

**VERMILION COUNTY, ILLINOIS**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED NOVEMBER 30, 2018**



[CLAconnect.com](http://CLAconnect.com)

WEALTH ADVISORY  
OUTSOURCING  
AUDIT, TAX, AND  
CONSULTING

## TABLE OF CONTENTS

	PAGE
<b>FINANCIAL SECTION</b>	
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1-3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position.....	4
Statement of Activities .....	5-6
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds .....	7
Reconciliation of the Balance Sheet of Governmental Funds to the Net Position of Governmental Activities.....	8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	9-10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	11
Statement of Net Position– Proprietary Funds.....	12
Statement of Revenues, Expenses and Changes in Net Position– Proprietary Funds .....	13
Statement of Cash Flows – Proprietary Fund Types .....	14
Statement of Fiduciary Net Position– Fiduciary Funds .....	15
<b>Notes to Financial Statements .....</b>	<b>16-40</b>

## TABLE OF CONTENTS

	PAGE
<b>REQUIRED SUPPLEMENTARY INFORMATION</b> .....	41
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund .....	42
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Fund – Special Revenue Fund – Public Safety Building Rent .....	43
Schedule of Changes in Illinois Municipal Retirement Fund Plan Net Pension Liability (Asset) and Related Ratios .....	44
Schedule of Illinois Municipal Retirement Fund Contributions .....	45
Schedule of Changes in the Total OPEB Liability, Related Ratios, and Notes .....	46
Notes to Required Supplementary Information .....	47
 <b>OTHER SUPPLEMENTARY INFORMATION</b> .....	 48
Combining Balance Sheet – Nonmajor Governmental Funds .....	49-54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Nonmajor Governmental Funds .....	55-60
Combining Statement of Net Position (Deficit) – Internal Service Funds .....	61
Combining Statement of Revenues, Expenses and Changes in Net Position (Deficit) – Internal Service Funds .....	62
Combining Statement of Fiduciary Net Position– Fiduciary Funds .....	63-64

## TABLE OF CONTENTS

	PAGE
SINGLE AUDIT REPORTS .....	65
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 <i>GOVERNMENT AUDITING STANDARDS</i> .....	66-67
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE .....	68-69
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	70-71
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	72
SCHEDULE OF FINDINGS AND QUESTIONED COSTS .....	73-77



## INDEPENDENT AUDITORS' REPORT

Vermilion County Board  
Vermilion County, Illinois

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

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

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

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

### ***Emphasis of a Matter***

#### ***Change in Accounting Principle***

During the year ended November 30, 2018, the County adopted the provisions of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. As a result of the implementation of this standard, the County reported a restatement for a change in accounting principle (see Note 13). Our auditors' opinion is not modified with respect to the restatement.

#### ***Correction of an Error***

Also, beginning net positions and fund balances have been restated to correct balances related to property tax receivables, other governmental receivables, interfund receivables, IMRF net pension liability (asset) and related deferred outflows and inflows, capital assets and long-term debt. See Note 13 which explains these restatements. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

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

The County has omitted *management's discussion and analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or

historical contest. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Vermilion County's basic financial statements. The combining and individual nonmajor fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Illinois Department of Human Services grant report is not required supplementary information by accounting principles generally accepted in the United States of America, but is required information for that agency. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2020, on our consideration of Vermilion County's 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 solely 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 the effectiveness of Vermilion County's 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 Vermilion County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Danville, Illinois  
February 3, 2020

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**November 30, 2018**

	Governmental Activities	Business-Type Activities	Total
<b>CURRENT ASSETS</b>			
Cash	\$ 15,197,342	\$ 890,992	\$ 16,088,334
Investments	9,922,223	-	9,922,223
Taxes receivable	13,742,222	-	13,742,222
Accrued interest	41,787	-	41,787
Prepaid items	4,867,082	-	4,867,082
Receivable from external parties	1,635,406	-	1,635,406
Internal balances	(12,436)	12,436	-
Due from other governments	2,772,730	-	2,772,730
Total current assets	48,166,356	903,428	49,069,784
<b>NONCURRENT ASSETS</b>			
Net pension asset	6,351,633	33,663	6,385,296
Capital assets:			
Non-Depreciated assets	7,348,877	-	7,348,877
Depreciated assets, net	8,833,729	-	8,833,729
Total noncurrent assets	22,534,239	33,663	22,567,902
Total assets	70,700,595	937,091	71,637,686
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount related to pension liability (asset)	3,162,638	2,561	3,165,199
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued liabilities	2,061,117	10,220	2,071,337
Current portion of lease obligations	169,185	-	169,185
Total current liabilities	2,230,302	10,220	2,240,522
<b>NONCURRENT LIABILITIES</b>			
Accumulated paid time off	263,277	-	263,277
Other postemployment benefit obligation	2,461,390	24,862	2,486,252
Noncurrent portion of lease obligations	2,161,345	-	2,161,345
Total noncurrent liabilities	4,886,012	24,862	4,910,874
Total liabilities	7,116,314	35,082	7,151,396
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount related to pension liability (asset)	7,455,001	168,299	7,623,300
Deferred amount related to OPEB liability	188,630	1,905	190,535
Subsequent year's property taxes	13,263,974	-	13,263,974
Total deferred inflows of resources	20,907,605	170,204	21,077,809
<b>NET POSITION</b>			
Net investment in capital assets	13,852,076	-	13,852,076
Restricted for:			
Net pension asset	6,351,633	33,663	6,385,296
Retirement	1,557,602	-	1,557,602
General and administrative	1,215,808	-	1,215,808
Public health and education	2,192,332	-	2,192,332
Court services and public safety	14,824,134	-	14,824,134
Transportation and highway	5,432,101	-	5,432,101
Unrestricted	413,628	700,703	1,114,331
<b>TOTAL NET POSITION</b>	\$ 45,839,314	\$ 734,366	\$ 46,573,680

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



**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**Year Ended November 30, 2018**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
<b>PROGRAMS</b>							
<b>Governmental Activities:</b>							
General government	\$ 9,089,504	\$ 925,244	\$ 56,122	\$ -	\$ (8,108,138)	\$ -	\$ (8,108,138)
Judiciary and court related	4,960,088	2,026,254	-	-	(2,933,834)	-	(2,933,834)
Public safety	14,655,206	485,186	203,589	-	(13,966,431)	-	(13,966,431)
Public health	2,964,070	380,010	728,067	-	(1,855,993)	-	(1,855,993)
Transportation	2,856,639	-	-	-	(2,856,639)	-	(2,856,639)
Interest on long-term debt	94,744	-	-	-	(94,744)	-	(94,744)
 Total governmental activities	 34,620,251	 3,816,694	 987,778	 -	 (29,815,779)	 -	 (29,815,779)
<b>Business-Type Activities:</b>							
Solid waste management	361,218	177,013	12,436	-	-	(171,769)	(171,769)
<b>TOTAL</b>	<b>\$ 34,981,469</b>	<b>\$ 3,993,707</b>	<b>\$ 1,000,214</b>	<b>\$ -</b>	<b>(29,815,779)</b>	<b>(171,769)</b>	<b>(29,987,548)</b>

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

General revenues:			
Property taxes	\$ 12,024,814	\$ -	\$ 12,024,814
Corporate personal property replacement taxes	1,268,736	-	1,268,736
State sales taxes	3,420,658	-	3,420,658
State income tax allocation	2,834,685	-	2,834,685
Hotel, restaurant and amusement taxes	4,203	-	4,203
Local motor fuel taxes	4,474,504	-	4,474,504
Inheritance taxes	146,814	-	146,814
Interest/investment income	317,968	2,245	320,213
Intergovernmental revenues	7,321,443	-	7,321,443
Miscellaneous	<u>1,209,610</u>	<u>-</u>	<u>1,209,610</u>
Total general revenues and transfers	<u>33,023,435</u>	<u>2,245</u>	<u>33,025,680</u>
Change in net position	3,207,656	(169,524)	3,038,132
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	<u>42,631,658</u>	<u>903,890</u>	<u>43,535,548</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 45,839,314</u>	<u>\$ 734,366</u>	<u>\$ 46,573,680</u>

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

VERMILION COUNTY, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
November 30, 2018

	Major Special Revenue Fund			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Public Safety Building Rent	County Motor Fuel Tax		
<b>ASSETS</b>					
Cash	\$ 2,010,423	\$ 1,044,459	\$ 1,227,621	\$ 10,427,057	\$ 14,709,560
Investments	1,716,242	2,500,000	1,542,445	3,863,535	9,622,222
Receivables:					
Taxes, net of allowance for estimated uncollectible	2,346,481	6,012,079	-	4,674,809	13,033,369
Other	36,714	-	2,034	3,039	41,787
Prepaid items	-	4,867,082	-	-	4,867,082
Due from other funds	1,682,965	-	-	226,133	1,909,098
Due from other governments	1,347,564	552,901	110,693	761,572	2,772,730
<b>TOTAL ASSETS</b>	<b>\$ 9,140,389</b>	<b>\$ 14,976,521</b>	<b>\$ 2,882,793</b>	<b>\$ 19,956,145</b>	<b>\$ 46,955,848</b>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 804,154	\$ 294,699	\$ 45,604	\$ 574,936	\$ 1,719,393
Due to other funds	173,692	-	-	12,436	186,128
Total liabilities	977,846	294,699	45,604	587,372	1,905,521
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Subsequent year's property taxes	2,216,349	5,986,642	-	4,387,783	12,590,774
Unavailable revenues	793,964	-	-	113,162	907,126
Total deferred inflows of resources	3,010,313	5,986,642	-	4,500,945	13,497,900
<b>FUND BALANCE</b>					
<b>Nonspendable:</b>					
Prepays	-	4,867,082	-	-	4,867,082
<b>Restricted:</b>					
Retirement	-	-	-	1,557,602	1,557,602
General and administrative	-	-	-	1,215,808	1,215,808
Public health and education	-	-	-	2,192,332	2,192,332
Court services and public safety	-	3,828,098	-	6,128,954	9,957,052
Transportation and highway	-	-	2,837,189	2,594,912	5,432,101
<b>Committed:</b>					
Capital projects	-	-	-	1,178,220	1,178,220
<b>Unassigned</b>	<b>5,152,230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,152,230</b>
Total fund balance	5,152,230	8,695,180	2,837,189	14,867,828	31,552,427
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 9,140,389</b>	<b>\$ 14,976,521</b>	<b>\$ 2,882,793</b>	<b>\$ 19,956,145</b>	<b>\$ 46,955,848</b>

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

**VERMILION COUNTY, ILLINOIS**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**November 30, 2018**

Fund balances - total governmental funds		\$ 31,552,427
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital Assets	104,273,968	
Accumulated Depreciation	(88,091,362)	
Net Capital Assets		16,182,606
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds (sales tax receivable, home rule sales tax receivable, and other taxes receivable):		907,126
Deferred outflows of resources do not involve available financial resources and accordingly are not reported in the funds		3,162,638
Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported in the funds:		
Pensions	(7,455,001)	
OPEB	(188,630)	
Total Deferred Inflows of Resources		(7,643,631)
Internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.		381,712
Some liabilities reported in the statement of activities do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
These liabilities consist of :		
Compensated Absences Payable	(263,277)	
Net Pension (Liability) Asset	6,351,633	
Total OPEB Liability	(2,461,390)	
Capital Leases	(2,330,530)	
Total Long-Term Liabilities		<u>1,296,436</u>
<b>Net position of governmental activities</b>		<b>\$ <u>45,839,314</u></b>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	<b>Major Funds</b>			<b>Nonmajor</b>	<b>Total</b>
	<b>General</b>	<b>Public Safety</b>	<b>County</b>	<b>Governmental</b>	<b>Governmental</b>
	<b>Fund</b>	<b>Building Rent</b>	<b>Motor</b>	<b>Funds</b>	<b>Funds</b>
			<b>Fuel Tax</b>		
<b>REVENUES</b>					
Taxes	\$ 2,000,778	\$ 5,428,189	\$ -	\$ 4,595,847	\$ 12,024,814
Intergovernmental	7,491,440	5,995,917	2,252,235	4,461,089	20,200,681
Licenses and permits	48,800	-	-	124,402	173,202
Charges for services	1,736,351	-	-	1,743,561	3,479,912
Fines and forfeits	90,394	-	-	73,186	163,580
Interest	80,990	44,285	84,103	108,590	317,968
Miscellaneous	835,113	-	-	374,497	1,209,610
Total revenues	12,283,866	11,468,391	2,336,338	11,481,172	37,569,767
<b>EXPENDITURES</b>					
Current:					
General and administrative	5,637,896	-	-	4,131,496	9,769,392
Judiciary and court related	4,161,571	-	-	798,517	4,960,088
Public safety	3,039,997	11,723,084	-	821,677	15,584,758
Public health	-	-	-	3,175,690	3,175,690
Transportation	-	-	882,196	1,794,321	2,676,517
Capital outlay	-	-	5,583,841	1,892,427	7,476,268
Debt service:					
Principal	-	152,267	-	-	152,267
Interest	-	94,744	-	-	94,744
Total expenditures	12,839,464	11,970,095	6,466,037	12,614,128	43,889,724
Excess (deficiency) of revenues over expenditures	(555,598)	(501,704)	(4,129,699)	(1,132,956)	(6,319,957)

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	<b>Major Funds</b>			<b>Nonmajor</b>	<b>Total</b>
	<b>General</b>	<b>Public Safety</b>	<b>County</b>	<b>Governmental</b>	<b>Governmental</b>
	<b>Fund</b>	<b>Building Rent</b>	<b>Motor</b>	<b>Funds</b>	<b>Funds</b>
			<b>Fuel Tax</b>		
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ 336,962	\$ 600,000	\$ -	\$ 1,978,887	\$ 2,915,849
Transfers out	(1,608,888)	-	-	(1,306,961)	(2,915,849)
Total other financing sources (uses)	(1,271,926)	600,000	-	671,926	-
Net change in fund balance	(1,827,524)	98,296	(4,129,699)	(461,030)	(6,319,957)
<b>FUND BALANCE, BEGINNING OF YEAR</b>					
<b>AS RESTATED</b>	6,979,754	8,596,884	6,966,888	15,328,858	37,872,384
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 5,152,230</u>	<u>\$ 8,695,180</u>	<u>\$ 2,837,189</u>	<u>\$ 14,867,828</u>	<u>\$ 31,552,427</u>

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

**VERMILION COUNTY, ILLINOIS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**Year Ended November 30, 2018**

Net change in fund balances - total governmental funds		\$ (6,319,957)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that are not available to pay current obligations are reported as deferred inflows of resources in the fund financial statements, but they are presented in the statement of activities. The effect of the change from prior year is a reconciling item.		
		266,103
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in Total OPEB Liability and Deferred Items	(279,485)	
Change in Net Pension Liability (Asset) and Deferred Items	3,714,594	
Change in Compensated Absences	(155,821)	
Total Expenses on Noncurrent Resources		3,279,288
The effect of capital contributions is to increase net position. Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Expenditures	7,475,841	
Depreciation, Net of Disposals	(1,476,638)	
Excess of Capital Expenditures over Depreciation and Other Transactions		5,999,203
Net effect of various miscellaneous transactions involving capital assets, such as sales and disposals, is to decrease net assets		(49,442)
Long-term liabilities, including capital lease payments, are not due and payable in the current period and therefore are not reported in the funds:		
Principal repayments on capital lease		152,267
Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenue (expenditure) of internal service funds is reported with governmental activities		
		(119,806)
<b>Change in net position of governmental activities</b>		<b><u>\$ 3,207,656</u></b>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**November 30, 2018**

	<b>Solid Waste Management</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>CURRENT ASSETS</b>		
Cash	\$ 890,992	\$ 487,782
Investments	-	300,001
Receivables, net	-	708,853
Due from other funds	12,436	-
	<hr/>	<hr/>
Total current assets	903,428	1,496,636
<b>NONCURRENT ASSETS</b>		
Net pension asset	33,663	
Capital assets:		
Buildings and improvements	19,000	-
Recycling equipment	96,610	-
Other equipment	30,882	-
Total, at cost	146,492	-
Less accumulated depreciation	(146,492)	-
	<hr/>	<hr/>
Total noncurrent assets	33,663	-
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	937,091	1,496,636
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount related to pension liability	2,561	-
	<hr/>	<hr/>
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	10,220	341,724
Due to other funds	-	100,000
	<hr/>	<hr/>
Total current liabilities	10,220	441,724
	<hr/>	<hr/>
<b>LONG-TERM LIABILITIES</b>		
OPEB Liability	24,862	-
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	35,082	441,724
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred amount related to OPEB liability	1,905	-
Deferred amount related to pension liability	168,299	-
Subsequent year's property taxes	-	673,200
	<hr/>	<hr/>
Total deferred inflows of resources	170,204	673,200
<b>NET POSITION</b>		
Restricted - net pension asset	33,663	-
Unrestricted	700,703	381,712
	<hr/>	<hr/>
Total net position	\$ 734,366	\$ 381,712
	<hr/>	<hr/>

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



**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION - PROPRIETARY FUNDS**  
**Year Ended November 30, 2018**

	<b>Solid Waste Management</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 176,913	\$ 2,492,796
Fines and forfeits	100	-
	<hr/>	<hr/>
Total operating revenues	177,013	2,492,796
	<hr/>	<hr/>
<b>OPERATING EXPENSES</b>		
Personnel services	291,343	2,627,480
Supplies and materials	5,992	-
Other services and charges	9,705	-
Contractual services	46,360	544,975
Capital outlay	7,818	-
	<hr/>	<hr/>
Total operating expenses	361,218	3,172,455
	<hr/>	<hr/>
Operating loss	(184,205)	(679,659)
	<hr/>	<hr/>
<b>NON-OPERATING REVENUES</b>		
Taxes	-	547,803
Intergovernmental	12,436	2,702
Interest income	2,245	9,348
	<hr/>	<hr/>
Total non-operating revenues	14,681	559,853
	<hr/>	<hr/>
<b>CHANGE IN NET POSITION</b>	(169,524)	(119,806)
	<hr/>	<hr/>
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	903,890	501,518
	<hr/>	<hr/>
<b>NET POSITION, END OF YEAR</b>	\$ 734,366	\$ 381,712
	<hr/> <hr/>	<hr/> <hr/>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPES**  
**Year Ended November 30, 2018**

	<u>Solid Waste Management</u>	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers		
including cash deposits	\$ 255,330	\$ 2,492,796
Cash paid to suppliers and for claims	(56,530)	(3,752,536)
Cash paid to employees	(169,059)	-
Cash received from (paid to) other governments	(12,436)	-
	<u>17,305</u>	<u>(1,259,740)</u>
Net cash provided by (used in) operating activities		
	<u>17,305</u>	<u>(1,259,740)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash received for property taxes	-	637,091
Cash transfers from (to) other funds	-	100,000
	<u>-</u>	<u>737,091</u>
Net cash provided by (used in) noncapital financing activities		
	<u>-</u>	<u>737,091</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Matured investments	400,000	650,000
Interest received	2,245	9,348
	<u>402,245</u>	<u>659,348</u>
Net cash provided by (used in) investing activities		
	<u>402,245</u>	<u>659,348</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	419,550	136,699
<b>CASH, BEGINNING OF YEAR</b>	471,442	351,083
<b>CASH, END OF YEAR</b>	<u>\$ 890,992</u>	<u>\$ 487,782</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (184,205)	\$ (679,659)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Effects of changes in operating assets and liabilities:		
Receivables	78,317	102,460
Accounts payable and accrued liabilities	(909)	(580,081)
Due to other funds	(283)	-
Net pension liability (asset)	(54,521)	-
OPEB liability	(918)	-
Deferred outflows of resources related to pensions	14,478	-
Deferred inflows of resources related to pensions	165,346	-
Subsequent year's property taxes	-	(102,460)
	<u>-</u>	<u>(102,460)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ 17,305</u>	<u>\$ (1,259,740)</u>

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

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION -**  
**FIDUCIARY FUNDS**  
**November 30, 2018**

	<b>Agency Funds</b>
	<hr/>
Cash	\$ 11,425,943
Investments	1,090,000
Due from other funds	9,182
Due from other governments	5,504
Inventory	19,962
	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 12,550,591</b>
	<hr/> <hr/>
Accounts payable	\$ 112,073
Due to other funds	1,644,588
Due to other governments	64,454
Due to others	5,072,147
Due to taxing bodies	5,657,329
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>\$ 12,550,591</b>
	<hr/> <hr/>

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

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Vermilion County, Illinois (County) is a municipality located in Central Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to the County (examples would be property, sales, income, and motor fuel taxes), charges for services performed and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the County and nearby surrounding area and the appropriations of entitlements at the state and federal government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base.

The following is a summary of the more significant accounting policies of the County.

**Reporting Entity**

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The County's reporting entity includes the County's governing board and all related organizations for which the County is financially accountable.

The County is not aware of any entity which would be financially accountable to the County to the extent that they would be considered a component unit of the entity.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. 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 activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for budgetary purposes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded 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 recorded only when payment is due.

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance/net position, revenues, and expenditures/expenses.

Governmental Funds are those through which governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable resources and the related liabilities are accounted for through governmental funds. The County reports the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

**Public Safety Building Rent Fund** - This special revenue fund accounts for its share of the activities of the Public Safety Building.

**County Motor Fuel Tax Fund** - This special revenue fund accounts for the revenue the County receives as its allocations of state gasoline taxes for the purpose of construction, improvement, and maintenance of streets.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)**

Proprietary funds are used to account for those County activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The County reports the following major proprietary fund:

**Solid Waste Management** – This fund accounts for the landfill surcharge fees assessed.

In addition to the General Fund mentioned above, the County uses the following fund types:

**Governmental Fund Types**

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

**Capital Projects Funds** – The Capital Projects Funds are used to account for the County's purchase or construction of capital facilities or capital equipment which are not financed by other funds.

**Proprietary Fund Types**

**Internal Service Funds** – The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency or other departments or agencies of the government, on a cost-reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**Fiduciary Fund Types**

**Agency Funds** – Agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and other governmental units.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**BUDGET AND APPROPRIATIONS**

The County adopts an annual budget and appropriation ordinance in accordance with Chapter 35 of the Illinois Compiled Statutes. The budget covers the fiscal year ending November 30, and is available for public inspection at least fifteen days prior to final adoption. All appropriations cease with the close of the fiscal year. The budget document is prepared for all budgetary funds using the modified accrual basis for projecting expenditures and revenues.

Once the County budget has been adopted, no further appropriations shall be made during the year, except in the event of an immediate emergency at which time the County Board by a two-thirds vote makes appropriations in excess of those authorized in the budget.

**USE OF ESTIMATES**

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

**POOLED CASH**

The County maintains pooled cash accounts for different fund groups which are used to account for all cash and investment transactions of that group. Monthly interest income of each pool is distributed to the individual funds based on their cash balance in the pool during that period.

**INVESTMENTS**

Investments consist of money market funds and certificates of deposit with maturities of less than one year (recorded at cost which approximates fair value).

**PREPAID ITEMS**

The County's lease agreement covers the period November 1<sup>st</sup> – October 31<sup>st</sup>. The County makes one payment in the month prior to the start of the lease period. The prepaid items represent costs applicable to future fiscal periods and the expenditure is recognized ratably over the period of the lease. Additionally, at November 30, 2018 the County has reporting a prepaid asset of \$4,867,082 which represents the lease payment made in October 2018 for the lease period of November 1, 2018 through October 31, 2019. See Note 5 for further disclosure related to the lease agreement.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**CAPITAL ASSETS**

Capital assets, which include property, equipment, and infrastructure assets, (i.e., roads, bridges, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as tangible and intangible assets that are used in operations and that have useful lives that extend beyond a single reporting period. Capital assets are reported in the statement of net position at historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives and capitalization thresholds are as follows:

Asset Type	Useful Life (In Years)
Equipment	7
Vehicles	5-7
Buildings	40
New Infrastructure	40

	Capitalization Threshold
Equipment	\$ 5,000
Buildings and Improvements	10,000
Infrastructure Assets	150,000

**IMPAIRMENT OF LONG-LIVED ASSETS**

In accordance with GASB Statement, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries," management evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset is generally considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. No impairment losses were recognized in the year ended November 30, 2018.

**LONG-TERM LIABILITIES**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position including discretely presented component units.

The proprietary funds are accounted for on the accrual basis. This means that all assets and all liabilities (whether current or noncurrent) associated with their activities are included on the statement of net position of these funds.



**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**OTHER POSTEMPLOYMENT BENEFITS LIABILITY (OPEB LIABILITY)**

In the government-wide and proprietary funds statements of net position, liabilities are recognized for the County's total OPEB liability as determined by an actuarial review of the healthcare coverage purchased by retirees to continue participation in the County's health plan. OPEB expense is recognized immediately for changes in the OPEB liability resulting from current year service cost, interest on the total OPEB liability and changes of benefit terms or actuarial assumptions.

**ACCUMULATED PAID TIME OFF**

Accumulated paid time off is not accrued in governmental funds. The liability of the County for accumulated paid time off is recorded in the government-wide financial statements.

**DEFERRED OUTFLOWS OF RESOURCES**

The County reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statement of net position or governmental fund balance sheet. The County has deferred outflows of resources related to the net pension asset.

**DEFERRED INFLOWS OF RESOURCES**

The County's government-wide and proprietary funds statement of net position or governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position of fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year, for which the taxes are levied. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the County's year) under the modified accrual basis of accounting. In addition, the County has deferred inflows of resources related to the net pension asset and total OPEB liability.

**PENSIONS**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**FUND BALANCE / NET POSITION**

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has prepaid expenses and advances to other funds as nonspendable fund balances.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The County as classified state and federal grants as being restricted because their use is restricted by granting agencies. The County has also classified property, replacement and motor fuel taxes as being restricted because of their use is restricted by state laws and regulations.

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

**Assigned** – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the County Board Chair or Treasurer or other official. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

**Unassigned** – This classification includes the residual fund balance for the General Fund and includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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.

**Net Position**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments with the remaining net position being unrestricted.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**PROPERTY TAXES**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on or before the last Monday in December and are intended to finance the County's new fiscal year beginning December 1. The combined tax rate of the County for the year ended November 30, 2018 was \$1.409 per \$100 of assessed valuation. For budgetary purposes, taxes are recognized as revenue in the period in which they are intended to finance.

Property in Vermilion County is assessed by the Vermilion County Assessor. The values are adjusted by various percentages depending upon 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 Vermilion County Clerk computes the annual tax rate by dividing the 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 Vermilion County Collector.

Property taxes are collected by the Vermilion County Collector who remits to the taxing units their respective shares of the collection. Taxes levied in one year become due and payable in two installments during the following year in July and September.

Based on collection histories, the County has provided at November 30, 2018 an allowance for uncollectible real property taxes equivalent to 1 percent of the current year's levy.

**NOTE 2 - CASH AND INVESTMENTS**

The County has adopted formal investment policies and procedures as recommended by the County Treasurer. This investment policy applies to the investment activities of all funds of the County of Vermilion and all funds under the control of the County Treasurer as County Collector. The County Treasurer may invest in any type of security allowed under Illinois law and listed in the Illinois Revised Statutes. All investments shall be selected on the basis of competitive bids. Investments made outside the geographical boundaries of Vermilion County will always be made at a higher interest rate than could be received within those boundaries. All investments must be kept within the geographical boundaries of the State of Illinois. The carrying amount of the County's bank deposits, including certificates of deposits and money market funds was \$38,526,500 and the respective bank balances totaled \$41,559,011. Included in the carrying amount of the County's bank deposits are certificates of deposits totaling \$416,242. Also included in the County's carrying amount of bank deposits are money market funds totaling \$10,406,333.

**Interest Rate Risk** – the risk that changes in interest rates will adversely affect the fair value of an investment. The County Treasurer realizes there is a time value to money; therefore, idle cash may be invested for a period of one day or in excess of a year, depending on when the money is needed. The main objective of the Vermilion County Treasurer's cash management procedure is to comply with Illinois Revised Statutes. When deposits of monies become collected funds and are not needed for immediate disbursement, they shall be invested within two working days at prevailing rates or better in accordance with state law.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 2 - CASH AND INVESTMENTS (CONTINUED)**

**Interest Rate Risk** (Continued)

The County Treasurer's investment portfolio shall remain sufficiently liquid to meet all operating requirements which may be reasonably anticipated. All securities held as of November 30, 2018 mature within one year.

**Custodial Credit Risk** - the risk that a government will not be able to cover deposits if the depository financial institution fails or will not be able to recover collateral securities that are in the possession of an outside party. It shall be the policy of the Vermilion County Treasurer to require collateral on all funds. When collateral is required, it must be pledged at 100%. As of November 30, 2018, all of the County's deposits were covered by insurance or collateral.

**NOTE 3 - INTERFUND ACTIVITY**

Individual fund interfund receivable and payable (due to/due from other funds) at November 30, 2018 were as follows:

	Due from Other Funds	Due to Other Funds
Major Governmental Funds:		
General Fund	\$ 1,682,965	\$ 173,692
Motor Fuel Tax Fund		
Local Motor Fuel Tax Fund		
Nonmajor Governmental Funds	226,133	12,436
Major Enterprise Funds:		
Solid Waste	12,436	
Internal Service Funds	-	100,000
Agency Funds	9,182	1,644,588
Total	<u>\$ 1,930,716</u>	<u>\$ 1,930,716</u>

The amounts due to/from other funds are for routine and recurring interfund charges. These amounts are expected to be repaid within one year.

Interfund transfers for the year ended November 30, 2018 consisted of the following:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 336,962	\$ 1,608,888
Public Safety Fund	600,000	-
Nonmajor Governmental Funds	1,978,887	1,306,961
Total Transfers	<u>\$ 2,915,849</u>	<u>\$ 2,915,849</u>

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget reflects to expend them, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 4 - CAPITAL ASSETS**

A summary of changes in the County's governmental capital assets is presented below:

Governmental Activities	Balance at November 30, 2017	Additions	Deletions	Balance at November 30, 2018
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 1,765,036	\$ -	\$ -	\$ 1,765,036
Work in Process	-	5,583,841	-	5,583,841
Total	1,765,036	5,583,841	-	7,348,877
<b>Capital Assets Being Depreciated:</b>				
Buildings	35,473,990	897,997	-	36,371,987
Vehicles	5,537,885	523,871	112,596	5,949,160
Equipment	2,633,868	405,058	70,409	2,968,517
Infrastructure	51,570,353	65,074	-	51,635,427
Total	95,216,096	1,892,000	183,005	96,925,091
<b>Less Accumulated Depreciation for:</b>				
Buildings	31,133,701	282,630	-	31,416,331
Vehicles	2,052,806	964,356	71,944	2,945,218
Equipment	1,991,427	228,387	61,619	2,158,195
Infrastructure	51,570,353	1,265	-	51,571,618
Total	86,748,287	1,476,638	133,563	88,091,362
Total capital assets being depreciated, net	8,467,809	415,362	49,442	8,833,729
Capital Assets, Net	\$ 10,232,845	\$ 5,999,203	\$ 49,442	\$ 16,182,606

Work in process above relates to a road project in process at year-end. The County entered into a contract totaling \$6,210,000 for the project. As of November 30, 2018, an open commitment of \$626,159 remained on the contract.

A summary of changes in the County's business-type capital assets is presented below:

Business-Type Activities	Balance at November 30, 2017	Additions	Deletions	Balance at November 30, 2018
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$ 19,000	\$ -	\$ -	\$ 19,000
Equipment	127,492	-	-	127,492
Total	146,492	-	-	146,492
<b>Less Accumulated Depreciation for:</b>				
Buildings	19,000	-	-	19,000
Equipment	127,492	-	-	127,492
Total	146,492	-	-	146,492
Total capital assets being depreciated, net	-	-	-	-
Capital Assets, Net	\$ -	\$ -	\$ -	\$ -

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 4 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense of \$1,476,638 was charged to the governmental activities functional expense categories, respectively, as follows:

Governmental Activities:	
General government	\$ 488,404
Public safety	610,987
Transportation	377,247
<b>Total depreciation - governmental activities</b>	<b><u>\$ 1,476,638</u></b>

**NOTE 5 - LONG-TERM DEBT**

During fiscal year ended November 30, 2018 the County's long-term debt consisted of obligations under capital leases and accumulated paid time off. Changes in long-term debt for the year ended November 30, 2018 are as follows:

	Obligations Outstanding at November 30, 2017	Additions	Deletions	Obligations Outstanding at November 30, 2018	Due Within One Year
Accumulated paid time off	\$ 107,457	\$ 170,559	\$ 14,739	\$ 263,277	\$ -
Juvenile Detention Center lease	2,482,797	-	152,267	2,330,530	169,185
Total	<u>\$ 2,590,254</u>	<u>\$ 170,559</u>	<u>\$ 167,006</u>	<u>\$ 2,593,807</u>	<u>\$ 169,185</u>

**Juvenile Detention Center lease**

In 1999, the County entered into a lease agreement with the Danville Public Building Commission, wherein the Commission constructed a juvenile detention center. The terms of the lease have been restructured since then, with the most recent lease being for a period beginning on November 1, 2017 and ending on November 1, 2026. At the end of the lease, the title to the site and all remaining assets will revert back to the County. Sales tax is collected in the Law Enforcement Special Revenue Fund to provide for payments on the lease. The \$5,000,000 Juvenile Detention Center lease with the Danville Public Building Commission is due in annual installments as shown below through November 1, 2026, including interest at varying rates from 3.85% to 4.1%. As of November 30, 2018, the total cost is \$5,524,902 and the total accumulated depreciation is \$4,419,922.

The following is a schedule of the minimum lease payments required under the remaining capital lease:

Fiscal Year	Principal	Interest	Total Debt Service
2019	\$ 169,185	\$ 89,837	\$ 259,022
2020	177,645	82,901	260,546
2021	296,075	73,426	369,501
2022	308,763	61,330	370,093
2023	325,682	48,641	374,323
Thereafter	1,053,180	64,545	1,117,725
Total	<u>\$ 2,330,530</u>	<u>\$ 420,680</u>	<u>\$ 2,751,210</u>

Interest cost incurred on long-term debt by the County during the year ended November 30, 2018 totaled \$94,744.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 6 - LEASE AGREEMENTS**

**Public Safety Building lease**

A lease agreement was entered into as of October 8, 1984 wherein the Danville Public Building Commission agreed to lease the Public Safety Building to the City of Danville and the County for their joint use. This agreement includes the operations of a Joint Communications Center whose costs are divided and apportioned between the County and City. The agreement provides also for the salaries and fringe benefits of "leased" employees whose costs are apportioned solely to the County. Several extension or addendums to the original lease have been entered into, with the most recent as of February 29, 2016 and runs through October 31, 2019. The lease payment required for fiscal year 2019 totals \$4,977,295.

If, in any year, the rental payments are in excess of funds required, the Danville Public Building Commission refunds the excess to the City and County. If, in any year, the rental payments are insufficient, the Commission shall provide only those services that it can with whatever funds are available.

Lease expense for the year ended November 30, 2018 was \$5,213,493.

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND**

**Plan Description**

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

**Benefits Provided**

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

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

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

**Benefits Provided (Continued)**

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

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

**Employees Covered by Benefit Terms**

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

Inactive Plan Members Currently Receiving Benefits	399
Inactive Plan Members Entitled to but not yet Receiving Benefits	375
Active Plan Members	302
Total	<u><u>1,076</u></u>

**Contributions**

As set by statute, the County's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual contribution rate for calendar year 2017 and 2018 was 8.19% and 7.56%, respectively. For the fiscal year 2018, the County contributed \$977,417 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Sheriff's Law Enforcement Personnel**

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



**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

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

**Employees Covered by Benefit Terms** – As of December 31, 2017 the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	30
Inactive Plan Members Entitled to but not yet Receiving Benefits	7
Active Plan Members	39
Total	<u>76</u>

**Contributions.** As set by statute, the County Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 percent 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 County's contribution rate for calendar year 2017 was 17.39% and 2018 was 14.52%. For the fiscal year ended November 30, 2018, the County contributed \$376,195 to the plan. 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.

**Elected County Officials**

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

**Employees Covered by Benefit Terms** – As of December 31, 2017 the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	28
Inactive Plan Members Entitled to but not yet Receiving Benefits	9
Active Plan Members	5
Total	<u>42</u>

**Contributions.** As set by statute, the County Elected County Official plan members are required to contribute 7.50% 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 County's contribution rate for calendar year 2017 was 47.7% and 2018 was 84.35%. For the fiscal year ended November 30, 2018, the County contributed \$296,407 to the plan. 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.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

The following information applies to all three IMRF plans.

**Net Pension Liability** – The County's net pension liability for IMRF was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Actuarial Assumptions** – The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-Year smoothed market; 20% corridor
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP- 2014 Employee Mortality Table with adjustments to match current IMRF experience.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37.0 %	7.2 %
International Equity	18.0	7.3
Fixed Income	28.0	3.8
Real Estate	9.0	6.3
Alternative Investments	7.0	5.7
Cash Equivalents	1.0	2.5
Total	<u>100.0 %</u>	

Discount Rate – A single discount rate of 7.25% was used to measure the total pension liability (asset). The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and (2) the tax- exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2017 to arrive at the discount rates used to determine the total pension liability (asset).

For the purposes of the most recent valuation, the expected rate of return on the plan investments is 7.25%, therefore the resulting single discount rate is 7.25%.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Changes in the net pension liability (asset) are as follows:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances - November 30, 2017	\$ 105,309,468	\$ 99,453,965	\$ 5,855,503
Changes for the Year:			
Service Cost	1,711,868	-	1,711,868
Interest on the Total Pension Liability	7,755,255	-	7,755,255
Differences Between Expected and Actual Experience of the Total Pension Liability	(1,312,241)	-	(1,312,241)
Changes of Assumptions	(2,786,944)	-	(2,786,944)
Contributions - Employer	-	1,566,231	(1,566,231)
Contributions - Employees	-	834,857	(834,857)
Net Investment Income	-	7,203,368	(7,203,368)
Difference Between Projected and Actual Investment Income	-	8,087,098	
Administrative Expenses	-	(82,852)	82,852
Benefit Payments, Including Refunds of Employee Contributions	(5,534,061)	(5,534,061)	-
Other	-	35	(35)
Net Changes	<u>(166,123)</u>	<u>12,074,676</u>	<u>(12,240,799)</u>
Balances - November 30, 2018	<u>\$ 105,143,345</u>	<u>\$ 111,528,641</u>	<u>\$ (6,385,296)</u>

The above information includes the Regular, SLEP and ECO IMRF plans, as certain information is not available in a segregated manner. The SLEP and ECO portions are not significant to the County.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 7 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the County, calculated using the discount rate of 7.25%, as well as what the County's net pension liability for the IMRF plan would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 7,694,968	\$ (6,385,296)	\$ (17,954,438)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended November 30, 2018 the County recognized pension expense of \$91,778 for the IMRF plan. At November 30, 2018, the County reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 603,481	\$ (1,931,476)
Assumption Changes	105,308	(1,832,830)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(3,858,994)
Total deferred amounts to be recognized in future periods	708,789	(7,623,300)
Contributions Made Subsequent to the Measurement Date	2,456,410	-
Total	<u>\$ 3,165,199</u>	<u>\$ (7,623,300)</u>

In 2018, there was \$2,456,410 reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability (asset) in the reporting year ended November 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending November 30,</u>	<u>Net Amount</u>
2019	\$ (1,483,308)
2020	(1,583,483)
2021	(1,983,072)
2022	(1,685,381)
2023	(151,382)
2024	(27,885)
Total	<u>\$ (6,914,511)</u>

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 8 - STATE AND FEDERALLY ASSISTED PROGRAMS**

The County participates in a number of state and federally assisted programs. Federal programs are audited in accordance with the Single Audit Act and have not resulted in any disallowed costs. However, grantor agencies may provide for further examinations. Based on prior experience, the County believes further examinations would not result in any material disallowed costs.

**NOTE 9 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Deficit Fund Balance**

The following individual fund had a deficit fund balance as of November 30, 2018:

Health Insurance	\$ (155,322)
------------------	--------------

**NOTE 10 - JOINT VENTURES**

The following disclosures are required for Vermilion County's joint ventures.

**Danville Public Building Commission**

The Danville Public Building Commission was organized under the provisions of the "Public Building Commission Act of the State of Illinois" to enable the erecting, equipping and providing of modern public buildings to space and house the various branches, departments and agencies of government in the County Seat of Vermilion County, Illinois.

The officials of the Danville Public Building Commission are appointed by the City of Danville, Danville Sanitary District, Danville School District #118 and Vermilion County.

Through the appointment of one commission official, the County has indirect control over the Commission's budgeting and financing. However, all capital improvement projects financed by the Commission must be approved by the City of Danville, Vermilion County and the Public Building Commission.

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 10 - JOINT VENTURES (CONTINUED)**

**Vermilion County Emergency Telephone System Board**

The Vermilion County Emergency Telephone System Board was established under an intergovernmental agreement between the County, the City of Danville, and the City of Hoopeston. This agreement was pursuant to the State of Illinois enacting the Emergency Telephone System Act, Chapter 134, and Section 31 - 46 of the Illinois Revised Statutes. The Vermilion County Emergency Telephone System Board is a joint board established specifically for the purpose of providing and maintaining emergency telephone systems.

Vermilion County provides bookkeeping and investing services at no cost to the Emergency Telephone System Board.

**NOTE 11 - SELF-FUNDED INSURANCE**

The County is self-funded for workers' compensation insurance coverage which is accounted for in a separate internal service fund (Liability Insurance Fund). The coverage is administered by an independent company. The County's risk retention is \$400,000 per individual per claim up to \$2,000,000 in aggregate over a one-year period. Actual claims paid in fiscal year 2018 were \$463,366.

The Standards require that a liability for claims be reported if the liability is both probable and can be reasonably estimated. The liabilities for unpaid claims are determined by the independent plan administrator. The estimated claims payable for claims reported at November 30, 2018 was \$101,293. The liability for claims incurred but not reported was estimated to range between \$82,128 and \$83,657. Based on this range, the County reflected a total liability for unpaid claims in the accompanying financial statements of \$189,324. The liability has been established in the General Liability Insurance Fund.

Changes in the balances of claims liabilities during fiscal year 2018 were as follows:

Claims liability, beginning balance	\$ 488,558
Claims paid, incurred prior to December 2018	(463,366)
Increase in claims liability for claims incurred prior to December 2018	<u>164,132</u>
<b>Claims liability, ending balance</b>	<b><u><u>\$ 189,324</u></u></b>

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 11 - SELF-FUNDED INSURANCE (CONTINUED)**

The County is self-insured for group health insurance. The coverage is administered by an independent company. The County's risk retention is \$50,000 per individual claim, with a maximum specific benefit of \$1,000,000 per person in excess of specific deductible. A liability for unpaid claims has been established in the Health Insurance Internal Service Fund. This liability is equal to claims submitted and not paid prior to year-end and an estimate of claims incurred and not yet submitted based on payment data. The County carries insurance to limit their liability for excessive claims. Estimated recoveries on unsettled claims are deducted from the liability for unpaid claims. The County believes the estimated liability for unpaid losses and loss adjustment expense is sufficient to cover the ultimate net cost of incurred claims. However, such reserves are based on estimates and the ultimate liability may be greater or less than the amounts estimated. The methods used to calculate such estimates and establish the resulting liabilities are continually reviewed, and any adjustments are reflected in current earnings. The liability is included in accounts payable in the Internal Service Funds.

**Reconciliation of Changes in Claims Liability**

Claims liability, beginning balance	\$ 300,000
Claims paid, incurred prior to December 2018	(220,182)
Increase in claims liability for claims incurred prior to December 2018	<u>70,182</u>
<b>Claims liability, ending balance</b>	<b><u>\$ 150,000</u></b>

The County uses the reimbursement method in processing unemployment claims.

The County had no claims exceeding their coverage limits on their other insurance coverage.

The claims reserves are based on estimates and the ultimate liability may be greater or less than the amounts estimated. The methods used to calculate such estimates and establish the resulting liabilities are continually reviewed, and any adjustments are reflected in current earnings.

**NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS**

*Plan Description.* In addition to providing the pension benefits described in Note 7, the County provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan (Retiree Healthcare Program). 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. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the County's governmental and business-type activities.



**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

*Benefits Provided.* The County provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under one of the County's retirement plans. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree can choose to not participate in the plan or continue under the County's plan at a Medicare Supplement rate.

*Funding Policy.* The County is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Premium cost sharing arrangements vary depending on the bargaining unit and date of retirement. Qualified retirees pay a percentage of the premium cost for single and dependent coverage based on Medicare status and family status.

*Actuarial Methods and Assumptions.* The County's OPEB liability was measured as of November 30, 2018, and the total OPEB liability was determined by an actuarial valuation as of December 1, 2017.

The discount rate used to measure the total OPEB liability was 4.22%. The discount rate is based on The Bond Buyer 20-Bond GO Index.

**VERMILION COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2018**

**NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

Since the most recent valuation, the following assumption changes have been made:

Inflation	2.50%
Salary	3.00%
Health Care Trend Rates	7.00% for fiscal year starting in 2019, decreasing to 6.50% in fiscal year 2021, decreasing to 6.00% in fiscal year 2023, decreasing to 5.50% in fiscal year 2025, decreasing to 5.00% after fiscal year 2026.

**Mortality** Active IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These Rates are Improved Generationally using MP-2017 Improvement Rates and Weighted Based on the IMRF December 31, 2017 Actuarial Valuation.

Retiree and Spousal IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are Improved Generationally using MP-2017 Improvement Rates.

Active Police Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are Improved Generationally using MP-2016 Improvement Rates.

Retiree Police Mortality follows the L&A Assumption Study for Police 2016. These Rates are Experience Weighted with the Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment and Improved Generationally using MP- 2016 Improvement Rates.

Spouse Police Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These Rates are Improved Generationally using MP-2016 Improvement Rates.

Disabled Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study for Disabled Participants. These Rates are Improved Generationally using MP-2016 Improvement Rates.

Spouse Police Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. These Rates are Improved Generationally using MP-2016 Improvement Rates.

*Participant Data.* At November 30, 2018, membership consisted of:

Active Plan Members	190
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	9
Total	<u>199</u>

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

*Changes to Total OPEB Liability.* The County's total OPEB liability of \$2,486,252 was measured as of November 30, 2018 and was determined by an actuarial valuation as of December 1, 2017. The following table shows the changes in the County's total OPEB liability for the year ended November 30, 2018.

	Total OPEB Liability
Balances - November 30, 2017	\$ 2,578,025
Changes for the Year:	
Service Cost	101,319
Interest	91,241
Actuarial Experience	-
Changes of Assumptions	(211,336)
Benefit Payments	(72,997)
Net Changes	(91,773)
Balances - November 30, 2018	\$ 2,486,252

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease 3.22%	Current Discount Rate 4.22%	1% Increase 5.22%
Total OPEB (Asset)/Liability	\$ 2,834,528	\$ 2,486,252	\$ 2,198,754

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare costs trend rates:

	1% Decrease Varies	Health Care Rate Varies	1% Increase Varies
Total OPEB (Asset)/Liability	\$ 2,142,261	\$ 2,486,252	\$ 2,914,214

For the year ended November 30, 2018, the County recognized OPEB expense of \$171,759. At November 30, 2018, the County reported no deferred inflows of resources, and \$190,535 in deferred inflows of resources resulting from County changes in assumptions and will be recognized in OPEB expense as follows.

Year Ending November 30,	Amount
2019	\$ 20,801
2020	20,801
2021	20,801
2022	20,801
2023	20,801
Thereafter	86,530
Total	\$ 190,535

**VERMILION COUNTY, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2018**

**NOTE 13 - RESTATEMENT**

During fiscal year ended November 30, 2018, the County adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This pronouncement requires the restatement of the November 30, 2017 net position of the governmental activities, business-type activities, Solid Waste Management Fund, as noted below.

In addition, errors were noted in prior year property tax accruals (\$390,295 in General Fund, IMRF, Health Department Fund, Mental Health Fund, General Liability Insurance Fund, Public Safety Building Rent Fund, Transportation Fund, FICA Fund, and County Bridge Fund), due from other governments (\$696,202 in General Fund, Health Department Fund, Public Safety Fund, County Motor Fuel Tax Fund, and Township Motor Fuel Tax Fund), interfund activity (\$878,785 in General Fund and FICA Fund), IMRF net pension liability (\$98,391,361 in governmental activities and business-type activities/Solid Waste Fund) and long-term debt (\$3,989,203 in governmental activities) and capital assets (\$407,657 in governmental activities). These corrections were made to beginning net position, as noted below.

	Governmental Activities	Business- type Activities	Solid Waste Fund
Net Position - November 30, 2017 as Previously Reported	\$ (55,615,090)	\$ 940,448	\$ 940,448
Cumulative Affect of Application of GASB 75, Total OPEB Liability	(2,552,245)	(25,780)	(25,780)
Corrections to prior year accruals, capital assets, long-term debt, pension, receivables, interfund loan	100,798,993	(10,778)	(10,778)
Net Position - November 30, 2017 as Restated	<u>\$ 42,631,658</u>	<u>\$ 903,890</u>	<u>\$ 903,890</u>

	General Fund	Public Safety Building Rent Fund	County Motor Fuel Tax Fund	Aggregate Remaining Funds
Fund Balance/Net Position - November 30, 2017 as Previously Reported	\$ 7,667,852	\$ 8,324,731	\$ 7,083,441	\$ 16,482,570
Corrections to prior year accruals pension, receivables, interfund loan	(688,098)	272,153	(116,553)	(652,194)
Fund Balance/Net Position - November 30, 2017 as Restated	<u>\$ 6,979,754</u>	<u>\$ 8,596,884</u>	<u>\$ 6,966,888</u>	<u>\$ 15,830,376</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES-BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED NOVEMBER 30, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 2,007,470	\$ 2,007,470	\$ 2,000,778	\$ (6,692)
Intergovernmental	6,867,846	6,946,936	7,491,440	544,504
Licenses and permits	50,000	50,000	48,800	(1,200)
Charges for services	1,951,876	1,951,876	1,736,351	(215,525)
Fines and forfeits	160,000	160,000	90,394	(69,606)
Miscellaneous	446,330	446,330	916,103	469,773
Total revenues	11,483,522	11,562,612	12,283,866	721,254
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Government</b>				
County Board	392,260	392,260	371,988	20,272
County Auditor	137,210	139,160	122,757	16,403
Data Processing	678,640	678,640	676,924	1,716
County Treasurer	230,919	230,919	230,448	471
Non-Department Services	313,027	318,027	280,599	37,428
Capital Outlay	1,000	1,000	1,000	-
Merit Commission	16,474	26,474	19,981	6,493
Regional Superintendent of Schools	94,365	109,968	103,746	6,222
County Clerk	649,784	649,784	646,082	3,702
County Recorder	185,839	185,839	174,305	11,534
Other	1,336,000	1,536,000	1,480,816	55,184
Election Commission	276,100	276,100	248,423	27,677
Board of Review	67,202	74,452	66,094	8,358
Supervisor of Assessments	316,111	316,111	308,224	7,887
Buildings and Grounds	986,472	1,049,472	906,509	142,963
Total General Government	5,681,403	5,984,206	5,637,896	346,310
<b>Judiciary and Court Related</b>				
Circuit Clerk	647,298	647,298	611,910	35,388
States Attorney	1,289,228	1,361,715	1,170,996	190,719
Probation	1,258,122	1,258,122	1,241,278	16,844
Judiciary and Rules	508,754	508,754	462,336	46,418
Collection Program	-	-	-	-
Public Defender	691,053	692,434	675,051	17,383
Total Judiciary and Court Related	4,394,455	4,468,323	4,161,571	306,752
<b>Public Safety</b>				
Sheriff	2,698,557	2,775,557	2,661,343	114,314
Emergency Services Disaster Agency	209,442	209,442	171,072	38,370
Coroner	242,210	255,878	207,682	48,196
Total Public Safety	3,150,209	3,240,877	3,039,997	200,880
Total expenditures	13,226,067	13,693,406	12,839,464	853,942
Excess (deficiency) of revenues over expenditures	(1,742,545)	(2,130,794)	(555,598)	1,575,196
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 850,000	\$ 850,000	\$ 336,962	\$ (513,038)
Transfers out	(320,000)	(1,320,000)	(1,608,888)	(288,888)
Total other financing uses	530,000	(470,000)	(1,271,926)	(801,926)
Net change in fund balance	\$ (1,212,545)	\$ (2,600,794)	(1,827,524)	\$ 773,270
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>			6,979,754	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 5,152,230</u>	

**VERMILION COUNTY, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES-BUDGET AND ACTUAL**  
**PUBLIC SAFETY BUILDING RENT FUND**  
**YEAR ENDED NOVEMBER 30, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 5,449,996	\$ 5,449,996	\$ 5,428,189	\$ (21,807)
Intergovernmental	5,497,465	5,497,465	5,995,917	498,452
Miscellaneous	349	349	44,285	43,936
Total revenues	10,947,810	10,947,810	11,468,391	520,581
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public safety	12,520,027	12,730,027	11,970,095	759,932
Excess (deficiency) of revenues over expenditures	(1,572,217)	(1,782,217)	(501,704)	1,280,513
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	600,000	600,000	600,000	-
Transfers out	-	-	-	-
Total other financing uses	600,000	600,000	600,000	-
Net change in fund balance	\$ (972,217)	\$ (1,182,217)	98,296	\$ 1,280,513
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>			8,596,884	
<b>FUND BALANCE, END OF YEAR</b>			\$ 8,695,180	

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND**  
**PLAN-NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**

	2018	2017	2016	2015
Total Pension Liability				
Service Cost	\$ 1,711,868	\$ 1,834,906	\$ 1,777,078	\$ 1,892,406
Interest	7,755,255	7,574,722	7,121,762	6,639,260
Changes of Benefit Terms	-	-	-	-
Difference in Expected and Actual Experiences	(1,312,241)	(1,493,194)	2,108,203	(503,168)
Changes of Assumptions	(2,786,944)	(51,945)	50,054	2,743,670
Benefit Payments, Including Refunds of Member Contributions	(5,534,061)	(5,422,431)	(4,597,167)	(3,961,715)
Net Change in Total Pension Liability	(166,123)	2,442,058	6,459,930	6,810,453
Total Pension Liability – Beginning	105,309,468	102,867,410	96,407,480	89,597,027
Total Pension Liability – Ending (A)	<u>\$ 105,143,345</u>	<u>\$ 105,309,468</u>	<u>\$ 102,867,410</u>	<u>\$ 96,407,480</u>
Plan Fiduciary Net Position				
Contributions – Employer	\$ 1,566,231	\$ 1,788,584	\$ 1,761,100	\$ 1,778,814
Contributions – Employee	834,857	814,301	814,538	766,306
Net Investment Income	15,290,466	8,068,119	481,409	5,640,358
Benefit Payments and Refunds	(5,534,061)	(5,422,431)	(4,597,167)	(3,961,715)
Other	(82,817)	(101,925)	(1,445,240)	(104,263)
Net Change in Plan Fiduciary Net Position	12,074,676	5,146,648	(2,985,360)	4,119,500
Plan Fiduciary Net Position – Beginning	99,453,965	94,307,317	97,292,677	93,173,177
Plan Fiduciary Net Position – Ending (B)	<u>\$ 111,528,641</u>	<u>\$ 99,453,965</u>	<u>\$ 94,307,317</u>	<u>\$ 97,292,677</u>
Net Pension Liability (Asset) (A) – (B)	<u>\$ (6,385,296)</u>	<u>\$ 5,855,503</u>	<u>\$ 8,560,093</u>	<u>\$ (885,197)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	106.07%	94.44%	91.68%	100.92%
Covered Payroll	\$ 14,649,337	\$ 14,492,605	\$ 14,893,662	\$ 9,469,712
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(43.59%)	40.40%	57.47%	(9.35%)

**Notes**

*GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 68 is not available. Ultimately, 10 years of data will be presented.*

This schedule includes the SLEP and ECO portion of the plan as segregated data for all components is not available. The SLEP and ECO portions are insignificant in total to the County.



**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF ILLINOIS MUNICIPAL  
RETIREMENT CONTRIBUTIONS**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percent of Covered Payroll
2018	\$ 1,650,019	\$ 1,650,019	\$ -	\$ 15,703,987	10.51 %
2017	\$ 1,568,032	\$ 1,568,032	-	\$ 14,593,534	10.74
2016	\$ 1,744,726	\$ 1,761,100	(16,374)	\$ 14,893,662	11.82
2015	\$ 1,789,378	\$ 1,779,814	9,564	\$ 13,668,804	13.02

Notes

This schedule includes the SLEP and ECO portion of the plan as segregated data for all components is not available.

The SLEP and ECO are insignificant in total to the County.

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY,**  
**RELATED RATIOS, AND NOTES**

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 101,319
Interest	91,241
Difference in Expected and Actual Experiences	-
Changes of Assumptions	(211,336)
Benefit Payments	<u>(72,997)</u>
Net Change in Total OPEB Liability	(91,773)
Total Pension Liability – Beginning	<u>2,578,025</u>
Total Pension Liability – Ending	<u><u>\$ 2,486,252</u></u>
 Covered Employee Payroll	 \$ 8,901,067
 Total OPEB Liability as a Percentage of Covered Employee Payroll	  27.93%

NOTE 1: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Information prior to the implementation of GASB 75 is not available. Ultimately, 10 years of data will be presented.

Note 2: No assets are accumulated in a trust.

**VERMILION COUNTY, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
NOVEMBER 30, 2018**

**BASIS OF ACCOUNTING** – The County’s budget is prepared on the modified accrual basis for all budgeted funds as presented in the Required Supplementary Information.

The County does not budget for the Motor Fuel Tax Fund, therefore no Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual is prepared.

**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE  
CALCULATIONS OF THE 2017 CONTRIBUTION RATE – IMRF**

***Valuation Date:***

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

**Methods and Assumptions Used to Determine 2017 Contribution Rates:**

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, Closed
<i>Remaining Amortization Period:</i>	25-year closed period
<i>Asset Valuation Method:</i>	Five-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.5%
<i>Price Inflation:</i>	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
<i>Mortality:</i>	For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

***Other Information:***

Notes: There were no benefit changes during the year.

## **OTHER SUPPLEMENTARY INFORMATION**

**VERMILION COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**November 30, 2018**

	<b>Special Revenue</b>						
	<b>Mental Health Board</b>	<b>Health Department</b>	<b>Law Enforcement</b>	<b>Animal Control</b>	<b>Indemnity</b>	<b>County Clerk Vital Records</b>	<b>FICA</b>
Cash	\$ 540,862	\$ 624,520	\$ 3,266,805	\$ 23,978	\$ 146,156	\$ 42,805	\$ 272,045
Investments	-	300,000	899,647	-	-	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	854,285	306,143	-	-	-	-	1,151,552
Other	-	-	1,896	996	-	-	147
Due from other funds	-	204	-	173,692	-	964	-
Due from other governments	-	272,297	345,529	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,395,147</b>	<b>\$ 1,503,164</b>	<b>\$ 4,513,877</b>	<b>\$ 198,666</b>	<b>\$ 146,156</b>	<b>\$ 43,769</b>	<b>\$ 1,423,744</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 5,858	\$ 64,561	\$ 15,360	\$ 29,286	\$ -	\$ -	\$ 73,080
Due to other funds	-	12,436	-	-	-	-	-
Total liabilities	5,858	76,997	15,360	29,286	-	-	73,080
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	801,786	298,070	-	-	-	-	1,099,692
Unavailable revenue	-	-	113,162	-	-	-	-
Total deferred inflows of resources	801,786	298,070	113,162	-	-	-	1,099,692
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	250,972
General and administrative	-	-	-	169,380	146,156	43,769	-
Public health and education	587,503	1,128,097	-	-	-	-	-
Court services and public safety	-	-	4,385,355	-	-	-	-
Transportation and highway	-	-	-	-	-	-	-
<b>Committed:</b>							
Capital projects	-	-	-	-	-	-	-
Total fund balance	587,503	1,128,097	4,385,355	169,380	146,156	43,769	250,972
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 1,395,147</b>	<b>\$ 1,503,164</b>	<b>\$ 4,513,877</b>	<b>\$ 198,666</b>	<b>\$ 146,156</b>	<b>\$ 43,769</b>	<b>\$ 1,423,744</b>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**November 30, 2018**

	Special Revenue						
	County Clerk Tax Automation	CASA	Sale In Error	North Fork Special Service Area 1	North Fork Special Service Area 2	North Fork Special Service Area 3	Traffic Fee
Cash	\$ 10,770	\$ 4,663	\$ 64,200	\$ 110,919	\$ 92,586	\$ 21,614	\$ 240,202
Investments	-	-	-	200,000	-	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	53,679	19,171	3,834	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	4,714
Due from other governments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 10,770</b>	<b>\$ 4,663</b>	<b>\$ 64,200</b>	<b>\$ 364,598</b>	<b>\$ 111,757</b>	<b>\$ 25,448</b>	<b>\$ 244,916</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ -	\$ 2,081	\$ -	\$ 119	\$ 45	\$ 9	\$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	2,081	-	119	45	9	-
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	-	-	-	50,402	18,001	3,600	-
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	50,402	18,001	3,600	-
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	-
General and administrative	10,770	2,582	64,200	-	-	-	-
Public health and education	-	-	-	314,077	93,711	21,839	-
Court services and public safety	-	-	-	-	-	-	244,916
Transportation and highway	-	-	-	-	-	-	-
<b>Committed:</b>							
Capital projects	-	-	-	-	-	-	-
Total fund balance	10,770	2,582	64,200	314,077	93,711	21,839	244,916
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 10,770</b>	<b>\$ 4,663</b>	<b>\$ 64,200</b>	<b>\$ 364,598</b>	<b>\$ 111,757</b>	<b>\$ 25,448</b>	<b>\$ 244,916</b>

VERMILION COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2018

	Special Revenue						
	County Bridge	Court Document Storage	Court Automation	Court Security	Recorder's Special Fee	Law Library	Township Motor Fuel Tax
Cash	\$ 497,503	\$ 190,503	\$ 113,851	\$ 81,346	\$ 243,092	\$ 65,888	\$ 150,766
Investments	1,000,000	-	-	-	-	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	386,118	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	-	10,378	10,497	-	-	3,186	-
Due from other governments	-	-	-	-	-	-	143,746
<b>TOTAL ASSETS</b>	<b>\$ 1,883,621</b>	<b>\$ 200,881</b>	<b>\$ 124,348</b>	<b>\$ 81,346</b>	<b>\$ 243,092</b>	<b>\$ 69,074</b>	<b>\$ 294,512</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 1,095	\$ 1,242	\$ 1,714	\$ 7,302	\$ 3,962	\$ -	\$ 25,641
Due to other funds	-	-	-	-	-	-	-
Total liabilities	1,095	1,242	1,714	7,302	3,962	-	25,641
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	363,392	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	363,392	-	-	-	-	-	-
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	-
General and administrative	-	-	-	-	239,130	69,074	-
Public health and education	-	-	-	-	-	-	-
Court services and public safety	-	199,639	122,634	74,044	-	-	-
Transportation and highway	1,519,134	-	-	-	-	-	268,871
<b>Committed:</b>							
Capital projects	-	-	-	-	-	-	-
Total fund balance	1,519,134	199,639	122,634	74,044	239,130	69,074	268,871
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 1,883,621</b>	<b>\$ 200,881</b>	<b>\$ 124,348</b>	<b>\$ 81,346</b>	<b>\$ 243,092</b>	<b>\$ 69,074</b>	<b>\$ 294,512</b>

VERMILION COUNTY, ILLINOIS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
November 30, 2018

	Special Revenue						
	Child Support	Probation Service	Treasurer's Automation	Circuit Clerk Operation & Administration	Township Bridge	VC Trustee Revolving Fund	Illinois Municipal Retirement
Cash	\$ 106,202	\$ 174,094	\$ 83,052	\$ 59,187	\$ 806,907	\$ 42,270	\$ 1,389,303
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	1,087,237
Other	-	-	-	-	-	-	-
Due from other funds	-	7,678	12,590	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 106,202</b>	<b>\$ 181,772</b>	<b>\$ 95,642</b>	<b>\$ 59,187</b>	<b>\$ 806,907</b>	<b>\$ 42,270</b>	<b>\$ 2,476,540</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 553	\$ 5,583	\$ 17,199	\$ 432	\$ -	\$ -	\$ 179,910
Due to other funds	-	-	-	-	-	-	-
Total liabilities	553	5,583	17,199	432	-	-	179,910
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	-	-	-	-	-	-	990,000
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	990,000
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	1,306,630
General and administrative	-	-	78,443	58,755	-	42,270	-
Public health and education	-	-	-	-	-	-	-
Court services and public safety	105,649	176,189	-	-	-	-	-
Transportation and highway	-	-	-	-	806,907	-	-
<b>Committed:</b>							
Capital projects	-	-	-	-	-	-	-
Total fund balance	105,649	176,189	78,443	58,755	806,907	42,270	1,306,630
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 106,202</b>	<b>\$ 181,772</b>	<b>\$ 95,642</b>	<b>\$ 59,187</b>	<b>\$ 806,907</b>	<b>\$ 42,270</b>	<b>\$ 2,476,540</b>



**VERMILION COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**November 30, 2018**

	Special Revenue						
	Law Enforcement Grant	Victim Witness Attorney General	Vermilion County MEG	Vermilion County Electronic Monitoring	GIS Automation	Drug Court Fee	Coroner Automation
Cash	\$ 25	\$ 32,362	\$ 294	\$ 46,952	\$ 291,613	\$ 69,159	\$ 49,270
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	2,230	-	-	-
Due from other governments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 25</b>	<b>\$ 32,362</b>	<b>\$ 294</b>	<b>\$ 49,182</b>	<b>\$ 291,613</b>	<b>\$ 69,159</b>	<b>\$ 49,270</b>
 <b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ -	\$ 1,724	\$ -	\$ 1,819	\$ 2,143	\$ 1,320	\$ 2,165
Due to other funds	-	-	-	-	-	-	-
 Total liabilities	-	1,724	-	1,819	2,143	1,320	2,165
 <b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	-	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-	-
 Total deferred inflows of resources	-	-	-	-	-	-	-
 <b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	-
General and administrative	-	-	-	-	289,470	-	-
Public health and education	-	-	-	-	-	-	47,105
Court services and public safety	25	30,638	294	47,363	-	67,839	-
Transportation and highway	-	-	-	-	-	-	-
<b>Committed:</b>							
Capital projects	-	-	-	-	-	-	-
 Total fund balance	25	30,638	294	47,363	289,470	67,839	47,105
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 25</b>	<b>\$ 32,362</b>	<b>\$ 294</b>	<b>\$ 49,182</b>	<b>\$ 291,613</b>	<b>\$ 69,159</b>	<b>\$ 49,270</b>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**November 30, 2018**

	<b>Special Revenue</b>				<b>Capital Projects</b>		
	<b>Board of Elections</b>	<b>Working Cash</b>	<b>States Attorney Automation</b>	<b>Transportation</b>	<b>Infrastructure</b>	<b>Capital Projects</b>	<b>Total</b>
Cash	\$ 1,809	\$ -	\$ 10,337	\$ 315,895	\$ 19,673	\$ 123,579	\$ 10,427,057
Investments	-	-	-	350,000	213,888	900,000	3,863,535
Receivables:							
Taxes, net of allowance for estimated uncollectibles	-	-	-	812,790	-	-	4,674,809
Other	-	-	-	-	-	-	3,039
Due from other funds	-	-	-	-	-	-	226,133
Due from other governments	-	-	-	-	-	-	761,572
<b>TOTAL ASSETS</b>	<b>\$ 1,809</b>	<b>\$ -</b>	<b>\$ 10,337</b>	<b>\$ 1,478,685</b>	<b>\$ 233,561</b>	<b>\$ 1,023,579</b>	<b>\$ 19,956,145</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,252	\$ 50,561	\$ -	\$ 78,920	574,936
Due to other funds	-	-	-	-	-	-	12,436
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>1,252</b>	<b>50,561</b>	<b>-</b>	<b>78,920</b>	<b>587,372</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Subsequent year's property taxes	-	-	-	762,840	-	-	4,387,783
Unavailable revenue	-	-	-	-	-	-	113,162
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>762,840</b>	<b>-</b>	<b>-</b>	<b>4,500,945</b>
<b>FUND BALANCE</b>							
<b>Restricted:</b>							
Retirement	-	-	-	-	-	-	1,557,602
General and administrative	1,809	-	-	-	-	-	1,215,808
Public health and education	-	-	-	-	-	-	2,192,332
Court services and public safety	-	-	9,085	665,284	-	-	6,128,954
Transportation and highway	-	-	-	-	-	-	2,594,912
<b>Committed:</b>							
Capital projects	-	-	-	-	233,561	944,659	1,178,220
<b>Total fund balance</b>	<b>1,809</b>	<b>-</b>	<b>9,085</b>	<b>665,284</b>	<b>233,561</b>	<b>944,659</b>	<b>14,867,828</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 1,809</b>	<b>\$ -</b>	<b>\$ 10,337</b>	<b>\$ 1,478,685</b>	<b>\$ 233,561</b>	<b>\$ 1,023,579</b>	<b>\$ 19,956,145</b>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue						
	Mental Health Board	Health Department	Law Enforcement	Animal Control	Indemnity	County Clerk Vital Records	FICA
<b>REVENUES</b>							
Taxes	\$ 806,622	\$ 276,849	\$ -	\$ -	\$ -	\$ -	\$ 796,822
Intergovernmental	-	728,067	1,376,205	-	-	-	12,480
Licenses and permits	-	-	-	124,402	-	-	-
Charges for services	-	380,010	-	242,905	51,380	13,482	-
Fines and forfeits	-	-	-	-	-	-	-
Interest	482	6,455	28,784	7	15	5	313
Miscellaneous	72,650	4,575	-	2,498	-	-	-
Total revenues	879,754	1,395,956	1,404,989	369,812	51,395	13,487	809,615
<b>EXPENDITURES</b>							
General and administrative	-	-	-	540,003	-	13,000	449,901
Judiciary and court related	-	-	-	-	-	-	311,470
Public safety	-	-	270,219	-	-	-	392,221
Public health and education	799,669	1,197,406	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital projects	80	8,329	270,000	1,093	-	1,000	-
Total expenditures	799,749	1,205,735	540,219	541,096	-	14,000	1,153,592
Excess (deficiency) of revenues over expenditures	80,005	190,221	864,770	(171,284)	51,395	(513)	(343,977)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	160,000	-	-	-
Transfers out	-	-	(600,000)	-	(44,773)	-	-
Total other financing sources (uses)	-	-	(600,000)	160,000	(44,773)	-	-
Net change in fund balance	80,005	190,221	264,770	(11,284)	6,622	(513)	(343,977)
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	507,498	937,876	4,120,585	180,664	139,534	44,282	594,949
<b>FUND BALANCE, END OF YEAR</b>	\$ 587,503	\$ 1,128,097	\$ 4,385,355	\$ 169,380	\$ 146,156	\$ 43,769	\$ 250,972

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue						
	County Clerk Tax Automation	CASA	Sale In Error	North Fork Special Service Area 1	North Fork Special Service Area 2	North Fork Special Service Area 3	Traffic Fee
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 73,514	\$ 26,006	\$ 5,353	\$ -
Intergovernmental	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	54,920
Fines and forfeits	-	1,472	64,200	-	-	-	-
Interest	1	-	-	3,347	10	2	90
Miscellaneous	320	-	-	-	666	-	-
Total revenues	321	1,472	64,200	76,861	26,682	5,355	55,010
<b>EXPENDITURES</b>							
General and administrative	500	-	-	-	-	-	2,616
Judiciary and court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public health and education	-	-	-	33,204	12,512	2,406	-
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Total expenditures	500	-	-	33,204	12,512	2,406	2,616
Excess (deficiency) of revenues over expenditures	(179)	1,472	64,200	43,657	14,170	2,949	52,394
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	(179)	1,472	64,200	43,657	14,170	2,949	52,394
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	10,949	1,110	-	270,420	79,541	18,890	192,522
<b>FUND BALANCE, END OF YEAR</b>	\$ 10,770	\$ 2,582	\$ 64,200	\$ 314,077	\$ 93,711	\$ 21,839	\$ 244,916

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue						
	County Bridge	Court Document Storage	Court Automation	Court Security Fee	Recorder's Special Fee	Law Library	Township Motor Fuel Tax
<b>REVENUES</b>							
Taxes	\$ 349,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	1,705,096
Licenses and permits	-	-	-	-	-	-	-
Charges for services	-	141,602	141,973	-	37,937	35,681	-
Fines and forfeits	-	-	-	-	-	-	-
Interest	28,084	22	57	23	27	41	609
Miscellaneous	-	-	-	-	-	-	34
Total revenues	377,268	141,624	142,030	23	37,964	35,722	1,705,739
<b>EXPENDITURES</b>							
General and administrative	-	-	-	-	5,107	22,723	-
Judiciary and court related	-	70,316	109,140	145,166	-	-	-
Public safety	-	-	-	-	-	-	-
Public health and education	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	1,794,321
Capital projects	187,205	1,758	35,000	-	3,962	-	-
Total expenditures	187,205	72,074	144,140	145,166	9,069	22,723	1,794,321
Excess (deficiency) of revenues over expenditures	190,063	69,550	(2,110)	(145,143)	28,895	12,999	(88,582)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	160,000	-	-	-
Transfers out	-	(100,000)	-	-	-	(100,000)	-
Total other financing sources (uses)	-	(100,000)	-	160,000	-	(100,000)	-
Net change in fund balance	190,063	(30,450)	(2,110)	14,857	28,895	(87,001)	(88,582)
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	1,329,071	230,089	124,744	59,187	210,235	156,075	357,453
<b>FUND BALANCE, END OF YEAR</b>	\$ 1,519,134	\$ 199,639	\$ 122,634	\$ 74,044	\$ 239,130	\$ 69,074	\$ 268,871

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue						
	Child Support Maintenance	Probation Service	Treasurer's Automation	Circuit Clerk Operations & Administration	Township Bridge	VC Trustee Revolving Fund	Illinois Municipal Retirement
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,494,023
Intergovernmental	-	-	-	-	515,590	-	-
Licenses and permits	-	-	-	-	-	-	-
Charges for services	12,302	143,832	28,710	180,862	-	60,826	-
Fines and forfeits	-	-	-	-	-	-	-
Interest	8	23	436	52	124	9	1,922
Miscellaneous	-	10,819	-	-	-	-	8,460
Total revenues	12,310	154,674	29,146	180,914	515,714	60,835	1,504,405
<b>EXPENDITURES</b>							
General and administrative	-	-	21,748	8,624	-	61,377	2,642,106
Judiciary and court related	41,225	121,200	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public health and education	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital projects	-	3,229	9,998	-	13,439	-	-
Total expenditures	41,225	124,429	31,746	8,624	13,439	61,377	2,642,106
Excess (deficiency) of revenues over expenditures	(28,915)	30,245	(2,600)	172,290	502,275	(542)	(1,137,701)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	1,000,000
Transfers out	-	-	-	(170,000)	-	-	-
Total other financing sources (uses)	-	-	-	(170,000)	-	-	1,000,000
Net change in fund balance	(28,915)	30,245	(2,600)	2,290	502,275	(542)	(137,701)
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	134,564	145,944	81,043	56,465	304,632	42,812	1,444,331
<b>FUND BALANCE, END OF YEAR</b>	\$ 105,649	\$ 176,189	\$ 78,443	\$ 58,755	\$ 806,907	\$ 42,270	\$ 1,306,630

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue						
	Law Enforcement Grant	Victim Witness Attorney General	Vermilion County MEG	Vermilion County Electronic Monitoring	GIS Automation	Drug Court Fee	Coroner Automation
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	24,470	99,181	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Charges for services	-	-	-	-	195,398	-	21,741
Fines and forfeits	-	-	-	-	-	5,134	-
Interest	-	5	-	11	627	-	5
Miscellaneous	-	-	-	33,263	-	-	-
Total revenues	-	24,475	99,181	33,274	196,025	5,134	21,746
EXPENDITURES							
General and administrative	-	-	-	-	300,181	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public safety	-	30,000	99,181	28,736	-	1,320	-
Public health and education	-	-	-	-	-	-	8,914
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	30,639	-	-	-
Total expenditures	-	30,000	99,181	59,375	300,181	1,320	8,914
Excess (deficiency) of revenues over expenditures	-	(5,525)	-	(26,101)	(104,156)	3,814	12,832
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balance	-	(5,525)	-	(26,101)	(104,156)	3,814	12,832
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	25	36,163	294	73,464	393,626	64,025	34,273
FUND BALANCE, END OF YEAR	\$ 25	\$ 30,638	\$ 294	\$ 47,363	\$ 289,470	\$ 67,839	\$ 47,105

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND BALANCE (DEFICIT) -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year Ended November 30, 2018**

	Special Revenue				Capital Projects		
	Board of Elections	Working Cash	States Attorney Automation	Transportation	Infrastructure	Capital Projects	Total
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 767,474	\$ -	\$ -	\$ 4,595,847
Intergovernmental	-	-	-	-	-	-	4,461,089
Licenses and permits	-	-	-	-	-	-	124,402
Charges for services	-	-	-	-	-	-	1,743,561
Fines and forfeits	-	-	2,380	-	-	-	73,186
Interest	-	731	2	10,219	4,673	21,369	108,590
Miscellaneous	-	-	-	202,203	-	39,009	374,497
Total revenues	-	731	2,382	979,896	4,673	60,378	11,481,172
<b>EXPENDITURES</b>							
General and administrative	30	-	-	-	60,000	3,580	4,131,496
Judiciary and court related	-	-	-	-	-	-	798,517
Public safety	-	-	-	-	-	-	821,677
Public health and education	-	-	5,997	1,115,582	-	-	3,175,690
Transportation	-	-	-	-	-	-	1,794,321
Capital projects	-	-	-	193,973	-	1,132,722	1,892,427
Total expenditures	30	-	5,997	1,309,555	60,000	1,136,302	12,614,128
Excess (deficiency) of revenues over expenditures	(30)	731	(3,615)	(329,659)	(55,327)	(1,075,924)	(1,132,956)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	288,888	369,999	1,978,887
Transfers out	-	(292,188)	-	-	-	-	(1,306,961)
Total other financing sources (uses)	-	(292,188)	-	-	288,888	369,999	671,926
Net change in fund balance	(30)	(291,457)	(3,615)	(329,659)	233,561	(705,925)	(461,030)
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	1,839	291,457	12,700	994,943	-	1,650,584	15,328,858
<b>FUND BALANCE, END OF YEAR</b>	\$ 1,809	\$ -	\$ 9,085	\$ 665,284	\$ 233,561	\$ 944,659	\$ 14,867,828



**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF NET POSITION (DEFICIT) -**  
**INTERNAL SERVICE FUNDS**  
**November 30, 2018**

	<b>Health Insurance</b>	<b>General Liability Insurance</b>	<b>Total</b>
<b>CURRENT ASSETS</b>			
Cash	\$ 94,678	\$ 393,104	\$ 487,782
Investments	-	300,001	300,001
Receivables, net	-	708,853	708,853
<b>TOTAL ASSETS</b>	<u>94,678</u>	<u>1,401,958</u>	<u>1,496,636</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	150,000	191,724	341,724
Due to other funds	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b>TOTAL LIABILITIES</b>	250,000	191,724	441,724
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Subsequent years property taxes	<u>-</u>	<u>673,200</u>	<u>673,200</u>
<b>NET POSITION (DEFICIT)</b>			
Unrestricted net position	<u>\$ (155,322)</u>	<u>\$ 537,034</u>	<u>\$ 381,712</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION (DEFICIT) -**  
**INTERNAL SERVICE FUNDS**  
**Year Ended November 30, 2018**

	<u>Health Insurance</u>	<u>General Liability Insurance</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 2,492,796	\$ -	\$ 2,492,796
<b>OPERATING EXPENSES</b>			
Personnel services	2,162,863	464,617	2,627,480
Contractual services	<u>146,669</u>	<u>398,306</u>	<u>544,975</u>
Total operating expenses	<u>2,309,532</u>	<u>862,923</u>	<u>3,172,455</u>
Operating income (loss)	<u>183,264</u>	<u>(862,923)</u>	<u>(679,659)</u>
<b>NON-OPERATING REVENUES</b>			
Taxes	-	547,803	547,803
Intergovernmental	-	2,702	2,702
Interest income	<u>5</u>	<u>9,343</u>	<u>9,348</u>
Total non-operating revenues	<u>5</u>	<u>559,848</u>	<u>559,853</u>
<b>CHANGE IN NET POSITION</b>	183,269	(303,075)	(119,806)
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR, AS RESTATED</b>	<u>(338,591)</u>	<u>840,109</u>	<u>501,518</u>
<b>NET POSITION (DEFICIT), END OF YEAR</b>	<u>\$ (155,322)</u>	<u>\$ 537,034</u>	<u>\$ 381,712</u>

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

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY**  
**NET POSITION - FIDUCIARY FUNDS**  
**November 30, 2018**  
**ASSETS**

	<u>Restitution</u>	<u>County Collector</u>	<u>Treasurer's Account</u>	<u>Deposit Fund</u>	<u>Unknown Heirs</u>	<u>Non-resident Heirs</u>	<u>Payroll Clearing</u>	<u>Work Release</u>	<u>Prisoner's Commissary</u>
Cash	\$ 22,713	\$ 6,938,657	\$ 55,676	\$ 189,161	\$ 61,289	\$ 189,811	\$ 1,460,528	\$ 7,550	\$ 110,535
Investments	-	-	-	-	-	-	-	-	-
Receivables:									
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-
Due from other funds	9,182	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	19,962
<b>TOTAL ASSETS</b>	<u>\$ 31,895</u>	<u>\$ 6,938,657</u>	<u>\$ 55,676</u>	<u>\$ 189,161</u>	<u>\$ 61,289</u>	<u>\$ 189,811</u>	<u>\$ 1,460,528</u>	<u>\$ 7,550</u>	<u>\$ 130,497</u>

**LIABILITIES**

Accounts payable	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ -	\$ 105,573	\$ -	\$ -
Due to other funds	4	1,281,328	-	-	-	-	200,000	-	-
Due to other governments	-	-	-	-	-	-	-	-	-
Due to others	31,891	-	49,176	189,161	61,289	189,811	1,154,955	7,550	130,497
Due to taxing bodies	-	5,657,329	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>\$ 31,895</u>	<u>\$ 6,938,657</u>	<u>\$ 55,676</u>	<u>\$ 189,161</u>	<u>\$ 61,289</u>	<u>\$ 189,811</u>	<u>\$ 1,460,528</u>	<u>\$ 7,550</u>	<u>\$ 130,497</u>

**VERMILION COUNTY, ILLINOIS**  
**COMBINING STATEMENT OF FIDUCIARY**  
**NET POSITION - FIDUCIARY FUNDS**  
**November 30, 2018**  
**ASSETS**

	<u>Sheriff's Office</u>	<u>Probation Office</u>	<u>County Clerk</u>	<u>Circuit Clerk</u>	<u>County Recorder</u>	<u>Drainage District</u>	<u>Fingerprint</u>	<u>Electronic Citation</u>	<u>Total</u>
Cash	\$ 252,778	\$ -	\$ 252,639	\$ 1,237,145	\$ 134,160	\$ 491,450	\$ -	\$ 21,851	\$ 11,425,943
Investments	-	-	-	190,000	-	900,000	-	-	1,090,000
Receivables:									
Taxes, net of allowance for estimated uncollectibles	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	9,182
Due from other governments	-	-	5,504	-	-	-	-	-	5,504
Inventory	-	-	-	-	-	-	-	-	19,962
<b>TOTAL ASSETS</b>	<u>\$ 252,778</u>	<u>\$ -</u>	<u>\$ 258,143</u>	<u>\$ 1,427,145</u>	<u>\$ 134,160</u>	<u>\$ 1,391,450</u>	<u>\$ -</u>	<u>\$ 21,851</u>	<u>\$ 12,550,591</u>

**LIABILITIES**

Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,073
Due to other funds	-	-	26,682	136,574	-	-	-	-	1,644,588
Due to other governments	-	-	-	64,454	-	-	-	-	64,454
Due to others	252,778	-	231,461	1,226,117	134,160	1,391,450	-	21,851	5,072,147
Due to taxing bodies	-	-	-	-	-	-	-	-	5,657,329
<b>TOTAL LIABILITIES</b>	<u>\$ 252,778</u>	<u>\$ -</u>	<u>\$ 258,143</u>	<u>\$ 1,427,145</u>	<u>\$ 134,160</u>	<u>\$ 1,391,450</u>	<u>\$ -</u>	<u>\$ 21,851</u>	<u>\$ 12,550,591</u>

## **SINGLE AUDIT REPORTS**



**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**

Vermilion County Board  
Vermilion County, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Vermilion County, Illinois, as of and for the year ended November 30, 2018, and the related notes to the financial statements, which collectively comprise the Vermilion County, Illinois' basic financial statements, and have issued our report thereon dated February 3, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Vermilion 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 the Vermilion County, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Vermilion 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002, and 2018-003 that we consider to be material weaknesses.

### **Compliance and Other Matters**

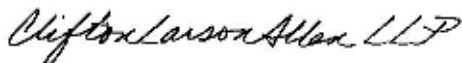
As part of obtaining reasonable assurance about whether the Vermilion County, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

### **Vermilion County Illinois' Responses to Findings**

The Vermilion County, Illinois' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Vermilion County, Illinois' responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 result 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.



**CliftonLarsonAllen LLP**

Danville, Illinois  
February 3, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Vermilion County Board  
Vermilion County, Illinois

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

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

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

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

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

In our opinion, the Vermilion 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 its major federal program for the year ended November 30, 2018.



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

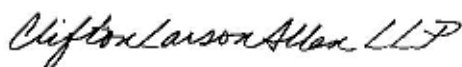
Management of the Vermilion County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Vermilion County, Illinois' internal 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Vermilion 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2018-004, that we consider to be a significant deficiency.

Vermilion County, Illinois' response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questions costs. Vermilion 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.

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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Danville, Illinois  
February 3, 2020

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2018**

Federal Grantor/Pass through Grantor/ Program or Cluster Title		Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Agriculture</b>					
Passed-through the Illinois Department of Human Services:					
Supplemental Nutrition Program for Women, Infants and Children (WIC)	(M)	10.557	FCSWQ01105	\$ -	\$ 26,586
Supplemental Nutrition Program for Women, Infants and Children (WIC)	(M)	10.557	FCSXQ01105	-	342,750
Supplemental Nutrition Program for Women, Infants and Children - Noncash	(M)	10.557	None	-	884,375
				-	1,253,711
 Farmers' Market Nutrition Program		10.572	None	-	1,000
 Total U.S. Department of Agriculture				-	1,254,711
<b>U.S. Department of Environmental Protection Agency</b>					
Passed-through the Illinois Department of Public Health:					
Performace Partnership Grant		66.605	None	-	875
 Total U.S. Department of Environmental Protection Agency				-	875
<b>U.S. Department of Health and Human Services</b>					
Passed-Through the Illinois Department of Public Health:					
Public Health Emergency Preparedness		93.074	None	-	88,076
Immunization Grant - Noncash		93.268	None	-	52,203
 Passed-through the Illinois Department of Healthcare and Family Services:					
Child Support Enforcement		93.563	None	-	8,861
 Total U.S. Department of Health and Human Services				-	149,140

**VERMILION COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED NOVEMBER 30, 2018**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Justice</b>				
Passed-through the Illinois Criminal Justice Information Authority				
Edward Byrne Memorial Justice Assistance Grant	16.738	80JAG415718	-	84,181
Edward Byrne Memorial Justice Assistance Grant	16.738	90JAG415718	-	15,000
			-	99,181
Victim Assistance Grant	16.575	80VFL216451	-	14,713
Victim Assistance Grant	16.575	90VFL216462	-	19,923
			-	34,636
Passed-through the Illinois Attorney General:				
Victim Witness Grant	16.575	844SG181525	-	19,500
Victim Witness Grant	16.575	944SG191525	-	7,500
			-	27,000
			-	61,636
Total U.S. Department of Justice			-	160,817
<b>U.S. Department of Homeland Security</b>				
Passed-through the Illinois Emergency Management Agency:				
Emergency Management Performance Grant	97.042	817EMAVVERMI	-	30,200
Emergency Management Performance Grant	97.042	917EMAVVERM2	-	34,735
Emergency Management Performance Grant	97.042	918EMAVVERMI	-	15,003
			-	79,938
Total U.S. Department of Homeland Security			-	79,938
<b>U.S. Department of Labor</b>				
Passed-through the Danville Area Community College:				
Workforce Investment Act Grant - Adult Program	17.258	None	-	23,755
Total Expenditures of Federal Awards			\$ -	\$ 1,669,236

This schedule should be read only in connection with the accompanying note to the schedule.

**VERMILION COUNTY, ILLINOIS  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the County under programs of the federal government for the year ended November 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

**Basis of Accounting and Cost Principles**

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State and Local Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Non-monetary Assistance**

The Vermilion County Health Department receives commodities for the immunization program through the Illinois Department of Public Health (IDPH). During fiscal year 2018 these commodities were valued at \$52,203 (CFDA 93.268). This amount is included in the accompanying schedule as the Immunization Grant.

The Vermilion County Health Department issues food instruments to participants in the WIC Program that are used to purchase food. For the year ended September 30, 2018, these food instruments were valued at \$884,375 (CFDA 10.557). This amount is included in the accompanying schedule as part of the WIC Grant.

The County did not receive any federally provided insurance or federal loan or loan guarantees.

**De Minimis Cost Rate**

The County has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

This information is an integral part of the accompanying schedule.

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2018**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditors’ report issued:

Unmodified opinion

Internal control over financial reporting:

- Material weaknesses identified? ☒ Yes ☐ No
  - Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ Yes ☐ No

Type of auditors’ report issued on compliance for major programs:

Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? ☒ Yes ☐ No

Identification of major programs:

**CFDA Number(s)    Name of Federal Program or Cluster**

10.557                      Supplemental Nutrition Program for Women, Infants and Children (WIC)

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2018**

**Section II – Financial Statement Findings**

**FINDING NO. 2018-001 – ANNUAL FINANCIAL REPORTING UNDER GENERAL  
ACCEPTED ACCOUNTING PRINCIPALS (GAAP) AND  
ADJUSTMENTS**

*Criteria:* Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, and necessary adjustments, in conformity with accounting principles generally accepted in the United States of America (GAAP).

*Condition:* The County does not have an internal control policy in place over annual financial reporting, including any necessary adjustments, that would enable management to prepare its annual financial statements and related footnote disclosures in a manner that is complete and presented in accordance with GAAP.

*Context:* The County Board and management have informed us that they do not have an internal control policy in place over the annual financial reporting, including necessary adjustments, and that they do not have the necessary staff capacity to prepare the annual financial statements including footnote disclosures.

*Effect:* The potential exists that a material misstatement of the annual financial statements including adjustments could occur and not be prevented or detected by the entity's internal controls.

*Cause:* The entity relies on the audit firm to prepare the annual financial statements and related footnote disclosures, including any necessary adjustments to accrual basis. However, they have reviewed and approved the annual financial statements and the related footnote disclosures.

*Recommendation:* The County should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.

*Views of Responsible Officials:* There is no disagreement with the finding.

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2018**

**Section II – Financial Statement Findings (Continued)**

**FINDING NO. 2018-002 – CIRCUIT CLERK OFFICE**

*Criteria:* Internal control is the process, affected by management and other personnel, designed to provide reasonable assurance that transactions are properly recorded and accounted for and that transactions are executed in compliance with laws, regulations, and the provisions of contracts or grant agreements. Segregation of accounting duties is an aspect of an internal control environment.

*Condition:* There is an inadequate control over the functions of processing and recording the financial transactions of the Circuit Clerk's office due to an inadequate segregation of duties stemming from limited personnel.

*Context:* During the process of obtaining an understanding of internal control in planning the audit, assessing control risk and assessing fraud risks, a lack of segregation of duties was noted in the Circuit Clerk's office.

*Effect:* A lack of segregation of duties and lack of appropriate review functions, are deficiencies in internal control that could lead to errors or irregularities in the processing and recording of financial transactions.

*Cause:* The Circuit Clerk's office has limited personnel over accounting transactions.

*Recommendation:* If it is not economically feasible to hire extra personnel, management's and the County Board's close supervision and review of accounting information is the best means of preventing and detecting errors and irregularities. In addition, there are review procedures that can be implemented to mitigate these risks.

*Views of Responsible Officials:* There is no disagreement with the finding.

**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2018**

**Section II – Financial Statement Findings (Continued)**

**FINDING NO. 2018-003 – BALANCE SHEET ACCOUNT RECONCILIATIONS AND  
RESTATEMENTS**

*Criteria:* Management is responsible for establishing and maintain internal controls and for the fair presentation of the financial statements.

*Condition:* We noted several beginning balances that had incorrect balances. Property taxes and intergovernmental receivable balances were not properly recorded in prior year under the modified (governmental funds) and full accrual basis (proprietary funds and government-wide); interfund activity from previous years remained on the general ledger that needed to be reversed; capital assets (governmental activities) included a duplicate asset entry; long-term debt had not been properly adjusted when the capital lease was revised; and the IMRF net pension liability (asset) and related accounts had not been properly reported in the prior year. These errors resulted in restatements of beginning net position and fund balance at both the government-wide statements and the fund statement level.

*Context:* The incorrect pension, capital assets and debt balances (totaling \$101,972,907), errors in accruals (totaling \$139,236) and old balances which were carrying forward (totaling \$1,323,928) resulted in restatements of beginning net position and fund balance at both the government-wide statement and the fund statement level.

*Effect:* The County hadn't reviewed the balance sheet account balances adequately during the prior audit.

*Cause:* Asset and liabilities, deferred inflows and outflows, and related revenue and expense accounts, were materially misstated.

*Recommendation:* Management should have a reconciliation process of all balance sheet accounts. Differences noted should be reconciled and adjusted.

*Views of Responsible Officials:* There is no disagreement with the finding.



**VERMILION COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2018**

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

**FINDING NO. 2018-004    FOOD INSTRUMENT VOUCHERS**

Federal Agency/Program: U.S. Department of Agriculture – 10.557 – Supplemental Food Program for Women, Infants, and Children (WIC)

Pass-Through Agency:        Illinois Department of Human Services

Questioned Costs:            None

*Criteria:* The Health Department should have proper controls in place over the food instrument vouchers to ensure vouchers are provided to eligible participants. The internal control process over the food instrument vouchers requires the voucher stubs to be signed by the applicant/guardian.

*Condition:* During the course of the audit we noted two instances where the voucher stubs were either not found or had not been properly signed by the applicant or guardian.

*Context:* Of forty participants tested in our statistically valid sample, we noted two instances where the signed voucher stubs were not available or lacked the proper signature. It was noted the applicant/guardian had signed the daily log, which confirmed eligibility.

*Effect:* Lack of proper signature on the voucher stubs could result in erroneously dispensing of the food instrument vouchers.

*Cause:* The exception was an oversight by the WIC staff and other review processes did not detect this lapse in the control system.

*Recommendation:* We recommend the Health Department monitor controls to ensure all controls are being performed as designed.

*Views of Responsible Officials:* The Health Department and the WIC Director are aware of the issue and have taken necessary actions in fiscal year 2019 to monitor the controls in place and made changes as needed.