

**MONTGOMERY COUNTY, ILLINOIS**

**Annual Financial Report**

**November 30, 2014**

**PATTON & COMPANY, P.C.**

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**Certified Public Accountants**

**MONTGOMERY COUNTY, ILLINOIS**

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**MONTGOMERY COUNTY, ILLINOIS**

**Elected Officials and Board Members**

**November 30, 2014**

**ELECTED OFFICIALS:**

Coroner, Rick Broaddus

Treasurer, Ron Jenkins

County Clerk, Sandy Leitheiser

Circuit Clerk, Holly Lemons

State's Attorney, Christopher Matoush

Sheriff, Jim Vazzi

**COUNTY BOARD MEMBERS:**

Mary Bathurst, Vice Chairman

Jay Martin

Connie Beck

Gene Miles

Megan Beeler

Jim Moore

Nikki Bishop

Mike Plunkett

Bonnie Branum

Earlene Robinson

Ronald Deabenderfer

David Ronen

Joe Gasperich

Glenn Savage

Chuck Graden

Bob Sneed

Heather Hampton+Knodle

Mike Webb

Roy Hertel, Chairman

Richard Wendel

Sharon Kuchar

# PATTON & COMPANY, P.C.

*Certified Public Accountants*

R.M. Patton  
Amy M. Patton  
Kyle L. Putnam

(217) 532-3825  
Fax (217) 532-9393  
patton1@consolidated.net

## INDEPENDENT AUDITOR'S REPORT

Montgomery County Board  
Montgomery County, Illinois  
Hillsboro, Illinois:

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery County, Illinois, as of and for the year ended November 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinions on the Governmental Activities**

Montgomery County, Illinois, has not recognized the other post-employment benefit (OPEB) expense or obligation which is required in accordance with U.S. generally accepted accounting principles and under Government Accounting Standards Board (GASB) Statement No. 45, to be recorded in the government-wide financial statements. The effects of that departure on the financial statements are not reasonably determinable. The County has also not disclosed the descriptive information about the other post-employment benefits required by standards.

### **Qualified Opinions on the Governmental Activities**

In our opinion, except for the omission of the OPEB expense and the obligation and disclosures as described in the "Basis for Qualified Opinions on the Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Montgomery County, Illinois, as of November 30, 2014, and the respective changes in financial position, thereof, for the year then ended in accordance with U.S. generally accepted accounting principles.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major governmental fund, and the aggregate remaining fund information of Montgomery County, Illinois, as of November 30, 2014, and the respective changes in financial position, 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 management's discussion and analysis, budgetary comparison information, and IMRF Trend Information 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 Montgomery County, Illinois', basic financial statements. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2015, on our consideration of Montgomery 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 Montgomery County, Illinois', internal control over financial reporting and compliance.

*Patton: Company, P.C.*

Hillsboro, Illinois  
March 30, 2015

# MONTGOMERY COUNTY, ILLINOIS

## Management's Discussion and Analysis November 30, 2014

This Management's Discussion and Analysis (MD&A) of Montgomery County, Illinois, (County) is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the County's financial activity, (3) identify changes in the County's financial position (its ability to address subsequent challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify fund issues or concerns. Readers are encouraged to consider the information presented here in conjunction with the basic financial statements and accompanying notes to these financial statements.

### Financial Highlights

- The assets of Montgomery County exceeded its liabilities at the close of the most recent fiscal year by \$28,333,631 (net position). Of this amount, \$717,762 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Government-wide, Montgomery County had \$15,352,964 in expenses. These were offset with \$2,765,697 of charges for services (user fees) and \$3,132,190 of intergovernmental revenues. This left a balance of \$9,455,077 in expenses to be covered by general revenue sources. General revenues including property taxes, sales taxes, income taxes, and other income sources were \$12,083,940 government-wide.
- At the end of the current fiscal year, the unreserved fund balance for the General Fund was \$923,970 or 13% of total General Fund expenditures.

### Overview of the Financial Statements

The MD&A is intended to serve as an introduction to Montgomery County's basic financial statements. The County's basic financial statements comprise three parts:

1. Government-wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

The MD&A also contains other required supplementary information in addition to the basic financial statements.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Montgomery County's finances in a manner similar to a private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables, and receivables.

# MONTGOMERY COUNTY, ILLINOIS

## Management's Discussion and Analysis November 30, 2014

The Statement of Net Position presents information on all of Montgomery County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County in total is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. (Changes in net position are reported as the underlying event giving rise to the change that occurs.) Revenues and expenses are reported in this statement for some items that will result in cash flows in future periods (e.g. earned but unused vacation leave).

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Montgomery County, like other units of state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All funds of the County can be divided into two categories: governmental funds and fiduciary funds.

**Governmental Funds:** Governmental Funds, including the General Fund, are used to account for essentially the same functions as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Montgomery County maintains governmental funds, including the General Fund and Special Revenue Funds. Of these funds, the General Fund, Public Health Fund, IMRF Fund, Coal Royalties Fund, Employees Insurance Fund, Township Bridge Program Fund, Federal Aid Matching Fund and County Motor Fuel Tax Fund are major funds as defined by GASB Statement No. 34. Each fund is presented with statements of revenues, expenditures, and changes in fund balances as well as balance sheets. Non-major funds are presented individually in the supplemental information.

Montgomery County adopts annual appropriated budgets for the General Fund and certain Special Revenue Funds. Budgeting comparison statements have been provided for the major fund types.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the County's financial statements.

**MONTGOMERY COUNTY, ILLINOIS**

**Management's Discussion and Analysis  
November 30, 2014**

**Government-wide Financial Analysis**

Statement of Net Position: Net position may serve over time as a useful indicator of a government's financial position. In the case of Montgomery County, assets exceeded liabilities by \$28,333,631 as of November 30, 2014.

The County's net position for the fiscal years ended November 30, are summarized below:

	<b>Governmental Activities</b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Assets:		
Current assets	\$ 14,781,366	\$ 11,755,068
Capital assets	<u>14,357,880</u>	<u>14,999,846</u>
Total assets	<u>29,139,246</u>	<u>26,754,914</u>
Liabilities:		
Current liabilities	522,615	745,146
Other liabilities	<u>283,000</u>	<u>305,000</u>
Total liabilities	<u>805,615</u>	<u>1,050,146</u>
Net position:		
Net investment in capital assets	14,357,880	14,999,846
Restricted, committed, assigned	13,257,989	9,645,049
Unrestricted	<u>717,762</u>	<u>1,059,873</u>
Total net position	<u>\$ 28,333,631</u>	<u>\$ 25,704,768</u>

**Current Year Impacts**

The County's combined net position (which is the County's bottom line) increased \$2,628,863 to \$28,333,631 from \$25,704,768 as a result of the Governmental Activities. The County's unrestricted net position for Governmental Activities, the part of net position that can be used to finance day-to-day operations, is \$717,762.

**MONTGOMERY COUNTY, ILLINOIS**

**Management's Discussion and Analysis  
November 30, 2014**

Governmental activities increased the net position in 2014 by \$2,628,863. Key elements of the increase are as follows:

	<b>Governmental Activities</b>	
	<u><b>2014</b></u>	<u><b>2013</b></u>
<b>Revenues:</b>		
Program revenues:		
Charges for service	\$ 2,765,697	\$ 2,795,048
Operating grants and contributions	3,132,190	3,313,459
General revenues:		
Property taxes	4,255,670	4,064,659
Sales taxes	1,698,614	1,704,101
Income and replacement taxes	1,000,595	969,581
Inheritance and real estate transfer tax	124,328	116,753
Motor fuel tax	791,804	678,727
Video gaming tax	3,615	646
Investment income	39,873	35,547
Other revenue	<u>4,169,441</u>	<u>2,435,600</u>
Total revenues	<u>17,981,827</u>	<u>16,114,121</u>
<b>Expenses:</b>		
General government	5,298,734	4,880,821
Judiciary and court-related	1,775,833	1,790,909
Public safety	3,078,634	3,095,764
Public health and welfare	2,948,803	3,078,746
Transportation	<u>2,250,960</u>	<u>2,519,404</u>
Total expenses	<u>15,352,964</u>	<u>15,365,644</u>
Changes in net position	2,628,863	748,477
Beginning net position	<u>25,704,768</u>	<u>24,956,291</u>
Ending net position	<u>\$ 28,333,631</u>	<u>\$ 25,704,768</u>

**Financial Analysis of Montgomery County's Governmental Funds**

As noted earlier, Montgomery County government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

# MONTGOMERY COUNTY, ILLINOIS

## Management's Discussion and Analysis November 30, 2014

### Expenses and Program Revenues - Government Activities

Montgomery County government provides a number of services to the citizens of Montgomery County. These include law enforcement and administration of the criminal justice system, administration of consolidated elections, property tax records and tax collection for all taxing bodies, maintenance of county roads, bridges and highways, and the provision of health services.

### Revenues by Source - Government Activities

Revenues to support these programs are provided by fees for services, operating grants, intergovernmental transfers, and from general revenue.

Charges for services include a wide variety of fees for court costs and for the recording of deeds and vital records.

Operating grants include both State and Federal grants; Federal grants are passed through State agencies. These may be in the form of subsidies for county personnel (such as Probation, Supervisor of Assessments, or State's Attorney) or in the form of grants which require certain services be provided within the term of the grant. These revenue sources are earmarked for provision of specific services and may not be used for other purposes.

The primary source of general revenue is property, sales, income taxes, inheritance and real estate transfer taxes and motor fuel taxes of \$7,874,626. Property taxes are collected for and recorded in separate funds, such as General Fund, Retirement Fund, Highway Fund, and so forth. The Equalized Assessed Valuation, on which all property taxes are calculated, has been growing in recent years.

### Capital Assets

The County's investment in capital assets (net of related depreciation and related debt) for its Governmental type activities as of November 30, 2014, amounts to \$14,357,880. Investments in capital assets include land, building and structures, equipment, technology and equipment, and infrastructure. Net capital assets decreased by \$641,966 in fiscal year 2014.

Detailed information regarding the change in capital assets is shown in the footnotes of the financial report.

### General Fund Budgeting Highlights

	<u>Budget</u>	<u>Actual</u>	<u>Change</u>
Revenues	\$ 6,009,912	\$ 6,013,072	\$ 3,160
Expenditures	<u>7,628,415</u>	<u>7,136,968</u>	<u>491,447</u>
Excess of revenues over expenditures	(1,618,503)	(1,123,896)	494,607
Other financing sources	<u>110,000</u>	<u>784,620</u>	<u>674,620</u>
Net change in fund balance	\$ <u>(1,508,503)</u>	\$ <u>(339,276)</u>	\$ <u>1,169,227</u>

General Fund revenues were \$3,160 greater than the final budget.

General Fund actual expenditures were \$491,447 less than the final budget.

**MONTGOMERY COUNTY, ILLINOIS**

**Management's Discussion and Analysis  
November 30, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Change</u>
Taxes	\$ 3,440,303	\$ 3,515,833	\$ 75,530
Investment income	5,000	3,161	(1,839)
Fines and fees	1,796,000	1,607,582	(188,418)
Licenses	74,475	78,912	4,437
Other	38,150	84,249	46,099
Reimbursed expenditures	<u>655,984</u>	<u>723,335</u>	<u>67,351</u>
Total revenues	\$ <u>6,009,912</u>	\$ <u>6,013,072</u>	\$ <u>3,160</u>

**Economic Factors and Next Year's Budgets and Rates**

**Next Year's Budgets and Rates**

The following factors were considered in preparing the County's budget for the fiscal year 2015 (December 1, 2014 through November 30, 2015):

- The year 2013 unemployment rate for Montgomery County was 11.7%, the state-wide average was 9.2%.
- Sales taxes are trending downward and income taxes are trending upward.
- Fees collected for services were trending downward.
- Federal and state budget deficits placed intergovernmental receipts more at risk than previously.
- Cost-of-Living in the year 2013 was 1.5%, down from the previous year of 2.1%.
- Benefit costs increased, especially costs of health coverage for County employees.

**Requests for Information**

This report is designed to provide a general overview for those interested in Montgomery County's financial structure. Requests concerning information provided in this report, or for additional financial information, should be addressed to the Montgomery County Treasurer, Ron Jenkins, 1 Courthouse Square, Room 101, Hillsboro, IL 62049, 217-532-9521.

**BASIC FINANCIAL STATEMENTS**

**MONTGOMERY COUNTY, ILLINOIS**

**Statement of Net Position  
November 30, 2014**

	<b><u>Governmental Activities</u></b>
<b>Assets</b>	
Cash	\$ 13,136,189
Receivables:	
State of Illinois	1,130,266
Accounts	276,647
Other	223,917
Notes	14,347
Capital assets:	
Land and improvements	197,908
Other capital assets, net of depreciation	<u>14,159,972</u>
Total assets	<u>29,139,246</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable and accrued expenses	489,652
Compensated absences	<u>20,000</u>
Total current liabilities	<u>509,652</u>
Noncurrent liabilities:	
Compensated absences	<u>283,000</u>
Total noncurrent liabilities	<u>283,000</u>
Total liabilities	<u>792,652</u>
<b>Deferred Inflows of Resources</b>	
Unavailable reimbursements	<u>12,963</u>
Total deferred inflows of resources	<u>12,963</u>
<b>Net Position</b>	
Net investment in capital assets	14,357,880
Restricted for:	
General government	7,835,804
Public health	899,129
Streets	3,209,292
Public safety	7,496
Judiciary	1,306,268
Unrestricted	<u>717,762</u>
Total net position	<u>\$ 28,333,631</u>

See notes to the financial statements.

MONTGOMERY COUNTY, ILLINOIS

Statement of Activities  
 Governmental Activities  
 Year ended November 30, 2014

		<u>Program Revenues</u>			<b>Net (Expense) Revenue and Changes In Net Position</b>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:					
General government	\$ 5,298,734	\$ 497,496	\$ 128,441	\$ -	\$ (4,672,797)
Judiciary and court-related	1,775,833	1,216,611	611,666	-	52,444
Public safety	3,078,634	760,308	92,152	-	(2,226,174)
Health and welfare	2,948,803	291,282	1,960,621	-	(696,900)
Transportation	<u>2,250,960</u>	<u>-</u>	<u>339,310</u>	<u>-</u>	<u>(1,911,650)</u>
Total governmental activities	\$ <u>15,352,964</u>	\$ <u>2,765,697</u>	\$ <u>3,132,190</u>	\$ <u>-</u>	<u>(9,455,077)</u>
General revenues:					
Taxes:					
Property					4,255,670
Sales					1,698,614
Income and replacement					1,000,595
Inheritance and real estate transfer					124,328
Motor fuel					791,804
Video gaming					3,615
Investment income					39,873
Other					791,169
Loss on disposal of assets					(17,846)
Coal royalties					<u>3,396,118</u>
Total general revenues					<u>12,083,940</u>
Change in net position					2,628,863
Net position, beginning of year					<u>25,704,768</u>
Net position, end of year					\$ <u>28,333,631</u>

See notes to the financial statements.

**MONTGOMERY COUNTY, ILLINOIS**

**Balance Sheet  
Governmental Funds  
November 30, 2014**

	<u>General Fund</u>	<u>Public Health Fund</u>	<u>IMRF Fund</u>	<u>Coal Royalties Fund</u>
<b>Assets</b>				
Cash	\$ 428,708	\$ 421,587	\$ 321,437	\$ 5,437,710
Accounts receivable	119,156	26,875	-	-
Due from other governmental agencies:				
State of Illinois	513,107	575,504	-	-
Due from other funds	215,535	1,257	2,887	-
Notes receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 1,276,506</u>	 <u>\$ 1,025,223</u>	 <u>\$ 324,324</u>	 <u>\$ 5,437,710</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Due to other funds	\$ 269,779	\$ 134,037	\$ -	\$ -
Accounts payable and accrued expenses	<u>82,757</u>	<u>81,489</u>	<u>103,914</u>	<u>-</u>
 Total liabilities	 <u>352,536</u>	 <u>215,526</u>	 <u>103,914</u>	 <u>-</u>
Deferred Inflows of Resources:				
Unavailable reimbursements	<u>-</u>	<u>12,963</u>	<u>-</u>	<u>-</u>
 Total deferred inflows of resources	 <u>-</u>	 <u>12,963</u>	 <u>-</u>	 <u>-</u>
 Total liabilities and deferred inflows of resources	 <u>352,536</u>	 <u>228,489</u>	 <u>103,914</u>	 <u>-</u>
Fund Balances:				
Restricted	-	-	220,410	-
Committed	-	-	-	5,437,710
Assigned	-	796,734	-	-
Unassigned	<u>923,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total fund balances	 <u>923,970</u>	 <u>796,734</u>	 <u>220,410</u>	 <u>5,437,710</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 1,276,506</u>	 <u>\$ 1,025,223</u>	 <u>\$ 324,324</u>	 <u>\$ 5,437,710</u>

See notes to the financial statements.

MONTGOMERY COUNTY, ILLINOIS

Balance Sheet  
Governmental Funds  
November 30, 2014

<u>Employees Insurance Fund</u>	<u>County Motor Fuel Tax Fund</u>	<u>Federal Aid Matching</u>	<u>Township Bridge Program Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 164,495	\$ 505,093	\$ 1,144,600	\$ 8,931	\$ 4,703,628	\$ 13,136,189
-	-	-	-	130,616	276,647
-	41,655	-	-	-	1,130,266
428,824	-	628	-	3,610	652,741
-	-	-	-	14,347	14,347
<u>\$ 593,319</u>	<u>\$ 546,748</u>	<u>\$ 1,145,228</u>	<u>\$ 8,931</u>	<u>\$ 4,852,201</u>	<u>\$ 15,210,190</u>
\$ -	\$ -	\$ -	\$ -	\$ 25,008	\$ 428,824
<u>186,400</u>	<u>5,109</u>	<u>2,200</u>	<u>-</u>	<u>27,783</u>	<u>489,652</u>
<u>186,400</u>	<u>5,109</u>	<u>2,200</u>	<u>-</u>	<u>52,791</u>	<u>918,476</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,963</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,963</u>
<u>186,400</u>	<u>5,109</u>	<u>2,200</u>	<u>-</u>	<u>52,791</u>	<u>931,439</u>
-	541,639	1,143,028	8,931	1,609,413	3,523,421
-	-	-	-	-	5,437,710
406,919	-	-	-	3,093,205	4,296,858
-	-	-	-	96,792	1,020,762
<u>406,919</u>	<u>541,639</u>	<u>1,143,028</u>	<u>8,931</u>	<u>4,799,410</u>	<u>14,278,751</u>
<u>\$ 593,319</u>	<u>\$ 546,748</u>	<u>\$ 1,145,228</u>	<u>\$ 8,931</u>	<u>\$ 4,852,201</u>	<u>\$ 15,210,190</u>

MONTGOMERY COUNTY, ILLINOIS

Reconciliation of Fund Balances of Governmental Funds to the  
Governmental Activities in the Statement of Net Position  
Year Ended November 30, 2014

Fund balances of the governmental funds	\$ 14,278,751
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities of \$43,875,619, net of accumulated depreciation of \$29,517,739, are not financial resources and, therefore, are not reported in the funds.	14,357,880
Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(303,000)</u>
Net position of governmental activities	\$ <u>28,333,631</u>

See notes to the financial statements.

**MONTGOMERY COUNTY, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended November 30, 2014**

	<u>General Fund</u>	<u>Public Health Fund</u>	<u>IMRF Fund</u>	<u>Coal Royalties Fund</u>
<b>Revenues:</b>				
Taxes	\$ 3,515,833	\$ 431,245	\$ 981,152	\$ -
Intergovernmental	723,335	1,960,621	2,047	-
Fines and fees	1,607,582	291,282	-	-
Interest	3,161	2,418	841	12,970
Miscellaneous	84,249	11,324	-	3,396,118
Licenses and fees	78,912	-	-	-
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>6,013,072</u>	<u>2,696,890</u>	<u>984,040</u>	<u>3,409,088</u>
<b>Expenditures:</b>				
Current:				
General government	3,199,944	-	976,379	16,805
Public safety	2,444,229	-	-	-
Health and welfare	-	2,738,943	-	-
Transportation	-	-	-	-
Judiciary and court related	1,259,660	-	-	-
Capital outlay	<u>233,135</u>	<u>152,243</u>	<u>-</u>	<u>58,767</u>
Total expenditures	<u>7,136,968</u>	<u>2,891,186</u>	<u>976,379</u>	<u>75,572</u>
Excess (deficiency) of revenues over expenditures	<u>(1,123,896)</u>	<u>(194,296)</u>	<u>7,661</u>	<u>3,333,516</u>
<b>Other financing sources (uses):</b>				
Transfers in	925,000	-	-	-
Transfers out	<u>(140,380)</u>	<u>-</u>	<u>-</u>	<u>(815,000)</u>
Total other financing sources (uses)	<u>784,620</u>	<u>-</u>	<u>-</u>	<u>(815,000)</u>
Net change in fund balances	(339,276)	(194,296)	7,661	2,518,516
Fund balances, beginning of year	<u>1,263,246</u>	<u>991,030</u>	<u>212,749</u>	<u>2,919,194</u>
Fund balances, end of year	\$ <u>923,970</u>	\$ <u>796,734</u>	\$ <u>220,410</u>	\$ <u>5,437,710</u>

See notes to the financial statements.

**MONTGOMERY COUNTY, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended November 30, 2014**

<u>Employees Insurance Fund</u>	<u>County Motor Fuel Tax Fund</u>	<u>Federal Aid Matching</u>	<u>Township Bridge Program Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 791,804	\$ 215,623	\$ -	\$ 1,938,969	\$ 7,874,626
-	-	-	198,265	247,922	3,132,190
-	-	-	-	-	1,898,864
1,070	1,480	3,601	341	13,991	39,873
-	-	-	-	695,596	4,187,287
-	-	-	-	-	78,912
-	-	-	-	<u>787,921</u>	<u>787,921</u>
<u>1,070</u>	<u>793,284</u>	<u>219,224</u>	<u>198,606</u>	<u>3,684,399</u>	<u>17,999,673</u>
(3,621)	-	-	-	951,092	5,140,599
-	-	-	-	403,474	2,847,703
-	-	-	-	162,520	2,901,463
-	652,190	33,455	198,129	637,032	1,520,806
-	-	-	-	376,772	1,636,432
-	-	-	-	<u>259,696</u>	<u>703,841</u>
<u>(3,621)</u>	<u>652,190</u>	<u>33,455</u>	<u>198,129</u>	<u>2,790,586</u>	<u>14,750,844</u>
<u>4,691</u>	<u>141,094</u>	<u>185,769</u>	<u>477</u>	<u>893,813</u>	<u>3,248,829</u>
-	-	-	-	140,380	1,065,380
-	-	-	-	<u>(110,000)</u>	<u>(1,065,380)</u>
-	-	-	-	<u>30,380</u>	<u>-</u>
4,691	141,094	185,769	477	924,193	3,248,829
<u>402,228</u>	<u>400,545</u>	<u>957,259</u>	<u>8,454</u>	<u>3,875,217</u>	<u>11,029,922</u>
<u>\$ 406,919</u>	<u>\$ 541,639</u>	<u>\$ 1,143,028</u>	<u>\$ 8,931</u>	<u>\$ 4,799,410</u>	<u>\$ 14,278,751</u>

MONTGOMERY COUNTY, ILLINOIS

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and  
Changes in Fund Balances to the Governmental Activities on the Statement of Activities  
Year Ended November 30, 2014

Net change in fund balances - total governmental funds \$ 3,248,829

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

Governmental funds report capital outlay as expenditures.  
However, in the statement of activities, the cost of those  
assets is allocated over their estimated useful lives as  
depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 703,841
Depreciation	(1,327,961)

Excess of capital outlay over depreciation (624,120)

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.

Compensated absences payable change	22,000
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Loss on disposal of capital assets	<u>(17,846)</u>
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Change in net position of governmental activities \$ 2,628,863

See notes to the financial statements.

**MONTGOMERY COUNTY, ILLINOIS**

**Statement of Fiduciary Net Position  
Agency Funds  
November 30, 2014**

<b>Assets</b>	
Cash	\$ 1,753,818
Investments	143,611
Accounts receivable	<u>118,527</u>
Total assets	\$ <u>2,015,956</u>
<b>Liabilities</b>	
Due to others	\$ 1,792,039
Due to other funds	<u>223,917</u>
Total liabilities	\$ <u>2,015,956</u>

See notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies

As discussed in Note 1.C., these financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below:

#### 1.A. Financial Reporting Entity

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization.

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 for including organizations within the County's reporting entity, as set forth in GASB No. 14, "The Financial Reporting Entity," is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Based on these criteria, there are no potential component units which are required to be included in the accompanying financial statements.

Related Organizations: The County's officials are also responsible for appointing members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Board appoints board members to the following: 9-1-1, Public Building Commission, Montgomery County Housing, Public Health, Tuberculosis, some Drainage Districts in Montgomery County, all Fire Protection Districts in Montgomery County, Abandoned Cemetery, Ambulance, Board of Review, Economic Development Corporation, Airport Authority, and West Central Planning Workforce Investment.

#### 1.B. Basis of Presentation

Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the County as a whole. They include all funds of the reporting entity, except fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies, continued

**Fund Financial Statements:** Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and fiduciary. The County presently has no proprietary funds. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the main operating fund of the County or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least ten percent of the corresponding total for all funds of the category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.
- c. A fund that does not meet the criteria of (a) or (b), but for which management has determined is of such significance to be reported as a major fund.

**Governmental Funds:** Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. The following are the County's major governmental funds:

**General Fund** - The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Illinois.

**Public Health Fund** - The County Health Fund accounts for a county-wide property tax levy and federal and state grants for operating the Montgomery County Health Department, and the costs of services provided to the public through the department.

**IMRF Fund** - The IMRF Fund is a fund that levies property taxes to fund retirement as prescribed by the statutes of the State of Illinois.

**Employees Insurance Fund** - This fund accounts for the County's portion of insurance expense paid on behalf of their employees.

**County Motor Fuel Tax Fund** - This fund is used to account for maintenance of County owned roads and motor fuel tax received.

**Federal Aid Matching** - The fund is used to account for infrastructure repairs and maintenance.

**Township Bridge Program Fund** - This fund is used to account for maintenance of Township bridges from state and federal funds.

**Coal Royalties Fund** - This fund is used to account for royalties from coal mined at Deer Run Mine located in Montgomery County.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies, continued

**Fiduciary Funds:** Fiduciary fund reporting focuses on net position and changes in net position. The County utilizes agency funds which are generally used to account for assets that the County holds in fiduciary capacity or on behalf of others as their agent.

#### 1.C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

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

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

**Fund Financial Statements:** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financial sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

#### 1.D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus, as defined in item “b.” below.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies, continued

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified accrual basis of accounting, is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- b. The government-wide statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported.

#### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (defined as 60 days) to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

#### **1.E. Assets, Liabilities and Equity**

##### Cash and Cash Equivalents

For the purposes of financial reporting, “cash and cash equivalents” includes all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

##### Investments

Investments consist entirely of non-negotiable certificates of deposit whose original maturity term exceeds three months. All non-negotiable certificates of deposit whose original maturity term exceeds three months are carried at cost.

MONTGOMERY COUNTY, ILLINOIS

Notes to the Financial Statements  
November 30, 2014

Note 1 - Summary of Significant Accounting Policies, continued

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales tax and property tax.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, property taxes and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Inventories

The County has chosen to record consumable materials and supplies as expenditures at the time of purchase, and, due to its immaterial amount, no balances for inventory on-hand are reported on the balance sheet.

*Government-Wide Statements*

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to November 30, 2003. Prior to December 1, 2003, governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired since December 1, 2003, are recorded at cost.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The County generally capitalizes assets with minimum costs of: land improvements \$25,000; building and facilities \$50,000; building and improvements \$25,000; all other non-infrastructure assets \$5,000; and for infrastructure type assets (roads, bridges, culverts, curbs, sidewalks, lighting systems, gutters, drainage systems, easements, waterways, etc.) \$200,000. Contributed assets are reported at their fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The range of estimated useful lives by type of assets is as follows:

<u>Description</u>	<u>Estimated Lives</u>
Building and building improvements	20-40 years
Vehicles	3-7 years
Furniture and fixtures	7-10 years
Technology and equipment	5 years
Infrastructure	10-50 years

MONTGOMERY COUNTY, ILLINOIS

Notes to the Financial Statements  
November 30, 2014

**Note 1 - Summary of Significant Accounting Policies, continued**

*Fund Financial Statements*

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-Term Debt

All long-term debt to be repaid from governmental resources is reported as a liability in the government-wide statements.

Long-term debt of governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Equity Classification

*Government-Wide Statements*

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County 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 applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

*Fund Financial Statements - Fund Balance Classifications*

This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The County reports the following fund balance reporting classifications in accordance with the provisions of the statement:

*Nonspendable Fund Balance* - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The County reports its prepaid expenses in this classification.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies, continued

*Restricted Fund Balance* - The restricted fund balance classification includes amounts that are restricted to specific purposes. Fund balances are reported as restricted when constraints placed on the use of resources are either:

- a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
- b. Imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision-making authority (i.e. County Board). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.

*Assigned Fund Balance* - The assigned fund balance classification includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent can be expressed by the County Board or by an official or body to which the County Board delegates the authority.

*Unassigned Fund Balance* - The unassigned fund balance classification includes amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

The County's policy is to spend restricted fund balance before spending unrestricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available except for instances where a County budget resolution specifies the fund balance.

The County's policy is that committed and assigned fund balances are considered to have been spent before unassigned balances have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used except for instances where a County budget ordinance specifies the fund balance.

### 1.F. Revenues, Expenditures, and Expenses

#### Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the County's taxpayers are reported as program revenues. The County has the following program revenue in the:

General Government Function	Fees, charges for services, licenses, and permits.
Judiciary and Court Related Function	Fines and fees and state stipends.

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to the Financial Statements  
November 30, 2014**

**Note 1 - Summary of Significant Accounting Policies, continued**

Public Safety Function	Fine revenues, grant revenue for salaries, and drug task force reimbursement.
Health and Welfare Function	Fees. Operating grants received for health programs.
Transportation Function	Reimbursements and operating grants for improvement projects.

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

**1.G. Internal and Interfund Balances and Activities**

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund activity, if any, within and among the governmental and fiduciary fund categories is reported as follows in the fund financial statements:

- a. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- c. Interfund reimbursements - Repayments from funds responsible for certain expenditures/ expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
- d. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 1 - Summary of Significant Accounting Policies, continued

#### Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- a. Internal balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and fiduciary activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and fiduciary activities which are reported as Internal Balances.
- b. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and fiduciary activities, which are reported as Internal-Transfer Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

#### **1.H. Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results may differ from those estimates.

#### **1.I. Property Taxes**

The County's property tax is levied on January 1 of each year on all taxable real property located in Montgomery County. Real property tax revenue received in 2014 represents collections of the 2013 taxes. Real property taxes for the 2014 levy will be collected in and are intended to finance the 2015 operations and are not considered available for current operations. The 2014 tax levy has not been recorded as a receivable at November 30, 2014.

Montgomery County property is assessed as of January 1 of each year by the Township Assessors. The values are adjusted by various percentages according to the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state.

Property taxes are collected by the Montgomery County Treasurer who periodically remits to each taxing unit its respective share of the collections. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within applicable funds. Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and the second installment is due no later than September 1. A lien on taxable property is effective thirty (30) days after the second installment due date. The budget and levy were approved on November 12, 2013. The assessed valuation for 2013 was \$405,298,253.

MONTGOMERY COUNTY, ILLINOIS

Notes to the Financial Statements  
November 30, 2014

**Note 1 - Summary of Significant Accounting Policies, continued**

The following are the taxes levied per \$100 of assessed valuation:

	<u>2013 Tax Rate</u>
General Corporate	.20250
I.M.R.F.	.22848
County Highway	.09944
Bridges	.04972
Federal Aid Matching	.04972
Public Health	.09944
Social Security	.13651
Tuberculosis	.02241
Liability Insurance	.11195
Senior Citizens	.02073
Veteran's Assistance	<u>.01964</u>
	<u>1.04054</u>

**1.J. Compensated Absences**

All full-time employees who have worked twelve consecutive months for the County accrue vacation credit for the time worked on the following basis:

One year	10 working days
Five years	15 working days
Ten years	20 working days
Twenty years	25 working days
Thirty years	30 working days

Employees are required to use all earned vacation days by the end of the fiscal year.

All full-time employees, having completed one year of continuous service, should be entitled to 12 days of sick leave each year.

The County does not set aside funds in its current budget to fund liabilities incurred during its period. Rather, the County funds compensated absences, other than in proprietary funds, on a 'pay-as-you-go' basis.

Upon retirement, employees are entitled to receive up to \$2,000 for payment of accumulated sick days. Sick leave in excess of 100 days maximum is not paid upon termination, but will be paid only upon illness while in the employment of the County.

The total compensated absences balance at November 30, 2014, was \$303,000.

MONTGOMERY COUNTY, ILLINOIS

Notes to the Financial Statements  
November 30, 2014

**Note 1 - Stewardship, Compliance, and Accountability, continued**

**1.K. Subsequent Events**

The County has evaluated subsequent events through March 30, 2015, the date on which the financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure of the financial statements.

**Note 2 - Stewardship, Compliance, and Accountability**

**2.A. Deposits and Investments**

The County's investment policy is in accordance with the Illinois Compiled Statutes. The County is authorized by statute to make deposits or investments in obligations of the U.S. Government; obligations of state or their political subdivisions; savings accounts, time deposits, certificates of deposit; or other investments which are direct obligations of banks as defined by the Illinois Banking Act; and the Illinois Funds. The County does not enter into any reverse repurchase agreements.

The County's deposits are in checking, savings accounts and certificates of deposit and are carried at cost. The County's current investment practice is only to invest in local financial institution accounts and the Illinois State Treasurer's Investment Pool.

Cash on hand of \$30,110 has been excluded from the amounts shown below.

Deposits and Custodial Credit Risk

At November 30, 2014, the carrying value of the County's deposits, net of outstanding checks including certificates of deposit, totaled \$15,003,508 and the bank balances totaled \$15,482,607. Of this balance \$1,099,259 was insured by the Federal Deposit Insurance Corporation (FDIC), \$14,383,348 was covered by pledged collateral, which was held in the County's name, and \$0 was uncollateralized.

Interest Rate Risk

The County does not have a formal policy that limits invested maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At November 30, 2014, the County's deposits were as follows:

Governmental Funds	\$ 13,136,189
Agency Funds	<u>1,897,429</u>
	<u>\$ 15,033,618</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to the Financial Statements  
November 30, 2014**

**Note 3 - Capital Assets**

The following notes present detailed information to support the amounts in the basic financial statements for its various assets, liabilities, equity, revenues and expenditures/expenses.

Capital asset activity for the year ended November 30, 2014, was as follows:

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance November 30, 2014</u>
Primary government				
Governmental activities:				
Nondepreciable capital assets:				
Land and improvements	\$ <u>197,908</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>197,908</u>
Total nondepreciable capital assets	<u>197,908</u>	<u>-</u>	<u>-</u>	<u>197,908</u>
Depreciable capital assets:				
Buildings and building improvements	12,370,146	358,640	-	12,728,786
Vehicles	1,323,830	263,261	118,093	1,468,998
Equipment	2,550,536	81,940	19,772	2,612,704
Infrastructure	<u>26,867,223</u>	<u>-</u>	<u>-</u>	<u>26,867,223</u>
Total depreciable assets	<u>43,111,735</u>	<u>703,841</u>	<u>137,865</u>	<u>43,677,711</u>
Less accumulated depreciation for:				
Buildings and building improvements	5,756,132	319,671	-	6,075,803
Vehicles	1,043,927	159,211	100,247	1,102,891
Equipment	1,943,438	199,709	19,772	2,123,375
Infrastructure	<u>19,566,300</u>	<u>649,370</u>	<u>-</u>	<u>20,215,670</u>
Total accumulated depreciation	<u>28,309,797</u>	<u>1,327,961</u>	<u>120,019</u>	<u>29,517,739</u>
Total depreciable assets, net	<u>14,801,938</u>	<u>(624,120)</u>	<u>17,846</u>	<u>14,159,972</u>
Governmental activities capital assets, net	\$ <u>14,999,846</u>	\$ <u>(624,120)</u>	\$ <u>17,846</u>	\$ <u>14,357,880</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 180,135
Judiciary and court related	139,401
Public safety	230,931
Transportation	730,154
Health and welfare	<u>47,340</u>
Total depreciation expense - governmental activities	\$ <u>1,327,961</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to the Financial Statements  
November 30, 2014**

**Note 4 - Interfund Receivables and Payables and Transfers**

Interfund receivables and payables at November 30, 2014, resulted from two types of transactions between funds. The first transaction types consist of loans made to provide working capital for operation or projects as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 215,535	\$ 269,779
Public Health Fund	1,257	134,037
Social Security Fund	1,725	-
GIS Imprest Fund	-	1,000
County Aid to Bridges Fund	628	-
Employees Insurance Fund	428,824	-
Sheriff's Fund	-	200,660
State's Attorney Fund	-	521
Probation Fund	-	666
County Treasurer's Other Funds	-	19,470
Federal Aid Matching	628	-
IMRF	2,887	-
County Highway Fund	1,257	19,530
Tuberculosis Fund	-	5,478
Coordinated Services Imprest Fund	<u>-</u>	<u>1,600</u>
 Total interfund receivables/payables	 <u>\$ 652,741</u>	 <u>\$ 652,741</u>
	<u>Transfers</u>	<u>Transfers</u>
	<u>Out</u>	<u>In</u>
County Court Fund	\$ 110,000	\$ -
General Fund	140,380	925,000
Coal Royalties Fund	815,000	-
Separation Maintenance and Child Support Fund	<u>-</u>	<u>140,380</u>
 Total transfers	 <u>\$ 1,065,380</u>	 <u>\$ 1,065,380</u>

The transfers were for operating purposes.

**Note 5 - Risk Management and Employee Matters**

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters; and net income losses for which the County carries insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County is insured by the Illinois Counties Risk Management Trust through which property, general liability, automobile liability, crime, boiler and machinery, and workers' compensation coverage is provided in excess of specified limits.

## MONTGOMERY COUNTY, ILLINOIS

### Notes to the Financial Statements November 30, 2014

#### **Note 5 - Risk Management and Employee Matters, continued**

The County pays all elected officials' bond by statute.

##### *Group Health Plan*

Montgomery County Group Health Plan is the benefit plan of Montgomery County, Illinois, the Plan Administrator, also called the Plan Sponsor. The Plan is a partially self-funded group health Plan and the administration is provided through a Third Party Claims Administrator. The funding for the benefits is derived from the funds of the Employer and contributions made by covered Employees. The level of any Employee contributions will be set by the Plan Administrator. These Employee contributions will be used in funding the cost of the Plan as soon as practicable after they have been received from the Employee or withheld from the Employee's pay through payroll deduction. For the period ending November 30, 2014, of the 160 eligible employees there were 117 on the Plan representing coverage for 74 "employee only" and 44 "family".

##### *Employee Voluntary Severance Plan*

The County offered a voluntary severance plan to eligible employees in November, 2014. The program was strictly voluntary and no employees were specifically targeted for participation. Elected officials were excluded.

Eligible employees included those that met the following requirements:

1. 55 or more years of age.
2. Have 8 or more consecutive years of service as an employee of Montgomery County.

#### **Note 6 - Pension Plan**

Employees of the County participate in the Illinois Municipal Retirement Fund (IMRF).

Plan Description : The County's defined benefit pension plan for Regular, Elected County Officials (ECO), and Sheriff's Law Enforcement Personnel (SLEP) employees provide retirement and disability benefits, post-retirement increases and death benefits to plan members and beneficiaries. The County plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to the Financial Statements  
November 30, 2014**

**Note 6 - Pension Plan - continued**

Funding Policy: As set by statute, the Regular, ECO and SLEP plan members are required to contribute 4.50%, 7.50%, and 7.50%, respectively, of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2014, for Regular, ECO and SLEP was 11.34%, 55.05% and 16.45%, respectively, of annual covered payroll. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

Annual Pension Cost: For 2013, the County's required contribution for calendar year 2014 was \$664,642 for the Regular plan, \$87,278 for the Elected County Official Plan, and \$149,244 for the Sheriff's Law Enforcement Personnel Plan.

Three-year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 664,642	100%	\$ 0
12/31/12	671,721	100%	0
12/31/11	649,051	100%	0

Three-year Trend Information for the Elected County Officials Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 87,278	100%	\$ 0
12/31/12	95,400	100%	0
12/31/11	80,475	100%	0

Three-year Trend Information for the Sheriff's Law Enforcement Personnel Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 149,244	100%	\$ 0
12/31/12	142,838	100%	0
12/31/11	137,326	100%	0

# MONTGOMERY COUNTY, ILLINOIS

## Notes to the Financial Statements November 30, 2014

### Note 6 - Pension Plan - continued

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumption at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expense), (b) projected salary increase of 4.00% a year, attributable to inflation, (c) additional projected salary increase ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/ merit, and (d) post retirement increase of 3% annually. The actuarial value of the County's Regular, ECO, and SLEP plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Regular, ECO, and SLEP plan's unfunded actuarial accrued liability at December 31, 2011, is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress: As of December 31, 2013, the most recent actuarial valuation date, the Regular Plan was 76.21 percent funded. The actuarial liability for benefits was \$14,216,898 and the actuarial value of assets was \$10,834,389, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,382,509. The covered payroll (annual payroll of active employees covered by the plan) was \$5,627,793 and the ratio of the UAAL to the covered payroll was 60 percent.

As of December 31, 2013, the most recent valuation date, the Elected County Officials Plan was 43.40 percent funded. The actuarial accrued liability for benefits was \$1,435,407 and the actuarial value of assets was \$622,909, resulting in an underfunded actuarial liability (UAAL) of \$812,498. The covered payroll (annual payroll of active employees covered by the plan) was \$170,298 and the ratio of the UAAL to the covered payroll was 477 percent.

As of December 31, 2013, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel Plan was 81.90 percent funded. The actuarial accrued liability for benefits was \$3,404,647 and the actuarial value of the assets was \$2,788,302, resulting in an underfunded actuarial accrued liability (UAAL) of \$616,345. The covered payroll (annual payroll of active employees covered by the plan) was \$874,306 and the ratio of the UAAL to the covered payroll was 70 percent.

The schedules of funding progress, presented as RSI following the notes to the financial statements, present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

MONTGOMERY COUNTY, ILLINOIS

Notes to the Financial Statements  
November 30, 2014

**Note 7 - Long-Term Debt**

The following is a summary of changes in the County's long-term obligations for the year ended November 30, 2014:

Compensated Absences

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance November 30, 2014</u>	<u>Current Portion</u>
Compensated absences	\$ <u>325,000</u>	\$ <u>-</u>	\$ <u>(22,000)</u>	\$ <u>303,000</u>	\$ <u>20,000</u>

**Note 8 - Coal Royalties**

The County entered into an agreement with Colt, LLC, a West Virginia limited liability company, and Colt Coal Company, Inc., a West Virginia corporation, in regards to coal mined at the Deer Run Mine located in Montgomery County, Illinois. The County will receive a production royalty of two percent of the F.O.B. Mine Average Gross Realization per ton of coal.

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to the Financial Statements  
November 30, 2014**

**Note 9 - Fund Balances**

Amounts for specific purposes by fund balance classifications for the year ended November 30, 2014, are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>Restricted</u>		
IMRF	Retirement	\$ 220,410
County Motor Fuel	Maintenance of roads	541,639
Federal Aid to Bridges	Infrastructure repairs and improvements	1,143,028
Township Bridge	Infrastructure repairs and improvements	8,931
County Aid to Bridges	Infrastructure repairs and improvements	818,194
Tuberculosis	Health	102,395
Senior Citizens	Senior Citizens Association	56,387
Property and Liability Insurance	Insurance	347,887
Veterans' Assistance	Assistance to veterans	210,191
Social Security	Payroll taxes	74,359
Total restricted		<u>3,523,421</u>
<u>Committed</u>		
Coal Royalties Fund	Future capital outlay projects	<u>5,437,710</u>
Total committed		<u>5,437,710</u>
<u>Assigned</u>		
Health	Health	796,734
Employee Insurance	Health insurance	406,919
Drug Asset Forfeiture	Public safety	6,860
County Highway	Maintenance and operation of highway system	295,072
County Farm Special Bridge	Infrastructure repairs and improvements	96,203
Equipment	Purchase and maintenance of highway equipment	306,225
Probation Fee	Court related matters	239,084
Record Keeping	Court related matters	199,126
Coroner	Coroner services	27,033
Electronic Citation	Court related matters	19,077
Document Storage	Court related matters	86,713
Victim Impact	Court related matters	4,522
Clerk Automation	Court related matters	126,215
Drug Court	Court related matters	45,437
County Court	Court related matters	195,549
Automation	Court related matters	367,753
County Drug	Court related matters	7,496
Law Library	Court related matters	45,007
Drug Test	Court related matters	30,480
Revolving Loan	Court related matters	231,055
States Attorney Automation	Court related matters	8,832
Animal Control - Vanek Estate	Animal control matters	617,867
Separation Maintenance and Child Support	Court related matters	137,599
Total assigned		<u>4,296,858</u>
<u>Unassigned</u>		
General		923,970
Emergency Service	911 services	96,792
Total unassigned		<u>1,020,762</u>
		<u>\$ 14,278,751</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**MONTGOMERY COUNTY, ILLINOIS**

**General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
<b>Taxes:</b>			
Sales	\$ 1,545,000	\$ 1,698,614	\$ 153,614
Income	750,000	751,178	1,178
Replacement	55,000	61,473	6,473
Property	925,303	876,625	(48,678)
Real estate transfers	165,000	124,328	(40,672)
Video gaming	-	3,615	3,615
Total taxes	<u>3,440,303</u>	<u>3,515,833</u>	<u>75,530</u>
<b>Interest, costs and penalties - net</b>	<u>5,000</u>	<u>3,161</u>	<u>(1,839)</u>
<b>Fines and Fees:</b>			
Geographic Information System	107,000	85,698	(21,302)
County Clerk	190,000	151,079	(38,921)
Coroner	5,500	2,035	(3,465)
State's Attorney	580,000	491,133	(88,867)
Circuit Clerk	345,000	315,900	(29,100)
Public Defender	15,000	6,629	(8,371)
Sheriff	333,500	343,374	9,874
Costs of enforcement	-	40,609	40,609
Host	70,000	66,655	(3,345)
Recycling	150,000	104,470	(45,530)
Total fines and fees	<u>1,796,000</u>	<u>1,607,582</u>	<u>(188,418)</u>
<b>Licenses and fees:</b>			
Liquor and gaming	4,275	3,675	(600)
Animal Control	70,200	75,237	5,037
Total licenses and fees	<u>74,475</u>	<u>78,912</u>	<u>4,437</u>
<b>Other Revenues:</b>			
Miscellaneous revenues, refunds and reimbursements from other departments	23,650	73,429	49,779
Indemnity	10,500	7,900	(2,600)
Tax sale automation	4,000	2,920	(1,080)
Total other revenues	<u>38,150</u>	<u>84,249</u>	<u>46,099</u>

**MONTGOMERY COUNTY, ILLINOIS**

**General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014  
(Continued)**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Reimbursed Expenditures:</b>			
Christian/Montgomery ROE	\$ 40,246	\$ 36,484	\$ (3,762)
Help Americans Vote Act	2,200	9,162	6,962
Federal overtime	42,866	14,550	(28,316)
Supervisor of Assessments	7,500	27,366	19,866
Election judges	-	5,310	5,310
State's Attorney, assistants and violent crime	160,027	160,183	156
Probation	135,895	252,539	116,644
EMA	21,144	21,730	586
Ambulance	106,418	55,872	(50,546)
Public defender	99,905	99,895	(10)
IEPA Grant	<u>39,783</u>	<u>40,244</u>	<u>461</u>
Total reimbursed expenditures	<u>655,984</u>	<u>723,335</u>	<u>67,351</u>
Total revenues	<u>6,009,912</u>	<u>6,013,072</u>	<u>3,160</u>
<b>Expenditures:</b>			
<b>General Government:</b>			
Building and Grounds:			
Salaries	46,111	52,599	(6,488)
Other	321,700	288,884	32,816
Capital outlay	<u>192,000</u>	<u>193,337</u>	<u>(1,337)</u>
Total building and grounds	<u>559,811</u>	<u>534,820</u>	<u>24,991</u>
County Clerk:			
Salaries	222,094	226,229	(4,135)
Other	<u>10,500</u>	<u>10,248</u>	<u>252</u>
Total County Clerk	<u>232,594</u>	<u>236,477</u>	<u>(3,883)</u>
Treasurer:			
Salaries	186,250	183,269	2,981
Other	<u>17,250</u>	<u>9,735</u>	<u>7,515</u>
Total Treasurer	<u>203,500</u>	<u>193,004</u>	<u>10,496</u>
Coroner:			
Salaries	38,647	39,297	(650)
Other	<u>70,700</u>	<u>49,436</u>	<u>21,264</u>
Total Coroner	<u>109,347</u>	<u>88,733</u>	<u>20,614</u>
Regional Superintendent of Schools:			
Salaries	56,418	55,666	752
Other	<u>14,670</u>	<u>10,163</u>	<u>4,507</u>
Total Regional Superintendent of Schools	<u>71,088</u>	<u>65,829</u>	<u>5,259</u>

**MONTGOMERY COUNTY, ILLINOIS**

**General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014  
(Continued)**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Supervisor of Assessments:			
Salaries	\$ 205,486	\$ 194,221	\$ 11,265
Other	<u>27,650</u>	<u>10,930</u>	<u>16,720</u>
Total Supervisor of Assessments	<u>233,136</u>	<u>205,151</u>	<u>27,985</u>
Board of Review:			
Salaries	27,894	22,432	5,462
Other	<u>7,600</u>	<u>265</u>	<u>7,335</u>
Total Board of Review	<u>35,494</u>	<u>22,697</u>	<u>12,797</u>
County Board Office:			
Salary - County Board Chairman	6,500	6,000	500
Other	<u>102,150</u>	<u>92,425</u>	<u>9,725</u>
Total County Board Office	<u>108,650</u>	<u>98,425</u>	<u>10,225</u>
Information System:			
Salaries	100,682	100,682	-
Other	<u>32,650</u>	<u>34,748</u>	<u>(2,098)</u>
Total Information System	<u>133,332</u>	<u>135,430</u>	<u>(2,098)</u>
Election:			
Salaries	13,000	12,781	219
Other	<u>138,570</u>	<u>117,790</u>	<u>20,780</u>
Total Election	<u>151,570</u>	<u>130,571</u>	<u>20,999</u>
Economic and Infrastructure Development:			
Trail maintenance	<u>32,650</u>	<u>31,325</u>	<u>1,325</u>
Total Economic and Infrastructure Development	<u>32,650</u>	<u>31,325</u>	<u>1,325</u>
General Administrative:			
Other	1,239,700	1,152,934	86,766
Fayco Grant	<u>34,000</u>	<u>34,000</u>	<u>-</u>
Total General Administrative	<u>1,273,700</u>	<u>1,186,934</u>	<u>86,766</u>
Geographic Information System:			
Salaries	50,987	48,371	2,616
Other	25,360	11,942	13,418
County fly over	55,000	35,299	19,701
Capital outlay	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Geographic Information System	<u>136,347</u>	<u>95,612</u>	<u>40,735</u>

**MONTGOMERY COUNTY, ILLINOIS**

**General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014  
(Continued)**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Coordinated Services:			
Salaries	\$ 68,478	\$ 69,538	\$ (1,060)
Other	<u>4,600</u>	<u>6,264</u>	<u>(1,664)</u>
Total Coordinated Services	<u>73,078</u>	<u>75,802</u>	<u>(2,724)</u>
 Solid Waste:			
Salaries	39,180	39,934	(754)
Other	<u>3,800</u>	<u>4,304</u>	<u>(504)</u>
Total Solid Waste	<u>42,980</u>	<u>44,238</u>	<u>(1,258)</u>
 Recycling:			
Salaries	158,250	158,565	(315)
Other	66,895	89,668	(22,773)
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Recycling	<u>225,145</u>	<u>248,233</u>	<u>(23,088)</u>
 <b>Total General Government</b>	 <b><u>3,622,422</u></b>	 <b><u>3,393,281</u></b>	 <b><u>229,141</u></b>
 <b>Judiciary and Court-Related:</b>			
Montgomery County Judge's Office:			
Judge's Office	<u>4,000</u>	<u>2,202</u>	<u>1,798</u>
Total Montgomery County Judge's Office	<u>4,000</u>	<u>2,202</u>	<u>1,798</u>
 State's Attorney Office:			
Salaries	383,676	386,512	(2,836)
Other	<u>23,650</u>	<u>11,941</u>	<u>11,709</u>
Total State's Attorney Office	<u>407,326</u>	<u>398,453</u>	<u>8,873</u>
 Circuit Clerk's Office:			
Salaries	271,682	259,933	11,749
Other	<u>24,550</u>	<u>12,130</u>	<u>12,420</u>
Total Circuit Clerk's Office	<u>296,232</u>	<u>272,063</u>	<u>24,169</u>
 Probation Office:			
Salaries	296,548	279,250	17,298
Other	<u>39,675</u>	<u>28,778</u>	<u>10,897</u>
Total Probation Office	<u>336,223</u>	<u>308,028</u>	<u>28,195</u>

**MONTGOMERY COUNTY, ILLINOIS**

**General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014  
(Continued)**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public Defender:			
Salaries	\$ 170,270	\$ 170,328	\$ (58)
Other	<u>129,325</u>	<u>105,617</u>	<u>23,708</u>
Total Public Defender	<u>299,595</u>	<u>275,945</u>	<u>23,650</u>
 Jury and Jurors:			
Other	<u>6,800</u>	<u>2,969</u>	<u>3,831</u>
Total Jury and Jurors	<u>6,800</u>	<u>2,969</u>	<u>3,831</u>
 <b>Total Judiciary and Court-Related</b>	<b><u>1,350,176</u></b>	<b><u>1,259,660</u></b>	<b><u>90,516</u></b>
 <b>Public Safety:</b>			
Sheriff:			
Salaries	1,944,271	1,855,945	88,326
Other	464,450	355,524	108,926
Capital outlay	<u>17,500</u>	<u>39,798</u>	<u>(22,298)</u>
Total Sheriff	<u>2,426,221</u>	<u>2,251,267</u>	<u>174,954</u>
 Emergency Services:			
Salaries	49,745	50,501	(756)
Other	<u>18,304</u>	<u>14,735</u>	<u>3,569</u>
Total Emergency Services	<u>68,049</u>	<u>65,236</u>	<u>2,813</u>
 Ambulance:			
Salaries	47,112	47,873	(761)
Other	<u>21,125</u>	<u>10,847</u>	<u>10,278</u>
Total Ambulance	<u>68,237</u>	<u>58,720</u>	<u>9,517</u>
 Animal Control:			
Salaries	54,580	57,254	(2,674)
Other	<u>38,730</u>	<u>51,550</u>	<u>(12,820)</u>
Total Animal Control	<u>93,310</u>	<u>108,804</u>	<u>(15,494)</u>
 <b>Total Public Safety</b>	<b><u>2,655,817</u></b>	<b><u>2,484,027</u></b>	<b><u>171,790</u></b>
 Total expenditures	<u>7,628,415</u>	<u>7,136,968</u>	<u>491,447</u>
 Excess (deficiency) of revenues over expenditures	<u>(1,618,503)</u>	<u>(1,123,896)</u>	<u>494,607</u>

MONTGOMERY COUNTY, ILLINOIS

General Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended November 30, 2014  
 (Continued)

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Other financing sources (uses):</b>			
Transfers in	\$ 110,000	\$ 925,000	\$ 815,000
Transfers out	<u>          -</u>	<u>(140,380)</u>	<u>(140,380)</u>
Total other financing sources (uses)	<u>110,000</u>	<u>784,620</u>	<u>674,620</u>
Net change in fund balance	\$ <u>(1,508,503)</u>	(339,276)	\$ <u>1,169,227</u>
Fund balance, beginning of year		<u>1,263,246</u>	
Fund balance, end of year		\$ <u>923,970</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Public Health Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Replacement taxes	\$ 33,000	\$ 30,294	\$ (2,706)
Property taxes	403,000	400,951	(2,049)
Intergovernmental	2,458,362	1,960,621	(497,741)
Fees	199,140	291,282	92,142
Interest	3,000	2,418	(582)
Miscellaneous	<u>3,000</u>	<u>11,324</u>	<u>8,324</u>
Total revenues	<u>3,099,502</u>	<u>2,696,890</u>	<u>(402,612)</u>
<b>Expenditures:</b>			
Current:			
Health and welfare	3,089,137	2,738,943	350,194
Capital outlay	<u>5,000</u>	<u>152,243</u>	<u>(147,243)</u>
Total expenditures	<u>3,094,137</u>	<u>2,891,186</u>	<u>202,951</u>
Net change in fund balance	\$ <u>5,365</u>	(194,296)	\$ <u>(199,661)</u>
Fund balance, beginning of year		<u>991,030</u>	
Fund balance, end of year		\$ <u>796,734</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Illinois Municipal Retirement Fund (IMRF)  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Replacement taxes	\$ 50,000	\$ 59,903	\$ 9,903
Property taxes	928,000	921,249	(6,751)
Intergovernmental	1,800	2,047	247
Interest	<u>1,000</u>	<u>841</u>	<u>(159)</u>
Total revenues	<u>980,800</u>	<u>984,040</u>	<u>3,240</u>
<b>Expenditures:</b>			
Current:			
General government	<u>1,026,743</u>	<u>976,379</u>	<u>50,364</u>
Total expenditures	<u>1,026,743</u>	<u>976,379</u>	<u>50,364</u>
Net change in fund balance	\$ <u>(45,943)</u>	7,661	\$ <u>53,604</u>
Fund balance, beginning of year		<u>212,749</u>	
Fund balance, end of year		\$ <u>220,410</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Coal Royalties Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Coal royalties	\$ 2,080,000	\$ 3,396,118	\$ 1,316,118
Interest	<u>7,500</u>	<u>12,970</u>	<u>5,470</u>
Total revenues	<u>2,087,500</u>	<u>3,409,088</u>	<u>1,321,588</u>
<b>Expenditures:</b>			
Current:			
General government	50,000	16,805	33,195
Capital outlay	<u>150,000</u>	<u>58,767</u>	<u>91,233</u>
Total expenditures	<u>200,000</u>	<u>75,572</u>	<u>124,428</u>
Excess (deficiency) of revenues	<u>1,887,500</u>	<u>3,333,516</u>	<u>1,446,016</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	-
Transfers out	<u>(150,000)</u>	<u>(815,000)</u>	<u>(665,000)</u>
Total other financing sources (uses)	<u>(150,000)</u>	<u>(815,000)</u>	<u>(665,000)</u>
Net change in fund balance	\$ <u>1,737,500</u>	2,518,516	\$ <u>781,016</u>
Fund balance, beginning of year		<u>2,919,194</u>	
Fund balance, end of year		\$ <u>5,437,710</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Employees Insurance Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Interest	\$ <u>    900</u>	\$ <u>  1,070</u>	\$ <u>   170</u>
Total revenues	<u>    900</u>	<u>  1,070</u>	<u>   170</u>
<b>Expenditures:</b>			
Current:			
General government	1,629,000	1,658,904	(29,904)
Less: reimbursements	<u>1,629,338</u>	<u>(1,662,525)</u>	<u>  33,187</u>
Net expenditures	<u>    (338)</u>	<u>  (3,621)</u>	<u>   3,283</u>
Net change in fund balance	\$ <u>  1,238</u>	4,691	\$ <u>  3,453</u>
Fund balance, beginning of year		<u>  402,228</u>	
Fund balance, end of year		\$ <u>  406,919</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**County Motor Fuel Tax Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<b><u>Original and Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget Positive (Negative)</u></b>
<b>Revenues:</b>			
Allotments from State of Illinois	\$ 600,000	\$ 791,804	\$ 191,804
Interest	<u>1,500</u>	<u>1,480</u>	<u>(20)</u>
Total revenues	<u>601,500</u>	<u>793,284</u>	<u>191,784</u>
<b>Expenditures:</b>			
Materials and labor	<u>601,500</u>	<u>652,190</u>	<u>(50,690)</u>
Total expenditures	<u>601,500</u>	<u>652,190</u>	<u>(50,690)</u>
Net change in fund balance	\$ <u><u>-</u></u>	141,094	\$ <u><u>141,094</u></u>
Fund balance, beginning of year		<u>400,545</u>	
Fund balance, end of year		\$ <u><u>541,639</u></u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Federal Aid Matching Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<b><u>Original and Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget Positive (Negative)</u></b>
<b>Revenues:</b>			
Property taxes	\$ 201,900	\$ 200,476	\$ (1,424)
Replacement taxes	17,000	15,147	(1,853)
Interest	<u>5,000</u>	<u>3,601</u>	<u>(1,399)</u>
Total revenues	<u>223,900</u>	<u>219,224</u>	<u>(4,676)</u>
<b>Expenditures:</b>			
Engineering	243,420	33,155	210,265
Bridges and roads	<u>336,500</u>	<u>300</u>	<u>336,200</u>
Total expenditures	<u>579,920</u>	<u>33,455</u>	<u>546,465</u>
Net change in fund balance	\$ <u>(356,020)</u>	185,769	\$ <u>541,789</u>
Fund balance, beginning of year		<u>957,259</u>	
Fund balance, end of year		\$ <u>1,143,028</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Township Bridge Program Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended November 30, 2014**

	<b><u>Original and Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget Positive (Negative)</u></b>
<b>Revenues:</b>			
Interest	\$ -	\$ 341	\$ 341
Intergovernmental	<u>500,000</u>	<u>198,265</u>	<u>(301,735)</u>
Total revenues	<u>500,000</u>	<u>198,606</u>	<u>(301,394)</u>
<b>Expenditures:</b>			
Bridge construction and engineering	<u>500,000</u>	<u>198,129</u>	<u>301,871</u>
Total expenditures	<u>500,000</u>	<u>198,129</u>	<u>301,871</u>
Net change in fund balance	\$ <u>-</u>	477	\$ <u>477</u>
Fund balance, beginning of year		<u>8,454</u>	
Fund balance, end of year		\$ <u>8,931</u>	

**MONTGOMERY COUNTY, ILLINOIS**

**Illinois Municipal Retirement  
Required Supplementary Information -  
Schedule of Funding Progress  
November 30, 2014**

Trend information for the year ended November 30, 2014, is as follows:

**Required Supplementary Information  
Schedule of Funding Progress  
Elected Participants**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 622,909	\$ 1,435,407	\$ 812,498	43.40%	\$ 170,298	477.10%
12/31/12	393,376	1,379,727	986,351	28.51%	146,386	673.80%
12/31/11	531,472	1,497,066	965,594	35.50%	146,186	660.52%

On a market value basis, the actuarial value of assets as of December 31, 2013, was \$930,106. On a market basis, the funded ratio would be 64.80%.

**Regular Employees**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 10,834,389	\$ 14,216,898	\$ 3,382,509	76.21%	\$ 5,627,793	60.10%
12/31/12	10,849,622	14,597,173	3,747,551	74.33%	5,731,407	65.39%
12/31/11	12,138,564	15,764,573	3,626,009	77.00%	5,723,554	63.35%

On a market value basis, the actuarial value of assets as of December 31, 2013, was \$13,176,255. On a market basis, the funded ratio would be 92.68%.

**Sheriff's Law Enforcement Personnel (SLEP)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 2,788,302	\$ 3,404,647	\$ 616,345	81.90%	\$ 874,306	70.50%
12/31/12	2,293,329	3,037,503	744,174	75.50%	866,496	85.88%
12/31/11	2,333,819	2,949,613	615,794	79.12%	834,811	73.76%

On a market value basis, the actuarial value of assets as of December 31, 2013, was \$3,276,010. On a market basis, the funded ratio would be 96.22%.

# MONTGOMERY COUNTY, ILLINOIS

## Notes to Required Supplementary Information November 30, 2014

### Note 1 - Budgetary Information

All funds, except agency funds, are legally required to be budgeted and appropriated. The major document prepared is the budget and appropriations ordinance, which is prepared on the budgetary basis of accounting. The appropriations ordinance is the County Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Board.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. An appropriated budget is legally adopted through the budgetary process on an annual fiscal year basis for all funds.
- b. Officeholders prepare their budget requirements.
- c. Officeholders meet with the various committees and discuss and revise, if necessary, their original budget amounts.
- d. The various committees present the revised budget requests to the Finance Committee for final revision.
- e. The budget goes on public display with a public meeting to obtain taxpayers comments and review additional requests for changes.
- f. The appropriated budget was legally enacted through the passage of an appropriation ordinance by the Board on November 12, 2013. The majority of a quorum is necessary for passage.
- g. Supplemental appropriation ordinances may be passed by the Board should a new unanticipated source of revenue develop for a specific purpose.
- h. All unexpended appropriations lapse at year-end, requiring reappropriation the following year.
- i. The budget is prepared on the GAAP basis.
- j. The legal level of budgetary control is by fund and by department within the General Fund.

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to Required Supplementary Information  
November 30, 2014**

**Note 2 - Budgetary Noncompliance**

For the year ended November 30, 2014, expenditures exceeded budget at the legal level of control in individual funds as follows:

None

**Note 3 - Budgetary Basis of Accounting**

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the general and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

- a. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- b. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

The adjustments to reconcile the GAAP and budgetary basis statements are as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net Other Financing Sources</u>	<u>Fund Balance</u>
Budgetary basis	\$ 6,013,072	\$ 7,136,968	\$ (339,276)	\$ 428,708
Receivables				
November 30, 2014	847,798	-	-	847,798
November 30, 2013	813,223	-	-	-
Payables				
November 30, 2014	-	352,536	-	352,536
November 30, 2013	<u>-</u>	<u>260,137</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,978,497</u>	<u>\$ 7,044,569</u>	<u>\$ (339,276)</u>	<u>\$ 923,970</u>

**OTHER SUPPLEMENTARY INFORMATION**  
**NONMAJOR GOVERNMENTAL FUNDS**

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Balance Sheet for Nonmajor Governmental Funds  
November 30, 2014**

	<b>Special Revenue Funds</b>	
	<b>Tuberculosis Fund</b>	<b>Social Security Fund</b>
<b>Assets</b>		
Cash	\$ 107,873	\$ 72,634
Accounts receivable	-	-
Due from other funds	-	1,725
Notes receivable	-	-
Total assets	\$ 107,873	\$ 74,359
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable and accrued wages	\$ -	\$ -
Due to other funds	5,478	-
Total liabilities	5,478	-
Fund Balances:		
Restricted	102,395	74,359
Assigned	-	-
Unassigned	-	-
Total fund balances	102,395	74,359
Total liabilities and fund balances	\$ 107,873	\$ 74,359

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Balance Sheet for Nonmajor Governmental Funds  
November 30, 2014**

<b>Special Revenue Funds</b>					
<b>Senior Citizens Fund</b>	<b>Property &amp; Liability Insurance Fund</b>	<b>Emergency Telephone System Fund</b>	<b>Drug Asset Forfeiture Fund</b>	<b>Veterans Assistance Fund</b>	<b>Separation Maintenance and Child Support</b>
\$ 56,387	\$ 347,887	\$ 44,372	\$ 6,860	\$ 210,191	\$ 137,599
-	-	52,420	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 56,387</u>	<u>\$ 347,887</u>	<u>\$ 96,792</u>	<u>\$ 6,860</u>	<u>\$ 210,191</u>	<u>\$ 137,599</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
56,387	347,887	-	-	210,191	-
-	-	-	6,860	-	137,599
<u>-</u>	<u>-</u>	<u>96,792</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>56,387</u>	<u>347,887</u>	<u>96,792</u>	<u>6,860</u>	<u>210,191</u>	<u>137,599</u>
<u>\$ 56,387</u>	<u>\$ 347,887</u>	<u>\$ 96,792</u>	<u>\$ 6,860</u>	<u>\$ 210,191</u>	<u>\$ 137,599</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Balance Sheet for Nonmajor Governmental Funds  
November 30, 2014  
(Continued)**

	<b>Special Revenue Funds</b>	
	<b>County Highway Fund</b>	<b>County Farm Special Bridge Matching Fund</b>
<b>Assets</b>		
Cash	\$ 264,147	\$ 96,203
Accounts receivable	63,099	-
Due from other funds	1,257	-
Notes receivable	<u>-</u>	<u>-</u>
Total assets	<u>\$ 328,503</u>	<u>\$ 96,203</u>
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable and accrued wages	\$ 13,901	\$ -
Due to other funds	<u>19,530</u>	<u>-</u>
Total liabilities	<u>33,431</u>	<u>-</u>
Fund Balances:		
Restricted	-	-
Assigned	295,072	96,203
Unassigned	<u>-</u>	<u>-</u>
Total fund balances	<u>295,072</u>	<u>96,203</u>
Total liabilities and fund balances	<u>\$ 328,503</u>	<u>\$ 96,203</u>

MONTGOMERY COUNTY, ILLINOIS

Combining Balance Sheet for Nonmajor Governmental Funds  
 November 30, 2014  
 (Continued)

<u>Special Revenue Funds</u>				
<u>Equipment Fund</u>	<u>County Aid to Bridges Fund</u>	<u>Probation Fee Fund</u>	<u>Record Keeping Improvement Fund</u>	<u>Animal Control Vanek Estate Fund</u>
\$ 313,467	\$ 821,406	\$ 234,355	\$ 199,126	\$ 617,867
-	-	4,729	-	-
-	628	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 313,467</u>	<u>\$ 822,034</u>	<u>\$ 239,084</u>	<u>\$ 199,126</u>	<u>\$ 617,867</u>
\$ 7,242	\$ 3,840	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,242</u>	<u>3,840</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	818,194	-	-	-
306,225	-	239,084	199,126	617,867
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>306,225</u>	<u>818,194</u>	<u>239,084</u>	<u>199,126</u>	<u>617,867</u>
<u>\$ 313,467</u>	<u>\$ 822,034</u>	<u>\$ 239,084</u>	<u>\$ 199,126</u>	<u>\$ 617,867</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Balance Sheet for Nonmajor Governmental Funds  
November 30, 2014  
(Continued)**

	<b>Special Revenue Funds</b>	
	<b>Coroner's Fund</b>	<b>Electronic Citation Fund</b>
<b>Assets</b>		
Cash	\$ 25,696	\$ 19,077
Accounts receivable	1,337	-
Due from other funds	-	-
Notes receivable	-	-
Total assets	\$ <u>27,033</u>	\$ <u>19,077</u>
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable and accrued wages	\$ -	\$ -
Due to other funds	-	-
Total liabilities	-	-
Fund Balances:		
Restricted	-	-
Assigned	27,033	19,077
Unassigned	-	-
Total fund balances	<u>27,033</u>	<u>19,077</u>
Total liabilities and fund balances	\$ <u>27,033</u>	\$ <u>19,077</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Balance Sheet for Nonmajor Governmental Funds  
November 30, 2014  
(Continued)**

**Special Revenue Funds**

<u>Document Storage Fund</u>	<u>Victim Impact Fund</u>	<u>Clerk Automation Fund</u>	<u>Drug Court Fund</u>	<u>County Court Fund</u>
\$ 83,780	\$ 4,522	\$ 126,215	\$ 48,237	\$ 193,408
2,933	-	-	-	2,141
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 86,713</u>	<u>\$ 4,522</u>	<u>\$ 126,215</u>	<u>\$ 48,237</u>	<u>\$ 195,549</u>
\$ -	\$ -	\$ -	\$ 2,800	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,800</u>	<u>-</u>
-	-	-	-	-
86,713	4,522	126,215	45,437	195,549
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>86,713</u>	<u>4,522</u>	<u>126,215</u>	<u>45,437</u>	<u>195,549</u>
<u>\$ 86,713</u>	<u>\$ 4,522</u>	<u>\$ 126,215</u>	<u>\$ 48,237</u>	<u>\$ 195,549</u>

MONTGOMERY COUNTY, ILLINOIS

Combining Balance Sheet for Nonmajor Governmental Funds  
 November 30, 2014  
 (Continued)

	<u>Special Revenue Funds</u>	
	<u>State's Attorney Automation Fund</u>	<u>Automation Fund</u>
<b>Assets</b>		
Cash	\$ 8,832	\$ 364,860
Accounts receivable	-	2,893
Due from other funds	-	-
Notes receivable	<u>-</u>	<u>-</u>
Total assets	<u>\$ 8,832</u>	<u>\$ 367,753</u>
<b>Liabilities and Fund Balances</b>		
Liabilities:		
Accounts payable and accrued wages	\$ -	\$ -
Due to other funds	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>
Fund Balances:		
Restricted	-	-
Assigned	8,832	367,753
Unassigned	<u>-</u>	<u>-</u>
Total fund balances	<u>8,832</u>	<u>367,753</u>
Total liabilities and fund balances	<u>\$ 8,832</u>	<u>\$ 367,753</u>

MONTGOMERY COUNTY, ILLINOIS

Combining Balance Sheet for Nonmajor Governmental Funds  
 November 30, 2014  
 (Continued)

<u>Special Revenue Funds</u>				
<u>County Drug Fund</u>	<u>Law Library Fund</u>	<u>Drug Test Fund</u>	<u>Revolving Loan Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 7,496	\$ 43,943	\$ 30,480	\$ 216,708	\$ 4,703,628
-	1,064	-	-	130,616
-	-	-	-	3,610
<u>-</u>	<u>-</u>	<u>-</u>	<u>14,347</u>	<u>14,347</u>
<u>\$ 7,496</u>	<u>\$ 45,007</u>	<u>\$ 30,480</u>	<u>\$ 231,055</u>	<u>\$ 4,852,201</u>
\$ -	\$ -	\$ -	\$ -	\$ 27,783
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,008</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,791</u>
-	-	-	-	1,609,413
7,496	45,007	30,480	231,055	3,093,205
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,792</u>
<u>7,496</u>	<u>45,007</u>	<u>30,480</u>	<u>231,055</u>	<u>4,799,410</u>
<u>\$ 7,496</u>	<u>\$ 45,007</u>	<u>\$ 30,480</u>	<u>\$ 231,055</u>	<u>\$ 4,852,201</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014**

	<b>Special Revenue Funds</b>	
	<b>Tuberculosis Fund</b>	<b>Social Security Fund</b>
<b>Revenues:</b>		
Property taxes	\$ 90,359	\$ 550,418
Replacement taxes	-	37,159
Intergovernmental	-	2,486
Charges for services	-	-
Miscellaneous	30	-
Interest	<u>359</u>	<u>575</u>
Total revenues	<u>90,748</u>	<u>590,638</u>
<b>Expenditures:</b>		
Current:		
General government	-	514,238
Public safety	-	-
Health and welfare	105,528	-
Transportation	-	-
Judiciary and court-related	-	-
Capital outlay	<u>-</u>	<u>-</u>
Total expenditures	<u>105,528</u>	<u>514,238</u>
Excess (deficiency) of revenues over expenditures	<u>(14,780)</u>	<u>76,400</u>
<b>Other financing sources (uses):</b>		
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Net change in fund balances	(14,780)	76,400
Fund balances, beginning of year	<u>117,175</u>	<u>(2,041)</u>
Fund balances, end of year	\$ <u>102,395</u>	\$ <u>74,359</u>

MONTGOMERY COUNTY, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Year Ended November 30, 2014

<u>Special Revenue Funds</u>					
<u>Senior Citizens Fund</u>	<u>Property &amp; Liability Insurance Fund</u>	<u>Emergency Telephone System Fund</u>	<u>Drug Asset Forfeiture Fund</u>	<u>Veterans Assistance Fund</u>	<u>Separation Maintenance and Child Support</u>
\$ 83,584	\$ 451,390	\$ -	\$ -	\$ 79,191	\$ -
-	-	-	-	-	-
-	5,342	-	-	-	-
-	-	376,325	-	-	-
-	2,985	180	4,741	-	3,940
<u>73</u>	<u>472</u>	<u>93</u>	<u>1</u>	<u>607</u>	<u>127</u>
<u>83,657</u>	<u>460,189</u>	<u>376,598</u>	<u>4,742</u>	<u>79,798</u>	<u>4,067</u>
83,702	335,513	-	3,854	-	-
-	-	403,474	-	-	-
-	-	-	-	55,523	-
-	-	-	-	-	-
-	-	-	-	-	6,848
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>83,702</u>	<u>335,513</u>	<u>403,474</u>	<u>3,854</u>	<u>55,523</u>	<u>6,848</u>
<u>(45)</u>	<u>124,676</u>	<u>(26,876)</u>	<u>888</u>	<u>24,275</u>	<u>(2,781)</u>
-	-	-	-	-	140,380
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,380</u>
(45)	124,676	(26,876)	888	24,275	137,599
<u>56,432</u>	<u>223,211</u>	<u>123,668</u>	<u>5,972</u>	<u>185,916</u>	<u>-</u>
<u>\$ 56,387</u>	<u>\$ 347,887</u>	<u>\$ 96,792</u>	<u>\$ 6,860</u>	<u>\$ 210,191</u>	<u>\$ 137,599</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014  
(Continued)**

	<b>Special Revenue Funds</b>	
	<b>County Highway Fund</b>	<b>County Farm Special Bridge Matching Fund</b>
<b>Revenues:</b>		
Property taxes	\$ 400,951	\$ -
Replacement taxes	30,294	-
Intergovernmental	-	-
Charges for services	-	-
Miscellaneous	34,114	-
Interest	<u>687</u>	<u>348</u>
Total revenues	<u>466,046</u>	<u>348</u>
<b>Expenditures:</b>		
Current:		
General government	-	-
Public safety	-	-
Health and welfare	-	-
Transportation	428,241	-
Judiciary and court-related	-	-
Capital outlay	<u>-</u>	<u>-</u>
Total expenditures	<u>428,241</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>37,805</u>	<u>348</u>
<b>Other financing sources (uses):</b>		
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Net change in fund balances	37,805	348
Fund balances, beginning of year	<u>257,267</u>	<u>95,855</u>
Fund balances, end of year	<u>\$ 295,072</u>	<u>\$ 96,203</u>

MONTGOMERY COUNTY, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Year Ended November 30, 2014  
 (Continued)

Special Revenue Funds

<u>Equipment Fund</u>	<u>County Aid to Bridges Fund</u>	<u>Probation Fee Fund</u>	<u>Record Keeping Improvement Fund</u>	<u>Animal Control Vanek Estate Fund</u>
\$ -	\$ 200,476	\$ -	\$ -	\$ -
-	15,147	-	-	-
140,000	1,045	-	-	-
-	-	84,370	77,913	-
33,455	280	-	-	615,871
<u>1,213</u>	<u>2,812</u>	<u>713</u>	<u>589</u>	<u>1,605</u>
<u>174,668</u>	<u>219,760</u>	<u>85,083</u>	<u>78,502</u>	<u>617,476</u>
-	-	-	-	13,785
-	-	-	-	-
-	-	-	-	-
50,023	158,768	-	-	-
-	-	38,888	29,579	-
<u>192,430</u>	<u>-</u>	<u>18,346</u>	<u>-</u>	<u>35,860</u>
<u>242,453</u>	<u>158,768</u>	<u>57,234</u>	<u>29,579</u>	<u>49,645</u>
<u>(67,785)</u>	<u>60,992</u>	<u>27,849</u>	<u>48,923</u>	<u>567,831</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
(67,785)	60,992	27,849	48,923	567,831
<u>374,010</u>	<u>757,202</u>	<u>211,235</u>	<u>150,203</u>	<u>50,036</u>
<u>\$ 306,225</u>	<u>\$ 818,194</u>	<u>\$ 239,084</u>	<u>\$ 199,126</u>	<u>\$ 617,867</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014  
(Continued)**

	<b>Special Revenue Funds</b>	
	<b>Coroner's Fund</b>	<b>Electronic Citation Fund</b>
<b>Revenues:</b>		
Property taxes	\$ -	\$ -
Replacement taxes	-	-
Intergovernmental	-	-
Charges for services	8,647	6,862
Miscellaneous	-	-
Interest	-	-
Total revenues	<u>8,647</u>	<u>6,862</u>
<b>Expenditures:</b>		
Current:		
General government	-	-
Public safety	-	-
Health and welfare	1,469	-
Transportation	-	-
Judiciary and court-related	-	-
Capital outlay	-	-
Total expenditures	<u>1,469</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>7,178</u>	<u>6,862</u>
<b>Other financing sources (uses):</b>		
Transfers in	-	-
Transfers out	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Net change in fund balances	7,178	6,862
Fund balances, beginning of year	<u>19,855</u>	<u>12,215</u>
Fund balances, end of year	<u>\$ 27,033</u>	<u>\$ 19,077</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014  
(Continued)**

**Special Revenue Funds**

<u>Document Storage Fund</u>	<u>Victim Impact Fund</u>	<u>Clerk Automation Fund</u>	<u>Drug Court Fund</u>	<u>County Court Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	99,049	-
50,922	742	30,150	8,495	40,854
-	-	-	-	-
<u>291</u>	<u>11</u>	<u>368</u>	<u>92</u>	<u>639</u>
<u>51,213</u>	<u>753</u>	<u>30,518</u>	<u>107,636</u>	<u>41,493</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
59,596	443	9,880	113,230	18,971
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,060</u>
<u>59,596</u>	<u>443</u>	<u>9,880</u>	<u>113,230</u>	<u>32,031</u>
<u>(8,383)</u>	<u>310</u>	<u>20,638</u>	<u>(5,594)</u>	<u>9,462</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,000)</u>
<u>(8,383)</u>	<u>310</u>	<u>20,638</u>	<u>(5,594)</u>	<u>(110,538)</u>
<u>95,096</u>	<u>4,212</u>	<u>105,577</u>	<u>51,031</u>	<u>296,087</u>
<u>\$ 86,713</u>	<u>\$ 4,522</u>	<u>\$ 126,215</u>	<u>\$ 45,437</u>	<u>\$ 195,549</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014  
(Continued)**

	<b>Special Revenue Funds</b>	
	<b>State's Attorney Automation Fund</b>	<b>Automation Fund</b>
<b>Revenues:</b>		
Property taxes	\$ -	\$ -
Replacement taxes	-	-
Intergovernmental	-	-
Charges for services	4,220	50,959
Miscellaneous	-	-
Interest	<u>-</u>	<u>1,315</u>
Total revenues	<u>4,220</u>	<u>52,274</u>
<b>Expenditures:</b>		
Current:		
General government	-	-
Public safety	-	-
Health and welfare	-	-
Transportation	-	-
Judiciary and court-related	-	54,975
Capital outlay	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>54,975</u>
Excess (deficiency) of revenues over expenditures	<u>4,220</u>	<u>(2,701)</u>
<b>Other financing sources (uses):</b>		
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Net change in fund balances	4,220	(2,701)
Fund balances, beginning of year	<u>4,612</u>	<u>370,454</u>
Fund balances, end of year	<u>\$ 8,832</u>	<u>\$ 367,753</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended November 30, 2014  
(Continued)**

<b>Special Revenue Funds</b>				
<b>County Drug Fund</b>	<b>Law Library Fund</b>	<b>Drug Test Fund</b>	<b>Revolving Loan Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 1,856,369
-	-	-	-	82,600
-	-	-	-	247,922
1,335	18,463	27,664	-	787,921
-	-	-	-	695,596
<u>-</u>	<u>161</u>	<u>95</u>	<u>745</u>	<u>13,991</u>
<u>1,335</u>	<u>18,624</u>	<u>27,759</u>	<u>745</u>	<u>3,684,399</u>
-	-	-	-	951,092
-	-	-	-	403,474
-	-	-	-	162,520
-	-	-	-	637,032
4,475	15,636	24,251	-	376,772
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,696</u>
<u>4,475</u>	<u>15,636</u>	<u>24,251</u>	<u>-</u>	<u>2,790,586</u>
<u>(3,140)</u>	<u>2,988</u>	<u>3,508</u>	<u>745</u>	<u>893,813</u>
-	-	-	-	140,380
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,380</u>
<u>3,140</u>	<u>2,988</u>	<u>3,508</u>	<u>745</u>	<u>924,193</u>
<u>10,636</u>	<u>42,019</u>	<u>26,972</u>	<u>230,310</u>	<u>3,875,217</u>
<u>\$ 7,496</u>	<u>\$ 45,007</u>	<u>\$ 30,480</u>	<u>\$ 231,055</u>	<u>\$ 4,799,410</u>

**AGENCY FUNDS**

MONTGOMERY COUNTY, ILLINOIS

Combining Statement of Fiduciary Net Position  
 Agency Funds  
 November 30, 2014

	<u>Circuit Clerk's Fund</u>	<u>County Clerk's Fund</u>	<u>Emergency Management Agency Funds</u>	<u>GIS Imprest Fund</u>
<b><u>Assets</u></b>				
Cash	\$ 326,760	\$ 111,359	\$ 47,095	\$ 1,000
Certificates of deposit	143,611	-	-	-
Accounts receivable	-	-	-	-
Total assets	<u>\$ 470,371</u>	<u>\$ 111,359</u>	<u>\$ 47,095</u>	<u>\$ 1,000</u>
<b><u>Liabilities</u></b>				
Due to others	\$ 470,371	\$ 111,359	\$ 47,095	\$ -
Due to other funds	-	-	-	<u>1,000</u>
Total liabilities	<u>\$ 470,371</u>	<u>\$ 111,359</u>	<u>\$ 47,095</u>	<u>\$ 1,000</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Combining Statement of Fiduciary Net Position  
Agency Funds  
November 30, 2014**

<b>Coordinated Services Imprest Fund</b>	<b>Sheriff's Funds</b>	<b>State's Attorney Fund</b>	<b>Probation Fund</b>	<b>Township Motor Fuel Tax Fund</b>	<b>County Treasurer's Other Funds</b>	<b>Total</b>
\$ 1,600	\$ 200,660	\$ 521	\$ 666	\$ 695,234	\$ 368,923	\$ 1,753,818
-	-	-	-	-	-	143,611
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,587</u>	<u>10,940</u>	<u>118,527</u>
<u>\$ 1,600</u>	<u>\$ 200,660</u>	<u>\$ 521</u>	<u>\$ 666</u>	<u>\$ 802,821</u>	<u>\$ 379,863</u>	<u>\$ 2,015,956</u>
\$ -	\$ -	\$ -	\$ -	\$ 802,821	\$ 360,393	\$ 1,792,039
<u>1,600</u>	<u>200,660</u>	<u>521</u>	<u>666</u>	<u>-</u>	<u>19,470</u>	<u>223,917</u>
<u>\$ 1,600</u>	<u>\$ 200,660</u>	<u>\$ 521</u>	<u>\$ 666</u>	<u>\$ 802,821</u>	<u>\$ 379,863</u>	<u>\$ 2,015,956</u>

MONTGOMERY COUNTY, ILLINOIS

Circuit Clerk's Funds  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ 422,893	\$ 2,536,147	\$ 2,632,280	\$ 326,760
Certificates of deposit	<u>143,583</u>	<u>28</u>	<u>-</u>	<u>143,611</u>
Total assets	\$ <u>566,476</u>	\$ <u>2,536,175</u>	\$ <u>2,632,280</u>	\$ <u>470,371</u>
<b><u>Liabilities</u></b>				
Deposits payable and due to others	\$ <u>566,476</u>	\$ <u>2,536,175</u>	\$ <u>2,632,280</u>	\$ <u>470,371</u>
Total liabilities	\$ <u>566,476</u>	\$ <u>2,536,175</u>	\$ <u>2,632,280</u>	\$ <u>470,371</u>

MONTGOMERY COUNTY, ILLINOIS

County Clerk's Funds  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>93,256</u>	\$ <u>1,349,209</u>	\$ <u>1,331,106</u>	\$ <u>111,359</u>
<b><u>Liabilities</u></b>				
Due to others	\$ <u>93,256</u>	\$ <u>1,349,209</u>	\$ <u>1,331,106</u>	\$ <u>111,359</u>

**MONTGOMERY COUNTY, ILLINOIS**

**Emergency Management Agency Funds  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014**

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
Revolving Fund - EMA:				
<u>Assets</u>				
Cash	\$ <u>1,389</u>	\$ <u>6,432</u>	\$ <u>6,435</u>	\$ <u>1,386</u>
<u>Liabilities</u>				
Due to other governmental agencies and others	\$ <u>1,389</u>	\$ <u>6,432</u>	\$ <u>6,435</u>	\$ <u>1,386</u>
Ambulance Fund:				
<u>Assets</u>				
Cash	\$ <u>113,895</u>	\$ <u>1,284,185</u>	\$ <u>1,352,371</u>	\$ <u>45,709</u>
<u>Liabilities</u>				
Due to other governmental agencies and others	\$ <u>113,895</u>	\$ <u>1,284,185</u>	\$ <u>1,352,371</u>	\$ <u>45,709</u>
Total Emergency Management Agency Funds:				
<u>Assets</u>				
Cash	\$ <u>115,284</u>	\$ <u>1,290,617</u>	\$ <u>1,358,806</u>	\$ <u>47,095</u>
<u>Liabilities</u>				
Due to other governmental agencies	\$ <u>115,284</u>	\$ <u>1,290,617</u>	\$ <u>1,358,806</u>	\$ <u>47,095</u>
Total liabilities	\$ <u>115,284</u>	\$ <u>1,290,617</u>	\$ <u>1,358,806</u>	\$ <u>47,095</u>

MONTGOMERY COUNTY, ILLINOIS

GIS Imprest Fund  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>980</u>	\$ <u>573</u>	\$ <u>553</u>	\$ <u>1,000</u>
<b><u>Liabilities</u></b>				
Due to other funds	\$ <u>980</u>	\$ <u>573</u>	\$ <u>553</u>	\$ <u>1,000</u>

MONTGOMERY COUNTY, ILLINOIS

Coordinated Services Imprest Fund  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>2,351</u>	\$ <u>3,061</u>	\$ <u>3,812</u>	\$ <u>1,600</u>
<b><u>Liabilities</u></b>				
Due to other funds	\$ <u>2,351</u>	\$ <u>3,061</u>	\$ <u>3,812</u>	\$ <u>1,600</u>

MONTGOMERY COUNTY, ILLINOIS

Sheriff's Funds  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>183,109</u>	\$ <u>625,362</u>	\$ <u>607,811</u>	\$ <u>200,660</u>
<b><u>Liabilities</u></b>				
Due to other funds	\$ <u>183,109</u>	\$ <u>625,362</u>	\$ <u>607,811</u>	\$ <u>200,660</u>

MONTGOMERY COUNTY, ILLINOIS

State's Attorney Fund  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>443</u>	\$ <u>536</u>	\$ <u>458</u>	\$ <u>521</u>
<b><u>Liabilities</u></b>				
Due to other funds	\$ <u>443</u>	\$ <u>536</u>	\$ <u>458</u>	\$ <u>521</u>

MONTGOMERY COUNTY, ILLINOIS

Probation Fund  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ <u>723</u>	\$ <u>673</u>	\$ <u>730</u>	\$ <u>666</u>
<b><u>Liabilities</u></b>				
Due to other funds	\$ <u>723</u>	\$ <u>673</u>	\$ <u>730</u>	\$ <u>666</u>

MONTGOMERY COUNTY, ILLINOIS

Township Motor Fuel Tax Fund  
 Statement of Changes in Assets and Liabilities  
 Year Ended November 30, 2014

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
<b><u>Assets</u></b>				
Cash	\$ 454,160	\$ 1,825,226	\$ 1,584,152	\$ 695,234
Receivables	<u>92,150</u>	<u>15,437</u>	<u>-</u>	<u>107,587</u>
Total assets	\$ <u>546,310</u>	\$ <u>1,840,663</u>	\$ <u>1,584,152</u>	\$ <u>802,821</u>
<b><u>Liabilities</u></b>				
Due to other taxing units	\$ <u>546,310</u>	\$ <u>1,840,663</u>	\$ <u>1,584,152</u>	\$ <u>802,821</u>
Total liabilities	\$ <u>546,310</u>	\$ <u>1,840,663</u>	\$ <u>1,584,152</u>	\$ <u>802,821</u>

**MONTGOMERY COUNTY, ILLINOIS**

**County Treasurer's Other Funds  
Statement of Changes in Assets and Liabilities  
Year Ended November 30, 2014**

	<u>Balance December 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance November 30, 2014</u>
Clearing Accounts:				
<u>Assets</u>				
Cash	\$ 8,124	\$ 249,432	\$ 249,526	\$ 8,030
Receivable - State of Illinois	<u>12,422</u>	<u>-</u>	<u>1,482</u>	<u>10,940</u>
	\$ <u>20,546</u>	\$ <u>249,432</u>	\$ <u>251,008</u>	\$ <u>18,970</u>
<u>Liabilities</u>				
Due to other funds	\$ <u>20,546</u>	\$ <u>249,432</u>	\$ <u>251,008</u>	\$ <u>18,970</u>
Drainage District Funds:				
<u>Assets</u>				
Cash	\$ <u>235,729</u>	\$ <u>116,256</u>	\$ <u>80,818</u>	\$ <u>271,167</u>
<u>Liabilities</u>				
Due to drainage districts	\$ <u>235,729</u>	\$ <u>116,256</u>	\$ <u>80,818</u>	\$ <u>271,167</u>
Trustee Auction Escrow:				
<u>Assets</u>				
Cash	\$ <u>810</u>	\$ <u>9,968</u>	\$ <u>9,968</u>	\$ <u>810</u>
<u>Liabilities</u>				
Due to others	\$ <u>810</u>	\$ <u>9,968</u>	\$ <u>9,968</u>	\$ <u>810</u>
Computer:				
<u>Assets</u>				
Cash	\$ <u>-</u>	\$ <u>1,083</u>	\$ <u>583</u>	\$ <u>500</u>
<u>Liabilities</u>				
Due to other funds	\$ <u>-</u>	\$ <u>1,083</u>	\$ <u>583</u>	\$ <u>500</u>

MONTGOMERY COUNTY, ILLINOIS

County Treasurer's Other Funds  
 Statement of Changes in Assets and Liabilities  
 Year Ended November 30, 2014  
 (Continued)

	<u>Balance</u> <u>December 1,</u> <u>2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>November 30,</u> <u>2014</u>
County Treasurer Escheats Fund:				
<b><u>Assets</u></b>				
Cash	\$ <u>100,166</u>	\$ <u>340</u>	\$ <u>16,771</u>	\$ <u>83,735</u>
<b><u>Liabilities</u></b>				
Due to others	\$ <u>100,166</u>	\$ <u>340</u>	\$ <u>16,771</u>	\$ <u>83,735</u>
Collector's Funds:				
<b><u>Assets</u></b>				
Cash	\$ <u>5,346</u>	\$ <u>35,486,067</u>	\$ <u>35,486,732</u>	\$ <u>4,681</u>
<b><u>Liabilities</u></b>				
Due to taxing bodies	\$ <u>5,346</u>	\$ <u>35,486,067</u>	\$ <u>35,486,732</u>	\$ <u>4,681</u>
Total County Treasurer's Funds:				
<b><u>Assets</u></b>				
Cash	\$ 350,175	\$ 35,863,146	\$ 35,844,398	\$ 368,923
Accounts receivable	<u>12,422</u>	<u>-</u>	<u>1,482</u>	<u>10,940</u>
Total assets	\$ <u>362,597</u>	\$ <u>35,863,146</u>	\$ <u>35,845,880</u>	\$ <u>379,863</u>
<b><u>Liabilities</u></b>				
Due to taxing bodies	\$ 5,346	\$ 35,486,067	\$ 35,486,732	\$ 4,681
Due to drainage districts	235,729	116,256	80,818	271,167
Due to others	100,976	10,308	26,739	84,545
Due to other funds	<u>20,546</u>	<u>250,515</u>	<u>251,591</u>	<u>19,470</u>
Total liabilities	\$ <u>362,597</u>	\$ <u>35,863,146</u>	\$ <u>35,845,880</u>	\$ <u>379,863</u>

**SINGLE AUDIT SECTION**

# PATTON & COMPANY, P.C.

*Certified Public Accountants*

R.M. Patton  
Amy M. Patton  
Kyle L. Putnam

(217) 532-3825  
Fax (217) 532-9393  
patton1@consolidated.net

## **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***

Honorable Members of Montgomery County Board  
Hillsboro, Illinois:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery County, Illinois, as of and for the year ended November 30, 2014, and the related notes to the financial statements, which collectively comprise the Montgomery County, Illinois, financial statements, and have issued our report thereon dated March 30, 2015.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Montgomery County, Illinois', 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 Montgomery County, Illinois', internal control. Accordingly, we do not express an opinion on the effectiveness of Montgomery County, Illinois', internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 the 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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Montgomery County, Illinois', financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **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.

*Pattun & Company, P.C.*

March 30, 2015

Hillsboro, Illinois

# PATTON & COMPANY, P.C.

*Certified Public Accountants*

R.M. Patton  
Amy M. Patton  
Kyle L. Putnam

(217) 532-3825  
Fax (217) 532-9393  
patton1@consolidated.net

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Honorable Members of Montgomery County Board  
Hillsboro, Illinois:

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

We have audited Montgomery County, Illinois' compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Montgomery County, Illinois', major federal programs for the year ended November 30, 2014. Montgomery 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 Montgomery 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Montgomery 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 Montgomery County, Illinois', compliance.

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

In our opinion, Montgomery 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, 2014.

### **Report on Internal Control Over Compliance**

Management of Montgomery 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 Montgomery 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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Montgomery 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 the 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 requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Pattun; Company, P.C.*

Hillsboro, Illinois

March 30, 2015

**MONTGOMERY COUNTY, ILLINOIS**

**Schedule of Expenditures of Federal Awards  
Year Ended November 30, 2014**

<u>Federal Grantor/Pass Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass through Entity Identifying Number</u>	<u>Grant Period</u>	<u>Total Federal Expenditures</u>
Major Programs:				
U.S. Department of Agriculture				
Illinois Department of Human Services				
Special Supplemental Nutrition Program				
for Women, Infants, and Children	10.557	FCSTQ01187	07/1/14 - 06/30/15	\$ 6,937
	10.557	FCSTQ00836	07/1/13 - 06/30/14	38,853
	10.557	FCSSQ00836	07/1/13 - 06/30/14	345,079
	10.557	FCSSQ00836	07/1/13 - 06/30/14	93,006
	10.557	FCSSQ01187	07/1/13 - 06/30/14	<u>17,158</u>
Total major programs				\$ <u>501,033</u>
Nonmajor Programs:				
U.S. Department of Health and Human Services				
Illinois Department of Human Services				
Prevention and Treatment of Substance Abuse Block Grant	93.959	43CTC00082	07/1/14 - 06/30/15	\$ 12,420
	93.959	FCSTP01386	07/1/14 - 06/30/15	27,439
	93.959	FCSSP01386	07/1/13 - 06/30/14	38,306
	93.959	43CSC00082	07/1/13 - 06/30/14	<u>22,479</u>
				\$ <u>100,644</u>
Environmental Protection Agency				
Illinois Department of Public Health				
Expense Implement Federal Award	66.605		07/1/13 -06/30/14	\$ <u>188</u>
U.S. Department of Health and Human Services				
Illinois Department of Public Health				
Centers for Disease Control and Prevention -				
Investigations and Technical Assistance-				
Breast and Cervical Cancer Screening				
Program	93.283	4618002313	07/1/13 - 06/30/14	\$ <u>130,286</u>

See accompanying notes to schedule of expenditures of federal awards.

**MONTGOMERY COUNTY, ILLINOIS**

**Schedule of Expenditures of Federal Awards  
Year Ended November 30, 2014**

<u>Federal Grantor/Pass Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass through Entity Identifying Number</u>	<u>Grant Period</u>	<u>Total Federal Expenditures</u>
Nonmajor Programs, continued				
U.S. Department of Health and Human Services				
Illinois Department of Public Health				
Centers for Disease Control and Prevention -				
Public Health Emergency Preparedness-				
Bioterrorism Preparedness				
	93.074	57180065C		\$ 3,034
	93.074	47180065B		<u>33,828</u>
				<u>\$ 36,862</u>
U.S. Department of Health and Human Services				
Title III B, Title III E				
Grants for Supportive Services				
and Senior Citizens				
	93.044	IA01-15	10/01/14 - 09/30/15	\$ 1,055
	93.044	IA02-14	11/01/13 - 10/31/14	12,820
	93.044	AA02-14	10/01/13 - 09/30/14	3,125
	93.044	AA02-15	10/01/14 - 09/30/15	<u>257</u>
				<u>\$ 17,257</u>
Title VII				
Chapter 3 Programs for Prevention of				
Elder Abuse, Neglect and Exploitation				
	93.041	MT02-14	10/01/13 - 09/30/14	\$ 3,000
	93.041	MT02-15	10/01/14 - 09/30/15	<u>250</u>
				<u>\$ 3,250</u>
U.S. Department of Agriculture				
Illinois Department of Public Health				
Expense Implement Federal Award				
	10.559			<u>\$ 200</u>
U.S. Department of Health and Human Services				
Illinois Department of Public Health				
Centers for Disease Control and Prevention-				
Early Detection Program-				
Breast and Cervical Cancer				
Screening Program				
	93.752	56180022C		<u>\$ 22,311</u>

See accompanying notes to schedule of expenditures of federal awards.

**MONTGOMERY COUNTY, ILLINOIS**

**Schedule of Expenditures of Federal Awards  
Year Ended November 30, 2014**

<u>Federal Grantor/Pass Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass through Entity Identifying Number</u>	<u>Grant Period</u>	<u>Total Federal Expenditures</u>
Nonmajor Programs, continued				
U.S. Department of Homeland Security Illinois Emergency Management Agency Emergency Management Performance Grants	97.042		10/01/13 - 09/30/14	\$ <u>20,951</u>
Department of Justice Bureau of Justice Assistance Drug Court Discretionary Grant Program	16,585		10/01/10 - 03/31/15	\$ <u>113,000</u>
U.S. Department of Health and Human Services Voting Access for Individuals with Disabilities	93.617			\$ <u>1,953</u>
Total nonmajor programs				\$ <u>446,902</u>
Total federal expenditures				\$ <u>947,935</u>

See accompanying notes to schedule of expenditures of federal awards.

**MONTGOMERY COUNTY, ILLINOIS**

**Schedule of Findings and Questioned Costs  
Year Ended November 30, 2014**

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

November 30, 2014, Financial Statements

- (1) Type of Auditor's Report issued: Unmodified
- (2) Internal control over financial reporting:
- Material weakness(es) identified?  Yes  No
  - Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None reported
- (3) Noncompliance material to financial statements noted  Yes  No
- (4) Federal Awards
- Internal control over major programs:
- Material weakness(es) identified?  Yes  No
  - Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  No
- (5) Type of Auditor's Report issued on compliance for major programs: Unmodified
- (6) Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133  Yes  No
- (7) Identification of major programs:
- |  | <u>CFDA<br/>Number(s)</u> | <u>Name of Federal Program or Cluster</u>                              |
|--|---------------------------|--|
|  | 10.557                    | Special Supplemental Nutrition Program for Women, Infants and Children |
- (8) Dollar threshold used to distinguish between type A and type B programs: \$300,000
- (9) Auditee qualified as low-risk auditee?  Yes  No

**MONTGOMERY COUNTY, ILLINOIS**

**Schedule of Findings and Questioned Costs  
Year Ended November 30, 2014  
(Continued)**

**Section II - Financial Statements Findings**

No matters were reported.

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

No matters were reported.

**Section N - Prior Audit Findings**

Finding 2013-1

Condition: During our audit testing, we noted that a small number of applicants did not have the required information listed on the WIC Certification sheet.

Current Status: During the current year testing there was no missing information on any of the WIC Certification sheets.

**MONTGOMERY COUNTY, ILLINOIS**

**Notes to Schedule of Expenditures of Federal Awards  
Year Ended November 30, 2014**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Montgomery County, Illinois, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 - Insurance**

The County had no federal insurance coverage outstanding at year end.

**Note 3 - Loan or Loan Guarantees**

The County had no loan or loan guarantees outstanding at year end.

**Note 4 - Payments to Subrecipients**

No amounts were provided to subrecipients for the year ended November 30, 2014.