

MACON COUNTY, ILLINOIS

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***For the fiscal year ended
November 30, 2013***

May, Cocagne & King, P.C.

Certified Public Accountants & Consultants

MACON COUNTY, ILLINOIS

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***For the fiscal year ended
November 30, 2013***

***Report prepared and issued by
the Macon County Auditor's Office***

Amy C. Stockwell, County Auditor

MACON COUNTY, ILLINOIS

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INTRODUCTORY SECTION

AMY C. STOCKWELL



Macon County Auditor

May 20, 2014

To the Citizens of Macon County, Illinois and the Macon County Board

Ladies and Gentlemen:

We are pleased to present Macon County, Illinois' (the County) Comprehensive Annual Financial Report (CAFR) for the year ended November 30, 2013. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. The County is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the County's financial activities have been included.

This report is intended to provide informative and relevant financial information for the citizens of the County, board members, investors, creditors and other concerned readers. All are encouraged to contact me with any comments or questions concerning this report.

In accordance with requirements established by Illinois law, the County's financial statements have been audited by independent certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report and includes an unmodified opinion.

An audit was also conducted to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with

Macon County Office Building • 141 South Main, Room 312 • Decatur, Illinois 62523
Phone: 217/424-1385 • Fax: 217/424-1356 • astockwell@co.macon.il.us



special emphasis on the administration of Federal and state awards. The results of the Federal Single Audit are presented as part of the CAFR.

The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Responsibility for the accuracy of the data presented as well as the completeness and fairness of the presentation of this report rests with County management.

A system of internal control consists of all measures that the management of an organization implements in order to protect the organization's assets from theft, loss, or misuse (intentional and unintentional) and to ensure the accuracy of the County's financial statements. Internal control over financial reporting has inherent limitations because it involves human diligence and judgment which can be subject to lapses or breakdowns. Internal control over financial reporting also can be circumvented by collusion or improper override, and there is thus a risk that material misstatements will not be prevented or detected on a timely basis. However, these inherent limitations are known features of the financial reporting process and every effort has been made to design safeguards to reduce, though not eliminate, this risk.

The management of Macon County is responsible for developing, monitoring and maintaining a cost beneficial system of internal control over all financial related activities of the County. This responsibility is undertaken jointly by the Audit Sub Committee of the Macon County Board, the Finance Committee of the Macon County Board, the Macon County Auditor, and the elected and appointed officials of Macon County. There is an ongoing assessment of the effectiveness of existing internal controls, taking into consideration their costs and benefits. Recommendations for improvement also consider costs and benefits.

In accordance with GAAP, this CAFR includes a narrative introduction from management, which provides an overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Macon County Illinois.

Established in 1829, Macon County is 581 square miles located centrally in the State of Illinois some 150 miles south of Chicago and west of Indianapolis, 109 miles northeast of St. Louis and 70 miles south east of Peoria. The county has a rich history of agricultural productivity, innovative manufacturing and now world scale industrial agriculture. Macon County has been on the front lines of both the new industries in the 20th century and the structural changes in and loss of manufacturing in the 21st century. Starting in the 1990's, Macon County began to lose manufacturing jobs and employers and has experienced a

long term gradual decline in population dating back to the 1970's. These factors are crucial to understanding the financial standing of the community and county government today.

Macon County is the location for the headquarters of Archer Daniels Midland; Caterpillar has a major plant here. Both employers serve world-wide markets, have added employees in the past 10 years, and are responsible for a higher share of the county's employment than they were a decade ago. In the past year however, both companies have announced significant changes. Caterpillar announced a reduction in force this year because of global declines in the mining business. There are well known inherent risks in a capital equipment business where small changes in the total economy have a large cyclical impact on cyclical sectors such as mining. In 2013, ADM announced that it would relocate its headquarters operation from Decatur to Chicago. While it is not yet clear how many employees will ultimately be affected by this change, loss of our marquee headquarters employer has been a psychological hit to the community. Employment in the healthcare segment continues to increase.

The 2010 Census shows a decline in total population and a stronger decline in population in the central city. Macon County and Decatur have shown falling populations for decades; the most recent loss was less dramatic than at other points in Macon County's history. This long term population loss is the single most important factor to understanding Macon County's financial position. It is not a short term, business cycle trend but a long term structural trend and is in marked contrast to the population growth seen in the neighboring counties of McLean and Champaign.

As population declines, demand for housing declines. To clear the market by the inexorable laws of supply and demand, housing prices also fall thus inevitably reducing the Equalized Assessed Valuation (EAV) as we have already started to see. This trend of falling EAV will continue until the structural decline in total population is reduced. In addition to the issues connected with falling EAV, housing trends are leaving many vacant properties especially in central city neighborhoods. High rates of property vacancies are associated with a myriad of social ills, many requiring increased services.

As population declines, total demand for goods and services of the residents also declines. Any attempts at economic development which bring in retailers or other employers relying on resident demand for goods and services will be unsuccessful. With a fixed or declining total demand for goods and services, new retailers will take business from existing retailers so that there is no net increase in employment. The only factors which will change the structural decline in the Macon County economy are: 1) new or existing business exporting goods or services outside Macon County, and/or 2) increase in the population of the county.

One structural project already being implemented is the Midwest Inland Port, an intermodal shipping and customs processing facility. This facility (and associated development) will utilize Macon County's exceptional rail access, high container shipping volumes and central location to offer benefits to a variety of manufacturers serving 95 million Midwestern customers within a day's drive of Decatur. The new facility can handle up to 150,000 containers as well as 2,000 trucks/trailers within a 24 hour period,

and represents a host of exciting opportunities for the local economy. Led by ADM, the Inland Port is supported by a broad mix of industry and public interests including Macon County government.

Unemployment in the County basically and consistently trends higher than state averages. In two important respects, Macon County is negatively outstanding: Macon County has the highest per capita rate in the State of Illinois of incarceration at the Department of Corrections despite normal crime rates, and the highest per capita rates in the state of teen pregnancy, obesity and heart disease. These facts mean an increasing demand for government services with especially high demand for criminal justice and public health services.

Government Structure and Services

Macon County government provides a full range of services to the citizens, including most prominently the Courts and criminal justice system which is the historic first and still the most essential function of County government. The County administers the consolidated civil and criminal justice system, and fulfills various law enforcement functions through the Sheriff's Office. Other major county responsibilities include maintenance of all property records, administration of consolidated elections, provision of public health services and maintenance of county roads, bridges and highways. A number of other functions are performed by county officials, including emergency management services, animal control, job training and workforce development, the veteran's commission and environmental management among others.

Macon County is a non-home rule county government governed by the Illinois County Code, 55 ILCS 5+ and related acts. It is composed of 24 departments, including 9 independently elected officials, the judiciary, and a twenty one member County Board elected from seven three member districts. The Board is both the legislative policy maker and the supervisor of administration for departments that report directly to the Board.

County government is thus structured by state law as the checks and balances of all three branches of government. Elected officials, department heads and county board members largely work cooperatively together to insure the smooth functioning of county government. Macon County government also has cooperative arrangements with other governmental agencies, including the City of Decatur and various townships and villages throughout the county. County leadership has indicated their strong desire to develop additional cooperative arrangements.

Future Outlook

Macon County has now completed twelve years in which revenues exceed spending in the general fund, a highly unusual situation caused by sound financial management practices. Reserves are healthy, and Macon County Board leadership has made good on their promise to return \$1,000,000 to taxpayers by

reducing the levy for property taxes being collected now. These financial results are fully discussed in the Management Discussion and Analysis section of this report.

Going forward, it is abundantly clear that significant financial challenges are ahead because of the declining population and the increasing demand for services from the remaining population. The declining population means continuing pressure on various revenue sources including property taxes, sales taxes and income taxes, and fees as well. The remaining population will have an increasing demand for services because of our unfavorable health and incarceration situation. These twin trends will continue to require the very best effort from all parts of Macon County. Everyone will be challenged to continue to provide expanded and smarter services at reduced costs, to do more with less and to be smart about working for better outcomes for all the citizens of this community.

GFOA Certificate

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Macon County for its comprehensive annual financial report for the fiscal years ended November 30, 2006, 2007, 2008, 2009, 2010, 2011 and 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

Preparation of the CAFR is a very significant undertaking, and I wish to thank all the employees of my office and all those in other offices throughout Macon County who helped make this possible. I am especially appreciative of the initiative and care shown by Chief Deputy Auditor Carol Reed. We are also indebted to the professionalism and commitment of our independent auditors, May, Cocagne and King, P.C. The cooperation of everyone is greatly appreciated, as is the commitment of the Macon County Board to professional financial management of Macon County for the benefit of our ultimate bosses, the citizens and taxpayers of this County.

Sincerely,



Amy C. Stockwell
Macon County Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Macon County
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

November 30, 2012

Executive Director/CEO

MACON COUNTY, ILLINOIS

LIST OF PRINCIPAL OFFICERS

November 30, 2013

COUNTY BOARD MEMBERS:

District	Representative	District	Representative
3	Jay Dunn (Chairman)	1	Kevin Meachum
5	Keith Ashby (Vice Chairman)	2	Gary Minich
1	Jon Baxter	2	William Oliver
5	Patricia Cox	3	Bryan Smith
6	Dave Drobisch	2	Verzell Taylor
3	Tim Dudley	6	David Williams
7	Kevin Greenfield	7	Susanna Zimmerman
7	Phillip Hogan	6	Kevin Bird
5	Mervil Jacobs, Jr.	4	Patricia Dawson
1	Linda Little	3	Jerry Potts
4	Gregory Mattingley		

OTHER ELECTED OFFICIALS:

Auditor, Amy Stockwell

County Clerk, Stephen Bean

Treasurer, Edward Yoder

Recorder, Mary Eaton

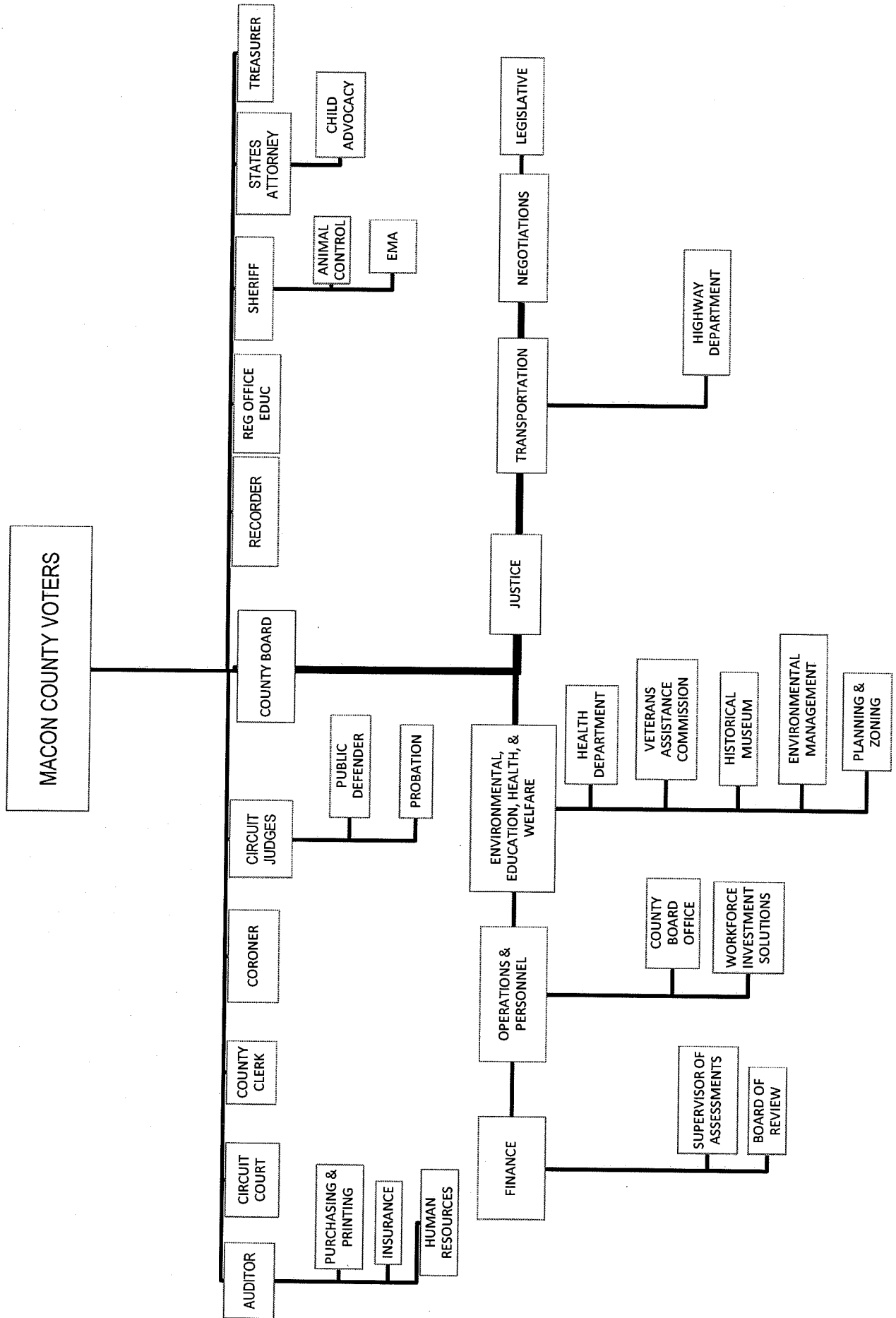
Circuit Clerk, Lois Durbin

State's Attorney, Jay Scott

Coroner, Michael Day

Regional Superintendent of Education, Matthew Snyder

Sheriff, Tom Schneider



FINANCIAL SECTION



May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

1353 E. MOUND ROAD, SUITE 300 DECATUR, ILLINOIS 62526-9344 217/875-2655 FAX 217/875-1660

ALAN R. KING
PHILIP R. BAUER
ANDREW D. THOMAS
HELGA J. TOWLER
WILLIAM R. MOSS
CATHERINE J. MANSUR
STEVEN R. GROHNE
MARK S. WOOD

INDEPENDENT AUDITORS' REPORT

To the Macon County Board
Macon County, Illinois
Decatur, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois (County) as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental, internal service, and fiduciary funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended November 30, 2013, 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 did not audit the financial statements of the Macon County Mental Health Board or the Macon County Emergency Telephone System Board which represent 55% and 45% of the assets, 96% and 4% of the liabilities and 30% and 70% of the net position of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Macon County Mental Health Board and the Macon County Emergency Telephone System Board, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Decatur Public Building Commission, Macon County Mental Health Board and the Macon County Emergency Telephone System Board were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois, as of November 30, 2013, 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. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of Macon County, Illinois, as of November 30, 2013, and the respective changes in financial position and cash flows, where applicable, 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 and budgetary comparison information on pages 4-22 and 86-105 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 and the other auditors 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 Macon County, Illinois' basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The accompanying individual Workforce Investment Solutions grant financial information is presented to comply with the requirements of the Illinois Department of Commerce and Economic Opportunity and is also not a required part of the financial statements.

The schedule of expenditures of federal awards and grant financial information 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 schedule of expenditures of federal awards and grant financial information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2014, on our consideration of Macon 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 Macon County, Illinois' internal control over financial reporting and compliance.

May. Coagne & King, P.C.

Decatur, Illinois
May 12, 2014

**MACON COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

November 30, 2013

The Macon County, Illinois' (the "County") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the County's financial activity, (3) identify changes in the County's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the basic financial statements and accompanying notes to those financial statements.

Macon County's governmental structure contains all three branches of government, with appropriate checks and balances between them as specified by State of Illinois Statutes. The Macon County Board serves as the legislative branch, with various responsibilities including, most importantly, responsibility for appropriating all public funds through the annual budget process. The executive branch includes eight officials responsible directly to the voters of Macon County (Sheriff, State's Attorney, Coroner, Circuit Clerk, County Clerk, Recorder, Treasurer and Auditor) as well as a number of appointed officials with duties specified by statute (County Engineer, Supervisor of Assessment and others). The judicial branch includes directly elected Circuit Judges, Associated Judges appointed by other parts of the judiciary, and officials appointed by and reporting through the Courts (Public Defender and Probation & Court Services). The County Board Chairman's position is considered part time; the County Board office now consists of a single additional person. Without central administration, many of the Elected Officials have accepted significant responsibilities in addition to their statutory duties to insure the smooth operation of County Government. Department heads and employees throughout the organization are working hard to keep things going smoothly. That this decentralized approach has been successful is evidenced by the financial results we are reporting.

Financial Highlights

- The assets of Macon County exceeded its liabilities at the close of the most recent fiscal year by \$ 79,913,445 (*net position*), an increase of \$ 684,024 over the prior year. Of the total net position of the primary government, \$ 14,359,492 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors, and an additional \$ 16,706,457 (*restricted net position*) is available for specific purposes. Net investment in capital assets of \$ 48,847,496 increased by \$ 1,886,727. The increase represents capital acquisitions net of depreciation plus retirement of related long-term debt. The two discretely presented component units of Macon County have a total of \$ 5,026,615 in additional net position, of which \$ 4,462,974 is unrestricted.
- Government-wide, Macon County had \$ 51,627,172 in expenses for the primary government, up \$ 2,292,477 from the prior year. This increase was a result of major capital investments in the Health Department and in Highway.
- The primary government offset expenses with \$ 8,524,954 of charges for services, \$ 15,009,122 of operating grants and contributions, and \$ 2,446,392 of capital grants and contributions. This left a balance of \$ 25,646,704 in expenses to be covered by general revenue sources for the primary government. General revenues, including property taxes, sales taxes, income taxes and other income sources, were \$ 26,330,728 government-wide, thus creating an increase in net position for the year of \$ 684,024.

- Macon County component units had \$ 5,097,912 in expenses, offset by \$ 201,052 of charges for services and \$ 880,600 of operating grants and contributions. Expenses were higher than revenues in both of the two component units.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 7,427,958 or 37.64% of total General Fund expenditures. In addition, the Macon County Board committed \$ 2,710,154 for a reserve for possible future self-funding of employee health costs and an economic stabilization (“rainy day”) fund. Ending fund balance is the sum of revenue minus expenditures in all prior years. Deficit spending in 1999-2001 produced negative fund balances in the General Fund; operating surpluses in every year since 2002 have produced this healthy level of fund balance which has allowed Macon County to avoid having to make wrenching cuts because of the recession and population declines. County leadership made good on their promise to return \$ 1,000,000 to the taxpayers in the FY 2013 budget process by reducing the General Fund levy for taxes being collected in the summer of 2013.
- Macon County’s total long-term debt (due in more than one year) decreased \$ 1,066,044 because of decreases in both categories of external obligations including general obligation notes payable and revenue bonds by the DPBC, a blended component unit. These decreases were offset by modest increases in compensated absences and net OPEB liability. Claims liabilities also fell slightly.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Macon County’s basic financial statements. The County’s basic financial statements are comprised of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

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

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

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

In the Statement of Net position and the Statement of Activities, the County operations are separated as follows:

Governmental activities: Most of the County's basic services are reported in this category, including general government, public safety, transportation, public health and welfare. Property and sales taxes, user fees, interest income and state and federal grants finance most of these activities.

Business-type activities: The County charges a fee to customers to cover all or most of the cost of certain services it provides. The Decatur Public Building Commission (DPBC) is reported in this category.

The government-wide financial statements include Macon County government and two component units: the Macon County Mental Health Board (708 Board) and the Emergency Telephone System Board (ETSB Board), which are reported separately from the financial information for the primary government itself. The government-wide financial statements can be found on pages 23 through 28 of this report.

Fund Financial Statements

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

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

Macon County maintains 37 governmental funds, including the General Fund, 35 special revenue funds, and one capital project funds. (There are a number of additional funds for management reporting and control purposes.) Of these 37 governmental funds, 8 (including the General Fund) are major funds as defined by GASB Statement No. 34, for each of which are presented statements of revenues, expenditures, and changes in fund balances as well as fund balance sheets. Non-major governmental funds are also presented in the form of combining statements and individually in the supplemental information to this report.

Macon County government adopts annual appropriated budgets for the General Fund and most special revenue funds. Budgetary comparison schedules (original versus final) have been provided as Required Supplementary Information for the General Fund, the Illinois Municipal Retirement Fund, the County Health Fund, the County Highway Fund, the Federal Aid Matching Fund, the Special Bridge Fund, the County Motor Fuel Tax Fund, and the Multi-Facility Lease Fund to demonstrate compliance with the adopted budget. Non-major budgeted funds are also presented individually in the supplemental information to this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*. The basic governmental fund financial statements can be found on pages 29 through 34 of this report.

Proprietary Funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains two different types of proprietary funds; an internal service fund and an enterprise fund. The Internal Service Fund is used to report activities that provide supplies and services for other programs and activities - such as the County's self-insurance program. Because these services predominately benefit governmental rather than business-type functions, the Internal Service Fund is reported with governmental activities in the government-wide financial statements.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Decatur Public Building Commission for which activities are financed in whole or in part by fees charged to external parties for goods or services they provide. The basic proprietary fund financial statements can be found on pages 35 through 38 of this report.

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

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the County's financial statements. The notes to the financial statements can be found on pages 40 through 85 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning budgetary comparison information for the general and major special revenue funds, and the County's progress in funding its obligation to provide pension benefits to its employees. Required supplemental information can be found on pages 86 through 110 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplemental information on pensions. Combining and individual statements and schedules can be found on pages 111 through 161 of this report.

The County's Government-wide Financial Analysis

Of the County's primary government total assets of \$ 88,467,309, a substantial portion (28.79%) is held in cash (\$ 25,356,617) and monetary investments (\$ 114,994). Cash and investments were down from the prior year by \$ 1,872,764 or 6.85% because of planned spending on two major highway capital projects (County Club Road and CH 30), capital investments at the Health Department, and planned reductions in special revenue fund balances. Another substantial portion of assets are capital assets, including the County's transportation infrastructure and all County buildings (\$ 51,043,981).

The government-wide balance sheet includes two component units, each of which have significant operational and/or financial relationships with the County.

Liabilities total \$ 8,553,864 for the primary government, including accounts payable, accrued salaries, liability for future compensated employee absences, bonds payable, and deferred revenue. A major external obligation of primary government liabilities is the general obligation note on the health department building. Another major liability is the revenue bonds payable on the other County buildings totaling \$ 1,532,425 issued through the Decatur Public Building Commission. Macon County is approaching the point at which all debt will be paid off and is investigating a number of options for realignment of facilities.

Assets minus liabilities equal net position or assets available after satisfaction of obligations. Net position for Macon County currently stands at \$ 79,913,445 for the primary government, up 0.86% from the prior year. Unrestricted net position is down 4.32% from the prior year.

The County's net position for the primary government for fiscal year ended November 30 are summarized as follows (dollars in millions):

	Governmental Activities			Business-type Activities			Total Primary Government		
	2013	2012	% Change	2013	2012	% Change	2013	2012	% Change
Assets:									
Current and other assets	\$ 35.52	36.58	(2.90)	1.90	2.22	(14.80)	37.42	38.80	(3.58)
Capital assets	50.60	49.73	1.75	0.44	0.46	(4.35)	51.04	50.19	1.69
Total Assets	86.12	86.31	(0.22)	2.34	2.68	(13.01)	88.46	88.99	(1.89)
Liabilities:									
Long-term liabilities	3.49	4.52	(22.79)				3.49	4.52	(22.79)
Other liabilities	4.96	4.93	0.61	0.10	0.31	(64.52)	5.06	5.24	(3.24)
Total Liabilities	8.45	9.45	(10.58)	0.10	0.31	(64.52)	8.55	9.76	(12.30)
Net Position:									
Invested in capital assets	48.40	46.50	4.11	0.44	0.46	(4.35)	48.84	46.96	4.02
Restricted	16.70	17.26	(3.19)				16.70	17.26	(3.19)
Unrestricted	12.57	13.10	(3.97)	1.80	1.91	(5.26)	14.37	15.01	(4.14)
Total Net Position	\$ 77.67	76.86	1.09	2.24	2.37	(5.08)	79.91	79.23	0.91

Governmental activities showed an increase in the County's net position of \$ 817,206 due to the change in net position (expenses over revenues) during fiscal year. The business-type activities include the blended component unit, the Decatur Public Building Commission, as its only major enterprise fund. This fund showed a decrease in net position of \$(133,182). The key components of these changes for the primary government are the following (dollars in millions):

	Governmental Activities			Business-type Activities			Total Primary Government		
	2013	2012	% Change	2013	2012	% Change	2013	2012	% Change
Revenues:									
Program revenues:									
Charges for services	\$ 7.89	7.81	1.02	0.64	0.57	12.28	8.53	8.38	1.79
Operating grants and contributions	15.01	13.34	12.52				15.01	13.34	12.52
Capital grants and contributions	2.33	4.97	(53.12)				2.33	4.97	(53.12)
General revenues:									
Property taxes	15.76	16.88	(6.64)				15.76	16.88	(6.64)
Sales tax	5.63	5.90	(4.58)				5.63	5.90	(4.58)
Income and replacement taxes	2.32	2.30	0.43				2.32	2.30	0.43
Investment income	0.05	0.05		0.01	0.02	(50.00)	0.06	0.07	(14.29)
Miscellaneous	2.56	2.35	8.47				2.56	2.35	8.47
Internal transfers - rent	(2.44)	(2.92)	(16.44)	2.44	2.92	(16.44)			
Total revenues	<u>49.11</u>	<u>50.68</u>	(3.14)	<u>3.09</u>	<u>3.51</u>	(11.97)	<u>52.20</u>	<u>54.19</u>	(3.71)
Expenditures paid:									
Current:									
General control and administration	7.39	7.47	(1.07)	3.34	3.33	0.30	10.73	10.80	(0.65)
Public safety	14.14	13.74	2.91				14.14	13.74	2.91
Judiciary and court-related	8.70	8.81	(1.25)				8.70	8.81	(1.25)
Public health and welfare	11.49	10.49	9.53				11.49	10.49	9.53
Transportation	6.45	5.34	20.79				6.45	5.34	20.79
Interest on long-term debt	0.11	0.16	(31.25)				0.11	0.16	(31.25)
Total expenditures paid	<u>48.28</u>	<u>46.01</u>	4.93	<u>3.34</u>	<u>3.33</u>	0.30	<u>51.62</u>	<u>49.34</u>	4.62
Change in net position	<u>0.83</u>	<u>4.67</u>	(82.30)	<u>(0.25)</u>	<u>0.18</u>	(238.89)	<u>0.58</u>	<u>4.85</u>	(88.09)
Net position, beginning, as previously reported	76.86	72.26	6.37	2.37	2.19	8.22	79.23	74.45	6.42
Prior period adjustment		(0.07)	100.00					(0.07)	100.00
Net position, beginning, as restated	<u>76.86</u>	<u>72.19</u>	6.47	<u>2.37</u>	<u>2.19</u>	8.22	<u>79.23</u>	<u>74.38</u>	6.52
Net position, ending	<u>\$ 77.69</u>	<u>76.86</u>	1.05	<u>2.12</u>	<u>2.37</u>	(10.55)	<u>79.81</u>	<u>79.23</u>	0.71

Key elements of the analysis of the government-wide revenues and expenses reflect the following:

- The overall financial position of the County improved during fiscal year 2013 as the County continued to hold to sound financial management practices developed over the last decade. Further losses in revenue are being anticipated and steps are being taken now to minimize their effects before this expected loss becomes an emergency in future years. For the governmental activities of the government as a whole, revenue exceeded expenses by three quarters of a million dollars which reflected continued hard work throughout the organization to spend only on essential items and to find every opportunity to streamline and modernize operations as well as the County Board’s decision to return a \$ 1 million one-time “dividend” to the taxpayers.
- Government-wide, Macon County had \$ 48 million in expenses in its primary government functions and \$ 49 million in revenues. As planned, current revenue shortfalls were covered by fund reserves accumulated over previous years. In this way, Macon County coped with the economic downturn with minimal effect on operations and continued investment in infrastructure. Wherever possible, reserves were accumulated for future needs and/or expected revenue shortfalls, as well as managing expenditures for major capital projects (primarily transportation).
- Expenses for retiree health costs (OPEB expenses) were recorded for the fifth year. This expense added a total of \$ 176,371 to total expense government-wide. This expense was fully attributed to general control and administration although retirees came from all parts of the government.
- The following summarizes changes in the major expense categories excluding the depreciation expense:

	2013	2012	Change
Operating Expenses without Depreciation:			
General Control and Administration	\$ 7,174,265	7,220,548	(46,283)
Public Safety	13,253,723	12,875,843	377,880
Judiciary and Court	8,471,102	8,555,673	(84,571)
Public Health and Welfare	11,382,900	10,390,007	992,893
Transportation	4,803,930	3,781,708	1,022,222
Interest on Long-term Debt	111,075	159,640	(48,565)
Total	\$ 45,196,995	42,983,419	2,213,576

- Overall, expenses grew by \$ 2,213,576 or 5.15%. The largest dollar volume of change in expenses was in the Transportation sector which reflects timing of major highway projects. These included County Highway 26 (the Country Club Road project) and County Highway 30 from IL 48 to Elwin. There was also continued engineering work on Phase II of the Beltway expansion project. The second largest change was in Public Health and Welfare because of large increases in both the Health Department and Workforce Investment departments, offsetting losses of State’s Attorney and Probation grant revenue.
- The Health Department increased spending in a number of their departments, to address the critical health needs of the community. Recent statistics show that Macon County is first among the 102 counties of Illinois in unhealthy behaviors, including the incidence of obesity and smoking. Health Department initiatives to attempt to address these facts on the ground include major initiatives to address maternal and infant health needs, teen pregnancy prevention programs (Macon County rates of teen pregnancy are extremely high), substantial new investments in provision of dental care including staff increases and an investment in computerized dental records, as well as various other community initiatives including new grant funds to help provide additional bike racks.

- The Workforce Investment department has received a number of additional grants to deal with problems created by business closing, including several rapid response grants. A summer youth training and employment grant for almost \$ 500k was also received. The department partnered with the Decatur Public Schools to help administer their Summer Internship program.
- If transportation and health are removed, the remaining categories are essentially flat, increasing \$ 198,461 or 0.69% reflecting that normal payroll increases are offset by improvements in efficiency. Office holders and managers throughout the County have been working to streamline operations and find new ways of working more efficiently without negatively impacting customer service. In many areas, customer service has actually improved, and there is clear direction from the top to improve customer service. Several training programs have been held in various departments, and the County Board has initiated an Employee of the Quarter program to recognize exceptional service.
- The Sheriff's housing of Federal prisoners was enabled by intense cooperation throughout the criminal justice system to speed our own cases through the system and reduce time individuals with pending cases spend in jail; Federal prisoners made a substantial contribution to overall financial performance.
- The \$ 46,283 decrease or 0.64% in operating expenditures in the General Control and Administration (GC&A) (without depreciation) was very much in line with the stability noted overall. Modest increases in department operating expenses, and increases connected with restructuring for vital services (new positions in the Supervisor of Assessments office and creation of a Human Resources position) were offset by some overall structural changes. Self insurance claims liability fell because of technical correction in liability calculation. Our major claims are related to workers compensation cases, as we are self insured for the bulk of the liability while we are fully insured after a \$ 25,000 deductible for all other claims. There was also a reduction in Other Post-Employment Benefits (OPEB) expense as actual health insurance increases were less than previously assumed by the actuaries.
- The \$ 377,880 increase in operating expenses government-wide for Public Safety (excluding depreciation) was due to settlement of the deputies and command officers contracts, modest increases in jail health and dietary expenses due to increases in numbers of inmates, and increases in vehicle expense (offset by generous private donations). The contract with the U.S. Marshalls to hold federal prisoners awaiting court appearances in Macon County was responsible for part of the increase in numbers of inmates and continued to generate revenues helping offset increases in payroll costs.
- Expenditures in the Animal Control Fund, included in the Public Safety expense category at the government-wide level, were virtually flat. Through intensive effort by the department and support from the Decatur and Macon County Animal Shelter Foundation, adoptions increased slightly and topped the 1,000 mark at 1,063 for the first time. Sadly, of course, intakes also increased by 8.4%. It is abundantly clear from public feedback received that there is substantial community support for the increased enforcement and increased adoptions provided by the current Animal Control administration under the Sheriff.
- The Judiciary and Courts expenditures (excluding depreciation) decreased \$ 84,571. Operations were essentially the same as the prior year, with realignments of funding sources from Special Revenue funds to the General Fund with no net change in activity. A number of improvements have been undertaken in the Circuit Clerk's office including increased collection activity, extensive remodeling of the office to make it more customer friendly, and an ongoing project to place all old non-appealable case files on DVD to reduce paperwork and increase space for current cases. The Clerk has also implemented a new jury system allowing potential jurors to enter and check information on-line.

- Public Health and Welfare operating expenses increased \$ 992,893 (excluding depreciation) or 9.56%, because of long-term investments by the Health Department in their building and in computer technology. The multi-year building renovation project centering on roof and drainage repairs continued this year, and continued investments in computer technology continue to prepare the way for future service improvements. Dental records have now been computerized; computerizing all medical records remains an investment for future years. Health statistics for the population of Macon County remain alarmingly poor. Health Department staff are involved in a number of initiatives throughout the community to work on improvements, and the department is making this a priority. A number of grants have been received to improve public awareness of health related issues, and additional health educators are in place.
- New grants in Probation support the continuing efforts of the criminal justice system to find alternatives to incarceration which will promote community repair and discourage costly recidivism. The programs addressed by these grants are especially important because Macon County has the highest rates of incarceration in the State per capita, and many of the parolees return to the community. Research shows that they are much more likely to be successful with adequate supervision and services. A major landmark was reached in FY 2013 with stabilization of the Mental Health Court program which was first established through a prior grant and is now supported by community based funding. It should also be noted that several major grants in the State's Attorney grant fund ended in FY 2012 and early FY 2013. These functions have largely been absorbed.
- As noted above, Workforce Investment expenditures increased because of additional grants to assist in job retraining and placement. Macon County unemployment statistics remain among the state's worst, fluctuating between 10% and 13%. Plant closings and headquarters relocations continue to exacerbate the situation, and poverty rates remain well above state average.
- Transportation operating expenses (excluding depreciation) decreased \$ 1,022,222 because of the timing of major projects. As was the case last year, work continued on the South and East Beltway engineering study with \$ 75,424 paid for environmental and engineering studies in preparation for planned route approval by the U.S. Department of Transportation. The two major projects undertaken were restoration of Country Club Road and CH 30 between Rte. 48 and Elwin. Macon County secured funding for and began offering rural on-demand transportation services during FY 2012; current efforts involve making arrangements for the "gray area" between the urbanized area controlled by Decatur Public Transit and the rural area. Looking ahead, if the Beltway receives all of the appropriate state and federal approvals, it will require a very large (many millions of dollars) financial commitment from Macon County in future years.
- There is considerable concern that flat and decreasing revenues in all highway funds will negatively impact the County's ability to maintain its current highway system. In addition, rising costs of construction materials have reduced purchasing power. In the past ten years, the County Engineer estimates that purchasing power by 60%. A record number of bridges (5) are closed and another 23 have weight limits
- Interest on long-term debt is incurred on the mortgage for the expanded building at the Health Department. These expenditures decreased with the renegotiation of the mortgage at more favorable rates. A more permanent solution to the health department outstanding debt will be investigated in the coming year. The interest payments on the two outstanding bonds for the facilities are also included in governmental activities. Macon County has very little debt and is looking forward to the retirement of outstanding bonds at the end of the current lease with the DPBC.

- For governmental activities, revenues were down slightly in total by 3.14%. Fees for services increased slightly (1.02%) due to increases in several fees as well as improved collection efforts by the Circuit Clerk, while grant funds also increased primarily due to Highway construction projects funded through the state as well as increased funding for Workforce activities. Property taxes were down significantly because of the County Board decision to reduce the General Fund levy by \$ 1,000,000. Sales taxes were also down due to slowness of the local economy.

The government-wide balance sheet includes two discretely presented component units, each of which have significant operational and/or financial relationships with the County. In addition, activities of the DPBC are shown in the business-type activities of the primary government. Business-type activities accounted for \$ 2,235,441 of net position including \$ 1,766,912 in cash and cash equivalents, constituting 75.42% of its total assets.

Financial Analysis of Macon County's Major Funds

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

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

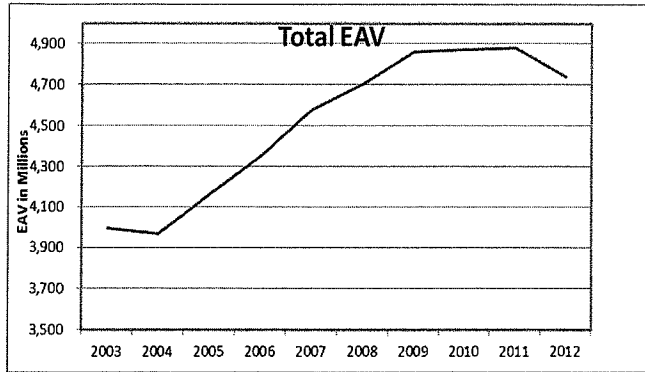
Expenditures and Program Revenues - Government Activities. Macon County's government provides a number of services to the citizens of Macon County. These include law enforcement and administration of the criminal justice system, administration of consolidated elections, property tax records and tax collection for all taxing bodies, maintenance of county roads, bridges and highways and the provision of health services.

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

Charges for services include a wide variety of fees for court costs, fees collected when deeds are recorded, and fees collected when vital records are recorded. Fees are also collected for County building permits and for the provision of health services among other reasons.

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

Receivables from all sources (including other governments) totaled \$ 4,744,252 or 5.7% of total assets, a decrease of 6.4% from the prior year. For financial reporting purposes, we have applied generally accepted accounting principles provisions regarding modified accrual accounting for governmental funds. However, given the current circumstances, this is no longer helpful, and we use full accrual for management accounting. Continued cash flow difficulties with the State of Illinois have substantially lengthened payment times; all payments are eventually made. To apply the current rules for modified accrual essentially throws us back to cash basis accounting, which is not helpful for sound financial management. Given the current facts, we are choosing to retain full accrual for management accounting purposes but will respond to additional facts if they become available. The State cash flow situation is monitored constantly by management throughout the organization, and using full accrual for management accounting purposes retains decentralized accountability for insuring that we collect all owed sums.



The primary source of general revenue government-wide is property taxes. Property taxes are collected for and recorded in separate funds, such as the General Fund, the Retirement Fund, the Highway Fund, and so forth. The Equalized Assessed Valuation, on which all property taxes are raised, has now turned decisively downward, losing 2.87% last year. This development, which is based on long-term population loss and the resulting decline in overall housing demand, affects not only Macon County but all other taxing bodies that have rate limited levies.

General Fund

The General Fund is the main operating fund of the County. The General Fund presented in the financial statements includes other funds which are shown separately for management information purposes, namely the election equipment fund and the Circuit Clerk's maintenance account. In fiscal year 2013, for the twelfth year in a row, the General Fund again showed a positive change in fund balance (current revenues minus current expenditures). This result was quite dramatic because the budget envisioned that 2013 revenue less expenditure would be a negative \$ 2,003,559. Although FY 2013 results were a very small positive number, they were positive despite expectations to the contrary. The 2013 positive result means that many efforts came together to minimize the effects of the economic downturn and showed the continued and quite unusual success of the County's financial management system. FY 2013 results reflect the reduction of the General Fund property tax levy by \$ 1 million, as decided by the County Board to provide a one time dividend to the tax payers.

Macon County is making a very slow recovery from the economic downturn of 2009 which made a huge impact on the General Fund by reducing both sales tax and income tax revenues. When the budget was developed for 2013, we were very conservative in projections of revenue although we had seen some encouraging signs especially in income taxes closely tied to the state economy. Sales taxes, which are tied to the health of the Macon County economy, continue to trend down. Due to conservative budgeting, all major categories of revenue exceeded the budgeted forecast. We are continuing to observe a basically downward trend in sales tax (which is based on the local economy), while income tax receipts have been bolstered by the tax increase and a strong state-wide economy.

Overall spending in all categories was again well less than budget although was slightly higher than the prior year. The better than expected revenue performance and the continued spending restraint together again moved the General Fund from the planned operating deficit to the actual positive result. The result of twelve years of surpluses means that total fund balances now stand at a very healthy \$ 10,286,139, including \$ 2,710,154 which has been committed for future needs by the County Board, and \$ 7,427,958 which is unassigned. The fund balance classifications are detailed in Note 12. It is worth noting again that Macon County's experience is in marked contrast to the situation of the State of Illinois and many surrounding counties. Positive fund balance results are produced not by growth in revenues, but by continued sound and realistic financial management and healthy checks and balances between the three branches of government.

On the revenue side, total revenue was up slightly over the prior year. The most dramatic change was the policy decision by the Macon County Board to reduce the General Fund levy by \$ 1,000,000. Sales taxes (function of economy in Macon County) were down slightly while income taxes were up (function of state wide trends). Fees collected by Macon County office holders were up slightly this year in total (3.6%); of particular note is the 6% increase in the main Circuit Clerk fee line due to increased collection efforts on current and past fees. Recorder fees declined slightly due to softness in the real estate market. Sheriff sales were down slightly; there is some evidence that banks and other financial institutions are working more closely with borrowers. Sheriff fees were down slightly because of reduced ability to pay fees collected over the counter. Cable franchise fees were again up due to completion of a multi-year project to renegotiate all franchise agreements. Host fee revenue was up substantially because of increases in material taken to the landfill including waste from Coles County and from Ameren substation damaged dirt. Interest income declined again because of low interest rates and increased bank fees; interest income is essentially negative for many accounts. Revenue in total was up 1.48% over the prior year.

On the expenditure side, all General Fund department spending was once again at or below budgeted appropriations. If budget was exceeded in one expenditure classification or "bucket" within a department, it was offset by spending below budget in another "bucket" for that department. Budgets were revised during the year to recognize generous private donations of vehicles for the Sheriff and State's Attorney's office, as well as donation of community outreach funds under the Sheriff's control. Budget changes were made to appropriate funds for state mandated evaluations of sexually violent persons, to release previously reserved fees for the coroner's use, as a result of settlements of the Circuit Clerk and Sheriff Command officer contracts, and to realign budgets between the Supervisor of Assessments office (general revenue fund) and the GIS fund (special revenue fund) with the appointment of a new Supervisor of Assessments. With the completion of a grant for establishment of a Mental Health Court, a long desired sustainability plan was approved, and the budget was modified to create a new Specialty Courts department under Probation & Court Services.

Law enforcement spending in the LEST fund (special law enforcement safety tax) has exceeded income by design for the past several years, requiring use of reserves built up in the first years of the tax's operation. Although when the budget was adopted, it was believed that receipts would be adequate to fund FY 2013 operations in the LEST fund, a sluggish local economy caused worse than expected returns. This necessitated a year end reclassification of \$ 272,000 expenses within the Sheriff accounts from LEST to General, and corresponding changes in the budgets of both LEST and General funds.

There was a total favorable variance of \$ 955,401 on the spending side in the General Fund because of continuing office holder restraint. On the revenue side, conservative revenue forecasting and a somewhat improved economy produced a \$ 1,201,225 favorable variance.

Although the plan was to have spending exceed revenue and use reserves which had been accumulated for this "rainy day", in fact spending was equal to revenue received. This was thus the twelfth year in which revenue has exceeded expenditure in the General Fund. The change in fund balance (\$ 74,055 increase) was a definite improvement over the expected circumstance of needing to tap into reserves. Unrestricted ending fund balance first turned positive when the interfund debt created by the "time of troubles" was repaid at the end of 2004, remained positive in the following years, and has now grown to a comfortable and reasonable level. Twelve years of operating surpluses in the General Fund have finally outweighed negative ending fund balances caused by deficit spending in the General Fund in fiscal years 1999, 2000 and 2001. Going forward, the Illinois Comptroller recommends that General Fund unrestricted fund balances should be no less than three months of expenditures in the General Fund (about \$ 4 million).

In reviewing these results, the Macon County Board concluded that reserves were adequate and that the benefits of our improving circumstances would be shared with the taxpayers. The reduction in the General Fund levy for taxes collected in 2013 was continued for taxes to be collected in the summer of 2014.

Following is the budgetary summary of the General Fund; the detailed statement of this fund is found on pages 86 through 91 of the financial report.

Budgetary Basis	2013	2012	% Change
Revenues:			
Taxes	\$ 8,494,465	9,666,796	(12.13)
Intergovernmental	3,699,069	2,718,388	36.08
Fines, fees and forfeitures	4,132,430	4,162,621	(0.73)
Licenses and permits	77,843	67,101	16.01
Interest on investments	35,802	25,507	40.36
Miscellaneous revenue	2,632,587	2,153,737	22.23
Total revenues	19,072,196	18,794,150	1.48
Expenditures:			
General control and administration	3,963,458	3,589,804	10.41
Public safety	8,219,391	7,500,882	9.58
Judiciary and court related	7,181,456	7,138,588	0.60
Public health and welfare	370,702	153,982	140.74
Total expenditures	19,735,007	18,383,256	161.33
Excess (deficiency) of revenues over (under) expenditures	(662,811)	410,894	(261.31)
Transfers in	831,866	786,171	5.81
Transfers out	(95,000)	(95,000)	
Net changes in fund balance	\$ 74,055	1,102,065	(93.28)

Illinois Municipal Retirement Fund

Macon County's Illinois Municipal Retirement Fund (IMRF) is used to record receipts of property taxes and payments made from these receipts to the Illinois Municipal Retirement Fund for IMRF future costs of current employees. Receipts from employees via payroll withholdings for their portion of the costs are remitted to IMRF along with the County's portion; only the County's portion of these costs are shown as expenditures. Within Macon County's IMRF program, there are several categories of employees and rates: Regular Tier 1, Regular Tier 2 (recently created for new employees with reduced costs and benefits), Sheriff Law Enforcement, and the Elected Officials plan. Employees whose payroll is paid via special revenue funds also pay for fringe benefits via these special revenue funds, and their share of IMRF costs are shown in the expenditure of each special revenue fund with employee expenses. Budget basis revenues totaled \$ 2,032,397 while expenditures totaled \$ 2,259,400 in part due to this allocation of employee expenses. For financial reporting purposes (but not for management accounting), interfund transactions are eliminated. In FY 2013, the payroll distribution was more in the General Fund and less in the Special Revenue funds than anticipated. This resulted in an apparent overspending of the budget in the fund financial statement; checks written from this fund did not exceed the total amount appropriated by the Macon County Board.

IMRF is an extremely well managed and well funded pension program because pension costs are paid every single month. When an employee is hired, contributions start immediately and are made each and every month of that person's employment. In this way, contributions can be earning investment returns (last year over 20% on a market basis) while the person is accumulating retirement benefits. When the individual retires, the full NPV of their future pension payments is transferred from the employer account to the Retirees account. System-wide, IMRF has computed that 63.9% of the assets required to fund future benefits comes from investment earnings. The balance comes from employee and employer contributions made each year through that person's employment. These outstanding results are only possible because IMRF contributions are made throughout the person's employment, and all earnings on those contributions also continue to grow. The key to successful pension management is acting to take advantage of the miracle of compounded interest!

Details on this fund are shown on pages 92 and 93 of the financial report.

County Health Fund

Macon County's Health Fund collects and administers revenue from a variety of sources. These include local property taxes (the Health levy), and a large number of specialized grants for a broad range of services including environmental health, immunizations, and well and sick child care among others. This fund also receives and administers Medicaid funding and provides primary medical and dental services to underserved populations. The Macon County Board of Health has also decided to offer a number of senior services, designed to help seniors remain in their homes and these services continue to expand. The Macon County Health Department also provides services to neighboring counties on a contract or fee for service basis. Expenditures include salaries and benefits for approximately twenty percent of the County's total employees.

Following is the budgetary summary of the County Health Fund; the detailed statement of this fund is found on pages 94 through 95 of the financial report.

Budgetary Basis	2013	2012	% Change
Revenues:			
Taxes	\$ 1,575,773	1,608,422	(2.037)
Intergovernmental	4,967,164	3,709,268	33.91
Fines, fees and forfeitures	411,450	339,163	21.31
Licenses and permits	225,588	220,204	2.45
Interest on investments	1,484	1,011	46.79
Miscellaneous revenue	31,855	19,380	64.37
Total revenues	7,213,314	5,897,448	22.31
Expenditures:			
Public Health and Welfare:			
Personnel	4,432,291	4,272,111	3.75
Supplies and materials	1,560,596	1,136,845	37.27
Equipment	509,348	776,711	(34.42)
Debt Service	91,586	91,636	(0.08)
Total expenditures	6,593,821	6,277,303	5.04
Excess (deficiency) of revenues over (under) expenditures	619,493	(379,855)	263.09
Transfers in			
Transfers out	(88,848)	(88,848)	
Net changes in fund balance	\$ 530,645	(468,703)	213.22

Revenues in this fund on a budget basis were \$ 7,213,314 while expenditures were \$ 6,593,821, resulting in an increase in fund balance. Fund balance for the Health Fund stood at \$ 2,120,123 (budget basis including modified accrual adjustment) on November 30, 2013. Since the Health Department receives many state and federal grants, slow release of grant funds because of state fiscal issues means a considerable portion of this fund balance is being held as accounts receivable. As the State has begun to grapple with its budget problems, the Health Department has received notice of cuts in grants and allocations; this trend is expected to continue and to accelerate over the coming year.

Revenue trended up this year in all categories except property taxes. Revenue was up by 22.31% in total, with notable increases in intergovernmental (33.91%) and fines, fees and forfeitures (21.31%). The increase in intergovernmental was due to completion of a major project to catch up on Medicaid billing backlog and implement systems for more timely processing of claims. Fines, fees and permits revenue increased because of more sustained enforcement actions plus the addition of inspections on swimming pools and geothermal systems. Interest income decreased for the Health Fund as for all other funds.

Expenditures were also up but by less than the increase in revenue. This is the second year of a major project to improve the facility, including HVAC improvements, roof repair and external drainage improvements. Personnel expenditures grew modestly (3.75%) as continued attrition, job sharing and job redesign were offset by modest wage increases. The supplies (37.27%) increased substantially because of the building improvements as well as major investments in computer systems infrastructure. Dental records have now been completely converted to digital format; going to digital medical records will require a substantial investment which is planned for future years. Transfers out were connected with payment of administrative and insurance fees to Macon County.

Health statistics for the population of Macon County remain alarmingly poor. Health Department staff are involved in a number of initiatives throughout the community to work on improvements, and the department is making this a priority. A number of grants have been received to improve public awareness of health related issues, and additional health educators are in place.

Details on this fund are shown on pages 94 and 95 of the financial report.

County Highway Fund

Macon County's Highway Fund levies taxes to construct and maintain county roads, bridges and highways, including resealing, snow removal and issuing permits for work along county right of ways. The fund is intended by state statute to fully cover operating costs and partially cover capital expenditures of the highway department; other highway capital costs are covered in several additional special revenue funds. In addition to property taxes, this fund receives state Motor Fuel Tax funds via rental of equipment for highway department use.

Total revenue in this fund was \$ 1,928,998 while expenditures totaled \$ 2,378,327. Expenditures in this fund include highway staff (administration and road crews), fuel and maintenance supplies, other utilities, maintenance equipment, computer equipment and so forth. A number of right of ways were purchased for a total of \$ 77,145. As expected, the Highway Fund balance decreased slightly because of the timing of capital projects. At November 30, 2013, the fund balance stood at \$ 869,889, down \$ 386,895 from the prior year. Actual spending was less than budget due to the uncertain timing of capital projects.

Details on this fund are shown on pages 96 and 97 of the financial report.

Federal Aid Matching Fund

Macon County's Federal Aid Matching Fund is one of seven highway funds (six special revenue and one agency) which pay for highway construction and maintenance. The Federal Aid Matching Fund is used to record receipts of property taxes which provide the local match for federally-funded construction projects on the County Highway System. State statutes restrict the use of these funds to construction and engineering expenditures only. Revenues recorded in the Federal Aid Matching Fund cannot be used for other operating expenditures.

Budget basis revenues totaled \$ 1,592,161 while expenditures totaled \$ 2,098,700. Expenditures in this fund are irregular due to timing of major projects, and in FY 2013 expenditures exceeded revenue because funds had been accumulated prior to undertaking this year's major projects. In some cases, funds accumulate over several years in advance of major projects which then are quickly completed. In others, project costs are paid, for which reimbursement is received in later periods. This year, activity included two major construction projects: County Highway 26, the County Club Road Project where \$ 1,590,589 was expended; and County Highway 30 from IL 48 to Elwin with \$ 171,852 of expenditures. There were also engineering expenditures for a number of upcoming projects including continued work on Phase II of the Beltway expansion project

Details on this fund are shown on pages 98 and 99 of the financial report.

Special Bridge Fund

Macon County's Special Bridge Fund is also one of the seven highway funds mentioned above which pay for highway construction and maintenance. The Special Bridge Fund is used to record receipts of the property taxes which provide the County's portion of bridge rehabilitation or replacement with other funds coming in from local road districts to match eligible projects.

Budget basis revenues totaled \$ 640,011 while expenditures totaled \$ 805,244. Details on this fund are shown on pages 100 and 101 of the financial report.

County Motor Fuel Tax Fund

Macon County's Motor Fuel Tax Fund (MFT) is also one of the seven highway funds mentioned above which pay for highway construction and maintenance. The Motor Fuel Tax Fund is used to record receipts of the County's motor fuel tax (MFT) allotment from the State of Illinois which is then used for the purpose of maintenance patrols on the County Highway System. These funds originate from a tax on gasoline, currently 19¢ per gallon, unchanged since 1990.

Budget basis revenues totaled \$ 2,207,375 while expenditures totaled \$ 1,321,221. MFT funds are routinely used for general maintenance of existing county highways, as well as the annual drainage maintenance project. MFT funds may be used in conjunction with other Highway funds provided that funded improvements are designed and constructed as MFT projects. MFT funds may also be used for the local share in conjunction with the Township Bridge Program.

The County Engineer is concerned that reductions in total gas sales and changes in state revenue sharing formulas are impacting and will continue to impact this revenue stream. Macon County MFT revenues declined in 6 of the last 10 years, with an overall decline from 2006 to 2011 of 37.65% at the county level and a decline for townships of 11.91%. The Engineer has raised questions with the State about why the rate of decline in Macon County exceeds the statewide decline and what can be done to address infrastructure improvements going forward.

Details on this fund are shown on pages 102 and 103 of the financial report.

Multi-Facility Lease Fund

Macon County's Multi-Facility Lease fund collects property taxes which are used to make lease payments to the Decatur Public Building Commission (DPBC) for rental of the Courthouse, Law Enforcement Center, Macon County Office Building, and Macon County Animal Control facility. The County has no levy limit on this fund as long as there is a valid lease in place with the DPBC, which can be of any mutually agreeable term. The present lease has a ten year term and can be renegotiated with the action of both the County and the DPBC.

The lease payment to the DPBC is composed of principal and interest payments on prior bonds; principal and interest payments on the bonds issued in 2005 for jail expansion, courthouse renovations and acquisition and renovation of the animal control facility, as well as Operating and Maintenance payments for each of the facilities. Operations and Maintenance items include those items typically included on a commercial lease, but also cover a wider range of building related expenditures not typically included in a commercial lease. The lease provides for payment of rent for the entire year in advance; should funds not be spent, they are returned to the County in the following year at the discretion of the DPBC. In recent years, the return of "surplus" has been a substantial amount, and forms the basis of an annual County Board resolution to abate taxes in this fund.

Details of this fund are shown on pages 104 and 105 of the financial report. Details of the lease and its components are given in Notes 8 (Capital Assets) and 10 (Multiple Facilities Lease) to the financial statements; the latter includes analysis of the surplus account.

The lease payment is made to the Decatur Public Building Commission, shown as a blended component unit under Business Type Activities and discussed elsewhere.

Capital Asset and Debt Administration

Capital Assets. Macon County's investment in capital assets for its governmental activities as of November 30, 2013 amounted to \$ 50,601,626 net of accumulated depreciation. This investment in capital assets includes land, buildings and related improvements, vehicles, furniture and fixtures, technology and equipment, and infrastructure. Many capital assets actually purchased during 2013 were replacements of assets removed from service. In addition to general capital assets, business-type activities include net capital assets of \$ 442,355, of which \$ 214,863 relates to land purchased for future parking expansion. Component unit assets included \$ 402,372 for the ETSB where modest improvements were made to capital equipment. The ETSB has been working to ensure that costs for new capital equipment are shared equitably by end users.

Major capital asset additions included the purchases of computers, servers and related software throughout the County in a variety of offices. A number of copiers were purchased by the Capital Project Fund for lease back to County offices; this financing tool saves a very substantial amount on commercial lease interest charges. Numerous vehicles were purchased throughout the County with the majority being replacements for traded in law enforcement vehicles.

A detailed schedule of capital assets and associated depreciation are shown in Note 8, pages 60 through 62 of the financial report.

Long-term Debt. The general obligation debt of the County's governmental activities consists of the mortgage for the expansion of the Health Department which is now due by November 1, 2014. Renegotiation of the prior balloon mortgage due in 2009 produced interest savings for the Health Department. Details of this debt can be found in Note 9 to the financial statements.

Additional debt of the County is comprised of two Revenue Bonds issued by the Decatur Building Commission. The 1997 issue was partially refinanced in 2005, and additional 2005 bonds were issued for certain construction projects. These projects have been successfully concluded and unspent bond proceeds were applied to the principal payment for 2014 and 2015 to reduce total interest costs. Since the DPBC is a blended component unit, the lease payable and receivable have been eliminated from the government-wide reporting, and the bonds are reported as a liability of the County's Governmental Activities since the primary revenue source for payment comes from a property tax levy.

Preliminary discussions are underway for a number of options in the area of bond financing and additional construction. The County is also evaluating off site secure records and evidence storage, especially looking for re-use of existing facilities. In addition, the County will need to reconfigure operations based on the apparent move of the City of Decatur from Law Enforcement Center to a free standing police facility. The County is making plans for re-aligning various offices to make better use of the space available and will also be looking for sub-tenants.

State statutes limit the amount of net general obligation debt of the County; this should not exceed 2.875% of the total assessed valuation of the County. Total County debt falls very far below this limit, and additional debt does not appear to be at all necessary at this time.

Details relating to long-term debt are shown in Note 9, pages 63 through 67. The terms of the Multiple Facilities Lease and its accounting treatment are covered in Note 10, pages 67 through 70.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the County's budget for the fiscal year 2014 period (December 1, 2013 to November 30, 2014):

- Macon County performs poorly on virtually all key indicators. Population has been in a long-term decline, and stabilization seen in the most recent census will likely be eroded by recent plant closing and headquarters relocation decisions. This produces a decline in overall housing demand, which has in turn now caused EAV to turn downward. Macon County has both high unemployment and high poverty levels. Data reported by the Decatur Housing Authority says that Decatur has housing vacancy rates (13.9%) higher than either New Orleans (12.6%) or Detroit (11.7%). High vacancy rates are associated with numerous other social woes.
- Macon County has the worst rate of unhealthy behaviors in the state, and the highest rate per capita of sending its citizens to the state Department of Corrections. These numbers mean continuing high demand for services provided by Macon County including Courts, Public Safety, and Public Health and Welfare.
- Macon County continues to be affected by the general economic decline and job loss that has reduced economic activity and local government revenues throughout the County. Because of Macon County's historic reliance on manufacturing jobs, the recession has been especially hard on this area as evidenced both by a relatively high unemployment rate and a relatively high "misery index." There has been a slight growth in education and health care related jobs however.
- Macon County continues to deal with the long-term effects of the decades long loss of manufacturing jobs and the loss of major employers in the industrial sector which is also affecting the age distribution of the population with more older people than the state average.
- The long-term loss of population and the more dramatic loss of population in inner city Decatur mean that property values in total have declined and will continue to do so until the population trend is reversed. Although there has been some recent indication of a slight upturn in the residential real estate market, factors driving this are not yet known. There has clearly been pent up local demand caused by the extremely harsh winter just past and no compelling evidence of an overall net population inflow although there may be some inflow. The budget was prepared assuming that the downward trend in EAV will continue, which it will until population growth turns around and increases housing demand. Until there is convincing evidence that long-term trends are leveling off or reversing, the prudent course is to assume that EAV declines will continue for the planning period.
- Macon County has been impacted less than other areas by the recent housing crisis, but it still remains a concern. While Macon County housing prices are relatively low and remain very affordable by national statistics, relatively high unemployment has definitely produced a significant number of foreclosures which in turn drag down the local housing market. When families are turned out of their homes, there are significant additional social costs. In addition, overall population trends continue to depress housing prices which is especially noticeable in the City of Decatur although happening in other parts of the County as well.

- Although there have been some promising developments in the employment and local economy, the loss of good paying jobs continues to constrain resources available for government activities. Economic development initiatives have not yet produced results: the strategy of chasing big company relocations which pit regions against each other has not borne any fruit. It is to be hoped that a different strategy will be tried. Changes to basic transportation infrastructure, including expanded rail and a proposed new intermodal transportation center/inland port appear especially promising.
- Macon County is one of the unhealthiest places in the entire State of Illinois. This fact also produces very high social costs, and demands for further services through all parts of the criminal justice system as well as those of the Health Department. New community initiatives involving not only the Macon County Health Department but other parts of local government are intended to at least talk about this issue from a community wide perspective.
- Fee income is unlikely to rise significantly. The Courts system imposes a long list of fees, many of which are mandated by State law, on those least able to even contemplate paying them. A number of initiatives in the criminal justice system are designed to move toward a recovery model rather than a punishment model, and this long-term positive development will likely have short term impacts of further reducing fee income.
- Inflationary trends in the region continue to compare favorably to national indices, although many citizens are hurt by slow or no wage growth while food and energy costs continue to increase.
- Budget problems for the State of Illinois have had and will continue to have a net negative impact on Macon County. This is especially true in the coming period as the State is confronted with only undesirable choices to make a down payment on long standing structural problems. Possible changes in revenue formulas, withdrawal of grant funds and salary subsidies, and very slow payments continue to make future budgets difficult and uncertain.
- Reductions in local revenues, further shifting responsibility to local government, and reductions in vital social services are all apparently on the table. The magnitude of the State's financial problems makes it clear that the County will be impacted, although at this point we do not know how.
- Macon County continues to be financially sound because of good decisions about doing things better, finding smarter solutions to problems, collecting data and understanding its implications, being accountable for performance, aggressive negotiation with vendors and a host of other management practices. Department heads clearly understand that in the financial environment we face, staffing levels have to come down through a gradual process. Department heads are encouraged to realign responsibilities whenever there is a resignation or retirement.
- The challenges in our environment (reduced revenue/increased demand for services) will continue to require dedication, team work and creativity to continue to respond to these challenges.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in its financial structure. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Macon County Auditor, Amy C. Stockwell, 141 S. Main Street, Suite 312, Decatur, IL 62523; (217) 424-1385. Additional information is available on our web site: www.co.macon.il.us/auditor.php.

MACON COUNTY, ILLINOIS

STATEMENT OF NET POSITION
November 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 23,589,705	1,766,912	25,356,617
Investments	114,994		114,994
Taxes receivable (net of allowance for uncollectibles)	702,229		702,229
Due from governmental agencies:			
State of Illinois	3,466,329		3,466,329
Other governmental agencies	395,106		395,106
Internal balances	2,082,469	(2,082,469)	
Accounts receivable	180,588		180,588
Inventories	594,036	71,186	665,222
Prepaid items	4,306,077	31,764	4,337,841
Restricted cash	91,298	2,082,469	2,173,767
Capital assets:			
Land and improvements	1,141,256	214,863	1,356,119
Construction in process	4,423		4,423
Other capital assets, net of depreciation	49,455,947	227,492	49,683,439
Other assets		30,635	30,635
Total assets	86,124,457	2,342,852	88,467,309
Liabilities			
Accounts payable	1,987,571	21,900	2,009,471
Accrued salaries	433,073	82,205	515,278
Amounts held for others	26,191		26,191
Unearned revenue	161,021	1,041	162,062
Accrued interest payable	31,894	2,265	34,159
Amounts due within one year:			
General obligation notes payable	664,060		664,060
Claims liabilities	849,636		849,636
Accrued compensated absences	114,423		114,423
Early retirement incentive payable	100,846		100,846
Revenue bonds payable	592,425		592,425
Amounts due in more than one year:			
Claims liabilities	313,426		313,426
Accrued compensated absences	1,029,806		1,029,806
Net OPEB obligation	1,202,081		1,202,081
Revenue bonds payable	940,000		940,000
Total liabilities	8,446,453	107,411	8,553,864

(Continued)

Discretely Presented
Component Units

Governmental Activities

<u>Macon County Mental Health Board</u>	<u>Macon County ETSB</u>
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3,091,730	3,077,410
25,466	

1,098,258

211,271	211,928
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17,948	8,635
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69,664	328,286
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4,514,337	3,626,259
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571,630	96,743
60,336	21,730

2,349,733

13,809

2,995,508	118,473
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MACON COUNTY, ILLINOIS

STATEMENT OF NET POSITION (Continued)
November 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Net Position			
Net investment in capital assets	48,405,141	442,355	48,847,496
Restricted:			
General control and administration	4,659,875		4,659,875
Public safety	81,133		81,133
Judiciary and court-related	1,580,785		1,580,785
Public health and welfare	2,930,884		2,930,884
Transportation	3,883,562		3,883,562
Debt service	3,570,218		3,570,218
Unrestricted	12,566,406	1,793,086	14,359,492
 Total net position	 \$ 77,678,004	 2,235,441	 79,913,445

See Notes to Financial Statements.

Discretely Presented
Component Units
Governmental Activities

<u>Macon County Mental Health Board</u>	<u>Macon County ETSB</u>
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55,855 328,286

1,462,974 3,179,500

1,518,829 3,507,786

MACON COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES
Year ended November 30, 2013

Functions	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General control and administration	\$ 7,391,989	2,139,484	94,607	
Public safety	14,142,826	1,672,860	2,147,996	
Judiciary and court-related	8,700,375	2,842,079	1,400,706	
Public health and welfare	11,486,680	1,232,322	8,869,508	
Transportation	6,454,652		2,496,305	2,327,371
Interest on long-term debt	111,075			
Total governmental activities	48,287,597	7,886,745	15,009,122	2,327,371
Business-type activities:				
Decatur Public Building Commission	3,339,575	638,209		119,021
Total primary government	51,627,172	8,524,954	15,009,122	2,446,392
Component Units:				
Governmental activities:				
Macon County Mental Health Board	3,822,622	201,052	880,600	
Macon County Emergency Telephone System Board (ETSB)	1,275,290			
Total component units	\$ 5,097,912	201,052	880,600	
General Revenues:				
Property taxes				
Sales tax				
Income and replacement tax				
Medicaid				
Telephone surcharge				
Investment income				
Miscellaneous				
Internal transfers				
Total general revenues				
Change in net position				
Net position beginning				
Net position ending				

See Notes to Financial Statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Macon County Mental Health Board	Macon County ETSB
(5,157,898)		(5,157,898)		
(10,321,970)		(10,321,970)		
(4,457,590)		(4,457,590)		
(1,384,850)		(1,384,850)		
(1,630,976)		(1,630,976)		
(111,075)		(111,075)		
(23,064,359)	-	(23,064,359)		
	(2,582,345)	(2,582,345)		
(23,064,359)	(2,582,345)	(25,646,704)		
			(2,740,970)	
				(1,275,290)
			(2,740,970)	(1,275,290)
15,757,702		15,757,702	2,272,514	
5,627,356		5,627,356		
2,323,433		2,323,433		
			132,000	
				964,351
54,295	9,898	64,193	21,703	4,595
2,558,733	(689)	2,558,044	21,800	
(2,439,954)	2,439,954			
23,881,565	2,449,163	26,330,728	2,448,017	968,946
817,206	(133,182)	684,024	(292,953)	(306,344)
76,860,798	2,368,623	79,229,421	1,811,782	3,814,130
\$ 77,678,004	2,235,441	79,913,445	1,518,829	3,507,786

MACON COUNTY, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2013**

	General Corporate Fund	Illinois Municipal Retirement Fund	County Health Fund	County Highway Fund
Assets				
Cash	\$ 8,220,893	1,413,017	1,431,776	479,915
Investments, at cost	509	908	17,759	106
Taxes receivable, net of allowance or uncollectibles	121,546	91,735	71,784	65,522
Accounts receivable	135,194		42,043	
Inventory	21,257		199,577	373,202
Due from governmental agencies:				
State of Illinois	1,544,338		1,021,524	
Other governmental agencies	225,997			
Prepaid items	20,545			
Restricted cash	91,298			
Due from other funds	1,491,859	99,802	11,489	72,120
Total assets	<u>11,873,436</u>	<u>1,605,462</u>	<u>2,795,952</u>	<u>990,865</u>
Liabilities				
Accounts payable	518,010	547,148	98,856	28,233
Accrued salaries	288,037		62,075	20,962
Cash held for others	11,273			
Due to other governments	14,918			
Due to other funds	411,761	37	138,918	6,259
Total liabilities	<u>1,243,999</u>	<u>547,185</u>	<u>299,849</u>	<u>55,454</u>
Deferred Inflows of Resources				
Deferred revenue	<u>343,298</u>		<u>304,231</u>	
Fund Balances				
Nonspendable	41,802		199,577	373,202
Restricted	106,225	1,058,277	1,992,295	562,209
Unrestricted:				
Committed	2,710,154			
Unassigned	7,427,958			
Total fund balances	<u>10,286,139</u>	<u>1,058,277</u>	<u>2,191,872</u>	<u>935,411</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,873,436</u>	<u>1,605,462</u>	<u>2,795,952</u>	<u>990,865</u>

See Notes to Financial Statements.

Federal Aid Matching Fund	Special Bridge Fund	County Motor Fuel Tax	Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
184,951	1,379,850	1,940,680	1,109,422	7,296,947	23,457,451
250	298	1,021		93,941	114,792
19,221	22,498		208,294	101,629	702,229
				3,351	180,588
					594,036
18,815		119,205		762,447	3,466,329
	60,505		2,084,969	106,104	2,477,575
			4,285,532		4,306,077
					91,298
	12,000	33,103	167,533	298,224	2,186,130
223,237	1,475,151	2,094,009	7,855,750	8,662,643	37,576,505
142,381	326,685	1,557		323,631	1,986,501
				61,794	432,868
					11,273
					14,918
70,689				1,411,858	2,039,522
213,070	326,685	1,557	-	1,797,283	4,485,082
				189,809	837,338
			4,285,532		4,900,113
10,167	1,148,466	2,092,452	3,570,218	6,166,148	16,706,457
				600,000	3,310,154
				(90,597)	7,337,361
10,167	1,148,466	2,092,452	7,855,750	6,675,551	32,254,085
223,237	1,475,151	2,094,009	7,855,750	8,662,643	37,576,505

MACON COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
November 30, 2013

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

Total fund balances - total governmental funds	\$ 32,254,085
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	50,601,626
Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(1,178,489)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.	(31,894)
Some revenues will not be collected for several months after year end, are not considered "available" revenues and are deferred in the governmental funds.	676,317
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Compensated absences liability	(1,144,229)
General obligation notes payable	(664,060)
Early Retirement Incentive Liability	(100,846)
Net OPEB liability	(1,202,081)
Revenue bonds payable	<u>(1,532,425)</u>
Net position of governmental activities	<u>\$ 77,678,004</u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
Year ended November 30, 2013**

	General Corporate Fund	Illinois Municipal Retirement Fund	County Health Fund	County Highway Fund
Revenues:				
Taxes	\$ 8,481,860	2,060,971	1,593,715	1,472,077
Intergovernmental	3,699,069		4,967,164	397,629
Fines, fees, forfeitures	4,132,430		411,450	
Licenses and permits	77,843		225,588	
Interest on investments	35,802	146	1,484	732
Miscellaneous	2,632,587		31,855	74,681
Total revenues	19,059,591	2,061,117	7,231,256	1,945,119
Expenditures:				
Current:				
General control and administration	3,949,015	248,620		
Public safety	8,078,041	1,324,102		
Judiciary and court-related	7,166,698	637,674		
Public health and welfare	354,460	49,004	5,992,887	
Transportation				1,260,397
Capital outlay	186,793		509,348	1,117,930
Debt service:				
Principal			62,985	
Interest			28,601	
Total expenditures	19,735,007	2,259,400	6,593,821	2,378,327
Excess (deficiency) of revenues over (under) expenditures	(675,416)	(198,283)	637,435	(433,208)
Other financing sources (uses):				
Transfers in	831,866			200,000
Transfers out	(95,000)		(88,848)	(137,566)
Total other financing sources (uses)	736,866	-	(88,848)	62,434
Net change in fund balances	61,450	(198,283)	548,587	(370,774)
Fund balances, beginning of year	10,224,689	1,256,560	1,643,285	1,306,185
Fund balances, end of year	\$ 10,286,139	1,058,277	2,191,872	935,411

See Notes to Financial Statements.

Federal Aid Matching Fund	Special Bridge Fund	County Motor Fuel Tax	Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
431,825	505,473		4,679,672	4,713,367	23,938,960
1,164,100	138,798	2,205,363	1,366,833	5,027,513	18,966,469
				2,332,732	6,876,612
					303,431
965	1,276	2,012	3,176	8,638	54,231
			5,371	141,505	2,885,999
1,596,890	645,547	2,207,375	6,055,052	12,223,755	53,025,702
			888,420	2,643,630	7,729,685
			2,690,281	3,708,160	15,800,584
			1,105,930	638,985	9,549,287
			119,021	4,411,017	10,926,389
2,098,700	805,244	1,321,221		285,394	5,770,956
				297,974	2,112,045
			970,000		1,032,985
			102,878		131,479
2,098,700	805,244	1,321,221	5,876,530	11,985,160	53,053,410
(501,810)	(159,697)	886,154	178,522	238,595	(27,708)
				165,674	1,197,540
		(200,000)		(835,195)	(1,356,609)
-	-	(200,000)	-	(669,521)	(159,069)
(501,810)	(159,697)	686,154	178,522	(430,926)	(186,777)
511,977	1,308,163	1,406,298	7,677,228	7,106,477	32,440,862
10,167	1,148,466	2,092,452	7,855,750	6,675,551	32,254,085

MACON COUNTY, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
Year ended November 30, 2013**

Net change in fund balances - total governmental funds \$ (186,777)

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

Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The net revenue of the internal service funds is reported with governmental activities in the statement of activities. 60,069

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 as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 2,459,651	
Donated capital assets	1,506,132	
Depreciation	<u>(3,090,602)</u>	
		875,181

Some revenues will not be collected for several months after year-end; they are not considered "available" revenues and are deferred in the governmental funds. The change in deferred revenue recognized is: (751,017)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The net effect of these differences in the treatment of long-term debt is: 1,032,985

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 the funds:

Compensated absences payable change	(70,553)	
Decrease in accrued interest on debt	20,404	
Early Retirement Incentive liability change	13,285	
Net OPEB liability change	<u>(176,371)</u>	
		<u>(213,235)</u>

Change in net position of governmental activities \$ 817,206

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 November 30, 2013

	Business-Type Activities Decatur Public Building Commission	Governmental Activities Internal Service Fund
ASSETS		
Current assets:		
Cash	\$ 1,766,912	132,254
Investments		202
Due from other funds		1,369
Restricted cash and cash equivalents	2,082,469	
Lease receivable	592,425	
Inventory	71,186	
Prepaid expenses	31,764	
Total current assets	<u>4,544,756</u>	<u>133,825</u>
Noncurrent assets:		
Capital assets, not being depreciated	214,863	
Capital assets, net of accumulated depreciation	227,492	
Lease receivable, net of current portion	940,000	
Unamortized issuance costs	30,635	
Total noncurrent assets	<u>1,412,990</u>	<u>-</u>
Total assets	<u>5,957,746</u>	<u>133,825</u>
LIABILITIES		
Current liabilities:		
Accounts payable	21,900	1,070
Claims payable - workers compensation		843,971
Claims payable - liability		5,665
Current portion of revenue bonds payable	592,425	
Accrued interest payable	31,894	
Unearned rental income	2,083,510	
Accrued salaries	43,132	205
Accrued compensated absences	39,073	
Due to other funds		147,977
Total current liabilities	<u>2,811,934</u>	<u>998,888</u>
Noncurrent liabilities:		
Claims payable		313,426
Revenue bonds payable, net of unamortized discounts and defeasance losses	910,371	
Total liabilities	<u>3,722,305</u>	<u>1,312,314</u>
NET POSITION		
Net investment in capital assets	442,355	
Unrestricted	1,793,086	(1,178,489)
Total net position	<u>\$ 2,235,441</u>	<u>(1,178,489)</u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS

Year ended November 30, 2013

	Business-Type Activities Decatur Public Building Commission	Governmental Activities Internal Service Fund
Operating revenues:		
Rental income	\$ 3,905,282	
Parking lot fees	50,725	
Miscellaneous	516	8,553
Total operating revenues	<u>3,956,523</u>	<u>8,553</u>
Operating expenses:		
Salaries and benefits	1,526,352	17,923
Contractual services	1,431,014	
Materials and supplies	1,109,023	
Other expenses	13,977	6,006
Depreciation	20,234	
Claim payments		2,947
Contingency for claim loss		80,741
Total operating expenses	<u>4,100,600</u>	<u>107,617</u>
Operating income (loss)	<u>(144,077)</u>	<u>(99,064)</u>
Nonoperating revenues (expenses):		
State grant	119,021	
Interest on investments	9,898	64
Amortization of debt issuance costs	(32,032)	
Interest expense	(84,787)	
Loss on disposal of capital assets	(1,205)	
Total non-operating revenues (expenses)	<u>10,895</u>	<u>64</u>
Income (loss) before transfers	<u>(133,182)</u>	<u>(99,000)</u>
Transfers:		
Transfers in		166,369
Transfers out		(7,300)
Total transfers	<u>-</u>	<u>159,069</u>
Change in net position	(133,182)	60,069
Net position, beginning of year	<u>2,368,623</u>	<u>(1,238,558)</u>
Net position, end of year	<u>\$ 2,235,441</u>	<u>(1,178,489)</u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year ended November 30, 2013

	Business-Type Activities Decatur Public Building Commission	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 5,511,319	
Payments to suppliers	(2,757,047)	
Payments to employees	(1,528,573)	(23,929)
Cash received from user departments and participants		97,642
Cash paid for claims		(139,772)
Net cash flows from operating activities	<u>1,225,699</u>	<u>(66,059)</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES		
Receipts from state grant	119,021	
Transfers in		166,369
Transfers out		(7,300)
Net cash flows from non capital financing activities	<u>119,021</u>	<u>159,069</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on bond maturities	(970,000)	
Interest paid on bonds	(102,096)	
Net cash flows from capital and related financing activities	<u>(1,072,096)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	9,898	64
Net cash flows from investing activities	<u>9,898</u>	<u>64</u>
Net increase in cash and cash equivalents	282,522	93,074
Cash and cash equivalents, beginning of year	<u>3,566,859</u>	<u>39,180</u>
Cash and cash equivalents, end of year	<u>\$ 3,849,381</u>	<u>132,254</u>

(Continued)

MACON COUNTY, ILLINOIS

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (Continued)
 Year ended November 30, 2013**

	Business-Type Activities Decatur Public Building Commission	Governmental Activities Internal Service Fund
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (144,077)	(99,064)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Depreciation	20,234	
(Increase) decrease in assets:		
Lease receivable	970,000	
Inventory	(4,641)	
Prepaid expenses	(1,559)	
Due from other funds		(1,182)
Increase (decrease) in liabilities:		
Accounts payable, excluding payable for capital assets	(196,833)	(7,124)
Accrued salaries	(2,048)	
Compensated absences	(173)	
Unearned rental income	584,796	
Claims payable		(48,960)
Due to other funds		90,271
Net cash flows from operating activities	\$ 1,225,699	(66,059)

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS

November 30, 2013

Assets

Cash	\$ 9,707,424
Investments	795,678
Accrued interest	4,164
Due from State of Illinois - allotment	74,580
	<hr/>
Total assets	<u>10,581,846</u>

Liabilities

Due to other governmental agencies	1,254,425
Deposits payable	2,585,133
Due to taxing districts	6,553,339
Due to tax buyers	188,949
	<hr/>
Total liabilities	<u>\$ 10,581,846</u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2013

Note 1 - Summary of Significant Accounting Policies

Macon County (County) is a municipal corporation comprising three branches of government. Primary governance is by an elected twenty-one member board holding both legislative and some executive branch powers. In addition, the executive branch is comprised of officials elected directly by the voters of the County including the Auditor, Circuit Clerk, County Clerk, Coroner, Recorder, Sheriff, State's Attorney and Treasurer. Although elected officials manage the internal operations of their respective departments, the County Board authorizes expenditures as well as serves as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

The financial statements of Macon County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

The Financial Reporting Entity: As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units. The County's financial statements include all funds, departments, boards and agencies that are not legally separate from the County. The component units are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Furthermore, their inclusion is considered necessary to avoid incomplete or misleading financial reporting.

The financial statements are formatted to allow users to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government, some component units are blended as though they are part of the primary government; others are discretely presented.

Blended Component Units - The Decatur Public Building Commission (DPBC) is a municipal corporation created under the provisions of the Public Building Commission Act of the State of Illinois. The purpose of the DPBC is to acquire or construct facilities for participating governments and to issue bonded debt to finance the acquisition or construction of such facilities. The City of Decatur organized the DPBC along with the County, and together, they appoint the five-member governing board of the DPBC. The DPBC is financially dependent on the County because the debt issued by the DPBC is paid almost entirely by the County in the form of lease payments for County facilities. As such, the County has significant influence over the DPBC and has included the organization in the reporting entity.

Discretely Presented Component Units - The following discretely presented component units are reported in separate columns in the basic financial statements to emphasize that they are legally separate from the County.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

The Financial Reporting Entity, continued:

The Macon County Mental Health Board (708 Board) is a special unit of local County government, operating under the Community Mental Health Act, Chapter 405 ILCS, Section 20/01 et seq. of the Illinois Compiled Statutes (ILCS). The 708 Board is funded through Macon County property taxes and various other local and state agencies, and distributes funds to various local nonprofit agencies that deal with the developmentally disabled and mentally ill. All members of the 708 Board are appointed by the Macon County Board. The Macon County Board approves the 708 Board's annual budget and also has the authority to determine its tax levy. As such, the County has significant influence over the 708 Board and has included the organization in the reporting entity. The 708 Board's year-end for financial reporting purposes is June 30, which differs from the County. The 708 Board's June 30, 2013, financial statements are included herein.

Complete financial statements for the Macon County Mental Health Board can be obtained at 132 South Water Street, Decatur, Illinois 62523.

The Macon County Emergency Telephone System Board (ETSB) is a special unit of local County government, operating under the Emergency Telephone System Act, Chapter 50 ILCS, Section 750/15.4 et seq. of the Illinois Compiled Statutes (ILCS). The ETSB is funded through telephone surcharges and distributes funds to plan, coordinate, and supervise the implementation of an enhanced 9-1-1 system. All members of the ETSB are appointed by the Macon County Board. The Macon County Board may at any time change the rate of the surcharge imposed as long as the new rate does not exceed the rate specified in the referendum. As such, the County has significant influence over the ETSB and has included the organization in the reporting entity. The ETSB's year end for financial reporting purposes is November 30, 2013, the same as the County. The ETSB's November 30, 2013, financial statements are included herein.

Complete financial statements for the Macon County Emergency Telephone System Board can be obtained at 141 South Main Street, Suite 810, Decatur, Illinois 62523.

Related Organizations: The County's officials are also responsible for appointing members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Board appoints board members of all Fire Protection Districts in Macon County, all Drainage Districts in Macon County, the Decatur Sanitary District, Macon County Conservation District, and the Macon County Mosquito Abatement District.

In addition, several legally separate tax exempt organizations have been established to benefit the County and others. These organizations include the Decatur and Macon County Animal Shelter Foundation, the Macon County Historical Society, Macon County Community Health Foundation and Friends of the Macon County Child Advocacy Center.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Payments Between the County and Component Units: Resource flows (except those that affect the statement of net position/balance sheet only, such as loans and repayments) between a primary government and its discretely presented component units are reported as external transactions - that is, as revenues and expenditures. Resource flows between the primary government and blended component units are classified as interfund transactions in the financial statements.

Basis of Presentation: The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government and its component units, except for fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses (including depreciation) are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid (including fines and fees) by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the County.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Fund Financial Statements: During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds, each presented in a separate column. All remaining funds are aggregated and presented in a single column and reported as nonmajor funds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Fund Accounting: The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds: Governmental Funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. 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. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

The General Fund is the government's primary operating fund and accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose, provided it is expended or transferred according to the general laws of Illinois.

The Illinois Municipal Retirement Fund accounts for revenue, including property tax levies, contributions from employees and charges to other funds restricted for expenditures to the state administered retirement system for all general service employees.

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

The County Highway Fund accounts for a county-wide property tax levy restricted for County highway maintenance, as well as federal and state grants and subsidies restricted to expenditures for the purpose of highway improvements and maintenance.

The Federal Aid Matching Fund accounts for revenue, including project refunds from the State of Illinois, and property tax levies restricted to expenditures for the County's share of highway improvements.

The Special Bridge Fund accounts for revenue, including property tax levies, and expenditures for the County's share of bridge construction and maintenance.

The County Motor Fuel Tax Fund accounts for revenue, including the County's Motor Fuel tax allotment from the State of Illinois restricted to expenditures for the purpose of maintenance patrols and payments to the County Highway Fund.

The Multi-Facility Lease Fund accounts for property tax revenue restricted to annual lease payments and maintenance expenditures to the Decatur Public Building Commission for the Macon County Office Building, Courts Facility, Law Enforcement Center and Animal Control Facility.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Fund Accounting, continued:

The other governmental funds of the County account for county-wide property tax levies, grants and other resources whose use is restricted or committed for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

Proprietary Funds: Proprietary Funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of operating income, financial position, changes in net position and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The County's proprietary fund types consist of one Enterprise Fund and one Internal Service Fund. Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The County's Enterprise Fund consists of activities of the Decatur Public Building Commission, its only major Enterprise Fund.

The Internal Service Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the County. The County established the Self Insurance Fund for the purpose of providing for the accumulation of funds to fund the County's self-funded workmen's compensation liability insurance. This Internal Service Fund derives its funding from periodic transfers from the Insurance Liability Fund and not from any cost reimbursements from other funds. This funding is then used to pay claims when the need arises. The Internal Service Fund is included in governmental activities for government-wide reporting purposes.

Fiduciary Funds: The County's fiduciary fund types consist only of Agency Funds, which are custodial in nature and do not involve the measurement of operations. The County's Agency Funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for property taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions. Agency Funds use the accrual basis of accounting.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Measurement Focus:

Government-wide Financial Statements: The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position, including long-term assets as well as long-term debt and obligations. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

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

All proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. As such, revenues are recognized when earned and expenses are recorded when the obligation has been incurred.

Basis of Accounting: Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements, proprietary funds and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Discretely Presented Component Units: Each component unit financial statement included herein is prepared using the accrual basis of accounting.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Basis of Accounting, continued:

Revenues - Exchange and Nonexchange 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, regardless of the timing of the cash flows. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty (60) days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the 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 year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, income taxes and state-levied locally shared taxes. All other revenue items, including fines and fees, are considered to be measurable and available only when cash is received.

Unearned Revenues: Unearned revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Expenses/Expenditures: On the accrual basis, expenses are recognized at the time they are incurred, regardless of the timing of the related cash flows. On the modified accrual basis, the measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are reported only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Operating Revenues and Expenses: Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the Decatur Public Building Commission. Operating revenues consist primarily of rental charges. Operating expenses include the cost of maintaining the properties for rent, administrative expenses, depreciation and amortization. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities, if any.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Fund Equity: Beginning with fiscal year 2012, the County implemented GASB Statement No, 54, "Fund Balance Reporting and Governmental Fund Type Definitions." Fund equity at the governmental fund financial reporting level is classified as "fund balance." The following classifications describe the relative nature, extent and strength of the spending constraints placed on the County's fund balances:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact (such as perpetual trusts).
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority, the County Board. To be reported as committed, amounts cannot be used for any other purpose unless the County Board takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts the County intends to use for a specific purpose. Intent can be expressed by the County Board through formal resolution.
- Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The County Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by County management based on County Board direction.

The County would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Cash and Cash Equivalents/Investments: All deposits of the County are made in board designated official depositories and are secured as required by the Public Funds Investment Act. The County may designate, as an official depository, any bank insured by the Federal Deposit Insurance Corporation or credit union with the principal office located within the State of Illinois. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. The County maintains separate bank accounts for each individual fund.

Investments consist of interest-bearing deposits invested in the Illinois Funds Money Market and certificates of deposit and are stated at cost, which equals market. The County maintains separate investment accounts for each individual fund.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the County's proprietary fund considers all highly liquid investments (including restricted assets) with a maturity of three (3) months or less when purchased to be cash equivalents.

Restricted Assets: Restricted cash in the General Fund is cash set aside for the payment of expenses related to the child support maintenance program operated by the Macon County Circuit Clerk, the commissary operated at the jail by the Macon County Sheriff, and a marriage account held for judicial expenditures.

Inventories and Prepaid Items: Inventories of consumable supplies are recorded at cost (determined on a first-in, first-out basis). Inventory in the General Fund, Governmental Activities, Proprietary Funds and Business-type Activities consists of expendable supplies held for consumption. The costs are reported as expenditures when consumed. Reported inventories are equally offset by a nonspendable fund balance. Inventory recorded as an asset at year end consists of unused commodities (vaccines) received through grant programs, office supplies, and parts and operating materials.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The County has adopted the consumption method of accounting for prepaid items. That is, the asset is recorded when the payments to vendors are made, and the expenses are amortized in the appropriate accounting period.

Grants from Other Governments: Federal and state governmental units represent an important source of supplemental funding used to finance workforce opportunity programs, health and welfare programs, public safety and probation programs, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in governmental funds when the County has met all eligibility requirements. In addition, grants revenue must be considered measurable and available.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Capital Assets: General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital 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.

Governmental Activities: Capital assets purchased or acquired with an original individual cost of at least \$ 5,000 and an estimated useful life of more than one year are reported at historical cost or estimated historical cost. Contributed assets are reported at their fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	25-40 years
Vehicles	5-10 years
Furniture and fixtures	5 years
Technology and equipment	3 years
Infrastructure	25 years

Business-type Activities: Capital assets of proprietary funds are stated at cost. The cost of property additions and major replacements of retired units of property is capitalized. Interest on funds used during construction of major projects has not been capitalized. The cost of maintenance, minor repairs and small tools are charged to operations. Donated capital assets, if any, are valued at their fair market value on the date donated.

Assets capitalized have an original cost of \$ 5,000 or more. Depreciation is computed on the straight-line basis. The estimated useful lives used to compute depreciation are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	10 years
Buildings and improvements	25-40 years
Vehicles	5-10 years
Furniture and fixtures	5 years
Technology and equipment	5 years

All assets purchased by the DPBC under the provisions of the lease agreements discussed in Note 10 are considered to be assets owned by other parties, mainly the County, as ownership is transferred to the other parties upon expiration of the leases. Therefore, such purchases are not capitalized by the DPBC, but rather recorded as materials and supplies expenses on the DPBC financial statements.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Capital Assets, continued:

Macon County Emergency Telephone System Board: Capital assets result from expenditures in the governmental funds. These assets are reported only in the government-wide statement of net position.

All capital assets are capitalized at cost (or estimated historical cost), depreciated on a straight-line basis over its estimated useful life ranging from 1 to 10 years and updated for additions and retirements during the year. The Board maintains a capitalization threshold of \$ 500. The Board does not possess any infrastructure. 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.

Interfund Activity: Interfund activity is reported as either loans, services provided or used, reimbursements or transfers. On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used and are classified as "due to/from other funds." Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers which are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in enterprise funds. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as "Internal Balances."

Transactions Between Funds: The County allocates to the Special Revenue Funds an indirect cost amount of the salaries and wages and related costs of personnel who perform administrative services for those funds but are paid through the General Fund along with other indirect costs deemed necessary for their operations. During the year ended November 30, 2013, the County allocated \$ 177,798 for such services.

Compensated Absences: Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered, and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

County employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates, officeholder policies, and the bargaining unit to which they are a part. All employees' unused sick leave is utilized according to IMRF regulations to extend retirement benefits when an employee dies or retires. The deputies or correction officers or their beneficiary in case of death, may elect to receive a sick leave buy-out payment at the rate of 50 percent of the employees' accumulated sick leave up to a maximum of 60 days, or 120 days for employees hired before 1994. Employees covered under the AFSCME 612 contract have the option of receiving a sick leave payout of 50% for up to 30 days; Circuit Clerk covered employees may elect to receive a 50% payout on a maximum of 50 days. All employees who are enrolled in IMRF have the option of having unpaid sick leave count toward their retirement by IMRF formula; many retiring employees elect this option rather than that available in the labor contract. Changes to the pension law are pending with implementation awaiting court approval.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Compensated Absences, continued: The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The County does not set aside funds in its current budget to fund liabilities incurred during the period. Rather, the County funds compensated absences on a "pay-as-you-go" basis. The noncurrent portion of the liability is not reported.

Business-type Activities: Employees can earn three weeks vacation, three floating holidays, one personal day and six sick days per year. However, sick days do not accrue, as they are not paid upon termination.

Macon County Emergency Telephone System Board: The Board does not accrue compensatory time for employees. Sick and vacation time must be used in the year earned.

Accrued Liabilities and Long-Term Obligations: All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are reported as other financing uses and are recognized as a liability on the fund financial statements only when due in the current period.

Net Position: Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position remaining that do not meet either of the two previous definitions is reported as unrestricted. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Use of Estimates: The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures. Actual results may differ from those estimates.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 1 - Summary of Significant Accounting Policies, continued

Bond Discount/Issuance Costs: Issuance costs and discounts arising as the result of the issuance of bonds are deferred and amortized over the terms of the respective issues using the straight-line method. The defeasance loss from refunding is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. Discounts and the defeasance loss are presented as a reduction of the face amount of the underlying debt whereas issuance costs are recorded as deferred charges.

Macon County Mental Health Board - Related Parties: Woodford Homes, Inc., a related party through common management, pays a management fee to the Board for administrative services rendered. The fee was \$ 124,974 for the year ended June 30, 2013.

Note 2 - Deposits and Investments

Illinois Compiled statutes authorize the County to invest in obligations of the U.S. Treasury or its agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements (subject to limitations), commercial paper rated within the three highest classifications by at least two standard rating services, money market mutual funds and the Illinois Funds.

Deposits - Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's policy indicates that the Treasurer requires collateralization of public deposits be performed through pledging of appropriate securities by the depositories. As of November 30, 2013, all of the County's bank balances of \$ 37,079,300 (including checking, and savings accounts) were fully insured and collateralized. The County evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

The Decatur Public Building Commission's deposits are excluded from the above due to the fact that different custodians and deposit risk policies exist for these separate accounts. At November 30, 2013, the carrying amount of the DPBC's cash deposits totaled \$ 3,977,624 including restricted cash of \$ 2,082,469. All of the DPBC's deposits were insured by federal depository insurance or collateralized by securities held by a financial institution's trust department or agent in the DPBC's name.

Macon County Emergency Telephone System Board: The Board does not have policies regarding credit risk, custodial credit risk or concentration of credit risk. At November 30, 2013, all ETSB's cash accounts and investments are covered by federal insurance or collateralized by the pledging financial institution's trust department or agent in favor of the Board except for the amount invested in the Illinois Funds Money Market Fund. For the Illinois Funds, all deposits are collateralized by the fund over the FDIC insurance amount. However, they are not pledged specifically to the Board since it is an investment pool.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 2 - Deposits and Investments, continued

Deposits - Custodial Credit Risk, continued:

Macon County Emergency Telephone System Board, continued: As of November 30, 2013, the Board had the following cash and investments:

Demand deposit	\$ 3,076,962
Illinois Funds	448
	<hr/>
	\$ 3,077,410

Macon County Mental Health Board: At June 30, 2013, none of the Macon County Mental Health Board's bank balances of \$ 1,624,097 were exposed to custodial credit risk.

Investments: The County invests in the Illinois Funds Money Market Fund external investment pool which consists of monies invested by individual participants that are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. For purposes of overall credit risk, the funds are rated AAAM by Standard and Poor's. The individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each individual participant's account.

Investments - Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments (or related collateral securities that are held by an outside party). To limit its exposure, the County's investment policy requires assets to be secured through third party custody and safekeeping procedures. At year end, none of the County's investments were subject to custodial credit risk due to the fact that investments were part of an insured pool.

Investments - Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County's investment policy, the County limits its exposure to interest rate risk by structuring its portfolio so that operating funds are invested primarily in short-term securities or similar investment pools in order to meet cash requirements for ongoing operations. The Illinois Funds investment pool had a weighted average maturity of 20-28 days.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 2 - Deposits and Investments, continued

Investments - Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. All of the County's investments are in certificates of deposit and external investment pools. The County's investment policy does not specifically address credit risk except that portfolio diversification is employed as a way to control risk.

The composition of the County's cash, cash equivalents and investments, including restricted cash and investments, on November 30, 2013, was as follows:

	Primary Government	Component Units	
		708 Board	ETSB
Cash on hand	\$ 5,899		
Deposits in banks	37,231,909		3,076,962
Certificates of deposit	600,000		
Illinois Funds Money Market Fund	310,672	1,466,297	448
Corporate stock		25,466	
Total	\$ 38,148,480	1,491,763	3,077,410

The County's cash, cash equivalents and investments for the primary government at November 30, 2013, are reported as:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 23,589,705	1,766,912	9,707,424	35,064,041
Investments	114,994		795,678	910,672
Restricted cash	91,298	2,082,469		2,173,767
Total	\$ 23,795,997	3,849,381	10,503,102	38,148,480

Restricted Cash and Investments: Cash and investments of \$ 2,173,767 are restricted by state statute or for specific purposes as follows:

Major governmental - General Fund:	
Circuit Clerk Separate Maintenance	\$ 9,928
Jail Commissary	69,724
Judiciary expenditures	3,092
Child Support Held in Trust	8,554
	<u>91,298</u>
Major proprietary - DPBC:	
General and surplus revenue	<u>2,082,469</u>
	<u>\$ 2,173,767</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 3 - Property Taxes

The County's property tax is levied on January 1 of each year on all taxable real property located in the County. Real property tax revenue received in 2013 represents collection of the 2012 taxes. Real property taxes for the 2013 levy will be collected in and are intended to finance 2014 operations.

Macon County property is assessed as of January 1 of each year by the Township Assessors. The values are adjusted by various percentages according to the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Macon County Clerk computes the annual tax rate by dividing the requested levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Macon County Collector and used as a basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the Macon County Collector who periodically remits to each taxing unit its respective share of the collections. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds. Taxes levied in one year become due and payable in two installments during the following year. The first installment is approximately June 1, and the second installment is due approximately September 1. A lien on taxable real property is effective thirty (30) days after the second installment due date.

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

	Maximum Rate	2012 Levy
General Corporate	.25000	.17611
County Highway	.10000	.09494
Bridge Fund	.05000	.03260
Illinois Municipal Retirement		.13292
Federal Aid Matching	.05000	.02785
Historical Museum	.00200	.00200
County Health Department	.10700	.10260
Insurance Liability		.04431
Veterans' Assistance Commission	.03000	.00950
Mental Health (708 Board)	.15000	.15000
Judgment Fund		.02057
DPBC Lease Fund		.30181
Social Security		.07088
Macon County Cooperative Extension	.05000	.02446
		<u>1.19055</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 4 - Permissive Sales and Use Tax

In 2003, the County Board, by resolution approved by the electors, imposed a one quarter of one percent (.25%) tax on all retail sales made in the County. Revenue from this tax is to be used exclusively for public safety purposes. The County Board established how the sales tax proceeds would be allocated to the various public safety-related departments and activities. In 2013, this tax supported the sheriff and emergency management activities.

Vendor collections of the tax are paid to the State Treasurer by the twentieth day of the month following collection. The State Comptroller then determines the amount of the taxes to be returned to the County. A receivable is recognized at year end for amounts that will be received from sales which occurred prior to December 1, 2013.

Note 5 - Receivables

Receivables at November 30, 2013 consisted of accounts (billings for user charged services), sales taxes, accrued interest, grants, entitlements, shared revenues, interfunds, and property taxes. All amounts due from other governments are considered collectible in full.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonably systematic method of determining their existence, completeness, valuation, and collectability.

A summary of the principal amounts due is as follows:

<u>Fund Type/Fund</u>	<u>Description</u>	<u>Amount</u>
General Fund	Taxes	\$ 1,052,674
	Grants	101,867
	Federal contract	87,330
	State salary subsidies	511,343
	Municipal contract	138,667
	Other receivables	<u>135,194</u>
Total General Fund		<u>2,027,075</u>
Special Revenue Funds	Taxes	987,773
	Grants	1,514,901
	Local governments	2,249,078
	Other receivables	<u>47,894</u>
Total Special Revenue Funds		<u>4,799,646</u>
Total		<u>\$ 6,826,721</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 6 - Inventories

Physical inventories of goods on hand were taken as of November 30, 2013. Inventories on hand, stated at cost or average cost at November 30, 2013, are as follows:

General Fund - consumable supplies	<u>\$ 21,257</u>
Health Fund:	
Dental supplies	85,860
Vaccines - purchased	30,059
Vaccines - donated through state grant program	<u>83,658</u>
Total Health Fund	<u>199,577</u>
Highway Fund:	
Consumable supplies	334,954
Fuel	<u>38,248</u>
Total Highway Fund	<u>373,202</u>
Total all governmental funds	<u>594,036</u>
Proprietary Fund - consumable supplies	<u>71,186</u>
Total government-wide	<u><u>\$ 665,222</u></u>

Note 7 - Interfund Receivables and Payables and Transfers

Interfund receivables and payables at November 30, 2013, resulting from transactions between funds stemming from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Corporate Fund:		
Retirement	\$	27,632
County Health	79,489	7,850
Highway	5,642	
Motor Fuel Tax		33,103
Multi-Facility Lease		167,533
Internal Service Fund	56,539	
Nonmajor governmental funds	1,350,189	175,643

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 7 - Interfund Receivables and Payables and Transfers, continued

	Interfund Receivable	Interfund Payable
Illinois Municipal Retirement Fund:		
General	27,632	
Health	22,998	
Highway	373	
Internal Service Fund	6	
Nonmajor governmental funds	48,793	37
County Health:		
General	7,850	79,489
Retirement		22,998
Nonmajor governmental funds	3,639	36,431
Highway:		
General		5,642
Retirement		373
Matching	70,689	
Internal Service Fund	1,431	
Nonmajor governmental funds		244
Matching:		
Highway		70,689
Special Bridge:		
Nonmajor governmental funds	12,000	
Motor Fuel Tax:		
General	33,103	
Multi-Facility Lease:		
General	167,533	
Nonmajor Governmental Funds	298,224	1,411,858
Internal Service Funds:		
General		56,539
Retirement		6
Highway		1,431
Nonmajor governmental funds	1,369	90,001
	<u>\$ 2,187,499</u>	<u>2,187,499</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 7 - Interfund Receivables and Payables and Transfers, continued

	Transfers Out	Transfers In
General Corporate Fund:		
County Health	\$	88,848
Highway		66,892
Internal Service Fund		7,300
Nonmajor governmental funds	95,000	668,826
Health Department:		
General	88,848	
Highway:		
General	66,892	
Motor Fuel Tax		200,000
Nonmajor governmental funds	70,674	
Motor Fuel Tax Fund:		
Highway	200,000	
Internal Service Fund:		
General	7,300	
Nonmajor governmental funds		166,369
Nonmajor Governmental Funds	835,195	165,674
	<u>\$ 1,363,909</u>	<u>1,363,909</u>

Transfers were made to the General Fund from other funds to offset administrative costs expenditures in the amount of \$ 177,798. An additional \$ 600,426 was transferred from the Probation and Court Services Fund to the General Fund in order to support the operations of the Probation Department.

The Liability Insurance Fund transferred \$ 165,000 to the Self Insurance Fund to provide resources for the payment of workmen's compensation insurance and other insurance claims under the County's self-insurance program.

The internal balances presented on the Statement of Net Position of \$ 2,082,469 represent an amount due to the Governmental Activities from the Business-type Activities. Additionally, the internal transfers presented on the Statement of Activities of \$ 2,558,975 represent net transfers made by the Governmental Activities to the Business-type Activities of \$ 3,436,819 and capital assets purchased by the Business-type Activities of \$ 877,844 used in Governmental Activities.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 8 - Capital Assets

Capital asset activity for the year ended November 30, 2013, was as follows:

	Balance December 1, 2012	Additions	Deletions	Balance November 30, 2013
Governmental activities:				
Nondepreciable capital assets:				
Land and improvements	\$ 1,141,256			1,141,256
Construction progress	6,024,760	4,423	(6,024,760)	4,423
Total nondepreciable capital assets	7,166,016	4,423	(6,024,760)	1,145,679
Depreciable capital assets:				
Buildings and building improvements	50,310,238	1,040,875		51,351,113
Vehicles	3,895,785	464,534	(49,693)	4,310,626
Furniture and fixtures	760,344	51,475		811,819
Technology and equipment	5,062,653	75,603		5,138,256
Infrastructure	37,565,262	8,353,634		45,918,896
Total depreciable capital assets	97,594,282	9,986,121	(49,693)	107,530,710
Less accumulated depreciation for:				
Buildings and building improvements	26,693,355	1,215,125		27,908,480
Vehicles	3,219,580	311,412	(49,693)	3,481,299
Furniture and fixtures	750,016	7,078		757,094
Technology and equipment	4,559,587	172,416		4,732,003
Infrastructure	19,811,315	1,384,572		21,195,887
Total accumulated depreciation	55,033,853	3,090,603	(49,693)	58,074,763
Total depreciable assets, net	42,560,429	6,895,518	-	49,455,947
Governmental activities capital assets, net	\$ 49,726,445	6,899,941	(6,024,760)	50,601,626

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 8 - Capital Assets, continued

Depreciation expense for the year ended November 30, 2013 was charged to governmental functions as follows:

Governmental activities:	
General government	\$ 217,724
Judiciary and court-related	229,273
Public safety	889,103
Transportation	1,650,722
Public health and welfare	<u>103,780</u>
Total depreciation expense - governmental activities	<u>\$ 3,090,602</u>

	Balance December 1, 2012	Additions	Disposals	Balance November 30, 2013
Business-type activities:				
Capital assets, not being depreciated	\$ 214,863			<u>214,863</u>
Depreciable capital assets:				
Parking lot	416,048			416,048
Buildings and improvements	8,854			8,854
Equipment and furnishings	246,109		(22,611)	<u>223,498</u>
Total depreciable capital assets	<u>671,011</u>	-	<u>(22,611)</u>	<u>648,400</u>
Less accumulated depreciation for:				
Parking lot	256,645	3,993		260,638
Buildings and improvements	3,177	267		3,444
Equipment and furnishings	162,258	15,974	(21,406)	<u>156,826</u>
Total accumulated depreciation	<u>422,080</u>	<u>20,234</u>	<u>(21,406)</u>	<u>420,908</u>
Total depreciable assets, net	<u>248,931</u>	<u>(20,234)</u>	<u>(1,205)</u>	<u>227,492</u>
Business-type activities capital assets	<u>\$ 463,794</u>	<u>(20,234)</u>	<u>(1,205)</u>	<u>442,355</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 8 - Capital Assets, continued

Macon County Emergency Telephone System Board: Capital assets activity for the year ended November 30, 2013 was:

	Balance November 30, 2012	Additions	Deletions	Balance November 30, 2013
Fixed assets:				
E-911 equipment	\$ 2,056,473	218,341		2,274,814
Maintenance agreements	31,250		31,250	
Office furniture and equipment	102,629	5,619		108,248
Vehicles	25,478			25,478
Total depreciable capital assets	2,215,830	223,960	31,250	2,408,540
Less accumulated depreciation:				
E-911 equipment	1,663,706	293,206		1,956,912
Maintenance agreements	31,250		31,250	
Office furniture and equipment	93,024	4,840		97,864
Vehicles	25,478			25,478
Total accumulated depreciation	1,813,458	298,046	31,250	2,080,254
Total capital assets, net	\$ 402,372	(74,086)	-	328,286

Total depreciation for all governmental activities assets amounted to \$ 298,046 for the current year, all of which was charged to the General Government function in the Statement of Activities.

Governmental Activities have \$ 123,729 of non-depreciating fixed assets as of November 30, 2013 from the down payment of the contract for the Intrado 911 Solution System.

Macon County Mental Health Board: Capital assets activity for the year ended June 30, 2013 was:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Vehicles	\$ 35,722			35,722
Software		57,264		57,264
	35,722	57,264	-	92,986
Less accumulated depreciation	9,619	13,703		23,322
Total capital assets, net	\$ 26,103	43,561	-	69,664

Total depreciation for all governmental activities assets amounted to \$ 13,703 for the current year, all of which was charged to the General Government function in the Statement of Activities.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 9 - Long-Term Debt

The following is a summary of changes in the County's long-term obligations for the year ended November 30, 2013:

	Balance November 30, 2012	Additions	Reductions	Balance November 30, 2013	Amount Due in One Year
Governmental activities:					
General obligation debt	\$ 727,045		62,985	664,060	664,060
Compensated absences	1,073,676	1,724,187	1,653,634	1,144,229	114,423
Termination benefits	114,131		13,285	100,846	100,846
Claims liabilities	1,212,022	118,321	167,281	1,163,062	849,636
Net OPEB liability	1,025,710	267,884	91,513	1,202,081	
1997 Public Building Revenue Bonds	1,490,000		270,000	1,220,000	280,000
2005 General Obligation Lease Revenue Bonds	1,012,425		700,000	312,425	312,425
 Total governmental activities	 \$ 6,655,009	 2,110,392	 2,958,698	 5,806,703	

The general obligation debt at November 30, 2013, is comprised of the following:

\$ 1,260,875 note payable due November 1, 2014. Monthly payments of \$ 7,632 are due beginning May 1, 2009, including interest at 4%. Principal and interest to be serviced by the general revenue of the County. The note is secured by a mortgage on the Health Department Building.

\$ 664,060

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 9 - Long-Term Debt, continued

Annual debt service requirements to maturity for the general obligation note are as follows:

	Principal	Interest	Total
2014	\$ 664,060	24,557	688,617

Compensated Absences: Compensated absences represent the estimated liability for employee's accrued vacation for which employees are entitled to be paid upon termination. These benefits are not expected to be paid from current available resources. The liability will be liquidated from the general and special revenue funds of the County, based on the assignment of an employee at termination.

Termination Benefits: On September 13, 2007, Macon County authorized an early retirement incentive (ERI) program for employees who are members of the Illinois Municipal Retirement Fund (IMRF). The County's ERI program was open to eligible employees from October 1, 2007 through October 1, 2008 and 19 employees opted for early retirement during this period. The IMRF calculated an ERI liability for the County as of December 31, 2008 of \$ 2,018,078. At that time, IMRF accrued interest on the ERI liability at a rate of 7.5%, its assumed rate of return for investments and for discounting future annuity payments. During 2013, the County paid \$ 13,285 from the IMRF fund on the liability, leaving a remaining balance of \$ 100,846 accrued in the governmental activities. The liability will be liquidated from the IMRF special revenue fund.

Claims Liabilities: Internal service funds primarily serve the government funds, and thus, the related long-term liabilities are included with the governmental activities above. Estimated claims payable are recognized when the loss is probable and reasonably estimable, as required by accounting standards. Any changes in estimates from one year to the next are recognized in the year of the change. Long-term liabilities for estimated claims payable are liquidated by the Self Insurance (Internal Service) Fund.

Legal Debt Margin: The Illinois Compiled Statutes provide that the net general obligation debt of the County, exclusive of certain exempt debt, should not exceed 2.875 percent of the total assessed valuation of the County. The effect of the debt limitations described above is an overall debt margin of \$ 45,424,803 at November 30, 2013.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 9 - Long-Term Debt, continued

The Illinois General Assembly enacted an amendment in 1978 to the Public Building Commission Act which limits the amount of debt a commission may issue to 5% of the chartering organization's property tax assessed valuation. The City of Decatur enacted the Commission's charter on July 21, 1980. The following is a computation of the Commission's legal debt margin at November 30, 2013:

Total assessed value of taxable property in the City of Decatur, Illinois	\$ 863,833,509
Debt limit percentage	<u>5%</u>
Statutory debt limitation	43,191,675
Amount of debt outstanding	<u>1,532,425</u>
Legal debt margin	<u>\$ 41,659,250</u>

Public Building Revenue Bonds: On July 31, 1997, the DPBC issued \$ 9,705,000 in Public Building Revenue Bonds. The bonds bear interest at varying fixed rates increasing with the length of maturity from 5.15% to 5.40%.

On June 2, 2005, in connection with the issuance of the 2005 General Obligation Lease Revenue Bonds, \$ 3,585,000 of the 1997 bonds were advance refunded. The DPBC used \$ 3,676,650 of the 2005 bond proceeds to purchase U.S. Government securities which were deposited with an escrow agent to provide for all future debt service on the refunded 1997 bonds. As a result, that portion of the 1997 bonds is considered defeased, and the DPBC has removed the liability from its accounts. The amount of debt defeased in substance and being paid by the escrow agent totaled \$ 2,325,000 as of November 30, 2013.

The excess of the advance refunding over the book value of the defeased bonds of \$ 127,902 is being amortized over the remaining life of the 2005 bonds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 9 - Long-Term Debt, continued

The annual requirements to amortize the remaining outstanding debt of \$ 1,220,000 as of November 30, 2013, assuming no early retirements, is as follows:

Year ending November 30	Principal	Interest	Total	Balance
2014	\$ 280,000	58,032	338,032	940,000
2015	295,000	42,721	337,721	645,000
2016	315,000	26,325	341,325	330,000
2017	330,000	8,910	338,910	
Total	\$ 1,220,000	135,988	1,355,988	

General Obligation Lease Revenue Bonds, Series 2005: On June 2, 2005, the DPBC approved resolution 2005-3 authorizing the issuance of \$ 9,490,000 General Obligation Lease Revenue Bonds for the purpose of providing for the refunding of certain Public Revenue Bonds, Series 1997 and to provide for certain acquisitions, improvements and equipping of facilities.

Annual debt service requirements are as follows:

Year ending November 30	Principal	Interest	Total	Balance
2014	\$ 312,425	12,532	324,957	-

Since the DPBC is a blended component unit, the lease payable/receivable between the DPBC and the County has been eliminated at the government-wide reporting level, and the lease revenue bonds have been reported as a liability of the County, payable 100% from the governmental activities and the Multi-Facility Lease Special Revenue Fund.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 9 - Long-Term Debt, continued

Macon County Mental Health Board: Long-term obligations consist of the following at June 30, 2013:

Notes payable - Chase Bank:

Collateralized with vehicle:

Note payable in monthly payments of \$ 485 including interest at 4.99%, due October 2014	\$ 7,489
 Note payable in monthly payments of \$ 311 including interest at 3.75%, due March 2015	 <u>6,320</u>
 Total notes payable	 13,809
Less current maturities	<u>9,124</u>
	 <u><u>\$ 4,685</u></u>

The following is a summary of changes in long-term obligations for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Amount Due in One Year
Notes payable	<u>\$ 25,560</u>	-	11,751	<u>13,809</u>	9,124

Note 10 - Multiple Facilities Lease

The County had entered into a 30-year lease agreement in 1997 with the Decatur Public Building Commission (DPBC) for financing renovations to the Macon County Office Building and Macon County Courts Facility. In addition, the County, along with the City of Decatur (City) had entered into a noncancellable 20-year lease with the DPBC in 1986 in order to lease the Macon County Law Enforcement Facilities from the DPBC. The leases required that the County levy property taxes to make annual rental payments to the DPBC to service the DPBC revenue bonds and to pay maintenance and utility costs of the facility.

As noted previously, since the DPBC is a blended component unit, the lease payable/receivable between the DPBC and the County has been eliminated at the government-wide reporting level. At the fund level, transactions relating to the lease have not been eliminated and are therefore discussed in detail.

On June 1, 2005, the County and the DPBC entered into a new Multiple Facilities Lease Agreement, encompassing the Courthouse, Office Building, Law Enforcement Facilities, and adding the Animal Control Facility. The new lease superseded both of the prior leases. Concurrent with the execution of the lease, the DPBC issued the General Obligation Lease Revenue Bonds, Series 2005 for the purposes of paying the costs of the renovation projects and providing for the refunding of the 1997 bond issue.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 10 - Multiple Facilities Lease, continued

The initial lease term of the Multiple Facilities Lease Agreement is twelve and one-half (12½) years. Prior to the expiration of the lease, the parties can extend the lease period for an additional thirty (30) years, or such lesser period as they may agree. Lease terms related to the renewal option would need to be negotiated at the time of the renewal.

Lease payments are due each December 1 for the succeeding year and are divisible into a debt service component and a facilities rent portion. The debt service component is payable in order to retire the bonds issued by the DPBC. The facilities rent component reflects the amounts necessary to cover operations and maintenance expenditures of the buildings. The following is a schedule of the future minimum lease payments under the lease and the present value of the net minimum lease payments at November 30, 2013:

November 30,	Facilities Rent	Debt Service Component		
		Principal	Interest	Total
2014	\$ 5,120,189	592,425	70,564	662,989
2015	5,422,599	295,000	42,721	337,721
2016	5,573,850	315,000	26,325	341,325
2017	5,914,384	330,000	8,910	338,910
	<u>\$ 22,031,022</u>	<u>1,532,425</u>	<u>148,520</u>	<u>1,680,945</u>

The DPBC agreed to apply \$ 662,436 of operating surplus towards Macon County's fiscal year 2013 rental obligation, thus reducing rent income by this amount.

A further allocation of the rent is set out in the lease agreement to show the rent by facility which allocates the use of the rent receipts by the DPBC. However, the lease agreement states that a reallocation among the facilities is allowed upon written acceptance by both parties.

The initial rent allocation to each facility follows:

Courthouse and Office Building	47.25%
Law Enforcement Facilities	44.87%
Animal Control Facility	<u>7.88%</u>
	<u>100.00%</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 10 - Multiple Facilities Lease, continued

The cost of land, buildings and equipment under capital leases in capital assets at November 30, 2013 include the following:

Land (nondepreciable)	\$ 1,049,447
Other assets	42,923,718
	<u>43,973,165</u>
Less accumulated depreciation	(21,675,921)
	<u>22,297,244</u>
Total	<u>\$ 22,297,244</u>

The DPBC is required to pay all utilities, cleaning and other operation and maintenance costs of the multiple facilities. Operational costs not related to facilities operations are born by the lessee. If operation and maintenance costs exceed rental revenue, the DPBC may use funds from the General and Surplus Account to offset the deficiency. In the event the General and Surplus Account does not meet the deficiency, the DPBC can, by mutual consent with the lessee, reduce services or procure additional rents.

The agreement states that any amounts remaining after payment of debt service and operations and maintenance costs from the rent payments received for the year are added to a General and Surplus Revenue Account. At the written request of the County, the DPBC shall apply any or all amounts in the General and Surplus Revenue Account as a rent reduction to future rental payments received from the County. Accordingly, any amounts held in this account, including interest earned, are reported as restricted assets and unearned rental income. The Multi-Facility Lease Fund records a receivable for the surplus at year end. The change in the surplus for 2013 is as follows:

Balance at November 30, 2012	\$ 1,497,092
2013 rents applied	(662,435)
2013 surplus	1,247,812
	<u>1,247,812</u>
Balance at November 30, 2013	<u>\$ 2,082,469</u>

The following is a summary of unearned rental income as of November 30, 2013:

Macon County:	
2013 surplus	\$ 1,246,394
2012 surplus	832,215
Interest income	3,860
	<u>2,082,469</u>
Prepaid parking rent	1,041
	<u>1,041</u>
Unearned rental income	<u>\$ 2,083,510</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 10 - Multiple Facilities Lease, continued

The Commission entered into an operating lease agreement with the City of Decatur, Illinois for the use of the Commission's law enforcement center. The lease began on December 1, 2011 and expires on November 30, 2014. Rental payments are intended to cover the costs to operate and maintain the law enforcement center, as well as covering the costs for agreed upon facility improvements to be performed by the Commission. Future minimum lease receipts are as follows:

2014	<u>\$ 316,034</u>
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Note 11 - Intergovernmental Revenue

A summary of intergovernmental revenue for the year ended November 30, 2013, follows:

	Municipal	Federal and State Grants	Federal Government	State of Illinois	Total
Major Funds:					
General	\$ 573,385	472,542	1,501,932	1,151,210	3,699,069
County Health		4,967,164			4,967,164
Highway	393,408	4,221			397,629
Federal Aid Matching		1,164,100			1,164,100
Special Building	138,798				138,798
County Motor Fuel Tax	28,912			2,176,451	2,205,363
Multi-Facility Lease	1,247,812	119,021			1,366,833
Nonmajor Funds	787,701	3,481,058	469,320	289,434	5,027,513
 Total	 <u>\$ 3,170,016</u>	 <u>10,208,106</u>	 <u>1,971,252</u>	 <u>3,617,095</u>	 <u>18,966,469</u>

In addition, the County participates in joint construction projects with the State of Illinois, whereby both entities pay a portion of the total costs incurred. The State approves the project, awards contracts, and pays contractors, then bills the County for its portion. Because the County will be ultimately responsible for maintaining the final asset, the amount paid by the State is included in intergovernmental revenue and capital asset costs in the Government-wide Statement of Net Position. During 2013, the State contributed \$ 628,288 to these joint projects with the County contributing \$ 157,072.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 12 - Fund Equity Balances

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

	General Corporate Fund	Illinois Municipal Retirement Fund	County Health Fund	County Highway Fund	Major Special Federal Aid Matching Fund	Special Bridge Fund
Nonspendable for inventory	\$ 21,257		199,577	373,202		
Nonspendable for prepaid expenditures	20,545					
Restricted:						
General control and administration	106,225	1,058,277				
Public safety						
Judiciary and court-related						
Public health and welfare			1,992,295			
Transportation				562,209	10,167	1,148,466
Debt service						
Committed:						
Committed for disaster contingency						
Committed for future health insurance expenditures	1,057,094					
Committed for economic stabilization	1,653,060					
Unassigned	7,427,958					
	<u>\$ 10,286,139</u>	<u>1,058,277</u>	<u>2,191,872</u>	<u>935,411</u>	<u>10,167</u>	<u>1,148,466</u>

Revenue Funds

<u>County</u>	<u>Motor</u>	<u>Multi-</u>	<u>Nonmajor</u>	<u>Total</u>
<u>Fuel Tax</u>	<u>Facility</u>	<u>Governmental</u>	<u>Governmental</u>	<u>Governmental</u>
<u>Fund</u>	<u>Lease Fund</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
				594,036
	4,285,532			4,306,077
		3,495,373		4,659,875
		81,133		81,133
		1,580,785		1,580,785
		938,589		2,930,884
2,092,452		70,268		3,883,562
	3,570,218			3,570,218
		500,000		500,000
				1,057,094
		100,000		1,753,060
		(90,597)		7,337,361
<u>2,092,452</u>	<u>7,855,750</u>	<u>6,675,551</u>		<u>32,254,085</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 12 - Fund Equity Balances, continued

Fund Balance Committed For Stabilization Arrangements: In 2007, the County Board approved Resolution G-3126-11-20-07, "Creating and Defining Use of Financial Stabilization Fund". Under the Resolution, \$ 1,500,000 of the fund balance of the General Fund is committed for stabilization arrangements. At November 30, 2013, \$ 1,653,060 of the fund balance for the General Fund was reported as committed for economic stabilization. Use of the stabilization fund requires a two-thirds vote of County Board members.

Fund Equity Deficits: The following funds reported deficit fund balances as of November 30, 2013. The Internal Service Fund deficit is created in part by recognizing claims and judgment liabilities when the loss is probable and reasonably estimable, as required by standards. These potential claims are financed with a combination of commercial insurance and self-insurance with resources transferred from the Liability Insurance Fund. As cases mature and are closed, actual claims paid tend to be less than the original estimated liability as estimated costs and final settlements are negotiated. Changes in estimates from one year to the next are recognized in the year of the change. The Treasurer Automation Fund deficit results from lower fees generated than planned and will be eliminated with future fee revenues. The Workforce Investment Solutions Fund deficit results from grant recognition timing differences and is expected to be eliminated with future grant revenues. The County Clerk Automation Fund deficit results from lower fees generated than planned and will be eliminated with future cost reduction methods and revenue improvements.

Internal Service - Self Insurance Fund	\$ 1,178,489
Special Revenue Funds:	
County Clerk Automation Fund	5,240
Treasurer Automation Fund	6,182
Workforce Investment Solutions Fund	74,744

Note 13 - Pension Plan

Employees of the County, the Macon County Mental Health Board and the Macon County Emergency Telephone System Board participate in the Illinois Municipal Retirement Fund. The employees of the discretely presented component units - Macon County Mental Health Board and Macon County ETSB - are included within the plan for Macon County, Illinois. The County uses general and special revenue funds to liquidate net pension obligations.

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

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 13 - Pension Plan, continued

Funding Policy: As set by statute, the County's Regular, ECO and SLEP plan members are required to contribute 4.50%, 7.50% and 7.50%, respectively, of their annual covered salary. The statutes require 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 2013 for Regular, ECO and SLEP was 12.17%, 37.73% and 26.72%, respectively. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: For calendar year 2013, the County's required contribution was \$ 2,167,339 for the Regular plan, \$ 215,550 for the Elected County Official plan, and \$ 895,479 for the Sheriff's Law Enforcement Personnel plan.

Three-Year Trend Information for the Regular Plan:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 2,167,339	100%	\$ -0-
12/31/12	2,011,329	100%	-0-
12/31/11	1,990,505	100%	-0-

Three-Year Trend Information for the Elected County Official Plan:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 215,550	100%	\$ -0-
12/31/12	313,709	100%	-0-
12/31/11	292,433	100%	-0-

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

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 895,479	100%	\$ -0-
12/31/12	821,591	100%	-0-
12/31/11	802,967	100%	-0-

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 13 - Pension Plan, continued

Annual Pension Cost, continued: The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (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 the County's Regular, ECO and SLEP plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Regular, ECO and SLEP plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 years basis.

Funded Status and Funding Progress: As of December 31, 2013, the most recent actuarial valuation date, the *Regular plan* was 80.09 percent funded. The actuarial accrued liability for benefits was \$ 55,587,388, and the actuarial value of assets was \$ 44,518,287, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 11,069,101. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$ 17,803,347, and the ratio of the UAAL to the covered payroll was 62 percent.

As of December 31, 2013, the most recent actuarial valuation date, the *Elected County Official plan* was 53.74 percent funded. The actuarial accrued liability for benefits was \$ 3,786,652, and the actuarial value of assets was \$ 2,035,061, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 1,751,591. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$ 571,295, and the ratio of the UAAL to the covered payroll was 307 percent.

As of December 31, 2013, the most recent actuarial valuation date, the *Sheriff's Law Enforcement Personnel plan* was 55.05 percent funded. The actuarial accrued liability for benefits was \$ 15,378,491, and the actuarial value of assets was \$ 8,466,547, resulting in an underfunded actuarial accrued liability (UAAL) of \$ 6,911,944. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$ 3,351,343, and the ratio of the UAAL to the covered payroll was 206 percent.

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

Macon County Mental Health Board: The employees of the Board participate in the Illinois Municipal Retirement Fund (IMRF) through contributions made on their behalf by the Board. The employees of the Board are included within the Macon County employees' plan. Contributions to IMRF via Macon County were \$ 89,872 in fiscal year 2013.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 14 - Decatur Public Building Commission Retirement Plan

In 1998, the DPBC adopted a Savings Incentive Match Plan for Employees (SIMPLE) Individual Retirement Account (IRA) Plan under Section 408(p) of the Internal Revenue Code. The DPBC administers the SIMPLE IRA Plan as a single-employer defined contribution plan, which has been established through a trust agreement with a financial institution. Plan provisions are established and may be amended by the Board. Eligible employees are those who received at least \$ 5,000 in compensation from the DPBC during the current year. Participants may elect to make salary reduction contributions to the plan for amounts expressed either as a specific dollar amount or as a percentage of compensation. Salary reduction contributions cannot exceed \$ 11,500 (\$ 14,000 if over 50 years of age) per plan year. In addition, the DPBC is generally required to make a matching contribution on behalf of each eligible employee in an amount equal to the employee's salary reduction contributions, up to 3% of the employee's compensation for the applicable calendar year. A participant's interest in the plan, including that attributable to the DPBC's matching contribution, is nonforfeitable. For the year ended November 30, 2013, the DPBC's total matching contributions to the plan were \$ 22,108.

Note 15 - Deferred Compensation Plan

The County offers all full-time employees a deferred compensation plan established in accordance with the requirements of the Internal Revenue Code Section 457. Participants authorize the County to withhold funds from their salaries which are invested, within a range of options, in individual accounts as directed by the individual. The assets are administered by ICMA-RC. The assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. The deferred compensation is not available to the participants until termination, retirement, death or unforeseeable emergency. The County made no contributions to the plan.

Macon County Mental Health Board: The Board offers various employees a deferred compensation plan established in accordance with the requirements of Internal Revenue Code Section 457. The assets of the plan are held in trust for the exclusive benefit of the participants (employees) and their beneficiaries.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 16 - Other Leases

The County has a month-to-month lease agreement with the Decatur Public Building Commission for 9,000 square feet of space located on the sixth and seventh floors of the Macon County Office Building. This space is for use by the Probation Department of Macon County. The lease calls for monthly rental payments of \$ 3,750. In addition, the DPBC provides utilities and upkeep of the space for the County.

Rental expenditures under this lease totaled \$ 45,000 for the fiscal year ended November 30, 2013.

The County has a lease agreement for a portion of the space located at 757 West Pershing Road for use by the Workforce Investment Solutions One Stop Center. The lease is renegotiated annually based on a cost allocation process. The lease expired June 30, 2013, and a new lease had not been negotiated past that date although the space is still occupied.

Rental expenditures under this lease for the fiscal year ended November 30, 2013 totaled \$ 17,428.

During 2012, the County entered into a three year lease agreement for office space at 1990 North Water for use by the State's Attorney for a Child Advocacy Center. The lease calls for monthly rental payments of \$ 2,625.

Rental expenditures under these leases for the fiscal year ended November 30, 2013 totaled \$ 31,500.

Macon County Emergency Telephone System Board: The Board leases office space located on the eighth floor of the Macon County Office Building from the DPBC under a five year operating lease that expires May 31, 2018. Total rent expense was \$ 16,851 for the year ended November 30, 2013. Future minimum lease payments are as follows:

2014	\$ 17,526
2015	18,284
2016	19,015
2017	19,776
2018	10,082
	<hr/>
	\$ 84,683
	<hr/>

Macon County Mental Health Board: The Board is committed under various leases for office space and other equipment expiring through 2016. These leases are considered for accounting purposes to be operating leases. Rent expense for the year ended June 30, 2013, amounted to \$ 48,311. Future minimum lease payments for these leases are as follows:

2014	\$ 61,819
2015	2,760
2016	229
	<hr/>
	\$ 64,808
	<hr/>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 17 - Risk Management

Property and Liability: The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County carries commercial insurance coverage for liability, property, and crime insurance. The program has a \$ 25,000 deductible per occurrence. The list below is a general description of insurance coverage in effect at November 30, 2013; not all policy terms, conditions, restrictions, exclusions, etc. are included.

Liability:

General (per occurrence/aggregate)	\$ 1,000,000/\$ 2,000,000
Law Enforcement (each wrongful act limit/aggregate)	\$ 1,000,000/\$ 2,000,000
Auto	\$ 1,000,000
Public Entity Employment Related Practices	\$ 1,000,000
Public Entity Management Liability (each wrongful act limit/aggregate)	\$ 1,000,000/\$ 2,000,000
Crime	\$ 500,000
Umbrella Excess Liability aggregate	\$ 14,000,000
Employee Benefit Plans Liability aggregate/each employee	\$ 3,000,000/\$ 1,000,000
Cyberfirst	\$ 25,000

Aggregate:

Property	\$ 9,633,000
Inland Marine (scheduled equipment)	\$ 1,632,924
Unscheduled equipment	\$ 10,000
Earthquake	\$ 5,000,000
Voting machines	\$ 464,015

The County pays all elected officials' bonds by statute.

The other County building and contents are insured under the Decatur Public Building Commission's policy. The boiler/machine are covered by the Decatur Public Building Commission. Settled claims have not exceeded this commercial coverage in any of the past three years.

Unemployment Insurance: Under provisions of the Illinois Unemployment Insurance Act, the County has elected to self-insure for unemployment compensation benefits. Rather than contribute to the Illinois Unemployment Insurance Fund, the County has agreed to reimburse the State of Illinois for any unemployment benefits paid by the State on behalf of the County. The unemployment compensation program is funded totally by the County.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 17 - Risk Management, continued

Workers' Compensation: The County has elected to self-insure for workers' compensation. The worker's compensation program is funded 90 percent by the County, with the remaining 10 percent being covered by an insurance carrier. The program is insured for amounts above the self-insured retention limits of \$ 500,000 (\$ 600,000 for police) with a statutory maximum limit of indemnity per occurrence. After these limits, the County is insured for amounts up to \$ 1,000,000.

The County's self-insurance program is funded by property tax receipts. Proceeds from property taxes are initially recorded in the Insurance Liability Fund and subsequently transferred to the Internal Service Fund (Self Insurance Fund) as the need arises. At November 30, 2013, the Internal Service Fund had a deficit fund balance of \$ 1,178,489 due to the year end financial statement recording of pending claims and potential claims. Assets to cover these potential liabilities are held in the Insurance Fund until claims have matured to actual, at which point assets are transferred to the Internal Service Fund for payment of the claims.

Claims and Judgments: When a probable claim liability has been incurred at year end and the amount of the loss can be reasonably estimated, the County records the estimated loss under its self-insurance program. The claim liability includes claims incurred and an estimation for claims incurred but not reported (IBNR), based on historical data pursuant to the self-funded workmen's compensation and unemployment compensation programs. This estimated liability for claims reported to date has been recorded in the Self-Insurance Internal Service Fund.

Changes in the balances of the claims liabilities amount for the two most recent fiscal years are as follows:

	Workers' Compensation		Liability	
	2013	2012	2013	2012
Claims liability, beginning of year	\$ 1,165,864	182,737	46,158	671,143
Claims incurred and changes in estimates	93,321	1,078,024	25,000	(569,342)
Claim payments	(133,890)	(94,897)	(33,391)	(55,643)
Claims liability, end of year	<u>\$ 1,125,295</u>	<u>1,165,864</u>	<u>37,767</u>	<u>46,158</u>

Liabilities for unpaid claims are based on recommendations by third party administrators. There have been no significant reductions in insurance coverage from coverage in prior years. The amount of settlements have not exceeded insurance coverage in any of the past three fiscal years.

There was no liability reported for claims incurred but not reported (IBNR) as of November 30, 2013.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 18 - Commitments and Contingencies

Federally Assisted Grant Programs: The County participated in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representative. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be insignificant.

Pending Litigation: The County is a defendant in several lawsuits, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the County for property damage and personal injury and other alleged violations of state and federal laws. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the County, such loss has been accrued in the accompanying financial statements. Litigation where loss to the County is reasonably possible has not been accrued nor can such an amount be estimated at year end. The outcome of the remaining claims cannot be determined at this time. Based upon past experience, management believes that the insurance coverage maintained by the County is sufficient to cover any potential claims over the amount of loss accrued.

Construction Commitments: The County has active construction projects as of November 30, 2013, consisting mainly of road construction and resurfacing projects. At year end, the County's major project commitments are as follows:

Project	Total Contract	Spent- to-Date	Remaining Construction Commitment	Expected Completion Date
South and East Beltway				
Engineering Feasibility Study	\$ 2,462,689	2,179,379	283,310	2014
Wyckles Road white topping	393,641	342,386	51,255	2014
Lost Bridge/Baltimore Trail	250,000	107,404	142,596	2014
Baltimore - Lost Bridge to Rte 36	280,885	89,905	190,980	2014
Ocean Trail Road	145,358	64,121	81,237	2014

The Beltway Feasibility Study is funded primarily by motor fuel tax proceeds, and state and federal grant proceeds. The outcome of the study will determine whether additional construction commitments will be accepted.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 18 - Commitments and Contingencies, continued

Contract Commitments: During 2013, the County entered into a twenty-four month contract for computer software service and support in connection with the 2014 election cycle. Monthly payments of \$ 15,950 are due based on a total contract price of \$ 382,800.

The County enters into various contracts to support the Sheriff's Department which includes the jail. During 2013, a one year contract for medical services for inmates of the Macon County Jail was entered into which called for \$ 22,969 payments per month based on a total contract price of \$ 275,625. Another contract was entered into for dietary services at a per-meal price also for inmates of the jail.

During 2013, the County entered into an intergovernmental agreement with Peoria County to provide beds for juvenile inmates, since Macon County currently has no facility of its own to serve this population. The agreement is for one year beginning January 1, 2013 at an annual fee of \$ 205,638 and can be extended an additional year with an increase based on the Consumer Price Index. The total amount paid under this contract during 2013 was \$ 188,502 plus over \$ 30,000 paid for additional bed space not contemplated in the contract.

Beginning December 1, 2008, the County has approved a Host Agreement with Veolia ES Valley View Landfill, Inc. The agreement calls for the company to pay the County a Host Community Fee of \$ 2.25 for each ton of solid waste received at the landfill with annual increases of 3%.

Encumbrances: Encumbrances are commitments related to unperformed contracts for goods or service. Encumbrances outstanding at year end are not accounted for as expenditures and liabilities but are included in fund balance. As of November 30, 2013, encumbrances of \$ 1,010 were accounted for in the General Fund, and \$ 241,938 in the Special Bridge Fund.

Macon County Emergency Telephone System Board: During the fiscal year ended November 30, 2012, the Board committed with Pictometry Economic Alliance Partnership for three flights to be done over six years to produce pictometry images. The commitment is separated into three segments connected to the three flights and each segment is payable in two installments. The first installment is due at the time the images are shipped, and the second installment is due one year later. The second segment is priced at \$ 129,278 and is to be paid over the fiscal years ending November 30, 2014 and 2015. The third segment is priced at \$ 135,526 and is to be paid over the fiscal years ending November 30, 2016 and 2017.

During the fiscal year ended November 30, 2013, the Board committed with Motorola Solutions, Inc. to purchase the Intrado 911 Solution with a total contract price of \$ 802,392, including \$ 494,916 for the system, \$ 290,056 for five-year maintenance services and \$ 17,420 for sentry remote monitoring services. As of November 30, 2013, the Board had made a down payment on the contract totaling \$ 123,729 which is included in fixed assets on the Statement of Net Position.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)
November 30, 2013

Note 19 - Other Postemployment Benefits Other than Pensions (OPEB)

The County adopted the requirements of GASB Statement No. 45 during the year ended November 30, 2009 and recognizes the cost of postemployment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the County's future cash flows. Recognition of the liability accumulated from prior years is being phased in over 30 years, commencing with the 2009 liability.

Plan Description: The County provides for the continuance of medical, prescription drug and dental insurance benefits for retired employees and their spouses under 65 years of age through a single employer defined benefit plan by allowing them to remain in the County's healthcare plan after retirement. Once retirees reach 65 years of age, they are eligible for Medicare enrollment and are no longer eligible to participate in the County's health insurance program. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. The retirees pay the cost of the entire annual premium, which is equal to the employee and employer costs for each plan year. For deputies and their spouses, the first three months of benefit continuation requires no premium payments from the retired deputy. Amounts paid by retirees are recorded as revenue when received, and the premium paid by the County is recorded as expenditures when paid. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County and can be amended by the County through its personnel manual and union contracts.

Plan Membership: At December 1, 2012 (the date of the latest actuarial valuation), membership consisted of:

Actives (fully eligible)	-
Actives (not yet fully eligible)	401
Retirees and dependents	<u>29</u>
Total	<u><u>430</u></u>

A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet plan obligations. The latest actuarial valuation was made December 1, 2012. The postemployment benefit plan does not issue stand-alone financial reports.

Funding Policy: The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to pre-fund benefits as determined annually. Expenditures for these insurance premiums are prorated between the general fund and other funds where the personnel are located. All retirees contribute 100% of the blended premium to the plan to cover the cost of providing the benefits to the retirees via the insured plan (pay as you go). For the fiscal year ended November 30, 2013, retirees contributed \$ 205,647. Active employees do not contribute to the plan until retirement.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 19 - Other Postemployment Benefits Other than Pensions (OPEB), continued

Annual OPEB Cost and Net OPEB Obligation: The County first had an actuarial valuation performed for the plan as of December 1, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended November 30, 2009. For the year ended November 30, 2013, the County estimated the cost of providing retiree healthcare benefits through the December 1, 2011 actuarial valuation. The County's annual OPEB cost, the annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal year 2013 was as follows:

Annual required contribution (ARC)	\$ 287,933
Interest on net OPEB obligation (NOO)	41,028
Amortization of NOO	<u>(61,077)</u>
Annual OPEB costs	267,884
Contributions made	<u>(91,513)</u>
Change in net OPEB obligation (asset)	176,371
Net OPEB obligation (asset), beginning of year	<u>1,025,710</u>
Net OPEB obligation (asset), end of year	<u><u>\$ 1,202,081</u></u>

Trend Information:

Fiscal Year Ending	Annual Required Contribution	Actual Contribution	Percentage of ARC Contributed	Net OPEB Obligation
11/30/11	\$ 341,760	86,661	25.40%	803,950
11/30/12	336,331	114,571	34.06%	1,025,710
11/30/13	267,884	91,513	34.16%	1,202,081

The funded status of the plan as of December 1, 2011, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 2,273,385
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 2,273,385</u></u>
Funded ratio (actuarial value of plan assets / AAL)	0.0%
Covered payroll (active plan members)	Not Available
UAAL as a percentage of covered payroll	Not Available

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 19 - Other Postemployment Benefits Other than Pensions (OPEB), continued

Annual OPEB Cost and Net OPEB Obligation, continued: Actuarial valuations of an ongoing plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 1, 2012 actuarial valuation, the normal cost method was used. The actuarial assumptions included an investment return for discounted liabilities of 4.0%. Mortality calculations were done using RP-2000 Combined Healthy Mortality Table - Projected with Scale AA fully generational, and a marriage assumption that 50% of males and females be married with husbands three years older than wives. The actuarial value of assets was not determined as the County has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at November 30, 2013, was 30 years.

The annual healthcare cost trend rate was 7.26% for 2013, 6.81% for 2014, 6.36% for 2015 and ultimately grades down to 5% in 2018.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2013

Note 20 - Non-Commitment Debt

On May 1, 2000, the County issued Series 2000 Adjustable Rate Demand Revenue Bonds in the amount of \$ 8,700,000. Net proceeds of the issuance were deposited by Decatur Family YMCA, Illinois for the construction of a new facility. During 2011, the County issued Economic Development Revenue Refunding Bonds (Decatur Family YMCA School Project) Series 2011 in the amount of \$ 2,400,000. The net proceeds of this issue, along with additional funds from the YMCA, were used to pay all outstanding Series 2000 bonds, accrued interest and closing costs. The Series 2011 bonds were purchased by Hickory Point Bank in exchange for a tax exempt loan to the YMCA. The YMCA has signed a promissory note payable to the bank, securing all principal and interest due under the loan. As the intent of all parties is that the YMCA will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 2,125,325 at December 31, 2013.

During 1998, the County issued Series 1998A and 1998B Revenue Refunding Bonds in the amount of \$ 14,480,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the defeasance of Series 1995 Revenue Bonds. The University entered into an Irrevocable Escrow Agreement to defease the Series 1995 Revenue Bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The balance on these obligations was paid in full during 2013. At June 30, 2013, the principal defeased of \$ 4,913,736 has been paid in full.

During 2010, the County issued Series 2010 Revenue Bonds in the amount of \$ 13,750,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the repayment of long-term debt. As the intent of all parties is that the University will provide for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 13,087,500 at June 30, 2013.

During 2013, the County issued Series 2012 Revenue Refunding Bonds in the amount of \$ 9,680,000. Net proceeds of the bonds were used to repay the 1998 bond series. As the intent of all parties is that the University will provide for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 9,560,00 at June 30, 2013.

Note 21 - Significant Estimates and Concentrations

The current economic environment presents governmental organizations with unprecedented circumstances and challenges, which in some cases have resulted in large declines in the fair value of investments and other assets, declines in grant revenue, tax revenue, etc., constraints on liquidity and difficulty obtaining financing. The financial statements have been prepared using values and information currently available to the County. A significant decline in grant revenue and tax revenue could have an adverse impact on the County's future operating results. In addition, given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values, etc. that could negatively impact the County's ability to maintain liquidity. Long-term gradual population losses in Macon County mean that inevitably EAV will gradually decline, and in fact, the first signs of this have been observed in some areas of Macon County. This long-term development will also impact Macon County's ability to raise property taxes.

REQUIRED SUPPLEMENTARY INFORMATION

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 GENERAL CORPORATE FUND
 Year ended November 30, 2013

	Budgeted Amounts		Actual
	Original	Final	Amounts Budgetary Basis
Revenues:			
Taxes	\$ 8,488,429	8,488,429	8,494,465
Intergovernmental	2,923,106	2,998,356	3,699,069
Fines, fees, forfeitures	4,003,913	3,972,793	4,132,430
Licenses and permits	75,000	75,000	77,843
Interest on investments	16,600	16,600	35,802
Miscellaneous revenue	1,985,397	2,319,793	2,632,587
Total revenues	17,492,445	17,870,971	19,072,196
Expenditures:			
General Control and Administration:			
County Clerk:			
Personnel	266,320	266,320	264,665
Supplies and materials	50,200	50,200	47,150
County Clerk - Elections:			
Personnel	182,584	182,584	131,901
Supplies and materials	322,000	322,000	272,674
County Recorder:			
Personnel	197,980	197,980	193,897
Supplies and materials	11,595	11,595	11,191
County Treasurer:			
Personnel	253,672	253,672	254,193
Supplies and materials	66,330	66,330	66,208
Auditor:			
Personnel	323,152	323,152	320,701
Supplies and materials	27,850	27,850	23,385
Equipment	500	500	91
Auditor - Human Resources:			
Personnel	51,962	51,962	42,424
Supplies and materials	37,700	37,700	36,879
Equipment	500	500	
County Board:			
Personnel	239,122	239,972	238,955
Supplies and materials	1,846,165	1,845,015	1,688,487
Equipment	19,000	19,300	13,927
Supervisor of Assessments:			
Personnel	252,853	268,853	255,124
Supplies and materials	65,325	53,325	37,022
Equipment	500	500	425

(Continued)

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
(12,605)	8,481,860	6,036
	3,699,069	700,713
	4,132,430	159,637
	77,843	2,843
	35,802	19,202
	2,632,587	312,794
(12,605)	19,059,591	1,201,225

264,665	1,655
47,150	3,050
131,901	50,683
272,674	49,326
193,897	4,083
11,191	404
254,193	(521)
66,208	122
320,701	2,451
23,385	4,465
91	409
42,424	9,538
36,879	821
	500
238,955	1,017
1,688,487	156,528
13,927	5,373
255,124	13,729
37,022	16,303
425	75

MACON COUNTY, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
GENERAL CORPORATE FUND (Continued)
Year ended November 30, 2013**

	Budgeted Amounts		Actual
	Original	Final	Amounts Budgetary Basis
Expenditures, continued:			
General Control and Administration, continued:			
Board of Review:			
Personnel	\$ 71,886	71,886	61,934
Supplies and materials	13,850	13,850	2,225
Equipment	150	150	
Public Safety:			
County Sheriff:			
Personnel	3,608,111	3,628,072	3,549,552
Supplies and materials	248,700	348,700	251,660
Equipment		199,858	140,534
Coroner:			
Personnel	167,083	167,083	166,780
Supplies and materials	60,839	66,504	67,183
Equipment	1,065	816	816
Law Facilities Center:			
Personnel	3,690,195	3,700,195	3,571,751
Supplies and materials	94,800	363,800	330,631
Jail - Commissary Supplies			140,484
Judiciary and Court-Related:			
Circuit Clerk:			
Personnel	1,128,515	1,148,703	1,131,151
Supplies and materials	82,170	148,670	98,810
Equipment	7,500	7,500	3,908
State's Attorney:			
Personnel	1,681,816	1,681,816	1,676,061
Supplies and materials	102,939	102,939	102,702
Equipment	6,927	51,465	5,724
State's Attorney, Title IV-D, Public Aid:			
Personnel	294,754	294,754	295,487
Supplies and materials	10,246	10,246	4,335
Circuit Court:			
Personnel	442,014	442,014	409,870
Supplies and materials	169,320	190,871	163,725
Equipment	2,000	2,000	1,560
Public Defender:			
Personnel	935,144	903,299	887,870
Supplies and materials	118,750	109,750	91,989
Equipment	5,000	5,000	3,240

(Continued)

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	61,934	9,952
	2,225	11,625
		150
	3,549,552	78,520
	251,660	97,040
	140,534	59,324
	166,780	303
	67,183	(679)
	816	
	3,571,751	128,444
	330,631	33,169
	140,484	(140,484)
	1,131,151	17,552
	98,810	49,860
	3,908	3,592
	1,676,061	5,755
	102,702	237
	5,724	45,741
	295,487	(733)
	4,335	5,911
	409,870	32,144
	163,725	27,146
	1,560	440
	887,870	15,429
	91,989	17,761
	3,240	1,760

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 GENERAL CORPORATE FUND (Continued)
 Year ended November 30, 2013

	Budgeted Amounts		Actual
	Original	Final	Amounts Budgetary Basis
Expenditures, continued:			
Judiciary and Court-Related, continued:			
Probation Officers:			
Personnel	1,920,449	1,920,449	1,898,489
Supplies and materials	372,047	372,048	362,772
Equipment	386	386	326
Probation - Drug Court:			
Personnel		57,013	41,687
Supplies and materials		12,000	1,750
Public Health and Welfare:			
Superintendent, Regional Office of Education:			
Personnel	107,911	107,911	102,563
Supplies and materials	48,748	48,748	48,594
Environmental Management:			
Personnel	130,652	130,652	107,172
Supplies and materials	109,950	111,950	96,131
Equipment	50,000	50,000	16,242
Total expenditures	19,899,227	20,690,408	19,735,007
Excess (deficiency) of revenues over (under) expenditures	(2,406,782)	(2,819,437)	(662,811)
Other financing sources (uses):			
Transfers in	844,378	910,878	831,866
Transfers out	(95,000)	(95,000)	(95,000)
Total other financing sources (uses)	749,378	815,878	736,866
Net change in fund balance	\$ (1,657,404)	(2,003,559)	74,055
Budgetary fund balance, beginning of year			10,089,528
Budgetary fund balance, end of year			\$ 10,163,583

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	1,898,489	21,960
	362,772	9,276
	326	60
	41,687	15,326
	1,750	10,250
	102,563	5,348
	48,594	154
	107,172	23,480
	96,131	15,819
	16,242	33,758
-	19,735,007	955,401
(12,605)	(675,416)	2,156,626
	831,866	(79,012)
	(95,000)	
-	736,866	(79,012)
(12,605)	61,450	2,077,614

MACON COUNTY, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 ILLINOIS MUNICIPAL RETIREMENT FUND
 Year ended November 30, 2013**

	Budgeted Amounts	
	Original	Final
Revenues:		
Property taxes	\$ 2,100,000	2,100,000
Interest on investments	600	600
	<hr/>	<hr/>
Total revenues	2,100,600	2,100,600
Expenditures:		
General Control and Administration:		
Personnel - IMRF Agent Trust Fund	234,245	234,245
Public Safety:		
Personnel - IMRF Agent Trust Fund	1,235,665	1,235,665
Judiciary and Court-Related:		
Personnel - IMRF Agent Trust Fund	595,083	595,083
Public Health and Welfare:		
Personnel - IMRF Agent Trust Fund	45,731	45,731
	<hr/>	<hr/>
Total expenditures	2,110,724	2,110,724
Net change in fund balance	<hr/> <hr/> \$ (10,124)	<hr/> <hr/> (10,124)
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
2,032,251	28,720	2,060,971	(67,749)
146		146	(454)
<u>2,032,397</u>	<u>28,720</u>	<u>2,061,117</u>	<u>(68,203)</u>
248,620		248,620	(14,375)
1,324,102		1,324,102	(88,437)
637,674		637,674	(42,591)
49,004		49,004	(3,273)
<u>2,259,400</u>	<u>-</u>	<u>2,259,400</u>	<u>(148,676)</u>
(227,003)	28,720	(198,283)	(216,879)
<u>1,193,546</u>			
<u>\$ 966,543</u>			

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY HEALTH FUND
 Year ended November 30, 2013

	Budgeted Amounts	
	Original	Final
Revenues:		
Taxes	\$ 1,623,861	1,623,861
Intergovernmental	3,912,888	4,943,207
Fines, fees, forfeitures	275,500	405,500
Licenses and permits	243,270	245,770
Interest on investments	2,000	2,000
Miscellaneous revenue	30,250	307,294
Total revenues	<u>6,087,769</u>	<u>7,527,632</u>
Expenditures:		
Current:		
Public Health and Welfare:		
Personnel	4,475,795	4,832,709
Supplies and materials	1,175,352	1,911,504
Equipment	154,277	563,776
Debt Service:		
Principal	65,000	65,000
Interest	29,999	31,192
Total expenditures	<u>5,900,423</u>	<u>7,404,181</u>
Excess of revenues over expenditures	<u>187,346</u>	<u>123,451</u>
Other financing sources (uses):		
Transfers out	<u>(88,848)</u>	<u>(92,314)</u>
Total other financing sources (uses)	<u>(88,848)</u>	<u>(92,314)</u>
Net change in fund balance	<u>\$ 98,498</u>	<u>31,137</u>
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
1,575,773	17,942	1,593,715	(48,088)
4,967,164		4,967,164	23,957
411,450		411,450	5,950
225,588		225,588	(20,182)
1,484		1,484	(516)
31,855		31,855	(275,439)
<u>7,213,314</u>	<u>17,942</u>	<u>7,231,256</u>	<u>(314,318)</u>
4,432,291		4,432,291	400,418
1,560,596		1,560,596	350,908
509,348		509,348	54,428
62,985		62,985	2,015
28,601		28,601	2,591
<u>6,593,821</u>	<u>-</u>	<u>6,593,821</u>	<u>810,360</u>
<u>619,493</u>	<u>17,942</u>	<u>637,435</u>	<u>496,042</u>
<u>(88,848)</u>		<u>(88,848)</u>	<u>3,466</u>
<u>(88,848)</u>	<u>-</u>	<u>(88,848)</u>	<u>3,466</u>
<u>530,645</u>	<u>17,942</u>	<u>548,587</u>	<u>499,508</u>
<u>1,589,478</u>			
<u>\$ 2,120,123</u>			

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY HIGHWAY FUND
 Year ended November 30, 2013

	Budgeted Amounts	
	Original	Final
Revenues:		
Taxes	\$ 1,500,000	1,500,000
Intergovernmental	10,300	10,300
Interest on investments	2,100	2,100
Miscellaneous revenue	29,200	29,200
Total revenues	<u>1,541,600</u>	<u>1,541,600</u>
Expenditures:		
Current:		
Transportation:		
Personnel	989,388	989,388
Supplies and materials	766,000	747,000
Equipment	1,256,000	1,275,000
Total expenditures	<u>3,011,388</u>	<u>3,011,388</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,469,788)</u>	<u>(1,469,788)</u>
Other financing sources (uses):		
Transfers in	250,000	250,000
Transfers out	(137,566)	(137,566)
Total other financing sources (uses)	<u>112,434</u>	<u>112,434</u>
Net change in fund balance	<u>\$ (1,357,354)</u>	<u>(1,357,354)</u>
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
1,455,956	16,121	1,472,077	(44,044)
397,629		397,629	387,329
732		732	(1,368)
74,681		74,681	45,481
<u>1,928,998</u>	<u>16,121</u>	<u>1,945,119</u>	<u>387,398</u>
810,820		810,820	178,568
449,577		449,577	297,423
<u>1,117,930</u>		<u>1,117,930</u>	<u>157,070</u>
<u>2,378,327</u>	<u>-</u>	<u>2,378,327</u>	<u>633,061</u>
<u>(449,329)</u>	<u>16,121</u>	<u>(433,208)</u>	<u>1,020,459</u>
200,000		200,000	(50,000)
<u>(137,566)</u>		<u>(137,566)</u>	
<u>62,434</u>	<u>-</u>	<u>62,434</u>	<u>(50,000)</u>
<u>(386,895)</u>	<u>16,121</u>	<u>(370,774)</u>	<u>970,459</u>
<u>1,256,784</u>			
<u>\$ 869,889</u>			

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 FEDERAL AID MATCHING FUND
 Year ended November 30, 2013

	Budgeted Amounts	
	Original	Final
Revenues:		
Taxes	\$ 440,000	440,000
Intergovernmental	4,000	4,000
Interest on investments	500	500
Miscellaneous revenue		
Total revenues	<u>444,500</u>	<u>444,500</u>
Expenditures:		
Current:		
Transportation:		
Supplies and materials	<u>840,000</u>	<u>1,954,000</u>
Net change in fund balance	<u>\$ (395,500)</u>	<u>(1,509,500)</u>
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
427,096	4,729	431,825	(12,904)
1,164,100		1,164,100	1,160,100
965		965	465
<u>1,592,161</u>	<u>4,729</u>	<u>1,596,890</u>	<u>1,147,661</u>
<u>2,098,700</u>		<u>2,098,700</u>	<u>(144,700)</u>
(506,539)	4,729	(501,810)	1,002,961
<u>497,485</u>			
<u>\$ (9,054)</u>			

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 SPECIAL BRIDGE FUND
 Year ended November 30, 2013

	Budgeted Amounts	
	Original	Final
Revenues:		
Taxes	\$ 515,000	515,000
Intergovernmental	3,000	3,000
Interest on investments	2,100	2,100
Miscellaneous revenue	10,000	10,000
Total revenues	<u>530,100</u>	<u>530,100</u>
Expenditures:		
Current:		
Transportation:		
Supplies and materials	950,000	950,000
Total expenditures	<u>950,000</u>	<u>950,000</u>
Net change in fund balance	<u>\$ (419,900)</u>	<u>(419,900)</u>
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
499,937	5,536	505,473	(15,063)
138,798		138,798	135,798
1,276		1,276	(824)
			(10,000)
640,011	5,536	645,547	109,911
805,244		805,244	144,756
805,244	-	805,244	144,756
(165,233)	5,536	(159,697)	254,667
1,049,263			
\$ 884,030			

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 COUNTY MOTOR FUEL TAX FUND
 Year ended November 30, 2013

	Budgeted Amounts	
	Original	Final
Revenues:		
Intergovernmental	\$ 1,870,100	1,870,100
Interest on investments	5,100	5,100
Miscellaneous revenue	500	500
Total revenues	<u>1,875,700</u>	<u>1,875,700</u>
Expenditures:		
Current:		
Transportation:		
Personnel	812,640	812,640
Supplies and materials	1,000,000	1,000,000
Equipment	100,000	100,000
Total expenditures	<u>1,912,640</u>	<u>1,912,640</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,940)</u>	<u>(36,940)</u>
Other financing sources (uses):		
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>
Net change in fund balance	<u>\$ (236,940)</u>	<u>(236,940)</u>
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
2,205,363		2,205,363	335,263
2,012		2,012	(3,088)
			(500)
<u>2,207,375</u>	-	<u>2,207,375</u>	<u>331,675</u>
731,505		731,505	81,135
589,716		589,716	410,284
			100,000
<u>1,321,221</u>	-	<u>1,321,221</u>	<u>591,419</u>
<u>886,154</u>	-	<u>886,154</u>	<u>923,094</u>
<u>(200,000)</u>		<u>(200,000)</u>	
<u>(200,000)</u>	-	<u>(200,000)</u>	-
<u>686,154</u>	-	<u>686,154</u>	<u>923,094</u>
<u>1,406,298</u>			
<u>\$ 2,092,452</u>			

MACON COUNTY, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
MULTI-FACILITY LEASE FUND
Year ended November 30, 2013**

	Budgeted Amounts	
	Original	Final
Revenues:		
Taxes	\$ 4,751,104	4,751,104
Intergovernmental	665,000	784,021
Interest on investments	3,000	3,000
Miscellaneous		
Total revenues	5,419,104	5,538,125
Expenditures:		
Current:		
General Control and Administration:		
Public Building Commission lease payments	850,475	852,311
Public Safety:		
Public Building Commission lease payments	2,575,374	2,580,936
Judiciary and Court-Related:		
Public Building Commission lease payments	1,058,694	1,060,981
Public Health and Welfare:		
Public Building Commission grant		119,021
Debt Service:		
Principal	1,000,000	970,000
Interest	82,563	102,878
Total expenditures	5,567,106	5,686,127
Net change in fund balance	\$ (148,002)	(148,002)
Budgetary fund balance, beginning of year		
Budgetary fund balance, end of year		

Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
4,641,215	38,457	4,679,672	(109,889)
1,366,833		1,366,833	582,812
3,176		3,176	176
5,371		5,371	5,371
<u>6,016,595</u>	<u>38,457</u>	<u>6,055,052</u>	<u>478,470</u>
888,420		888,420	(36,109)
2,690,281		2,690,281	(109,345)
1,105,930		1,105,930	(44,949)
119,021		119,021	
970,000		970,000	
102,878		102,878	
<u>5,876,530</u>	<u>-</u>	<u>5,876,530</u>	<u>(190,403)</u>
140,065	<u>38,457</u>	<u>178,522</u>	<u>288,067</u>
<u>7,507,391</u>			
<u>\$ 7,647,456</u>			

MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS

November 30, 2013

Illinois Municipal Retirement Fund

Schedule of Funding Progress - Regular

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 44,518,287	55,587,388	11,069,101	80.09	17,803,347	62.17%
12/31/12	40,811,231	52,914,428	12,103,197	77.13	17,459,454	69.32%
12/31/11	39,344,186	50,842,366	11,498,180	77.38	16,665,608	68.99%

Schedule of Funding Progress - Elected County Officials

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 2,035,061	3,786,652	1,751,591	53.74	571,295	306.60%
12/31/12	1,514,828	4,039,503	2,524,675	37.50	738,313	341.95%
12/31/11	1,824,447	4,649,287	2,824,840	39.24	735,682	383.98%

Schedule of Funding Progress - Sheriff Law Enforcement Personnel

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 8,466,547	15,378,491	6,911,944	55.05	3,351,343	206.24%
12/31/12	6,794,586	14,333,054	7,538,468	47.41	3,200,589	235.53%
12/31/11	5,975,218	13,405,327	7,430,109	44.57	3,171,276	234.29%

On a market value basis, the actuarial value of assets as of December 31, 2013 for Regular, ECO and SLEP is \$ 52,899,036, \$ 2,572,778 and \$ 11,047,874, respectively. On a market basis, the funded ratio for Regular, ECO and SLEP would be 95.16%, 67.94% and 71.84% respectively.

The actuarial value of assets and accrued liabilities cover active and inactive members who have service credit with Macon County. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

(Continued)

MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS (Continued)

November 30, 2013

Postemployment Benefits

Schedule of Funding Progress - Postemployment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/1/12	\$ -	2,273,385	2,273,385	0%	Not Available	Not Available
12/1/11	-	2,773,561	2,773,561	0%	Not Available	Not Available
12/1/10	-	2,773,561	2,773,561	0%	20,305,451	13.66%

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

November 30, 2013

Note 1 - Budgetary Process

The budget and appropriations ordinance is prepared on the budgetary basis of accounting. The appropriations ordinance is the County Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Board.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. These appropriations were made before the end of the prior year and before the year end fund balances were known. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended budget as of November 30, 2013.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) An appropriations budget is legally adopted through the budgetary process on an annual fiscal year basis for the General Fund; Special Revenue Funds (except for the Working Cash Fund, State's Attorney Drug Fund, State's Attorney Forfeited Federal Fund, Sheriff's Drug Fund, and Probation and Court Services Fund); Capital Project Funds and the Internal Service Fund. The State's Attorney Automation Fund has the authority to authorize appropriations but did not for 2013.
- 2) Officeholders prepare their original appropriated budget requests in June and July.
- 3) The officeholders meet with their respective oversight committees and revise the original appropriated budget amounts during July through August.
- 4) The various committees present their revised appropriated budget requests to the Finance Committee at a series of budget hearings held during August through October.
- 5) As approved by the Finance Committee, a display budget is prepared in October for a mandatory 15 day public display.
- 6) The appropriated budget is reviewed and legally adopted by the Macon County Board in a regular or special session held in November preceding the new fiscal year.
- 7) The appropriated budget is prepared under the modified accrual basis of accounting as required by generally accepted accounting principles (GAAP) except for property tax revenue, which is budgeted on the cash basis, and encumbrances, which are recorded as expenditures for budgetary reporting. The Budget Basis of Accounting footnote shows the nature and amounts of basis and timing differences necessary to reconcile the Non-GAAP actual to GAAP actual at the fund type level.
- 8) Transfers of budgeted amounts between funds or any amendments to the originally approved budget by means of an emergency or supplemental appropriation require approval by two-thirds of the County Board members. Budget amendments are typically made if a new revenue source had been secured or identified. Budget amendments were made during the fiscal year.

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

November 30, 2013

Note 1 - Budgetary Process, continued

- 9) Expenditures are classified into three broad categories - personnel, supplies and materials, and equipment. Transfers of budgeted line items may be made within an expenditure category of a fund by the elected official or department head without seeking approval of the County Board. Transfers or any budget amendments made during the year are reflected in the budget information included in the financial statements.
- 10) Formal budgetary integration is employed as a management control device during the year through an internal reporting basis for all budgeted funds. It is budgetary control policy that expenditures do not exceed appropriations. The legal level of budgetary control (level at which disbursements may not exceed budgets) is at the "three broad categories" level (personnel, supplies and materials, and equipment); however, budgetary control is also maintained with each department at the line item level. The County uses an encumbrance accounting system.
- 11) All nonencumbered appropriations lapse at year end, requiring reappropriation the following fiscal year.

Note 2 - Budgetary Basis of Accounting

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

1. Property tax revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

November 30, 2013

Note 2 - Budgetary Basis of Accounting, continued

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

	General Fund	Illinois Municipal Retirement	County Health	County Highway	Federal Aid Matching	Special Bridge	Multi- Facility Lease
Net change in fund balance:							
GAAP basis, November 30, 2013	\$ 61,450	(198,283)	548,587	(370,774)	(501,810)	(159,697)	178,522
Taxes receivable at November 30, 2012	134,151	63,015	53,842	49,401	14,492	16,962	169,837
Taxes receivable at November 30, 2013	(121,546)	(91,735)	(71,784)	(65,522)	(19,221)	(22,498)	(208,294)
Encumbrances recognized as expenditures per budget basis at November 30, 2012	1,010					241,938	
Encumbrances recognized as expenditures per budget basis at November 30, 2013	(1,010)					(241,938)	
Budget basis	\$ 74,055	(227,003)	530,645	(386,895)	(506,539)	(165,233)	140,065

Note 3 - Excess of Expenditures over Appropriations

Excess of expenditures over appropriations for the year ended November 30, 2013 are as follows:

	Expenditures	Appropriations	Variance
Major Funds:			
Illinois Municipal Retirement Fund	\$ 2,259,400	2,110,724	148,676
Federal Aid Matching	2,098,700	1,954,000	144,700
Multi-Facility Lease Fund	5,876,530	5,686,127	190,403

COMBINING AND INDIVIDUAL FUND INFORMATION

GENERAL CORPORATE FUND

The General Corporate Fund is used to account for resources traditionally associated with government which are not required legally, or by sound financial management to be accounted for in another fund.

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

BALANCE SHEET

November 30, 2013

Assets

Cash	\$ 8,220,893
Investments, at cost	509
Taxes receivable	121,546
Accounts receivable	135,194
Inventory	21,257
Due from governmental agencies:	
State of Illinois	1,544,338
Other governmental agencies	225,997
Prepaid items	20,545
Restricted cash	91,298
Due from other funds	1,491,859
	<hr/>
Total assets	11,873,436

Liabilities

Accounts payable	518,010
Accrued salaries	288,037
Cash held for others	11,273
Due to other governments	14,918
Deferred revenue	343,298
Due to other funds	411,761
	<hr/>
Total liabilities	1,587,297

Fund Balances

Nonspendable	41,802
Restricted	106,225
Unrestricted:	
Committed	2,710,154
Unassigned	7,427,958
	<hr/>
Total fund balances	10,286,139

Total liabilities and fund balances	<hr/> <hr/>
	\$ 11,873,436

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Year ended November 30, 2013

Revenues:	
Taxes	\$ 8,481,860
Intergovernmental	3,699,069
Fines, fees, forfeitures	4,132,430
Licenses and permits	77,843
Interest on investments	35,802
Miscellaneous revenue	<u>2,632,587</u>
Total revenues	<u>19,059,591</u>
Expenditures:	
Current:	
General control and administration	3,949,015
Public safety	8,078,041
Judiciary and court-related	7,166,698
Public health and welfare	354,460
Capital outlay	<u>186,793</u>
Total expenditures	<u>19,735,007</u>
Excess of revenues over expenditures	<u>(675,416)</u>
Other financing sources (uses):	
Transfers in	831,866
Transfers out	<u>(95,000)</u>
Total other financing sources (uses)	<u>736,866</u>
Net change in fund balance	61,450
Fund balance, beginning of year	<u>10,224,689</u>
Fund balance, end of year	<u>\$ 10,286,139</u>

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Taxes:			
Property taxes	\$ 2,782,379	2,743,262	(39,117)
Retailers' occupational tax	3,531,635	3,197,301	(334,334)
Illinois State income tax	1,600,344	1,828,539	228,195
Illinois personal property replacement tax	574,071	725,363	151,292
Total revenues, taxes	<u>8,488,429</u>	<u>8,494,465</u>	<u>6,036</u>
Intergovernmental:			
Contracts, municipalities	600,000	573,321	(26,679)
State Board of Elections	65,000	29,775	(35,225)
Salary reimbursements	1,042,949	1,137,749	94,800
Sheriff training reimbursement	18,000	13,461	(4,539)
Federal prisoner contract	796,000	1,501,932	705,932
Electronic Recycle Grant	2,000	2,000	
Death certificate reimbursement		4,989	4,989
Illinois Department of Human Services, IV-D:			
Circuit Clerk IV-D	58,952	42,553	(16,399)
State's Attorney Child Support Enforcement	305,000	287,957	(17,043)
City mapping contract		64	64
Township assessor contracts	2,000		(2,000)
State's Attorney Grants:			
Attorney General Victim Witness	20,000	26,500	6,500
708 Board Deferred Prosecution	24,605	24,665	60
708 Board Drug Court	38,250	25,173	(13,077)
Public Defender Grants:			
Mental Health Board Grant	10,600	7,600	(3,000)
Probation:			
Mental Health Board Grant	15,000	21,330	6,330
Total revenues, intergovernmental	<u>2,998,356</u>	<u>3,699,069</u>	<u>700,713</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Revenues (continued):			
Fines, fees, forfeitures:			
Circuit Clerk	\$ 1,777,740	1,845,844	68,104
State's Attorney	391,600	384,909	(6,691)
County Recorder	415,000	469,689	54,689
County Sheriff	367,000	299,511	(67,489)
County Coroner	21,989	25,375	3,386
County Collector	406,000	384,993	(21,007)
County Clerk	310,000	310,495	495
County Board	20,000	241	(19,759)
Public Defender Behavioral Court Fee	1,464	7,254	5,790
Drug Court fees	12,000	2,273	(9,727)
General Host Fee	250,000	401,846	151,846
Total revenues, fines, fees, forfeitures	3,972,793	4,132,430	159,637
Licenses and permits:			
Building, rezoning permits	70,000	72,693	2,693
Liquor license	5,000	5,150	150
Total revenues, licenses and permits	75,000	77,843	2,843
Interest on investments	16,600	35,802	19,202
Miscellaneous revenues:			
Miscellaneous receipts and refunds	6,450	21,932	15,482
Copy and fax	2,000	3,610	1,610
State's Attorney		1,573	1,573
Planning and Zoning	1,000	14,363	13,363
Probation	2,500	1,000	(1,500)
Sheriff sales and commissions	764,858	490,974	(273,884)
Donations	44,538	273,239	228,701
Health insurance premiums received	1,406,447	1,525,210	118,763
Commissary revenue		146,727	146,727
Franchise fees	92,000	153,959	61,959
Total miscellaneous revenues	2,319,793	2,632,587	312,794
Total revenues	17,870,971	19,072,196	1,201,225

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures:			
General Control and Administration:			
County Clerk:			
Salaries	\$ 218,548	216,893	1,655
Hospitalization	47,772	47,772	
	<u>266,320</u>	<u>264,665</u>	<u>1,655</u>
Postage	10,000	9,557	443
Telephone	1,500	1,506	(6)
Copy machine	1,500	1,055	445
Supplies	14,000	12,974	1,026
Legal advertising	200	139	61
EDP	22,000	21,683	317
Miscellaneous	1,000	236	764
	<u>50,200</u>	<u>47,150</u>	<u>3,050</u>
Total County Clerk	<u>316,520</u>	<u>311,815</u>	<u>4,705</u>
County Clerk - Elections:			
Salaries	166,660	115,977	50,683
Hospitalization	15,924	15,924	
	<u>182,584</u>	<u>131,901</u>	<u>50,683</u>
Rental polling places	3,110	2,770	340
Postage	35,000	28,195	6,805
Legal advertising	22,740	22,340	400
Supplies	250,000	212,746	37,254
Judge fees	150	150	
Miscellaneous drayage	11,000	6,473	4,527
	<u>322,000</u>	<u>272,674</u>	<u>49,326</u>
Total County Clerk - Elections	<u>504,584</u>	<u>404,575</u>	<u>100,009</u>
County Recorder:			
Salaries	158,170	154,087	4,083
Hospitalization	39,810	39,810	
	<u>197,980</u>	<u>193,897</u>	<u>4,083</u>
Travel	2,300	2,297	3
Postage	529	460	69
Dues	395	395	
Telephone	2,400	2,237	163
Maintenance of equipment	40		40
Copy machine	2,851	2,849	2
Supplies	3,080	2,953	127
	<u>11,595</u>	<u>11,191</u>	<u>404</u>
Total County Recorder	<u>209,575</u>	<u>205,088</u>	<u>4,487</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
County Treasurer:			
Salaries	\$ 213,862	214,383	(521)
Hospitalization	39,810	39,810	
	<u>253,672</u>	<u>254,193</u>	<u>(521)</u>
Postage	34,050	33,943	107
Telephone	2,400	2,573	(173)
Legal advertising	3,500	3,256	244
Dues	600	500	100
Copy machine	480	535	(55)
EDP	20,650	20,631	19
Maintenance of equipment	200	158	42
Travel	200	145	55
Training	150	525	(375)
Supplies	1,300	1,190	110
Printing	2,800	2,752	48
	<u>66,330</u>	<u>66,208</u>	<u>122</u>
Total County Treasurer	<u>320,002</u>	<u>320,401</u>	<u>(399)</u>
Auditor:			
Salaries	275,380	272,929	2,451
Hospitalization	47,772	47,772	
	<u>323,152</u>	<u>320,701</u>	<u>2,451</u>
Postage	2,380	2,379	1
Telephone	2,300	2,293	7
Travel	550	105	445
Supplies	4,500	3,400	1,100
Legal advertising	400	75	325
EDP	10,960	10,158	802
Training	1,000	30	970
Dues	1,010	1,010	
Copy machine	850	625	225
Professional services	3,900	3,310	590
	<u>27,850</u>	<u>23,385</u>	<u>4,465</u>
Total Auditor	<u>351,002</u>	<u>344,086</u>	<u>6,916</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
Auditor - Human Resources:			
Salaries	\$ 44,000	35,125	8,875
Hospitalization	7,962	7,299	663
	<u>51,962</u>	<u>42,424</u>	<u>9,538</u>
Telephone	300		300
Travel	500	118	382
Supplies	300	260	40
EDP	29,965	30,311	(346)
Training	6,000	5,575	425
Dues	200	180	20
Contractual	435	435	
	<u>37,700</u>	<u>36,879</u>	<u>821</u>
Total Auditor - Human Resources	<u>89,662</u>	<u>79,303</u>	<u>10,359</u>
County Board:			
Salaries	176,276	174,595	1,681
Hospitalization	63,696	64,360	(664)
	<u>239,972</u>	<u>238,955</u>	<u>1,017</u>
Facility lease	45,000	45,000	
Travel	1,200	788	412
Postage	1,000	491	509
Library	300		300
Telephone	4,500	4,005	495
Maintenance of equipment	250		250
Legal advertising	1,400	1,550	(150)
Copy machine	800	587	213
Contractual services	94,350	52,538	41,812
Dues	2,400	3,825	(1,425)
Training	2,800	2,218	582
Supplies	2,100	1,621	479
Car expense	3,000	2,731	269
Economic development	4,500	4,000	500
Nuisance expense	5,000	1,748	3,252
Demolition expense	15,000		15,000
Zoning board of appeals	1,650	1,050	600
Safety commission expense	1,600	777	823
Miscellaneous	250	126	124
	<u>187,100</u>	<u>123,055</u>	<u>64,045</u>
Total County Board	<u>427,072</u>	<u>362,010</u>	<u>65,062</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
Supervisor of Assessments:			
Salaries	\$ 215,489	209,873	5,616
Hospitalization	53,364	45,251	8,113
	<u>268,853</u>	<u>255,124</u>	<u>13,729</u>
Travel	1,800	1,526	274
Training	4,000	3,813	187
Dues	325	325	
Legal advertising	19,000	11,076	7,924
Copy machine	2,800	1,250	1,550
Supplies	4,500	3,660	840
Car expense, field assessors	9,650	8,754	896
Postage	10,000	5,386	4,614
Telephone	1,250	1,232	18
	<u>53,325</u>	<u>37,022</u>	<u>16,303</u>
Total Supervisor of Assessments	<u>322,178</u>	<u>292,146</u>	<u>30,032</u>
Board of Review:			
Salaries	48,000	48,000	
Hospitalization	23,886	13,934	9,952
	<u>71,886</u>	<u>61,934</u>	<u>9,952</u>
Travel	500		500
Training	650		650
Supplies	200		200
Postage	1,500	491	1,009
Appraisal research	10,000	892	9,108
Legal advertising	1,000	842	158
	<u>13,850</u>	<u>2,225</u>	<u>11,625</u>
Total Board of Review	<u>85,736</u>	<u>64,159</u>	<u>21,577</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
Miscellaneous:			
Telephone	\$ 746	(197)	943
CPA	93,585	93,585	
Supplies	31,486	19,253	12,233
Network - EDP	24,300	24,958	(658)
Postage	9,039	7,807	1,232
Training	872		872
Miscellaneous	1,030	454	576
Hospitalization	1,489,357	1,417,468	71,889
Sick bank expense	7,500	2,104	5,396
Total Miscellaneous	1,657,915	1,565,432	92,483
Total General Control and Administration	4,284,246	3,949,015	335,231
Public Safety:			
County Sheriff:			
Salaries	3,628,072	3,549,552	78,520
Travel	2,000	261	1,739
Investigation	3,800	3,772	28
Law enforcement training	26,200	26,117	83
Postage	10,000	4,801	5,199
Cars - gas, oil, tires	151,100	151,171	(71)
Copy machine	17,200	10,386	6,814
Telephone	29,200	28,950	250
Youth Advocate service grant	6,000	6,000	
Legal advertising	2,000	1,376	624
Supplies	100	34	66
Uniforms	900	876	24
Community Outreach	100,000	17,900	82,100
Merit commission	200	16	184
Total County Sheriff	3,976,772	3,801,212	175,560

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Public Safety (continued):			
Coroner:			
Salaries	\$ 143,197	142,894	303
Hospitalization	23,886	23,886	
	<u>167,083</u>	<u>166,780</u>	<u>303</u>
Travel	794	794	
Investigation	2,878	2,878	
Autopsy - medical	54,955	55,533	(578)
Postage	263	263	
Maintenance of equipment	1,845	1,845	
Dues	500	591	(91)
Supplies	3,137	3,137	
Telephone	2,132	2,142	(10)
	<u>66,504</u>	<u>67,183</u>	<u>(679)</u>
Total Coroner	<u>233,587</u>	<u>233,963</u>	<u>(376)</u>
Law Facilities Center:			
Salaries and payroll	3,700,195	3,571,751	128,444
	<u>3,700,195</u>	<u>3,571,751</u>	<u>128,444</u>
Training	35,000	22,122	12,878
Transport prisoners	15,000	8,494	6,506
Testing	1,480	659	821
Maintenance of equipment	2,800	2,653	147
Supplies	10,200	10,483	(283)
Supplies, law enforcement	4,900	4,837	63
Supplies, laundry	100		100
Uniforms and related items	15,000	9,119	5,881
Dietary	279,000	272,000	7,000
Copy machine	20	15	5
Travel	300	249	51
	<u>363,800</u>	<u>330,631</u>	<u>33,169</u>
Total Law Facilities Center	<u>4,063,995</u>	<u>3,902,382</u>	<u>161,613</u>
Jail - Commissary:			
Commissary supplies		140,484	(140,484)
Total Jail - Commissary	<u>-</u>	<u>140,484</u>	<u>(140,484)</u>
Total Public Safety	<u>8,274,354</u>	<u>8,078,041</u>	<u>196,313</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related:			
Circuit Clerk:			
Salaries	\$ 881,259	878,979	2,280
Hospitalization	246,822	236,206	10,616
Fringes	20,622	15,966	4,656
	<u>1,148,703</u>	<u>1,131,151</u>	<u>17,552</u>
Travel	500	352	148
Supplies	30,400	29,796	604
Postage	30,000	32,349	(2,349)
Telephone	9,100	7,807	1,293
Dues	470	445	25
Jury fees	60,000	11,185	48,815
Jury meals	1,700	1,017	683
Jury parking	7,200	7,200	
General	5,000	4,154	846
Legal advertising	4,300	4,505	(205)
	<u>148,670</u>	<u>98,810</u>	<u>49,860</u>
Total Circuit Clerk	<u>1,297,373</u>	<u>1,229,961</u>	<u>67,412</u>
State's Attorney:			
Salaries	1,458,880	1,454,923	3,957
Hospitalization	222,936	221,138	1,798
	<u>1,681,816</u>	<u>1,676,061</u>	<u>5,755</u>
Supplies	2,161	2,161	
Court costs, transcripts, appeals	13,235	13,235	
Investigations	7,336	7,336	
Appellate services	20,000	20,000	
Institute training	2,295	2,459	(164)
Postage	5,125	4,970	155
Telephone	22,000	21,506	494
State's Attorney's library	9,702	9,702	
Copy machine	10,752	11,000	(248)
Travel	1,690	1,690	
Contractual	8,540	8,540	
Miscellaneous	103	103	
	<u>102,939</u>	<u>102,702</u>	<u>237</u>
Total State's Attorney	<u>1,784,755</u>	<u>1,778,763</u>	<u>5,992</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
State's Attorney, Title IV-D, Public Aid:			
Salaries	\$ 225,968	217,626	8,342
Hospitalization	68,786	77,861	(9,075)
	<u>294,754</u>	<u>295,487</u>	<u>(733)</u>
Postage	4,000	3,387	613
Institute training	1,000		1,000
Copy machine	700		700
Court costs, appeals	4,546	948	3,598
	<u>10,246</u>	<u>4,335</u>	<u>5,911</u>
Total State's Attorney, Title IV-D, Public Aid	<u>305,000</u>	<u>299,822</u>	<u>5,178</u>
Probation Officers:			
Salaries	1,665,665	1,646,359	19,306
Hospitalization	254,784	252,130	2,654
	<u>1,920,449</u>	<u>1,898,489</u>	<u>21,960</u>
Travel	2,000	1,903	97
Postage	4,500	3,605	895
Telephone	15,000	13,719	1,281
Supplies	3,750	3,077	673
Gas and oil	17,000	11,835	5,165
Electronic monitoring	15,060	16,316	(1,256)
Offender services	42,246	41,568	678
EDP	18,000	16,493	1,507
Institute training	1,820	1,584	236
Contractual services	250,692	250,692	
Dues	1,980	1,980	
	<u>372,048</u>	<u>362,772</u>	<u>9,276</u>
Total Probation Officers	<u>2,292,497</u>	<u>2,261,261</u>	<u>31,236</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
Drug Court:			
Salaries	\$ 51,705	36,379	15,326
Hospitalization	5,308	5,308	
	<u>57,013</u>	<u>41,687</u>	<u>15,326</u>
Contractual services	12,000	1,750	10,250
	<u>12,000</u>	<u>1,750</u>	<u>10,250</u>
Total Drug Court	<u>69,013</u>	<u>43,437</u>	<u>25,576</u>
Public Defender:			
Salaries	791,831	776,402	15,429
Hospitalization	111,468	111,468	
	<u>903,299</u>	<u>887,870</u>	<u>15,429</u>
Telephone	2,500	2,465	35
Postage	1,500	514	986
EDP	3,000	2,496	504
Contractual services	72,290	71,812	478
Publications	1,500	1,154	346
Supplies	5,000	2,296	2,704
Investigations	5,500	2,819	2,681
Witness expense	1,500	371	1,129
Mental exams, court costs	12,500	7,200	5,300
Transcripts	4,460	862	3,598
	<u>109,750</u>	<u>91,989</u>	<u>17,761</u>
Total Public Defender	<u>1,013,049</u>	<u>979,859</u>	<u>33,190</u>
Circuit Court:			
Salaries, Circuit Court	354,432	328,923	25,509
Hospitalization	87,582	80,947	6,635
	<u>442,014</u>	<u>409,870</u>	<u>32,144</u>
Mental exams	1,000		1,000
Transcripts	6,000	4,772	1,228
Jury fees	60,000	44,410	15,590
Juror mileage	6,500	5,110	1,390
Postage	1,500	927	573
Interpreters	4,933	1,580	3,353
Pro rata share of Circuit and Associate Judges' salaries	4,120	3,614	506

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
Circuit Court (continued):			
Attorney fees - Court of Appeals	\$ 41,618	47,497	(5,879)
Telephone	10,000	8,261	1,739
Maintenance of equipment	1,200	535	665
Supplies	5,000	2,320	2,680
Supplies, automation	5,000	1,612	3,388
Court and judge law library	23,720	25,791	(2,071)
CASA Program grant	15,000	15,000	
Training	1,280	204	1,076
Legal advertising	2,000	1,092	908
Contractual services	500		500
Circuit Court Chief Justice	1,500	1,000	500
	<u>190,871</u>	<u>163,725</u>	<u>27,146</u>
Total Circuit Court	<u>632,885</u>	<u>573,595</u>	<u>59,290</u>
Total Judiciary and Court-Related	<u>7,394,572</u>	<u>7,166,698</u>	<u>227,874</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures (continued):			
Public Health and Welfare:			
Superintendent, Regional Office of Education:			
Salaries	\$ 92,620	89,532	3,088
Hospitalization	15,291	13,031	2,260
	<u>107,911</u>	<u>102,563</u>	<u>5,348</u>
Superintendent travel	4,901	5,103	(202)
Utilities	5,268	4,766	502
Postage	3,633	2,248	1,385
Dues	1,702	1,702	
Telephone	3,647	3,616	31
Building maintenance, lease	26,260	26,260	
Copy machine	1,783	1,165	618
Unemployment insurance	744	2,930	(2,186)
Supplies	810	804	6
	<u>48,748</u>	<u>48,594</u>	<u>154</u>
Total Superintendent, Regional Office of Education	<u>156,659</u>	<u>151,157</u>	<u>5,502</u>
Environmental Management:			
Salaries	114,725	94,433	20,292
Hospitalization	15,927	12,739	3,188
	<u>130,652</u>	<u>107,172</u>	<u>23,480</u>
Grants, Municipal	21,000	20,188	812
Recycling programs	25,750	24,675	1,075
Environmental Management sundry	20,000	17,056	2,944
Contractual	7,500	3,480	4,020
Supplies	1,350	865	485
Maintenance equipment	3,850	1,517	2,333
Travel	6,500	5,788	712
Library	500	18	482
Education expense	7,500	7,807	(307)
Telephone	2,500	1,914	586
Training	3,000	2,962	38
Postage and printing	3,500	2,599	901
Promotional materials	9,000	7,262	1,738
	<u>111,950</u>	<u>96,131</u>	<u>15,819</u>
Total Environmental Management	<u>242,602</u>	<u>203,303</u>	<u>39,299</u>
Total Public Health and Welfare	<u>399,261</u>	<u>354,460</u>	<u>44,801</u>

(Continued)

MACON COUNTY, ILLINOIS

**GENERAL CORPORATE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
Year ended November 30, 2013**

	Budget	Actual	Variance
Expenditures (continued):			
Capital Outlay:			
County Administration	\$ 19,300	13,927	5,373
Circuit Clerk	7,500	3,908	3,592
Coroner	816	816	
State's Attorney	51,465	5,724	45,741
Supervisor of Assessments	500	425	75
Board of Review	150		150
Public Defender	5,000	3,240	1,760
Probation	386	326	60
Circuit Courts	2,000	1,560	440
Environmental Management	50,000	16,242	33,758
Sheriff Vehicles	199,858	140,534	59,324
Auditor	1,000	91	909
Total Capital Outlay	<u>337,975</u>	<u>186,793</u>	<u>151,182</u>
Total expenditures	<u>20,690,408</u>	<u>19,735,007</u>	<u>955,401</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,819,437)</u>	<u>(662,811)</u>	<u>2,156,626</u>
Other financing sources (uses):			
Transfers in:			
Fund administration fees	199,874	177,798	(22,076)
Transfer from other funds		5,642	5,642
Transfer from County Clerk Automation	48,000	48,000	
Probation and court services reimbursement	663,004	600,426	(62,578)
	<u>910,878</u>	<u>831,866</u>	<u>(79,012)</u>
Transfers out:			
Transfer to Animal Control	(95,000)	(95,000)	
Total other financing sources (uses)	<u>815,878</u>	<u>736,866</u>	<u>(79,012)</u>
Net changes in fund balance	<u>(2,003,559)</u>	74,055	<u>2,077,614</u>
Budgetary fund balance, beginning of year		<u>10,089,528</u>	
Budgetary fund balance, end of year		<u>\$ 10,163,583</u>	

COMBINING STATEMENTS
Nonmajor Governmental Funds

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS

November 30, 2013

	Special Revenue Funds			
	Law Enforcement Safety Tax Fund	Social Security Fund	Insurance Liability Fund	Judgment Repayment Fund
Assets				
Cash	\$ 565,394	730,741	647,148	1,415,160
Investments, at cost	251	64,809	244	489
Taxes receivable, net of allowance for uncollectibles		48,917	30,581	14,196
Accounts receivable	1,563			
Due from governmental agencies:				
State of Illinois	416,384			
Other governmental agencies			14,500	
Due from other funds		77,284	90,000	406
Total assets	983,592	921,751	782,473	1,430,251
Liabilities				
Accounts payable	53,278	537	1,156	16,988
Accrued salaries	11,800		826	3,870
Due to other funds	422,945	123,145	351	15,357
Total liabilities	488,023	123,682	2,333	36,215
Deferred Inflows of Resources				
Deferred revenue				
Fund Balances				
Restricted		798,069	780,140	1,294,036
Unrestricted:				
Committed	500,000			100,000
Unassigned	(4,431)			
Total fund balances	495,569	798,069	780,140	1,394,036
Total liabilities, deferred inflows of resources and fund balances	\$ 983,592	921,751	782,473	1,430,251

(Continued)

Special Revenue Funds

PEG Fund	Working Cash Fund	Regional Planning Commission Fund	State- Township Bridge Fund	Circuit Clerk Automation Fund	Circuit Clerk Document Storage Fund	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds
	313,532	41,054	106,470	220,720	96,026	112,891	49,928
	251	700	364		251	427	102
28							
	4,107					25,995	
4,135	313,783	41,754	106,834	220,720	96,277	139,313	50,030
		38,062	24,566	3,472	768	230	
			12,000	1,843	3,325		
				33	67	403	
-	-	38,062	36,566	5,348	4,160	633	-
4,135	313,783	3,692	70,268	215,372	92,117	138,680	50,030
4,135	313,783	3,692	70,268	215,372	92,117	138,680	50,030
4,135	313,783	41,754	106,834	220,720	96,277	139,313	50,030

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS (Continued)

November 30, 2013

	Special Revenue Funds			
	State's Attorney Automation Fund	County Clerk Automation Fund	Treasurer Automation Fund	GIS Automation Fund
Assets				
Cash	\$ 5,554	2,760	14,490	266,966
Investments, at cost				
Taxes receivable, net of allowance for uncollectibles				
Accounts receivable				
Due from governmental agencies:				
State of Illinois				
Other governmental agencies				2,073
Due from other funds				
Total assets	5,554	2,760	14,490	269,039
Liabilities				
Accounts payable	1,802		5,754	3,600
Accrued salaries			142	1,237
Due to other funds		8,000	14,776	3,475
Total liabilities	1,802	8,000	20,672	8,312
Deferred Inflows of Resources				
Deferred revenue				
Fund Balances				
Restricted	3,752			260,727
Unrestricted:				
Committed				
Unassigned		(5,240)	(6,182)	
Total fund balances	3,752	(5,240)	(6,182)	260,727
Total liabilities, deferred inflows of resources and fund balances	\$ 5,554	2,760	14,490	269,039

(Continued)

Special Revenue Funds

Sheriff's Drug Fund	Animal Control Fund	Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund	Environmental Management Fund	Veterans Assistance Commission Fund	Sheriff's Grant Fund
47,715	59,821	8,507	112,060	1,569,236	34,053	364,490	82,563	195,279
	25,014	8	275	251		252	253	
		1,379					6,556	
	1,760							
						12,502		12,375
	89,531							
	1,229	185	2,131			158	388	93,000
47,715	177,355	10,079	114,466	1,569,487	34,053	377,402	89,760	300,654
	10,176		2,101			158	1,340	
	11,814	731	592		2,053	782	1,765	4,410
	2,351			600,426	557	98	30	1,796
-	24,341	731	2,693	600,426	2,610	1,038	3,135	6,206
	119,596							
47,715	33,418	9,348	111,773	969,061	31,443	376,364	86,625	294,448
47,715	33,418	9,348	111,773	969,061	31,443	376,364	86,625	294,448
47,715	177,355	10,079	114,466	1,569,487	34,053	377,402	89,760	300,654

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS (Continued)

November 30, 2013

	<u>Special Revenue Funds</u>	
	State's Attorney Grant Fund	Probation Grant Fund
Assets		
Cash	\$ 119,014	22,464
Investments, at cost		
Taxes receivable, net of allowance for uncollectibles		
Accounts receivable		
Due from governmental agencies:		
State of Illinois	112,112	100,929
Other governmental agencies		
Due from other funds	<u>3,336</u>	<u>5</u>
Total assets	<u>234,462</u>	<u>123,398</u>
Liabilities		
Accounts payable	17,788	32,944
Accrued salaries	8,287	802
Due to other funds	<u>118,192</u>	<u>3,336</u>
Total liabilities	<u>144,267</u>	<u>37,082</u>
Deferred Inflows of Resources		
Deferred revenue	<u>56,527</u>	
Fund Balances		
Restricted	33,668	86,316
Unrestricted:		
Committed		
Unassigned		
Total fund balances	<u>33,668</u>	<u>86,316</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 234,462</u>	<u>123,398</u>

Special Revenue Capital Projects

Workforce Investment Solutions Fund	Special Revenue Funds	Capital Projects Funds	Total
	Total	Health Capital Improvements Fund	Nonmajor Governmental Funds
28,104	7,232,140	64,807	7,296,947
	93,941		93,941
	101,629		101,629
	3,351		3,351
108,145	762,447		762,447
	106,104		106,104
	298,224		298,224
<u>136,249</u>	<u>8,597,836</u>	<u>64,807</u>	<u>8,662,643</u>
108,911	323,631		323,631
7,515	61,794		61,794
80,881	1,408,219	3,639	1,411,858
<u>197,307</u>	<u>1,793,644</u>	<u>3,639</u>	<u>1,797,283</u>
13,686	189,809		189,809
	6,104,980	61,168	6,166,148
	600,000		600,000
(74,744)	(90,597)		(90,597)
<u>(74,744)</u>	<u>6,614,383</u>	<u>61,168</u>	<u>6,675,551</u>
<u>136,249</u>	<u>8,597,836</u>	<u>64,807</u>	<u>8,662,643</u>

MACON COUNTY, ILLINOIS

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

Year ended November 30, 2013

	Special Revenue Funds			
	Law Enforcement Safety Tax Fund	Social Security Fund	Insurance Liability Fund	Judgment Repayment Fund
Revenues:				
Taxes	\$ 2,430,055	1,099,018	687,042	318,945
Intergovernmental	82,146			
Fines, fees, forfeitures	143,414			
Interest on investments	721	119	464	1,975
Miscellaneous	13,702		14,500	48,385
Total revenues	<u>2,670,038</u>	<u>1,099,137</u>	<u>702,006</u>	<u>369,305</u>
Expenditures:				
Current:				
General control and administration		1,047,463	551,179	586,473
Public safety	2,657,417			
Judiciary and court-related				
Public health and welfare				
Transportation				
Capital outlay	<u>201,801</u>			<u>26,868</u>
Total expenditures	<u>2,859,218</u>	<u>1,047,463</u>	<u>551,179</u>	<u>613,341</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(189,180)</u>	<u>51,674</u>	<u>150,827</u>	<u>(244,036)</u>
Other financing sources (uses):				
Transfers in			70,674	
Transfers out			(165,000)	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(94,326)</u>	<u>-</u>
Net change in fund balances	(189,180)	51,674	56,501	(244,036)
Fund balances (deficit), beginning of year	<u>684,749</u>	<u>746,395</u>	<u>723,639</u>	<u>1,638,072</u>
Fund balances (deficit), end of year	<u>\$ 495,569</u>	<u>798,069</u>	<u>780,140</u>	<u>1,394,036</u>

(Continued)

Special Revenue Funds

PEG Fund	Working Cash Fund	Regional Planning Commission Fund	State-Township Bridge Fund	Circuit Clerk Automation Fund	Circuit Clerk Document Storage Fund	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds
			289,434				
4,135	313	41	171	249,382 311	243,896 127	54,317 126 5,520	4,930 46
4,135	313	41	289,605	249,693	244,023	59,963	4,976
				269,007	279,841	17,267	47
			285,394			10,146	
-	-	-	285,394	269,007	279,841	27,413	47
4,135	313	41	4,211	(19,314)	(35,818)	32,550	4,929
-	-	-	-	-	-	-	-
4,135	313	41	4,211	(19,314)	(35,818)	32,550	4,929
	313,470	3,651	66,057	234,686	127,935	106,130	45,101
4,135	313,783	3,692	70,268	215,372	92,117	138,680	50,030

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year ended November 30, 2013

	Special Revenue Funds			
	State's Attorney Automation Fund	County Clerk Automation Fund	Treasurer Automation Fund	GIS Automation Fund
Revenues:				
Taxes	\$			
Intergovernmental				
Fines, fees, forfeitures	5,287	42,134	34,113	180,729
Interest on investments	5	27	6	353
Miscellaneous				772
Total revenues	5,292	42,161	34,119	181,854
Expenditures:				
Current:				
General control and administration		45	32,304	170,365
Public safety				
Judiciary and court-related	4,807			
Public health and welfare				
Transportation				
Capital outlay			3,761	3,940
Total expenditures	4,807	45	36,065	174,305
Excess (deficiency) of revenues over (under) expenditures	485	42,116	(1,946)	7,549
Other financing sources (uses):				
Transfers in				
Transfers out		(48,000)		
Total other financing sources (uses)	-	(48,000)	-	-
Net change in fund balances	485	(5,884)	(1,946)	7,549
Fund balances (deficit), beginning of year	3,267	644	(4,236)	253,178
Fund balances (deficit), end of year	\$ 3,752	(5,240)	(6,182)	260,727

(Continued)

Special Revenue Funds

Sheriff's Drug Fund	Animal Control Fund	Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund	Environmental Management Fund	Veterans Assistance Commission Fund	Sheriff's Grant Fund
		31,006					147,301	
33,832	552,471	45,000				48,213		126,252
	538,160		122,632	473,880	141,834	4,900		
	234	18	89	2,106	155	467	95	357
6,055	44,372					4,021		2,900
<u>39,887</u>	<u>1,135,237</u>	<u>76,024</u>	<u>122,721</u>	<u>475,986</u>	<u>141,989</u>	<u>57,601</u>	<u>147,396</u>	<u>129,509</u>
		71,527			184,274			
28,819	1,021,924		67,896	120		62,182	142,609	146,398
	35,891		8,488			1,754		
<u>28,819</u>	<u>1,057,815</u>	<u>71,527</u>	<u>76,384</u>	<u>120</u>	<u>184,274</u>	<u>63,936</u>	<u>142,609</u>	<u>146,398</u>
11,068	77,422	4,497	46,337	475,866	(42,285)	(6,335)	4,787	(16,889)
	95,000							
	(19,600)	(800)		(600,426)				
-	75,400	(800)	-	(600,426)	-	-	-	-
11,068	152,822	3,697	46,337	(124,560)	(42,285)	(6,335)	4,787	(16,889)
36,647	(119,404)	5,651	65,436	1,093,621	73,728	382,699	81,838	311,337
<u>47,715</u>	<u>33,418</u>	<u>9,348</u>	<u>111,773</u>	<u>969,061</u>	<u>31,443</u>	<u>376,364</u>	<u>86,625</u>	<u>294,448</u>

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year ended November 30, 2013

	Special Revenue Funds			
	State's Attorney Grant Fund	Probation Grant Fund	EMA Grant Fund	Workforce Investment Solutions Fund
Revenues:				
Taxes	\$			
Intergovernmental	867,669	694,877		2,321,451
Fines, fees, forfeitures	55,157			
Interest on investments	205	77		30
Miscellaneous				1,278
Total revenues	923,031	694,954	-	2,322,759
Expenditures:				
Current:				
General control and administration				
Public safety				
Judiciary and court-related				
Public health and welfare	1,062,794	670,232	243	2,326,559
Transportation				
Capital outlay	4,729	596		
Total expenditures	1,067,523	670,828	243	2,326,559
Excess (deficiency) of revenues over (under) expenditures	(144,492)	24,126	(243)	(3,800)
Other financing sources (uses):				
Transfers in				
Transfers out	(1,369)			
Total other financing sources (uses)	(1,369)	-	-	-
Net change in fund balances	(145,861)	24,126	(243)	(3,800)
Fund balances (deficit), beginning of year	179,529	62,190	243	(70,944)
Fund balances (deficit), end of year	\$ 33,668	86,316	-	(74,744)

Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Total	Health Capital Improvements Fund	Total Nonmajor Governmental Funds
4,713,367		4,713,367
5,027,513		5,027,513
2,332,732		2,332,732
8,638		8,638
141,505		141,505
<u>12,223,755</u>	-	<u>12,223,755</u>
2,643,630		2,643,630
3,708,160		3,708,160
638,985		638,985
4,411,017		4,411,017
285,394		285,394
297,974		297,974
<u>11,985,160</u>	-	<u>11,985,160</u>
238,595		238,595
165,674		165,674
(835,195)		(835,195)
<u>(669,521)</u>	-	<u>(669,521)</u>
(430,926)		(430,926)
<u>7,045,309</u>	61,168	<u>7,106,477</u>
<u>6,614,383</u>	61,168	<u>6,675,551</u>

MACON COUNTY, ILLINOIS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue from specific taxes or other earmarked revenue sources, which by statute, charter provision, or local ordinance, are designated to finance particular functions or activities of the government.

The Law Enforcement Safety Tax Fund (LEST) accounts for sales tax revenue restricted to expenditures for public safety issues.

The Social Security Fund accounts for revenue, including property tax levies and contributions from employees, and expenditures to the federal government for payroll taxes.

The Insurance Liability Fund accounts for a county-wide property tax levy used to pay the cost of providing liability insurance coverage for the entire entity.

The Judgment Repayment Fund accounts for a county-wide property tax levy for judgments against the County, arbitrators for union negotiations and special prosecutors.

The Working Cash Fund (non-budgeted) provides for short-term loans to other funds.

The Regional Planning Commission Fund (non-budgeted) accounts for proceeds of grant revenue and expenditures for planning purposes.

The State-Township Bridge Fund accounts for revenue from the State of Illinois and expenditures to townships for bridge repairs and construction.

The Circuit Clerk Automation Fund accounts for fees collected by the Circuit Clerk and expenditures designated for the computerization of the Circuit Clerk's office.

The Circuit Clerk Document Storage Fund accounts for fees collected for the Circuit Clerk's storage of various documents and expenditures for electronic document storage.

The State's Attorney Drug Fund (non-budgeted) accounts for revenue, including court ordered forfeitures and expenditures for professional services.

The State's Attorney Forfeited Funds Fund (non-budgeted) accounts for revenue obtained in federal cases whereby some of the monies are distributed to the State's Attorney.

The State's Attorney Automation Fund accounts for fees collected by the State's Attorney and expenditures made by the State's Attorney for hardware, software, research and development costs and personnel.

The County Clerk Automation Fund accounts for fees collected by the County Clerk for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

The Treasurer Automation Fund accounts for fees collected by the Treasurer for the filing of various documents and expenditures designated for the computerization of this department.

MACON COUNTY, ILLINOIS

SPECIAL REVENUE FUNDS (Continued)

The Geographic Information Systems (GIS) Automation Fund accounts for fees collected by the recorder's office and expenditures for computerization of the County offices.

The Sheriff's Drug Fund (non-budgeted) accounts for revenues, including fees collected through the Circuit Clerk and court ordered forfeitures and expenditures for drug enforcement.

The Animal Control Fund accounts for revenue, including fees collected by the Animal Shelter and a contract with the City of Decatur, and expenditures relating to Animal Control for the County.

The Historical Museum Fund accounts for revenue, including reimbursements received from the Macon County Historical Society and property tax levies, and expenditures relating to the operation of the Macon County Historical Museum.

The Law Library Fund accounts for revenue, including fees through the Circuit Clerk, and expenditures relating to purchases of law reference material.

The Probation and Court Services Fund (non-budgeted) accounts for fees collected through the Circuit Clerk in order to supplement County appropriations for probation and court services.

The Automation Fund accounts for fees collected by the Recorder for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

The Environmental Management Fund accounts for revenue and expenditures relating to solid waste education, plans and study.

The Veterans Assistance Commission Fund accounts for revenue, including property tax levies, and expenditures relating to services for veterans.

The Sheriff's Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The State's Attorney Grant Fund accounts for revenue, including federal and state grants restricted to expenditures fulfilling the grant purposes for grants under the direction of the Macon County State's Attorney.

The Probation Grant Fund accounts for revenue, including federal and state grants restricted to expenditures fulfilling the grants purposes for grants under the direction of the Macon County Probation Department.

The Emergency Management Agency (EMA) Grant Fund (non-budgeted) accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

Workforce Investment Solutions Fund accounts for federal and state grant revenues and expenditures to support employment opportunities for grant participants.

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Illinois Safety tax	\$ 2,431,730	2,430,055	(1,675)
Interest on investments	1,762	721	(1,041)
Fines, fees, forfeitures:			
Court security fees	151,000	143,414	(7,586)
Intergovernmental:			
Building Commission share of security	18,298	18,298	
City Emergency Management fee	10,000	10,000	
Nuclear Safety Block Grant	7,800	5,242	(2,558)
Hazard Mitigation grant	45,727	20,672	(25,055)
FEMA Grants	43,000	27,934	(15,066)
Donations	13,154	13,154	
Miscellaneous	1,000	548	(452)
Total revenues	2,723,471	2,670,038	(53,433)
Expenditures:			
Public Safety:			
County Sheriff:			
Salaries	355,120	305,807	49,313
Group hospitalization	1,226,148	1,169,087	57,061
MIS contractual services	20,000	300	19,700
Medical	351,545	341,123	10,422
Dietary	114,000	113,234	766
Radio fees and maintenance	37,200	27,735	9,465
Supplies	25,800	17,900	7,900
Auto expense	47,000	22,223	24,777
Uniforms	16,500	17,215	(715)
Total County Sheriff	2,193,313	2,014,624	178,689
Court Security:			
Salaries	445,403	418,945	26,458
Special studies	5,000	171	4,829
Supplies	4,000	1,374	2,626
Travel	500		500
Uniforms	2,500	637	1,863
Total Court Security	457,403	421,127	36,276

(Continued)

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Emergency Management Agency:			
Salaries	\$ 133,977	117,564	16,413
Personnel - payroll taxes	41,026	35,388	5,638
Group hospitalization	15,924	15,924	
Maintenance of equipment	6,657	1,890	4,767
Radios	7,850	5,710	2,140
Telephone	6,518	6,518	
Travel	1,200	446	754
Postage and printing	2,800	2,078	722
Training	700	371	329
Dues	200		200
Other expenditures	45,727	20,663	25,064
Nuclear Safety Block Grant	7,800	6,260	1,540
Supplies	1,343	1,343	
Car - gas and oil	4,801	4,401	400
Miscellaneous	3,856	3,110	746
Total Emergency Management Agency	280,379	221,666	58,713
Total Public Safety expenditures	2,931,095	2,657,417	273,678
Capital Outlay:			
County Sheriff	215,000	156,933	58,067
Court Security	13,154	13,154	
Emergency Management Agency	32,000	31,714	286
Total Capital Outlay	260,154	201,801	58,353
Total expenditures	3,191,249	2,859,218	332,031
Net change in fund balance	\$ (467,778)	(189,180)	278,598
Budgetary fund balance, beginning of year		684,749	
Budgetary fund balance, end of year		\$ 495,569	

MACON COUNTY, ILLINOIS

SOCIAL SECURITY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,119,814	1,086,982	(32,832)
Interest on investments	1,100	119	(981)
Total revenues	<u>1,120,914</u>	<u>1,087,101</u>	<u>(33,813)</u>
Expenditures:			
General Control and Administration:			
Personnel - payroll taxes	1,105,223	1,047,408	57,815
Service charge	1,000	55	945
Total expenditures	<u>1,106,223</u>	<u>1,047,463</u>	<u>58,760</u>
Net change in fund balance	<u>\$ 14,691</u>	39,638	<u>24,947</u>
Budgetary fund balance, beginning of year		<u>709,514</u>	
Budgetary fund balance, end of year		<u>\$ 749,152</u>	

MACON COUNTY, ILLINOIS

INSURANCE LIABILITY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 700,000	669,635	(30,365)
Interest on investments	1,000	464	(536)
Miscellaneous	10,500	14,500	4,000
Total revenues	711,500	684,599	(26,901)
Expenditures:			
General Control and Administration:			
Personnel - salaries	42,949	42,949	
Personnel - fringes	16,153	15,727	426
Unemployment	50,000	35,044	14,956
Supplies and materials - insurance expense	563,600	457,459	106,141
Total expenditures	672,702	551,179	121,523
Excess of revenues over expenditures	38,798	133,420	94,622
Other financing sources (uses):			
Transfers in - Highway Fund		70,674	70,674
Transfers out - Self Insurance Fund	(255,000)	(165,000)	90,000
Total other financing sources (uses)	(255,000)	(94,326)	160,674
Net change in fund balance	\$ (216,202)	39,094	255,296
Budgetary fund balance, beginning of year		710,465	
Budgetary fund balance, end of year		\$ 749,559	

MACON COUNTY, ILLINOIS

JUDGMENT REPAYMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 325,000	312,984	(12,016)
Interest on investments	3,050	1,975	(1,075)
Miscellaneous		16,000	16,000
Lease income	22,000	32,385	10,385
Total revenues	350,050	363,344	13,294
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	259,087	254,159	4,928
Personnel - payroll taxes	51,481	50,672	809
Hospitalization	47,772	32,080	15,692
Supplies and materials:			
Contractual	140,000	85,104	54,896
Special prosecutor	10,000	3,800	6,200
Miscellaneous	75		75
Payments of judgments	400,000	160,658	239,342
Total General Control and Administration	908,415	586,473	321,942
Capital Outlay	40,000	26,868	13,132
Total expenditures	948,415	613,341	335,074
Excess (deficiency) of revenues over (under) expenditures	(598,365)	(249,997)	348,368
Other financing sources (uses):			
Transfers out - General Fund	(2,000)		2,000
Net change in fund balance	\$ (600,365)	(249,997)	350,368
Budgetary fund balance, beginning of year		1,629,837	
Budgetary fund balance, end of year		\$ 1,379,840	

MACON COUNTY, ILLINOIS

STATE-TOWNSHIP BRIDGE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
State of Illinois	\$ 165,500	289,434	123,934
Interest on investments	200	171	(29)
Miscellaneous	15,000		(15,000)
Total revenues	<u>180,700</u>	<u>289,605</u>	<u>108,905</u>
Expenditures:			
Transportation:			
Supplies and materials - Township bridges	<u>339,434</u>	<u>285,394</u>	<u>54,040</u>
Net change in fund balance	<u>\$ (158,734)</u>	<u>4,211</u>	<u>162,945</u>
Budgetary fund balance, beginning of year		<u>66,057</u>	
Budgetary fund balance, end of year		<u>\$ 70,268</u>	

MACON COUNTY, ILLINOIS

CIRCUIT CLERK AUTOMATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Circuit Clerk automation fees	\$ 250,000	249,382	(618)
Interest on investments		311	311
Total revenues	250,000	249,693	(307)
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Court technology administrator	95,817	95,861	(44)
Personnel - payroll taxes	27,080	26,179	901
Supplies and materials:			
Circuit Clerk - EDP	160,000	131,515	28,485
Circuit Courts - EDP	25,000	15,452	9,548
Total expenditures	307,897	269,007	38,890
Net change in fund balance	\$ (57,897)	(19,314)	38,583
Budgetary fund balance, beginning of year		234,686	
Budgetary fund balance, end of year		\$ 215,372	

MACON COUNTY, ILLINOIS

CIRCUIT CLERK DOCUMENT STORAGE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Document storage fees	\$ 230,000	243,896	13,896
Interest on investments		127	127
Total revenues	<u>230,000</u>	<u>244,023</u>	<u>14,023</u>
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Salaries	176,808	176,807	1
Personnel - payroll taxes	35,811	31,136	4,675
Hospitalization	38,850	38,483	367
Supplies and materials:			
Circuit Clerk - EDP	<u>100,000</u>	<u>33,415</u>	<u>66,585</u>
Total expenditures	<u>351,469</u>	<u>279,841</u>	<u>71,628</u>
Net change in fund balance	<u>\$ (121,469)</u>	<u>(35,818)</u>	<u>85,651</u>
Budgetary fund balance, beginning of year		<u>127,935</u>	
Budgetary fund balance, end of year		<u>\$ 92,117</u>	

MACON COUNTY, ILLINOIS

COUNTY CLERK AUTOMATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
County Clerk automation fees	\$ 48,000	42,134	(5,866)
Interest on investments		27	27
Total revenues	<u>48,000</u>	<u>42,161</u>	<u>(5,839)</u>
Expenditures:			
Judiciary and Court-Related:			
Miscellaneous		45	(45)
Excess of revenues over expenditures	48,000	42,116	(5,884)
Other financing sources (uses):			
Transfers out - General Fund administration	<u>(48,000)</u>	<u>(48,000)</u>	
Net change in fund balance	<u>\$ -</u>	<u>(5,884)</u>	<u>(5,884)</u>
Budgetary fund balance, beginning of year		<u>644</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (5,240)</u>	

MACON COUNTY, ILLINOIS

TREASURER AUTOMATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Treasurer automation fees	\$ 40,000	34,113	(5,887)
Interest on investments	30	6	(24)
Total revenues	40,030	34,119	(5,911)
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	17,707	17,785	(78)
Personnel - payroll taxes	5,323	2,321	3,002
Supplies and materials:			
Treasurer - EDP	1,000		1,000
Tax sale license	5,600	5,754	(154)
Automation expense	6,000	6,444	(444)
Total General Control and Administration	35,630	32,304	3,326
Capital Outlay	4,400	3,761	639
Total expenditures	40,030	36,065	3,965
Net change in fund balance	<u>\$ -</u>	<u>(1,946)</u>	<u>(1,946)</u>
Budgetary fund balance (deficit), beginning of year		<u>(4,236)</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (6,182)</u>	

MACON COUNTY, ILLINOIS

GIS AUTOMATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
GIS automation fees	\$ 150,000	180,729	30,729
Interest on investments	500	353	(147)
Miscellaneous income	1,000	772	(228)
Total revenues	151,500	181,854	30,354
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	102,346	81,441	20,905
Group hospitalization	22,294	17,118	5,176
Personnel - payroll taxes	25,941	16,144	9,797
Supplies and materials:			
Consulting fees	4,795	3,742	1,053
Training	1,130	1,130	
EDP	54,500	49,968	4,532
Supplies	825	822	3
Total General Control and Administration	211,831	170,365	41,466
Capital Outlay	5,000	3,940	1,060
Total expenditures	216,831	174,305	42,526
Net change in fund balance	<u>\$ (65,331)</u>	7,549	<u>72,880</u>
Budgetary fund balance, beginning of year		<u>253,178</u>	
Budgetary fund balance, end of year		<u>\$ 260,727</u>	

MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
City-County contract	\$ 549,123	551,456	2,333
Municipality contract	1,200	1,015	(185)
Fines, fees and forfeitures:			
Sales tags	425,000	433,135	8,135
Board	4,000	2,128	(1,872)
Impound fees, destruction	9,000	19,654	10,654
Euthanasia	3,000	3,495	495
Animal adoptions	45,000	45,928	928
Warden	500	1,775	1,275
Offense		3,090	3,090
Avid chip fee	200	1,505	1,305
Citations	2,000	1,275	(725)
Rabies vaccination and observation	200	2,060	1,860
Owner release	14,000	5,411	(8,589)
Trap rental	300	135	(165)
Disposal fee	1,600	2,076	476
Animal care fee	16,703	16,493	(210)
Interest on investments	100	234	134
Miscellaneous donations	50,220	44,372	(5,848)
Total revenues	1,122,146	1,135,237	13,091
Expenditures:			
Public Safety:			
Personnel:			
Salaries	657,307	617,368	39,939
Personnel - payroll taxes	152,040	127,566	24,474
Group hospitalization and fringes	143,316	138,008	5,308
Supplies and materials:			
Vehicle maintenance, gas, and insurance	30,000	24,841	5,159
Contractual services - building	3,049	1,229	1,820
Dues	228	228	
Supplies	51,282	47,511	3,771
Telephone	4,000	3,292	708

(Continued)

MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Supplies and materials, continued:			
Radio fees	4,000	3,322	678
Postage	750	584	166
Printing	1,750	175	1,575
Maintenance of equipment	676	676	
Legal advertising	74		74
Computer/software	18,000	13,529	4,471
Training	2,500	1,807	693
Professional services	12,485	11,190	1,295
Drug testing	1,000	370	630
Spay/neuter	1,090	599	491
Avid chip	6,000	5,499	501
Rabies vaccination	500	307	193
Uniforms	4,500	2,904	1,596
Miscellaneous	20,919	20,919	
Total Public Safety	1,115,466	1,021,924	93,542
Capital Outlay	18,000	13,866	4,134
Total expenditures	1,133,466	1,035,790	97,676
Excess (deficiency) of revenues over (under) expenditures	(11,320)	99,447	110,767
Other financing sources (uses):			
Transfer in - General Fund	95,000	95,000	
Transfers out - General Fund administration	(19,600)	(19,600)	
Total other financing sources (uses)	75,400	75,400	-
Net change in fund balance	\$ 64,080	174,847	110,767
Budgetary fund balance (deficit), beginning of year		(141,429)	
Budgetary fund balance, end of year		\$ 33,418	

MACON COUNTY, ILLINOIS

**HISTORICAL MUSEUM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
Year ended November 30, 2013**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 33,000	30,698	(2,302)
Interest on investments		18	18
Payroll refund, Historical Society	39,430	45,000	5,570
Total revenues	72,430	75,716	3,286
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	54,497	52,785	1,712
Retirement/fringes	9,071	10,116	(1,045)
Group hospitalization	7,962	8,626	(664)
Supplies and materials:			
Miscellaneous	100		100
Total expenditures	71,630	71,527	103
Excess of revenues over expenditures	800	4,189	3,389
Other financing sources (uses):			
Transfer out - General Fund	(800)	(800)	
Net change in fund balance	\$ -	3,389	3,389
Budgetary fund balance, beginning of year		4,580	
Budgetary fund balance, end of year		\$ 7,969	

MACON COUNTY, ILLINOIS

LAW LIBRARY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Law Library fees	\$ 85,000	122,632	37,632
Interest on investments	25	89	64
Total revenues	85,025	122,721	37,696
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Law librarian	30,766	30,780	(14)
Group hospitalization	7,962	7,962	
Personnel - payroll taxes	5,897	5,375	522
Supplies and materials:			
Election research	22,600	23,515	(915)
Supplies	250	70	180
Copy machine	1,250	194	1,056
Total Judiciary and Court-Related	68,725	67,896	829
Capital Outlay	15,500	8,488	7,012
Total expenditures	84,225	76,384	7,841
Net change in fund balance	\$ 800	46,337	45,537
Budgetary fund balance, beginning of year		65,436	
Budgetary fund balance, end of year		\$ 111,773	

MACON COUNTY, ILLINOIS

AUTOMATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Recorder automation fees	\$ 115,000	141,834	26,834
Interest on investments	4,500	155	(4,345)
Miscellaneous	700		(700)
Total revenues	120,200	141,989	21,789
Expenditures:			
General Control and Administration:			
Personnel:			
Recorder salaries	118,768	114,231	4,537
Personnel - payroll taxes	23,600	20,171	3,429
Employee benefits	15,924	15,924	
Supplies and materials:			
Recorder automation expense	40,044	33,948	6,096
Total General Control and Administration	198,336	184,274	14,062
Net change in fund balance	\$ (78,136)	(42,285)	35,851
Budgetary fund balance, beginning of year		73,728	
Budgetary fund balance, end of year		\$ 31,443	

MACON COUNTY, ILLINOIS

ENVIRONMENTAL MANAGEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
IEPA Solid Waste Enforcement grant	\$ 46,265	48,213	1,948
Fines, fees and forfeitures:			
Disposal fees and fines	8,300	4,900	(3,400)
Interest on investments	4,000	467	(3,533)
Miscellaneous	4,000	4,021	21
Total revenues	62,565	57,601	(4,964)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	40,445	40,579	(134)
Fringe benefits	9,880	9,091	789
Group hospitalization	9,160	9,156	4
Supplies and materials:			
Computer supplies	300		300
Travel	600	377	223
Telephone	900	750	150
Vehicle gas, oil tires	800	646	154
Postage	150	106	44
Printing	500	40	460
Training	900	742	158
IL EPA fines	250		250
Advertising	50		50
Supplies	700	695	5
Total Public Health and Welfare	64,635	62,182	2,453
Capital Outlay	2,000	1,754	246
Total expenditures	66,635	63,936	2,699
Net change in fund balance	\$ (4,070)	(6,335)	(2,265)
Budgetary fund balance, beginning of year		382,699	
Budgetary fund balance, end of year		\$ 376,364	

MACON COUNTY, ILLINOIS

VETERANS ASSISTANCE COMMISSION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 150,000	145,690	(4,310)
Interest on investments	100	95	(5)
Total revenues	150,100	145,785	(4,315)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	91,759	91,759	
Personnel - payroll taxes	19,728	17,458	2,270
Group hospitalization	15,924	15,924	
Supplies and materials:			
Dues	300	260	40
Supplies	4,000	2,317	1,683
EDP	3,000	990	2,010
Service charge	200		200
Copy machine	1,250	794	456
Veterans burial	1,000		1,000
Bus transportation	9,000	8,217	783
Maintenance of equipment	500		500
Travel	1,900	1,381	519
Telephone	1,320	1,313	7
Postage	1,300	1,260	40
Miscellaneous	1,730	936	794
Total Public Health and Welfare	152,911	142,609	10,302
Capital Outlay	1,500		1,500
Total expenditures	154,411	142,609	11,802
Net change in fund balance	\$ (4,311)	3,176	7,487
Budgetary fund balance, beginning of year		76,893	
Budgetary fund balance, end of year		<u>\$ 80,069</u>	

MACON COUNTY, ILLINOIS

SHERIFF'S GRANT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
U.S. Marshall's Grant	\$ 25,000	16,639	(8,361)
US Marshall Gas reimbursement	1,500		(1,500)
Millikin Hire Back	5,000		(5,000)
Local Law Enforcement Block Grant - City of Decatur	13,187	13,187	
Traffic Safety	48,461	34,531	(13,930)
Liquor Sting Grant	9,400	12,800	3,400
Sheriff Jail Drug Grant	12,000	11,480	(520)
SSA Incentive and SCAAP reimbursements	40,000	37,615	(2,385)
Donations	1,500,000		(1,500,000)
Miscellaneous - Community Revenue	5,000	2,900	(2,100)
Interest income		357	357
Total revenues	1,659,548	129,509	(1,530,039)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	81,089	74,997	6,092
Fringes	18,737	18,665	72
Hospitalization	7,962	7,962	
Supplies and materials:			
Liquor Sting Grant	9,400	7,116	2,284
US Marshall gas, oil expenditures	1,500		1,500
Sheriff Jail Drug Grant	12,000	200	11,800
Alien Assistance Grant	60,000	34,455	25,545
DHS Grant	2,000		2,000
Community expenditures	5,000	3,003	1,997
OP Supplies Law	20,000		20,000
Contractual	1,500,000		1,500,000
Total Public Health and Welfare	1,717,688	146,398	1,571,290
Net change in fund balance	\$ (58,140)	(16,889)	41,251
Budgetary fund balance, beginning of year		311,337	
Budgetary fund balance, end of year		<u>\$ 294,448</u>	

MACON COUNTY, ILLINOIS

STATE'S ATTORNEY GRANT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Child Advocacy Center:			
Department of Children and Family Services	\$ 80,236	80,236	
Attorney General		5,000	5,000
Macon County Mental Health Board	12,222	3,329	(8,893)
National Children's Alliance	10,000	4,500	(5,500)
Hidden Victims Grant	16,614	5,016	(11,598)
Department of Justice	24,366		(24,366)
Illinois Violence Prevention Authority	121,500	121,500	
Redeploy Grant	15,000	17,344	2,344
Safety Net Initiative	57,000	10,509	(46,491)
IDOT DUI Grant	188,930	135,598	(53,332)
Truancy Court Grant	46,000	26,702	(19,298)
Tobacco Use Prevention Grant	75,000	138,791	63,791
Adult Reploy	346,141	317,731	(28,410)
Other	1,200	1,413	213
Circuit Clerk fees	196,307	55,157	(141,150)
Miscellaneous Income		205	205
Total revenues	1,190,516	923,031	(267,485)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	583,223	534,210	49,013
Group hospitalization	109,474	100,428	9,046
Fringes, retirement, FICA	124,334	94,385	29,949
Supplies and materials:			
Phone	7,280	6,026	1,254
Travel	15,658	11,400	4,258
Training	6,133	3,303	2,830
Utilities	9,644	8,598	1,046
Building lease/Occupancy	32,319	30,797	1,522
Postage	370	291	79
Printing	1,124	972	152
Liability insurance	5,962	5,952	10
Other	250	209	41

(Continued)

MACON COUNTY, ILLINOIS

STATE'S ATTORNEY GRANT FUND
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)
 Year ended November 30, 2013

	Budget	Actual	Variance
Expenditures, continued:			
Public Health and Welfare, continued:			
Supplies and materials:			
Grant specific expenditures	25,964	8,248	17,716
Copy machine	71		71
Supplies	21,266	5,572	15,694
Contractual services	266,410	252,403	14,007
Total Public Health and Welfare	1,209,482	1,062,794	146,688
Capital Outlay	4,215	4,729	(514)
Total expenditures	1,213,697	1,067,523	146,174
Excess (deficiency) of revenues over (under) expenditures	(23,181)	(144,492)	(121,311)
Other financing sources (uses):			
Transfers out - General Fund	(1,210)	(1,369)	(159)
Net change in fund balance	<u>\$ (24,391)</u>	<u>(145,861)</u>	<u>(121,470)</u>
Budgetary fund balance, beginning of year		<u>179,529</u>	
Budgetary fund balance, end of year		<u>\$ 33,668</u>	

MACON COUNTY, ILLINOIS

PROBATION GRANT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Redeploy Illinois Grant	\$ 326,660	348,908	22,248
Department of Justice Drug Court Grant	163,704	168,495	4,791
Second Chance Re-entry Grant	142,215	107,780	(34,435)
Highway Safety Grant	71,925	69,694	(2,231)
Interest on investments		77	77
Total revenues	704,504	694,954	(9,550)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	60,911	54,099	6,812
Fringes	19,624	16,108	3,516
Hospitalization	16,839	19,242	(2,403)
Supplies and materials:			
Travel	6,508	6,947	(439)
Contractual	454,553	249,077	205,476
Substance Abuse	46,042	101,765	(55,723)
Home intervention	63,388	149,034	(85,646)
Testing	(58)		(58)
Teen Court	10,677	16,510	(5,833)
ACCESS Project Manager	15,021	35,357	(20,336)
CRB Coordinator	10,383	21,829	(11,446)
Supplies	208	264	(56)
Total Public Health and Welfare	704,096	670,232	33,864
Capital Outlay	408	596	(188)
Total expenditures	704,504	670,828	33,676
Net change in fund balance	\$ -	24,126	24,126
Budgetary fund balance, beginning of year		62,190	
Budgetary fund balance, end of year		\$ 86,316	

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL
 Year ended November 30, 2013

	Budget	Actual	Variance
Revenues:			
Intergovernmental - Workforce Grants	\$ 2,591,743	2,321,451	(270,292)
Interest on investments		30	30
Miscellaneous	2,700	1,278	(1,422)
Total revenues	2,594,443	2,322,759	(271,684)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	483,344	431,530	51,814
Group hospitalization	77,876	81,746	(3,870)
Payroll taxes, retirement, fringes	87,798	94,016	(6,218)
Supplies and materials:			
Telephone	7,236	7,511	(275)
Workforce Investment Board expenses	1,796	1,479	317
Travel	13,054	10,480	2,574
Marketing	2,912	2,484	428
Vocational training	636,237	639,855	(3,618)
On-the-job training	288,178	106,176	182,002
Annual membership fees	450	451	(1)
Facility costs	51,482	52,415	(933)
SDA Contracts	284,929	274,987	9,942
Child care and transportation expenses	123,671	100,738	22,933
Liability	827	827	
Payroll processing	6,066	6,295	(229)
Work experience stipends	517,765	501,529	16,236
Supplies	15,797	14,040	1,757
Total expenditures	2,599,418	2,326,559	272,859
Net change in fund balance	<u>\$ (4,975)</u>	<u>(3,800)</u>	<u>1,175</u>
Budgetary fund balance (deficit), beginning of year		<u>(70,944)</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (74,744)</u>	

MACON COUNTY, ILLINOIS

AGENCY FUNDS

Agency Funds are used to account for resources received and held by the County as agent or trustee for individuals, private organizations, and other governmental units. The resources are expended or invested in accordance with the fiduciary agreement or applicable legislative enactment for each fund.

COUNTY COLLECTOR'S FUND -

The County Collector's Fund accounts for property tax collections and disbursements to taxing authorities.

COUNTY TREASURER'S FUNDS -

The Inheritance Tax Fund accounts for all collections for inheritance tax. The Treasurer's office transfers monies to the State of Illinois.

The General Assistance Fund accounts for all collections from the State of Illinois for General Assistance. Warrants are issued to transfer monies to the Decatur Township Office.

The Trust Fund accounts for wage deductions, monies for condemnation suits, and court ordered deposits. Warrants are issued based on court orders.

COUNTY CLERK'S FUND -

The Trust Fund accounts for deposits from delinquent taxpayers for the portion of the tax bill that is for tax buyers. Warrants are then issued to tax buyers after tax sales.

CIRCUIT CLERK'S FUNDS -

The Trust Fund charges and collects fees incurred from court cases and distributes the proceeds to the applicable governmental agencies and funds.

The Support Fund accounts for monies collected for child support and disbursed on court order.

COUNTY SHERIFF'S FUND -

The County Sheriff's Trust Fund is used only for reimbursements for overpayments on warrant billing, sheriff sale, and civil process fees.

The Correctional Center Resident Trust Fund accounts for monies held by the Sheriff as trustee for jail detainees that can be used for commissary purchases. Any balance remaining is returned to the detainees upon release or transfer.

TOWNSHIP ROAD FUND -

The Township Road Fund - Motor Fuel Tax provides for disbursements to Township in Macon County for road repairs. The Highway Department is custodian of funds provided by state motor fuel tax designed for each township.

MACON COUNTY, ILLINOIS

**COMBINING STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
November 30, 2013**

	County Collector's Fund	County Treasurer's Funds	County Clerk's Fund
Assets			
Cash	\$ 6,527,972	115,498	204,033
Investments	194,882	612	
Accrued interest receivable			
Due from State of Illinois - allotment			
Total assets	<u>6,722,854</u>	<u>116,110</u>	<u>204,033</u>
Liabilities			
Due to other governmental agencies			
Deposits payable	169,515	116,110	15,084
Due to taxing districts	6,553,339		
Due to tax buyers			188,949
Total liabilities	<u>\$ 6,722,854</u>	<u>116,110</u>	<u>204,033</u>

Circuit Clerk's Funds	County Sheriff's Funds	Township Road Fund	Total
1,683,142	37,352	1,139,427	9,707,424
600,000		184	795,678
4,164			4,164
		74,580	74,580
<u>2,287,306</u>	<u>37,352</u>	<u>1,214,191</u>	<u>10,581,846</u>
40,234		1,214,191	1,254,425
2,247,072	37,352		2,585,133
			6,553,339
			188,949
<u>2,287,306</u>	<u>37,352</u>	<u>1,214,191</u>	<u>10,581,846</u>

MACON COUNTY, ILLINOIS

COUNTY COLLECTOR'S FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
Assets				
Cash	\$ 5,008,793	5,091,824	3,572,645	6,527,972
Investments	125,950	131,280,060	131,211,128	194,882
Total assets	<u>5,134,743</u>	<u>136,371,884</u>	<u>134,783,773</u>	<u>6,722,854</u>
Liabilities				
Due to other funds		309,022	309,022	
Deposits payable	123,166	597,162	550,813	169,515
Due to taxing districts	5,011,577	135,465,700	133,923,938	6,553,339
Total liabilities	<u>\$ 5,134,743</u>	<u>136,371,884</u>	<u>134,783,773</u>	<u>6,722,854</u>

MACON COUNTY, ILLINOIS

COUNTY TREASURER'S FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
<u>Inheritance Tax Fund</u>				
Assets				
Cash	\$ 215		215	
Investments	4,065		4,065	
Total assets	4,280	-	4,280	-
Liabilities				
Due to other governmental agencies	4,280	-	4,280	-
<u>General Assistance Fund</u>				
Assets				
Cash	1,520	-	1,520	-
Liabilities				
Due to other governmental agencies	1,520	-	1,520	-
<u>Trust Fund</u>				
Assets				
Cash	108,939	30,863	24,304	115,498
Investments	611	1		612
Total assets	109,550	30,864	24,304	116,110
Liabilities				
Deposits payable	109,550	30,864	24,304	116,110
<u>Total Funds</u>				
Assets				
Cash	110,674	30,863	26,039	115,498
Investments	4,676	1	4,065	612
Total assets	115,350	30,864	30,104	116,110
Liabilities				
Due to other governmental agencies	5,800		5,800	
Deposits payable	109,550	30,864	24,304	116,110
Total liabilities	\$ 115,350	30,864	30,104	116,110

MACON COUNTY, ILLINOIS

COUNTY CLERK'S FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
<hr/>				
<u>Trust Fund</u>				
Assets				
Cash	\$ 143,581	2,176,130	2,115,678	204,033
				<hr/>
Liabilities				
Deposits payable	14,858	226		15,084
Due to tax buyers	128,723	2,175,904	2,115,678	188,949
				<hr/>
Total liabilities	\$ 143,581	2,176,130	2,115,678	204,033
				<hr/>

MACON COUNTY, ILLINOIS

CIRCUIT CLERK'S FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
Trust Fund				
Assets				
Cash	\$ 2,094,078	7,499,901	7,935,596	1,658,383
Certificates of deposit	600,000			600,000
Accrued interest	4,197	4,164	4,197	4,164
Total assets	2,698,275	7,504,065	7,939,793	2,262,547
Liabilities				
Deposits payable	2,660,756	3,137,764	3,576,207	2,222,313
Due to other governmental agencies	37,519	605,756	603,041	40,234
Due to other funds		3,760,545	3,760,545	
Total liabilities	2,698,275	7,504,065	7,939,793	2,262,547
Support Fund				
Assets				
Cash	17,950	1,183,231	1,176,422	24,759
Liabilities				
Deposits payable	17,950	1,128,018	1,121,209	24,759
Due to other funds		55,213	55,213	
Total liabilities	17,950	1,183,231	1,176,422	24,759
Total Circuit Clerk's Funds				
Assets				
Cash	2,112,028	8,683,132	9,112,018	1,683,142
Certificates of deposit	600,000			600,000
Accrued interest	4,197	4,164	4,197	4,164
Total assets	2,716,225	8,687,296	9,116,215	2,287,306
Liabilities				
Deposits payable	2,678,706	4,265,782	4,697,416	2,247,072
Due to other governmental agencies	37,519	605,756	603,041	40,234
Due to other funds		3,815,758	3,815,758	
Total liabilities	\$ 2,716,225	8,687,296	9,116,215	2,287,306

MACON COUNTY, ILLINOIS

COUNTY SHERIFF'S FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
<u>County Sheriff's Trust Fund</u>				
Assets				
Cash	\$ 4,080	906	833	<u>4,153</u>
Liabilities				
Deposits payable	4,080	906	833	<u>4,153</u>
 <u>Correctional Center Resident Trust Fund</u>				
Assets				
Cash	29,916	649,312	646,029	<u>33,199</u>
Liabilities				
Deposits payable	29,916	649,312	646,029	<u>33,199</u>
 <u>Total Sheriff's Funds</u>				
Assets				
Cash	33,996	650,218	646,862	<u>37,352</u>
Liabilities				
Deposits payable	\$ 33,996	650,218	646,862	<u>37,352</u>

MACON COUNTY, ILLINOIS

TOWNSHIP ROAD FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
Township Road Fund - Motor Fuel Tax				
Assets				
Cash	\$ 1,102,887	1,192,931	1,156,391	1,139,427
Investment	184			184
Due from State of Illinois - allotment	85,463	74,580	85,463	74,580
	<hr/>			
Total assets	1,188,534	1,267,511	1,241,854	1,214,191
	<hr/>			
Liabilities				
Due to other funds				
Due to other governmental agencies	1,188,534	1,267,511	1,241,854	1,214,191
	<hr/>			
Total liabilities	\$ 1,188,534	1,267,511	1,241,854	1,214,191
	<hr/>			

MACON COUNTY, ILLINOIS

TOTAL ALL AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year ended November 30, 2013

	Balance November 30, 2012	Additions	Deductions	Balance November 30, 2013
Assets				
Cash	\$ 8,511,959	17,825,098	16,629,633	9,707,424
Investments	730,810	131,280,061	131,215,193	795,678
Accrued interest receivable	4,197	4,164	4,197	4,164
Due from State of Illinois - allotment	85,463	74,580	85,463	74,580
Total assets	9,332,429	149,183,903	147,934,486	10,581,846
Liabilities				
Due to other governmental agencies	1,231,853	1,873,267	1,850,695	1,254,425
Due to other funds		4,124,780	4,124,780	
Deposits payable	2,960,276	5,544,252	5,919,395	2,585,133
Due to taxing districts	5,011,577	135,465,700	133,923,938	6,553,339
Due to tax buyers	128,723	2,175,904	2,115,678	188,949
Total liabilities	\$ 9,332,429	149,183,903	147,934,486	10,581,846

STATISTICAL SECTION
(Unaudited)

MACON COUNTY, ILLINOIS

STATISTICAL SECTION

This part of Macon County, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help readers understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the County's most significant local revenue source - its property tax.

Debt Capacity

These schedules present information to help readers assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help readers understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Except where noted, the information in these schedules is derived from Macon County, Illinois' comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning that year.

MACON COUNTY, ILLINOIS

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

(Prepared using the accrual basis of accounting)

	2013	2012	2011	2010
Governmental activities:				
Invested in capital assets, net of related debt	\$ 48,405,141	46,496,975	40,900,206	46,932,054
Restricted	16,706,457	17,261,200	19,698,652	
Unrestricted	12,566,406	13,102,623	11,656,481	26,415,656
	<hr/>			
Total governmental activities net position	77,678,004	76,860,798	72,255,339	73,347,710
<hr/>				
Business-type activities:				
Invested in capital assets, net of related debt	442,355	463,794	274,093	74,356
Restricted				
Unrestricted	1,793,086	1,904,829	1,918,394	2,084,177
	<hr/>			
Total business-type activities net position	2,235,441	2,368,623	2,192,487	2,158,533
<hr/>				
Primary government:				
Invested in capital assets, net of related debt	48,847,496	46,960,769	41,174,299	47,006,410
Restricted	16,706,457	17,261,200	19,698,652	
Unrestricted	14,359,492	15,007,452	13,574,875	28,499,833
	<hr/>			
Total primary government net position	\$ 79,913,445	79,229,421	74,447,826	75,506,243
<hr/>				

Note: The Decatur Public Building Commission is considered a Blended Component Unit beginning in fiscal year 2010. Comparative data for 2009 is included as the Commission restated the 2009 financial statements to retroactively report the change in reporting. Information for prior years is not presented.

2009	2008	2007	2006	2005	2004
25,165,706	26,844,685	28,636,255	12,699,438	12,984,934	6,658,161
61,553	91,352	106,493	429,487	6,402,105	3,736,880
32,779,098	34,537,452	34,603,813	33,852,391	21,694,693	23,577,294
58,006,357	61,473,489	63,346,561	46,981,316	41,081,732	33,972,335

88,534
307,495
1,507,640

1,903,669	-	-	-	-	-
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25,254,240	26,844,685	28,636,255	12,699,438	12,984,934	6,658,161
369,048	91,352	106,493	429,487	6,402,105	3,736,880
34,286,738	34,537,452	34,603,813	33,852,391	21,694,693	23,577,294
59,910,026	61,473,489	63,346,561	46,981,316	41,081,732	33,972,335

MACON COUNTY, ILLINOIS

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

(Prepared using the accrual basis of accounting)

	2013	2012	2011
Expenses:			
Governmental activities:			
General control and administration	\$ 7,391,989	7,465,827	7,184,382
Public safety	14,142,826	13,742,754	13,367,326
Judiciary and court-related	8,700,375	8,810,365	8,448,670
Public health and welfare	11,486,680	10,493,149	10,251,619
Transportation	6,454,652	5,335,827	6,599,454
Interest on long-term debt	111,075	159,640	227,944
Total governmental activities expenses	<u>48,287,597</u>	46,007,562	46,079,395
Business-type activities:			
Decatur Public Building Commission	<u>3,339,575</u>	3,327,133	3,462,329
Total business-type activities expenses	<u>3,339,575</u>	3,327,133	3,462,329
Total primary government expenses	<u><u>51,627,172</u></u>	49,334,695	49,541,724
Program Revenues:			
Governmental activities:			
Charges for services:			
General government	2,139,484	2,209,660	2,092,862
Public safety	1,672,860	1,661,515	1,531,731
Judiciary and court-related	2,842,079	2,747,891	2,822,799
Other activities	1,232,322	1,190,285	1,011,329
Operating grants and contributions	15,009,122	13,338,712	12,442,302
Capital grants and contributions	2,327,371	4,971,150	453,195
Total governmental activities program revenues	<u>25,223,238</u>	26,119,213	20,354,218
Business-type activities:			
Charges for services:			
Decatur Public Building Commission	638,209	565,475	573,764
Capital grants and contributions	<u>119,021</u>		
Total business-type activities program revenues	<u>757,230</u>	565,475	573,764
Total primary government program revenues	<u><u>\$ 25,980,468</u></u>	26,684,688	20,927,982

Note: The Decatur Public Building Commission is considered a Blended Component Unit beginning in fiscal year 2010. Comparative data for 2009 is included as the Commission restated the 2009 financial statements to retroactively report the change in reporting. Information for prior years is not presented.

(Continued)

2010	2009	2008	2007	2006	2005	2004
9,697,557	9,269,751	9,160,744	9,421,696	10,384,209	8,830,625	8,391,661
11,539,009	13,748,618	14,054,775	13,637,829	9,715,600	11,444,061	11,532,508
7,634,752	9,074,775	9,115,238	8,037,076	6,299,870	6,190,711	6,287,988
10,926,305	11,636,433	11,497,511	9,637,112	8,954,194	8,745,459	8,510,230
7,918,036	8,445,713	6,962,170	6,897,914	4,877,917	5,027,838	8,657,610
296,242	38,132	50,442	42,247	51,688	414,085	433,837
48,011,901	52,213,422	50,840,880	47,673,874	40,283,478	40,652,779	43,813,834
3,339,612	3,650,280					
3,339,612	3,650,280	-	-	-	-	-
51,351,513	55,863,702	50,840,880	47,673,874	40,283,478	40,652,779	43,813,834
2,121,306	2,117,617	2,354,360	2,195,857	2,103,590	2,102,326	2,296,057
1,547,196	1,489,165	1,581,616	1,380,536	1,370,284	1,323,488	1,304,160
2,891,779	2,993,428	2,637,566	2,674,929	2,480,065	2,490,949	2,382,172
859,130	997,452	761,205	733,117	686,144	656,019	520,797
14,188,230	14,005,544	14,737,366	13,519,377	13,164,103	16,303,449	12,690,489
47,673	732,095					
21,655,314	22,335,301	22,072,113	20,503,816	19,804,186	22,876,231	19,193,675
18,883	3,633,235					
18,883	3,633,235	-	-	-	-	-
21,674,197	25,968,536	22,072,113	20,503,816	19,804,186	22,876,231	19,193,675

MACON COUNTY, ILLINOIS

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Continued)
(Prepared using the accrual basis of accounting)**

	2013	2012	2011
Net (expense) revenue:			
Governmental activities	\$ (23,064,359)	(19,888,349)	(25,725,177)
Business-type activities	<u>(2,582,345)</u>	<u>(2,761,658)</u>	<u>(2,888,565)</u>
Total primary government net (expense) revenues	<u>(25,646,704)</u>	<u>(22,650,007)</u>	<u>(28,613,742)</u>
General revenues and other changes in net position:			
Governmental activities:			
Taxes:			
Property taxes	15,757,702	16,877,262	17,149,602
Sales taxes	5,627,356	5,899,908	5,976,995
Other taxes	2,323,433	2,301,989	2,014,766
Investment earnings	54,295	54,749	102,321
Miscellaneous	2,558,733	2,348,401	2,284,679
Internal transfers - rent	<u>(2,439,954)</u>	<u>(2,917,262)</u>	<u>(2,895,557)</u>
Total governmental activities	<u>23,881,565</u>	<u>24,565,047</u>	<u>24,632,806</u>
Business-type activities:			
Investment earnings	9,898	19,134	26,387
Miscellaneous	(689)	1,398	575
Loss on disposal of capital assets			
Internal transfers - rent	<u>2,439,954</u>	<u>2,917,262</u>	<u>2,895,557</u>
Total business-type activities	<u>2,449,163</u>	<u>2,937,794</u>	<u>2,922,519</u>
Total primary government	<u>26,330,728</u>	<u>27,502,841</u>	<u>27,555,325</u>
Change in net position:			
Governmental activities	817,206	4,676,698	(1,092,371)
Business-type activities	<u>(133,182)</u>	<u>176,136</u>	<u>33,954</u>
Total primary government change in net position	<u>\$ 684,024</u>	<u>4,852,834</u>	<u>(1,058,417)</u>

2010	2009	2008	2007	2006	2005	2004
(26,356,587)	(29,878,121)	(28,768,767)	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)
(3,320,729)	(17,045)					
(29,677,316)	(29,895,166)	(28,768,767)	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)
17,001,022	16,248,038	15,759,831	14,956,074	15,507,295	14,420,074	16,052,100
5,883,667	5,564,180	6,010,009	5,905,221	5,902,593	5,757,499	5,266,907
2,262,050	2,281,553	2,522,896	2,409,412	2,223,615	2,039,441	1,599,709
169,650	252,218	700,547	1,294,699	1,199,480	566,649	323,540
2,675,427	2,065,000	1,902,412	1,971,218	1,820,732	1,890,985	2,467,316
(3,546,428)						
24,445,388	26,410,989	26,895,695	26,536,624	26,653,715	24,674,648	25,709,572
39,542	46,918					
333	942					
(10,710)	(35,051)					
3,546,428						
3,575,593	12,809	-	-	-	-	-
28,020,981	26,423,798	26,895,695	26,536,624	26,653,715	24,674,648	25,709,572
(1,911,199)	(3,467,132)	(1,873,072)	(633,434)	6,174,423	6,898,100	1,089,413
254,864	(4,236)					
(1,656,335)	(3,471,368)	(1,873,072)	(633,434)	6,174,423	6,898,100	1,089,413

MACON COUNTY, ILLINOIS

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

	2013	2012	2011	2010
General Fund:				
Reserved	\$			223,566
Unreserved				8,725,715
Nonspendable	41,802	34,884	47,725	
Restricted	106,225	6,535	21,198	
Committed	2,710,154	2,705,579	2,700,820	
Unassigned	7,427,958	7,477,691	7,173,566	
Total general fund	10,286,139	10,224,689	9,943,309	8,949,281
All Other Governmental Funds:				
Reserved				6,537,996
Unreserved, reported in:				
Special revenue funds				18,861,173
Capital projects funds				61,786
Nonspendable	4,858,311	4,556,092	4,416,341	
Restricted	16,600,232	17,254,665	19,677,454	
Committed	600,000	600,000	600,000	
Unassigned	(90,597)	(194,584)	(353,736)	
Total all other governmental funds	\$ 21,967,946	22,216,173	24,340,059	25,460,955

Note: During 2011, the County adopted GASB Statement No. 54 which changed reporting standards for governmental fund balances.

2009	2008	2007	2006	2005	2004
247,728	301,915	320,873	374,000	335,580	344,028
8,549,767	8,252,424	6,467,445	4,199,370	1,930,881	513,469
8,797,495	8,554,339	6,788,318	4,573,370	2,266,461	857,497
5,196,210	4,953,122	5,313,756	4,875,463	7,140,198	3,326,728
21,374,170	23,947,602	23,227,450	25,231,682	18,953,264	20,507,992
61,553	91,352	106,493	109,881	114,555	409,730
26,631,933	28,992,076	28,647,699	30,217,026	26,208,017	24,244,450

MACON COUNTY, ILLINOIS

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(Prepared using the modified accrual basis of accounting)

	2013	2012	2011
Revenues:			
Taxes	\$ 23,938,960	25,073,722	25,141,364
Intergovernmental	18,966,469	18,207,473	14,071,449
Fines, fees and forfeitures	6,876,612	6,946,660	6,620,209
Licenses and permits	303,431	287,305	287,576
Investment earnings	54,231	54,716	102,243
Miscellaneous revenues	2,885,999	2,404,283	2,309,131
Total revenues	53,025,702	52,974,159	48,531,972
Expenditures:			
General control and administration	7,729,685	7,240,456	6,908,101
Public safety	15,800,584	15,229,973	14,792,916
Judiciary and court-related	9,549,287	9,581,919	9,410,941
Public health and welfare	10,926,389	10,175,379	10,082,133
Transportation	5,770,956	8,182,396	4,098,831
Capital outlay	2,112,045	1,577,934	1,490,449
Debt service:			
Principal	1,032,985	1,254,945	1,454,825
Interest	131,479	178,581	227,944
Total expenditures	53,053,410	53,421,583	48,466,140
Excess (deficiency) of revenues over (under) expenditures	(27,708)	(447,424)	65,832
Other financing sources (uses):			
Loan proceeds			
Transfers in	1,197,540	1,160,757	663,458
Transfers out	(1,356,609)	(1,409,662)	(856,158)
Total other financing sources (uses)	(159,069)	(248,905)	(192,700)
Net change in fund balances	\$ (186,777)	(696,329)	(126,868)
Debt service as a percentage of noncapital expenditures	2.29%	2.77%	3.58%
Debt service as a percentage of total expenditures	2.19%	2.68%	3.47%
Ratio of capital outlay to total expenditures	3.98%	2.95%	3.08%

2010	2009	2008	2007	2006	2005	2004
25,146,739	24,093,771	24,292,736	23,270,707	23,633,503	22,217,014	22,918,716
14,717,277	15,113,852	15,053,144	13,875,412	13,572,273	16,674,267	13,030,618
6,617,717	6,888,443	6,643,508	6,388,513	5,977,479	5,947,761	5,964,843
279,007	213,712	241,622	239,891	254,434	254,203	198,214
169,552	252,045	699,688	1,294,021	1,198,017	565,332	322,822
2,692,602	2,117,751	2,005,191	1,948,249	1,820,732	1,888,737	2,465,857
49,622,894	48,679,574	48,935,889	47,016,793	46,456,438	47,547,314	44,901,070
9,262,094	8,927,804	8,725,566	8,591,866	9,815,467	8,027,914	7,480,110
12,983,804	13,437,092	13,204,313	13,049,148	9,323,558	10,984,285	11,283,184
8,729,505	9,206,354	8,433,313	7,872,428	6,180,166	6,049,224	6,203,159
10,885,605	11,528,447	10,911,602	9,317,880	8,632,064	8,348,134	8,103,792
3,897,990	3,837,905	3,479,896	5,277,127	3,785,442	3,745,609	7,267,977
3,016,529	3,496,728	2,331,931	1,959,107	2,164,129	6,491,796	2,700,159
1,923,029	61,935	87,797	66,369	54,954	692,275	511,557
296,242	38,132	50,442	42,247	51,688	413,237	436,135
50,994,798	50,534,397	47,224,860	46,176,172	40,007,468	44,752,474	43,986,073
(1,371,904)	(1,854,823)	1,711,029	840,621	6,448,970	2,794,840	914,997
758,006	843,811	738,772	1,833,529	4,959,152	2,147,121	182,879
(1,008,006)	(1,105,975)	(888,772)	(2,028,529)	(5,088,152)	(2,266,121)	1,977,160
(250,000)	(262,164)	(150,000)	(195,000)	(129,000)	(119,000)	(2,161,160)
(1,621,904)	(2,116,987)	1,561,029	645,621	6,319,970	2,675,840	(1,121)
4.63%	0.21%	0.31%	0.25%	0.28%	2.89%	2.30%
4.35%	0.20%	0.29%	0.24%	0.27%	2.47%	2.15%
5.92%	6.92%	4.94%	4.24%	5.41%	14.51%	6.14%

MACON COUNTY, ILLINOIS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

Fiscal year ended November 30	Property	Retailer's Occupational	Other	Total
2004	\$ 16,052,100	5,266,907	1,599,709	22,918,716
2005	14,420,074	5,757,499	2,039,441	22,217,014
2006	15,507,295	5,902,593	2,223,615	23,633,503
2007	14,956,074	5,905,221	2,409,412	23,270,707
2008	15,759,831	6,010,009	2,522,896	24,292,736
2009	16,248,038	5,564,180	2,281,553	24,093,771
2010	17,001,022	5,883,667	2,262,050	25,146,739
2011	17,149,602	5,976,995	2,014,766	25,141,363
2012	16,877,262	5,899,908	2,301,989	25,079,159
2013	15,757,702	5,857,825	2,323,433	23,938,960

MACON COUNTY, ILLINOIS

**ASSESSED VALUATION AND ESTIMATED ACTUAL VALUATION
LAST TEN TAX LEVY YEARS**

Year Property Assessed	Fiscal Year Ended	Real Estate		Railroads	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	2004	\$ 1,332,089,906	3,960,081,273	12,062,815	36,188,445
2004	2005	1,310,728,120	3,932,184,360	11,780,781	35,342,343
2005	2006	1,374,064,456	4,122,193,368	12,117,906	36,353,718
2006	2007	1,435,141,676	4,305,425,028	14,270,070	42,810,210
2007	2008	1,508,990,727	4,526,972,181	16,226,554	48,679,662
2008	2009	1,548,760,053	4,646,280,159	18,914,828	56,744,484
2009	2010	1,596,487,575	4,789,462,725	23,571,226	70,713,678
2010	2011	1,600,599,923	4,801,799,769	23,986,508	71,959,524
2011	2012	1,600,754,394	4,802,263,182	25,969,869	77,909,607
2012	2013	1,553,894,906	4,661,684,718	26,098,255	78,294,765

Source: Macon County Clerk's Office

Note: Property in the County of Macon, Illinois is reassessed every year. The County assesses property at approximately 33.3% of actual value. Estimated actual value is calculated by dividing taxable value by that percentage. Assessed value includes tax-exempt property.

Total		Ratio of Total		Total
Assessed	Estimated	Assessed to Total		Direct
Value	Actual Value	Estimated	Actual Value	Tax Rate
1,344,152,721	3,996,269,718	33 1/3		1.3829
1,322,508,901	3,967,526,703	33 1/3		1.2720
1,386,182,362	4,158,547,086	33 1/3		1.3233
1,449,411,746	4,348,235,238	33 1/3		1.1983
1,525,217,281	4,575,651,843	33 1/3		1.2032
1,567,674,881	4,703,024,643	33 1/3		1.2067
1,620,058,801	4,860,176,403	33 1/3		1.2209
1,624,586,431	4,873,759,293	33 1/3		1.2279
1,626,724,263	4,880,172,789	33 1/3		1.2211
1,579,993,161	4,739,979,483	33 1/3		1.1906

MACON COUNTY, ILLINOIS

**SCHEDULE OF PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX LEVY YEARS
(Per \$ 100 of Assessed Valuation)**

Governmental Unit	Year of Levy				
	2012	2011	2010	2009	2008
County of Macon, direct rates:					
General Corporate Fund	0.17611	0.25000	0.2500	0.2443	0.2321
County Highway Fund	0.09494	0.09221	0.0923	0.0926	0.0957
Special Bridge Fund	0.03260	0.03166	0.0317	0.0318	0.0328
Illinois Municipal Retirement Fund	0.13292	0.11762	0.1509	0.1575	0.1588
Federal Aid Matching Fund	0.02785	0.02705	0.0271	0.0272	0.0281
Historical Museum Fund	0.00200	0.00200	0.0020	0.0020	0.0019
County Health Department Fund	0.10260	0.09981	0.1023	0.1024	0.1042
Insurance Liability Fund	0.04431	0.02459	0.0092	0.0000	0.0000
Veterans Commission Fund	0.00950	0.00923	0.0092	0.0093	0.0051
708 Board Fund	0.15000	0.14192	0.1422	0.1425	0.1416
Judgment Repayment Fund	0.02057	0.01537	0.0000	0.0000	0.0000
Law Facilities Center Fund					
Social Security Tax Fund	0.07088	0.06884	0.0673	0.0674	0.0697
Decatur Public Building Commission Lease Fund	0.30181	0.31701	0.3198	0.3208	0.3128
Building Renovation Fund					
Macon County Coop Extension	0.02446	0.02376	0.0238	0.0231	0.0239
Total direct rates	1.19055	1.22107	1.2279	1.2209	1.2067
City of Decatur	1.3604	1.2905	1.2435	1.2167	1.2064
Conservation District	0.1071	0.1013	0.1015	0.1002	0.1026
Decatur Park District	1.0972	1.0399	1.0379	1.0379	1.0382
Decatur Sanitary District	0.3142	0.2752	0.2610	0.2601	0.2640
Decatur Township	0.3403	0.3132	0.2965	0.2819	0.2739
Hickory Point Township	0.3470	0.3368	0.3231	0.3070	0.3006
Richland Community College	0.4829	0.4780	0.4325	0.3947	0.3943
Decatur School District	4.3912	4.3155	4.2872	4.3487	4.3361
Mt. Zion School District	3.8637	3.8266	4.0338	4.0108	3.9553

Note: Taxes are collected during the year following the year taxes are levied.

Source: Macon County Clerk's Office

Year of Levy				
2007	2006	2005	2004	2003
0.2386	0.2500	0.2447	0.2500	0.2500
0.0852	0.0897	0.0893	0.0901	0.0853
0.0321	0.0338	0.0500	0.0339	0.0316
0.1410	0.0690	0.0974	0.0756	0.1098
0.0272	0.0286	0.0285	0.0287	0.0269
0.0020	0.0020	0.0020	0.0020	0.0020
0.0921	0.0821	0.1054	0.1070	0.1070
0.0066	0.0138	0.0260	0.0547	0.0581
0.0052	0.0062	0.0066	0.0069	0.0068
0.1397	0.1500	0.1500	0.1500	0.1500
0.0164	0.0207	0.0216	0.0340	0.0413
			0.1792	0.2594
0.0794	0.0669	0.0700	0.0699	0.0716
0.3131	0.3596	0.4047		
			0.1626	0.1559
0.0246	0.0259	0.0271	0.0274	0.0272
1.2032	1.1983	1.3233	1.2720	1.3829
1.2324	1.2418	1.2699	1.2717	1.1925
0.1035	0.1056	0.1088	0.1146	0.1082
1.0280	1.0288	1.0141	0.9988	0.9988
0.2727	0.2644	0.2828	0.2964	0.2616
0.2745	0.2691	0.2679	0.2664	0.2494
0.2948	0.3009	0.3006	0.3022	0.2913
0.3941	0.3868	0.3889	0.3895	0.3839
4.3615	4.3107	4.3201	4.1670	4.0734
3.9824	3.9197	3.9851	4.0149	3.9609

MACON COUNTY, ILLINOIS

**PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business Property	2013 Equalized Assessed Valuation	Percentage of Total 2013 Equalized Assessed Valuation	2013 Rank
Archer Daniels Midland Co.	Industrial	\$ 22,989,357	1.46%	1
Hickory Point, LLC	Retail	11,427,390	0.72%	2
Wal-Mart Stores, Inc.	Retail	7,622,724	0.48%	3
Caterpillar, Inc.	Industrial	7,055,446	0.45%	4
Ventas, Inc.	Medical Buildings	5,490,773	0.35%	5
Illinois Power Company	Utility	5,047,653	0.32%	6
Millikin University	University Apartments	3,926,732	0.25%	7
Brettwood Village Associates	Retail	3,038,000	0.25%	8
Fair Haven Christian Home	Senior Living	2,873,986	0.19%	9
St. Mary's Hospital	Hospital	2,755,873	0.17%	10
		<u>\$ 72,227,934</u>	<u>4.64%</u>	
Total 2013 County assessed valuation		<u>\$ 1,579,993,161</u>		

Taxpayer	Type of Business Property	2004 Equalized Assessed Valuation	Percentage of Total 2004 Equalized Assessed Valuation	2004 Rank
Archer Daniels Midland Co.	Industrial	\$ 25,366,910	1.89%	1
CWB Investments	Retail	9,878,735	0.73%	2
Wal-Mart Stores, Inc.	Retail	8,253,178	0.61%	3
Caterpillar, Inc.	Industrial	7,085,839	0.53%	4
Real Estate Investors of Decatur	Real Estate	4,269,454	0.32%	5
Pittsburg Plate Glass Co.	Industrial	3,833,303	0.29%	6
Millikin University	University Apartments	3,692,294	0.27%	7
Northgate Limited Partnership	Retail	3,587,831	0.27%	8
Decatur Memorial Foundation	Medical Buildings	3,529,328	0.26%	9
Ameren/IP	Utility	3,378,070	0.25%	10
		<u>\$ 72,874,942</u>	<u>5.42%</u>	
Total 2004 County assessed valuation		<u>\$ 1,344,152,721</u>		

Source: Macon County Supervisor of Assessments

MACON COUNTY, ILLINOIS

**PROPERTY TAX LEVIES AND COLLECTIONS - COUNTY FUNDS
LAST TEN TAX LEVY YEARS**

	Tax Levy Year Fiscal Year Ended	2012 2013	2011 2012	2010 2011
Tax Extensions:				
General Corporate Fund	\$	2,782,526	4,066,810	4,061,467
County Highway Fund		1,500,045	1,500,002	1,500,143
Special Bridge Fund		515,078	515,021	515,156
Illinois Municipal Retirement Fund		2,100,127	1,913,353	2,452,151
Federal Aid Matching Fund		440,028	440,029	440,100
Historical Museum Fund		31,600	32,534	32,492
County Health Department Fund		1,624,064	1,626,359	1,662,310
Insurance Liability Fund		700,095	400,011	150,112
Veterans Commission Fund		150,099	150,147	150,112
708 Board Fund		2,374,363	2,312,522	2,312,440
Judgment Repayment Fund		325,005	250,027	
Law Facilities Center Fund				
Social Security Tax Fund		1,119,899	1,119,837	1,092,535
Decatur Public Building Commission Lease Fund		4,768,577	5,156,878	5,194,941
Building Renovation Macon County Extension		387,158	387,135	387,225
Total	\$	18,818,664	19,870,665	19,951,184
Total Collections		18,114,910	19,530,213	19,833,753
Percentage of extensions collected		96.26%	98.29%	99.41%

Note: Taxes are collected during the year following the year taxes are levied.

Subsequent year collections are not presented because there was no subsequent adjustment to the levy.

Source: Macon County Clerk's Office and Macon County Treasurer's Office

2009	2008	2007	2006	2005	2004	2003
2010	2009	2008	2007	2006	2005	2004
3,958,452	3,638,887	3,638,864	3,623,529	3,392,410	3,309,657	3,330,292
1,500,012	1,500,108	1,300,095	1,300,122	1,238,279	1,192,800	1,136,293
515,017	515,138	489,137	489,032	465,065	448,790	420,947
2,552,079	2,488,684	2,150,099	1,000,094	1,350,005	1,000,840	1,462,659
440,008	440,046	415,012	415,111	395,063	379,949	358,337
32,401	29,002	30,504	28,988	27,724	26,477	26,642
1,660,575	1,635,688	1,407,190	1,190,950	1,461,774	1,416,590	1,425,336
		100,054	200,019	360,131	724,153	773,957
150,017	80,108	80,074	90,009	92,043	91,347	90,583
2,312,474	2,223,361	2,135,853	2,176,708	2,080,719	1,985,873	1,998,134
		250,136	300,028	300,109	450,113	550,162
					2,372,362	3,455,503
1,092,568	1,092,513	1,211,023	970,091	970,052	925,380	953,793
5,196,662	4,904,157	4,775,913	5,211,504	5,609,890		
					2,152,601	2,076,764
375,896	375,848	375,846	375,671	375,612	362,753	362,327
<u>19,786,161</u>	<u>18,923,540</u>	<u>18,359,800</u>	<u>17,371,856</u>	<u>18,118,876</u>	<u>16,839,685</u>	<u>18,421,729</u>
19,674,965	18,835,124	18,245,426	17,375,414	18,047,742	16,801,523	18,410,806
99.44%	99.53%	99.38%	100.02%	99.61%	99.77%	99.94%

MACON COUNTY, ILLINOIS

**RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended November 30,	Governmental Activities			Revenue Bonds	Total Primary Government	Estimated Actual Value
	Capital Leases	General Obligation Debt	Contractual Obligations			
2004	\$ 7,140,800	1,396,302	18,498		8,555,600	3,996,269,718
2005		1,173,325			1,173,325	3,967,526,703
2006		1,118,371			1,118,371	4,158,547,086
2007		1,052,002			1,052,002	4,348,235,238
2008		964,205			964,205	4,575,651,843
2009		902,270			902,270	4,703,024,643
2010		846,815		5,015,458	5,862,273	4,860,176,403
2011		786,990		3,697,425	4,484,415	4,873,759,293
2012		727,045		2,502,425	3,229,470	4,880,172,789
2013		664,060		1,532,425	2,196,485	4,739,979,483

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the schedule of demographic and economic statistics for personal income data.

Population estimates for 2004-2009 are based on the 2000 census per the U.S. Census Bureau, with 2010-2013 population based on the 2010 Census.

During 2005, the capital lease applicable to the County buildings was re-negotiated with the Decatur Public Building Commission. It was determined at that time that the lease was an operating lease and no longer a capital lease obligation. During 2010, a change in reporting entity was made to include the Commission as a blended component unit of the County, making the debt that of the County.

Additional details of this lease agreement can be found in Note 10 to the current financial statements.

Percentage of General Bonded Debt to Estimated Actual Value	Percentage of Personal Income (1)	Population	General Bonded Debt Per Capita
0.21%	0.28%	110,502	77.42
0.03%	0.05%	110,167	10.65
0.03%	0.04%	109,309	10.23
0.02%	0.04%	108,732	9.68
0.02%	0.04%	108,328	8.90
0.02%	0.03%	108,204	8.34
0.12%	0.21%	110,768	52.92
0.09%	0.16%	110,715	40.50
0.07%	0.11%	110,122	29.33
0.05%	0.08%	109,278	20.10

MACON COUNTY, ILLINOIS

DIRECT AND OVERLAPPING DEBT

As of November 30, 2013

Governmental Unit	Total Debt Outstanding	Percentage Applicable to County	Debt Applicable to County
Direct Debt:			
County	\$ 2,196,485	100.0%	<u>2,196,485</u>
Overlapping Debt:			
City of Decatur	172,240,150	100.0%	172,240,150
Decatur Park District	11,154,322	100.0%	11,154,322
Decatur School District #61	185,644,138	100.0%	185,644,138
Argenta School District #1	8,143,325	99.8%	8,127,038
Meridian School District #15	23,043,820	95.2%	21,937,717
Mt. Zion School District #3	46,021,596	97.8%	45,009,121
Richland Community College	33,560,618	70.8%	23,760,918
Warrensburg School District #11	15,976,537	93.6%	14,954,039
Maroa-Forsyth School District #2	25,882,453	96.7%	25,028,332
Village of Mt. Zion	3,632,608	100.0%	<u>3,632,608</u>
Total overlapping debt			<u>511,488,383</u>
Total debt applicable to County			<u><u>\$ 513,684,868</u></u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering Macon County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

MACON COUNTY, ILLINOIS

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2013	2012	2011	2010
Debt limit	\$ 45,424,803	46,768,323	46,706,860	46,576,691
Total net debt applicable to limit				
Legal debt margin	<u>\$ 45,424,803</u>	<u>46,768,323</u>	<u>46,706,860</u>	<u>46,576,691</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value (2012 tax year)	<u>\$ 1,579,993,161</u>
Debt limit (2.875% of assessed value)	<u>45,424,803</u>
Debt outstanding applicable to limit: None	_____
Total net debt applicable to limit	_____ -
Total legal debt margin	<u>\$ 45,424,803</u>

Illinois Compiled Statutes, 50 ILCS 405/1, provide that no county having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness.

Additionally, the limitation "... shall not apply to any indebtedness of any county of the purpose of building a county court house, jail, and other necessary county buildings..."

Reference: Illinois Compiled Statutes - 50 ILCS 405/1.10

2009	2008	2007	2006	2005	2004
45,070,653	43,849,997	41,260,323	39,852,743	37,683,433	38,297,585
45,070,653	43,849,997	41,260,323	39,852,743	37,683,433	38,297,585
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

MACON COUNTY, ILLINOIS

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population (1)	Personal Per Capita Income (1)	Personal Income (in thousands)	Median Age (1)	School Enrollment (2)	Unemployment Rates (3)		
						County	State	United States
2004	110,502	\$ 28,094	3,104,443	38.0	19,006	6.7	6.2	5.5
2005	110,167	23,330	2,570,196	38.0	18,589	6.1	5.7	5.1
2006	109,309	23,330	2,550,179	39.3	18,575	5.3	4.6	4.6
2007	108,732	22,512	2,447,775	39.3	18,303	5.7	5.0	4.6
2008	108,328	24,125	2,613,413	39.3	17,744	7.2	6.5	5.8
2009	108,204	25,151	2,721,439	39.4	18,272	11.4	10.1	9.3
2010	110,768	25,044	2,774,074	39.7	17,906	11.8	10.3	9.6
2011	110,715	24,726	2,737,539	40.3	17,392	9.9	9.2	8.9
2012	110,122	25,797	2,840,817	40.3	17,371	10.1	8.2	8.1
2013	109,278	25,948	2,835,546	40.5	16,997	12.2	8.5	7.4

(1) U.S. Census Bureau

(2) Macon-Piatt Regional Office of Education

(3) US Department of Labor, Bureau of Labor Statistics

MACON COUNTY, ILLINOIS

**PRINCIPAL EMPLOYERS IN THE COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Employer	2013			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Archer Daniels Midland Co.	4,040	1	8.58%	3,500	1	6.68%
Caterpillar, Inc.	3,292	2	6.99%	2,200	2	4.20%
Decatur Memorial Hospital	2,374	3	5.04%	2,266	3	4.32%
Decatur Public School District	1,500	4	3.18%	1,500	4	2.86%
St. Mary's Hospital	1,136	5	2.41%	1,058	5	2.02%
Tate and Lyle North America	634	6	1.35%	720	7	1.37%
Millikin University	627	7	1.33%	545	10	1.04%
Macon County	545	8	1.16%	**	**	**
Ameren Illinois	512	9	1.09%	901	6	1.72%
City of Decatur	506	10	1.07%	**	**	**
Norfolk Southern Railroad				600	8	1.14%
Mueller Company				600	9	1.14%
Total	<u>15,166</u>		<u>32.20%</u>	<u>13,890</u>		<u>26.49%</u>
Total County employment			<u>47,096</u>			<u>52,424</u>

Includes 10 largest employers

Source: The Economic Development Corporation of Decatur and Macon County

** Employer not included in top 10 employers in 2004.

MACON COUNTY, ILLINOIS

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Function/Program										
General Government:										
Management services	20	27	21	22	21	20	22	19	22	23
Finance	22	20	21	20	21	19	20	19	19	19
Other	20	23	27	28	27	27	29	29	30	29
Public Safety:										
Officers	50	50	51	51	49	51	51	50	49	46
Civilians	147	140	140	145	147	145	147	145	149	145
Judiciary	113	118	113	114	111	105	105	106	106	101
Public Health	117	114	113	122	123	129	124	119	119	115
Transportation	25	26	23	25	26	30	25	26	26	25
Total	514	518	509	527	525	526	523	513	520	503

Source: Macon County Payroll Records

MACON COUNTY, ILLINOIS

**OPERATING INDICATORS BY FUNCTION
LAST SEVEN FISCAL YEARS**

Function	2013	2012	2011	2010	2009	2008	2007	2006
General government:								
Accounts payable checks issued	7,429	8,427	7,640	8,206	7,380	6,912	5,985	6,684
Payroll checks and direct deposits issued	14,990	15,763	15,435	15,737	15,483	15,285	15,442	15,063
Births	1,595	1,642	1,541	1,738	1,742	1,736	1,572	1,756
Deaths	1,276	1,279	1,237	1,246	1,158	1,341	1,189	1,282
Marriage licenses	605	646	723	695	619	660	744	724
Public Safety:								
Jail bookings	5,693	5,692	6,027	6,286	6,793	6,817	6,206	5,638
Year end inmate population	327	311	270	262	288	262	265	259
Calls for service	33,051	19,740	17,456	18,340	17,626	19,455	20,245	21,871
Health:								
Dental Clinic - patients seen	10,199	9,086	8,259	7,641	15,677	12,976	12,976	13,775
Women, Infants and Children Program - active clients	3,208	3,208	3,290	3,152	3,281	3,152	3,267	3,084
TB skin tests administered	1,885	2,262	2,155	2,434	2,353	2,474	2,982	2,849
Influenza immunizations	3,030	3,985	3,553	4,283	4,278	4,516	5,254	5,354
Judicial:								
Juvenile probation caseload	162	146	200	159	228	225	302	243
Adult probation caseload	1,606	1,932	1,842	1,848	1,728	1,148	954	815
Divorce cases filed	535	663	577	635	616	564	570	620
Small claims filed	2,649	2,227	2,358	2,684	2,719	2,810	3,168	2,668
Highway:								
Lane miles of road resurfaced	8		2	46	18	6	2	14
Chip and seal general road maintenance	24	25	49	70	23	28	34	16
New signs installed	720	700	750	800	750	750	750	800
Bridges rebuilt	3	3	3	5	3	1	4	5
Roadside culverts installed	45	80	55	50	80	100	100	100
Planning and Zoning/Environmental Management:								
Residential construction building permits	76	70	62	73	95	129	190	142
Commercial construction building permits	15	13	12	5	11	28	18	17
Gallons of Paint Recycled	4,300	2000	5550	4550	3900	4850	4450	1,150

Sources: Various County departments.

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

MACON COUNTY, ILLINOIS

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST SEVEN FISCAL YEARS**

	2013	2012	2011	2010	2009	2008	2007	2006
Function/Program								
General government:								
Land area (square miles)	581	581	581	581	581	581	581	581
Animal Control vehicles	8	8	8	8	6	6	5	4
Environmental Management vehicles	3	3	3	4	3	3	3	3
Environmental Management recycling boxes	9	9	10	7	6	6	6	
Environmental Management recycling trailers	5	5	3	4	5	5	5	4
Public Safety:								
Sheriff - marked patrol units	17	19	17	17	19	19	20	17
Sheriff - non-patrol units	15	16	16	13	7	7	7	5
Probation - vehicles	7	7	8	9	11	11	11	10
Emergency Management - vehicles	3	3	3	4	4	4	4	4
Highway:								
Miles of streets or roads	250	250	250	250	250	250	250	250
Bridges	63	63	63	63	63	63	63	63

Sources: Various county departments.

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

FEDERAL AWARDS - COMPLIANCE SECTION

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
---	------------------------	------------------------------

Major Programs

U.S. Department of Labor:

Passed Through Illinois Department of
 Commerce and Economic Opportunity:

WIA 10% Statewide Activities Incentive	17.258	10-672019
WIA Youth, Adult, Dislocated Worker	17.258	11-681019
WIA Youth, Adult, Dislocated Worker	17.258	12-681019
WIA Youth, Adult, Dislocated Worker	17.258	13-681019

WIA 10% Statewide Activities Incentive	17.259	10-672019
WIA Youth, Adult, Dislocated Worker	17.259	11-681019
WIA Youth, Adult, Dislocated Worker	17.259	12-681019
WIA Youth, Adult, Dislocated Worker	17.259	13-681019

WIA Adult Dislocated Worker	17.278	10-672019
WIA Adult Dislocated Worker	17.278	11-651019
WIA Adult Dislocated Worker	17.278	12-654019
WIA Adult Dislocated Worker	17.278	11-681019
WIA Adult Dislocated Worker	17.278	12-681019
WIA Adult Dislocated Worker	17.278	13-681019
WIA Adult Dislocated Worker	17.278	11-654119

Total U.S. Department of Labor

cluster total

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 4,151		1,209	1,209	
1,156,273	7,441		5,109	2,332
1,057,052	(1,916)	217,512	215,596	
1,108,620		102,869	114,364	(11,495)
	5,525	321,590	336,278	(9,163)
		1,305	1,305	
	8,018		5,506	2,512
	(2,061)	233,917	231,856	
		109,188	121,389	(12,201)
	5,957	344,410	360,056	(9,689)
		1,637	1,637	
811,000	(7,513)	446,000	462,169	(23,682)
288,500		25,000	40,024	(15,024)
	11,641		7,993	3,648
	(2,840)	237,622	234,782	
		112,943	125,565	(12,622)
55,003	(6,962)	33,160	26,198	
	(5,674)	856,362	898,368	(47,680)
	5,808	1,522,362	1,594,702	(66,532)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Major Programs, continued		
U.S. Department of Agriculture:		
Passed Through Illinois Department of Human Services:		
Supplemental Nutrition Program for Women, Infants and Children	10.557	FCSSQ01054
WIC Breastfeeding Peer Counselor	10.557	FCSSQ01193
Supplemental Nutrition Program for Women, Infants and Children	10.557	FCSRE01054
WIC Breastfeeding Peer Counselor	10.557	FCSRE01193
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	11GQ00322
Total U.S. Department of Agriculture		
Non major Programs		
U.S. Department of Labor:		
Passed Through Illinois Department of Commerce and Economic Opportunity:		
WIA Trade Adjustment Assistance Training	17.245	11-661019
WIA TAA Training	17.283	12-113019
Total U.S. Department of Labor		
U.S. Department of Agriculture:		
Passed Through Illinois Department of Public Health:		
Summer Food Inspection Program	10.559	25280139
Passed Through Illinois Department of Human Services:		
WIC Farmers Market - admin	10.572	FCAAQ01266
Total U.S. Department of Agriculture		

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 436,788		127,877	230,766	(102,889)
24,900		5,500	12,155	(6,655)
432,606	(98,723)	288,206	189,483	
26,000	(7,134)	20,000	12,866	
Non-cash Food Instruments		1,444,614	1,444,614	
	(105,857)	1,886,197	1,889,884	(109,544)
25,108	(461)	25,108	24,647	
960,025		36,000	30,807	5,193
	(461)	61,108	55,454	5,193
4,200		3,200	3,200	
\$ 1,000		1,000	1,000	
	-	4,200	4,200	-

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Transportation:		
Passed Through Illinois Department of Transportation:		
Highway Planning and Construction - Connector Project	20.205	P-97-063-10
Feasibility Study - Decatur Beltway	20.205	P-95-042-99
Highway Safety - Child Passenger Safety	20.613	OP2-0058-808
Highway Safety Project - LAP Enforcement	20.601	AL2-0058-156
Highway Safety Project - LAP Enforcement	20.601	AL-13-195
Highway Safety Project - LAP	20.601	AL2-0058-103
Highway Safety Project - LAP	20.601	AL2-13-295
Highway Safety Project - LAP	20.601	AL-14-0124
Highway Safety Project - Non Law Enforcement	20.600	AL2-0058-152
Highway Safety Project - Non Law Enforcement	20.601	AL-13-213
Highway Safety Project - Non Law Enforcement	20.601	AP-14-0159

cluster total

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
148,000	(4,470)	17,591	13,121	
1,809,379	(123,930)	170,054	64,938	(18,814)
	(128,400)	187,645	78,059	(18,814)
14,975	(9,135)	9,135		
94,772	(6,901)	6,901		
48,461	(6,843)	37,936	34,532	(3,439)
79,337	(42,103)	42,103		
70,500	(10,686)	59,599	59,501	(10,588)
73,719			10,262	(10,262)
208,412	(35,645)	35,645		
195,860	(32,617)	138,807	150,372	(44,182)
101,537			16,194	(16,194)
	(143,930)	330,126	270,861	(84,665)

MACON COUNTY, ILLINOIS

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year ended November 30, 2013**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Transportation, continued:		
Passed Through Illinois Emergency Management Agency:		
Hazardous Materials Emergency Preparedness Grant Program	20.703	1HMEPMACO11
Hazardous Materials Emergency Preparedness Grant Program	20.703	1HMEPMACO12
 Total U.S. Department of Transportation		
U.S. Department of Justice:		
Office on Violence Against Women:		
Solutions to Violence Against Women Program	16.590	2008-WE-AX-0021
Bureau of Justice Assistance:		
Gun Violence Grant	16.580	2008-DD-BX-0180
Justice and Mental Health Collaboration	16.745	2010-MO-BX-0015
Adult Drug Court	16.585	2011-DC-BX-0131
Passed Through Illinois Criminal Justice Information Authority:		
Teen Truancy Court Grant	16.523	510012
Teen Truancy Court Grant	16.523	508212

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 13,990	(5,195)	5,195		
13,800	(2,129)	6,796	7,585	(2,918)
	(7,324)	11,991	7,585	(2,918)
	(279,654)	529,762	356,505	(106,397)
799,977	(3,386)	3,386		
142,715	(3,105)	3,105		
250,000	(4,670)	110,844	106,174	
350,000	(3,182)	148,457	163,704	(18,429)
30,341		21,043	21,043	
17,400	6,629	5,659	12,288	
	6,629	26,702	33,331	-

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Justice:		
Bureau of Justice Assistance:		
Passed Through Illinois Criminal Justice Information Authority:		
Hidden Victims Prosecutor Based Services	16.575	211159
Hidden Victims Prosecutor Based Services	16.575	211259
ARRA - Adult Redeploy	16.803	809051.04
Adult Redeploy	16.803	193004
Adult Redeploy	16.803	194004
Passed Through Illinois State's Attorney Appellate Prosecutor:		
Local Drug Prosecution Support Grant	16.738	MAC411025
Passed Through City of Decatur		
Justice Assistance Grant - Disparity	16.738	2013-H3359-IL-DJ
Justice Assistance Grant - Disparity	16.738	2012-H3359-IL-DJ
	<i>cluster total</i>	
Juvenile Justice and Delinquency Prevention:		
Second Chance Juvenile Re-entry	16.812	2011-CZ-BX-0008
Passed Through National Children's Alliance:		
Child Advocacy Program Support	16.758	DECA-IL-SA13
Total U.S. Department of Justice		

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 16,122	614	(614)		
16,122		5,016	5,016	
	614	4,402	5,016	-
350,000	(49,317)	49,317		
233,117	(18,881)	205,658	186,777	
318,911		84,284	112,200	(27,916)
	(68,198)	339,259	298,977	(27,916)
40,000		20,000	20,000	
16,793			8,352	(8,352)
13,187	(8,596)	13,187	4,591	
	(8,596)	13,187	12,943	(8,352)
	(76,794)	372,446	331,920	(36,268)
422,906	(20,799)	142,330	121,531	
10,000		4,500	10,000	(5,500)
	(104,693)	816,172	771,676	(60,197)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Health and Human Services:		
Passed Through Illinois Department of Healthcare and Family Services:		
Title IV D, Child Support Enforcement	93.563	2014-55-013-KIF
Title IV D, Child Support Enforcement	93.563	2011-55-013-K3
Title IV D, Child Support Enforcement	93.563	2014-55-07-KE
Title IV D, Child Support Enforcement	93.563	2011-55-007-K3AY
Medical Assistance Program (Title XIX)	93.778	none
Passed Through Illinois Department of Human Services:		
Maternal Child Health Block Grant	93.994	FCSRE01549
Title XX Block Grant - FCM Community	93.667	FCSSU03167
MIECHV Formula	93.505	011GQ02074
MIECHV Formula	93.505	011GQ02200
MIECHV Formula	93.505	011GQ02074
MIECHV Formula	93.505	FCSSS03077
Personal Responsibility Educ Prog-TPP	93.092	FCSRE01838
Personal Responsibility Educ Prog-TPP	93.092	FCSSP01838

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 295,500			70,337	(70,337)
304,712	(63,563)	185,215	121,652	
39,572		8,130	14,143	(6,013)
58,952	(15,602)	26,917	11,315	
	(79,165)	220,262	217,447	(76,350)
N/A	(17,144)	82,607	65,463	
180,000		180,000	180,000	
10,000		10,000	10,000	
259,546	(9,104)	205,552	196,448	
60,683	(6,507)	36,418	29,911	
278,602		74,531	97,059	(22,528)
111,317		23,179	53,403	(30,224)
	(15,611)	339,680	376,821	(52,752)
307,750		212,150	212,150	
255,541		87,934	107,138	(19,204)
	-	300,084	319,288	(19,204)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Health and Human Services, continued:		
Passed Through Illinois Department of Public Health:		
Dental Sealant Grant	93.994	33480125A
Bioterrorism Preparedness	93.074	37180053A
Bioterrorism Preparedness	93.069	37180053A
Bioterrorism Preparedness	93.069	47180053B
Illinois Immunization Program -		
Childhood Immunization Grants	93.268	35180040A
Childhood Immunization Grants	93.268	25180015
Vaccines for Children (noncash assistance)	93.268	noncash vaccines
We Choose Health	93.531	32180023A
We Choose Health	93.531	42180136B

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 13,500	(1,282)	8,429	7,147	
85,329	(46,982)	79,564	32,582	
78,970		5,675	5,675	
			29,985	(29,985)
	(46,982)	85,239	68,242	(29,985)
35,000		21,949	30,000	(8,051)
35,000	(14,014)	14,014		
		561,091	561,091	
	(14,014)	597,054	591,091	(8,051)
141,301		40,421	137,299	(96,878)
131,765			31,289	(31,289)
	-	40,421	168,588	(128,167)

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Health and Human Services, continued:		
Passed Through Illinois Department on Aging:		
Passed Through East Central Illinois Area Agency on Aging:		
Title III D Medication Management	93.043	
Title III B Health Screening	93.044	
Title III E Caregiver Services	93.052	
Passed Through Illinois State Board of Elections:		
Help America Vote Act - VAID III	93.617	Phase III
Help America Vote Act - VAID V	93.617	Phase V
Passed Through National Assoc. of County and City Officials:		
NACCHO	93.008	MRC 12-324
Total U.S. Department of Health and Human Services		
Environmental Protection Agency:		
Passed Through Illinois Department of Public Health:		
Potable Water Supply Program	66.432	35382053A
Potable Water Supply Program	66.605	

(Continued)

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 13,725		9,167	9,167	
33,044		35,006	35,006	
33,233		35,794	35,794	
	(15,594)	15,594		
		7,040	7,040	
	(15,594)	22,634	7,040	-
5,000		4,000	4,000	
	(189,792)	1,970,377	2,095,094	(314,509)
850	(450)	450		
		150	150	
	(450)	600	150	-

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year ended November 30, 2013

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number
Non Major Programs, continued		
U.S. Department of Housing and Urban Development		
Passed Through City of Decatur, Illinois:		
Capital Development Block Grant, Education, Employment and Training Program	14.218	
U.S. Department of Homeland Security,		
Office of Domestic Preparedness:		
Passed Through Illinois Emergency Management Agency:		
Citizen Corps	97.067	10CCPMACON1
Emergency Management Preparedness	97.042	13EMAMACON
Hazard Mitigation Grant Program	97.039	HM12MACON
Total U.S. Department of Homeland Security		
Total Expenditures of Federal Awards		

Program or Award Amount	Deferred Revenue at November 30, 2012	Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at November 30, 2013
\$ 80,000	(32,019)	75,752	54,785	(11,052)
5,500		5,000	5,000	
37,910	(21,736)	42,085	20,349	
52,500		20,672	20,672	
	(21,736)	67,757	46,021	-
\$	(728,854)	6,934,287	6,868,471	(663,038)

MACON COUNTY, ILLINOIS

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
November 30, 2013**

Note 1 - Single Audit Reporting Entity

The report on Federal Awards includes the federal awards of Macon County, Illinois. The County includes expenditures in its Schedule of Expenditures of Federal Awards for all federal programs administered by the same funds, agencies, boards, and commissions included in the County's reporting entity used for its basic financial statements. The component units included in the financial statements did not receive federal awards during the year.

Note 2 - Basis of Accounting

The Schedule of Expenditures of Federal Awards has been presented on the accrual basis of accounting. Accordingly, expenditures are recorded when incurred rather than when paid.

Note 3 - Non-Cash Payments

As an agent of the Illinois Department of Human Services, the County is required to determine eligibility and initiate the payment process from the State of Illinois' Special Supplemental Nutrition Program for Women, Infants and Children (WIC). The noncash expenditures of \$ 1,444,614 reported under CFDA No. 10.557, WIC, represent the dollar value retail WIC Food Instruments redemptions for WIC benefits issued by the County. This value represents the amount of WIC benefits redeemed, net of rebates issued by the County on behalf of individuals determined to be eligible. The Illinois Department of Human Services issues statements of non-cash transactions for the state fiscal year ending June 30, 2013. The amount included in the schedule represents the state fiscal year non-cash transaction figures.

Macon County receives vaccines at no charge from the Illinois Department of Public Health under the federally assisted program, Immunization Grants (CFDA 93.268). The value of vaccines received during the year ended November 30, 2013 was \$ 561,091. Of this amount, \$ 83,659 remained unused and was reported as inventory at November 30, 2013.

There were no federal awards expended in the form of insurance in effect during the year, or loans or loan guarantees, including interest subsidies outstanding at year end.

Note 4 - Categorization of Expenditures

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants which were active during the year. The categorization of expenditures by program included in the schedule is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year.

MACON COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
November 30, 2013

Note 5 - Subrecipients

Of the federal expenditures presented in the schedule, Macon County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
WIA Youth, Adult, Dislocated Worker	WIA Cluster # 17.258, 17.259 and 17.278	\$ 204,300



May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

1353 E. MOUND ROAD, SUITE 300 DECATUR, ILLINOIS 62526-9344 217/875-2655 FAX 217/875-1660

ALAN R. KING
PHILIP R. BAUER
ANDREW D. THOMAS
HELGA J. TOWLER
WILLIAM R. MOSS
CATHERINE J. MANSUR
STEVEN R. GROHNE
MARK S. WOOD

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

To the Macon County Board
Macon County, Illinois
Decatur, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois, as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise Macon County, Illinois' basic financial statements and have issued our report thereon dated May 12, 2014. Our report includes a reference to other auditors. As described in our report on the Macon County, Illinois' financial statements, other auditors audited the financial statements of the two discretely presented component units, the Macon County Mental Health Board and the Macon County Emergency Telephone System Board. The financial statements of these component units were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies, as items 2013-001 and 2013-002.

Compliance and Other Matters

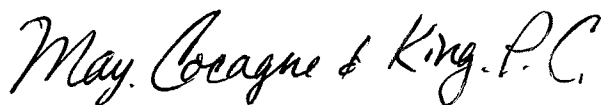
As part of obtaining reasonable assurance about whether Macon County, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Macon County, Illinois' Response to Findings

Macon County, Illinois' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Macon 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.



Decatur, Illinois
May 12, 2014



May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

1353 E. MOUND ROAD, SUITE 300 DECATUR, ILLINOIS 62526-9344 217/875-2655 FAX 217/875-1660

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

To the Macon County Board
Macon County, Illinois
Decatur, Illinois

Report on Compliance for Each Major Federal Program

We have audited Macon County, Illinois' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Macon County, Illinois' major federal programs for the year ended November 30, 2013. Macon County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Macon County, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Macon County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Macon County, Illinois, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-003. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of Macon County, Illinois, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Macon County, Illinois' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Macon County, Illinois' internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

May. Coagne & King, P.C.

Decatur, Illinois
May 12, 2014

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
November 30, 2013

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? X yes no

Identification of major programs:
CFDA #17.258, 17.259 and 17.278,
Workforce Investment Act Cluster
CFDA #10.557 Supplemental Nutrition
Program for Women, Infants and Children

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000
Auditee qualified as low-risk auditee? X yes no

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

2013-001 Significant Audit Adjustments

Criteria: Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles (GAAP).

Condition: During our audit, we identified and proposed adjustments (which were approved and posted by management) that were significant, either individually or in the aggregate, to the County's Financial Statements. These adjustments included corrections to accounts receivable, unearned revenue, and inventory.

Cause: Internal controls did not detect all adjustments necessary to properly record year-end balances.

Effect: As a result, the following areas were initially misstated:

- 1) Accounts receivable in the Health Fund and Workforce Investment Fund were understated by \$ 372,817 and \$ 108,145 respectively, because the amounts had not been recorded based on submitted billings, reported grant expenditures and claimed reimbursements.
- 2) The unearned revenue recorded by the Federal Aid Matching Fund on future Highway projects had not been properly relieved and reflected as revenue in the amount of \$ 526,677.
- 3) Receipt of a state reimbursement had not been recorded against a previously recorded receivable amount of \$ 104,000 in the Highway Fund.
- 4) Amounts due to the state for the County's portion of bridge replacement projects had not been recorded in the Federal Aid Matching Fund totaling \$ 137,438.
- 5) In accordance with the modified accrual basis of accounting, receivables recorded that do not meet the available criteria are to be reported as deferred revenue. An entry was made to record unearned revenue for the current year in the General Fund, Health Fund and State's Attorney Grant Fund of \$ 315,559, \$ 304,231 and \$ 56,527, respectively.
- 6) Inventory held for use in the Health Fund was understated by \$ 36,830.

Recommendation: We recommend that the County augment year-end procedures with additional requests to departments for significant year-end balances and adjustments to insure that all such adjustments are identified, communicated and properly made for financial reporting purposes.

Corrective Action Plan: Person responsible - Amy C. Stockwell, Macon County Auditor

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) November 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

2013-001 Significant Audit Adjustments, continued

County Response:

- (1) The Auditor has made significant strides in the effort to record receivables in each fund throughout the year, and continues to work with each department and division to understand the flow of funds in their operations and accurately record accruals. Timely, accurate financial reports are provided to office holders and their designated grant administrators throughout the County on a regular monthly schedule. To maintain accurate reports, both sides of the information feedback loop need to be present. We will continue to request information back from the departments to correct errors and make reconciling adjustments. This process is immensely complicated by the decentralized nature of Macon County's grant reporting system which has grant administration throughout the County in individual offices with varying degrees of understanding of the accounting and reporting requirements for grants.

The largest total adjustment relates to the Health Department accounts receivable adjustments which primarily result from amounts due for services provided to patients and billed to Medicaid for reimbursement. These billings had not been communicated to the accounting office for recording in the general ledger. Additionally, grant-related receivable and deferral adjustments are based on a comparison of grant funding received to grant expenditures made. The Health Department has numerous grants, all of which have varying reporting periods that do not coincide with the County's fiscal year. Grant reports are prepared by the grant administrator or their designee at the Health Department using reports provided by the Auditor. Normal reporting practice involves recording grant-related accruals based on the final accounting at the end of the grant period, not on the County's fiscal year.

- (2) The Federal Aid matching Fund is used to account for various large construction projects, normally spanning several years, with funding provided both locally and through state and federal grant dollars. It is unusual for this fund to receive grant revenue in advance of project expenditures. This circumstance arose in 2011, whereby the County received an advance of over \$ 2 million which had been deferred in the previous year. It was presumed that the entire project would be completed during 2012, thereby justifying the recognition of the entire grant amount as revenue. However, as the project was incomplete at year end, it was determined that a portion of that funding had not been earned, requiring the adjustment.

The County Auditor and Engineer have worked together to create a system of tracking highway projects throughout the construction period (lifecycle) by assigning permanent section numbers within the general ledger. Additional attention will be placed on grant reporting and recognition; this remains a work-in-progress.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

2013-001 Significant Audit Adjustments, continued

- (3) As noted above, we are working to improve the communication process with highway and to track projects across years. Year end procedures will include a comprehensive review of all outstanding items from all prior years with the County Engineer.
- (4) As noted above, we are working to improve the communication process with highway and to track projects across years. Year end procedures will include a comprehensive review of all outstanding items from all prior years with the County Engineer.
- (5) For financial reporting purposes, we have applied generally accepted accounting principles provisions regarding modified accrual accounting in governmental funds. However, given the current economic circumstances this is no longer helpful, and we use full accrual for management accounting. Continued cash flow difficulties with the State of Illinois have substantially lengthened payment times even though we have eventually received payments. To accept the current rules for modified accrual essentially throws us back to cash basis accounting, which is not helpful for sound financial management. Given the current facts, we are choosing to retain full accrual for management accounting purposes but will respond to additional facts if they become available. The State cash flow situation is monitored constantly by management throughout the organization, and using full accrual for management accounting purposes retains decentralized accountability for insuring that we collect all owed sums. Adjustments from full accrual to modified accrual will be made only for external financial statements.
- (6) The Health Department maintains an inventory of vaccines in order to assure proper control, storage and usage of the vaccines. Additionally, an inventory of dental supplies and equipment is documented and maintained. The year-end closing process of obtaining balances from the departments for these inventories will be monitored in order to adjust the assets accordingly.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS, continued

2013-002 Timing of Deposits

Criteria: Management is responsible for establishing and monitoring proper deposit procedures, as well as separation of duties between the employees accepting money, making the deposit and maintaining the accounting records.

Condition: During our audit, we noted delays between when funds were received at the Health Department and when the deposit of those funds was made with the Treasurer.

Cause: Procedures were not in place to assure timely delivery of deposits to the Treasurer or proper reconciliation of deposits submitted with the originating documents.

Effect: As a result, deposits were being held by the employee assigned to deliver them to the Treasurer for undetermined lengths of time with no follow up from supervisors.

Recommendation: We recommend that a policy be instituted whereby deposits are prepared by Health Department staff daily and delivered to the Treasurer. Deposit records should be reconciled to the daily and monthly accounting reports to ensure deposits are made timely and are posted to the appropriate account for the appropriate amount. To facilitate accumulating funds for the daily deposit, we also recommend that a central cash processing location (in the form of a cash register, cash receipt journal/log, or other mechanism) be used to establish accountability immediately as monies are received. This will provide an audit trail of the funds received and support the recording of the transaction into the County records.

Furthermore, we recommend that duties be segregated amongst staff so as to ensure that the funds being collected are included in the deposits being made; that deposits are made timely and for the correct amount; and that reconciliations are performed to allow differences to be discovered and resolved on a timely basis. Proper separation of duties promotes accountability and reduces the risk of possible wrongdoing.

Corrective Action Plan: Person responsible - Health Department Accountant and Administrator

County Response: The County agrees with the finding and has drafted procedures for proper collection, accumulation, depositing, reconciliation and monitoring of receipts and deposits. Additionally, staff changes have been made to segregate certain cash receipt and deposit duties, and accounting for and reconciling those deposits. A number of meetings have been held at both the Health Department and at the County offices, and new procedures and communications have already been implemented. There are additional controls in place as well.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
November 30, 2013

SECTION III - FEDERAL AWARDS FINDINGS

2013-003 Department of Justice - Second Chance Juvenile Offender Reentry Demonstration Project - CFDA# 16.812; Grant #2011-CZ-BX-0008, Project period 10/1/11-4/30/13

Statement of Condition: Federal expenditures claimed on quarterly Federal Financial Reports were not supported by actual costs paid during the period.

Criteria: Actual costs, supported by the books and records of the County, are to be reported on the Federal Financial Report.

Cause: Drawdowns during the period were estimated based on projected costs for contractual services for which bills had not yet been received. When filing the Federal Financial Report, the amount was based on the estimate used for drawdown, not the actual costs paid during the period.

Effect: The expenditure may be disallowed.

Context: Federal expenditure reports filed during the fiscal year could not be reconciled to the actual expenditures paid under the grant, and \$ 12,168 of expenditures claimed were not supported by actual payments made to contracted vendors.

Recommendation: Macon County should revise federal expenditure and close out reports in order to properly reflect the actual costs paid under contractual agreements charged to the grant.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the finding and is in the process of revising federal expenditure and close out reports in order to determine the proper amount to repay as necessary. The full amount claimed in error has been remitted to the granting authority and revised final reports filed.

MACON COUNTY, ILLINOIS

SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS

November 30, 2013

None

**INFORMATION REQUIRED BY THE ILLINOIS
DEPARTMENT OF COMMERCE AND ECONOMIC
OPPORTUNITY FOR WORKFORCE INVESTMENT ACT FUNDS**

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - COMPLETED
BY NOVEMBER 30, 2013

Year ended November 30, 2013 and
Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA TAA Training, Grant Number 11-661019</u>			
Revenue:			
Grant funds	\$ 25,108	25,108	24,647
Expenditures:			
Training	24,283	24,283	24,283
Administration	825	825	364
Total expenditures	25,108	25,108	24,647
<u>WIA Local Incentive, Grant Number 10-672019</u>			
Revenue:			
Grant funds	4,151	4,151	4,151
Expenditures:			
Incentive funds	4,151	4,151	4,151
<u>WIA Rapid Response Veterans Project, Grant Number 11-654119</u>			
Revenue:			
Grant funds	55,003	53,160	26,198
Expenditures:			
Salaries	11,151	11,151	4,989
Travel	300	268	95
Training	7,200	5,637	5,637
Participant wages/fringes	28,992	29,106	11,260
Support Services	4,595	4,467	1,686
Administration	2,765	2,531	2,531
Total expenditures	\$ 55,003	53,160	26,198

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC
OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2013
Year ended November 30, 2013 and
Cumulative from Beginning of Grant**

	Budget	Cumulative	Current Year
<u>WIA Rapid Response Layoffs and Closings, Grant Number 11-651019</u>			
Revenue:			
Grant funds	\$ 561,000	584,681	462,168
Expenditures:			
Case management	50,000	50,000	32,389
Direct training	401,000	493,417	396,746
Supportive services	110,000	41,264	33,033
Total expenditures	561,000	584,681	462,168
<u>WIA Youth, Adult, Dislocated Worker Formula Funds, Grant Number 11-681019</u>			
Revenue:			
Grant funds	1,243,466	1,234,973	18,608
Expenditures:			
Administration	115,626	124,344	3,210
Youth - in school	115,135	112,423	
Youth - out of school	271,983	266,297	
Adult	291,066	302,726	
Dislocated worker	449,656	429,183	15,398
Total expenditures	1,243,466	1,234,973	18,608
<u>WIA Youth, Adult, Dislocated Worker Formula Funds, Grant Number 12-681019</u>			
Revenue:			
Grant funds	1,057,052	1,057,052	682,236
Expenditures:			
Administration	105,704	105,704	54,461
Youth - in school	77,497	81,196	50,392
Youth - out of school	266,105	262,406	160,300
Adult	318,049	318,049	227,495
Dislocated worker	289,697	289,697	189,588
Total expenditures	1,057,052	1,057,052	682,236

(Continued)

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2013 (Continued)
 Year ended November 30, 2013 and
 Cumulative from Beginning of Grant**

	Budget	Cumulative	Current Year
<u>Workforce Innovation Program-Regional Partnerships (ATIM), Grant Number 12-113019</u>			
Revenue:			
Grant funds	\$ 1,528,313	30,807	30,807
Expenditures:			
Personnel and fringes	133,535		
Contractual	100,000	15,183	15,183
Travel	8,000	1,439	1,439
Supplies	1,500	918	918
Other	75,250	1,527	1,527
Training	604,230	11,286	11,286
Supportive services	37,510	454	454
Leveraged resources	568,288		
Total expenditures	1,528,313	30,807	30,807
<u>WIA Rapid Response Innovative Projects, Grant Number 12-654019</u>			
Revenue:			
Grant funds	288,500	40,024	40,024
Expenditures:			
Personnel and fringe	47,500	4,898	4,898
Contractual - on the job training	225,000	33,103	33,103
Travel	1,000		
Supportive services	5,000	2,023	2,023
Program overhead	10,000		
Total expenditures	288,500	40,024	40,024

(Continued)

MACON COUNTY, ILLINOIS

**WORKFORCE INVESTMENT SOLUTIONS
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2013 (Continued)
 Year ended November 30, 2013 and
 Cumulative from Beginning of Grant**

	Budget	Cumulative	Current Year
<u>WIA Youth, Adult, Dislocated Worker Formula Funds, Grant Number 13-681019</u>			
Revenue:			
Grant funds	1,108,620	361,318	361,318
Expenditures:			
Administration	110,861	41,454	41,454
Youth - in school	86,341	7,866	7,866
Youth - out of school	236,087	111,634	111,634
Adult	292,228	74,318	74,318
Dislocated worker	383,103	126,046	126,046
Total expenditures	1,108,620	361,318	361,318
<u>WIA Summer Youth Employment Program, Grant Number 13-071032</u>			
Revenue:			
Grant funds	535,000	513,120	513,120
Expenditures:			
Youth wages	400,000	379,522	379,522
Program services	5,570	4,023	4,023
Contractual	75,566	73,625	73,625
Other	2,000	2,420	2,420
Administration	51,864	53,530	53,530
Total expenditures	\$ 535,000	513,120	513,120