,405	-	112,405	33,661	146,066
Utilities	154,472	-	154,472	30,935	185,407
Housekeeping and laundry supplies	48,369	-	48,369	2,795	51,164
Professional fees	67,281	600	67,881	2,900	70,781
Provider participation fee	58,194	-	58,194	-	58,194
Advertising	29,070	-	29,070	-	29,070
Administration and other costs	131,562	-	131,562	2,647	134,209
Provision for bad debts	60,000	-	60,000	-	60,000
Total operating expenses	6,639,478	600	6,640,078	375,238	7,015,316
OPERATING INCOME (LOSS)	(112,081)	(600)	(112,681)	57,224	(55,457)
NON-OPERATING REVENUES (EXPENSES)					
Contributions	196,265	-	196,265	-	196,265
Pension expense	(388,862)	-	(388,862)	-	(388,862)
Interest income	6,858	5,723	12,581	1,558	14,139
Interest expense	-	-	-	-	-
Non-operating revenues (expenses)	(185,739)	5,723	(180,016)	1,558	(178,458)
NET INCOME (LOSS)	(297,820)	5,123	(292,697)	58,782	(233,915)
TRANSFERS IN	311,532	155,344	466,876	-	466,876
TRANSFERS (OUT)	(215,344)	-	(215,344)	(311,532)	(526,876)
NET TRANSFERS IN (OUT)	96,188	155,344	251,532	(311,532)	(60,000)
CHANGE IN NET POSITION	(201,632)	160,467	(41,165)	(252,750)	(293,915)
NET POSITION - BEGINNING	3,505,109	2,461,250	5,966,359	1,890,679	7,857,038
TOTAL NET POSITION - ENDING	\$ 3,303,477	\$ 2,621,717	\$ 5,925,194	\$ 1,637,929	\$ 7,563,123

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

MENARD COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2016

	Enterprise Funds				
	Sunny Acres Nursing Home Fund			Countryside Estates of the County Fund	Total Enterprise Funds
	Operations Component	Capital Reserve Component	Total		
CASH FLOWS FROM OPERATING ACTIVITIES					
Net cash received for resident care and health care	\$ 6,058,072	\$ -	\$ 6,058,072	\$ 432,462	\$ 6,490,534
Payments to suppliers and others	(3,130,128)	-	(3,130,128)	(189,791)	(3,319,919)
Payments to employees	(3,103,193)	-	(3,103,193)	(114,239)	(3,217,432)
Net cash provided (used) by operating activities	(175,249)	-	(175,249)	128,432	(46,817)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Contributions received	196,265	-	196,265	-	196,265
Net cash provided (used) by non-capital operating activities	196,265	-	196,265	-	196,265
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Transfers in	311,532	155,344	466,876	-	466,876
Transfers out	(215,344)	-	(215,344)	(311,532)	(526,876)
Capital asset acquisitions	(210,127)	-	(210,127)	(9,141)	(219,268)
Certificates of deposit maturities	767,000	1,350,000	2,117,000	100,000	2,217,000
Certificates of deposit purchased	(777,000)	(1,350,000)	(2,127,000)	(225,000)	(2,352,000)
Advance from capital reserve component and or other funds	-	-	-	-	-
Advance to operations component and or other funds	(600)	(179,408)	(180,008)	-	(180,008)
Residents' prepayments, overpayments, and deposits	221	38,207	38,428	10,973	49,401
Net cash provided (used) by capital and related financing activities	(124,318)	14,143	(110,175)	(434,700)	(544,875)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	6,465	5,352	11,817	1,456	13,273
Net cash provided (used) by investing activities	6,465	5,352	11,817	1,456	13,273
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(96,837)	19,495	(77,342)	(304,812)	(382,154)
CASH AND CASH EQUIVALENTS -BEGINNING OF YEAR	357,315	1,049,425	1,406,740	861,560	2,268,300
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 260,478	\$ 1,068,920	\$ 1,329,398	\$ 556,748	\$ 1,886,146
NON-CASH TRANSACTIONS					
Pension expense	\$ (388,862)	-	(388,862)	-	\$ (388,862)
Net change in net position from non cash transactions	633,527	-	633,527	-	633,527
NET EFFECT OF NON-CASH TRANSACTIONS	\$ 244,665	\$ -	\$ 244,665	\$ -	\$ 244,665

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

MENARD COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2016
RECONCILIATION OF OPERATING INCOME
TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	Enterprise Funds				
	Sunny Acres Nursing Home Fund		Total	Countryside Estates of the County Fund	Total Enterprise Funds
	Operations Component	Capital Reserve Component			
OPERATING INCOME (LOSS)	\$ (112,081)	\$ (600)	\$ (112,681)	\$ 57,224	\$ (55,457)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Depreciation	204,990	-	204,990	75,230	280,220
Provision for bad debts, change in allowance	(33,420)	-	(33,420)	-	(33,420)
(Increase) decrease in accounts receivable	(375,435)	-	(375,435)	(7)	(375,442)
(Increase) decrease in inventories	(3,621)	-	(3,621)	1,771	(1,850)
(Increase) decrease in due from other County Funds	(470)	-	(470)	-	(470)
(Decrease) increase in accounts payable	172,903	-	172,903	(339)	172,564
(Decrease) increase in due to operations component	(600)	600	-	-	-
(Decrease) increase in accrued compensation	(27,515)	-	(27,515)	(5,447)	(32,962)
(Decrease) increase in due to other County Funds	-	-	-	-	-
Net cash provided by operating activities	<u>\$ (175,249)</u>	<u>\$ -</u>	<u>\$ (175,249)</u>	<u>\$ 128,432</u>	<u>\$ (46,817)</u>

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

MENARD COUNTY, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

NOVEMBER 30, 2016

	<u>Private-purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash	\$ 205,992	\$ 1,258,903
Receivables	30	131,452
Due from other funds	240	10,977
Capital assets, net	-	-
Other	-	80,000
	<hr/>	<hr/>
Total assets	206,262	1,481,332
LIABILITIES		
Accounts payable	2,648	-
Due to road districts	-	404,723
Due to taxing districts	-	526,181
Due to others	-	268,817
Due to other funds	-	281,611
	<hr/>	<hr/>
Total liabilities	2,648	1,481,332
NET POSITION		
Held in trust for - Individuals, organizations, and other governments	<u>\$ 203,614</u>	<u>\$ -</u>

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

MENARD COUNTY, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

YEAR ENDED NOVEMBER 30, 2016

	<u>Private-purpose Trust Funds</u>
ADDITIONS	
Fines, fees, and forfeitures	\$ 40,237
Charges for services	-
Contributions	-
Other	-
Interest	551
	<hr/>
Total additions	40,788
	<hr/>
DEDUCTIONS	
County law library	2,387
Investigations and training	525
Operating expenses	37,608
Depreciation	14,314
	<hr/>
Total deductions	54,834
	<hr/>
CHANGE IN NET POSITION	(14,046)
NET POSITION-BEGINNING	217,660
	<hr/>
NET POSITION-ENDING	\$ 203,614
	<hr/> <hr/>

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

MENARD COUNTY, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS
For the year ended November 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL STATEMENT

Menard County (County) is an Illinois municipal corporation. Primary governance is by a five-member elected board of commissioners holding both legislative and some executive powers. Other officials elected by voters of the County; Circuit Clerk, Sheriff, States Attorney, County Clerk, Assessor, Treasurer, also hold some executive powers. Although these elected officials manage the internal operations of their respective departments, the Board of Commissioners authorizes expenditures as well as serves as the budget and taxing authority, contracting body, and the chief administrators of both the County's *governmental* and *business-type activities*.

The County's financial statements are presented in conformity with generally accepted accounting principles (GAAP) as applied to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for state and local governments. What follows, are the County's more significant accounting policies.

B. FINANCIAL REPORTING ENTITY

These financial statements present the County (the primary government) and its component units, and include all funds and accounts of all County operations.

Two entities have been considered for inclusion in the County's financial statements. An overview of each entity and the consideration of financial accountability are discussed below. Management believes that only one of these entities, the *Menard County 911 System*, should be included in the County's financial statements as a discretely presented component unit. A "discrete presentation" displays the component unit's financial information in a separate column(s) apart from the primary government. The account balances and transactions of the other component unit, the *Menard County Health Department* have been blended into the County's financial statements. "Blending" is a process by which the account balances and transactions of the component unit are reported in a manner similar to the account balances and transactions of the primary government entity.

Menard County 911 System- Residents of Menard County established the County's emergency telephone system in November 2002 when a referendum was approved authorizing the Menard County Board of Commissioners to impose a \$3.25 monthly surcharge on the billed subscribers of 911 network connection telecommunications carriers who provide such services to their Menard County customers. The County has established the *Menard County Emergency Telephone Systems Board*. The Board's power and duties have been defined by county ordinance and include planning the 911 system; coordinating, supervising, and implementation; fiscal responsibilities; and personnel decision-making. The financial statements of the *Menard County 911 System* are included in the County's financial statements because of the degree of physical control exercised by the County; the Menard County Board of Commissioners appoints all the Board's members. It is presented as a "discretely presented component unit" to emphasize that

MENARD COUNTY, ILLINOIS
Notes to Financial Statements – Continued

it is a component unit legally separate from the County. Separate audited financial statements are not prepared.

Menard County Health Department- The account balances and transactions of the *Menard County Health Department* are included in the County's financial statements because it is fiscally dependent on the County. Separate audited financial statements are not prepared.

The cost of operating the **Logan-Mason-Menard Educational Service Region** is apportioned among the three counties, Logan, Mason, and Menard based on each respective county's aggregate equalized assessed valuation used for property tax levies. Separate audited financial statements are on file with the Menard County Clerk. Operating surpluses and deficits partially accrue to Menard County; however, because Logan County provides more than fifty percent of the Region's support, the accounts of the Region are not included in Menard County's financial statements.

The County's Board of Commissioners appoints the board members of several related organizations in the County. These organizations do not have a financial benefit/burden relationship with the County and are not required to be included in the County's financial statements. The County's accountability for these organizations (road districts, fire protection districts, drainage districts and cemetery districts) does not extend beyond making the appointments.

C. BASIS OF PRESENTATION

The *government-wide financial statements* (the *statement of net position* and the *statement of activities*) report financial information on all the County's activities, except for fiduciary activities. Eliminations have been made to eliminate the double counting of certain internal transactions for reimbursements of retirement costs, insurance costs and fuel costs.

Governmental activities, which are primarily supported by taxes, intergovernmental revenues, and other non-exchange transactions, are separately reported from *business-type activities*, which are financed in whole or in part by fees charged to external parties.

The *statement of net position* presents the County's assets, and deferred outflows of resources; and liabilities, and deferred inflows of resources, with the difference reported as net position in three distinct categories -

Invested in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net positions – result from limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted net position – is the net position that remains after the County's net position has been classified between invested in capital assets net of related debt and restricted net position.

It is the County's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued

The statement of activities demonstrates the degree to which the direct expenses of a given program/activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues consists of 1) fees, fines, and charges paid by the recipients of goods and services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The County segregates transactions related to certain functions or activities in separate funds to aid financial management and to demonstrate legal compliance. The *fund financial statements* provide information about these funds, including its fiduciary funds and blended component units. Separate fund financial statements are provided for each fund category – *governmental*, *proprietary*, and *fiduciary*. The emphasis on fund financial statements is on major governmental and proprietary funds (*enterprise*) each displayed in a separate column. All remaining governmental and, proprietary funds, if any, are aggregated and presented in a single column as *non-major funds*.

Fiduciary funds are excluded from the *government-wide* financial statements because those funds' assets are held by the County in a trustee or agency capacity for others and generally cannot be used to support the County's programs.

Governmental funds are those funds through which most governmental programs are financed. The measurement focus of governmental funds is on the sources, uses and balances of current financial resources. The County has presented the following major governmental funds –

General Fund – This is the County's main operating fund. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other revenues that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs not disbursed through other funds are disbursed from the *General Fund*.

Liability and Insurance Fund – This fund is used to account for the annual tax for the payment of the *governmental activities'* property and casualty risk management, including funding of self insured unemployment compensation costs.

Emergency Medical Services Fund – This fund is used to account for the operations related to providing emergency medical services throughout the County, primarily ambulance service. This includes the levy and collection of the annual property tax for ambulance service, all the public safety sales tax revenues, and the user charges collected to fund these services.

Health Department Fund – This fund is used to account for all the financial resources and expenditures for operating the County's Health Department. Revenues primarily consist of public health and other type grants.

County Highway Fund – This fund is used to account for the levy and collection of the annual property tax for maintaining, and improving the County's roads. It is also used to account for other financial resources that are not restricted by law or contractual agreement to some other County highway fund.

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements - Continued

County Motor Fuel Tax Fund – This fund is used to account for the receipt of motor fuel taxes allotted to the County to be retained and used for the construction and maintenance of State and County roads and bridges and other projects. All expenditures from this fund require the approval of the Illinois Department of Transportation and the County's Board of Commissioners.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included on the *statement of net position*. The County has presented the following major *proprietary funds* –

Sunny Acres Nursing Home Fund – This *enterprise fund* is used to account for the operations of the County's nursing home (long-term care facility), *Sunny Acres Nursing Home*.

Countryside Estates of the County Fund – This *enterprise fund* is used to account for the operations of the County's independent living facility, *Countryside Estates of the County*.

These two funds are the County's only *proprietary funds*, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the public and, internally, on a continuing basis, be financed or recovered through charges for those goods or services.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, depreciation on capital assets and other costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County uses both *agency* and *private purpose trust funds* for its *fiduciary activities*. *Agency funds* are used to account for property taxes, fees, fines, and other monies collected on the behalf of other governments, and other entities and individuals. *Private purpose trust funds* are used to report all other trust arrangements under which principal and income benefit other governments, and individuals. Separate *fund financial statements* are provided for the *fiduciary funds* even though they are excluded from the *government-wide financial statements*.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The *government-wide financial statements* and *fund financial statements* for the *proprietary funds* are reported using the economic resources measurement focus and accrual basis of accounting.

The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included in the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Governmental funds' financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified basis of accounting revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and sales taxes as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

The *Emergency Medical Services Fund*, the *Health Department Fund*, and certain other *governmental funds* report using full accrual basis of accounting.

Revenues susceptible to accrual are property taxes, sales taxes, licenses and fees, charges for service, interest income and intergovernmental revenues. All other governmental fund type revenues are generally recognized when received.

E. BUDGETS AND BUDGETARY ACCOUNTING

Budget amounts are determined on a basis consistent with generally accepted accounting principles for the specific fund types.

Appropriation balances lapse at year-end; consequently, the County does not utilize encumbrance accounting, a system by which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation.

F. CASH AND CASH EQUIVALENTS

The County Treasurer consolidates the cash for most of the *governmental funds* into two cash management pools to maximize interest income. Excess cash is invested in certificates of deposits with original maturities of eighteen months or less with local financial institutions. Each fund whose monies are deposited in the pooled accounts has equity therein. This equity is available on demand and is "cash equivalents" for financial reporting purposes. The two cash pools are maintained within the *General Fund* and in the *County Highway Fund*. Interest earned from the pooled accounts is retained by these two funds as an administrative cost recovery. In addition, because the two cash management pools are sufficiently liquid to permit the withdrawal of cash at any time without prior notice or penalty, if any, the funds' equity in the cash management pools is also considered to be the equivalent of cash.

The County considers *cash and cash equivalents* in proprietary funds to be cash on hand, demand deposits, and time deposits with original maturities of 90 days or less.

G. INVESTMENTS

Investments, if any, are reported at cost, which approximates fair value.

H. RECEIVABLES

Governmental Activities' Accounts receivable for services provided are reported net of related allowances for doubtful accounts and contractual adjustments for certain emergency medical services. Contractual adjustments occur in those situations where the

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements - Continued

payment rate from third party payers is less than the rate charged by the County for the respective services.

Business-type Activities' accounts receivable for services provided are reported net of related allowances for doubtful accounts and contractual adjustments, if any.

Health related service revenues are reported at estimated net realizable amounts from individuals, third -party payers, and others for services rendered.

I. INVENTORIES

Inventories are accounted for at invoice cost determined by the first - in first - out method. The purchase method is used to account for materials and supplies. The costs of materials and supplies are initially recorded as expenses with the recognition, as inventories, of significant amounts of unused materials and supplies on hand at year-end.

J. PREPAID EXPENSES

Prepaid expenses are generally for payments made in the current year for services or benefits occurring in a subsequent year and are reported with *other assets*.

K. INTERFUND RECEIVABLES AND PAYABLES

Outstanding balances between funds are eliminated within the *governmental activities* and the *business-type activities* columns for presentation of the *government-wide financial statements*. Any residual balances outstanding between the *governmental activities* and the *business-type activities* are reported as *internal balances*.

The outstanding balances between funds are not eliminated for presentation of the *fund financial statements* where they are included as *due from/due to other funds*.

L. RESTRICTED ASSETS

Restricted assets primarily include cash and certificates of deposit that have limitations placed on their use through resolution adopted by the County or through external restriction imposed by creditors, grantors, or laws, or regulations of other governments. It includes resources such as the designated earnings of the County's *business-type activities* derived from past participation in an alternate Medicaid reimbursement methodology with the State of Illinois Department of Healthcare and Family Services.

M. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable *governmental* and *business-type activities* in the *government-wide financial statements* and in the *fund financial statements* for the *proprietary funds*.

All capital assets are valued at historical costs or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Generally, assets capitalized have an original cost of \$1,000 or more and an estimated useful life of more than three years.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued

Property, plant, and equipment and infrastructure assets are depreciated using the straight-line method over the following estimated useful lives –

<i>Assets</i>	<i>Years</i>
<i>Buildings and improvements</i>	<i>10-40</i>
<i>Equipment</i>	<i>5-20</i>
<i>Vehicles</i>	<i>4-7</i>
<i>Roads</i>	<i>50</i>
<i>Bridges</i>	<i>75</i>

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

O. ACCRUED ABSENCES

County employees may accumulate earned but unused vacation pay and other paid time off benefits. Certain vacation benefits are included in accrued compensation for the *governmental activities*. For *business-type activities*, accrued compensation includes vacation pay and other paid time off benefits.

P. LONG-TERM OBLIGATIONS

Long-term debt is reported as liabilities in the applicable *governmental* or *business-type activities* and *proprietary funds'* balance sheet.

Debt proceeds, if any, are reported as *other financing sources* for governmental funds with debt service funds created and used to account for the servicing of the long-term obligations.

Q. TRANSACTIONS BETWEEN FUNDS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both *governmental* and *proprietary funds*.

R. FUND BALANCES FOR GOVERNMENTAL FUNDS

Fund balance for governmental funds consist of the following –

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes assets that are not expected to be converted into cash anytime soon for example: inventories, prepaid amounts, and long term loans and advances receivable.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the County’s highest level of decision making authority, the Board of County Commissioners. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).

Assigned Fund Balance – includes amounts intended by the County for specific purposes that are neither restricted nor committed. Intent is expressed by the Board of Commissioners to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund that are not classified as nonspendable, restricted, or committed.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in other classifications. *Governmental funds* report residual negative balances as unassigned fund balance.

In circumstances when an expenditure is made for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

S. NET POSITION

Net position represents the difference between assets, and deferred outflows of resources; and liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the construction, acquisition, or improvements of those assets. Restricted net position is legally restricted by outside parties and or the Board of Commissioners for a specific purpose.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

T. ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The County generally follows these procedures in establishing its budget –

- 1. In October of each year, the County Board of Commissioners develops a proposed operating budget for the fiscal year commencing the following December 1. The budget includes**

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

proposed expenditures and the means of financing them for virtually all the County’s individual funds.

2. A copy of the proposed budget is placed on file with the County Clerk for public inspection.
3. Each year the budget is adopted by resolution of the County Board of Commissioners.

After adoption of the budget, further additional appropriations are prohibited for appropriated funds except in the event of an emergency. Transfers from one appropriation of any one fund to another appropriation of the same fund, not affecting the total amount appropriated, may be made at any meeting of the County Board by a vote of the members.

Formal budgetary integration is employed during the year as a management control device. Appropriation balances lapse at year-end. The following funds had an excess of actual expenditures over budgeted expenditures for the year ended November 30, 2016.

	Expenditures		
	Actual	Budget	Excess
<i>Nonmajor Funds</i>			
<i>Court Document Storage Fund</i>	\$ 45,180	\$ 13,500	\$ 31,680
<i>Senior Transport Fund</i>	\$ 42,873	\$ 37,206	\$ 5,667
<i>Fiduciary Funds</i>			
<i>Sheriff’s Drug Forfeiture Fund</i>	\$ 525	\$ -	\$ 525
<i>Tax Sale In Error Interest Payment Fund</i>	\$ 2,250	\$ 4,791	\$ 2,541

The *Law Library Fund* had a deficit fund balance of \$1,480 at November 30, 2016 and the *Building Improvement Fund* had a deficit balance of \$25,861 at that date. Management expects to resolve these negative net positions during 2017.

The General Fund’s fund balance components at November 30, 2016 consisted of the following.

	<i>Nonspendable</i>	<i>Committed for</i>	<i>Assigned</i>	<i>Unassigned</i>	<i>Totals</i>
<i>Due from other funds</i>	-	-	112,984	-	112,984
<i>Accounts receivable</i>	13,418	-	-	-	13,418
<i>Available for spending</i>	-	-	-	1,472,021	1,472,021
<i>Totals</i>	13,418	-	112,984	1,472,021	1,598,423

3. DEPOSITS AND INVESTMENTS

State statutes authorize the types of investments the County may own and the financial institutions eligible to receive County deposits. This includes commercial banks, obligations of the United States Treasury and United States Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements subject to certain limitations, commercial paper rated within the three highest classifications by at least two standard rating services, Metropolitan Investment Fund, and the Illinois Funds Investment administered by the Treasurer of the State of Illinois. The County has approved the County treasurer’s investment policy. It is consistent with requirements of State statutes and strives to minimize the level of interest rate risk as well as the

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements – Continued

overall amount of credit risk. It is the policy and practice of the County treasurer to invest idle public funds in interest bearing accounts with local financial institutions and the Illinois Funds. Amounts on deposit with the local financial institutions more than insured limits must be entirely collateralized with appropriate investment securities and the collateralization recorded by the respective financial institution’s safekeeping agents for its investments securities.

At November 30, 2016, all the of the County and its component units’ bank deposits, were entirely insured and or collateralized by securities held by the pledging financial institutions’ safekeeping agents in the name of the County and or its component units.

The County had \$1,538,014 on deposit with the Illinois Funds Investment Pool at November 30, 2016. This deposit is not categorized because it is not evidenced by securities that exist in physical or book entry form. The Illinois Auditor General audits the financial statements for the Illinois Funds’ Investment Pool and performs other oversight functions.

4. ACCOUNTS and TAXES RECEIVABLE

Accounts receivable for the County’s *governmental funds* at November 30, 2016 are as follows -

	<i>General Fund</i>	<i>Emergency Medical Services Fund</i>	<i>Health Department Fund</i>	<i>County Highway Fund</i>	<i>Other nonmajor Governmental Funds</i>	<i>Total Governmental Activities</i>
<i>Salary reimbursements, State of Illinois</i>	103,236	-	-	-	-	103,236
<i>Construction costs, State of Illinois</i>	-	-	-	-	-	-
<i>Grants, State of Illinois</i>	-	-	26,334	-	-	26,334
<i>Medicare</i>	-	56,324	-	-	-	56,324
<i>Medicaid</i>	-	41,827	-	-	-	41,827
<i>Insurance</i>	-	115,777	-	-	-	115,777
<i>Individuals</i>	-	34,263	-	-	-	34,263
<i>Other</i>	16,556	-	-	-	4,902	21,458
<i>Interest</i>	2,726	-	-	270	63	3,059
Totals	122,518	248,191	26,334	270	4,965	402,278
<i>Less -</i>						
<i>Allowance for doubtful accounts</i>	(56,141)	(88,342)	-	-	-	(144,483)
<i>Allowance for contractual adjustments</i>	-	(184,337)	-	-	-	(184,337)
Net	66,377	(24,488)	26,334	270	4,965	73,458

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements – Continued

Medicaid amounts are collected from the State of Illinois and are usually in arrears several months. For health-related services, provided through the County’s *governmental activities*, payment rates established by State and Federal legislation and contractual arrangements with other third party Payers have been and are primarily prospective, with the intent of establishing payment rates that will not change before the period for which they will apply.

4. ACCOUNTS and TAXES RECEIVABLE - continued

Accounts receivable for the County’s *Business-type activities* at November 30, 2016 are as follows

	<i>Sunny Acres</i>	<i>Countryside</i>	<i>Total</i>
	<i>Nursing Home</i>	<i>Estates of the</i>	<i>Business-type</i>
	<i>Fund</i>	<i>County Fund</i>	<i>Activities</i>
<i>Private pay</i>	125,044	797	125,841
<i>Medicare</i>	422,915	-	422,915
<i>Medicaid</i>	1,000,323	-	1,000,323
<i>Insurance</i>	328,883	-	328,883
<i>Interest</i>	1,855	314	2,169
Totals	1,879,020	1,111	1,880,131
<i>Less -</i>			
<i>Allowance for</i>			
<i>Doubtful</i>			
<i>Accounts</i>	(445,718)	-	(445,718)
<i>Allowance for</i>			
<i>Contractual</i>			
<i>adjustments</i>	-	-	-
Net	1,433,302	1,111	1,434,413

For health-related services, provided through the County’s *business-type activities*, payment rates established by State and Federal legislation and contractual arrangements with other third party payers have been and are primarily prospective, with the intent of establishing payment rates that will not change before the period for which they will apply.

Taxes receivable for the County’s *governmental activities* at November 30, 2016 are as follows -

Tax	<i>General</i>	<i>Emergency</i>	<i>County</i>	<i>Nonmajor</i>	<i>Total</i>
	<i>Fund</i>	<i>Medical</i>	<i>Motor</i>	<i>Governmental</i>	<i>Governmental</i>
		<i>Services</i>	<i>Fuel</i>	<i>Funds</i>	<i>Activities</i>
		<i>Fund</i>	<i>Tax</i>		
			<i>Fund</i>		
<i>Sales</i>	45,732	115,071	-	2,259	163,062
<i>Income</i>	88,190	-	-	-	88,190
<i>Motor fuel</i>	-	-	17,852	-	17,852
Totals	133,922	115,071	17,852	2,259	269,104

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements – Continued

5. CAPITAL ASSETS

Depreciation expense for the *governmental activities*' functions was as follows -

<i>General government</i>	\$	72,795
<i>Public safety</i>		133,377
<i>Roads and bridges</i>		302,331
<i>Public health</i>		1,313
<i>Judiciary and court</i>		28,406
<i>Public welfare</i>		1,367
Total depreciation expense	\$	539,589

Depreciation expense for the *business-type activities* was as follows.

<i>Sunny Acres Nursing Home</i>	\$	204,990
<i>Countryside Estates of the County</i>		75,230
Total depreciation expense	\$	280,220

Depreciation expense for the *Menard County 911 System* was \$21,810.

Capital assets activity for *governmental activities* for the year ended November 30, 2016 is as follows -

	December 1	Increases	Decreases	November 30
Governmental Activities:				
<i>Land</i>	\$ 334,084	\$ -	\$ -	\$ 334,084
<i>Construction in progress</i>	349,304	-	(96,825)	252,479
Total assets not being depreciated	683,388	-	(96,825)	586,563
<i>Capital assets being depreciated</i>				
<i>Buildings and improvements</i>	4,007,918	440,663	-	4,448,581
<i>Equipment</i>	2,043,299	51,265	-	2,094,564
<i>Vehicles</i>	1,569,144	306,279	(90,723)	1,784,700
<i>Roads</i>	11,163,914	1,925,940	-	13,089,854
<i>Bridges</i>	4,252,582	-	-	4,252,582
Total assets being depreciated	23,036,857	2,724,147	(90,723)	25,670,281
<i>Less accumulated depreciation for</i>				
<i>Buildings and improvements</i>	(2,927,356)	(141,633)	-	(3,068,989)
<i>Equipment</i>	(1,949,657)	(52,816)	-	(2,002,473)
<i>Vehicles</i>	(1,310,336)	(102,945)	90,723	(1,322,558)
<i>Roads</i>	(5,296,267)	(187,409)	-	(5,483,676)
<i>Bridges</i>	(1,091,839)	(54,786)	-	(1,146,625)
Total accumulated depreciation	(12,575,455)	(539,589)	90,723	(13,024,321)
Total capital assets being depreciated, net	10,461,402	2,184,558	-	12,594,332
Governmental activities, capital assets, net	\$ 11,144,790	\$ 2,184,558	\$ (96,825)	\$ 13,232,523

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

5. CAPITAL ASSETS - continued

Capital assets activity for *business-type activities* for the year ended November 30, 2016 is as follows

	December 1	Increases	Decreases	November 30
Business-type Activities:				
Total assets not being depreciated	\$ -	\$ -	\$ -	\$ -
Capital assets being depreciated				
Buildings and improvements	6,907,393	187,578	-	7,094,971
Equipment and vehicles	1,568,927	14,519	-	1,583,446
Total assets being depreciated	8,476,320	202,097	-	8,678,417
Less accumulated depreciation for				
Buildings and improvements	(4,585,274)	(211,781)	-	(4,797,055)
Equipment	(1,347,365)	(68,439)	-	(1,415,804)
Total accumulated depreciation	(5,932,639)	(280,220)	-	(6,212,859)
Total capital assets being depreciated, net	2,543,681	(78,123)	-	2,465,558
Business-type activities, capital assets, net	\$ 2,543,681	\$ (78,123)	-	2,465,558

Capital assets activity for the enterprise funds for the year ended November 30, 2016 is as follows –

	December 1	Increases	Decrease	November 30
Sunny Acres Nursing Home:				
Capital assets being depreciated				
Buildings and improvements	\$ 4,509,742	\$ 178,437	\$ -	\$ 4,688,179
Equipment and vehicles	1,451,481	14,519	-	1,466,000
Total assets being depreciated	5,961,223	192,956	-	6,154,179
Less accumulated depreciation for				
Buildings and improvements	(3,116,876)	(140,215)	-	(3,257,091)
Equipment	(1,248,062)	(64,775)	-	(1,312,837)
Total accumulated depreciation	(4,364,938)	(204,990)	-	(4,569,928)
Sunny Acres Nursing Home capital assets, net	\$ 1,596,285	\$ (12,034)	\$ -	\$ 1,584,251
	December 1	Increases	Decrease	November 30
Countryside Estates of the County:				
Capital assets being depreciated				
Buildings and improvements	\$ 2,397,651	\$ 9,141	\$ -	\$ 2,406,792
Equipment	117,446	-	-	117,446
Total assets being depreciated	2,515,097	9,141	-	2,524,238
Less accumulated depreciation for				
Buildings and improvements	(1,468,398)	(71,566)	-	(1,539,964)
Equipment	(99,303)	(3,664)	-	(102,967)
Total accumulated depreciation	(1,567,701)	(75,230)	-	(1,642,931)
Countryside Estates of the County capital assets, net	\$ 947,396	\$ (66,089)	\$ 2,000	\$ 881,307

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Capital asset activity for the County's *discretely presented component unit* for the year ended November 30, 2016 is as follows -

	December 1	Increases	Decreases	November 30
Menard County 911 System:				
<i>Capital assets being depreciated</i>				
<i>Equipment</i>	\$ 752,424	\$ 46,896	-	\$ 799,320
<i>Total assets being depreciated</i>	752,424	46,896	-	799,320
<i>Less accumulated depreciation for</i>				
<i>Equipment</i>	(658,922)	(21,810)	-	(680,732)
<i>Total accumulated depreciation</i>	(658,922)	(21,810)	-	(680,732)
Menard County 911 System				
<i>capital assets, net</i>	\$ 93,502	\$ 25,086	\$ -	\$ 118,588

6. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at November 30, 2016 consist of the following -

	<i>Due from</i>							<i>Total</i>
	<i>General Fund</i>	<i>Special Revenue Funds</i>		<i>Proprietary Funds</i>	<i>Fiduciary Funds</i>			
		<i>Major</i>	<i>Nonmajor</i>					
<i>General Fund</i>	\$ -	\$ 31,823	\$ 156,051	\$ 1,675	\$ 176,654		\$ 366,203	
<i>Special Revenue Funds - Major</i>	-	-	-	-	56,001		56,001	
<i>Nonmajor</i>	42,946	4,810	23,569	121	47,738		119,184	
<i>Proprietary Funds</i>	801	-	179,408	-	-		180,209	
<i>Fiduciary Funds</i>	-	-	10,000	-	1,217		11,217	
Total	\$ 43,747	\$ 36,633	\$ 369,028	\$ 1,796	\$ 281,610		\$ 732,814	

These amounts result from budgeted interactions between funds that have not yet been settled at November 30; most amounts cleared after year end. The amount due from the *Fiduciary Funds* to the *General Fund* includes \$112,984 due from the *Health Insurance Clearing Fund* for advances provided to assist in financing the initial upfront premium and periodic cash flow needs: this interfund financing is more long term.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued

7. LONG-TERM DEBT

Long-term debt obligations' activity for the year ended November 30, 2016 was as follows –

	Beginning Balance	Additions	Reductions	Ending Balance	Due next year
Governmental Activities:					
Installment contracts	\$ 40,000	\$ 20,000	\$ 24,501	\$ 35,499	\$ 15,499
Total Governmental Activities	\$ 40,000	\$ 20,000	\$ 24,501	\$ 35,499	\$ 15,499
Business-type Activities:					
Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Total Business-type activities	\$ -	\$ -	\$ -	\$ -	\$ -

Long-term obligations for the *governmental activities* consist of –

A \$30,000 loan due to the Illinois Finance Authority Ambulance Revolving Loan Program; the terms of the loan agreement do not require interest and the loan must be repaid in annual installments of \$10,000 through November 2019.

An installment loan of \$5,499 payable to Athens State Bank, interest is at 2.5%, and is collateralized by a specific public safety vehicle.

Debt service requirements at November 30, 2016 are as follows –

Governmental Activities				
Year ending	Principal	Interest	Total	
November 30				
2017	15,499	138	15,637	
2018	10,000	-	10,000	
2019	10,000	-	10,000	
Total	\$ 35,499	\$ 138	\$ 35,637	

Long-term debt for the County's *discretely presented component unit* at November 30, 2016 was a \$100,000 equipment purchase financing loan, payable to Petefish, Skiles, and Co. Bank in five annual installments of \$20,910, including interest at 1.5%, commencing in January 2017. This debt obligation is secured by certain certificates of deposit.

Debt service requirements at November 30, 2016 are as follows –

Discretely presented component unit				
Year ending	Principal	Interest	Total	
November 30				
2017	19,410	1,500	20,910	
2018	19,701	1,209	20,910	
2019	19,997	913	20,910	
2020	20,297	613	20,910	
2021	20,595	315	20,910	
Total	\$ 100,000	\$ 4,550	\$ 104,550	

8. INTERGOVERNMENTAL AGREEMENT, BUSINESS – TYPE ACTIVITIES

Menard County had previously entered into an intergovernmental agreement with the State of Illinois to assist the Illinois Department of Healthcare and Family Services in administering an alternate Medicaid reimbursement methodology for county owned nursing homes. The Menard County Board of Commissioners designated that the administrative allowances earned because of the County's participation in the alternate reimbursement process, and the related interest income, net of any operating costs, be retained and restricted for future financing needs. The agreement became effective for services provided on and after October 1, 2002. The State terminated the agreement on September 30, 2006 and Menard County, as an owner and operator of a county owned nursing home, was then required to participate in the administration of the alternate Medicaid reimbursement methodology in accordance with new rules and regulations of the State of Illinois' Department of Healthcare and Family Services. While the agreement was in effect, both versions, the related financial transactions were accounted for in the County's *Intergovernmental Transfer Fund*. After the agreement was terminated, the *Sunny Acres Nursing Home Fund* commenced administering and accounting for the alternate Medicaid reimbursement process, and the net assets of the *Intergovernmental Transfer Fund* were designated as *capital reserve* by the County's Board of Commissioners, and transferred to, and segregated within the *Sunny Acres Nursing Home Fund* in November 2006.

The agreement for participating in the alternate reimbursement process ended in September 2009. The Medicaid reimbursement rate for 2010 and 2011 remained consistent with the 2009 rate via a funding plan that was approved by the federal government in June 2011; that successor arrangement for the Medicaid reimbursement methodology was and is to consist of a normal daily reimbursement amount to be earned monthly and a supplementary amount to be earned quarterly. It was and is the intent of the County's Board of Commissioners that the supplemental amounts earned will be reserved and restricted for future capital and financing needs as they are collected.

9. PROPERTY TAXES

Property taxes attach as an enforceable lien on real property as of January 1 in the year in which the taxes are levied. The County bills and collects its own property taxes and the taxes of other County taxing districts. The taxes are generally payable in two installments on June 1 and September 1. County property taxes are recognized as revenues when levied to the extent that they result in current receivables. The collection and remittance of property taxes to the County and other taxing districts is accounted for through the County Collector's General Tax Fund, a fiduciary fund.

The *unaudited* individual fund tax rates and limits during the years ended November 30, 2016 and 2015 are as follows:

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued

RATES PER \$100 OF EQUALIZED ASSESSED VALUATION
(2015 EQUALIZED ASSESSED VALUE \$278,519,761)
(2014 EQUALIZED ASSESSED VALUE \$267,434,226)

	Actual Rate		Legal Limit
	2015	2014	
General Fund	.3292	.3217	.4350
Retirement and FICA Fund	.2233	.2253	None
Liability Insurance Fund	.1017	.1026	None
Emergency Medical Services Fund	.1183	.1193	.2500
Tuberculosis Fund	.0030	.0030	.7500
General Assistance Fund	.0156	.0158	.1000
County Fair Fund	.0130	.0131	.0200
County Bridge Fund	.0500	.0499	.0500
Federal Aid Matching Fund	.0500	.0499	.0500
County Highway Fund	.1030	.1027	.1030
Road Repair and Maintenance Fund	.0500	.0499	.0500
Cooperative Extension Service Fund	.0098	.0100	.0500
Total rate	<u>1.0669</u>	<u>1.0632</u>	

10. INTERFUND TRANSFERS

Transfers are used to (1) move revenues from the fund that statute or budget requires collect them, to the fund that statute or budget requires expending them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers for the year ended November 30, 2016 consisted of the following -

		Transfers from						Total		
		General Fund		Special Revenue Funds		Proprietary Funds				
Transfers to				Major	Nonmajor					
		General Fund	\$	-	\$	-	\$	86,800	\$	60,000
Special Revenue										
Major		32,026		-		-		-		32,026
Nonmajor		310,000		-		-		-		310,000
Proprietary Funds		-		-		-		155,334		155,334
Total	\$	342,026	\$	-	\$	86,800	\$	215,334	\$	644,160

The transfers from and transfers to, \$155,334, within the *proprietary funds* represents the collection of Medicaid supplementary funds by the *operations component* of the *Sunny Acres Nursing Home Fund* and subsequent transfer to that fund's *capital reserve component* during 2016.

11. DEFINED BENEFIT PENSION PLANS

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

The majority of the County's employees participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for the sheriff, and deputies. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of: 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms –

As of December 31, 2015, the following plan members/participants were covered by the benefit terms:

	<i>RP</i>	<i>SLEP</i>	<i>ECO</i>
<i>Retirees and beneficiaries</i>	<i>110</i>	<i>9</i>	<i>8</i>
<i>Inactive, non-retired members</i>	<i>466</i>	<i>6</i>	<i>0</i>
<i>Active members</i>	<i>169</i>	<i>2</i>	<i>2</i>
<i>Total</i>	<i>745</i>	<i>24</i>	<i>10</i>

Contributions

As set by statute, RP members are required to contribute 4.5% of their annual covered salary; SLEP and ECO members contribute 7.5%. The County is required to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual contribution rates for calendar year 2015 were 7.06% RP; 21.49% SLEP; 80.401% ECO. For the fiscal year ended November 30, 2016, the County contributed \$406,960 to the RP; \$100,962 to SLEP; and \$25,112 to ECO. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The net pension liability for all three plans was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets. The Inflation Rate was assumed to be 3.5%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	<i>Portfolio Target Percentage</i>	<i>Long-Term Expected Real Rate of Return</i>
<i>Domestic Equity</i>	38%	7.39%
<i>International Equity</i>	17%	7.59%
<i>Fixed Income</i>	27%	3.00%
<i>Real Estate</i>	8%	6.00%
<i>Alternative Investments</i>	9%	2.75-8.15%
<i>Cash Equivalents</i>	1%	2.25%
<i>Total</i>	100%	

Single Discount Rate

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

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

For the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.50%.

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Change in the Net Pension Liability(asset) – Regular Plan (RP)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2014	18,071,368	19,438,856	(1,367,488)
Changes for the year:			
Service Cost	522,198	-	522,198
Interest on the Total Pension Liability	1,344,225	-	1,344,225
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience of the Total Pension Liability	636,622	-	636,622
Changes of Assumptions	-	-	-
Contributions - Employer	-	410,985	(410,985)
Contributions - Employees	-	268,096	(268,096)
Net Investment Income	-	96,845	(96,845)
Benefit Payments, including Refunds of Employee Contributions	(818,924)	(818,924)	-
Other (Net Transfer)	-	(325,720)	325,720
Net Changes	1,684,121	(368,718)	2,052,839
Balances at December 31, 2015	19,755,489	19,070,138	685,351

The regular plan includes both *governmental activities*' and *business-type activities*' employees. The net pension liability (asset) above as well as the pension expense and the related deferred outflows of resources and deferred inflows of resources amounts have been allocated between these two activities for financial reporting purposes based on the respective proportionate share of participating employees' salaries and wages for the year ended November 30, 2016; approximately 49.4% for *governmental activities* and 50.6% for *business-type activities*.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate for the Regular plan (RP)

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

	1% Lower 6.50%	Current Rate 7.50%	1% Higher 8.50%
Net Pension Liability(Asset)	3,348,922	685,351	(1,459,624)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions for the Regular Plan (RP)

For the year ended November 30, 2016, the County recognized pension expense for the Regular Plan of \$815,929; \$427,067 for its governmental activities and \$388,862 for its business-type activities. For the regular plan, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

	<i>Deferred</i>	<i>Deferred</i>	<i>Net Deferred</i>
<i>Deferred Amounts Related to Pensions</i>	<i>Outflows of</i>	<i>Inflows of</i>	<i>Outflows of</i>
	<i>Resources</i>	<i>Resources</i>	<i>Resources</i>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>			
<i>Differences between expected and actual experience</i>	380,426	35,170	(102,985)
<i>Changes of assumptions</i>	121,985	-	357,207
<i>Net difference between projected and actual earnings on pension plan investments</i>	<u>1,228,965</u>	<u>-</u>	<u>205,434</u>
<i>Total Deferred Amounts to be recognized in pension expense in future periods</i>	<u>1,731,736</u>	<u>35,170</u>	<u>1,696,566</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>378,411</u>	<u>-</u>	<u>378,411</u>
<i>Total Deferred Amounts Related to Pensions</i>	<u>2,110,147</u>	<u>35,170</u>	<u>2,074,977</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources for the regular plan related to pensions are expected to be recognized in pension expense in future periods as follows:

<i>Year Ending</i>	<i>Net Deferred</i>	<i>Governmental</i>	<i>Business-type</i>		
<i>November 30,</i>	<i>Outflows</i>	<i>Activities</i>	<i>Activities</i>		
2017	1,041,862	507,769	534,093		
2018	444,310	219,489	224,821		
2019	320,082	158,121	161,961		
2020	268,723	132,749	135,974		
2021	-	-	-		
after	-	-	-		
<i>Total</i>	<i>2,074,977</i>	<i>1,018,128</i>	<i>1,056,849</i>		

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Changes in the Net Pension Liability – Sheriff’s Law Enforcement Plan (SLEP)

	<i>Total</i>	<i>Plan</i>	<i>Net Pension</i>
	<i>Pension</i>	<i>Net Position</i>	<i>Liability</i>
	<i>Liability</i>		
Balances at December 31, 2014	4,323,851	3,814,722	509,129
Changes for the year:			
Service Cost	90,052	-	90,052
Interest on the Total Pension Liability	319,282	-	319,282
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience of the Total Pension Liability	92,744	-	92,744
Changes of Assumptions	5,944	-	5,944
Contributions - Employer		99,800	(99,800)
Contributions - Employees		55,599	(55,599)
Net Investment Income		18,932	(18,932)
Benefit Payments, including Refunds of Employee Contributions	(212,199)	(212,199)	-
Other (Net Transfer)	-	23,245	(23,245)
Net Changes	295,823	(14,623)	310,446
Balances at December 31, 2015	4,619,674	3,800,099	819,575

Sensitivity of the Net Pension Liability to Changes in the Discount Rate for the Sheriff’s Law Enforcement Plan (SLEP)

The following presents the Sheriff’s Law Enforcement Plan (SLEP) net pension liability, calculated using a Single Discount Rate of 7.50% as well as what the plan’s net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<i>1% Lower</i>	<i>Current Rate</i>	<i>1% Higher</i>
	<i>6.50%</i>	<i>7.50%</i>	<i>7.50%</i>
Net Pension Liability	1,467,315	819,575	293,259

or the year ended November 30, 2016, the County recognized pension expense for the Sheriff’s Law Enforcement Plan of \$55,583; all reported by the County’s *governmental activities*. Reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were-

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

<i>Deferred Amounts Related to Pensions</i>	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
<i>Differences between expected and actual experience</i>	121,452	-
<i>Changes of assumptions</i>	45,331	-
<i>Net difference between projected and actual earnings on pension plan investments</i>	<u>242,931</u>	<u>-</u>
<i>Total Deferred Amounts to be recognized in pension expense in future periods</i>	<u>409,714</u>	<u>-</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>100,962</u>	<u>-</u>
<i>Total Deferred Amounts Related to Pensions</i>	510,676	-

Amounts reported as deferred outflows of resources and deferred inflows of resources for the sheriff's law enforcement plan related to pensions will be recognized in pension expense in future periods as follows:

<i>Year ending November 30,</i>	<i>Net Deferred Outflows of Resources</i>
2017	222,485
2018	121,523
2019	103,810
2020	62,858
2021	-
After	-
Total	510,676

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

Changes in the Net Pension Liability – Elected County Officials Plan (ECO)

	<i>Total</i>	<i>Plan</i>	<i>Net Pension</i>
	<i>Pension</i>	<i>Net Position</i>	<i>Liability</i>
	<i>Liability</i>		<i>(Asset)</i>
<i>Balances at December 31, 2014</i>	<i>4,693,580</i>	<i>4,113,042</i>	<i>580,538</i>
<i>Changes for the year:</i>			
<i>Service Cost</i>	<i>31,687</i>	<i>-</i>	<i>31,687</i>
<i>Interest on the Total Pension Liability</i>	<i>341,132</i>	<i>-</i>	<i>341,132</i>
<i>Changes of Benefit Terms</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Differences between Expected and Actual Experience of the Total Pension Liability</i>	<i>81,467</i>	<i>-</i>	<i>81,467</i>
<i>Changes of Assumptions</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Contributions - Employer</i>	<i>-</i>	<i>21,668</i>	<i>(21,668)</i>
<i>Contributions - Employees</i>	<i>-</i>	<i>10,701</i>	<i>(10,701)</i>
<i>Net Investment Income</i>	<i>-</i>	<i>19,872</i>	<i>(19,872)</i>
<i>Benefit Payments, including Refunds of Employee Contributions</i>	<i>(309,852)</i>	<i>(309,852)</i>	<i>-</i>
<i>Other (Net Transfer)</i>	<i>-</i>	<i>262,475</i>	<i>(262,475)</i>
<i>Net Changes</i>	<i>144,434</i>	<i>4,864</i>	<i>139,570</i>
<i>Balances at December 31, 2015</i>	<i>4,838,014</i>	<i>4,117,906</i>	<i>720,108</i>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate for the Elected County Officials Plan (ECO)

The following presents the Elected County Officials Plan (ECO) net pension liability, calculated using a Single Discount Rate of 7.50% as well as what the plan’s net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<i>1% Lower</i>	<i>Current Rate</i>	<i>1% Higher</i>
	<i>6.50%</i>	<i>7.50%</i>	<i>8.50%</i>
<i>Net Pension Liability</i>	<i>1,280,232</i>	<i>720,108</i>	<i>251,223</i>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions for the Elected County Officials Plan (ECO)

For the year ended November 30, 2016, the County recognized pension expense for the Elected County Officials Plan (ECO) of \$442,216; all reported by the County’s *governmental activities*. Reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were:

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements – Continued

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
<i>Deferred Amounts Related to Pensions</i>		
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
<i>Differences between expected and actual experience</i>	34,679	-
<i>Changes of assumptions</i>	-	-
<i>Net difference between projected and actual earnings on pension plan investments</i>	267,034	-
<i>Total Deferred Amounts to be recognized in pension expense in future periods</i>	<u>301,713</u>	<u>-</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	25,112	-
<i>Total Deferred Amounts Related to Pensions</i>	326,825	-

Amounts reported as deferred outflows of resources and deferred inflows of resources for the elected county officials plan related to pensions will be recognized in pension expense in future periods as follows:

<i>Year ending November 30,</i>	<i>Net Deferred Outflows of Resources</i>
2017	129,600
2018	69,809
2019	69,809
2020	57,607
2021	-
<i>Total</i>	326,825

The pension expense (income) for all three pension plans is reported in the statement of activities for the year ended November 30, 2016 as follows -

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>
<i>Pension expense</i>			
<i>Regular plan (RP)</i>	427,067	388,862	815,929
<i>Sheriff's Law Enforcement Personnel Plan (SLEP)</i>	55,583	-	55,583
<i>Elected County Officials Plan (ECO)</i>	442,216	-	442,216
<i>Total pension expense</i>	924,866	388,862	1,313,728

The pension liability and related deferred outflows of resources and deferred inflows of resources for all three pension plans are reported in the statement of net position at November 30, 2016 as follows -

MENARD COUNTY, ILLINOIS
Notes to Basic Financial Statements – Continued

	<i>Governmental</i>	<i>Business-type</i>	
	<i>Activities</i>	<i>Activities</i>	<i>Total</i>
<i>Net pension liability</i>			
<i>Regular plan(RP)</i>	341,510	343,841	685,351
<i>Sheriffs' Law Enforcement Personnel Plan(SLEP)</i>	819,575	-	819,575
<i>Elected County Officials Plan(ECO)</i>	720,108	-	720,108
<i>Total net pension liability</i>	1,881,193	343,841	2,225,034
<i>Deferred outflows of resources</i>			
<i>Regular plan(RP)</i>	1,043,126	1,067,021	2,110,147
<i>Sheriff's Law Enforcement Personnel Plan(SLEP)</i>	510,676	-	510,676
<i>Elected County Officials Plan(ECO)</i>	326,825	-	326,825
<i>Total deferred outflows of resources</i>	1,880,627	1,067,021	2,947,648
<i>Deferred inflows of resources</i>			
<i>Regular plan(RP)</i>	17,645	17,525	35,170
<i>Sheriff's Law Enforcement Personnel Plan(SLEP)</i>	-	-	-
<i>Elected County Officials Plan(ECO)</i>	-	-	-
<i>Total deferred inflows of resources</i>	17,645	17,525	35,170

12. DEFERRED COMPENSATION PLANS

The County sponsors deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to all County employees at their option and permit participants to defer a portion of their salary until future years. The deferred compensation and accumulated earnings are not available to participants until termination, retirement, death or unforeseeable emergency. The plans' assets have been placed in trust for the exclusive benefit of plan participants and are not included in the County's financial statements. The County has no fiduciary responsibility for the plans' assets.

13. INTEREST EXPENSE

There were no interest costs incurred by the *governmental activities*. The *business-type activities* did not incur any interest costs.

14. ECONOMIC DEPENDENCY

Local Illinois governments and other organizations are currently confronted with what can become or seems like unprecedented circumstances and challenges as consequences of decreases in tax revenues, grant revenues, and reimbursements for the actual costs of provided services. Constraints on liquidity and difficulty obtaining financing can also result.

Emergency Medical Services' operations are funded with both Medicare and Medicaid revenues.

Many Sunny Acres' Nursing Home's residents receive Medicaid insurance benefits through the State of Illinois Department of Healthcare and Family Services. In these instances, a substantial portion of the nursing home's fee for resident care services is received directly from the State of Illinois. Amounts

MENARD COUNTY, ILLINOIS

Notes to Basic Financial Statements – Continued

due from the State of Illinois for Medicaid reimbursements generally are in arrears three to five months. Sunny Acres began providing Medicare services to eligible residents in late 2004. Approximately eighty percent of the nursing home's revenue is derived through and from Medicare and Medicaid.

15. RISK MANAGEMENT

Menard County participates in the Illinois Counties Risk Management Trust to finance and manage its potential risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. This is an arrangement by which certain Illinois counties pool risks and funds and participate and share in the costs of reinsurance arrangements. There was no significant reduction in risk coverage from 2014.

The County is self-insured for State of Illinois unemployment compensation purposes. Such costs, if any are funded after notification from the State of Illinois.

16. COMMITMENTS

Approximately \$800,000 of the *roads and bridges* restricted net assets is committed for current and future expected road and bridge construction projects.

17. CONTINGENCIES

The County participates in several Federal and State award programs and derives revenues from Medicare and Medicaid. These programs are subject to program compliance audits by the grantors or their representatives. Management believes that any liability for reimbursement, if any, which may arise, as the result of these audits will not significantly impact the County's financial position.

18. SUBSEQUENT EVENTS

Subsequent events were evaluated through May 26, 2017; the date the financial statements were available for issuance. Events or transactions occurring after November 30, 2016 and through May 26, 2017, if any, that provided additional evidence about conditions that existed at November 30, 2016 have been recognized in the basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
REVENUES					
Property taxes	\$ 894,500	\$ 894,500	\$ 891,638	\$ -	\$ (2,862)
Federal and State payments	1,352,363	1,352,363	1,451,028	-	98,665
Fines, fees, forfeitures and licenses	394,700	394,700	427,882	-	33,182
Charges for services	142,000	142,000	142,000	-	-
Other	11,530	11,530	21,809	-	10,279
Interest	15,000	15,000	12,819	-	(2,181)
Total revenues	2,810,093	2,810,093	2,947,176	-	137,083
EXPENDITURES					
General government	1,285,186	1,285,186	1,093,181	-	192,005
Public safety	1,323,040	1,323,040	1,165,467	-	157,573
Judiciary and court	652,361	652,361	569,037	-	83,324
County development	6,250	6,250	6,250	-	-
Total expenditures	3,266,837	3,266,837	2,833,935	-	432,902
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(456,744)	(456,744)	113,241	-	569,985
OTHER FINANCING SOURCES (USES)					
Operating transfers in (out):					
From Sunny Acres Nursing Home Fund	60,000	60,000	60,000	-	-
From County Clerk Document Storage Fund	10,000	10,000	10,000	-	-
From County Farm Fund	46,000	46,000	46,000	-	-
From GIS Fund	30,000	30,000	30,000	-	-
From Circuit Clerk Operation and Administrative Fund	800	800	800	-	-
To Health Department Fund	(68,000)	(68,000)	(32,026)	-	35,974
To Animal Control Fund	(51,000)	(51,000)	(51,000)	-	-
To County Elections Fund	(60,000)	(60,000)	(60,000)	-	-
To Building Improvement Fund	(199,000)	(199,000)	(199,000)	-	-
Total other financing sources (uses)	(231,200)	(231,200)	(195,226)	-	35,974
NET CHANGE IN FUND BALANCE	(687,944)	(687,944)	(81,985)	-	605,959
FUND BALANCE - BEGINNING	1,447,863	1,447,863	1,680,229	-	232,366
FUND BALANCE - ENDING	\$ 759,919	\$ 759,919	\$ 1,598,244	\$ -	\$ 838,325

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016			Variances - Positive (Negative)	
	Budgeted Amounts		Actual Amounts	Budget	Budget Final to
	Original	Final		Original to Final	Actual
REVENUES					
Real estate taxes	\$ 891,000	\$ 891,000	\$ 889,128	\$ -	\$ (1,872)
Mobile home privilege taxes	400	400	420	-	20
Shelter rent in lieu of taxes	3,100	3,100	2,090	-	(1,010)
Federal and State payments:					
Personal property replacement tax	51,000	51,000	49,880	-	(1,120)
Sales tax	215,600	215,600	320,343	-	104,743
County supplemental sales tax	158,000	158,000	138,027	-	(19,973)
State income tax	660,000	660,000	677,686	-	17,686
Salary reimbursements	247,763	247,763	250,548	-	2,785
Federal awards	20,000	20,000	-	-	(20,000)
State awards	-	-	14,544	-	14,544
Fines, fees, forfeitures and licenses:					
Circuit Clerk fees and fines	170,000	170,000	168,764	-	(1,236)
County Clerk fees	149,000	149,000	150,954	-	1,954
Treasurer and Collector fees	35,000	35,000	49,730	-	14,730
County Sheriff fees	20,000	20,000	25,764	-	5,764
State's Attorney fees	4,200	4,200	3,463	-	(737)
Zoning fees	16,000	16,000	11,673	-	(4,327)
Other	500	500	17,534	-	17,034
Charges for services:					
Housing federal prisoners and others	-	-	-	-	-
Salary reimbursements	142,000	142,000	142,000	-	-
Other	11,530	11,530	21,809	-	10,279
Interest	15,000	15,000	12,819	-	(2,181)
TOTAL REVENUES	\$ 2,810,093	\$ 2,810,093	\$ 2,947,176	\$ -	\$ 137,083

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
EXPENDITURES					
General government:					
Building and grounds - Courthouse:					
Salaries of custodians	\$ 57,850	\$ 57,850	\$ 54,517	\$ -	\$ 3,333
Operating fuel	300	300	100	-	200
Electrical, plumbing, etc	800	800	343	-	457
Building repairs and maintenance	20,500	20,500	20,383	-	117
Landscaping	2,000	2,000	1,237	-	763
Electricity and natural gas	25,000	25,000	24,034	-	966
Water and sewer	1,300	1,300	1,139	-	161
Garbage disposal	650	650	611	-	39
Sanitation, cleaning, disinfecting	8,000	8,000	7,027	-	973
Total building and grounds - Courthouse	116,400	116,400	109,391	-	7,009
Office of County Clerk and Recorder:					
Salary of County Clerk and Recorder	57,521	57,521	57,521	-	-
Salaries and wages	89,183	89,183	88,428	-	755
Stationery and office supplies	3,750	3,750	3,763	-	(13)
Office equipment	300	300	300	-	-
Copy machine supplies	1,800	1,800	1,038	-	762
Books, periodicals, manuals	100	100		-	100
Postage	4,200	4,200	92	-	4,108
Auto mileage and travel expense	1,400	1,400	303	-	1,097
Legal notices or publishing	100	100	100	-	-
Printing, duplication, binding	100	100	100	-	-
Telephone	1,850	1,850	874	-	976
Maintenance of office equipment	600	600	88	-	512
Dues and memberships	400	400	270	-	130
Instruction and schooling	250	250	-	-	250
Computer related	1,302	1,302	2,058	-	(756)
Total County Clerk and Recorder	162,856	162,856	154,935	-	7,921

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to Actual
	Original	Final		Original to Final	
EXPENDITURES					
General government (continued)					
Office of County Treasurer and Collector					
Salary of County Treasurer and Collector	57,521	57,521	57,521	-	-
Salaries and wages	54,735	54,735	53,247	-	1,488
Stationery and office supplies	1,500	1,500	990	-	510
Office equipment	250	250	-	-	250
Books, periodicals, manuals	-	-	-	-	-
Computer related	102	102	861	-	(759)
Auto mileage	300	300	37	-	263
Postage	4,700	4,700	4,543	-	157
Travel expense	250	250	-	-	250
Legal notices or publishing	700	700	842	-	(142)
Printing, duplicating, binding	800	800	103	-	697
Telephone	1,200	1,200	905	-	295
Maintenance of office equipment	1,450	1,450	1,313	-	137
Dues and memberships	150	150	150	-	-
Instruction and schooling	350	350	-	-	350
Total County Treasurer and Collector	124,008	124,008	120,512	-	3,496
Office of Supervisor of Assessments:					
Salary of Supervisor of Assessments (50% reimbursed by the State of Illinois)	63,990	63,990	63,989	-	1
Salaries and wages	67,778	67,778	62,777	-	5,001
Per diem	400	400	300	-	100
Stationery and office supplies	800	800	445	-	355
Office equipment	800	800	316	-	484
Books, periodicals, manuals	250	250	-	-	250
Computer related	620	620	861	-	(241)
Professional fees - appraisals	500	500	-	-	500
Auto mileage	800	800	955	-	(155)
Postage	3,000	3,000	42	-	2,958
Telephone	1,800	1,800	724	-	1,076
Travel expense	500	500	1,320	-	(820)
Legal notices or publishing	2,500	2,500	865	-	1,635
Printing, duplicating, binding	800	800	607	-	193
Dues and memberships	250	250	380	-	(130)
Instruction and schooling	1,000	1,000	450	-	550
Mapping maintenance	1,000	1,000	-	-	1,000
Total Supervisor of Assessments	146,788	146,788	134,031	-	12,757

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
EXPENDITURES					
General government (continued)					
County Coordinator, Zoning, and GIS:					
Salaries and wages	87,502	87,502	87,206	-	296
Per diem	4,000	4,000	1,550	-	2,450
Stationery and office supplies	300	300	213	-	87
Office equipment	400	400	-	-	400
Postage	900	900	400	-	500
Books, periodicals, manuals	100	100	-	-	100
Computer related	102	102	861	-	(759)
Auto mileage	1,000	1,000	186	-	814
Travel expense	200	200	111	-	89
Legal notices or publishing	1,600	1,600	696	-	904
Printing, duplicating, binding	-	-	-	-	-
Telephone	1,000	1,000	659	-	341
Dues and memberships	150	150	-	-	150
Instruction and schooling	700	700	450	-	250
Office equipment greater than \$500	-	-	-	-	-
Total County Coordinator, Zoning, and GIS	97,954	97,954	92,332	-	5,622
Other:					
Salaries and wages	-	-	-	-	-
Compensation of County Commissioners	40,000	40,000	40,000	-	-
Per diem	4,300	4,300	640	-	3,660
Stationery and office supplies	-	-	10	-	(10)
Books, periodicals, manuals	-	-	-	-	-
Information technology	50,000	50,000	43,493	-	6,507
County's share of expenses of Regional Superintendent of Schools' Office	31,950	31,950	31,950	-	-
Inquest and autopsy fees	10,000	10,000	20,775	-	(10,775)
State of Illinois revenue stamps	70,000	70,000	45,088	-	24,912
Auditing and accounting services	45,150	45,150	43,350	-	1,800
Consulting and legal services	14,800	14,800	10,915	-	3,885
Auto mileage	2,000	2,000	841	-	1,159
Office equipment	4,550	4,550	2,324	-	2,226
Travel expenses	500	500	1,305	-	(805)
Legal notices or publishing	800	800	512	-	288
Printing, duplicating, and binding	-	-	-	-	-
Court reporting	500	500	-	-	500
Health Insurance	289,000	289,000	236,857	-	52,143
Telephone	50	50	-	-	50
Dues and memberships	1,580	1,580	915	-	665
Contingencies	50,000	50,000	501	-	49,499
Other	2,000	2,000	920	-	1,080
Office equipment over \$500	20,000	20,000	1,584	-	18,416
Total other expenditures	637,180	637,180	481,980	-	155,200
Total general government	1,285,186	1,285,186	1,093,181	-	192,005

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
EXPENDITURES					
Public safety:					
Office of County Sheriff - Law Enforcement:					
Salary of Sheriff	71,190	71,190	71,190	-	-
Other salaries and wages	959,500	959,500	875,345	-	84,155
CIEG task force	20,000	20,000	11,667	-	8,333
Stationery and supplies	2,000	2,000	1,611	-	389
Copy machine supplies	500	500	369	-	131
Books, periodicals, manuals	500	500	487	-	13
Office equipment	1,000	1,000	350	-	650
Computer related	5,250	5,250	1,458	-	3,792
Inmate supplies	1,000	1,000	966	-	34
Medical, dental, and nursing fees	35,000	35,000	31,995	-	3,005
Prisoner food and meals	25,000	25,000	23,871	-	1,129
Gasoline, equipment, and supplies	40,000	40,000	20,848	-	19,152
Clothing, uniforms	10,000	10,000	5,561	-	4,439
Operational supplies	4,000	4,000	3,093	-	907
Towing and hauling	500	500	-	-	500
Postage	2,500	2,500	2,021	-	479
Legal notices or publishing	350	350	-	-	350
Electricity and gas	16,000	16,000	15,729	-	271
Telephone	18,000	18,000	29,533	-	(11,533)
Water and sewer	5,500	5,500	2,517	-	2,983
Garbage disposal	750	750	791	-	(41)
Automobile maintenance	18,000	18,000	10,998	-	7,002
Mobile equipment maintenance	4,000	4,000	3,452	-	548
Office equipment maintenance	1,500	1,500	23	-	1,477
Landscaping maintenance	-	-	-	-	-
Office equipment leases	5,300	5,300	5,791	-	(491)
Dues and memberships	2,200	2,200	2,261	-	(61)
Janitorial	9,000	9,000	3,882	-	5,118
Housing prisoners in other counties	10,000	10,000	3,096	-	6,904
Travel expense	2,000	2,000	989	-	1,011
Convention	1,000	1,000	300	-	700
Instruction and schooling	6,000	6,000	2,662	-	3,338
County Sheriff (carried forward)	1,277,540	1,277,540	1,132,856	-	144,684

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
EXPENDITURES					
Public safety (continued)					
Office of County Sheriff - Law Enforcement:					
County Sheriff (brought forward)	1,277,540	1,277,540	1,132,856	-	144,684
Investigation costs	500	500	-	-	500
Photographic equipment	-	-	-	-	-
Automotive equipment	24,000	24,000	23,625	-	375
Radio equipment	500	500	114	-	386
Jail repair and maintenance	20,000	20,000	8,472	-	11,528
Other	500	500	400	-	100
Total Public Safety	1,323,040	1,323,040	1,165,467	-	157,573
Judiciary and court related:					
Office of State's Attorney:					
Salary of State's Attorney (88% reimbursed by the State of Illinois)	137,138	137,138	128,959	-	8,179
Other salaries and wages	67,727	67,727	49,692	-	18,035
Stationery and office supplies	3,350	3,350	2,027	-	1,323
Office equipment	550	550	-	-	550
Copy machine supplies	1,441	1,441	1,582	-	(141)
Books, periodicals, manuals	4,300	4,300	3,732	-	568
Computer related	125	125	861	-	(736)
Court reporting	850	850	487	-	363
Witness fees	1,000	1,000	265	-	735
Postage	1,050	1,050	1,013	-	37
Travel	920	920	698	-	222
Legal notices or publishing	315	315	136	-	179
Telephone	2,000	2,000	1,013	-	987
Office equipment maintenance	200	200	-	-	200
Dues and memberships	1,100	1,100	996	-	104
Instruction and schooling	850	850	450	-	400
Investigation expense	1,000	1,000	315	-	685
Miscellaneous fees	100	100	-	-	100
State's Attorney appellate service	5,000	5,000	5,000	-	-
Total State's Attorney	229,016	229,016	197,226	-	31,790

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget Original to	Budget Final to
	Original	Final		Final	Actual
EXPENDITURES					
Judiciary and court related (continued)					
Office of Circuit Clerk:					
Salary of Circuit Clerk	63,990	63,990	63,990	-	-
Other salaries and wages	99,284	99,284	97,284	-	2,000
Stationery and office supplies	4,000	4,000	3,357	-	643
Copy machine supplies	-	-	-	-	-
Books, periodicals, manuals	-	-	-	-	-
Computer related	102	102	861	-	(759)
Auto mileage	200	200	-	-	200
Postage	4,000	4,000	4,000	-	-
Printing, duplicating, binding	-	-	-	-	-
Telephone	3,000	3,000	2,331	-	669
Office equipment maintenance	-	-	-	-	-
Office equipment rental	2,100	2,100	1,436	-	664
Dues and memberships	250	250	205	-	45
Total Circuit Clerk	176,926	176,926	173,464	-	3,462
The Courts of Menard County:					
Juror fees	6,000	6,000	-	-	6,000
Office equipment	1,000	1,000	-	-	1,000
Stationery and office supplies	1,500	1,500	1,509	-	(9)
Books, periodicals, manuals	5,000	5,000	6,677	-	(1,677)
Jurors' food and meals	1,000	1,000	-	-	1,000
Computer related	100	100	861	-	(761)
Court reporting	2,000	2,000	7,452	-	(5,452)
Legal - guardian ad litem, attorney fees, judge's salary, etc.	85,000	85,000	62,799	-	22,201
Services for juveniles	1,000	1,000	-	-	1,000
Witnesses	25,000	25,000	3,902	-	21,098
Auto mileage	400	400	-	-	400
Travel expenses	500	500	-	-	500
Telephone	900	900	966	-	(66)
Medical, dental and nursing fees	500	500	-	-	500
Instruction and schooling	1,000	1,000	629	-	371
Office equipment maintenance	1,000	1,000	-	-	1,000
Other	500	500	-	-	500
Postage	600	600	138	-	462
Dues and memberships	350	350	-	-	350
Office equipment greater than \$500	-	-	-	-	-
Total Courts of Menard County	133,350	133,350	84,933	-	48,417

MENARD COUNTY, ILLINOIS

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
EXPENDITURES					
Judiciary and court related (continued)					
Probation office:					
Salaries and wages (70% reimbursed by the State of Illinois)	113,069	113,069	112,968	-	101
Stationery and office supplies	-	-	-	-	-
Travel and auto mileage	-	-	160	-	(160)
Legal notices or publishing	-	-	-	-	-
Postage	-	-	286	-	(286)
Telephone	-	-	-	-	-
Instruction and Schooling	-	-	-	-	-
Office equipment	-	-	-	-	-
Computer expense	-	-	-	-	-
Total probation office	113,069	113,069	113,414	-	(345)
Total judiciary and court related	652,361	652,361	569,037	-	83,324
County development:					
Soil Conservation	6,250	6,250	6,250	-	-
Total County development	6,250	6,250	6,250	-	-
Total Expenditures	\$ 3,266,837	\$ 3,266,837	\$ 2,833,935	\$ -	\$ 432,902

MENARD COUNTY, ILLINOIS
LIABILITY AND INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Variances - Positive (Negative)	
	Budgeted Amounts		Actual	Budget
	Original	Final	Amounts	Original to Final
REVENUES				
Property taxes	\$ 268,730	\$ 268,730	\$ 275,456	\$ -
Total revenues	<u>268,730</u>	<u>268,730</u>	<u>275,456</u>	<u>-</u>
EXPENDITURES				
Liability and insurance	293,480	293,480	226,225	-
Total expenditures	<u>293,480</u>	<u>293,480</u>	<u>226,225</u>	<u>-</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(24,750)	(24,750)	49,231	-
FUND BALANCE - BEGINNING	<u>476,481</u>	<u>476,481</u>	<u>492,423</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 451,731</u>	<u>\$ 451,731</u>	<u>\$ 541,654</u>	<u>\$ -</u>

MENARD COUNTY, ILLINOIS

EMERGENCY MEDICAL SERVICES FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
REVENUES					
Property taxes	\$ 321,470	\$ 321,470	\$ 320,416	\$ -	\$ (1,054)
Public safety sales tax	460,000	460,000	424,762	-	(35,238)
Federal and State payments	-	-	17,493	-	17,493
Charges for services	442,250	442,250	467,941	-	25,691
Other	-	-	180,237	-	180,237
Interest	-	-	361	-	361
Total revenues	1,223,720	1,223,720	1,411,210	-	187,490
EXPENDITURES					
Public safety:					
Salaries and wages	722,000	722,000	690,448	-	31,552
Retirement	109,500	109,500	96,703	-	12,797
Unemployment compensation	-	-	-	-	-
Health insurance	65,000	65,000	66,976	-	(1,976)
Insurance and risk management	69,500	69,500	61,724	-	7,776
Operational	43,400	43,400	33,651	-	9,749
Repair and maintenance	36,000	36,000	28,725	-	7,275
Rents and leases	25,350	25,350	12,300	-	13,050
Telephone	8,000	8,000	6,976	-	1,024
Professional assistance	34,000	34,000	32,579	-	1,421
Other	51,900	51,900	13,347	-	38,553
Equipment acquisitions	64,800	64,800	89,112	-	(24,312)
Interest expense	100	100	57	-	43
Total expenditures	1,229,550	1,229,550	1,132,598	-	96,952
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(5,830)	(5,830)	278,612	-	284,442
OTHER FINANCING SOURCES (USES)					
Operating transfers in (out)	-	-	-	-	-
To Building Improvement Fund	-	-	(176,850)	-	(176,850)
Total other financing sources	-	-	(176,850)	-	(176,850)
NET CHANGE IN FUND BALANCE	(5,830)	(5,830)	101,762	-	107,592
FUND BALANCE - BEGINNING	472,165	472,165	477,447	-	5,282
FUND BALANCE - ENDING	\$ 466,335	\$ 466,335	\$ 579,209	\$ -	\$ 112,874

MENARD COUNTY, ILLINOIS

HEALTH DEPARTMENT FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
REVENUES					
Federal and State Grant Programs	\$ 63,200	\$ 63,200	\$ 97,514	\$ -	\$ 34,314
Home Health Care Program	-	-	-	-	-
Health Department fees	-	-	-	-	-
Contributions	-	-	30,000	-	30,000
Other	-	-	2,129	-	2,129
Interest	-	-	-	-	-
Total revenues	63,200	63,200	129,643	-	66,443
EXPENDITURES					
Public health:					
Salaries and wages	-	-	-	-	-
Office	-	-	-	-	-
Operational	3,586	3,586	549	-	3,037
Contractual services	123,200	123,200	157,514	-	(34,314)
Professional fees	600	600	240	-	360
Transportation	-	-	-	-	-
Publishing and printing	-	-	-	-	-
Risk management costs	-	-	-	-	-
Health Insurance	-	-	-	-	-
Utilities	342	342	690	-	(348)
Repair and maintenance	-	-	-	-	-
Rents and leases	2,560	2,560	2,676	-	(116)
Other	-	-	-	-	-
Total expenditures	130,288	130,288	161,669	-	(31,381)
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(67,088)	(67,088)	(32,026)	-	35,062
OTHER FINANCING SOURCES (USES)					
Operating transfers in (out)					
From General Fund	68,000	68,000	32,026	-	(35,974)
Total other financing sources	68,000	68,000	32,026	-	(35,974)
NET CHANGE IN FUND BALANCE	912	912	-	-	(912)
FUND BALANCE - BEGINNING	(911)	(911)	351	-	1,262
FUND BALANCE - ENDING	\$ 1	\$ 1	\$ 351	\$ -	\$ 350

MENARD COUNTY, ILLINOIS

COUNTY HIGHWAY FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget Original to	Budget Final to
	Original	Final		Final	Actual
REVENUES					
Property taxes	\$ 284,960	\$ 284,960	\$ 278,975	\$ -	\$ (5,985)
Federal and State payments	-	-	-	-	-
Charges for services	165,000	165,000	164,190	-	(810)
Other	14,000	14,000	14,302	-	302
Interest	4,000	4,000	4,365	-	365
Total revenues	467,960	467,960	461,832	-	(6,128)
EXPENDITURES					
Roads and bridges:					
Salaries and wages	310,200	310,200	271,422	-	38,778
Office	5,500	5,500	1,816	-	3,684
Operational	103,000	103,000	21,451	-	81,549
Maintenance	2,200	2,200	678	-	1,522
Construction	11,500	11,500	5,806	-	5,694
Professional fees	31,500	31,500	1,710	-	29,790
Transportation	3,500	3,500	330	-	3,170
Publishing and printing	1,500	1,500	181	-	1,319
Health and other insurance	38,500	38,500	38,472	-	28
Utilities	20,600	20,600	13,358	-	7,242
Repair and maintenance	95,500	95,500	38,091	-	57,409
Rents and leases	15,000	15,000	3,541	-	11,459
Right of way	4,500	4,500	-	-	4,500
Bridges and culverts	1,000	1,000	-	-	1,000
Road improvements	200,000	200,000	6,010	-	193,990
Drainage improvements	5,000	5,000	-	-	5,000
Equipment acquisitions	233,200	233,200	140,357	-	92,843
Other	5,000	5,000	7,769	-	(2,769)
Total roads and bridges	1,087,200	1,087,200	550,992	-	536,208
NET CHANGE IN FUND BALANCE	(619,240)	(619,240)	(89,160)	-	530,080
FUND BALANCE - BEGINNING	893,861	893,861	857,506	-	(36,355)
FUND BALANCE - ENDING	\$ 274,621	\$ 274,621	\$ 768,346	\$ -	\$ 493,725

MENARD COUNTY, ILLINOIS

COUNTY MOTOR FUEL TAX FUND

BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED NOVEMBER 30, 2016

	2016		Actual Amounts	Variances - Positive (Negative)	
	Budgeted Amounts			Budget	Budget Final to
	Original	Final		Original to Final	Actual
REVENUES					
Federal and State payments	\$ 330,000	\$ 330,000	\$ 329,188	\$ -	\$ (812)
Interest	100	100	506	-	406
Total revenues	330,100	330,100	329,694	-	(406)
EXPENDITURES					
Road and bridges:					
Salaries and wages	119,700	119,700	120,160	-	(460)
Stationery and supplies	-	-	226	-	(226)
Asphalt and road oil	300,000	300,000	162,476	-	137,524
Cinders	-	-	-	-	-
Salt	10,000	10,000	-	-	10,000
Aggregates	155,000	155,000	88,766	-	66,234
Centerline paint	10,000	10,000	-	-	10,000
Engineering	-	-	-	-	-
Hauling	10,000	4,900	-	5,100	4,900
Road maintenance	10,000	10,000	9,621	-	379
Rents and leases	15,000	20,100	14,576	(5,100)	5,524
Bridges and culverts	-	-	-	-	-
Road improvements	10,000	10,000	-	-	10,000
Total expenditures	639,700	639,700	395,825	-	243,875
NET CHANGE IN FUND BALANCE	(309,600)	(309,600)	(66,131)	-	243,469
FUND BALANCE - BEGINNING	362,021	362,021	415,072	-	53,051
FUND BALANCE - ENDING	\$ 52,421	\$ 52,421	\$ 348,941	\$ -	\$ 296,520

MENARD COUNTY, ILLINOIS

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
REGULAR PLAN (RP)

November 30, 2016

Calendar Year Ended December 31,	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 570,840	522,198	564,017
Interest on the Total Pension Liability	1,470,216	1,344,225	1,237,178
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(193,984)	636,622	(170,800)
Changes of Assumptions	-	-	592,429
Benefit Payments, including Refunds of Employee Contributions	(876,064)	(818,924)	(730,319)
Net Change in Total Pension Liability	971,008	1,684,121	1,492,505
Total Pension Liability - Beginning	19,755,489	18,071,368	16,578,863
Total Pension Liability - Ending (A)	\$ 20,726,497	19,755,489	18,071,368
Plan Fiduciary Net Position			
Contributions - Employer	\$ 368,081	410,985	406,000
Contributions - Employees	249,281	268,096	236,595
Net Investment Income	1,309,971	96,845	1,120,791
Benefit Payments, including Refunds of Employee Contributions	(876,064)	(818,924)	(730,319)
Other (Net Transfer)	(18,606)	(325,720)	(11,699)
Net Change in Plan Fiduciary Net Position	1,032,663	(368,718)	1,021,368
Plan Fiduciary Net Position - Beginning	19,070,138	19,438,856	18,417,488
Plan Fiduciary Net Position - Ending (B)	\$ 20,102,801	19,070,138	19,438,856
Net Pension Liability (Asset) - Ending (A) - (B)	\$ 623,696	685,351	(1,367,488)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.99%	96.53%	107.57%
Covered Valuation Payroll	\$ 5,213,616	5,375,153	4,897,706
Net Pension Liability as a Percentage of Covered Valuation Payroll	11.96%	12.75%	-27.92%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 - year trend is compiled, information is presented only for those years for which information is available. The December 31, 2014 data was used for the year ended November 30, 2015 financial reporting. The December 31, 2015 data was used for the year ending November 30, 2016 financial reporting. The December 31, 2016 data will be used for the year ending November 30, 2017 financial reporting.

MENARD COUNTY, ILLINOIS

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SHERIFFS LAW ENFORCEMENT PLAN (SLEP)

November 30, 2016

Calendar Year Ended December 31,	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 99,088	90,052	108,322
Interest on the Total Pension Liability	341,429	319,282	292,493
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(126,566)	92,744	89,187
Changes of Assumptions	(11,988)	5,944	73,201
Benefit Payments, including Refunds of Employee Contributions	(209,319)	(212,199)	(170,202)
Net Change in Total Pension Liability	92,644	295,823	393,001
Total Pension Liability - Beginning	4,619,674	4,323,851	3,930,850
Total Pension Liability - Ending (A)	\$ 4,712,318	4,619,674	4,323,851
Plan Fiduciary Net Position			
Contributions - Employer	\$ 104,270	99,800	104,791
Contributions - Employees	36,391	55,599	60,353
Net Investment Income	269,479	18,932	219,548
Benefit Payments, including Refunds of Employee Contributions	(209,319)	(212,199)	(170,202)
Other (Net Transfer)	96,221	23,245	(1,444)
Net Change in Plan Fiduciary Net Position	297,042	(14,623)	213,046
Plan Fiduciary Net Position - Beginning	3,800,099	3,814,722	3,601,676
Plan Fiduciary Net Position - Ending (B)	\$ 4,097,141	3,800,099	3,814,722
Net Pension Liability (Asset) - Ending (A) - (B)	\$ 615,177	819,575	509,129
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.95%	82.26%	88.23%
Covered Valuation Payroll	\$ 485,209	500,694	458,695
Net Pension Liability as a Percentage of Covered Valuation Payroll	126.79%	163.69%	111.00%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 - year trend is compiled, information is presented only for those years for which information is available. The December 31, 2014 data was used for the year ended November 30, 2015 financial reporting. The December 31, 2015 data was used for the year ending November 30, 2016 financial reporting. The December 31, 2016 data will be used for the year ending November 30, 2017 financial reporting.

MENARD COUNTY, ILLINOIS

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ELECTED COUNTY OFFICIALS PLAN (ECO)

November 30, 2016

Calendar Year Ended December 31,	2015	2015	2014
Total Pension Liability			
Service Cost	\$ 31,812	31,687	76,563
Interest on the Total Pension Liability	351,690	341,132	240,734
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(49,092)	81,467	1,146,664
Changes of Assumptions	(5,121)	-	160,053
Benefit Payments, including Refunds of Employee Contributions	(316,928)	(309,852)	(203,884)
Net Change in Total Pension Liability	12,361	144,434	1,420,130
Total Pension Liability - Beginning	4,838,014	4,693,580	3,273,450
Total Pension Liability - Ending (A)	\$ 4,850,375	4,838,014	4,693,580
Plan Fiduciary Net Position			
Contributions - Employer	\$ 108,292	21,668	131,144
Contributions - Employees	10,102	10,701	19,915
Net Investment Income	281,933	19,872	222,899
Benefit Payments, including Refunds of Employee Contributions	(316,928)	(309,852)	(203,884)
Other (Net Transfer)	27,026	262,475	262,481
Net Change in Plan Fiduciary Net Position	110,425	4,864	432,555
Plan Fiduciary Net Position - Beginning	4,117,906	4,113,042	3,680,487
Plan Fiduciary Net Position - Ending (B)	\$ 4,228,331	4,117,906	4,113,042
Net Pension Liability (Asset) - Ending (A) - (B)	\$ 622,044	720,108	580,538
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.18%	85.12%	87.63%
Covered Valuation Payroll	\$ 134,692	138,745	138,768
Net Pension Liability as a Percentage of Covered Valuation Payroll	461.83%	519.02%	418.35%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 - year trend is compiled, information is presented only for those years for which information is available. The December 31, 2014 data was used for the year ended November 30, 2015 financial reporting. The December 31, 2015 data was used for the year ending November 30, 2016 financial reporting. The December 31, 2016 data will be used for the year ending November 30, 2017 financial reporting.

MENARD COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
REGULAR PLAN (RP)

November 30, 2016

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered valuation payroll
2014	\$ 394,755	\$ 406,000	\$ (11,245)	\$ 4,897,706	8.29%
2015	\$ 412,812	\$ 410,985	\$ 1,827	\$ 5,375,153	7.65%
2016	\$ 368,081	\$ 368,081	\$ 1,827	\$ 5,213,616	7.06%

MENARD COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SHERIFFS LAW PERSONNEL PLAN (SLEP)

November 30, 2016

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered valuation payroll
2014	\$ 95,363	\$ 104,791	\$ (9,428)	\$ 458,695	22.85%
2015	\$ 97,085	\$ 99,800	\$ (2,715)	\$ 500,694	19.93%
2016	\$ 104,271	\$ 104,271	\$ -	\$ 485,209	21.49%

MENARD COUNTY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ELECTED COUNTY OFFICIALS PLAN (ECO)

November 30, 2016

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered valuation payroll
2014	\$ 68,538	\$ 131,144	\$ (62,606)	\$ 138,768	94.51%
2015	\$ 20,160	\$ 21,668	\$ (1,508)	\$ 138,745	15.62%
2016	\$ 108,292	\$ 108,292	\$ -	\$ 134,692	80.40%

MENARD COUNTY, ILLINOIS

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

For the year ended November 30, 2016

1. BUDGETS AND BUDGETARY ACCOUNTING

Budget amounts are determined on a basis consistent with generally accepted accounting principles for the specific fund types.

Appropriation balances lapse at year-end; consequently, the County does not utilize encumbrance accounting, a system by which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation.

The County generally follows these procedures in establishing its budget –

1. In October of each year, the County Board of Commissioners develops a proposed operating budget for the fiscal year commencing the following December 1. The budget includes proposed expenditures and the means of financing them for virtually all of the County’s individual funds.
2. A copy of the proposed budget is placed on file with the County Clerk for public inspection.
3. Each year the budget is adopted by resolution of the County Board of Commissioners.

After adoption of the budget, further appropriations are prohibited for appropriated funds except in the event of an emergency. Transfers from one appropriation of any one fund to another appropriation of the same fund, not affecting the total amount appropriated, may be made at any meeting of the County Board by a vote of the members.

Formal budgetary integration is employed during the year as a management control device. Appropriation balances lapse at year-end. The following governmental funds had an excess of actual expenditures over budgeted expenditures for the year ended November 30, 2016.

	<i>Expenditures</i>		
	<i>Actual</i>	<i>Budget</i>	<i>Excess</i>
<i>Nonmajor Funds</i>			
<i>Court Document Storage Fund</i>	\$ 45,180	\$ 13,500	\$ 31,680
<i>Senior Transport Fund</i>	\$ 42,873	\$ 37,206	\$ 5,667
<i>Fiduciary Funds</i>			
<i>Sheriff's Drug Forfeiture Fund</i>	\$ 525	\$ -	\$ 525
<i>Tax Sale In Error Interest Payment Fund</i>	\$ 2,250	\$ 4,791	\$ 2,541

MENARD COUNTY, ILLINOIS

Notes to Required Supplementary Information – Continued

A management budget is prepared each year for the two *enterprise funds* that comprise the County's *business-type activities*. The County Board of Commissioners' and management's expectations for *Sunny Acres Nursing Home* and *Countryside Estates of the County* results of operations is always greater than what is documented in the management budgets for those operations.

2. DEFINED BENEFIT PENSION PLANS

The County maintains three defined benefit pension plans through the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. See the related schedules that precede these notes.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rates

Valuation Date:

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

Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method Aggregate entry age = normal.

Amortization Method: Level percentage of payroll, closed.

Remaining Amortization Period: 28-year closed period until remaining period reaches 15 years (then 15 year rolling period).

Early Retirement Incentive Plan liabilities: a period up to ten years selected by the employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 23 years for most employers.

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 4%

Price Inflation: 3%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 4.40% to 16%, including inflation

Investment Rate of Return: 7.50%

MENARD COUNTY, ILLINOIS

Notes to Required Supplementary Information – Continued

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2014, actuarial valuation; note two year lag between valuation and rate setting.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Retirement and FICA Fund

To account for the levy and collection of the annual tax for payment of the County's contribution to the United States Social Security System and the Illinois Municipal Retirement Fund.

Tuberculosis Fund

To account for the levy and collection of the annual tax for the purpose of providing for the care and treatment of inhabitants who may be afflicted with tuberculosis.

Animal Control Fund

To account for the receipt of service fees from Municipalities, registration fees and fines, and the payment of costs of the Animal Control Program in the County including payment of damages to individuals for the loss of livestock and poultry. One-third of all fees collected must be retained in the Fund until the first Monday in March for the purpose of paying damage claims.

County Farm Fund

To account for the proceeds derived from the leasing of farmland owned by the County and the payment of necessary expenditures. The County Board may appropriate accumulated proceeds for general county purposes.

General Assistance Fund

To account for the levy and collection of the annual tax for general assistance purposes in the County.

County Fair Fund

To account for the levy and collection of the annual tax for County fair purposes.

County Clerk Document Storage System Fund

To account for the collection of a recording fee used for automating the County Clerk's office.

SPECIAL REVENUE FUNDS - continued

Tax Sale Automation Fund

To account for the collection of fees for costs related to the automation of the property tax system and delinquent property tax sales.

County Elections Fund

To account for funds provided by the General Fund for annual elections costs.

Court Automation Fund

To account for the collection of an automation fee to be used for automating the Circuit Clerk's office.

Cooperative Extension Service Fund

To account for the levy and collection of the annual tax for the Cooperative Extension Service.

Senior Transport Fund

To account for the revenues and costs of providing transportation to Menard County citizens sixty years of age and older.

Building Improvement Fund

To account for monies designated for anticipated major improvements to the County Courthouse including the County jail facility.

Court Document Storage System Fund

To account for the collection of a court document fee to be used to establish a court document storage system in the Circuit Clerk's office.

Probation Services Fund

To account for funds collected and expended for costs associated with the probation office. Plans for expenditure are subject to approval by the State probation office.

County Bridge Fund

To account for the levy and collection of the annual tax for the purpose of aiding in the constructing and repairing of County bridges, culverts, grade separations and drainage structures.

SPECIAL REVENUE FUNDS - continued

Federal Aid Matching Fund

To account for the levy and collection of the annual tax for the purpose of providing funds to pay the expenses for engineering and other costs and its proportionate share of construction or maintenance of highways in the Federal primary, secondary, or County highway network.

Road Repair and Maintenance Fund

To account for the levy and collection of the annual tax for the purpose of improving, constructing, maintaining or repairing certain County roads.

Court Services Fund

To account for the collection of court services fees for costs related to the providing of court security.

Court Fund

To account for the collection of fees from the Circuit Clerk for Court improvements.

D.U.I. Equipment Fund

To account for the collection of fees from the Circuit Clerk to be used for the purchase of equipment.

County G.I.S. Fund

To account for the resources to implement a Digitalized Geographic Information Mapping System for the County.

State's Attorney Drug Forfeiture Fund

To account for the receipt of drug forfeiture funds and proceeds in accordance with provisions of the prevailing State Statute.

Emergency Relief Fund

To account for certain grants and contributions received for programs to aid certain Menard County residents in the payment of specific emergency expenditures.

Public Land Dedication Fees Fund

To account for certain zoning fees pertaining to the dedication of public lands.

SPECIAL REVENUE FUNDS – continued

Tourism Promotion Fund

To account for the receipt of a county wide hotel tax to be used for funding certain costs relating to tourism promotion, conventions, expositions, theatrical, sports, and cultural activities within the County.

Drug Traffic Prevention Fund

To account for fees and contributions received for funding certain costs pertaining to preventing drug traffic activities in the County.

Circuit Clerk Operation and Administration Fund

To account for fees collected by the Circuit Clerk that are designated for funding certain operations and administration costs.

Sheriff Vehicle Fund

To account for fees collected by the Circuit Clerk that are designated to assist in funding the costs of acquiring and replacing the Sheriff Department's vehicles.

MENARD COUNTY, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	Retirement and Fica Fund	Tuberculosis Fund	Animal Control Fund	County Farm Fund	General Assistance Fund	County Fair Fund
ASSETS						
Cash and certificates of deposit	\$ 720,369	\$ 57,496	\$ 38,139	\$ 143,375	\$ 130,001	\$ 801
Investments	-	-	-	-	-	-
Accounts receivable	-	63	-	-	-	-
Taxes receivables	-	-	-	-	-	-
Due from other funds	66,777	245	-	-	1,276	1,064
Total assets	\$ 787,146	\$ 57,804	\$ 38,139	\$ 143,375	\$ 131,277	\$ 1,865
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 70,932	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued compensation	-	-	3,500	-	-	-
Unearned revenue	-	-	-	-	15,000	-
Due to other funds	-	-	-	121,000	10,527	-
Total liabilities	70,932	-	3,500	121,000	25,527	-
FUND BALANCES	716,214	57,804	34,639	22,375	105,750	1,865
Total liabilities and fund balances	\$ 787,146	\$ 57,804	\$ 38,139	\$ 143,375	\$ 131,277	\$ 1,865

MENARD COUNTY, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	County Clerk Document Storage System Fund	Tax Sale Automation Fund	County Elections Fund	Court Automation Fund	Cooperative Extension Service Fund	Senior Transport Fund
ASSETS						
Cash and certificates of deposit	\$ 96,742	\$ 11,383	\$ 133,140	\$ 51,347	\$ 13,766	\$ 19,200
Investments	-	-	-	-	-	-
Accounts receivable	-	-	3,060	-	-	-
Taxes receivables	-	-	-	-	-	-
Due from other funds	915	-	-	428	801	3,634
Total assets	\$ 97,657	\$ 11,383	\$ 136,200	\$ 51,775	\$ 14,567	\$ 22,834
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued compensation	-	-	-	-	-	-
Unearned revenue	-	-	7,775	-	-	5,500
Due to other funds	-	-	-	-	-	3,603
Total liabilities	4,000	-	7,775	-	-	9,103
FUND BALANCES	93,657	11,383	128,425	51,775	14,567	13,731
Total liabilities and fund balances	\$ 97,657	\$ 11,383	\$ 136,200	\$ 51,775	\$ 14,567	\$ 22,834

MENARD COUNTY, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	Building Improvement Fund	Court Document Storage System Fund	Probation Services Fund	County Bridge Fund	Federal Aid Matching Fund	Road Repair and Maintenance Fund
ASSETS						
Cash and certificates of deposit	\$ 153,547	\$ 61,153	\$ 225,420	\$ 642,051	\$ 530,916	\$ 51,921
Investments	-	-	-	-	-	-
Accounts receivable	-	1,842	-	-	-	-
Taxes receivables	-	-	-	-	-	-
Due from other funds	-	252	6,994	8,900	13,580	4,090
Total assets	\$ 153,547	\$ 63,247	\$ 232,414	\$ 650,951	\$ 544,496	\$ 56,011

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,367
Accrued compensation	-	-	-	-	-	-
Unearned revenue	-	4,500	-	-	-	-
Due to other funds	179,408	-	-	19,490	-	-
Total liabilities	179,408	4,500	-	19,490	-	26,367
FUND BALANCES	(25,861)	58,747	232,414	631,461	544,496	29,644
Total liabilities and fund balances	\$ 153,547	\$ 63,247	\$ 232,414	\$ 650,951	\$ 544,496	\$ 56,011

MENARD COUNTY, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	Court Services Fund	Court Fund	D.U.I. Equipment Fund	County G.I.S. Fund	State's Attorney Drug Forfeiture Fund	Emergency Relief Fund
ASSETS						
Cash and certificates of deposit	\$ -	\$ 22,317	\$ 3,369	\$ 206,831	\$ 1,082	\$ 19,773
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Taxes receivables	-	-	-	-	-	-
Due from other funds	6,552	745	471	2,397	-	-
Total assets	\$ 6,552	\$ 23,062	\$ 3,840	\$ 209,228	\$ 1,082	\$ 19,773

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts payable	\$ 2,624	\$ -	\$ -	\$ 2,500	\$ -	\$ -
Accrued compensation	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	2,000
Due to other funds	-	5,000	-	30,000	-	-
Total liabilities	2,624	5,000	-	32,500	-	2,000
FUND BALANCES	3,928	18,062	3,840	176,728	1,082	17,773
Total liabilities and fund balances	\$ 6,552	\$ 23,062	\$ 3,840	\$ 209,228	\$ 1,082	\$ 19,773

MENARD COUNTY, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

NOVEMBER 30, 2016

	Public Land Dedication Fees Fund	Tourism Promotion Fund	Drug Traffic Prevention Fund	Circuit Clerk Operation and Administration Fund	Sheriff Vehicle Fund	Totals
ASSETS						
Cash and certificates of deposit	\$ 1,560	\$ 6,672	\$ 5,222	\$ 6,649	\$ 2,392	\$ 3,356,634
Investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	4,965
Taxes receivables	-	2,259	-	-	-	2,259
Due from other funds	-	-	32	31	-	119,184
Total assets	\$ 1,560	\$ 8,931	\$ 5,254	\$ 6,680	\$ 2,392	\$ 3,483,042

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,423
Accrued compensation	-	-	-	-	-	3,500
Unearned revenue	-	-	-	-	-	34,775
Due to other funds	-	-	-	-	-	369,028
Total liabilities	-	-	-	-	-	513,726
FUND BALANCES	1,560	8,931	5,254	6,680	2,392	2,969,316
Total liabilities and fund balances	\$ 1,560	\$ 8,931	\$ 5,254	\$ 6,680	\$ 2,392	\$ 3,483,042

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED NOVEMBER 30, 2016

	Retirement and Fica Fund	Tuberculosis Fund	Animal Control Fund	County Farm Fund	General Assistance Fund	County Fair Fund	County Clerk Document Storage System Fund	Tax Sale Automation Fund	County Elections Fund	Court Automation Fund
REVENUES										
Property taxes	\$ 603,106	\$ 8,103	\$ -	\$ -	\$ 42,134	\$ 35,112	\$ -	\$ -	\$ -	\$ -
Mobile home privilege tax	285	4	-	-	20	16	-	-	-	-
Other taxes	1,418	19	-	-	99	83	-	-	-	-
Personal property replacement tax	21,226	-	-	-	-	-	-	-	-	-
Fines, fees, forfeitures and licenses	-	-	-	-	-	-	16,163	2,965	-	5,076
Federal and State payments	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	48,201	63,320	-	-	-	-	-	-
Other	-	-	3,613	-	2,788	-	-	-	-	-
Interest	-	110	-	-	-	-	-	-	-	-
Total revenues	626,035	8,236	51,814	63,320	45,041	35,211	16,163	2,965	-	5,076
EXPENDITURES										
Current:										
General government	-	-	-	5,441	-	-	10,431	923	61,943	-
Public safety	-	-	77,381	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-	-
Judiciary and court	-	-	-	-	-	-	-	-	-	-
County development	-	-	-	-	-	35,000	-	-	-	4,560
Liability and insurance	-	-	-	-	-	-	-	-	-	-
Retirement and FICA	503,390	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	46,172	-	-	-	-	-
Debt Service:										
Principal retirement	-	-	14,501	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	499	-	-	-	-	-	-	-
Capital outlay:										
-	-	-	3,297	-	-	-	-	-	-	-
-	503,390	-	95,678	5,441	46,172	35,000	10,431	923	61,943	4,560
Total expenditures	122,645	8,236	(43,864)	57,879	(1,131)	211	5,732	2,042	(61,943)	516
EXCESS REVENUES OVER (UNDER) EXPENDITURES										
	-	-	51,000	(46,000)	-	-	(10,000)	-	60,000	-
OTHER FINANCING SOURCES (USES)										
Operating transfers in	-	-	-	(46,000)	-	-	(10,000)	-	-	-
Operating transfers out	-	-	51,000	(46,000)	-	-	(10,000)	-	60,000	-
Total other financing sources (uses)										
	-	-	-	(46,000)	-	-	(10,000)	-	60,000	-
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	122,645	8,236	7,136	11,879	(1,131)	211	(4,268)	2,042	(1,943)	516
FUND BALANCE - BEGINNING	593,569	49,568	27,503	10,496	106,881	1,654	97,925	9,341	130,368	51,259
FUND BALANCE - ENDING	\$ 716,214	\$ 57,804	\$ 34,639	\$ 22,375	\$ 105,750	\$ 1,865	\$ 93,657	\$ 11,383	\$ 128,425	\$ 51,775

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED NOVEMBER 30, 2016

	Cooperative Extension Service Fund	Senior Transport Fund	Building Improvement Fund	Court Document Storage System Fund	Probation Services Fund	County Bridge Fund	Federal Aid Matching Fund	Road Repair and Maintenance Fund	Court Services Fund	Court Fund
REVENUES										
Property taxes	\$ 26,467	\$ -	\$ -	\$ -	\$ -	\$ 135,045	\$ 135,045	\$ 135,045	\$ -	\$ -
Mobile home privilege tax	12	-	-	-	-	64	64	64	-	-
Other taxes	62	-	-	-	-	317	317	317	-	-
Personal property replacement tax	-	-	-	-	-	-	-	-	-	-
Fines, fees, forfeitures and licenses	-	-	-	3,030	49,518	-	-	-	17,078	7,350
Federal and State payments	-	20,691	-	3,204	-	-	18	-	-	-
Charges for services	-	8,948	-	-	-	1,225	-	-	-	-
Other	-	17,468	-	-	-	-	99,341	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total revenues	26,541	47,107	-	6,234	49,518	136,651	234,785	135,426	17,078	7,350
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	65,190	10,531	146,776	-	-
Public health	-	-	-	-	-	-	-	-	-	-
Judiciary and court	-	-	-	-	12,767	-	-	-	35,619	-
County development	26,625	-	-	4,936	-	-	-	-	-	-
Liability and insurance	-	-	-	-	-	-	-	-	-	-
Retirement and FICA	-	-	-	-	-	-	-	-	-	-
Public welfare	-	42,873	-	-	-	-	-	-	-	-
Debt Service:										
Principal retirement	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
Capital outlay:	-	-	403,115	40,244	3,222	-	-	-	-	-
Total expenditures	26,625	42,873	403,115	45,180	15,989	65,190	10,531	146,776	35,619	-
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(84)	4,234	(403,115)	(38,946)	33,529	71,461	224,254	(11,350)	(18,541)	7,350
OTHER FINANCING SOURCES (USES)										
Operating transfers in	-	-	375,850	-	-	-	-	-	5,000	-
Operating transfers out	-	-	-	-	-	-	-	-	-	(5,000)
Total other financing sources (uses)	-	-	375,850	-	-	-	-	-	5,000	(5,000)
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(84)	4,234	(27,265)	(38,946)	33,529	71,461	224,254	(11,350)	(13,541)	2,350
FUND BALANCE - BEGINNING	14,651	9,497	1,404	97,693	198,885	560,000	320,242	40,994	17,469	15,712
FUND BALANCE - ENDING	\$ 14,567	\$ 13,731	\$ (25,861)	\$ 58,747	\$ 232,414	\$ 631,461	\$ 544,496	\$ 29,644	\$ 3,928	\$ 18,062

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED NOVEMBER 30, 2016

	D.U.I. Equipment Fund	County G.I.S. Fund	State's Attorney Drug Forfeiture Fund	Emergency Relief Fund	Public Land Dedication Fees Fund	Tourism Promotion Fund	Drug Traffic Prevention Fund	Circuit Clerk Operation and Administration Fund	Sheriff Vehicle Fund
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mobile home privilege tax	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	10,356	-	-	-
Personal property replacement tax	-	-	-	-	-	-	-	-	-
Fines, fees, forfeitures and licenses	3,105	38,998	3	-	-	-	1,283	1,513	1,610
Federal and State payments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenues	3,105	38,998	3	-	-	10,356	1,283	1,513	1,610
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	391	-	-
Roads and bridges	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-
Judiciary and court	-	-	-	-	-	-	-	-	-
County development	-	17,576	-	-	-	9,000	-	-	-
Liability and insurance	-	-	-	-	-	-	-	-	-
Retirement and FICA	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal retirement	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital outlay:									
Total expenditures	-	17,576	-	-	-	9,000	391	-	-
EXCESS REVENUES OVER (UNDER) EXPENDITURES	3,105	21,422	3	-	-	1,356	892	1,513	1,610
OTHER FINANCING SOURCES (USES)									
Operating transfers in	-	-	-	-	-	-	-	-	-
Operating transfers out	-	(30,000)	-	-	-	-	-	(800)	-
Total other financing sources (uses)	-	(30,000)	-	-	-	-	-	(800)	-
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,105	(8,578)	3	-	-	1,356	892	713	1,610
FUND BALANCE - BEGINNING	735	185,306	1,079	17,773	1,560	7,575	4,362	5,967	782
FUND BALANCE - ENDING	\$ 3,840	\$ 176,728	\$ 1,082	\$ 17,773	\$ 1,560	\$ 8,931	\$ 5,254	\$ 6,680	\$ 2,392

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED NOVEMBER 30, 2016

	Totals
REVENUES	
Property taxes	\$ 1,120,057
Mobile home privilege tax	529
Other taxes	12,988
Personal property replacement tax	21,226
Fines, fees, forfeitures and licenses	147,692
Federal and State payments	23,913
Charges for services	121,694
Other	123,210
Interest	110
Total revenues	1,571,419
EXPENDITURES	
Current:	
General government	78,738
Public safety	77,772
Roads and bridges	222,497
Public health	-
Judiciary and court	57,882
County development	88,201
Liability and insurance	-
Retirement and FICA	503,390
Public welfare	89,045
Debt Service:	
Principal retirement	14,501
Interest and fiscal charges	499
Capital outlay:	449,878
Total expenditures	<u>1,582,403</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(10,984)
OTHER FINANCING SOURCES (USES)	
Operating transfers in	491,850
Operating transfers out	<u>(91,800)</u>
Total other financing sources (uses)	<u>400,050</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	389,066
FUND BALANCE - BEGINNING	2,580,250
FUND BALANCE - ENDING	\$ 2,969,316

FIDUCIARY FUNDS

PRIVATE-PURPOSE TRUST FUNDS

Law Library Fund

To account for the revenues derived from the "law library" fee and the payment of expenses incurred in establishing and maintaining a law library. The money available in the fund may not be appropriated by the County Board but is disbursed on order of the Chief Circuit Judge. The fees are collected by the Circuit Clerk and paid into the Law Library Fund.

Indemnity Fund

To account for indemnity fees paid to the County Collector derived from tax sales; the fund is to accumulate until it reaches .03% of the assessed valuation or \$50,000, whichever is greater. The purpose of the fund is to indemnify the Treasurer for judgments against the Treasurer arising from tax sales.

Child Advocacy Center Fund

To account for monies collected for the purpose of establishing and maintaining a Children's Advocacy Center to coordinate the investigation, prosecution, and treatment referral of child abuse.

Sheriff's Drug Forfeiture Fund

To account for proceeds from forfeitures received by the fund and used by the County Sheriff for certain investigative and training expenditures.

Tax Sale in Error Interest Payment Fund

To account for certain fees collected during the tax sale process by the County Collector and the expenditure of those funds for court ordered payments.

Road Districts Truck Fund

To account for certain pooled resources of the County's road districts for the purpose of maintaining certain roads in the County.

AGENCY FUNDS

Circuit Clerk's Fund

Functions as a clearing account for the operations of the Office of the Circuit Clerk. Clerk's fees, fines and bail bond deposits and other deposits are received by the fund and retained until proper disposition of the funds is determined. Fees earned are remitted to the General Fund.

Accounts for the collection and distribution of court-ordered child support and alimony payments.

County Clerk's Fund

Functions as a clearing account for the operation of the Office of the County Clerk. Fees earned are remitted to the General Fund.

County Sheriff's Fund

Functions as a clearing account for the operations of the Office of the County Sheriff Fees earned are remitted to the General Fund.

State's Attorney's Fund

Functions as a clearing account for the operations of the Office of the State's Attorney. Fees earned are remitted to the General Fund.

County Collector's General Tax Fund

To account for the collection and distribution of property taxes to the various taxing districts inside and outside of the County.

County Collector's Mobile Home Privilege Tax Fund

To account for the collection and distribution of mobile home privilege tax to the various taxing districts of the County.

Township Bridge Program Fund

To account for the collection of State allotments to road districts for bridge construction projects in the County.

Township Motor Fuel Tax Fund

To account for the collection and distribution of State motor fuel tax allotments for the road districts of the County.

AGENCY FUNDS - continued

Inheritance Tax Fund

To account for collections of State inheritance taxes assessed and their remittance to the State Treasurer.

Payroll Clearing Funds

To account for the payment of salaries and wages of County employees, and the related payroll taxes and certain employee benefits.

Inmates Fund

To account for commissary transactions at the County jail and other amounts credited to the benefit of County jail inmates.

Health Insurance Clearing Fund

To account for the inflows from the County ,and participating employees that are used to fund the costs of health insurance premiums.

Menard County Tactical Unit Fund

To account for the residual funds for the unit held in safekeeping by the Menard County Sheriff

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF
FIDUCIARY NET POSITION

NOVEMBER 30, 2016

	Private-Purpose Trust Funds							Totals
	Law Library Fund	Indemnity Fund	Child Advocacy Center Fund	Sheriff's Drug Forfeiture Fund	Tax sale in Error Interest Payment Fund	Road Districts Truck Fund		
ASSETS								
Cash	\$ -	\$ 87,051	\$ 2,096	\$ 199	\$ 7,845	\$ 108,801	\$ 205,992	
Receivables	-	30	-	-	-	-	30	
Due from other funds	240	-	-	-	-	-	240	
Capital assets, net	-	-	-	-	-	-	-	
Total assets	240	87,081	2,096	199	7,845	108,801	206,262	
LIABILITIES								
Accounts payable	1,720	-	-	-	-	928	2,648	
Due to other funds	-	-	-	-	-	-	-	
Total liabilities	1,720	-	-	-	-	928	2,648	
NET POSITION								
Held in trust for -	\$ (1,480)	\$ 87,081	\$ 2,096	\$ 199	\$ 7,845	\$ 107,873	\$ 203,614	
Individuals, organizations, and other governments								

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED NOVEMBER 30, 2016

	Private-Purpose Trust Funds							Totals
	Law Library Fund	Indemnity Fund	Child Advocacy Center Fund	Sheriff's Drug Forfeiture Fund	Tax Sale in Error Interest Payment Fund	Road Districts Truck Fund		
ADDITIONS								
Fines, fees, and forfeitures	\$ 3,096	\$ 2,760	\$ -	\$ -	\$ 1,090	\$ 33,291	\$ 40,237	
Charges for services	-	-	-	-	-	-	-	
Contributions	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Interest	-	263	2	-	11	275	551	
Total additions	3,096	3,023	2	-	1,101	33,566	40,788	
DEDUCTIONS								
Costs of maintaining County law library	2,387	-	-	-	-	-	2,387	
Investigations and training	-	-	-	525	-	-	525	
Operating expenses	-	200	-	-	4,791	32,617	37,608	
Depreciation	-	-	-	-	-	14,314	14,314	
Total deductions	2,387	200	-	525	4,791	46,931	54,834	
CHANGE IN NET POSITION	709	2,823	2	(525)	(3,690)	(13,365)	(14,046)	
NET POSITION-BEGINNING	(2,189)	84,258	2,094	724	11,535	121,238	217,660	
NET POSITION-ENDING	\$ (1,480)	\$ 87,081	\$ 2,096	\$ 199	\$ 7,845	\$ 107,873	\$ 203,614	

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED AT NOVEMBER 30, 2016

	Circuit Clerk's Fund	County Clerk's Fund	County Sheriff's Fund	State's Attorney's Fund	County Collector's General Tax Fund	County Collector's Mobile Home Tax Fund	Township Bridge Program Fund	Township Motor Fuel Tax Fund
ASSETS								
Cash	\$ 104,994	\$ 33,570	\$ 2,561	\$ 32	\$ 613,144	\$ 1,439	\$ 2,523	\$ 375,958
Receivables	-	-	-	-	-	-	-	45,822
Due from others	-	-	-	-	-	-	-	-
Due from other funds	-	-	517	460	-	-	10,000	-
Other	-	80,000	-	-	-	-	-	-
Total assets	\$ 104,994	\$ 113,570	\$ 3,078	\$ 492	\$ 613,144	\$ 1,439	\$ 12,523	\$ 421,780
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to road districts	-	-	-	-	-	-	12,523	392,200
Due to taxing districts	-	-	-	-	525,874	307	-	-
Due to others	78,593	92,864	-	32	-	-	-	-
Due to other funds	26,401	20,706	3,078	460	87,270	1,132	-	29,580
Total liabilities	\$ 104,994	\$ 113,570	\$ 3,078	\$ 492	\$ 613,144	\$ 1,439	\$ 12,523	\$ 421,780

MENARD COUNTY, ILLINOIS

COMBINING STATEMENT OF ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED AT NOVEMBER 30, 2016

	Inheritance Tax Fund	Payroll Clearing Funds	Health Insurance Clearing Fund	Menard County Tactical Unit Fund	Inmates' Fund	Totals
ASSETS						
Cash	\$ -	\$ 63,491	\$ 27,354	\$ 1,123	\$ 32,714	\$ 1,258,903
Receivables	-	-	85,630	-	-	131,452
Due from others	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	10,977
Other	-	-	-	-	-	80,000
Total assets	\$ -	\$ 63,491	\$ 112,984	\$ 1,123	\$ 32,714	\$ 1,481,332
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to road districts	-	-	-	-	-	404,723
Due to taxing districts	-	-	-	-	-	526,181
Due to others	-	63,491	-	1,123	32,714	268,817
Due to other funds	-	-	112,984	-	-	281,611
Total liabilities	\$ -	\$ 63,491	\$ 112,984	\$ 1,123	\$ 32,714	\$ 1,481,332