

WHITE COUNTY, ILLINOIS
GENERAL PURPOSE FINANCIAL STATEMENTS
For the Year Ended November 30, 2015

FILED

MAY 19 2016

Paula Royce
WHITE COUNTY CLERK

WHITE COUNTY, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Chairman and County Board of Commissioners
White County, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of White County, Illinois as of and for the year ended November 30, 2015, 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. 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the White County, Illinois, as of November 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, and budgetary comparison information on pages 5 - 9 and 57 - 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

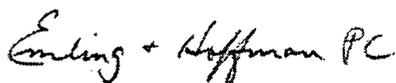
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the White County, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the 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 May 2, 2016 on our consideration of the White 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 White County, Illinois' internal control over financial reporting and compliance.



Du Quoin, Illinois
May 2, 2016

Emling & Hoffman, P.C.

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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*

Chairman and County Board of Commissioners
White County, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of White County, Illinois, as of and for the year ended November 30, 2015, and the related notes to the financial statements, which collectively comprise White County, Illinois' basic financial statements and have issued our report thereon dated May 2, 2016.

Internal Control over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. (FINDING 2015-8 through FINDING 2015-9)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies. (FINDING 2015-1 through FINDING 2015-7)

Compliance and Other Matters

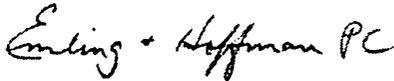
As part of obtaining reasonable assurance about whether White County, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

White County, Illinois' Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Du Quoin, Illinois
May 2, 2016

White County, Illinois Management's Discussion and Analysis

The Management of White County, Illinois offers this overview and analysis of the financial activities of the County, for the fiscal year ended November 30, 2015.

Financial Highlights

The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at November 30, 2015 by \$7,348,096. Total net position is comprised of the following: Net Investment in Capital Assets, of \$2,166,418 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets. Net position of \$4,187,821 are restricted by constraints imposed by debt covenants, grantors, laws or regulations. Unrestricted net position of \$993,857 represent the portion available to maintain the County's continuing obligations to citizens and creditors. The County's governmental funds reported total ending fund balance of \$5,600,800 this year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,741,694.

The following is a summary of significant transactions of the major funds of White County:

-The General Fund purchased several vehicles during the fiscal year. The sheriff's department bought two 2015 Tahoe's for \$33,080 and \$12,476. A van was also purchased for \$26,500 and vehicle improvements were done in the amount of \$18,402. The General fund purchased equipment in the amount of \$36,349. Compensated absences decreased by \$88,483 during the fiscal year for the General fund because of retirements and position rearrangements.

-The Township Motor Fuel Fund expended \$1,089,020 for the maintenance and improvement of Township roads and bridges.

-The County Motor Fuel Fund expended \$391,008 for the maintenance and improvements of County roads and bridges.

-The County Highway Fund did not purchase any assets during the fiscal year. The fund decreased its notes payable by \$15,386. The compensated absences decreased \$16,036 due to retirements and position rearrangements.

There were no significant budget variances. Please see the notes to financial statements for a complete analysis of fund components.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The County's audit report includes the *Statement of Net Position* and the *Statement of Activities*, both of which are government wide. The *Statement of Net Position* is the County-wide statement of financial position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net position*. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall economic health of the County would extend to other non-financial factors such as diversification of the taxpayer base of the condition of the County infrastructure in addition to the financial information provided in this report. The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the County that are principally supported by taxes and intergovernmental revenues and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public property, accounts and finance, streets and public improvements. Business-type activities include Enhanced 911 and Ambulance.

Fund Financial Statements

A fund is an accountable unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The County has three kinds of funds:

Governmental funds encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Proprietary funds generally report services for which the County charges customers a fee. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization such as the Enhanced 911 and Ambulance.

Fiduciary funds account for resources received and held by the County in a fiduciary capacity or as an agent for other governments and other funds. Fiduciary funds are not reflected in the government wide statement because the resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide essential information necessary for fair presentation of the financial statements.

Required Supplementary Information

This Management's Discussion and Analysis and the Budgetary Comparison Schedules represent financial information, which provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes. This report also includes optional financial information such as budgetary comparison information and a schedule of taxes certified and collected. This information is provided to address certain specific needs of various users of the report.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. No significant changes from the prior year were noted.

General Fund Budgetary Highlights

There are no known changes or circumstances that would affect fiscal year 2016 appropriations ordinance.

Economic Factors and Next Year's Budgets and Rates

No conditions were noted that would be expected to have a significant effect on the financial position or results of operations of the County.

Requests for Information

This financial report is designated to provide a general overview of White County's finances for all those with an interest. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the White County, 301 E. Main, Carmi Illinois, 62821.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL ACTIVITIES

	<u>Governmental Activities</u>		<u>% Change</u>
	<u>2015</u>	<u>2014</u>	
ASSETS			
Current Assets	\$ 6,458,956	\$ 6,603,629	-2.19%
Non-Current Assets	2,097,666	2,183,064	-3.91%
TOTAL ASSETS	<u>8,556,622</u>	<u>8,786,693</u>	-2.62%
DEFERRED OUTFLOWS OF RESOURCES	<u>1,034,367</u>	<u>-</u>	NA
LIABILITIES			
Current Liabilities	878,110	993,637	-11.63%
Non-Current Liabilities	1,667,586	70,358	2270.14%
TOTAL LIABILITIES	<u>2,545,696</u>	<u>1,063,995</u>	139.26%
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	0.00%
NET POSITION			
Net Investment in Capital Assets	2,027,225	2,093,389	-3.16%
Restricted Net Position	4,187,821	3,885,955	7.77%
Unrestricted Net Position	830,247	1,743,354	-52.38%
TOTAL NET POSITION	<u>\$ 7,045,293</u>	<u>\$ 7,722,698</u>	-8.77%
REVENUE			
Program Revenue:			
Charges for Services	\$ 929,079	\$ 1,689,174	-45.00%
Operating Grants	212,226	17,505	1112.37%
Capital Grants	-	23,603	-100.00%
General Revenue:			
Taxes	1,596,470	1,593,634	0.18%
Intergovernmental	3,543,252	3,997,135	-11.36%
Licenses and Permits	2,175	-	NA
Investment Interest	13,031	13,010	0.16%
Miscellaneous	913,925	883,709	3.42%
TOTAL REVENUE	<u>7,210,158</u>	<u>8,217,770</u>	-12.26%
EXPENSES			
General Government	2,187,696	1,697,222	28.90%
Public Safety	633,865	738,730	-14.20%
Highways and Streets	2,348,511	2,801,405	-16.17%
Corrections	1,472,726	1,458,334	0.99%
Judiciary and Legal	665,687	837,855	-20.55%
Environment	-	49,110	-100.00%
Economic Development	14,139	33,741	-58.10%
Health and Welfare	4,293	4,501	-4.62%
All Other	712,616	599,184	18.93%
Interest on Long-Term Debt	2,721	3,300	-17.55%
TOTAL EXPENSES	<u>8,042,254</u>	<u>8,223,382</u>	-2.20%
Transfers, Net	<u>-</u>	<u>48,000</u>	-100.00%
Net Change in Net Position	(832,096)	42,388	-2063.05%
Net Position - Beginning of Year	7,717,417	7,680,310	0.48%
Prior Period Adjustment	159,972	-	NA
Net Position - End of Year	<u>\$ 7,045,293</u>	<u>\$ 7,722,698</u>	-8.77%

For the fiscal year ended November 30, 2015, governmental net position of the County decreased by 8.77%. Revenues decreased by 12.26%, and expenses decreased by 2.20%.

FINANCIAL ANALYSIS OF THE BUSINESS-TYPE ACTIVITIES

	Business-Type Activities		% Change
	2015	2014	
ASSETS			
Current Assets	\$ 177,469	\$ 327,110	-45.75%
Non-Current Assets	139,193	188,712	-26.24%
TOTAL ASSETS	316,662	515,822	-38.61%
DEFERRED OUTFLOWS OF RESOURCES	-	-	0.00%
LIABILITIES			
Current Liabilities	8,648	13,870	-37.65%
Non-Current Liabilities	5,211	-	NA
TOTAL LIABILITIES	13,859	13,870	-0.08%
DEFERRED INFLOWS OF RESOURCES			
NET POSITION			
Net Investment in Capital Assets	139,193	188,712	-26.24%
Restricted Net Position	-	-	0.00%
Unrestricted Net Position	163,610	313,240	-47.77%
TOTAL NET POSITION	\$ 302,803	\$ 501,952	-39.67%
REVENUE			
Program Revenue:			
Charges for Services	\$ 765,706	\$ 855,302	-10.48%
Operating Grants	-	-	0.00%
Capital Grants	-	-	0.00%
General Revenue:			
Taxes	-	-	0.00%
Intergovernmental	-	-	0.00%
Investment Interest	5	10	-50.00%
Miscellaneous	2,776	3,134	-11.42%
TOTAL REVENUE	768,487	858,446	-10.48%
EXPENSES			
Ambulance	740,259	-	NA
Enhanced 911	227,377	900,207	-74.74%
TOTAL EXPENSES	967,636	900,207	7.49%
Transfers, Net	-	(48,000)	-100.00%
Net Change in Net Position	(199,149)	(89,761)	-121.87%
Net Position - Beginning of Year	501,952	591,713	-15.17%
Net Position - End of Year	\$ 302,803	\$ 501,952	-39.67%

For the fiscal year ended November 30, 2015, business-type net position of the County decreased by 39.67%. Revenues decreased by 10.48%, and expenses increased by 7.49%.

BASIC FINANCIAL STATEMENTS

WHITE COUNTY, ILLINOIS
Statement of Net Position
November 30, 2015

	Primary Government		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets			
Current Assets			
Unrestricted Cash	\$ 388,833	\$ 120,118	\$ 508,951
Unrestricted Investments	826,314	-	826,314
Restricted Cash	3,793,163	-	3,793,163
Restricted Investments	392,307	-	392,307
Prepaid Insurance	26,394	-	26,394
Inventory	17,420	-	17,420
Receivables	1,012,470	57,351	1,069,821
Accrued Interest	2,055	-	2,055
Total Current Assets	<u>6,458,956</u>	<u>177,469</u>	<u>6,636,425</u>
Non-Current Assets			
Property, Plant, & Equipment, Depreciable	2,097,666	139,193	2,236,859
Total Non-Current Assets	<u>2,097,666</u>	<u>139,193</u>	<u>2,236,859</u>
Total Assets	<u>8,556,622</u>	<u>316,662</u>	<u>8,873,284</u>
Deferred Outflows of Resources			
Pension Liability	1,034,367	-	1,034,367
Liabilities			
Current Liabilities			
Accounts Payable	749,150	7,346	756,496
Due To Others	51,719	-	51,719
Payroll Liabilities	605	-	605
Accrued Absences, Current	56,682	1,302	57,984
Notes Payable, Current	19,954	-	19,954
Total Current Liabilities	<u>878,110</u>	<u>8,648</u>	<u>886,758</u>
Non-Current Liabilities			
Net Pension Obligation	1,390,373	-	1,390,373
Accrued Absences, Non-Current	226,726	5,211	231,937
Notes Payable, Non-Current	50,487	-	50,487
Total Non-Current Liabilities	<u>1,667,586</u>	<u>5,211</u>	<u>1,672,797</u>
Total Liabilities	<u>2,545,696</u>	<u>13,859</u>	<u>2,559,555</u>
Deferred Inflows of Resources			
None	-	-	-
Net Position			
Net Investment in Capital Assets	2,027,225	139,193	2,166,418
Restricted	4,187,821	-	4,187,821
Unrestricted	830,247	163,610	993,857
Total Net Position	<u>\$ 7,045,293</u>	<u>\$ 302,803</u>	<u>\$ 7,348,096</u>

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

WHITE COUNTY, ILLINOIS
Statement of Activities
November 30, 2015

Function/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		Total Reporting Entity
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities							
General Government	\$ 2,187,696	\$ 717,136	\$ 27,663	\$ -	\$ (1,442,897)	\$ -	\$ (1,442,897)
Public Safety	633,865	41,381	-	-	(592,484)	-	(592,484)
Highways and Streets	2,348,511	-	175,463	-	(2,173,048)	-	(2,173,048)
Corrections	1,472,726	72,299	-	-	(1,400,427)	-	(1,400,427)
Judiciary and Legal	665,687	54,057	9,100	-	(602,530)	-	(602,530)
Economic Development	14,139	44,206	-	-	30,067	-	30,067
Health and Welfare	4,293	-	-	-	(4,293)	-	(4,293)
All Other	712,616	-	-	-	(712,616)	-	(712,616)
Interest on Long-Term Debt	2,721	-	-	-	(2,721)	-	(2,721)
Total Governmental Activities	8,042,254	929,079	212,226	-	(6,900,949)	-	(6,900,949)
Business-Type Activities							
Ambulance	740,259	576,879	-	-	-	(163,380)	(163,380)
Enhanced 911	227,377	188,827	-	-	-	(38,550)	(38,550)
Total Business-Type Activities	967,636	765,706	-	-	-	(201,930)	(201,930)
Total Primary Government	\$ 9,009,890	\$1,694,785	\$ 212,226	\$ -	\$ (6,900,949)	\$ (201,930)	\$ (7,102,879)

General Revenues:

Taxes:			
Property Taxes	\$ 1,596,470	\$ -	\$ 1,596,470
Intergovernmental:			
Income Taxes	629,881	-	629,881
Replacement Taxes	103,138	-	103,138
Retailer's Occupation Tax	473,203	-	473,203
Motor Fuel Tax	1,415,974	-	1,415,974
State's Attorney Salary Reimbursement	66,186	-	66,186
EMA Reimbursement	5,063	-	5,063
Supervisor of Assessments Reimbursement	21,775	-	21,775
Tuberculosis Reimbursement	3,250	-	3,250
Election Reimbursement	11,452	-	11,452
Public Defender Reimbursement	59,930	-	59,930
Work Release and Prisoner Keep	753,400	-	753,400
License and Permits	2,175	-	2,175
Investment Earnings	13,031	5	13,036
Miscellaneous	913,925	2,776	916,701
Transfers	-	-	-
Total General Revenues and Transfers	6,068,853	2,781	6,071,634
Change in Net Position	(832,096)	(199,149)	(1,031,245)
Net Position - Beginning of Year	7,717,417	501,952	8,219,369
Prior Period Adjustment-See Note M	159,972	-	159,972
Net Position - End of Year	\$ 7,045,293	\$ 302,803	\$ 7,348,096

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

WHITE COUNTY, ILLINOIS
Balance Sheet
GOVERNMENTAL FUNDS
November 30, 2015

	Major Funds				Non-Major	Total
	General Fund	Township Motor Fuel Tax Fund	County Motor Fuel Tax Fund	County Highway	Other Governmental Funds	Governmental Funds
Assets						
Unrestricted Cash	\$ 388,833	\$ -	\$ -	\$ -	\$ -	\$ 388,833
Unrestricted Investments	826,314	-	-	-	-	826,314
Restricted Cash	42,210	777,519	500,923	448,638	2,023,873	3,793,163
Restricted Investments	156,814	-	-	-	235,493	392,307
Prepaid Insurance	-	-	-	-	26,394	26,394
Inventory	17,420	-	-	-	-	17,420
Receivables	462,684	256,486	138,192	18,448	136,660	1,012,470
Accrued Interest	1,475	-	-	-	580	2,055
Total Assets	1,895,750	1,034,005	639,115	467,086	2,423,000	6,458,956
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 1,895,750	\$ 1,034,005	\$ 639,115	\$ 467,086	\$ 2,423,000	\$ 6,458,956
Liabilities, Deferred Inflows of Resources and Fund Balance						
Liabilities						
Accounts Payable	\$ 94,326	\$ 383,727	\$ 190,636	\$ 7,938	\$ 72,523	\$ 749,150
Due To Others	-	-	-	-	51,719	51,719
Payroll Tax Liabilities	-	-	-	-	605	605
Accrued Vacation and Sick-Current	42,310	-	-	14,372	-	56,682
Total Liabilities	136,636	383,727	190,636	22,310	124,847	858,156
Deferred Inflows of Resources						
None	-	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources						
Fund Balance						
Nonspendable	17,420	-	-	-	26,394	43,814
Restricted	-	650,278	448,479	-	92,153	1,190,910
Committed	-	-	-	444,776	1,502,637	1,947,413
Assigned	-	-	-	-	676,969	676,969
Unassigned	1,741,694	-	-	-	-	1,741,694
Total Fund Balance	1,759,114	650,278	448,479	444,776	2,298,153	5,600,800
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,895,750	\$ 1,034,005	\$ 639,115	\$ 467,086	\$ 2,423,000	\$ 6,458,956

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

WHITE COUNTY, ILLINOIS
Reconciliation of Fund Balances of Governmental Funds
to the Governmental Activities in the Statement of Net Position
November 30, 2015

Fund Balances of Governmental Funds \$ 5,600,800

Amounts reported for governmental activities in the statement of net position differ because:

Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds. 2,097,666

Other long-term assets are not available to pay for the current period expenditures, and, therefore, are deferred in the funds. 1,034,367

Long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore, are not reported in the funds. (1,687,540)

Net Position of Governmental Activities \$ 7,045,293

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

WHITE COUNTY, ILLINOIS
Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended November 30, 2015

	<u>Major Funds</u>				<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>Township</u>	<u>County</u>	<u>County</u>	<u>Other</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Motor Fuel</u>	<u>Motor Fuel</u>	<u>Highway</u>	<u>Governmental</u>	<u>Funds</u>
		<u>Tax Fund</u>	<u>Tax Fund</u>		<u>Funds</u>	<u>Funds</u>
Revenues						
Taxes	\$ 451,362	\$ -	\$ -	\$ 167,186	\$ 977,922	\$ 1,596,470
Intergovernmental	2,158,458	948,850	467,124	-	191,610	3,766,042
Licenses and Permits	2,175	-	-	-	-	2,175
Charges for Services	661,425	-	-	-	267,654	929,079
Interest on Investment	8,752	1,866	872	-	1,541	13,031
Other	629,514	435	4,655	44,947	223,912	903,463
Total Revenues	<u>3,911,686</u>	<u>951,151</u>	<u>472,651</u>	<u>212,133</u>	<u>1,662,639</u>	<u>7,210,260</u>
Expenditures						
<i>Current:</i>						
General Government	630,456	-	-	-	906,207	1,536,663
Public Safety	629,751	-	-	-	63,502	693,253
Judiciary and Court Related	604,838	-	-	-	58,720	663,558
Highways and Streets	-	1,089,020	391,008	377,442	402,687	2,260,157
Corrections	1,324,178	-	-	-	148,548	1,472,726
Health and Welfare	-	-	-	-	4,293	4,293
Economic Development	-	-	-	-	14,139	14,139
All Other	719,267	-	-	-	-	719,267
<i>Capital Outlay</i>	126,807	-	-	-	-	126,807
<i>Debt Service</i>	17,697	-	-	31,422	3,848	52,967
Total Expenditures	<u>4,052,994</u>	<u>1,089,020</u>	<u>391,008</u>	<u>408,864</u>	<u>1,601,944</u>	<u>7,543,830</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(141,308)</u>	<u>(137,869)</u>	<u>81,643</u>	<u>(196,731)</u>	<u>60,695</u>	<u>(333,570)</u>
Other Financing Sources (Uses)						
Operating Transfers In	148,437	-	-	63,867	1,667,178	1,879,482
Operating Transfers Out	(171,467)	(68,357)	-	-	(1,639,658)	(1,879,482)
Total Other Financing Sources (Uses)	<u>(23,030)</u>	<u>(68,357)</u>	<u>-</u>	<u>63,867</u>	<u>27,520</u>	<u>-</u>
Net Change in Fund Balances	<u>(164,338)</u>	<u>(206,226)</u>	<u>81,643</u>	<u>(132,864)</u>	<u>88,215</u>	<u>(333,570)</u>
Fund Balances - Beginning of Year	<u>1,923,452</u>	<u>856,504</u>	<u>366,836</u>	<u>577,640</u>	<u>2,209,938</u>	<u>5,934,370</u>
Fund Balances - End of Year	<u>\$ 1,759,114</u>	<u>\$ 650,278</u>	<u>\$ 448,479</u>	<u>\$ 444,776</u>	<u>\$ 2,298,153</u>	<u>\$ 5,600,800</u>

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

WHITE COUNTY, ILLINOIS
Reconciliation of the Governmental Funds, Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Governmental
Activities in the Statement of Activities
For the Year Ended November 30, 2015

Amounts reported for governmental activities in the statement of activities differ because:

Net Change in Fund Balances - Total Governmental Funds	\$	(333,570)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		(83,233)
The net effect of various miscellaneous transactions involving capital assets to increase net position.		-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(2,064)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.		-
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.		(413,229)
Net Change in Net Position of Governmental Activities	<u>\$</u>	<u>(832,096)</u>

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

WHITE COUNTY, ILLINOIS

Statement of Net Position

PROPRIETARY FUNDS

November 30, 2015

	<u>Major Fund</u> <u>Ambulance</u> <u>Fund</u>	<u>Non-Major</u> <u>Enhanced</u> <u>911 Fund</u>	<u>Total</u> <u>Proprietary</u> <u>Funds</u>
Assets			
Current Assets			
Cash, Unrestricted	\$ 92,531	\$ 27,587	\$ 120,118
Accounts Receivable	22,957	34,394	57,351
Total Current Assets	<u>115,488</u>	<u>61,981</u>	<u>177,469</u>
Non-Current Assets			
Property, Plant and Equipment, Depreciable	129,312	9,881	139,193
Total Non-Current Assets	<u>129,312</u>	<u>9,881</u>	<u>139,193</u>
Total Assets	<u>244,800</u>	<u>71,862</u>	<u>316,662</u>
Deferred Outflows of Resources			
None	-	-	-
Liabilities			
Current Liabilities			
Accounts Payable	6,697	649	7,346
Accrued Absences, Current	508	794	1,302
Total Current Liabilities	<u>7,205</u>	<u>1,443</u>	<u>8,648</u>
Non-Current Liabilities			
Accrued Absences, Non-Current	2,034	3,177	5,211
Total Non-Current Liabilities	<u>2,034</u>	<u>3,177</u>	<u>5,211</u>
Total Liabilities	<u>9,239</u>	<u>4,620</u>	<u>13,859</u>
Deferred Inflows of Resources			
None	-	-	-
Net Position			
Net Investment in Capital Assets	129,312	9,881	139,193
Restricted	-	-	-
Unrestricted	106,249	57,361	163,610
Total Net Position	<u>\$ 235,561</u>	<u>\$ 67,242</u>	<u>\$ 302,803</u>

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

WHITE COUNTY, ILLINOIS
Statement of Revenues, Expenses, and Changes in Fund Net Position

PROPRIETARY FUNDS
For the Year Ended November 30, 2015

	<u>Major Fund</u> <u>Ambulance</u> <u>Fund</u>	<u>Non-Major</u> <u>Enhanced</u> <u>911 Fund</u>	<u>Total</u> <u>Proprietary</u> <u>Funds</u>
Operating Revenues			
Charges for Service	\$ 576,879	\$ 188,827	\$ 765,706
Miscellaneous	2,776	-	2,776
Total Operating Revenue	<u>579,655</u>	<u>188,827</u>	<u>768,482</u>
Operating Expense			
Salaries	532,890	59,405	592,295
Insurance	23,042	17,416	40,458
Telephone	2,163	80,842	83,005
Auto Expense	38,042	1,594	39,636
Professional Fees	18,695	57,218	75,913
Supplies	48,412	1,189	49,601
Office Supplies	3,566	427	3,993
Maintenance	3,699	655	4,354
Postage	614	-	614
Dues	2,610	548	3,158
Medical	4,308	-	4,308
Training	120	886	1,006
Publishing	468	-	468
Uniforms	1,507	-	1,507
IMRF	-	4,741	4,741
Equipment	-	1,182	1,182
Depreciation	59,400	1,186	60,586
Miscellaneous	723	88	811
Total Operating Expenses	<u>740,259</u>	<u>227,377</u>	<u>967,636</u>
Operating Income (Loss)	<u>(160,604)</u>	<u>(38,550)</u>	<u>(199,154)</u>
Non-Operating Revenue/(Expenses)			
Interest Income	-	5	5
Total Non-Operating Revenue/(Expenses)	<u>-</u>	<u>5</u>	<u>5</u>
Net Income (Loss)	(160,604)	(38,545)	(199,149)
Net Position at Beginning of Year	<u>396,165</u>	<u>105,787</u>	<u>501,952</u>
Net Position at End of Year	<u>\$ 235,561</u>	<u>\$ 67,242</u>	<u>\$ 302,803</u>

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

WHITE COUNTY, ILLINOIS
Statement of Cash Flows
PROPRIETARY FUNDS
For the Year Ended November 30, 2015

	<u>Major Fund</u> <u>Ambulance</u> <u>Fund</u>	<u>Non-Major</u> <u>Enhanced</u> <u>911 Fund</u>	<u>Total</u> <u>Proprietary</u> <u>Funds</u>
Cash Flows from Operating Activities:			
Receipts for Services	\$ 576,879	\$ 188,827	\$ 765,706
Payments for Salaries	(532,889)	(55,458)	(588,347)
Payments for Operating Expenses	(207,369)	(172,161)	(379,530)
Miscellaneous Receipts	95,739	28,865	124,604
Net Cash Flows from Operating Activities	<u>(67,640)</u>	<u>(9,927)</u>	<u>(77,567)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers, Net	-	-	-
Net Cash Flows from Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:			
Assets Purchased	-	(11,066)	(11,066)
Interest Paid on Long Term Debt	-	-	-
Net Cash Flows from Capital & Related Financing Activities	<u>-</u>	<u>(11,066)</u>	<u>(11,066)</u>
Cash Flows from Investing Activities:			
Interest on Investments	-	5	-
Net Cash Flows from Investing Activities	<u>-</u>	<u>5</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(67,640)	(20,988)	(88,628)
Cash at Beginning of Year	160,171	48,575	208,746
Cash at End of Year	<u>\$ 92,531</u>	<u>\$ 27,587</u>	<u>\$ 120,118</u>
Reconciliation of Operating Income (Loss) to Net Cash			
Provided (used) by Operating Activities:			
Operating Income (Loss)	\$ (160,604)	\$ (38,550)	\$ (199,154)
Adjustments to Reconcile Operating Income to Net			
Cash Provided (Used) by Operating Activities:			
Depreciation Expense	59,400	1,186	60,586
Change in Assets and Liabilities			
Receivables	34,278	26,735	61,013
Accounts Payable	840	111	951
Accrued Absences	(1,554)	591	(963)
Net Cash Provided by Operating Activities	<u>\$ (67,640)</u>	<u>\$ (9,927)</u>	<u>\$ (77,567)</u>

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

WHITE COUNTY, ILLINOIS
Statement of Fiduciary Net Position
November 30, 2015

	Agency Funds
Assets	
Cash and Cash Equivalents	\$ 3,323,889
Property Tax Receivable	577,804
Total Assets	\$ 3,901,693
 Liabilities	
Property Taxes Payable	\$ 1,830,646
Outstanding Bonds	1,715,796
Due To Others	355,251
Total Liabilities	3,901,693
 Net Position	 \$ -

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

NOTES TO BASIC FINANCIAL STATEMENTS

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies

The following significant accounting policies have been consistently applied to the County in the preparation of the accompanying financial statements.

1. Principles Determining Scope of Reporting Entity

The financial statements of the County consist only of the funds of the County. The County has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the County. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

2. Component Unit

In evaluating the County's financial reporting entity, management has considered all potential component units. The decision to include a potential component unit in the financial reporting entity was made by applying criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39. Discretely presented component units are entities that are legally separate from the County, but for which the County is financially accountable or whose relationship with the County are such that exclusion would be misleading or incomplete. White County had no component units for the year ended November 30, 2015.

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function of segment is 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. Other items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation-Continued

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty-one days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Grants, entitlements, and interest associated with the current fiscal period are all considered being susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the County receives cash.

Fund Accounting

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The County uses governmental funds, business-type funds, and fiduciary funds.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. Governmental fund assets plus deferred outflows of resources less liabilities and deferred inflows of resources is reported as fund balance.

The County reports the following major governmental funds:

General Fund – The General Fund is used to account for all financial resources of the County 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 expanded or transferred according to the general laws of Illinois and the bylaws of the County.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation-Continued

County Motor Fuel Tax Fund – This fund is used to improve and maintain the roads and bridges within the County.

Township Motor Fuel Tax Fund – This fund is used to improve and maintain the roads and bridges within the Township.

County Highway Fund – This fund is used to improve and maintain the roads and bridges within the County.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted for expenditures for specific purposes.

Proprietary Funds

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent is that the costs of providing goods or services to the general public be financed or recovered primarily through user charges.

Revenues –Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within thirty-one days of the fiscal year-end.

Non-exchange transactions in which the County receives value without directly giving value in return, includes grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the County must provide local resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Concluded

Expenses/Expenditures

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. In the government-wide financial statements, expenses are classified by function for government activities. In the fund financial statements, governmental expenditures are classified by the following character categories: Current (further classified by function), Capital Outlay, and Debt Service.

Operating Revenues/Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

5. Interfund Activity

As a general rule, interfund activity has been eliminated from the government-wide financial statements including transfers between funds within the governmental funds.

6. Capital Assets

Capital assets generally result from expenditures in the governmental funds and business-type activities. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The County maintains the capitalization threshold of \$2,500. The County does possess infrastructure. However, infrastructure assets are only reported on a prospective approach beginning with the implementation of GASB 34. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 years
Improvements	10 – 20 years
Machinery and Equipment	5 years
New Infrastructure	40 years

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

7. Cash and Investments

All funds in the County are allowed to invest excess funds. Each investment is accounted for in the balance sheet of the individual investing fund. Various restrictions on investments are imposed by statutes. These restrictions are summarized below. The County is authorized to invest money in U.S. Government securities, savings accounts, and certificates of deposits at banks or savings and loans, or short-term discount obligations of the Federal National Mortgage Association.

The carrying amount of the County's Primary Government's deposits with financial institutions was \$4,302,114 and the bank balance was \$4,477,112. The bank balance is categorized as follows:

<i>Primary Government Governmental Activities</i>	<u>Category</u>			<u>Bank Balance</u>	<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Major Funds					
General	\$ 28,280	\$ 236,879	\$ 153,325	\$ 418,484	\$ 431,043
County Motor Fuel Tax	18,557	293,196	189,779	501,532	500,923
Township Motor Fuel Tax	40,557	454,573	294,192	789,322	777,519
County Highway Fund	17,099	270,169	174,873	462,141	448,638
Non-Major Funds					
County Bridge	11,042	174,465	112,927	298,434	289,649
Drug Traffic Prevention	442	6,984	4,520	11,946	11,595
Law Library	202	3,184	2,061	5,447	5,286
Court Document Storage	5,753	90,901	58,837	155,491	150,914
Probation	1,229	19,422	12,572	33,223	32,245
Child Support	7,766	33,809	16,256	57,831	57,831
Court Automation	1,433	22,635	14,651	38,719	37,579
Sheriff's Drug Forfeiture	154	2,427	1,571	4,152	4,029
Arrestee's Medical Cost	382	6,032	3,905	10,319	10,015
Tort	7,496	118,442	76,664	202,602	196,638
Tuberculosis	11,738	62	0	11,800	11,449
IMRF	8,494	134,202	86,865	229,561	222,803
Social Security	9,369	148,026	95,813	253,208	245,754
Soft Drink	1,565	0	0	1,565	1,511
Township Bridge	119,084	630	0	119,714	119,714
Federal Aid Matching	15,079	238,249	154,212	407,540	395,543
Document Storage	1,639	25,893	16,760	44,292	42,988
DUI Equipment	236	3,725	2,411	6,372	6,184
Tax Sale Automation	568	8,979	5,812	15,359	14,908
GIS	4,356	68,825	44,547	117,728	114,263
Holding	90,767	0	0	90,767	564
STD	19	308	199	526	511
Bad Check Fee	73	1,148	743	1,964	1,906
Police Vehicle	39	619	401	1,059	1,028
Coroner	121	1,910	1,237	3,268	3,171
State's Attorney Grant	22	352	228	602	602
Death Certificate Surcharge	3,302	18	0	3,320	3,320
Commissary	43,500	0	0	43,500	41,873
Total Gov. Activities	<u>450,363</u>	<u>2,366,064</u>	<u>1,525,361</u>	<u>4,341,788</u>	<u>4,181,996</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

7. Cash and Investments - Concluded

	Category			Bank Balance	Carrying Amount
	1	2	3		
Business-Type Funds					
Enhanced 911	\$ 40,084	\$ 212	\$ 0	\$ 40,296	\$ 27,587
Ambulance	3,516	55,554	35,958	95,028	92,531
Total Business-Type	43,600	55,766	35,958	135,324	120,118
Total Primary Gov.	\$ 493,963	\$ 2,421,830	\$ 1,561,319	\$ 4,477,112	\$ 4,302,114
Agency Funds					
Property Tax Collection \$	220,290	\$ 2,195,166	\$ 1,339,516	\$ 3,754,972	\$ 1,252,842
Drainage District Accounts	57,422	63,257	40,920	161,599	161,599
Court Bond Money Account	458	0	0	458	278
Non-Resident	56,667	299	0	56,966	56,966
Indemnity	13,868	77,704	41,345	132,917	132,917
Delinquent Tax	8,006	0	0	8,006	147
DARE	229	0	0	229	229
Electronic Monitoring	584	0	0	584	584
Circuit Clerk	242,234	1,054,690	507,020	1,803,944	1,717,189
Fingerprint Fee	1,138	0	0	1,138	1,138
Total Agency Funds	\$ 600,896	\$ 3,391,116	\$ 1,928,801	\$ 5,920,813	\$ 3,323,889

Investments made by the County, including repurchase agreements, are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

Category 1 – Insured or registered, or securities held by the County or its agent in the County’s name

Category 2 – Uninsured and unregistered, with securities held by the counter party’s trust department or agent in the County’s name

Category 3 – Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the County’s name

Governmental Activities	Category			Carrying Amount	Market Value
	1	2	3		
Major Funds					
General	\$ 210,501	\$ 517,715	\$ 254,912	\$ 983,128	\$ 983,128
Non Major Funds					
Drug Traffic Prevention	3,130	17,538	9,332	30,000	30,000
Court Document Storage	11,740	65,783	35,004	112,527	112,527
Court Automation	7,850	43,987	23,405	75,242	75,242
Document Storage	1,849	10,361	5,514	17,724	17,724
TOTALS	\$ 235,070	\$ 655,384	\$ 328,167	\$ 1,218,621	\$ 1,218,621

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

8. Net Position

Net position represents the difference between all other elements in a statement of financial position and should be displayed in three components – net investment in capital assets, restricted (distinguishing between major categories of restrictions), and unrestricted.

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of bonds, mortgages, notes, or other borrowings, that are attributable to the acquisition, construction, or improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt of deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt of deferred inflows of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources directly related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted – This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

9. Fund Balances

In the fund financial statements, governmental funds report up to five components of fund balance from most restrictive in nature to least restrictive:

Nonspendable – includes fund balance amounts that cannot be spent either because it is not in a spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors and grantors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority (governing board). The same formal action must be taken to remove or change the limitations placed on the funds.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

9. **Fund Balances-Concluded**

The County Board authorizes and approves the property tax levies annually providing a “committed” balance for property tax revenues. In addition, the County Board must approve any action to modify or rescind a fund balance commitment.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed.

The County Board will determine if a fund should be assigned based on the intended uses of resources that the fund receives.

Unassigned – includes positive fund balance with the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The County Board used the default spending policy, spending resources in the following manner when available: restricted, committed, assigned, and unassigned. The default policy is meant to prioritize the flow of resources from most restrictive to least restrictive for normal business activities.

As required by GASB 54, Fund Balance Reporting and Governmental Fund Type Definition, the County is to formally set a Stabilization Policy to ensure sound financial management and fiscal accountability. The County is to formally set aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise. However, these emergency situations should not be routine and should be sufficiently detailed to outline the types of nonrecurring circumstances that merit the use of funds.

As of fiscal year ended November 30, 2015, the County Board has not formally adopted a Stabilization Policy.

10. **Reconciliation of Government-Wide and Fund Financial Statements**

The governmental fund income statement includes reconciliation between net change in governmental fund balances and net change in net position of governmental activities as reported in the government-wide statement of net position. The difference of (\$498,526) is summarized as follows:

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Concluded

10. Reconciliation of Government-Wide and Fund Financial Statements-Concluded

Current Year Purchases	\$ 126,807
Depreciation Expense	(210,040)
Gain on Sale of Assets	(2,064)
Pension Expense	(515,978)
Loan Repayments	19,179
Compensated Absences	<u>83,570</u>
Total	<u>\$ (498,526)</u>

The governmental fund income statement includes reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide balance sheet. The difference of \$1,444,493 is summarized as follows:

Capital Assets	\$ 2,097,666
Long-Term Liabilities	(297,167)
Deferred Pension Liability	1,034,367
Net Pension Obligation	<u>(1,390,373)</u>
Total	<u>\$ 1,444,493</u>

11. Compensated Absences

Employees receive vacation and sick pay as part of the County's benefits package. Employee vacation is covered under the Southern and Central Illinois Laborer's District Council Collective Bargaining Agreement. The rate of vacation received is as follows:

One year of employment	2 weeks
Five years of employment	3 weeks
Ten years of employment	4 weeks
Fifteen years of employment	5 weeks

County employees cannot accrue over one week of vacation pay. If employees do not take vacation days in excess of one week, the excess is paid at the employee's pay rate at the end of the fiscal year. At the end of employment (for any reason), all accrued vacation is paid at the employee's regular pay rate.

County employees receive one sick day per month. Employees are allowed to accumulated sick leave up to 90 days. All sick days over 90 are paid at 50% of the employee's pay rate at the end of the fiscal year. Employees may accumulate up to 240 days for the sole purpose of contributing to IMRF upon retirement. At retirement, all sick time may be paid at employee pay rates up to 90 days or applied towards IMRF benefits.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Continued

11. Compensated Absences-Concluded

The following is a summary of compensated absence activity:

	<u>Beginning Balance</u>	<u>Net Increases</u>	<u>Net Decreases</u>	<u>Ending Balance</u>
<i>Governmental Activities</i>				
Current	\$ 77,585	\$ 867	\$ 21,770	\$ 56,682
Long-Term	<u>310,342</u>	<u>3,466</u>	<u>87,082</u>	<u>226,726</u>
Total	<u>\$ 387,927</u>	<u>\$ 4,333</u>	<u>\$ 108,852</u>	<u>\$ 283,408</u>
<i>Business-Type Activities</i>				
Current	\$ 1,495	\$ 118	\$ 311	\$ 1,302
Long-Term	<u>5,980</u>	<u>475</u>	<u>1,244</u>	<u>5,211</u>
Total	<u>\$ 7,475</u>	<u>\$ 593</u>	<u>\$ 1,555</u>	<u>\$ 6,513</u>
Grand Total	<u>\$ 395,402</u>	<u>\$ 4,926</u>	<u>\$ 110,407</u>	<u>\$ 289,921</u>

12. Inventories

Inventory is valued at cost using the first-in/first-out (FIFO) method. Inventories for governmental activities are recorded as expenditures when consumed rather than when purchased. For White County, inventory consists of revenue stamps that are used to record real estate transactions.

13. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Uncollectible accounts receivable are written off at the County's judgment. Major receivable balances for the governmental activities include state income, sales, and use taxes. Business-type activities report billings for Enhanced 911 and Ambulance services provided but not collected as their major receivables.

In the fund financial statements, material receivable in governmental funds include revenue accruals such as sales tax and other similar intergovernmental revenues since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within thirty one days since they would be considered both measurable and available. Propriety fund material receivables consist of all revenues earned at year-end and not yet received. Billings for services provided but not collected compose the majority of proprietary fund receivable. The County does not record bad debts.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE A – Summary of Significant Accounting Policies - Concluded

13. Receivables-Concluded

Accounts receivable related to business-type activities consists of billings for services provided but not collected. Receivables related to governmental activities mostly consist of property taxes, state income, personal property replacement tax, sales/use and telecommunication taxes of which all is due from other governments.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Taxes	\$ 173,863	\$ 0	\$ 173,863
Intergovernmental	667,714	0	667,714
Services	0	57,351	57,351
Other Receivables	<u>170,893</u>	<u>0</u>	<u>170,893</u>
Total	<u>\$ 1,012,470</u>	<u>\$ 57,351</u>	<u>\$ 1,069,821</u>

NOTE B – Illinois Municipal Retirement Fund

IMRF Plan Description

The County’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer 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 (RSI). That report may be obtained online at www.imrf.org.

Benefits Provided

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

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

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2015, the following employees were covered by the benefit terms:

	<u>Regular</u>	<u>Eco</u>	<u>Sle</u>
Retirees and Beneficiaries currently receiving benefits	61	11	5
Inactive Plan Members entitled to but not yet receiving	58	3	2
Active Plan Members	<u>76</u>	<u>5</u>	<u>6</u>
Total	<u>195</u>	<u>19</u>	<u>13</u>

Contributions

As set by statute, White County’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. While the White County's Elected County Officials and Sheriff's Law Enforcement Personnel plan members are required to contribute 7.5% 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 White County’s regular employee annual contribution rate for calendar year 2015 was 8.58%. The ECO plan member's annual contribution rate for 2015 was 81.66 percent and the SLEP plan members was 14.75 percent. For the fiscal year ended November 30, 2015, White County contributed \$232,756 to the plan for regular employees. The ECO plan members contributed \$77,564 to the plan, and the SLEP plan members contributed \$51,25. White County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contributions rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The White County’s net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Actuarial Assumptions

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disable Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.39%
International Equity	17%	7.59%
Fixed Income	27%	3.00%
Real Estate	8%	6.00%
Alternative Investments	9%	5.25-8.15%
Cash Equivalents	1%	2.25%
Total	100%	

Single Discount Rate

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

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.5%.

Changes in the Net Pension Liability-Regular

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2014	\$ 10,516,413	\$ 11,086,766	\$ (570,353)
Changes for the year:			
Service Cost	289,674	0	289,674
Interest on the Total Pension Liability	784,904	0	784,904
Changes of Benefit Terms	0	0	0
Difference Between Expected and Actual Experience of the Total Pension Liability	104,143	0	104,143
Changes of Assumptions	0	0	0
Contributions – Employer	0	232,892	(232,892)
Contributions – Employees	0	122,149	(122,149)
Net Investment Income	0	55,342	(55,342)
Benefit Payments, including Refunds of Employee Contributions	(391,724)	(391,724)	0
Other (Net Transfer)	0	(289,886)	289,886
Net Changes	<u>786,997</u>	<u>(271,227)</u>	<u>1,058,224</u>
Balances at December 31, 2015	<u>\$ 11,303,410</u>	<u>\$ 10,815,539</u>	<u>\$ 487,871</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.5%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower of 1% higher:

	1% Decrease 6.5%	Current Single Discount Rate Assumption 7.5%	1% Increase 8.5%
Net Pension Liability	<u>\$ 2,167,767</u>	<u>\$ 487,871</u>	<u>\$ (864,788)</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions-Regular

Deferred Amounts Related to Pensions	Deferred Outflows Of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 80,215	\$ 285,694
Changes of assumptions	167,927	0
Net difference between projected and actual earnings on pension plan investments	695,683	0
Total Deferred Amounts to be recognized in pension expense in future periods	943,825	285,694
Pension Contributions made subsequent to the Measurement Date	31,052	0
Total Deferred Amounts Related to Pensions	\$ 912,773	\$ 285,694

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

Year Ending December 31,	Net Deferred Outflows Of Resources	Net Deferred Inflows of Resources
2016	\$ 154,970	0
2017	154,970	0
2018	186,977	0
2019	161,214	0
2020	0	0
Thereafter	0	0
Total	\$ 658,131	\$ 0

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Changes in the Net Pension Liability-ECO

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2014	\$ 4,292,661	\$ 3,630,215	\$ 662,446
Changes for the year:			
Service Cost	23,355	0	23,355
Interest on the Total Pension Liability	314,057	0	314,057
Changes of Benefit Terms	0	0	0
Difference Between Expected and Actual Experience of the Total Pension Liability	(287,721)	0	(287,721)
Changes of Assumptions	0	0	0
Contributions – Employer	0	78,777	(78,777)
Contributions – Employees	0	7,530	(7,530)
Net Investment Income	0	17,838	(17,838)
Benefit Payments, including Refunds of Employee Contributions	(211,418)	(211,418)	0
Other (Net Transfer)	0	148,949	(148,949)
Net Changes	<u>(161,727)</u>	<u>41,676</u>	<u>(203,403)</u>
Balances at December 31, 2015	<u>\$ 4,130,934</u>	<u>\$ 3,671,891</u>	<u>\$ 459,043</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.5%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower of 1% higher:

	1% Decrease 6.5%	Current Single Discount Rate Assumption 7.5%	1% Increase 8.5%
Net Pension Liability	<u>\$ 933,166</u>	<u>\$ 459,043</u>	<u>\$ 96,019</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions-ECO

Deferred Amounts Related to Pensions	Deferred Outflows Of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 0	\$ 76,161
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	232,456	0
Total Deferred Amounts to be recognized in pension expense in future periods	232,456	76,161
Pension Contributions made subsequent to the Measurement Date	0	0
Total Deferred Amounts Related to Pensions	\$ 232,456	\$ 76,161

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

Year Ending December 31,	Net Deferred Outflows Of Resources	Net Deferred Inflows of Resources
2016	\$ (15,697)	0
2017	60,464	0
2018	60,462	0
2019	51,066	0
2020	0	0
Thereafter	0	0
Total	\$ 156,295	\$ 0

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Changes in the Net Pension Liability-SLEP

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2014	\$ 2,917,291	\$ 2,750,309	\$ 166,982
Changes for the year:			
Service Cost	62,132	0	62,132
Interest on the Total Pension Liability	218,124	0	218,124
Changes of Benefit Terms	0	0	0
Difference Between Expected and Actual Experience of the Total Pension Liability	12,388	0	12,388
Changes of Assumptions	4,262	0	4,262
Contributions – Employer	0	51,254	(51,254)
Contributions – Employees	0	26,062	(26,062)
Net Investment Income	0	13,745	(13,745)
Benefit Payments, including Refunds of Employee Contributions	(80,068)	(80,068)	0
Other (Net Transfer)	0	(70,632)	70,632
Net Changes	<u>216,838</u>	<u>(59,639)</u>	<u>276,477</u>
Balances at December 31, 2015	<u>\$ 3,134,129</u>	<u>\$ 2,690,670</u>	<u>\$ 443,459</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.5%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower of 1% higher:

	1% Decrease 6.5%	Current Single Discount Rate Assumption 7.5%	1% Increase 8.5%
Net Pension Liability	<u>\$ 905,429</u>	<u>\$ 443,459</u>	<u>\$ 65,179</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions-SLEP

Deferred Amounts Related to Pensions	Deferred Outflows Of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension		
Expense in Future Periods:		
Differences between expected and actual experience	\$ 21,247	\$ 0
Changes of assumptions	27,583	0
Net difference between projected and actual earnings on pension plan investments	171,111	0
Total Deferred Amounts to be recognized in pension expense in future periods	219,941	0
Pension Contributions made subsequent to the Measurement Date	0	0
Total Deferred Amounts Related to Pensions	\$ 219,941	\$ 0

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

Year Ending December 31,	Net Deferred Outflows Of Resources	Net Deferred Inflows of Resources
2016	\$ 61,248	0
2017	61,248	0
2018	57,383	0
2019	40,062	0
2020	0	0
Thereafter	0	0
Total	\$ 219,941	\$ 0

1. Defined Benefit Pension Plan – Regular Employees

Plan Description - The County's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer 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 (RSI). That report may be obtained online at www.imrf.org.

Fund Policy – As set by statute, the County's Regular employee plan members are required to contribute 4.50 percent of their annual covered salary. That statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2015 was 8.58

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled of the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost – The required contribution for calendar year 2015 was \$232,756.

Three Year Trend Information for the Regular Plan

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/15	\$ 232,756	100%	\$ 0
12/31/14	\$ 235,529	100%	\$ 0
12/31/13	\$ 269,419	100%	\$ 0

The required contribution for 2015 was determined as part of the December 31, 2013, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expense), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payrolls on an open 28 year basis.

Fund Status and Funding Progress – As of December 31, 2015, the most recent actuarial valuation date, the Regular plan was 97.17 percent funded. The actuarial accrued liability for benefits was \$7,427,449 and the actuarial value of assets was \$7,217,288, resulting in an underfunded actuarial accrued liability (UAAL) of \$210,161. The covered payroll for calendar year 2015 (annual payroll of active employees covered by the plan) was \$2,712,770 and the ratio of the UAAL to the covered payroll was 78 percent.

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

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

2. Defined Benefit Pension Plan – Elected County Official

Plan Description - The County’s defined benefit pension plan for Elected County Officials provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer 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 (RSI). That report may be obtained online at www.imrf.org.

Fund Policy – As set by statute, the County’s Elected County Official plan members are required to contribute 7.50 percent of their annual covered salary. That 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 2015 used by the employer was 80.40 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2015 was 41.89 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled of the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost – The required contribution for calendar year 2015 was \$77,564..

Three Year Trend Information for the Elected County Official Plan

Calendar Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/15	\$ 77,564	100%	\$ 0
12/31/14	\$ 112,520	100%	\$ 0
12/31/13	\$ 62,313	100%	\$ 0

The required contribution rate for 2015 was determined as part of the December 31, 2013, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expense), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Elected County Official plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Elected County Official plan’s unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payrolls on an open 28 year basis.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
 November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

Fund Status and Funding Progress – As of December 31, 2015, the most recent actuarial valuation date, the Elected County Official plan was 68.67 percent funded. The actuarial accrued liability for

benefits was \$1,341,745 and the actuarial value of assets was \$921,442, resulting in an underfunded actuarial accrued liability (UAAL) of \$420,303. The covered payroll for calendar year 2015 (annual payroll of active employees covered by the plan) was \$96,473 and the ratio of the UAAL to the covered payroll was 436 percent.

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

3. Defined Benefit Pension Plan – Sheriff’s Law Enforcement Personnel

Plan Description - The County’s defined benefit pension plan for Sheriff’s Law Enforcement Personnel provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer 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 (RSI). That report may be obtained online at www.imrf.org.

Fund Policy – As set by statute, the County’s Sheriff’s Law Enforcement Personnel plan members are required to contribute 7.50 percent of their annual covered salary. That statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2015 was 14.75 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost – The required contribution for calendar year 2015 was \$51,255.

Three Year Trend Information for the Sheriff’s Law Enforcement Personnel Plan

<u>Calendar Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/15	\$ 51,255	100%	\$ 0
12/31/14	\$ 55,981	100%	\$ 0
12/31/13	\$ 61,911	100%	\$ 0

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE B – Illinois Municipal Retirement Fund-Continued

The required contribution rate for 2015 was determined as part of the December 31, 2013, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expense), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Sheriff's Law Enforcement Personnel plan assets was determined

using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payrolls on an open 28 year basis.

Fund Status and Funding Progress – As of December 31, 2015, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 91.76 percent funded. The actuarial accrued liability for benefits was \$2,167,885 and the actuarial value of assets was \$1,989,155, resulting in an underfunded actuarial accrued liability (UAAL) of \$178,730. The covered payroll for calendar year 2015 (annual payroll of active employees covered by the plan) was \$347,491 and the ratio of the UAAL to the covered payroll was 51 percent.

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

NOTE C – Long-Term Debt

1. County Highway Loan

On June 15, 2012, White County Highway Department purchased a Grader from People's National Bank for \$110,000. The loan requires monthly payments of \$1,468.88. The interest rate is 3.31% and the loan matures on May 8, 2019. Following is the summary of the loan principal maturity and interest requirements:

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE C – Long-Term Debt-Concluded

<u>Year Ending November 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 15,941	\$ 1,686	\$ 17,627
2017	16,477	1,150	17,627
2018	17,031	596	17,627
2019	<u>8,896</u>	<u>84</u>	<u>8,980</u>
Total	<u>\$ 58,345</u>	<u>\$ 3,516</u>	<u>\$ 61,861</u>

2. Death Certificate Surcharge Loan

On October 3, 2013, White County Death Certificate Surcharge Fund purchased a vehicle for the Coroner. A loan for \$20,032 was acquired from First Mid Illinois Bank to finance the purchase. The annual payment requirement is \$360.70, which includes interest at 3.04%. This loan has a maturity date of October 3, 2018.

Following is the summary of note principal maturities and interest requirements:

<u>Year Ending November 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 4,013	\$ 316	\$ 4,329
2017	4,139	190	4,329
2018	<u>3,944</u>	<u>61</u>	<u>4,005</u>
Total	<u>\$ 12,096</u>	<u>\$ 567</u>	<u>\$ 12,663</u>

Following is a summary of White County's debt:

<u>Year Ending November 30,</u>	<u>County Highway</u>	<u>Death Certificate</u>	<u>Total</u>
2016	\$ 17,627	\$ 4,329	\$ 21,956
2017	17,627	4,329	21,956
2018	17,627	4,005	21,632
2019	<u>8,980</u>	<u>0</u>	<u>8,980</u>
Total Payments	61,861	12,663	74,524
Less Interest	<u>(3,516)</u>	<u>(567)</u>	<u>(4,083)</u>
Outstanding Principal	<u>\$ 58,345</u>	<u>\$ 12,096</u>	<u>\$ 70,441</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued
November 30, 2015

NOTE D - Capital Assets

Capital asset activity for the year ended November 30, 2015 is as follows:

Changes in Capital Assets

Year Ended November 30, 2015

Fund	Assets			Accumulated Depreciation				Net Book Value	
	Balance 12/1/2014	Additions	Deletions	Balance 11/30/2015	Balance 12/1/2014	Current Provisions	Deductions		Balance 11/30/2015
Governmental Activities									
Depreciable Capital Assets:									
Buildings	\$ 4,541,091	\$ -	\$ -	\$ 4,541,091	\$ 4,193,041	\$ 18,186	\$ -	\$ 4,211,227	\$ 329,864
Infrastructure	1,443,971	-	-	1,443,971	201,805	28,879	-	230,684	1,213,287
Machinery and Equipment	1,551,526	36,349	-	1,587,875	1,147,673	89,955	-	1,237,628	350,247
Vehicles	547,056	90,459	45,042	592,473	358,062	73,021	42,878	388,205	204,268
Non-Depreciable Capital Assets:									
Land	-	-	-	-	-	-	-	-	-
Total Governmental Activities	8,083,644	126,808	45,042	8,165,410	5,900,581	210,041	42,878	6,067,744	2,097,666
Business-Type Activities									
Depreciable Capital Assets:									
Buildings	6,466	-	-	6,466	6,466	-	-	6,466	-
Machinery and Equipment	305,431	11,066	-	316,497	305,432	1,184	-	306,616	9,881
Vehicles	441,963	-	-	441,963	253,251	59,400	-	312,651	129,312
Non-Depreciable Capital Assets:									
Land	-	-	-	-	-	-	-	-	-
Total Business Type	\$ 753,860	\$ 11,066	\$ -	\$ 764,926	\$ 565,149	\$ 60,584	\$ -	\$ 625,733	\$ 139,193
Total Reporting Entity	\$ 8,837,504	\$ 137,874	\$ 45,042	\$ 8,930,336	\$ 6,465,730	\$ 270,625	\$ 42,878	\$ 6,693,477	\$ 2,236,859

Depreciation Expense

Governmental Activities

General Government	\$ 100,155
Court Automation	1,732
County Bridge	28,879
Death Certificate Surcharge	4,656
Document Storage	767
GIS	17,583
County Highway	56,269
	<u>\$ 210,041</u>

Depreciation Expense

Business-Type Activities

Enhanced 911 Fund	\$ 1,184
Ambulance Fund	59,400
	<u>\$ 60,584</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements - Continued
November 30, 2015

NOTE E - Components of Fund Balance

The following presents the various components of fund balance within the governmental funds:

Fund Balances:	General Fund	Township Motor Fuel Tax Fund	County Motor Fuel Tax Fund	County Highway	Other Governmental Funds	Total Governmental Funds
<u>Nonspendable</u>						
Prepaid Insurance	\$ -	\$ -	\$ -	\$ -	\$ 26,394	\$ 26,394
Inventory	17,420	-	-	-	-	17,420
Total Nonspendable	<u>17,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,394</u>	<u>43,814</u>
<u>Restricted</u>						
Transportation	-	650,278	448,479	-	99,926	1,198,683
Public Welfare	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
General Government	-	-	-	-	(7,773)	(7,773)
Total Restricted	<u>-</u>	<u>650,278</u>	<u>448,479</u>	<u>-</u>	<u>92,153</u>	<u>1,190,910</u>
<u>Committed</u>						
Transportation	-	-	-	444,776	298,574	743,350
Public Welfare	-	-	-	-	-	-
Public Health	-	-	-	-	11,980	11,980
General Government	-	-	-	-	1,192,083	1,192,083
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,776</u>	<u>1,502,637</u>	<u>1,947,413</u>
<u>Assigned</u>						
Transportation	-	-	-	-	-	-
Public Welfare	-	-	-	-	47,789	47,789
Public Safety	-	-	-	-	15,883	15,883
Judiciary and Legal	-	-	-	-	385,207	385,207
General Government	-	-	-	-	228,090	228,090
Total Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>676,969</u>	<u>676,969</u>
<u>Unassigned</u>						
General Government	1,741,694	-	-	-	-	1,741,694
Public Safety	-	-	-	-	-	-
Total Unassigned	<u>1,741,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,741,694</u>
Total Governmental Fund Balances	<u><u>\$ 1,759,114</u></u>	<u><u>\$ 650,278</u></u>	<u><u>\$ 448,479</u></u>	<u><u>\$ 444,776</u></u>	<u><u>\$ 2,298,153</u></u>	<u><u>\$ 5,600,800</u></u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE F – Restricted Net Position

All special revenue funds are deemed to be restricted for the purpose of the fund. If restricted and unrestricted assets are available for the same purpose, then restricted assets will be used before unrestricted assets.

NOTE G – Risk Management

Significant losses are covered by commercial insurance for all major programs: property, liability, and workers compensation. During the year ended November 30, 2015, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

NOTE H – Interfund Operating Transfers

Individual fund operating transfers for fiscal year ending November 30, 2015, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Transfers, Net</u>
<i><u>Major Governmental Fund:</u></i>			
General Fund	(1) \$ 23,875	(2) \$ 7,450	\$ (23,030)
	(5) 92,506	(5) 164,017	
	(8) 4,190	0	
	(9) 19,500	0	
	(6) 8,366	0	
County Highway	(3) 63,867	0	63,867
Township Motor Fuel	0	(4) 8,204	(68,357)
	0	(3) <u>60,153</u>	
Total Major Governmental	<u>212,304</u>	<u>239,824</u>	<u>(27,520)</u>

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE H – Interfund Operating Transfers-Concluded

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Transfers, Net</u>
<i><u>Non-Major Governmental Fund:</u></i>			
Law Library	(2) \$ 7,450	0	7,450
Tort	(5) 20,000	(1) 4,060	15,940
IMRF	(5) 51,511	(1) 10,733	40,778
Social Security	0	(3) 9,082	(9,082)
Township Bridge	(2) 8,204	0	8,204
Federal Aid Matching	0	(3) 3,714	(3,714)
DUI Equipment	0	(6) 8,366	(8,366)
Holding	(7) 1,580,013	(7) 1,580,013	0
Police Vehicle	0	(8) 4,190	(4,190)
Commissary	<u>0</u>	(9) <u>19,500</u>	<u>(19,500)</u>
Total Major Governmental	<u>1,667,178</u>	<u>1,639,658</u>	<u>27,520</u>
TOTAL TRANSFERS	<u>\$1,879,482</u>	<u>\$1,879,482</u>	<u>\$ 0</u>

1. Reimbursement for court service staff
2. Transfer for budget item
3. Transfer for maintenance expense
4. Transfer for maintenance expense
5. Transfer for maintenance expense
6. Transfer for vehicle
7. Transfer in/out for payroll expenses
8. Transfer for vehicle
9. Transfer for vehicle

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE I – Subsequent Events

The County has evaluated subsequent events through May 2, 2016, the date which the financial statements were available to be issued.

NOTE J – Fund Equity

At November 30, 2015, the following funds had a deficit in the fund balance:

NONE

NOTE K – Economic Dependence

White County, Illinois is fiscally dependent on funding from Federal and State of Illinois sources. Due to the State of Illinois' financial constraints, state payment delays or eliminations are possible for the fiscal year ending November 30, 2016. Changes in the amounts received, or timing of the amounts received, from the State of Illinois, could result in cash flow problems for White County, Illinois, and may require budget amendments and cuts of services.

NOTE L– Change in Accounting Pronouncement

As of December 1, 2014, White County implemented the following GASB Statement:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, revises and establishes new financial reporting requirements for most state and local governments that provide their employees with pension benefits.

Statement No. 68 replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangement that meet certain criteria.

Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits.

The implementation of the new pronouncement had an effect on the prior year's net position. The recognition of the prior year's net pension liability and deferred outflow of resources were adjusted through beginning net position.

WHITE COUNTY, ILLINOIS
Notes to Basic Financial Statements
November 30, 2015

NOTE M – Prior Period Adjustment

The net position of the governmental activities as of December 1, 2014 has been increased by \$159,972 for the GASB No. 68 adjustments. The adjustments had no effect on the change in net position for the current year.

Deferred Outflow of Resources	\$ 1,034,367
Net Pension Liability	<u>(874,395)</u>
Total Prior Period Adjustment	<u>\$ 159,972</u>