

MONROE COUNTY, ILLINOIS
ANNUAL FINANCIAL REPORT
For the Year Ended November 30, 2018

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Fick, Eggemeyer & Williamson

Certified Public Accountants, PC



INDEPENDENT AUDITORS' REPORT

County Board of Commissioners
Monroe County, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Illinois as of and for the year ended November 30, 2018, and the related notes to the financial statements, which collectively comprise Monroe County, Illinois's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Illinois, as of November 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension plan and related ratios, the schedule of contributions, and budgetary comparison information on pages 3a-3b and 31-38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Monroe County, Illinois' basic financial statements. The combining nonmajor fund financial statements, combining fiduciary fund financial statements, combining general fund financial statements, schedule of expenditures, consolidated year-end financial report and schedule of assessed valuation, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The combining nonmajor fund financial statements, combining fiduciary fund financial statements, combining general fund financial statements, schedule of expenditures and schedule of assessed valuation have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2019, on our consideration of Monroe County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Monroe County, Illinois' internal control over financial reporting and compliance.



Fick, Eggemeyer & Williamson, CPA's
St. Louis, Missouri
November 22, 2019

MONROE COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2018

The following discussion and analysis of Monroe County's financial condition should be reviewed in conjunction with the annual audited statements to obtain a clearer understanding of our financial picture.

This analysis highlights the general trend of our financial performance. It also notes areas beyond our immediate control, which will or may significantly impact our financial performance.

COMPARISON OF TOTAL NET POSITION
2018 AND 2017

	GOVERNMENTAL ACTIVITIES		BUSINESS ACTIVITY (Nursing Home)	
	2018	2017	2018	2017
Total current assets	\$ 15,401,175	\$ 14,993,896	\$ 5,533,547	\$ 4,454,122
Total noncurrent assets	30,967,656	27,623,054	4,759,473	4,584,923
Total assets	<u>\$ 46,368,831</u>	<u>\$ 42,616,950</u>	<u>\$ 10,293,020</u>	<u>\$ 9,039,045</u>
Deferred outflows of resources	\$ 2,750,088	\$ 3,147,235	\$ -	\$ -
Total current liabilities	\$ 2,222,582	\$ 5,254,569	\$ 926,156	\$ 689,176
Total noncurrent liabilities	6,229,560	6,891,124	181,716	195,310
Total liabilities	<u>\$ 8,452,142</u>	<u>\$ 12,145,693</u>	<u>\$ 1,107,872</u>	<u>\$ 884,486</u>
Deferred Inflows of Resources	\$ 5,688,428	\$ 685,789	\$ 1,051,187	\$ 703,983
TOTAL NET POSITION	<u><u>\$ 34,978,349</u></u>	<u><u>\$ 32,932,703</u></u>	<u><u>\$ 8,133,961</u></u>	<u><u>\$ 7,450,576</u></u>

NOTES AND OBSERVATIONS:

The Comparison of Total Net Position presented above shows that the net position of the County increased in FY 18 with a increase of over \$2 million. In FY 17, the County undertook two major capital improvements at the Courthouse and the nursing home, using cash on hand. The County can continue to face any immediate financial challenges without drastic reductions in services, given its strong liquidity position. The timeliness and the level of the State of Illinois payments are critical to the cash flow picture of the County and the nursing home. The real estate tax cycle was late in FY 18. Tax bills were mailed after the fiscal year concluded with payments due in January and February of 2019.

NURSING HOME:

Monroe County refinanced the nursing home bonds prior to the callable option dates in 2014 as Alternative Revenue Bonds. The annual payment declined to less than \$1 million per year from \$1.5 million per year due to interest rate savings and utilization of \$3 million in cash toward the outstanding debt. The County also increased its credit rating from Standard and Poors from AA- to AA in the refinancing process. The nursing home showed an improvement in Total Net Position from the previous year. The Nursing Home built a rehabilitation wing to its existing facility that was completed in the fall of 2017, at a cost of approximately \$4.0 million, with cash on hand.

MONROE COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2018

PENSION PLANS:

Monroe County employees receive retirement, disability, and death benefits through the Illinois Municipal Retirement Fund, a defined benefit plan. Benefit provisions are established through the Illinois Pension Code, and require employer contributions along with employee contributions.

The IMRF rate for calendar year 2019 is 8.48% for regular employees and 13.37% for SLEP employees. Monroe County has a fully funded IMRF account on a market basis level given the substantial rise in the stock market over the past few years.

COUNTIES OF ILLINOIS RISK MANAGEMENT AGENCY (CIRMA):

Monroe County has its insurance through the Counties of Illinois Risk Management Agency (CIRMA). CIRMA provides insurance and risk management services to a group of twelve Illinois counties. Our annual premium for liability insurance, workers compensation, and earthquake coverage for the county and the nursing home was reduced by over \$300,000 due to claims history improvement. The Illinois County Insurance Trust (ICIT) bonds were paid in full in FY 17.

COURTHOUSE:

In FY 17, Monroe County completed a \$1.7 million renovation project of the lighting, heating, and cooling systems of the Courthouse and other buildings with cash on hand. The County has already seen a reduction in utility bills that should offset the initial cost of the project over a period of years.

Monroe County joined the Intergovernmental Personnel Benefit Cooperative (IPBC) health insurance pool in the summer of 2017.

GENERAL FINANCES AND OUTLOOK:

Sales tax revenue has increased modestly over the past few years; however, the user fees associated with the housing market have declined from their peak in the mid 2000's. Monroe County is a PTELL county and our ability to raise revenues via real estate taxes is limited while costs can escalate regardless of PTELL. One bright aspect for the County's future is that more home building is beginning to occur in the County due to its proximity to the St. Louis metropolitan area. After a fee study in FY 17, many courthouse offices have implemented higher fees mid FY 18 with the full effects coming in FY 19.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the County's financial statement users with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Many of the financial reports of the County are posted on the website www.monroecountyil.gov. If you have any questions about this report or need additional financial information, contact the Monroe County Treasurer, Kevin Koenigstein, 100 S. Main, Waterloo, IL 62298. My e-mail address is kkoenigstein@monroecountyil.gov.

Basic Financial Statements

MONROE COUNTY, ILLINOIS
STATEMENT OF NET POSITION
NOVEMBER 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 5,960,510	\$ 2,022,402	\$ 7,982,912
Certificates of deposit	1,769,854	250,000	2,019,854
Accounts receivable	126,064	-	126,064
Accounts receivable, State of Illinois and patients, net of allowances	492,729	2,417,722	2,910,451
Fees and fines receivable, net of allowances	548,082	-	548,082
Property taxes receivable	6,472,527	675,000	7,147,527
Inventory and prepaid items	31,409	168,423	199,832
Total current assets	15,401,175	5,533,547	20,934,722
Noncurrent assets			
Net pension assets	1,617,686	-	1,617,686
Construction in progress	2,348,056	280,772	2,628,828
Capital assets, net of depreciation	27,001,914	4,478,701	31,480,615
Total noncurrent assets	30,967,656	4,759,473	35,727,129
TOTAL ASSETS	\$ 46,368,831	\$ 10,293,020	\$ 56,661,851
DEFERRED OUTFLOWS			
Pension related deferred outflows	\$ 2,750,088	\$ -	\$ 2,750,088
LIABILITIES			
Current liabilities			
Accounts payable and other liabilities	\$ 961,343	\$ 926,156	\$ 1,887,499
Interest payable	42,402	-	42,402
Eminent domain liability	15,500	-	15,500
Funds held in trust and escrow	363,337	-	363,337
Current portion of long term debt	840,000	-	840,000
Total current liabilities	2,222,582	926,156	3,148,738
Noncurrent liabilities			
Accrued vacation and sick pay	1,384,560	181,716	1,566,276
General obligation bonds payable	4,845,000	-	4,845,000
Total noncurrent liabilities	6,229,560	181,716	6,411,276
TOTAL LIABILITIES	\$ 8,452,142	\$ 1,107,872	\$ 9,560,014
DEFERRED INFLOW OF RESOURCES			
Deferred revenue	\$ -	\$ 1,051,187	\$ 1,051,187
Pension related deferred inflows	5,688,428	-	5,688,428
TOTAL DEFERRED INFLOW OF RESOURCES	\$ 5,688,428	\$ 1,051,187	\$ 6,739,615
NET POSITION			
Net investment in capital assets	\$ 23,486,333	\$ 4,478,701	\$ 27,965,034
Restricted	9,844,548	42,785	9,887,333
Unrestricted	1,647,468	3,612,475	5,259,943
TOTAL NET POSITION	\$ 34,978,349	\$ 8,133,961	\$ 43,112,310

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

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

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 4,600,721	\$ 1,382,378	\$ 48,572	\$ -	\$ (3,169,771)	\$ -	\$ (3,169,771)
County development	1,234,997	151,117	-	-	(1,083,880)	-	(1,083,880)
Public safety	4,530,707	1,334,632	-	-	(3,196,075)	-	(3,196,075)
Judiciary and court related	830,862	526,295	-	-	(304,567)	-	(304,567)
Public health and welfare	2,293,501	1,201,813	-	-	(1,091,688)	-	(1,091,688)
Highway and streets	2,339,969	1,170,850	-	1,351,334	182,215	-	182,215
Miscellaneous	336,912	-	-	-	(336,912)	-	(336,912)
Interest and fiscal charges	174,991	-	-	-	(174,991)	-	(174,991)
Total governmental activities	<u>16,342,660</u>	<u>5,767,085</u>	<u>48,572</u>	<u>1,351,334</u>	<u>(9,175,669)</u>	<u>-</u>	<u>(9,175,669)</u>
Business-type:							
Nursing home	10,979,782	12,095,589	677,901	-	-	1,793,708	1,793,708
Total business-type activities	<u>10,979,782</u>	<u>12,095,589</u>	<u>677,901</u>	<u>-</u>	<u>-</u>	<u>1,793,708</u>	<u>1,793,708</u>
Total	<u>\$ 27,322,442</u>	<u>\$ 17,862,674</u>	<u>\$ 726,473</u>	<u>\$ 1,351,334</u>	<u>\$ (9,175,669)</u>	<u>\$ 1,793,708</u>	<u>\$ (7,381,961)</u>
General revenues:							
Property taxes					6,472,943	-	6,472,943
Sales taxes					1,979,038	-	1,979,038
Replacement taxes					153,397	-	153,397
Income taxes					1,442,991	-	1,442,991
Investment income					50,995	6,481	57,476
Miscellaneous					103,971	1,946	105,917
Transfers					1,188,562	(1,118,750)	69,812
Total general revenues and transfers					<u>11,391,897</u>	<u>(1,110,323)</u>	<u>10,281,574</u>
Changes in net position					2,216,228	683,385	2,899,613
Net position - beginning					32,932,703	7,450,576	40,383,279
Prior period adjustment					(170,582)	-	(170,582)
Net position - ending					<u>\$ 34,978,349</u>	<u>\$ 8,133,961</u>	<u>\$ 43,112,310</u>

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

MONROE COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
NOVEMBER 30, 2018

	General	County Motor Fuel	Illinois Municipal Retirement	County Highway	Ambulance	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,379,466	\$ 1,128,311	\$ 632,751	\$ (52,262)	\$ 39,436	\$ 2,832,808	\$ 5,960,510
Certificates of deposit	-	1,019,854	-	-	-	750,000	1,769,854
Accounts receivable	-	-	126,064	-	-	-	126,064
Due from the State of Illinois	492,729	-	-	-	-	-	492,729
Fees and fines receivable, net of allowances	167,504	-	-	16,116	253,035	63,172	499,827
Property taxes receivable	2,290,618	-	698,810	774,654	499,185	2,209,260	6,472,527
Motor fuel tax allotment receivable	-	48,255	-	-	-	-	48,255
Interfund balance	347,066	-	-	-	-	-	347,066
Inventory	31,409	-	-	-	-	-	31,409
Total assets	\$ 4,708,792	\$ 2,196,420	\$ 1,457,625	\$ 738,508	\$ 791,656	\$ 5,855,240	\$ 15,748,241
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 135,335	\$ 238	\$ 141,677	\$ 30,114	\$ 12,914	\$ 56,332	\$ 376,610
Accrued payroll	178,716	-	-	31,068	28,587	30,898	269,269
Eminent domain liability	15,500	-	-	-	-	-	15,500
Funds held in trust and escrow	363,337	-	-	-	-	-	363,337
Interfund balance	86,875	-	-	25,000	215,000	20,191	347,066
Total liabilities	779,763	238	141,677	86,182	256,501	107,421	1,371,782
Deferred inflows of resources	334,500	-	102,047	113,123	72,896	322,619	945,185
FUND BALANCES							
Nonspendable	31,409	-	-	-	-	-	31,409
Restricted	-	2,196,182	1,213,901	539,203	462,259	5,433,003	9,844,548
Unassigned	3,563,120	-	-	-	-	(7,803)	3,555,317
Total fund balances	3,594,529	2,196,182	1,213,901	539,203	462,259	5,425,200	13,431,274
Total liabilities, deferred inflows of resources and fund balances	\$ 4,708,792	\$ 2,196,420	\$ 1,457,625	\$ 738,508	\$ 791,656	\$ 5,855,240	\$ 15,748,241

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

MONROE COUNTY, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
NOVEMBER 30, 2018

Total fund balance - governmental funds		\$ 13,431,274
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		29,349,970
Net pension asset is not a current financial resource and therefore not reported in the fund		1,617,686
Deferred outflows of resources related to pension are not available to pay current expenditures and therefore are deferred in the fund.		2,750,088
Deferred inflows of resources related to pension are not available to pay current expenditures and therefore are deferred in the fund.		(5,688,428)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		945,185
Long term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. All liabilities both current and long-term are reported in the statement of net position.		
General obligation bonds	(5,685,000)	
Accrued payable	(315,464)	
Interest payable	(42,402)	
Accrued vacation and sick pay	(1,384,560)	(7,427,426)
Net position of governmental activities		<u>\$ 34,978,349</u>

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

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

Revenues:	General	County Motor Fuel	Illinois Municipal Retirement	County Highway	Ambulance	Other Governmental Funds	Total Governmental Funds
Taxes:							
Property	\$ 1,956,521	\$ -	\$ 596,763	\$ 661,531	\$ 426,289	\$ 1,886,654	\$ 5,527,758
Sales	1,392,473	-	-	-	-	586,565	1,979,038
Intergovernmental:							
Replacement tax	153,397	-	-	-	-	-	153,397
Motor fuel tax	-	771,511	-	-	-	-	771,511
Income tax	1,442,991	-	-	-	-	-	1,442,991
Other state reimbursements	391,710	-	-	-	-	558,361	950,071
Grants	48,572	-	-	1,351,334	-	-	1,399,906
Fines and forfeitures	288,969	-	-	-	-	41,734	330,703
Excess fees - County offices	872,520	-	-	-	-	-	872,520
Charges for services	532,740	-	-	285,117	971,658	351,397	2,140,912
Interest income	32,166	6,460	1,635	7,799	-	2,935	50,995
Miscellaneous	103,971	-	130,711	102,358	310	467,989	805,339
Total revenues	<u>7,216,030</u>	<u>777,971</u>	<u>729,109</u>	<u>2,408,139</u>	<u>1,398,257</u>	<u>3,895,635</u>	<u>16,425,141</u>
Expenditures:							
General government	1,761,635	-	645,212	-	-	1,464,813	3,871,660
County development	1,234,997	-	-	-	-	-	1,234,997
Public safety	3,841,605	-	-	-	-	774,596	4,616,201
Judiciary and court related	830,862	-	-	-	-	-	830,862
Public health and welfare	-	-	-	-	1,333,630	1,555,362	2,888,992
Streets and road	-	171,845	-	2,867,538	-	466,585	3,505,968
Bond principal	-	-	-	-	-	820,000	820,000
Bond interest	-	-	-	-	-	178,750	178,750
Paying agent fee	-	-	-	-	-	318	318
Miscellaneous	254,824	-	-	-	-	82,088	336,912
Total expenditures	<u>7,923,923</u>	<u>171,845</u>	<u>645,212</u>	<u>2,867,538</u>	<u>1,333,630</u>	<u>5,342,512</u>	<u>18,284,660</u>
Excess (deficiency) of revenue over expenditures	(707,893)	606,126	83,897	(459,399)	64,627	(1,446,877)	(1,859,519)
Other financing sources (uses):							
Transfers between funds	195,812	(431,225)	-	439,473	-	984,502	1,188,562
Net other sources and uses of financial resources	<u>195,812</u>	<u>(431,225)</u>	<u>-</u>	<u>439,473</u>	<u>-</u>	<u>984,502</u>	<u>1,188,562</u>
Net change in fund balances	(512,081)	174,901	83,897	(19,926)	64,627	(462,375)	(670,957)
Fund balances - beginning	4,106,610	2,021,281	1,130,004	559,129	397,632	5,887,575	14,102,231
Fund balances - ending	<u>\$ 3,594,529</u>	<u>\$ 2,196,182</u>	<u>\$ 1,213,901</u>	<u>\$ 539,203</u>	<u>\$ 462,259</u>	<u>\$ 5,425,200</u>	<u>\$ 13,431,274</u>

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

MONROE COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2018

Net change in fund balances - total governmental funds \$ (670,957)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	3,168,777	
Depreciation expense	<u>(1,441,861)</u>	1,726,916

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund financials

Deferred revenue	<u>945,185</u>	945,185
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments.

General obligation bonds payable	820,000	820,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in pension liabilities/assets	(436,273)	
Change in long term accounts payable	(164,866)	
Accrued interest on debt	4,077	
Change in accrued vacation and sick pay	<u>(7,854)</u>	<u>(604,916)</u>

Change in net position of governmental activities	<u><u>\$ 2,216,228</u></u>
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The notes to the financial statements are an integral part of this statement.

MONROE COUNTY, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUND
NOVEMBER 30, 2018

	<u>Monroe County Care and Rehabilitation Center</u>
ASSETS	
Current assets	
Cash	\$ 2,022,402
Investments	250,000
Accounts receivable, net of allowances	2,417,722
Property taxes receivable	675,000
Inventory	100,639
Prepaid expenses	67,784
Total current assets	<u>5,533,547</u>
Noncurrent assets	
Capital assets:	
Construction in progress	\$ 280,772
Building - net of depreciation	3,913,169
Equipment - net of depreciation	565,532
Total noncurrent assets	<u>4,759,473</u>
Total assets	<u>\$ 10,293,020</u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued expenses	\$ 618,931
Accrued payroll and withholding	307,225
Total current liabilities	<u>926,156</u>
Noncurrent liabilities	
Accrued vacation and sick leave	181,716
Total noncurrent liabilities	<u>181,716</u>
Total liabilities	<u>\$ 1,107,872</u>
DEFERRED INFLOW OF RESOURCES	
Advanced billing	<u>\$ 1,051,187</u>
NET POSITION	
Net investment in capital assets	\$ 4,759,473
Restricted:	
Bird aviary	18,376
Wm. Rehling equipment	3,396
Wessel Pistor fund	963
Spirit committee	10,848
Auction	907
Voris Humanitarian	8,295
Unrestricted	3,331,703
Total net position	<u>\$ 8,133,961</u>

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

MONROE COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Monroe County Care and Rehabilitation Center</u>
OPERATING REVENUES:	
Charges for services	\$ 12,095,589
Miscellaneous income	1,946
	<u>12,097,535</u>
OPERATING EXPENSES:	
Activities	238,862
Social services	43,421
Nursing	3,900,307
Dietary	1,046,317
Laundry	162,984
Housekeeping	393,967
Maintenance	623,876
Administrative	3,369,666
Therapy	637,149
Medical supplies	354,261
Depreciation	208,972
	<u>10,979,782</u>
Total operating expenses	<u>10,979,782</u>
Operating income	1,117,753
NON-OPERATING REVENUES (EXPENSES):	
Contributions	2,901
Government appropriations - Monroe County	675,000
Investment income	6,481
	<u>684,382</u>
Total non-operating revenues (expenses)	<u>684,382</u>
Change in net position before transfers between funds	1,802,135
Transfers between funds	<u>(1,118,750)</u>
Change in net position after transfers between funds	683,385
Net position - beginning	<u>7,450,576</u>
Net position - ending	<u><u>\$ 8,133,961</u></u>

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

MONROE COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED NOVEMBER 30, 2018

	Monroe County Care and Rehabilitation Center
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 12,008,794
Payments to suppliers	(4,573,239)
Payments to employees	(6,005,703)
TOTAL OPERATING ACTIVITIES	1,429,852
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of capital assets	(383,522)
Transfers to Monroe County	(1,118,750)
TOTAL FINANCING ACTIVITIES	(1,502,272)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	6,481
TOTAL INVESTING ACTIVITIES	6,481
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Contributions	2,901
Government appropriations - Monroe County	17,491
TOTAL NON-CAPITAL FINANCING ACTIVITIES	20,392
Net increase (decrease) in cash	(45,547)
Cash and cash equivalents, beginning	2,067,949
Cash and cash equivalents, ending	\$ 2,022,402
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 1,117,753
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	208,972
(Increase) Decrease in:	
Accounts receivable, net of allowances	(435,945)
Inventory	9,003
Prepaid expenses	(40,521)
Increase (Decrease) in:	
Accounts payable and accrued expenses	187,731
Accrued payroll and withholding	49,249
Accrued vacation and sick leave	(13,594)
Advance billing	347,204
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 1,429,852

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

MONROE COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
NOVEMBER 30, 2018

	<u>Total Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ 2,107,621
Certificates of deposit	500,000
Motor Fuel tax allotments receivable	49,263
Fees and fines receivable	<u>4,053</u>
Total assets	<u><u>\$ 2,660,937</u></u>
LIABILITIES	
Accounts payable	\$ 25,180
Due to others	<u>2,635,757</u>
Total liabilities	<u><u>\$ 2,660,937</u></u>

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

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Entity

Monroe County, Illinois, established January 6, 1816, has a current population of approximately 33,000 residents. The county commissioners and other elected county officials oversee the operation of the Monroe County Nursing Home, maintain county roads, operate the county law enforcement and court system, collect and distribute taxes, and supervise many other county functions.

The County's accounting policies conform to generally accepted accounting principles which are appropriate for local governmental units of this type.

Principles Used to Determine the Scope of the Reporting Entity

The County's reporting entity includes the County's governing Board and all related organizations for which the County exercises oversight and responsibility.

The County has developed criteria to determine whether outside agencies with activities which benefit the citizens of the County should be included within its financial reporting entity. The criteria includes but is not limited to, whether the County exercises responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operation, and accountability for fiscal matters), scope of public services, and special financing relationships.

Basis of Presentation and Basis of Accounting

Basis of Presentation

Government-Wide Statements

The statement of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary* are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principle activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund

This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

County Motor Fuel

This fund accounts for the distribution of the Motor Fuel Taxes as collected by the State of Illinois for use in Monroe County projects approved by the Illinois Department of Transportation.

Illinois Municipal Retirement Fund

This fund accounts for the receipt of property and replacement taxes for the payment of required Illinois Municipal Retirement funding.

County Highway Fund

This fund accounts for the receipt of property taxes and fees for maintaining County highways.

Ambulance Fund

This fund accounts for the receipt of property taxes and fees for emergency management services.

The County reports the following major proprietary fund:

Monroe County Care and Rehabilitation Center, dba Oak Hill

This fund accounts for the operation and maintenance of a care and rehabilitation center. Operating revenues consist of charges for services housing and nursing care. Non-operating revenue consists of all other types of income.

The County reports the following fiduciary fund type:

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Agency Funds

These funds include monies held on behalf of school districts, special districts, retirement boards, and others that use the County as a depository for property taxes collected on behalf of other governments, surety bonds, performance deposits, and other purposes.

Measurement Focus, Basis of Accounting

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgment, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resource to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and proprietary funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Assets, Liabilities, and Net Position

Cash, Cash Equivalents and Certificates of Deposit

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposit with an original maturity of three-months or less. Certificates of deposit held at local banks with an original maturity of more than three months are valued at cost and labeled as certificates of deposit in the financial statements.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Receivables

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. The Ambulance fund has an allowance for doubtful accounts in the amount of \$325,000 as of November 30, 2018. The Proprietary fund has an allowance for doubtful accounts of \$0 as of November 30, 2018.

Property Taxes

The County's property tax levy for 2017 payable in 2018 was passed by the Board in December 2016. Property taxes attach as an enforceable lien on property as of January 1, and taxes are payable in two installments, June 1 and September 1, according to state statute. For collection of 2017 taxes, Monroe County due dates were January 16, 2019 and February 20, 2019. The property tax levy for 2018 taxes payable in 2019 was passed by the Board in December 2018.

Inventory and Prepaid Items

Materials and supplies are carried in an inventory account at cost and are subsequently charged to expenditures when consumed. Inventories also include plant maintenance and operating supplies. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. The County implemented capital asset accounting in fiscal year 2004. The County accounts for infrastructure within the guidelines promulgated by GASB 34. The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend the asset's life, are not capitalized.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to/from other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element 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. The government has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts have become available.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

In the government-wide financial statements, components of pension expense that are recognized over a period of time are classified as either deferred outflows of resources (using plan assets that are applicable to a future reporting period) or deferred inflows of resources (acquiring plan assets that are applicable to a future reporting period).

Governmental Fund Balances

Fund balance is the difference between assets and liabilities in a Governmental Fund. In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Government Fund Type Definitions, the following types of fund balances are presented in the Governmental Funds Balance Sheet:

Nonspendable - the portion of a Governmental Fund's fund balance that are not available to be spent, either short term or long term, in either form or through legal restrictions. The nonspendable fund balances reported in the General Fund is for inventory.

Restricted - the portion of a Governmental Fund's fund balance that are subject to external enforceable legal restrictions. The following account's fund balances are restricted by County ordinance, grant agreements or contributions: County MFT, Illinois Municipal Retirement, County Highway, Ambulance, County Bridge, Highway Construction, Relief, Document Storage, Social Security, Mental Health Funding, Animal Control, Health Tax, Tort and Immunity, Court Automation, Emergency Telephone System, County Extension, Geographic Information System, Flood Prevention, Self Insurance and Nursing Home Debt Service.

Unassigned - available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following accounts comprise the unassigned fund balance: General, and Federal Matching.

The County uses restricted amounts first when both restricted and unrestricted fund balances are available, unless there are legal contracts that prohibit doing this.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets represents the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

The County utilizes restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Common Bank Account

Separate bank accounts are not maintained for all County funds, instead, certain funds maintain their uninvested cash balances in a common checking account with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

MONROE COUNTY, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 November 30, 2018

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Occasionally, certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures, which have been approved by the Treasurer. As of November 30, 2018, the General and Tort and Immunity funds had overdrafts in the amounts of \$2,997,615 and \$303,236, respectively, in the administrative account, and the County Highway and Federal Aid Matching funds had overdrafts in the amounts of \$52,262 and \$266,484, respectively, in the highway group account.

Capital Assets

Capital assets in Governmental Funds are being depreciated using the straight-line method and the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	10-50
Equipment	3-10
Leasehold Improvements	15
Land Improvements	20

The capital assets of the Proprietary Fund are reflected in the balance sheet of the Proprietary Fund. Capital assets on hand at November 30, 2018 are stated at cost. Capital assets in the Proprietary Fund are being depreciated using the straight-line method and the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Building Improvements	7 - 20 years
Equipment	3 - 10 years

Compensated Absences

The County accrues unpaid vacation and sick pay according to polices and procedures agreed upon in various collective bargaining agreements and non-union employee personnel policies.

Accumulated unpaid vacation and sick pay has been estimated at November 30, 2018 and 2017 as follows:

<u>Personnel Employed By</u>	<u>November 30,</u>	
	<u>2018</u>	<u>2017</u>
Rehabilitation & Care Center	\$ 181,716	\$ 195,310
Courthouse	1,384,560	1,206,124
	<u>\$ 1,566,276</u>	<u>\$ 1,401,434</u>

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 2 - CASH, CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT

The County has adopted a formal written investment and cash management policy. The County is restricted to investments outlined in the Public Funds Investment Act of the State of Illinois.

Deposits

At year-end, the carrying amount of the County's deposits totaled \$12,610,387 (including \$2,519,854 of certificates of deposit and \$2,107,621 of agency cash) and bank balances totaled \$13,002,138. Of the bank balances, \$2,898,473 was insured by the Federal Deposit Insurance Corporation (FDIC), \$10,103,328 was covered by pledged collateral, which was held in the County's name, and \$337 was held in the Illinois Funds Money Market.

Some deposits made by the County consist of participation in the "Illinois Fund," a local government public treasurers' investment pool, and Goldman Sachs Treasury Shares (GSTS). Both the Illinois Fund and GSTS are investments that are not subject to risk categorization. Investments in both are stated at fair value. The Illinois Fund is considered to be a 2a7-like-pool that operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The pool is not registered with the SEC as an investment company.

At year-end, the County held certificates of deposit with a total carrying amount of \$2,519,854, which approximates fair value. These are shown as certificates of deposit due to their original maturity dates.

Credit Risk

State law limits investments in commercial paper, corporate bonds, and money market mutual funds to the top two ratings, issued by nationally recognized statistical ratings organizations. As of November 30, 2017, the County's investment in the external investment pool and GSTS were rated AAAM and AAAM-G, respectively, by Standard & Poor's.

Note 3 - OTHER POSTEMPLOYMENT BENEFITS

The County's non-pension post employment benefits liability was evaluated. Former employees who choose to retain their rights to health insurance through the County are required to pay 100% of the current premium. As of November 30, 2018 former employees were on the County's health insurance plan. The implicit subsidy calculated is immaterial. Additionally, the County had no former employees for which the County was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the County has not recorded any post employment benefit liability as of November 30, 2018.

Note 4 - DEFICIT BALANCES

The Federal Aid Matching Fund had a deficit fund balance in the amount of \$7,803. This deficit will be offset by future revenues.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 5 - PRIOR PERIOD ADJUSTMENT

During the current year, a prior period adjustment was recorded. A prior period adjustment in the amount of \$170,582 was recorded to correct the accrued vacation and sick pay at the beginning of the fiscal year.

Note 6 - CAPITAL ASSETS

Capital asset activity for the year ended November 30, 2018 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Land	\$ 1,591,911	\$ -	\$ -	\$ 1,591,911
Construction in progress	-	2,348,056	-	2,348,056
Total capital assets not being depreciated	<u>1,591,911</u>	<u>2,348,056</u>	<u>-</u>	<u>3,939,967</u>
<i>Capital assets being depreciated:</i>				
Buildings	21,906,550	148,928	-	22,055,478
Leasehold improvements	7,450,000	-	-	7,450,000
Equipment	6,991,451	671,793	100,718	7,562,526
Land improvements	50,000	-	-	50,000
Infrastructure	5,928,489	-	-	5,928,489
Total capital assets being depreciated	<u>42,326,490</u>	<u>820,721</u>	<u>100,718</u>	<u>43,046,493</u>
Less accumulated depreciation for:				
Buildings	5,829,601	607,119	-	6,436,720
Leasehold improvements	3,330,500	149,000	-	3,479,500
Equipment	5,364,422	487,248	100,718	5,750,952
Land improvements	33,750	2,500	-	36,250
Infrastructure	1,737,074	195,994	-	1,933,068
Total accumulated depreciation	<u>16,295,347</u>	<u>1,441,861</u>	<u>100,718</u>	<u>17,636,490</u>
Total net capital assets being depreciated	<u>26,031,143</u>	<u>(621,140)</u>	<u>-</u>	<u>25,410,003</u>
Governmental activity capital assets, net	<u>\$ 27,623,054</u>	<u>\$ 1,726,916</u>	<u>\$ -</u>	<u>\$ 29,349,970</u>

Depreciation expense was charged to governmental activities as follows:

Governmental activities:	
General government	\$ 376,564
Public Safety	331,400
Public Health & Welfare	389,291
Highways and Streets	344,606
	<u>\$1,441,861</u>

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 6 - CAPITAL ASSETS (cont)

Business-type activities consist solely of the Monroe County Care and Rehabilitation Center:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities:				
Construction in progress	\$ -	\$ 280,772	\$ -	\$ 280,772
Total capital assets not being depreciated	<u>-</u>	<u>280,772</u>	<u>-</u>	<u>280,772</u>
<i>Capital assets being depreciated:</i>				
Buildings	4,248,463	35,082	-	4,283,545
Equipment	1,247,612	67,668	-	1,315,280
Total capital assets being depreciated	<u>5,496,075</u>	<u>102,750</u>	<u>-</u>	<u>5,598,825</u>
Less accumulated depreciation for:				
Buildings	248,524	121,852	-	370,376
Equipment	662,628	87,120	-	749,748
Total accumulated depreciation	<u>911,152</u>	<u>208,972</u>	<u>-</u>	<u>1,120,124</u>
Total capital assets being depreciated, net	<u>4,584,923</u>	<u>(106,222)</u>	<u>-</u>	<u>4,478,701</u>
Business-type activities capital assets, net	<u>\$ 4,584,923</u>	<u>\$ 174,550</u>	<u>\$ -</u>	<u>\$ 4,759,473</u>

Depreciation expense totaling \$208,972 was charged to the Monroe County Care and Rehabilitation Center during the fiscal year ended November 30, 2018.

Note 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended November 30, 2018 were as follows:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General Fund	Animal Control	\$ 6,000
General Fund	Monroe County Care and Rehabilitation Center	120,000
General Fund	Economic Development	69,812
Nursing Home Debt Service	Monroe County Care and Rehabilitation Center	998,750
County Highway	Motor Fuel Tax	431,225
County Highway	County Bridge	8,248

Transfers between funds occur to fund various operating activities and debt service requirements.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (cont)

Interfund balances for the year ended November 30, 2018 were as follows:

	<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
Revolving loan fund		\$ 347,066	
General fund			\$ 86,875
Health Tax fund			\$ 20,191
County Highway fund			\$ 25,000
Ambulance fund			\$ 215,000

The interfund balances relate to the purchases of new equipment and buildings and tax distribution advances. The balances are expected to be repaid within one year.

Note 8 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster.

The County, along with various other local municipal governments, contracts with the Counties of Illinois Risk Management Association (CIRMA) for property, general liability, public officials' liability, employment practices liability, automobile, crime, workers compensation and loss funding. The purpose of these trusts is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment to cover estimated claims payable and reserves for claims for each entity. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trusts. However, the County retains contingent liability to fund its pro rata share of any deficit incurred by the trusts should the trusts cease operations at some future date.

The County has contracted with Arthur J. Gallagher Risk Management Services, Inc. to handle all administrative matters, including the processing of claims filed. The County's premium payments for the fiscal year ending November 30, 2018 were \$953,335.

There has been no significant reduction in insurance coverage from the previous year in any of the County's policies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Note 9 - CONTINGENT LIABILITIES

The County was a party to three active court cases as of November 30, 2018. In those cases, the County has been represented by the Counties of Illinois Risk Management Association or by the Monroe County State's Attorney.

The amount of awards due to or from the County is undetermined for all active cases at November 30, 2018. For the pending cases no related assets or liabilities have been recorded on the books of the County.

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 9 - CONTINGENT LIABILITIES (cont)

The County has guaranteed one-half of a revolving line of credit for the Monroe Randolph Transit District. The total line of credit limit is \$135,000, and as of November 30, 2018 \$18,000 had been borrowed.

The County has guaranteed one-half of a term loan for the Monroe Randolph Transit District. The principal balance as of November 30, 2018 was \$54,921.

Note 10 - BONDS PAYABLE AND LEASE OBLIGATIONS

General Obligation Refunding Bonds, Series 2013

Monroe County, Illinois issued \$9,700,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2013 dated December 10, 2013. The purpose of the debt certificates was to refinance the General Obligation Debt Certificates, Series 2004 and 2005 that were used for the acquisition and construction of a new sheltered care and nursing home facility. The debt certificates bear interest at amounts varying from 0.30% to 3.00%.

Payments due on the debt certificates are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2019	\$ 840,000	\$ 157,950	997,950
2020	865,000	132,375	997,375
2021	890,000	106,050	996,050
2022	920,000	78,900	998,900
2023	950,000	50,850	1,000,850
2024	975,000	21,975	996,975
2025	245,000	3,675	248,675
	<u>\$ 5,685,000</u>	<u>\$ 551,775</u>	<u>\$ 6,236,775</u>

Note 11 - CHANGES IN LONG TERM DEBT

	<u>12/1/2017 Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>11/30/2018 Balance</u>	<u>Amount Due Within One Year</u>
General Obligation Refunding Bonds, Series 2013	\$ 6,505,000	\$ -	\$ 820,000	\$ 5,685,000	\$ 840,000
	<u>\$ 6,505,000</u>	<u>\$ -</u>	<u>\$ 820,000</u>	<u>\$ 5,685,000</u>	<u>\$ 840,000</u>

MONROE COUNTY, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 November 30, 2018

Note 12 - LEGAL DEBT MARGIN

The legal debt margin for the County is calculated as follows:

Taxable Assessed Valuation for 2017	\$ 849,865,711
Legal Debt Margin Per Illinois Compiled Chapter 55 Section 5/5 - 1012	5.75%
Legal Debt Limit	48,867,278
Debt Outstanding	5,685,000
Legal Debt Margin	\$ 43,182,278

Note 13 - PENSION PLANS

IMRF Plan Description

Monroe County’s defined benefit pension plan for regular and Sheriff’s Law Enforcement Personnel Employees (SLEP) employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. Monroe County’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

MONROE COUNTY, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 November 30, 2018

Note 13 - PENSION PLANS (cont)

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:

1. 3% of the original pension amount, or
2. 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2017, the following employees were covered by the benefit terms:

	Regular	SLEP
Retirees and Beneficiaries currently receiving benefits	233	9
Inactive Plan Members entitled to but not yet receiving benefits	277	1
Active Plan Members	282	17
Total	792	27

Contributions

As set by statute, Monroe County's regular and SLEP members are required to contribute 4.5% and 7.5%, respectively, of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. Monroe County's annual contribution rates for the regular and SLEP plan for calendar year 2017 were 8.56% and 17.26%, respectively. For the calendar year 2017, Monroe County contributed \$849,653 and \$218,465 to the regular and SLEP plans, respectively. Monroe 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

Monroe County's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

MONROE COUNTY, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 November 30, 2018

Note 13 - PENSION PLANS (cont)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	37%	7.15%
International Equities	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternatives	7%	3.20-8.50 %
Cash equivalents	1%	2.50%

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:

- a) 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

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 13 - PENSION PLANS (cont)

b) The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Regular Plan			
Balances at December 31, 2016	\$ 45,214,164	\$ 42,384,522	\$ 2,829,642
Changes for the year			
Service cost	918,308	-	918,308
Interest	3,332,853	-	3,332,853
Differences between expected and actual	774,174	-	774,174
Assumption changes	(1,468,602)		(1,468,602)
Contribution – employer	-	849,653	(849,653)
Contribution - employee	-	453,713	(453,713)
Net investment income	-	7,629,138	(7,629,138)
Benefit payments	(2,470,568)	(2,470,568)	-
Other (net transfer)	-	(957,919)	957,919
Net changes	1,086,165	5,504,017	(4,417,852)
Balances at December 31, 2017	\$ 46,300,329	\$ 47,888,539	\$ (1,588,210)
SLEP Plan			
Balances at December 31, 2016	\$ 7,854,267	\$ 7,338,082	\$ 516,185
Changes for the year			
Service cost	222,984	-	222,984
Interest	586,754	-	586,754
Differences between expected and actual	224,078	-	224,078
Assumption changes	(47,465)		(47,465)
Contribution – employer	-	218,465	(218,465)
Contribution - employee	-	94,930	(94,930)
Net investment income	-	1,303,848	(1,303,848)
Benefit payments	(284,757)	(284,757)	-
Other (net transfer)	-	(85,231)	85,231
Net changes	701,594	1,247,255	(545,661)
Balances at December 31, 2017	\$ 8,555,861	\$ 8,585,337	\$ (29,476)

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 13 - PENSION PLANS (cont)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50% for the regular plan and 7.50% for the SLEP plan, 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:

	Discount Rate		
	1% Decrease (6.50%)	Current Rate (7.50%)	1% Increase (8.50%)
Regular plan net pension liability/(asset)	\$ 4,043,075	\$ (1,588,210)	\$ (6,202,658)
SLEP plan net pension liability/(asset)	\$ 1,118,624	\$ (29,276)	\$ (974,075)

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

For the year ended November 30, 2018, Monroe County recognized pension expense of \$1,504,391. At November 30, 2018, Monroe County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Regular Plan		SLEP Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 630,197	\$ 66,242	\$ 425,314	\$ 261,330
Changes of assumptions	-	1,070,553	57,878	61,819
Net difference between projected and actual earnings on pension investment	1,413,406	3,623,993	223,293	604,491
Total	<u>\$ 2,043,603</u>	<u>\$ 4,760,788</u>	<u>\$ 706,485</u>	<u>\$ 927,640</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year ended December 31,	Regular	SLEP
2018	\$ (372,926)	\$ 263
2019	(454,714)	(19,114)
2020	(983,546)	(101,834)
2021	(905,999)	(115,115)
2022	-	(5,680)
Thereafter	-	20,325
Total	<u>\$ (2,717,185)</u>	<u>\$ (221,155)</u>

MONROE COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2018

Note 13 - PENSION PLANS (cont)

Social Security

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund are considered “non-participating employees.” These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The County paid the total required social security taxes for the current fiscal year.

Note 14 - GOVERNMENTAL ACTIVITIES RESTRICTED BALANCES

Monroe County reports the following restricted balances in the governmental activities as of November 30, 2018:

County Motor Fuel	\$ 2,196,182
Illinois Municipal Retirement	1,213,901
County Highway	539,203
Ambulance	462,259
County Bridge	211,098
Highway Construction	197,226
Relief	17,036
Document Storage	99,423
Social Security	369,217
Mental Health Funding Board	372,582
Animal Control	3,566
Health Tax	540,935
Tort and Immunity	169,058
Court Automation	86,169
Emergency Telephone System	1,464,884
County Extension	146,137
Geographic Information System	66,739
Flood Prevention District	1,502,029
Self Insurance Bonds	11,713
Nursing Home Debt Service	175,191
Total	<u>\$ 9,844,548</u>

Note 15 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 22, 2019, the date which the financial statements were available for issue, and noted no reportable events.

Required Supplementary Information
(Other than Management Discussion and Analysis)

MONROE COUNTY, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
REGULAR PLAN

Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total pension liability										
Service cost	\$ 918,308	\$ 912,329	\$ 897,964	\$ 956,656						
Interest on the total pension liability	3,332,853	3,190,858	3,111,545	2,912,232						
Benefit changes	-	-	-	-						
Difference between expected and actual results	774,174	169,093	(677,720)	(497,315)						
Assumption changes	(1,468,602)	-	-	1,454,097						
Benefit payments and refunds	(2,470,568)	(2,293,462)	(2,269,467)	(2,008,149)						
Net change in total pension liability	1,086,165	1,978,818	1,062,322	2,817,521						
Total pension liability - beginning	45,214,164	43,235,346	42,173,024	39,355,503						
Total pension liability - ending (a)	\$ 46,300,329	\$ 45,214,164	\$ 43,235,346	\$ 42,173,024						
Plan Fiduciary Net Position										
Contributions - employer	\$ 849,653	\$ 868,719	\$ 868,452	\$ 858,249						
Contributions - member	453,713	427,946	400,401	383,361						
Pension plan net investment income	7,629,138	2,746,495	205,059	2,407,696						
Benefit payments and refunds	(2,470,568)	(2,293,462)	(2,269,467)	(2,008,149)						
Other	(957,919)	68,896	(150,536)	17,169						
Net change in plan fiduciary net position	5,504,017	1,818,594	(946,091)	1,658,326						
Plan fiduciary net position - beginning	42,384,522	40,565,928	41,512,019	39,853,693						
Plan fiduciary net position - ending (b)	\$ 47,888,539	\$ 42,384,522	\$ 40,565,928	\$ 41,512,019						
Net pension liability - ending (a) - (b)	\$ (1,588,210)	\$ 2,829,642	\$ 2,669,418	\$ 661,005						
Net position as a percentage of pension liability	103.43%	93.74%	93.83%	98.43%						
Covered-employee payroll	\$ 9,921,237	\$ 9,150,469	\$ 8,742,719	\$ 8,332,198						
Net pension liability as a percentage of payroll	-16.01%	30.92%	30.53%	7.93%						

Notes to schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

MONROE COUNTY, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SLEP PLAN

Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total pension liability										
Service cost	\$ 222,984	\$ 209,983	\$ 201,613	\$ 202,100						
Interest on the total pension liability	586,754	566,054	500,429	475,379						
Benefit changes	-	-	-	-						
Difference between expected and actual results	224,078	(225,620)	424,436	(262,708)						
Assumption changes	(47,465)	(30,160)	30,481	106,169						
Benefit payments and refunds	(284,757)	(277,403)	(233,951)	(139,437)						
Net change in total pension liability	701,594	242,854	923,008	381,503						
Total pension liability - beginning	7,854,267	7,611,413	6,688,405	6,306,902						
Total pension liability - ending (a)	\$ 8,555,861	\$ 7,854,267	\$ 7,611,413	\$ 6,688,405						
Plan Fiduciary Net Position										
Contributions - employer	\$ 218,465	\$ 155,702	\$ 206,474	\$ 167,699						
Contributions - member	94,930	85,614	101,838	75,996						
Pension plan net investment income	1,303,848	477,709	34,970	383,285						
Benefit payments and refunds	(284,757)	(277,403)	(233,951)	(139,437)						
Other	(85,231)	327,367	(497,064)	238,048						
Net change in plan fiduciary net position	1,247,255	768,989	(387,733)	725,591						
Plan fiduciary net position - beginning	7,338,082	6,569,093	6,956,826	6,231,235						
Plan fiduciary net position - ending (b)	\$ 8,585,337	\$ 7,338,082	\$ 6,569,093	\$ 6,956,826						
Net pension liability - ending (a) - (b)	\$ (29,476)	\$ 516,185	\$ 1,042,320	\$ (268,421)						
Net position as a percentage of pension liability	100.34%	93.43%	86.31%	104.01%						
Covered-employee payroll	\$ 1,265,732	\$ 1,141,514	\$ 1,087,942	\$ 1,001,835						
Net pension liability as a percentage of payroll	-2.33%	45.22%	95.81%	-26.79%						

Notes to schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes:				
Property	\$ 2,360,000	\$ 2,360,000	\$ 1,956,118	\$ (403,882)
Mobile home privilege tax	200	200	403	203
Sales	1,335,000	1,335,000	1,392,473	57,473
Intergovernmental:				
Replacement tax	170,000	170,000	153,397	(16,603)
Income tax	1,500,000	1,500,000	1,442,991	(57,009)
Other state reimbursements	226,000	226,000	391,710	165,710
Grants	63,000	63,000	48,572	(14,428)
Fines and forfeitures	60,000	60,000	288,969	228,969
Excess fees - county offices	785,000	785,000	872,520	87,520
Charges for services	742,200	742,200	532,740	(209,460)
Interest income	15,000	15,000	32,166	17,166
Miscellaneous	75,000	75,000	103,971	28,971
Total revenues	<u>7,331,400</u>	<u>7,331,400</u>	<u>7,216,030</u>	<u>(115,370)</u>
EXPENDITURES:				
General government	1,945,502	1,945,502	1,761,635	183,867
County development	1,296,376	1,296,376	1,234,997	61,379
Public safety	3,512,918	3,512,918	3,841,605	(328,687)
Judiciary and court related	838,123	868,123	830,862	37,261
Miscellaneous	254,824	254,824	254,824	-
Total expenditures	<u>7,847,743</u>	<u>7,877,743</u>	<u>7,923,923</u>	<u>(46,180)</u>
Excess (deficiency) of revenues over expenditures	(516,343)	(546,343)	(707,893)	(161,550)
Other financing sources (uses)				
Transfers between funds	<u>120,000</u>	<u>120,000</u>	<u>195,812</u>	<u>75,812</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ (396,343)</u>	<u>\$ (426,343)</u>	(512,081)	<u>\$ (85,738)</u>
Fund balance - beginning			<u>4,106,610</u>	
Fund balance - ending			<u>\$ 3,594,529</u>	

MONROE COUNTY, ILLINOIS
 BUDGETARY COMPARISON SCHEDULE
 ILLINOIS MUNICIPAL RETIREMENT
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$ 719,000	\$ 719,000	\$ 596,763	\$ (122,237)
Intergovernmental:				
Replacement tax	30,000	30,000	-	(30,000)
Interest income	-	-	1,635	1,635
Miscellaneous	1,100,000	1,100,000	130,711	(969,289)
Total revenues	<u>1,849,000</u>	<u>1,849,000</u>	<u>729,109</u>	<u>(1,119,891)</u>
EXPENDITURES:				
General government	1,800,000	1,826,657	645,212	1,181,445
Total expenditures	<u>1,800,000</u>	<u>1,826,657</u>	<u>645,212</u>	<u>1,181,445</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 49,000</u>	<u>\$ 22,343</u>	83,897	<u>\$ 61,554</u>
Fund balance - beginning			<u>1,130,004</u>	
Fund balance - ending			<u>\$ 1,213,901</u>	

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$ 798,000	\$ 798,000	\$ 661,531	\$ (136,469)
Intergovernmental:				
Grants	-	-	1,351,334	1,351,334
Charges for services	490,000	490,000	285,117	(204,883)
Interest income	-	-	7,799	7,799
Miscellaneous	131,000	131,000	102,358	(28,642)
Total revenues	<u>1,419,000</u>	<u>1,419,000</u>	<u>2,408,139</u>	<u>989,139</u>
EXPENDITURES:				
Streets and road	<u>1,859,000</u>	<u>1,859,000</u>	<u>2,867,538</u>	<u>(1,008,538)</u>
Total expenditures	<u>1,859,000</u>	<u>1,859,000</u>	<u>2,867,538</u>	<u>(1,008,538)</u>
Excess (deficiency) of revenues over expenditures	(440,000)	(440,000)	(459,399)	(19,399)
Other financing sources (uses)				
Transfers between funds	<u>-</u>	<u>-</u>	<u>439,473</u>	<u>439,473</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ (440,000)</u>	<u>\$ (440,000)</u>	(19,926)	<u>\$ 420,074</u>
Fund balance - beginning			<u>559,129</u>	
Fund balance - ending			<u>\$ 539,203</u>	

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$ 514,000	\$ 514,000	\$ 426,289	\$ (87,711)
Charges for services	1,100,000	1,100,000	971,658	(128,342)
Miscellaneous	-	-	310	310
Total revenues	<u>1,614,000</u>	<u>1,614,000</u>	<u>1,398,257</u>	<u>(215,743)</u>
EXPENDITURES:				
Public health and welfare	<u>1,650,421</u>	<u>1,650,421</u>	<u>1,333,630</u>	<u>316,791</u>
Total expenditures	<u>1,650,421</u>	<u>1,650,421</u>	<u>1,333,630</u>	<u>316,791</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (36,421)</u>	<u>\$ (36,421)</u>	64,627	<u>\$ 101,048</u>
Fund balance - beginning			<u>397,632</u>	
Fund balance - ending			<u>\$ 462,259</u>	

MONROE COUNTY, ILLINOIS
 NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
 NOVEMBER 30, 2018

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

The Board follows the procedures outlined below in establishing the budgetary data reflected in the basic financial statements:

1. Prior to October, all departments submit requests for appropriations to the County Board of Commissioners so that an annual budget may be prepared. The annual budget is prepared by fund, function, and object, and includes information on the prior year, current year estimates, and requested appropriations for the next fiscal year. The annual operating budget includes proposed expenditures for all governmental fund types.
2. Prior to November 1, the proposed budget is presented to the County Board for review. The Board holds public hearings and may add to, subtract from, or change appropriations, but may not, however, change the form of the budget. Any changes made must be within the revenues and unencumbered fund balances available as estimated by the County Board of Commissioners, or the revenue estimates must be changed by an affirmative vote of the
3. If requested, the Board may, by a two-thirds vote of all its members, make supplemental or emergency appropriations from available resources and may reduce or transfer appropriations among funds or departments. All annual appropriations lapse at fiscal year-end, but may be reappropriated upon request and Board approval. Revisions to the approved budget were not significant in the current year.
4. Transfers between budgeted line items within a department or County office may be made at the discretion of the department head or office holder so long as the total amount appropriated for such department or office is not exceeded.
5. The County's budgets are prepared on the modified accrual basis of accounting.

The County sets the maximum level of expenditures at the amount authorized when the budget ordinance is passed. Expenditures may not legally exceed budgeted appropriations at the fund level for the special revenue, debt service, and capital projects funds. Within the general fund, expenditures may not legally exceed budgeted appropriations by department or by offices under the control of elected officials.

Note 2 - EXPENDITURES IN EXCESS OF BUDGET

	Budget	Actual
General fund	\$ 7,877,743	\$ 7,923,923
County Highway	1,859,000	2,867,538

SUPPLEMENTAL INFORMATION

MONROE COUNTY, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 NOVEMBER 30, 2018

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Totals</u>
ASSETS			
Cash	\$ 2,645,904	\$ 186,904	\$ 2,832,808
Certificates of deposit	750,000	-	750,000
Fees and fines receivable, net of allowances	63,172	-	63,172
Property taxes receivable	2,209,260	-	2,209,260
Total assets	<u>\$ 5,668,336</u>	<u>\$ 186,904</u>	<u>\$ 5,855,240</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Accounts payable	\$ 56,332	\$ -	\$ 56,332
Accrued payroll	30,898	-	30,898
Interfund balance	20,191	-	20,191
Total liabilities	<u>107,421</u>	<u>-</u>	<u>107,421</u>
Deferred inflows of resources	<u>322,619</u>	<u>-</u>	<u>322,619</u>
FUND BALANCES			
Restricted	5,246,099	186,904	5,433,003
Unassigned	(7,803)	-	(7,803)
Total fund balances	<u>5,238,296</u>	<u>186,904</u>	<u>5,425,200</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,668,336</u>	<u>\$ 186,904</u>	<u>\$ 5,855,240</u>

MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	Special Revenue Funds	Debt Service Funds	Totals
REVENUES:			
Taxes:			
Property	\$ 1,886,654	\$ -	\$ 1,886,654
Sales	586,565	-	586,565
Intergovernmental:			
Other state reimbursements	558,361	-	558,361
Fines and forfeitures	41,734	-	41,734
Charges for services	351,397	-	351,397
Interest income	2,063	872	2,935
Miscellaneous	467,989	-	467,989
Total revenues	3,894,763	872	3,895,635
EXPENDITURES:			
General government	1,464,813	-	1,464,813
Public safety	774,596	-	774,596
Public health and welfare	1,555,362	-	1,555,362
Streets and roads	466,585	-	466,585
Bond principal	-	820,000	820,000
Bond interest	-	178,750	178,750
Paying agent fee	-	318	318
Miscellaneous	82,088	-	82,088
Total expenditures	4,343,444	999,068	5,342,512
Excess (deficiency) of revenues over expenditures	(448,681)	(998,196)	(1,446,877)
Other financing sources (uses)			
Transfers between funds	(14,248)	998,750	984,502
Excess (deficiency) of revenues over expenditures and other uses	(462,929)	554	(462,375)
Fund balances - beginning	5,701,225	186,350	5,887,575
Fund balances - ending	\$ 5,238,296	\$ 186,904	\$ 5,425,200

MONROE COUNTY, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 NOVEMBER 30, 2018

	County Bridge	Federal Aid Matching	Highway Construction	Relief	Document Storage	Social Security	Mental Health Funding Board	Animal Control
ASSETS								
Cash and cash equivalents	\$ 144,590	\$ (266,484)	\$ 197,226	\$ 6,748	\$ 98,078	\$ 80,055	\$ 1,717	\$ 3,659
Certificates of deposit	-	-	-	-	-	-	-	-
Fees and fines receivable, net	-	-	-	-	3,285	-	-	50
Property taxes receivable	77,881	309,489	-	12,047	-	359,372	434,284	-
Motor fuel tax allotment receivable	-	-	-	-	-	-	-	-
Total assets	<u>\$ 222,471</u>	<u>\$ 43,005</u>	<u>\$ 197,226</u>	<u>\$ 18,795</u>	<u>\$ 101,363</u>	<u>\$ 439,427</u>	<u>\$ 436,001</u>	<u>\$ 3,709</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ 5,613	\$ -	\$ -	\$ 1,940	\$ -	\$ -	\$ 143
Accrued payroll	-	-	-	-	-	17,731	-	-
Interfund balance	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>5,613</u>	<u>-</u>	<u>-</u>	<u>1,940</u>	<u>17,731</u>	<u>-</u>	<u>143</u>
Deferred inflows of resources	<u>11,373</u>	<u>45,195</u>	<u>-</u>	<u>1,759</u>	<u>-</u>	<u>52,479</u>	<u>63,419</u>	<u>-</u>
Fund balances								
Restricted	211,098	-	197,226	17,036	99,423	369,217	372,582	3,566
Unassigned	-	(7,803)	-	-	-	-	-	-
Total fund balances (deficit)	<u>211,098</u>	<u>(7,803)</u>	<u>197,226</u>	<u>17,036</u>	<u>99,423</u>	<u>369,217</u>	<u>372,582</u>	<u>3,566</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 222,471</u>	<u>\$ 43,005</u>	<u>\$ 197,226</u>	<u>\$ 18,795</u>	<u>\$ 101,363</u>	<u>\$ 439,427</u>	<u>\$ 436,001</u>	<u>\$ 3,709</u>

(continued on next page)

MONROE COUNTY, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 NOVEMBER 30, 2018

	Health Tax	Tort and Immunity	Court Automation	Emergency Telephone System	County Extension	Geographic Information System	Flood Prevention District	Combined Total
ASSETS								
Cash and cash equivalents	\$ 353,831	\$ (303,236)	\$ 83,632	\$ 676,556	\$ 6,962	\$ 60,541	\$ 1,502,029	\$ 2,645,904
Investments	-	-	-	750,000	-	-	-	750,000
Fees and fines receivable, net	-	-	2,835	49,136	-	7,866	-	63,172
Property taxes receivable	300,156	553,057	-	-	162,974	-	-	2,209,260
Motor fuel tax allotment receivable	-	-	-	-	-	-	-	-
Total assets	<u>\$ 653,987</u>	<u>\$ 249,821</u>	<u>\$ 86,467</u>	<u>\$ 1,475,692</u>	<u>\$ 169,936</u>	<u>\$ 68,407</u>	<u>\$ 1,502,029</u>	<u>\$ 5,668,336</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 37,465	\$ -	\$ 298	\$ 10,808	\$ -	\$ 65	\$ -	\$ 56,332
Accrued payroll	11,564	-	-	-	-	1,603	-	30,898
Interfund balance	20,191	-	-	-	-	-	-	20,191
Total liabilities	<u>69,220</u>	<u>-</u>	<u>298</u>	<u>10,808</u>	<u>-</u>	<u>1,668</u>	<u>-</u>	<u>107,421</u>
Deferred inflows of resources	43,832	80,763	-	-	23,799	-	-	322,619
Fund balances								
Restricted	540,935	169,058	86,169	1,464,884	146,137	66,739	1,502,029	5,246,099
Unassigned	-	-	-	-	-	-	-	(7,803)
Total fund balances (deficit)	<u>540,935</u>	<u>169,058</u>	<u>86,169</u>	<u>1,464,884</u>	<u>146,137</u>	<u>66,739</u>	<u>1,502,029</u>	<u>5,238,296</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 653,987</u>	<u>\$ 249,821</u>	<u>\$ 86,467</u>	<u>\$ 1,475,692</u>	<u>\$ 169,936</u>	<u>\$ 68,407</u>	<u>\$ 1,502,029</u>	<u>\$ 5,668,336</u>

MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	County Bridge	Federal Aid Matching	Highway Construction	Relief	Document Storage	Social Security	Mental Health Funding Board	Animal Control
REVENUES:								
Taxes:								
Property	\$ 66,508	\$ 264,294	\$ -	\$ 10,288	\$ -	\$ 306,893	\$ 370,878	\$ -
Sales	-	-	-	-	-	-	-	-
Intergovernmental:								
Other state reimbursements	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	41,734	-	-	-
Charges for services	-	-	-	-	-	-	-	5,992
Interest income	-	-	-	-	-	-	4	-
Miscellaneous	11,864	-	-	1,508	-	-	-	-
Total revenues	<u>78,372</u>	<u>264,294</u>	<u>-</u>	<u>11,796</u>	<u>41,734</u>	<u>306,893</u>	<u>370,882</u>	<u>5,992</u>
EXPENDITURES:								
General government	-	-	-	-	-	390,504	-	-
Public safety	-	-	-	-	-	-	-	1,422
Public health and welfare	-	-	-	-	-	-	144,517	-
Streets and roads	62,556	398,002	6,027	-	-	-	-	-
Other	-	-	-	-	24,557	-	-	-
Total expenditures	<u>62,556</u>	<u>398,002</u>	<u>6,027</u>	<u>-</u>	<u>24,557</u>	<u>390,504</u>	<u>144,517</u>	<u>1,422</u>
Excess (deficiency) of revenues over expenditures	15,816	(133,708)	(6,027)	11,796	17,177	(83,611)	226,365	4,570
Other financing sources (uses)								
Transfers between funds	(8,248)	-	-	-	-	-	-	(6,000)
Net other sources and uses of financial resources	<u>(8,248)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,000)</u>
Excess (deficiency) of revenues over expenditures and other uses	7,568	(133,708)	(6,027)	11,796	17,177	(83,611)	226,365	(1,430)
Fund balances - beginning	<u>203,530</u>	<u>125,905</u>	<u>203,253</u>	<u>5,240</u>	<u>82,246</u>	<u>452,828</u>	<u>146,217</u>	<u>4,996</u>
Fund balances - ending	<u>\$ 211,098</u>	<u>\$ (7,803)</u>	<u>\$ 197,226</u>	<u>\$ 17,036</u>	<u>\$ 99,423</u>	<u>\$ 369,217</u>	<u>\$ 372,582</u>	<u>\$ 3,566</u>

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MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	Health Tax	Tort and Immunity	Court Automation	Emergency Telephone System	County Extension	Geographic Information System	Flood Prevention District	Combined Total
REVENUES:								
Taxes:								
Property	\$ 256,324	\$ 472,294	\$ -	\$ -	\$ 139,175	\$ -	\$ -	\$ 1,886,654
Sales	-	-	-	-	-	-	586,565	586,565
Intergovernmental:								
Other state reimbursements	-	-	-	558,361	-	-	-	558,361
Fines and forfeitures	-	-	-	-	-	-	-	41,734
Charges for services	228,337	-	20,471	-	-	96,597	-	351,397
Interest income	-	-	-	2,059	-	-	-	2,063
Miscellaneous	-	454,617	-	-	-	-	-	467,989
Total revenues	<u>484,661</u>	<u>926,911</u>	<u>20,471</u>	<u>560,420</u>	<u>139,175</u>	<u>96,597</u>	<u>586,565</u>	<u>3,894,763</u>
EXPENDITURES:								
General government	-	1,015,358	58,951	-	-	-	-	1,464,813
Public safety	-	-	-	250,680	-	-	522,494	774,596
Public health and welfare	1,410,845	-	-	-	-	-	-	1,555,362
Streets and roads	-	-	-	-	-	-	-	466,585
Other	-	-	-	-	-	57,531	-	82,088
Total expenditures	<u>1,410,845</u>	<u>1,015,358</u>	<u>58,951</u>	<u>250,680</u>	<u>-</u>	<u>57,531</u>	<u>522,494</u>	<u>4,343,444</u>
Excess (deficiency) of revenues over expenditures	(926,184)	(88,447)	(38,480)	309,740	139,175	39,066	64,071	(448,681)
Other financing sources (uses)								
Transfers between funds	-	-	-	-	-	-	-	(14,248)
Net other sources and uses of financial resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,248)</u>
Excess (deficiency) of revenues over expenditures and other uses	(926,184)	(88,447)	(38,480)	309,740	139,175	39,066	64,071	(462,929)
Fund balances - beginning	<u>1,467,119</u>	<u>257,505</u>	<u>124,649</u>	<u>1,155,144</u>	<u>6,962</u>	<u>27,673</u>	<u>1,437,958</u>	<u>5,701,225</u>
Fund balances - ending	<u>\$ 540,935</u>	<u>\$ 169,058</u>	<u>\$ 86,169</u>	<u>\$ 1,464,884</u>	<u>\$ 146,137</u>	<u>\$ 66,739</u>	<u>\$ 1,502,029</u>	<u>\$ 5,238,296</u>

MONROE COUNTY, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR DEBT SERVICE FUNDS
 NOVEMBER 30, 2018

	<u>Self Insurance Bonds</u>	<u>Nursing Home Debt Service</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 11,713	\$ 175,191	\$ 186,904
Total assets	<u>\$ 11,713</u>	<u>\$ 175,191</u>	<u>\$ 186,904</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances (deficit)			
Restricted	11,713	175,191	186,904
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>11,713</u>	<u>175,191</u>	<u>186,904</u>
Total liabilities and fund balances	<u>\$ 11,713</u>	<u>\$ 175,191</u>	<u>\$ 186,904</u>

MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	Self Insurance Bonds	Nursing Home Debt Service	TOTAL
REVENUES:			
Interest income	-	872	872
Total revenues	-	872	872
EXPENDITURES:			
General government	-	-	-
Bond principal	-	820,000	820,000
Bond interest	-	178,750	178,750
Paying agent fee	-	318	318
Total expenditures	-	999,068	999,068
Excess (deficiency) of revenues over expenditures	-	(998,196)	(998,196)
Other financing sources (uses)			
Transfers between funds	-	998,750	998,750
Net other sources and uses of financial resources	-	998,750	998,750
Excess (deficiency) of revenues over expenditures and other uses	-	554	554
Fund balances - beginning	11,713	174,637	186,350
Fund balances - ending	\$ 11,713	\$ 175,191	\$ 186,904

MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 NOVEMBER 30, 2018

	Motor Fuel Road District	Township Bridge	County Probation Services	Economic Development	County Collections Property Tax Fund	TOTAL
ASSETS						
Cash and cash equivalents	\$ 428,150	\$ 15,010	\$ 111,968	\$ -	\$ 1,552,493	\$ 2,107,621
Certificates of deposit	500,000	-	-	-	-	500,000
Motor Fuel tax allotments receivable	49,263	-	-	-	-	49,263
Fees and fines receivable	-	-	4,053	-	-	4,053
Total assets	\$ 977,413	\$ 15,010	\$ 116,021	\$ -	\$ 1,552,493	\$ 2,660,937
LIABILITIES						
Accounts payable	\$ 25,180	\$ -	\$ -	\$ -	\$ -	\$ 25,180
Due to others	952,233	15,010	116,021	-	1,552,493	2,635,757
Total liabilities	\$ 977,413	\$ 15,010	\$ 116,021	\$ -	\$ 1,552,493	\$ 2,660,937

MONROE COUNTY, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN
 FIDUCIARY NET POSITION
 AGENCY FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

	Motor Fuel Road District	Township Bridge	County Probation Services	Economic Development	County Collections Property Tax Fund	TOTAL
Additions						
State of Illinois-State aid	\$ 581,014	\$ -	\$ -	\$ -	\$ -	\$ 581,014
Fines and forfeitures	-	-	44,902	36,831	-	81,733
Interest income	6,025	-	-	-	-	6,025
Tax collections	-	-	-	-	4,040,401	4,040,401
Total additions	<u>587,039</u>	<u>-</u>	<u>44,902</u>	<u>36,831</u>	<u>4,040,401</u>	<u>4,709,173</u>
Deductions						
County highways and bridges	-	106,243	-	-	-	106,243
Road districts	531,520	-	-	-	-	531,520
Tax disbursements	-	-	-	-	7,114,544	7,114,544
Other	-	-	11,070	-	-	11,070
Total deductions	<u>531,520</u>	<u>106,243</u>	<u>11,070</u>	<u>-</u>	<u>7,114,544</u>	<u>7,763,377</u>
Change in net position before transfers	55,519	(106,243)	33,832	36,831	(3,074,143)	(3,054,204)
Transfers between funds	-	-	-	(69,812)	-	(69,812)
Change in net position	55,519	(106,243)	33,832	(32,981)	(3,074,143)	(3,124,016)
Beginning of year	<u>896,714</u>	<u>121,253</u>	<u>82,189</u>	<u>32,981</u>	<u>4,626,636</u>	<u>5,759,773</u>
End of year	<u>\$ 952,233</u>	<u>\$ 15,010</u>	<u>\$ 116,021</u>	<u>\$ -</u>	<u>\$ 1,552,493</u>	<u>\$ 2,635,757</u>

MONROE COUNTY, ILLINOIS
 COMBINING BALANCE SHEET
 GENERAL FUNDS
 NOVEMBER 30, 2018

	<u>General Fund</u>	<u>Revolving Loan</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 1,055,532	\$ 323,934	\$ 1,379,466
Due from the State of Illinois	492,729	-	492,729
Fees and fines receivable	167,504	-	167,504
Property taxes receivable	2,290,618	-	2,290,618
Inventory	31,409	-	31,409
Interfund balance	-	347,066	347,066
Total assets	<u>\$ 4,037,792</u>	<u>\$ 671,000</u>	<u>\$ 4,708,792</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Accounts payable	\$ 135,335	\$ -	\$ 135,335
Accrued payroll	178,716	-	178,716
Eminent domain liability	15,500	-	15,500
Funds held in trust and escrow	363,337	-	363,337
Due to other funds	86,875	-	86,875
Total liabilities	<u>779,763</u>	<u>-</u>	<u>779,763</u>
Deferred inflows of resources	<u>334,500</u>	<u>-</u>	<u>334,500</u>
FUND BALANCES			
Fund balances			
Nonspendable	31,409	-	31,409
Unassigned	2,892,120	671,000	3,563,120
Total fund balances	<u>2,923,529</u>	<u>671,000</u>	<u>3,594,529</u>
Total liabilities and fund balances	<u>\$ 4,037,792</u>	<u>\$ 671,000</u>	<u>\$ 4,708,792</u>

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

	General Fund	Revolving Loan	Totals
REVENUES:			
Taxes:			
Property	\$ 1,956,118	\$ -	\$ 1,956,118
Mobile home privilege tax	403	-	403
Sales	1,392,473	-	1,392,473
Intergovernmental:			
Replacement tax	153,397	-	153,397
Income tax	1,442,991	-	1,442,991
Other state reimbursements	391,710	-	391,710
Grants	48,572	-	48,572
Fines and forfeitures	288,969	-	288,969
Excess fees - county offices	872,520	-	872,520
Charges for services	532,740	-	532,740
Interest income	32,166	-	32,166
Miscellaneous	103,971	-	103,971
Total revenues	7,216,030	-	7,216,030
EXPENDITURES:			
General government	1,761,635	-	1,761,635
County development	1,234,997	-	1,234,997
Public safety	3,841,605	-	3,841,605
Judiciary and court related	830,862	-	830,862
Miscellaneous	254,824	-	254,824
Total expenditures	7,923,923	-	7,923,923
Excess (deficiency) of revenues over expenditures	(707,893)	-	(707,893)
Other financing sources (uses)			
Transfers between funds	195,812	-	195,812
Excess (deficiency) of revenues over expenditures and other uses	(512,081)	-	(512,081)
Fund balance - beginning	3,435,610	671,000	4,106,610
Fund balance - ending	\$ 2,923,529	\$ 671,000	\$ 3,594,529

MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES
 GENERAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

GENERAL GOVERNMENT:

COUNTY CLERK:

Salaries and taxes	253,902	
Dues and meetings	1,340	
Equipment expense	20,121	
Office supplies	4,259	
Mileage	368	
Change in accrued payroll expenditures	<u>(136)</u>	279,854

COUNTY COMMISSIONERS:

Board member salaries and taxes	136,858	
Office equipment	39,226	
Expense and supplies	1,265	
Postage	27,243	
Auditing of County records and preparation of budget	26,226	
Human resources	249	
Mileage	431	
Weed eradication	29,939	
Change in accrued payroll expenditures	<u>1,748</u>	263,185

SUPERVISOR OF ASSESSMENTS:

Salaries and taxes	252,335	
Equipment and maintenance	23,375	
Office supplies	8,034	
Publications	18,096	
Education and meetings	6,348	
Mileage	4,886	
Change in accrued payroll expenditures	<u>(841)</u>	312,233

BOARD OF REVIEW:

Clerical	31,178	
Equipment and maintenance	375	
Office supplies	132	
Publications	<u>246</u>	31,931

COURTHOUSE:

Utilities	159,373	
Service contract	20,452	
Repairs	56,748	
Supplies	17,573	
Telephone	37,578	
Projects	<u>149,053</u>	440,777

(continued on next page)

MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES
 GENERAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

GENERAL GOVERNMENT - continued:

TREASURER AND COLLECTOR:

Salaries and taxes	156,465	
Dues and meetings	584	
Equipment maintenance	8,600	
Office supplies	2,805	
Postage and envelopes	12,143	
Publications	254	
Mileage	529	
Tax billing	5,923	
Change in accrued payroll expenditures	240	187,543

ELECTIONS:

Election computer expense	12,000	
Election mailings	1,251	
Election judges expense	70,042	
Election poll expense	7,200	
Election administration	155,619	246,112

TOTAL GENERAL GOVERNMENT

1,761,635

COUNTY DEVELOPMENT:

GENERAL COUNTY:

Dues	1,755	
Hospitalization insurance and benefits	680,091	
Negotiator	39,235	
Van	5,000	
Equipment and maintenance	8,614	
RSVP	155	
Economic development	30,000	
Office supplies	491	
Soil conservation	15,000	
Contingent	142,002	
Human resources	125	922,468

MAPPING AND PLATTING:

Salaries and taxes	126,110	
Equipment maintenance	3,392	
Office supplies	758	
Mileage	50	
Change in accrued payroll expenditures	(653)	129,657

(continued on next page)

MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES
 GENERAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

PLANNING AND DEVELOPMENT:

Planning salaries and taxes	2,085	
Miscellaneous expense	1,180	
East West Gateway	4,120	
Swimpac	10,137	
Tourism	4,000	
Change in accrued payroll expenditures	1,476	22,998

ZONING:

Salaries and taxes	111,147	
Plumbing inspector	12,686	
Dues and meetings	440	
Vehicle maintenance	1,726	
County vehicle carpool	2,544	
Equipment and repairs	29,875	
Zoning supplies	797	
Miscellaneous	659	159,874

TOTAL COUNTY DEVELOPMENT

1,234,997

PUBLIC SAFETY:

CORONER:

Salaries and taxes	52,373	
Dues and meetings	300	
Equipment and maintenance	11,979	
Office supplies and expense	2,014	
Education	825	
Mileage	150	
Medical examinations	13,155	
Toxicology	4,100	
Change in accrued payroll expenditures	669	85,565

RECYCLING COORDINATOR:

Dumpster and center	28,833	
Equipment and improvements	7,153	
Miscellaneous expense	25,000	
Telephone	2,231	63,217

E.S.D.A.:

Salaries and taxes	40,102	
Dues	373	
Rent	13,200	
Vehicle maintenance	5,893	
Equipment and maintenance	12,313	
Office supplies	3,197	
Telephone	754	
Program supplies	2,007	77,839

(continued on next page)

MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES
 GENERAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

SHERIFF:

Sheriff salary	75,709	
Sheriff deputy salary	155,330	
Full time clerks	78,664	
Full time maintenance/janitors	197,950	
Full time sheriff deputies	972,482	
Full time correction	380,273	
Full time communications	409,037	
Part time clerks	11,462	
Part time maintenance/janitors	14,335	
Part time sheriffs deputies	9,781	
Part time corrections	91,997	
Part time communications	44,844	
Part time security	74,880	
Overtime sheriff deputies	13,112	
Overtime correction	4,700	
Overtime communications	3,491	
Holiday, vacation, sick and comp time clerks	136,459	
Holiday, vacation, sick and comp time maintenance	53,033	
Holiday, vacation, sick and comp time sheriffs deputies	18,541	
Holiday, vacation, sick and comp time corrections	486	
Holiday, vacation, sick and comp time communications	9,025	
Retro pay	39,065	
Training, dues and meetings	13,448	
Arrestee medical expense	23,622	
Uniform allowance	19,403	
Vehicle maintenance	48,470	
Patrol car	98,590	
Gasoline and oil	80,512	
Service contracts	73,636	
Equipment and maintenance	54,011	
Office supplies	22,997	
Ammunition	5,959	
Investigations	1,076	
Miscellenaous	10,319	
Mileage	54	
Dentention home	280	
Housing prisoners	138,651	
Miscellenaous	20,083	
Federal drug fofeiture	131,594	
Change in accrued payroll expenditures	11,774	3,549,135

ANIMAL CONTROL:

Salaries and taxes	52,279	
Equipment and maintenance	857	
Supplies	423	
Dog tags and postage	1,744	
Contract administrator	10,654	
Change in accrued payroll expenditures	(108)	65,849

TOTAL PUBLIC SAFETY

3,841,605

(continued on next page)

MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES
 GENERAL FUNDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

JUDICIARY AND COURT RELATED:

CIRCUIT CLERK:

Salaries and taxes	244,901	
Dues and meetings	3,195	
Equipment and improvements	699	
Supplies and postage	11,082	
Document storage	48,711	
Professional fee	2,300	
Miscellaneous expense	3,442	
Change in accrued payroll expenditures	1,179	315,509

JUDICIAL:

Public defender	15,413	
Probation officer	74,052	
Defending indigents	8,331	
Circuit judge expense	1,214	
Supplies	2,297	
Salaries and taxes judge	1,088	
Law library	11,625	
Special advocate	6,000	
Public defender- expenses	60,275	
Jurors	1,618	
Change in accrued payroll expenditures	284	182,197

STATE'S ATTORNEY:

Salaries and taxes	305,786	
Prosecutor appellate	12,000	
Dues and meetings	2,669	
Prosecutor expenses	3,416	
Equipment repairs	4,318	
Office expense	3,224	
Professional publications	970	
Mileage	66	
Post prom parties	400	
Change in accrued payroll expenditures	307	333,156

TOTAL JUDICIARY AND COURT RELATED		830,862
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MISCELLANEOUS:

Regional Superintendent of Schools	144,824	
Transportation and Road District Support	68,000	
Projects	42,000	254,824

TOTAL MISCELLANEOUS		254,824
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TOTAL GENERAL FUND - BEFORE TRANSFERS		\$ 7,923,923
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MONROE COUNTY, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED NOVEMBER 30, 2018

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTORS' NUMBER	FEDERAL PROGRAM EXPENDITURES
US DEPARTMENT OF AGRICULTURE:			
Passed Through the Illinois Department of Human Services			
WIC Sup Nutrition Prog for Women, Infants and Children - admin	10.557	444-80-0668	22,951
WIC Sup Nutrition Prog for Women, Infants and Children - noncash	10.557	non-cash	\$ 49,461
TOTAL DEPARTMENT OF AGRICULTURE			<u>72,412</u>
US DEPARTMENT OF TRANSPORTATION:			
Passed through the Illinois Department of Transportation			
Highway Planning and Construction - Local Surface Trans (m)	20.205	494-42-0495	1,000,000
Highway Planning and Construction - Hwy Safety Improvement (m)	20.205	494-00-1004	172,697
State and Community Highway Safety	20.600	494-10-0343	<u>5,084</u>
TOTAL DEPARTMENT OF TRANSPORTATION			<u>1,177,781</u>
US ENVIRONMENTAL PROTECTION AGENCY:			
Passed through the Illinois Environmental Protection Agency			
Performance Partnership Grants - Safe Drinking Water	66.605	482-00-1034	<u>250</u>
TOTAL US ENVIRONMENTAL PROTECTION AGENCY			<u>250</u>
US DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through the Illinois Department of Human Services			
Public Health Emergency Preparedness	93.069	482-00-0263	37,918
Emergency Preparedness - Cities Readiness Initiative	93.074	482-00-0265	38,614
Social Services Block Grant - High Risk Infant Follow-up	93.667	444-80-1675	1,950
Passed through Illinois Department of Healthcare and Family Services			
Child Support Enforcement	93.563	478-00-0245	<u>582</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>79,064</u>
US DEPARTMENT OF HOMELAND SECURITY:			
Passed through the Illinois Emergency Management Agency			
Emergency Management Performance Grant	97.042	588-40-0450	28,802
Homeland Security Grant	97.067	588-40-0455	<u>24,873</u>
TOTAL US DEPARTMENT OF HOMELAND SECURITY			<u>53,675</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,383,182</u>

(m) - program audited as major

MONROE COUNTY, ILLINOIS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR NOVEMBER 30, 2018

NOTE 1 - REPORTING ENTITY BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Monroe County, Illinois and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUBRECIPIENTS

None of the federal expenditures presented in the schedule were provided to sub-recipients.

NOTE 3 - DESCRIPTIONS OF MAJOR FEDERAL PROGRAM

The Federal Highway Planning and Construction Grant assists states in the planning and development of an integrated, interconnected transportation system and also supports community level transportation infrastructure. The funding is passed through the Illinois Department of Transportation (IDOT).

NOTE 4 - NON-CASH ASSISTANCE

Residents of the County received commodities through the Special Supplemental Nutrition Program for Women, Infants and Children, valued at \$49,461 per the Illinois Department of Human Services.

NOTE 5 - INSURANCE

The federal programs presented in the Schedule of Expenditures of Federal Awards did not have separate program specific insurance policies.

NOTE 6 - LOANS/LOAN GUARANTEES/INTEREST SUBSIDIES

The federal programs presented in the previous schedule did not have any loans, loan guarantees, or interest subsidies associated with them.

NOTE 7 - DE MINIMIS COST RATE

The County has not elected to use the 10% de minimis indirect cost rate.

MONROE COUNTY, ILLINOIS
CONSOLIDATED YEAR-END FINANCIAL REPORT
YEAR ENDED NOVEMBER 30, 2018

	Supplemental Nutrition Program	Maternal & Infant Health	Bureau of Maternal and Child Health	Child Support Enforcement	Public Health Emergency Preparedness		Cities Readiness Initiative Cooperative		EMS Assistance Grant	Local Health Protection Grant	Vector Surveillance and Control Grant	Safe Drinking Water	Safe Drinking Water
					Federal	Other	Federal	Other					
Personal services (salaries and wages)	22,951	16,281	1,950	-	37,918	-	38,614	-	-	65,840	11,365	-	22,234
Fringe benefits	-	-	-	-	-	-	-	2,547	-	-	-	-	-
Travel	-	-	-	-	-	324	-	167	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	3,120	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractual services	-	-	-	-	-	4,074	-	2,163	-	-	-	-	-
Consultant (professional services)	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy-rent and utilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Research and development	-	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-	445	-	-	-	-	-
Training and education	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct administrative costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous costs	-	-	-	582	-	-	-	-	-	-	-	250	-
Total direct expenses	22,951	16,281	1,950	582	37,918	4,398	38,614	5,322	3,120	65,840	11,365	250	22,234
Indirect costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	\$ 22,951	\$ 16,281	\$ 1,950	\$ 582	\$ 37,918	\$ 4,398	\$ 38,614	\$ 5,322	\$ 3,120	\$ 65,840	\$ 11,365	\$ 250	\$ 22,234

	Lead Poisoning Prevention and Response	Genetic Education and Follow-up	Local Highway Safety Improvement Program	Motor Fuel Tax Program	State Highway Safety	Law Enforce. Camera Grant	Emergency Management Performance Grants		Local Surface Trans. Program	Homeland Security Grant	All Other	Total
							Federal	Other				
Personal services (salaries and wages)	-	3,212	-	103,700	5,084	-	12,650	16,779	-	-	-	358,578
Fringe benefits	-	-	-	-	-	-	-	-	-	-	-	2,547
Travel	-	-	-	-	-	-	316	-	-	-	-	807
Equipment	-	-	-	-	-	16,970	-	-	-	24,873	-	44,963
Supplies	-	-	-	-	-	-	2,743	-	-	-	-	2,743
Contractual services	-	-	-	-	-	-	4,032	-	-	-	-	10,269
Consultant (professional services)	-	-	-	-	-	-	7,125	-	-	-	-	7,125
Construction	-	-	172,697	443,900	-	-	-	14,400	1,000,000	-	-	1,650,997
Occupancy-rent and utilities	-	-	-	-	-	-	-	-	-	-	-	-
Research and development	-	-	-	-	-	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	1,231	3,825	-	-	-	5,501
Training and education	-	-	-	-	-	-	704	-	-	-	-	704
Direct administrative costs	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous costs	12,200	-	-	-	-	-	-	-	-	-	35,334,075	35,347,107
Total direct expenses	12,200	3,212	172,697	547,600	5,084	16,970	28,801	35,004	1,000,000	24,873	35,334,075	37,411,341
Indirect costs	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	\$ 12,200	\$ 3,212	\$ 172,697	\$ 547,600	\$ 5,084	\$ 16,970	\$ 28,801	\$ 35,004	\$ 1,000,000	\$ 24,873	\$ 35,334,075	\$ 37,411,341

OTHER SUPPLEMENTAL INFORMATION

MONROE COUNTY, ILLINOIS
 SCHEDULE OF ASSESSED VALUATION - TAX RATES
 TAXES EXTENDED AND COLLECTED FOR 2015, 2016, AND 2017

	Tax Year		
	2015	2016	2017
ASSESSED VALUATION:	\$ 776,531,565	\$ 802,904,731	\$ 849,865,711
TAX RATES PER \$100 OF ASSESSED VALUATION:			
General	0.27000	0.27000	0.27000
Highway	0.09160	0.09641	0.09131
Bridge	0.01778	0.01019	0.00918
Matching	0.03864	0.03823	0.03648
I.M.R.F/Social Security	0.13651	0.13194	0.12473
General assistance	0.00155	0.00150	0.00142
Ambulance service	0.06439	0.06224	0.05884
Tort and immunity	0.04873	0.05678	0.06519
Health tax	0.03872	0.03743	0.03538
Debt service	0.10395	0.10145	0.07943
County extension	0.02102	0.02032	0.01921
Mental health	0.05240	0.05166	0.05119
	<u>0.88529</u>	<u>0.87815</u>	<u>0.84236</u>
TAXES EXTENDED:			
General	\$ 2,096,600	\$ 2,167,870	\$ 2,294,666
Highway	711,300	774,090	776,022
Bridge	138,000	81,817	78,019
Matching	300,000	306,954	310,034
I.M.R.F/Social Security	1,060,000	1,059,366	1,060,051
General assistance	12,000	12,044	12,068
Ambulance service	500,000	499,734	500,067
Tort and immunity	378,400	455,895	554,034
Health tax	300,651	300,531	300,686
Debt service	807,170	814,557	675,057
County extension	163,200	163,152	163,261
Mental health	406,838	414,786	435,052
	<u>\$ 6,874,159</u>	<u>\$ 7,050,796</u>	<u>\$ 7,159,017</u>
TAXES COLLECTED:	<u>\$ 6,862,809</u>	<u>\$ 7,039,402</u>	<u>\$ 7,146,391</u>
% COLLECTED ON THOSE EXTENDED:	<u>99.83%</u>	<u>99.84%</u>	<u>99.82%</u>



Fick, Eggemeyer & Williamson

Certified Public Accountants, PC

CPA
MEMBERS OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Commissioners
Monroe County
Waterloo, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities each major fund, and the aggregate remaining fund information of Monroe County, Illinois, as of and for the year ended November 30, 2018, and the related notes to the financial statements, which collectively comprise Monroe County, Illinois's basic financial statements, and have issued our report thereon dated November 22, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses. This finding is identified as 2018-001.

Compliance and Other Matters

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

Monroe County, Illinois' Response to Findings

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

Purpose of this Report

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



Fick, Eggemeyer, & Williamson, CPA's

Saint Louis, Missouri

November 22, 2019



Fick, Eggemeyer & Williamson

Certified Public Accountants, PC

CPA
MEMBERS OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Commissioners
Monroe County
Waterloo, Illinois

Report on Compliance for Each Major Federal Program

We have audited Monroe County, Illinois' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Monroe County, Illinois' major federal programs for the year ended November 30, 2018. Monroe County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Monroe County, Illinois, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2018.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Fick, Eggemeyer, & Williamson, CPA's
St. Louis, Missouri
November 22, 2019

MONROE COUNTY, ILLINOIS
FOR THE YEAR ENDED NOVEMBER 30, 2018

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified	<u> X </u> Yes	<u> </u> No
Significant deficiencies identified that are not considered to be material weaknesses	<u> </u> Yes	<u> X </u> No
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

Federal Awards

Internal control over major programs:

Material weaknesses identified?	<u> </u> Yes	<u> X </u> No
Reportable conditions identified that are not considered to be material weaknesses	<u> </u> Yes	<u> X </u> No

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	<u> </u> Yes	<u> X </u> No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.205	Federal Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
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Auditee qualified as low risk auditee?	<u> </u> Yes	<u> X </u> No
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MONROE COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED NOVEMBER 30, 2018

Section II - Financial Statement Findings

2018-001 Segregation of Duties

Condition: For the year ended November 30, 2018 there was an overall lack of segregation of duties for accounting procedures in the Treasurer's department.

Criteria: An important element of internal accounting controls is an adequate segregation of duties such that no individual has responsibility to execute a transaction, possess access to the related assets, and have responsibility or authority to record the transaction.

Effect: A lack of segregation of duties subjects the County to a higher risk that errors or fraud could occur and not be detected in a timely manner in the normal course of business.

Recommendation: We recommend that the County develop new written accounting procedures that include proper segregation of duties in the Treasurer's department.

Response: The County is in agreement with the finding and will review staff duties, and re-assign responsibilities to allow for sufficient segregation of duties.

Section III - Federal Award Findings

There are no federal award findings to disclose.

MONROE COUNTY, ILLINOIS
SCHEDULE OF RESOLUTION OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED NOVEMBER 30, 2018

Summary Schedule of Prior Audit Findings

<u>Prior finding number</u>	<u>Condition</u>	<u>Current Status</u>
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None		
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