

Kankakee County, Illinois
Annual Financial Statements
As of and for the year ended
November 30, 2010

Kankakee County, Illinois
Annual Financial Statements
For The Year Ended November 30, 2010
Table of Contents

	<u>Page</u>
Independent Auditor's Report.....	1
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	3
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Statement of Net Assets.....	20
Government-wide Statement of Activities.....	21
Fund Financial Statements:	
Balance Sheet - Governmental Funds	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Assets - Proprietary Funds	25
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds.....	26
Statement of Cash Flows - Proprietary Funds.....	27
Statement of Fiduciary Net Assets - Fiduciary Funds	28
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	29
Notes to Financial Statements	30
Required Supplementary Information:	
Budgetary Comparison Schedules:	
General Fund - Revenues and Other Financing Sources (Uses).....	50
General Fund - Expenditures	51
Tort Liability Fund.....	59
Pension Fund.....	60
County Highway Fund.....	61
Matching Tax Fund.....	62
Schedule of Funding Progress - Illinois Municipal Retirement Fund.....	63
Notes to Required Supplementary Information	64
Other Supplementary Information:	
Tort Expenditures	66
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	68
Balance Sheets - Major and Nonmajor Special Revenue Funds	69
Statements of Revenues, Expenditures, and Changes in Fund Balances - Major and Nonmajor Special Revenue Funds	73
Juvenile Detention Debt Service Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	77
2009 Bond Series Debt Service Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	78
Statement of Fiduciary Net Assets - Private Purpose Trust Funds.....	79
Statement of Changes in Fiduciary Net Assets - Private Purpose Trust Funds	80
Combining Balance Sheet - Fiduciary Funds - Agency Funds.....	81
Statement of Changes in Assets and Liabilities - Agency Funds	83
Assessed Valuations, Rates and Extensions	84

Mark L. Smith
Wayne D. Koelling
Lawrence K. Ohm
Curtis L. Dykstra
Richard S. Stenzinger
Marcie Meents Kolberg
Michael L. Stroud
Keith B. Ohm
Vicki L. DeYoung



Smith, Koelling,
Dykstra & Ohm, P.C.
Certified Public Accountants and Advisors

1605 N. Convent
Bourbonnais, IL 60914
(815) 937-1997
Fax: (815) 935-0360
www.skdocpa.com

Beecher (708) 946-3232
Morris (815) 942-2554
Herscher (815) 426-9808
Peotone (708) 258-0300
Wilmington (815) 476-4477

Independent Auditor's Report

Kankakee County Board
Kankakee County, Illinois
Kankakee, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Kankakee County, State of Illinois, as of and for the year ended November 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Kankakee County, State of Illinois's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Kankakee County Public Building Commission, which represents 100 percent of the assets and revenues of the component unit column. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Kankakee County Public Building Commission, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Kankakee County, State of Illinois, as of November 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2011, on our consideration of the Kankakee County, State of Illinois'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedule of funding progress – Illinois Municipal Retirement Fund, as found in 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.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kankakee County, State of Illinois's financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Smith, Koenig, Glatton & Olson P.C.

Kankakee, Illinois
August 18, 2011

Mark L. Smith
Wayne D. Koelling
Lawrence K. Ohm
Curtis L. Dykstra
Richard S. Stenzinger
Marcie Meents Kolberg
Michael L. Stroud
Keith B. Ohm
Vicki L. DeYoung



Smith, Koelling,
Dykstra & Ohm, P.C.
Certified Public Accountants and Advisors

1605 N. Convent
Bourbonnais, IL 60914
(815) 937-1997
Fax: (815) 935-0360
www.skdocpa.com

Beecher (708) 946-3232
Morris (815) 942-2554
Herscher (815) 426-9808
Peotone (708) 258-0300
Wilmington (815) 476-4477

**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***

Kankakee County Board
Kankakee, County, Illinois
Kankakee, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Kankakee County, State of Illinois, as of and for the year ended November 30, 2010, which collectively comprise the Kankakee County, State of Illinois's basic financial statements and have issued our report thereon dated August 18, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Kankakee County, State of Illinois's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kankakee County, State of Illinois's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Kankakee County, State of Illinois's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Kankakee, Illinois
August 18, 2011



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the County of Kankakee presents readers of the County's financial statement this narrative overview and analysis of the financial activities for the fiscal year ended November 30, 2010 and 2009.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. This analysis will include comparative information to last year's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County of Kankakee exceeded its liabilities at the close of the most recent fiscal year by \$66 million (*net assets*). Net assets invested in capital assets (net of depreciation and related debt) account for over 69 percent of this amount (\$45.6 million).
- At the close of fiscal year 2010, the County of Kankakee's governmental funds reported combined ending fund balances of \$21.6 million. The majority of this amount, \$18.9 million, is *available for spending* at the government's discretion (*unreserved fund balance*).
- Overall revenues were \$54.6 million, an increase of \$2.9 million from the prior year. However, fund balances of governmental funds in total decreased by \$1.9 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – **management's discussion and analysis** (this section), the **basic financial statements**, and **required supplementary information**. This discussion and analysis is intended to serve as an introduction to the County of Kankakee's basic financial statements. The basic financial statements comprise two types of statements that present different views of the County:

- The first two statements are **government-wide financial statements** that provide both **long-term** and **short-term** information about the County's overall financial status.
- The remaining statements are **fund financial statements** that focus on **individual parts** of the County government, reporting the County's operations in **more detail** than the government-wide statements.
 - The **governmental funds** statements tell how **general government** services such as public safety were financed in the **short-term** as well as what remains for future spending.
 - **Proprietary fund** statements offer **short- and long-term** financial information about the activities that the government operates **like a business**, such as the Emergency Telephone System (911).
 - **Fiduciary fund** statements provide information about the financial relationships, like the drainage district funds, in which the County acts solely as a **trustee or agent** for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Illustration A shows how the requisite parts of this annual report are arranged and related to one another.

Illustration A
Organization of the County of Kankakee's Annual Financial Report

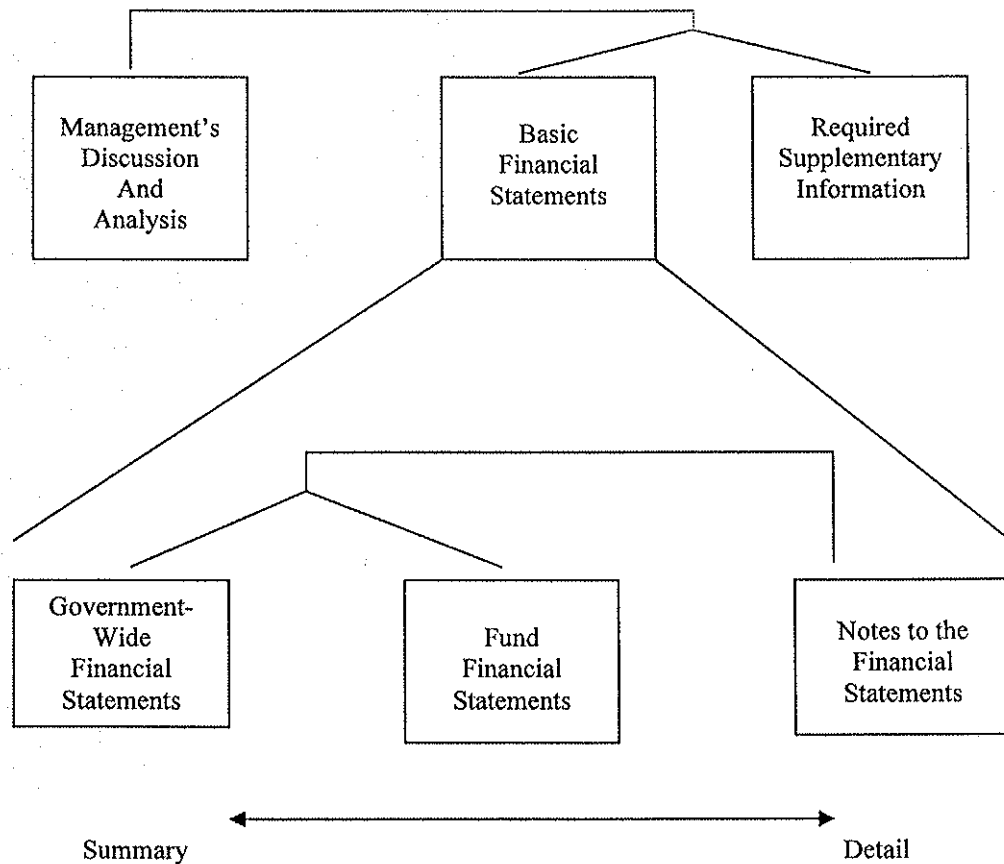


Illustration B summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Illustration B

Major Features of Kankakee County's Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County (except fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary, such as administrative and public safety	Activities the County operates similar to private businesses, the Emergency Telephone (911) system, and Animal Control	Instances in which the County is the trustee or agent for someone else's resources, such as the drainage district funds
Required financial statements	<ul style="list-style-type: none"> Statement of net assets Statement of activities 	<ul style="list-style-type: none"> Balance sheet Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows 	<ul style="list-style-type: none"> Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments due during the year or soon thereafter	All revenues and expenses during the year regardless of when cash is received or paid	All revenues and expenses during the year regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the County's assets and liabilities. The difference between the two is net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net assets and how they have changed. Net assets, the difference between the County's assets and liabilities, are one way to measure the County's financial health. Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The government-wide financial statements of the County are divided into three categories:

1. **Governmental activities** – Most of the County's basic services are included here, such as the Sheriff's Department, State's Attorney Office, Highway Department, Health Department, and General Administration. Property taxes and state and federal grants finance most of these activities.
2. **Business-type activities** – The County charges fees to customers to help cover the costs of certain services it provides. The County's Emergency Telephone (911) System and Animal Control are included here.
3. **Component units** – The County includes another entity, the Kankakee County Public Building Commission, in its report. Although legally separate, this component unit is important because the County is financially accountable for it. The Public Building Commission is a discretely-presented component unit of the County of Kankakee. The Commission issues separate financial statements which are on file at the Office of the Finance Director, Kankakee County, 189 E. Court St., Suite 300, Kankakee, Illinois 60901.

Additionally, the Kankakee County Health Department, the Veterans Assistance Commission, and the Kankakee County Emergency Telephone System Board are blended component units of the County of Kankakee. These entities' financial statements are blended with those of the County due to a degree of control that the County has over these functions. However, both the Health Department and the Emergency Telephone System Board have issued separate financial statements which are also on file at the County.

The government-wide financial statements can be found on pages 20-21 of this report.

Fund Financial Statements

Kankakee County's fund financial statements provide more detailed information about the County's most significant funds, as opposed to the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The County Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has three categories of funds:

1. **Governmental funds:** Most of the County's basic services are included in governmental funds, which focus on both how cash and other financial assets that can readily be converted to cash flow in and out, and the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement explains the relationship, or differences, between them.

Kankakee County maintains thirty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tort Fund, Pension Fund, County Highway Fund, and Matching Tax Fund. These five funds are considered to be major funds. Data from the other twenty-nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Kankakee County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. This schedule is found in the Required Supplementary Information section.

The basic governmental fund financial statements can be found on pages 22-24 of this report.

2. **Proprietary funds:** Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the County's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows. Kankakee County uses enterprise funds to account for its Emergency Telephone Services (911) system and for its animal control operation.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

3. **Fiduciary funds:** The County is a trustee, or fiduciary for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. Kankakee County excludes these activities from the county's government-wide financial statements because the County cannot use these assets to finance its operations.

The basic fiduciary fund financial statements can be found on page 28-29 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 30-48 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules for major governmental funds.

Required supplementary information and related notes can be found on pages 49-64 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 67-78 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the eighth year that the County has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The reporting model significantly changed the recording and presentation of financial data from the previous model and comparative data is provided.

Exhibit 1 is a condensed version of the statement of net assets for the County of Kankakee. At the close of the current fiscal year the County's net assets exceeded liabilities by nearly \$66 million. Net assets for governmental activities decreased nearly \$1 million from FY 2009. This follows a decrease of \$5.33 million in the prior year from an all-time high of over \$67 million in FY 2008. Additionally, for business-type activities, net assets decreased by \$0.06 million.

Exhibit 1
Condensed Statement of Net Assets (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 43,252	\$ 44,189	\$ 4,880	\$ 4,983	\$ 48,132	\$ 49,172
Capital assets	<u>68,295</u>	<u>68,397</u>	<u>2,570</u>	<u>2,376</u>	<u>70,865</u>	<u>70,773</u>
Total assets	111,547	112,586	7,450	7,359	118,997	119,945
Current and other liabilities	25,972	24,541	834	478	26,806	25,019
Long-term debt	<u>24,766</u>	<u>26,244</u>	<u>1,443</u>	<u>1,649</u>	<u>26,209</u>	<u>27,892</u>
Total liabilities	50,738	50,784	2,277	2,127	53,015	52,911
Net assets invested in capital						
assets, net of related debt	44,643	44,480	914	521	45,557	45,001
Restricted	19,020	21,248	236	251	19,256	21,499
Unrestricted	<u>(2,854)</u>	<u>(3,926)</u>	<u>4,024</u>	<u>4,461</u>	<u>1,170</u>	<u>534</u>
Total net assets	\$ 60,809	\$ 61,802	\$ 5,174	\$ 5,232	\$ 65,983	\$ 67,034

A significant portion of the County's net assets (69 percent) reflects investment of \$45.6 million in capital assets such as land, buildings, and equipment, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, the resources needed to repay the debt must be provided from other sources, as capital assets cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, \$19.3 million (29.2 percent), represents resources that are subject to external restrictions on how they may be used. Of this amount, \$0.02 million of governmental activities and all of the business-type activities restricted net assets are restricted for debt service. Additionally, \$1.77 million is restricted for Capital Projects related to the Integrated Justice Information Systems (IJIS) Project. The remainder is restricted for other purposes.

The remaining portion of the County's net assets (1.8 percent) is located in unrestricted net assets. Kankakee County's unrestricted net assets of \$1.2 million may be used to meet the County's ongoing obligations to citizens and creditors. This is an increase of \$0.64 million overall in the County's unrestricted net assets from the prior year.

At the end of the current fiscal year, the County of Kankakee is able to report positive balances in all three categories of net assets for the government as a whole, as well as for business-type activities. However, in governmental activities, the County reported a negative balance in unrestricted net assets. This is a result of two consecutive years of decreases in net assets for governmental activities.

The following table, Exhibit 2, illustrates changes in net assets resulting from changes in revenues and expenditures.

Exhibit 2

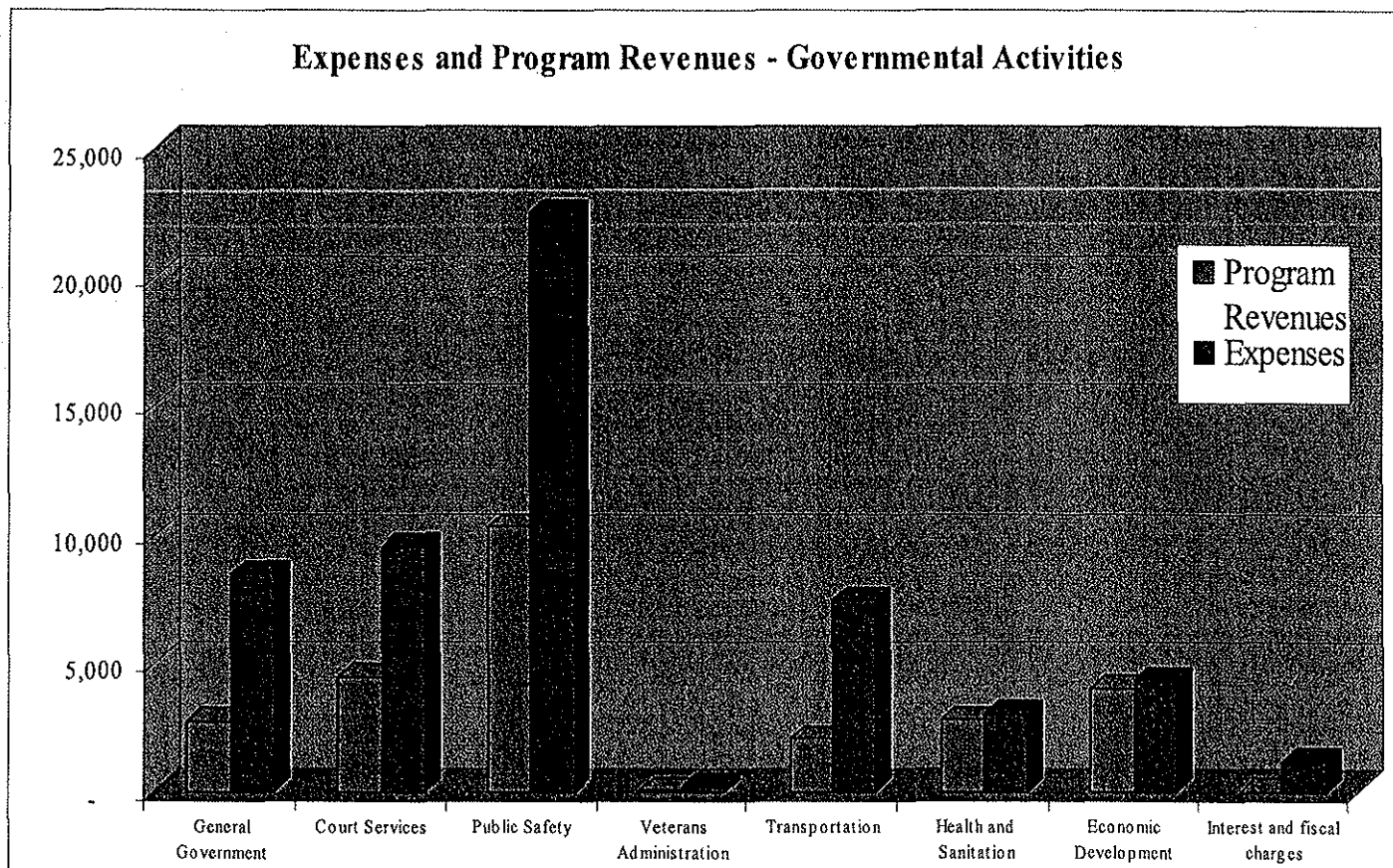
Kankakee County's Changes in Net Assets (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues						
Charges for Services	\$ 15,870	\$ 15,303	\$ 3,015	\$ 2,999	\$ 18,885	\$ 18,302
Operating Grants and Contributions	9,622	9,900	-	-	9,622	9,900
Capital Grants and Contributions	1,012	202	-	-	1,012	202
General Revenues						
Property Taxes	15,301	15,141	-	-	15,301	15,141
Sales Tax	7,862	7,450	-	-	7,862	7,450
State Income Tax	2,216	2,298	-	-	2,216	2,298
Replacement and Other Taxes	3,630	2,698	-	-	3,630	2,698
Other	390	221	40	43	430	264
Total Revenues	55,903	53,213	3,055	3,042	58,958	56,254
Expenses						
Governmental Activities						
General Government	8,534	8,980	-	-	8,534	8,980
Public Safety	22,571	21,652	-	-	22,571	21,652
Court Services	9,556	10,402	-	-	9,556	10,402
Transportation	7,504	8,599	-	-	7,504	8,599
Health and Sanitation	3,038	3,265	-	-	3,038	3,265
Veterans Administration	189	244	-	-	189	244
Economic Development	4,338	4,484	-	-	4,338	4,484
Interest and fiscal charges	1,189	1,072	-	-	1,189	1,072
Business-Type Activities						
Emergency Telephone Services	-	-	2,810	2,648	2,810	2,648
Animal Control	-	-	303	340	303	340
Total Expenses	56,920	58,698	3,113	2,988	60,033	61,686
Excess (Deficiency) Before Special Items	(1,017)	(5,485)	(59)	54	(1,076)	(5,431)
Special & Extraordinary Items	24	27	-	-	24	27
Increase (Decrease) in Net Assets	(993)	(5,458)	(59)	54	(1,051)	(5,404)
Net Assets - Beginning of Year	61,802	67,260	5,232	5,178	67,034	72,438
Net Assets - End of Year	<u>\$ 60,809</u>	<u>\$ 61,802</u>	<u>\$ 5,173</u>	<u>\$ 5,232</u>	<u>\$ 65,982</u>	<u>\$ 67,034</u>

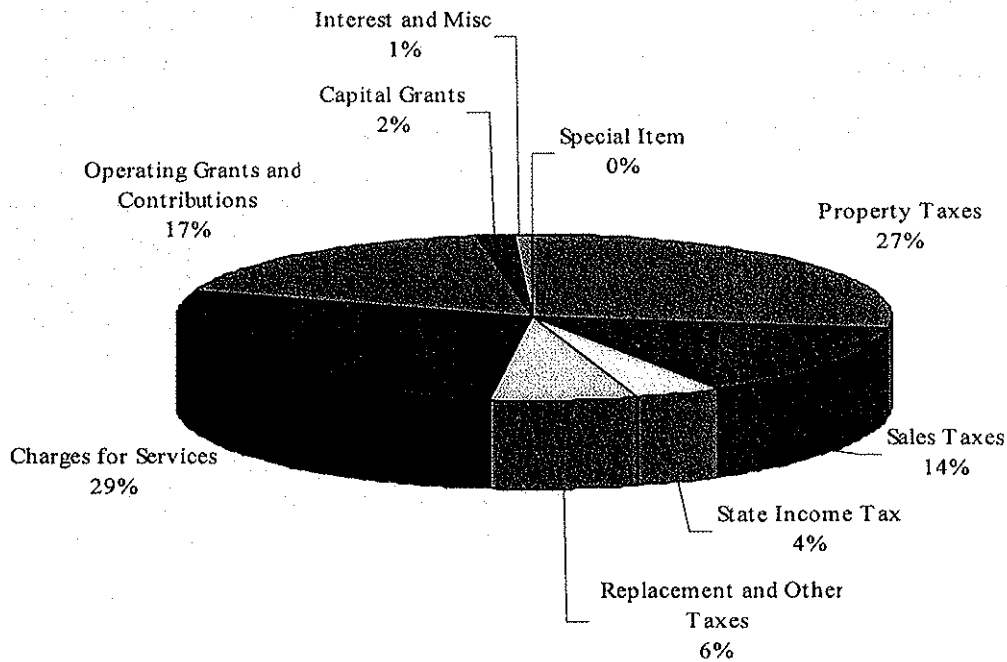
- Charges for service for governmental activities increased overall by \$0.57 million (3.7 percent). Slight decreases in charges for service in general government, health, and transportation were offset by a \$0.36 million increase in court services and a \$0.47 million increase in public safety. Charges for service in general government are slightly down from the prior year for the fourth consecutive year.
- Operating grants for governmental activities decreased by \$0.3 million (2.8 percent) during the year. The most significant change was a decrease in Transportation of nearly \$1 million. This was offset by increases in operating grants for public safety for a COPS Technology Grant, and for economic development from American Recovery and Reinvestment Act (ARRA) awards for the Workforce Investment Act (WIA) program. Additionally, there was a decrease in court services operating grants largely resulting from the reduction in funds of the child support grant and the completion of the Redeploy Program.

- Capital grants for governmental activities increased by \$0.8 million (400 percent) during the year. This is the result of transportation capital grants for the highway department.
- Sales tax revenue increased by \$0.4 million (5.5 percent) from last fiscal year. This is a slight upturn following a drastic decrease of \$1.8 million in the prior year. Previously, sales tax experienced trends of large increases from FY2003 to FY2005, and mostly stagnant growth from FY2005 to FY2008, as evidenced in the following detail. Sales tax experienced a small increase of \$0.3 million from FY2007 to FY2008 preceded by a \$0.25 million decrease in the year prior. This recent stagnation is affected by the downturn in the economy as well as the slowed growth in the largely successful tax rebate program implemented in the City of Kankakee to draw more businesses to the area. While the increase from FY2005 to FY2006 was only \$0.52 million, sales tax had increased by \$1.2 million from FY2004 to FY2005 and by \$1.3 million from FY2003 to FY2004, giving the County a 39.5 percent increase over the two year period. From FY2005 to FY2008, there was a net 6.7 percent increase.
- Total expenditures on the Government-wide Statement of Activities decreased by \$1.65 million although there was great fluctuation among the governmental activities. The areas of increase were in public safety (\$0.92 million increase), interest and fiscal charges (\$0.12 million), and 911 emergency services (\$0.16 million). All other areas experienced decreases from the prior year, the largest of which were a \$1.1 million decrease in transportation, a \$0.85 million decrease in court services, and a \$0.45 million decrease in general government.

Governmental Activities



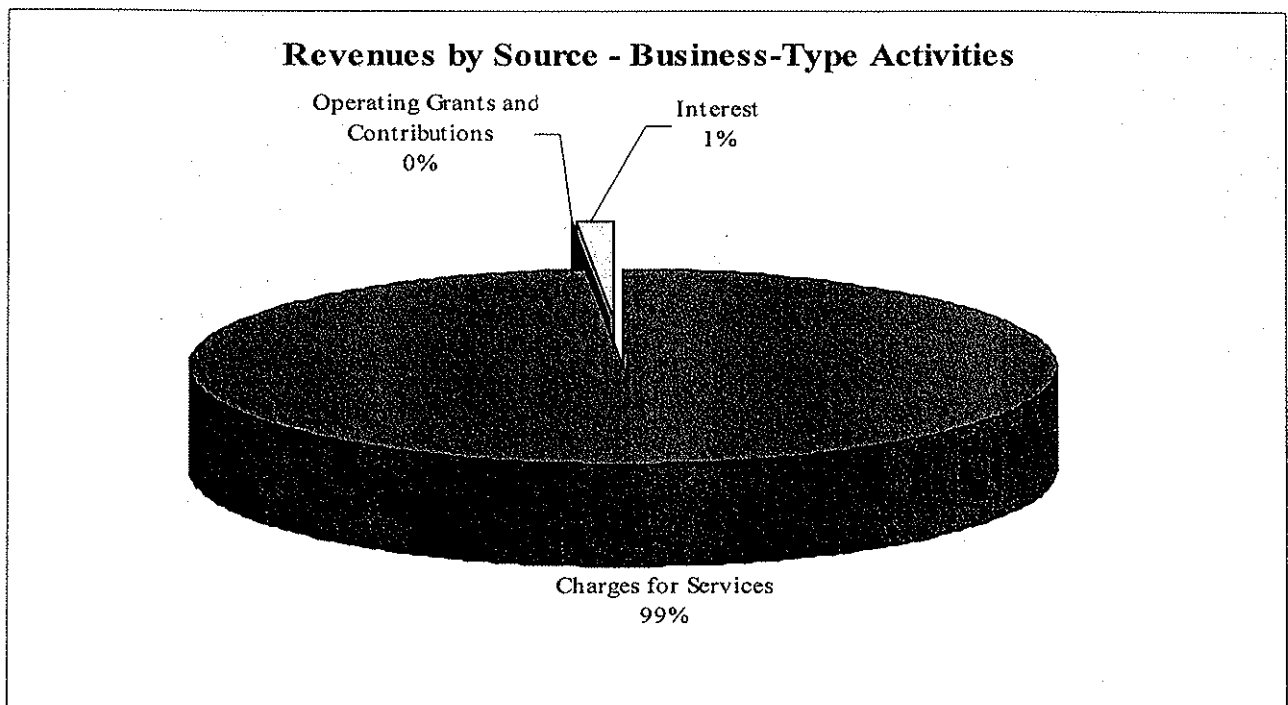
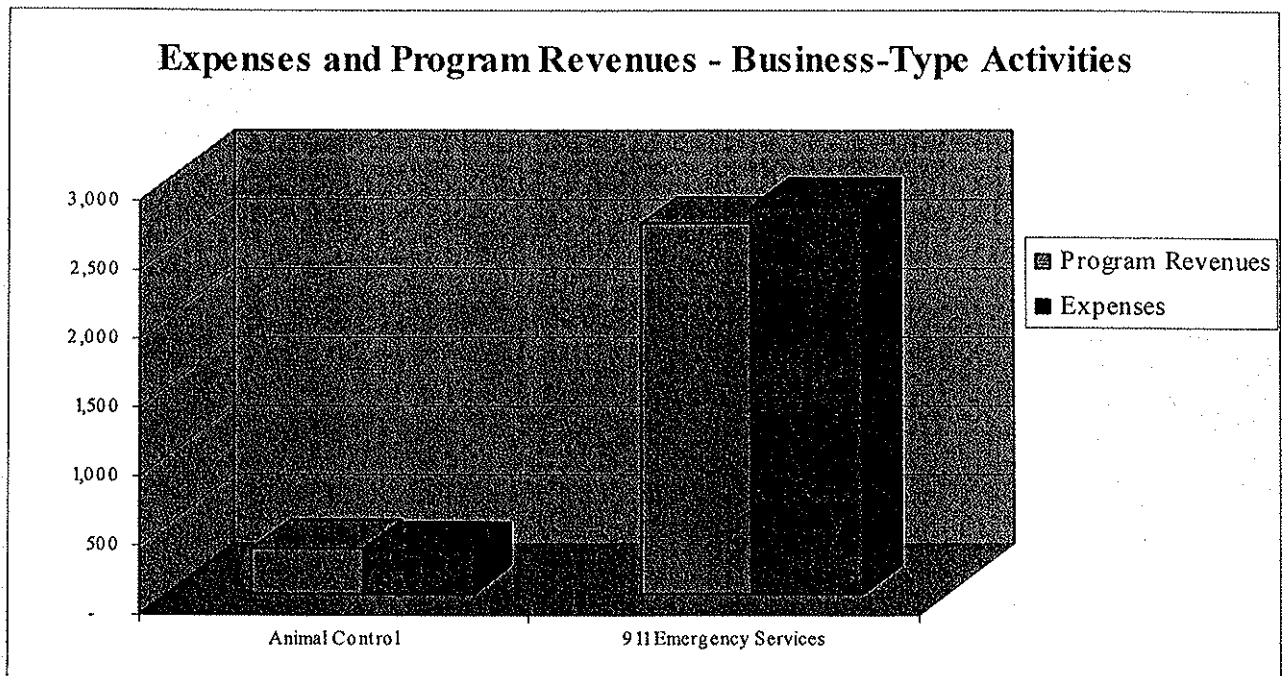
Revenues by Source - Governmental Activities



Governmental activities decreased the County's net assets by nearly \$1 million. In the prior fiscal year, net assets decreased by \$5.5 million. An increase in revenues from the prior year of \$2.7 million and a decrease in expenses of \$1.8 million helped close the large gap, but were not enough to impede another deficit. Areas of continuous decline are in the state income tax revenue which declined this year by \$0.1 million following a \$0.4 million decline in the previous year; and interest income which declined by \$0.05 million following a \$0.36 million decline in the previous year. All other areas that declined last year were trending back up in FY 2010. Expenditures across the governmental funds decreased in all areas with the exception of public safety and interest as discussed above.

The preceding charts illustrate the County's governmental expenses and revenues by function and its revenue by source. Public safety is the largest governmental expense of the County, followed by court services, general government, and transportation. It comprises 39.7 percent of total governmental activities, up from 29 percent six years ago. All other areas were stable with the exception of slight decreases in transportation and court services. General revenues such as the property, sales, state income, replacement, motor fuel, and other taxes are not shown by function because they are used to support County-wide program activities. Over one-quarter, 27 cents of every dollar, of the County's revenue for governmental funds comes from property taxes (down from 29 cents a year ago), and 51 cents of every dollar raised comes from some type of tax. This is a decrease from the prior year figure of 54 cents out of every dollar came from some type of tax. The percent of revenue from tax has decreased from 52 cents two years ago, 53 cents three years ago, 55 cents four years ago, 56 cents five years ago (when you remove the one time special item), 60 cents six years ago and 63 cents seven years ago. More specifically, the percentage of property taxes funding governmental activities has decreased from 32 percent in FY2003 to just below 27 percent in FY2010.

Business-Type Activities



Business-type activities decreased the County's net assets by \$0.06 million to \$5.17 million, a decrease of 1 percent.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources available for spending. This information is useful in assessing the County's financing requirements. In particular, unreserved fund balance measures the County's net resources available for spending at the end of the fiscal year. Governmental funds reported by the County include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

At the end of the current fiscal year the County's governmental funds reported combined ending fund balances of \$21.6 million. Approximately \$18.9 million (87.7 percent) of that amount constitutes unreserved fund balance, which is available for discretionary spending. The remainder of the fund balance, \$2.65 million, is reserved; it is committed for various purposes and is not available for new spending. The majority of that figure, \$1.7 million is reserved for the IJIS capital project.

Revenues for the governmental funds in 2010 totaled \$54.6 million. Expenditures were \$56.5 million. Overall, the fund balance decreased by \$1.85 million for the year.

The General Fund is the chief operating fund of the County. It is composed of 35 departments: Administration, Treasurer, County Clerk, Elections, Recorder, Assessments, Board of Review, Economic Development, Planning, Information Services, Building & Grounds, Health Insurance, Utilities, Contingency, Auditor, Zoning Board of Appeals, I-KAN ROE Educational Agreement, Finance, Capital Development, Circuit Clerk, Maintenance & Child Support, Circuit Court, Jury Commission, State's Attorney Office, Public Defender, Probation, D.N.D.C., Juvenile Detention Center, Sheriff Police, Corrections, Auxiliary Police, E.S.D.A., Merit Commission, Dispatch Center, and Coroner.

At the end of 2010 the total fund balance of the General Fund was \$0.6 million. The fund balance decreased by \$0.36 million in 2010. This follows a decrease of \$4.2 million in 2009 subsequent to an increase of \$0.35 million in 2008 preceded by consecutive years of decreases of \$174,787 in 2007 and \$416,616 in 2006. Prior to that, the County saw increases in 2003, 2004, and 2005. The unreserved and undesignated fund balance of the General Fund was \$0.36 million.

The Tort Liability Fund, a special revenue fund and one of the major funds of the County, ended the year with a fund balance of \$1.9 million, which represents a decrease of \$0.19 million from the prior fiscal year. This followed a \$0.16 decrease in FY09 preceded by a small increase in FY08 which was the first year the Tort Liability Fund has experienced an increase following decreases each year since the end of FY03 when the fund balance was \$2.9 million. This represents an overall 34.5 percent decrease from FY03 through FY10.

The Pension Fund, a special revenue fund, is another major fund of the County. Fund balance at the end of 2010 was \$1.2 million, a decrease of \$0.45 million. The Pension Fund has also experienced decreases each year since the end of FY03 when the fund balance was \$4.7 million, a 74.5 percent decrease for the period. Due to the declining fund balance, the percentages on the property tax limitation model for 2010 were modified to allow for additional revenue to the Pension Fund.

The final major funds for the County are the County Highway Fund and Matching Tax Funds. The funds closed the year with a \$2.9 million balance and a \$4.1 million balance, respectively. This represents virtually no change in the County Highway Fund, and a \$0.6 million increase in the Matching Tax Fund.

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

911 System Fee Fund. This fund also qualified as a major fund of Kankakee County. Net assets at the end of the year amounted to \$4.9 million. Of this amount, \$0.9 million is invested in capital assets, net of related debt and \$0.24 million is restricted for debt service. The remainder, \$3.75 million, is unrestricted. Total net assets decreased by \$0.08 million during the year.

Animal Control. There was a net asset balance of \$310,050 at the end of the fiscal year. This represented an increase of \$26,413. Of the total, \$34,484 is invested in capital assets, net of related debt and the remainder of \$275,566 is unrestricted.

Fiduciary Funds

The County maintains fiduciary funds for the assets of others in various Private Purpose Trust Funds and Agency Funds. Total net assets in the Fiduciary funds are \$1.5 million, an increase of \$0.3 million from last year.

GENERAL FUND BUDGETARY HIGHLIGHTS

At the end of the fiscal year, the County Board revised the County budget due to emergency issues. Changes were made at the end of the year to account for unexpected expenditures. The original General Fund revenue and expenditure budget of \$31.6 million both increased to \$32.4 million.

The increase in the General Fund revenues and expenditures was due to several new grants received during the fiscal year. The grant revenue line increased from \$1.7 million to \$2.5 million to represent the \$0.8 million increase to the budget. On the expenditure side, these new grants resulted in an increase of \$0.03 million to the Election Commission, \$0.14 million to Planning, \$0.16 million to Economic Development, \$0.15 million to States Attorney, \$0.32 million to the Sheriff's Office, and \$0.02 million to ESDA. Other departments in the same functional area had budget adjustments between them including a transfer of \$2,500 from Supervisor of Assessment to Board of Review, and a transfer of \$11,000 from Circuit Clerk to Child Support and Maintenance. There were several budget adjustments within the budget between line items and/or departments, which included the contingency budget of \$200,000 and contingency budget in capital development of \$262,000 which were utilized across several departments. Departments with increases to their original budget include Administration (\$42,000), County Recorder (\$5,000), Buildings and Grounds (\$90,000), Corrections (\$250,000), Coroner (\$25,000), and ESDA (\$50,000).

As revenues fell short of budgeted expectations, the budget variance for revenues and other financing sources was \$0.9 million under budget; while expenditures resulted in a variance of \$0.56 million under final budget. The largest variance of revenues was wind farm permit fees which failed to materialize, resulting in a \$0.75 million variance under budget. Other large negative variances included inmate housing which came in \$0.4 million under budget, and fines and forfeitures, which came in \$0.2 million under budget. The County did experience some positive revenue variances as well, the largest of which were \$0.4 million in sales tax, \$0.2 million in Circuit Clerk fees, \$0.08 million in replacement taxes, and \$0.08 million in inheritance taxes.

For the expenditures, there were no substantial variances between the final budget and actual expenditures. The most significant were \$0.42 million negative variance in Health Insurance and \$0.19 million in the Juvenile Detention Center. However, Capital Development had a substantial positive difference between budget and actual of \$0.54 million, as well as substantial positive differences of \$0.1 million each in Planning and DNDC.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital Assets

The County of Kankakee's investment in capital assets for governmental and business-type activities as of November 30, 2010, amounts to \$70.9 million (net of accumulated depreciation). This investment in capital assets includes the transportation network, land, construction in progress, buildings and improvements, buildings and improvements under capital lease agreements, leasehold improvements, equipment, equipment under capital lease agreements, and vehicles. The total increase in the County's investment in capital assets for the current fiscal year was 0.1 percent (a 0.1 percent decrease for governmental activities and an 8.2 percent increase for business-type activities).

The following schedule shows the County's investment in capital assets.

Exhibit 3
Capital Assets at Year End, Net of Depreciation (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Transportation Network	\$16,753	\$15,107	\$ -	\$ -	\$16,753	\$15,107
Land	847	847	61	61	908	908
Construction in Progress	662	1,531	524	-	1,187	1,531
Intangible Assets	980	-	-	-	980	-
Building - idle	1,770	1,770	-	-	1,770	1,770
Buildings and Improvements	39,606	40,886	-	-	39,606	40,886
Buildings and Improvements under capital lease agreements	3,393	3,543	-	-	3,393	3,543
Leasehold improvements	-	-	197	197	197	197
Equipment	3,005	3,124	1,752	2,114	4,756	5,237
Equipment under capital lease agreements	-	-	36	4	36	4
Vehicles	<u>1,279</u>	<u>1,589</u>	<u>-</u>	<u>-</u>	<u>1,279</u>	<u>1,589</u>
Total Capital Assets	<u>\$68,295</u>	<u>\$68,397</u>	<u>\$ 2,570</u>	<u>\$ 2,376</u>	<u>\$70,865</u>	<u>\$70,773</u>

Major capital asset changes that occurred during 2010 include the following:

Construction in progress of \$0.9 million was retired and reclassified as the IJIS project and transportation projects are completed. Intangible assets of \$1 million were added for the IJIS project also. A large transportation project was completed, resulting in an addition of \$2.9 million in capital assets. Equipment of \$0.65 million and vehicles of \$0.1 million were added. The vehicles were partially offset by \$0.5 million in retirements. Regarding business-type activities, \$0.5 million of construction in progress was added.

More detail about the County's capital assets is presented in Note 6 to the financial statements.

Long-term Debt

At the end of the current fiscal year, the County of Kankakee had total debt outstanding of \$28 million. This encompasses \$26.3 million outstanding long-term debt in governmental activities and \$1.7 million outstanding long-term debt in business-type activities. This represents a decrease of approximately \$1.4 million (5 percent) in governmental activities and a decrease of approximately \$0.2 million (10.6 percent) in business-type activities.

The following schedule shows the County's long-term debt.

Exhibit 4**Outstanding Long-term Debt at Year End (In Thousands)**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
Debt Certificates	\$18,264	\$19,226	\$ -	\$ -	\$18,264	\$19,226
Bonds - General Obligation	3,500	3,500	-	-	3,500	3,500
Loan / Lease Agreement	175	175	-	-	175	175
Capital Leases	3,862	4,314	31	-	3,893	4,314
Bonds - Alternate Revenue Source	-	-	1,625	1,855	1,625	1,855
Compensated Absences	471	435	24	24	494	459
Total	\$26,272	\$27,651	\$ 1,680	\$ 1,879	\$27,952	\$29,529

The compensated absences calculation required the reporting of additional liability amounts for governmental activities. There was also an addition to capital leases for business-type activities as a vehicle was purchased for Animal Control.

The County had payments or retirements of \$1.4 million on debt and lease agreements for governmental activities. Regarding business-type activities, the County retired \$230,000 in bonds and a portion of the Animal Control vehicle lease.

More detailed information about the County's long-term liabilities is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's General Fund revenue budget for 2011 decreased 4 percent to approximately \$30.3 million from the original FY10 budget; while the expenditure budget for 2011 decreased 5.6 percent to approximately \$29.9 million. Accordingly, most of the revenues are budgeted at similar levels to 2010. Slight shifts include decreases in the budget for wind farm permit fees (\$0.75 million), recorder fees (\$0.1 million), building and planning fees (\$0.1 million), sheriff fines (\$0.2 million), and out of county inmate rental (\$0.5 million). Conversely, increases were budgeted for Circuit Clerk fees (\$0.17 million), and in several grants.

On the expenditure side there were significant reductions from the 2010 budget. Expenditures for elections are budgeted to be reduced by \$0.17 million from the level budgeted for the major elections of 2010. Expenditures in the Treasurer's, County Clerk, Recorder, Assessor, Economic Alliance, Planning, Information Services, Building and Grounds, Auditor, and Finance were reduced by a collective total of \$0.6 million or 18 percent due to various reductions in force. Budgeted expenditures in Court Services, including Circuit Clerk, Child Support, Circuit Courts, Jury Commission, State's Attorney, Probation, and DNDC were reduced by a collective total of \$0.7 million, or 17 percent resulting from cost cutting measures. Additionally, budgeted expenditures in Public Safety, including Sheriff, Corrections, Auxiliary, ESDA, Merit Commission, and Coroner, were reduced by a collective total of \$1.1 million or 8 percent. Conversely, the budget for health insurance increased by \$0.5 million and for the Juvenile Detention Center by \$0.3 million due to contractual obligations.

These budgeted reductions yield revenues exceeding expenditures by \$0.5 million, as the County begins to rebuild its fund balance.

The following are other factors that could play a role in the actual outcome of next year's budgeted figures:

The last general election was in November 2010. Although none of the County offices that were on the ballot changed leadership, there were several new County Board members. Additionally, several local State and Federal offices changed leadership.

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA). ARRA increased funding for the Workforce Investment Act (WIA), of which our area, serving Grundy, Livingston, and Kankakee Counties received an additional \$2.7 million to provide job training in those three counties. These funds continue to be expended through June 30, 2011. Additionally, our local area received additional ARRA funds (\$0.44 million) in the summer of 2010 to run additional youth summer work experience programs.

The union contract for Teamsters (Maintenance) ended at the end of FY08 and negotiations are still ongoing. The union contract for ETSB 911 also ended at the end of FY08; however, a new contract was agreed to in April 2011 which will end November 30, 2012.

The union contracts with AFSCME and FOP Probation ended November 30, 2009 and they each reached agreements during 2010 which will end November 30, 2012. The contracts with FOP Deputies ended November 30, 2009 and an agreement was reached in May 2011 which will also end November 30, 2012.

The contract with Corrections ended November 30, 2010 and negotiations are ongoing. An agreement has been reached in the Recorder/Auditor/Treasurer's Offices contract which also ended November 30, 2010 and is expected to be finalized soon.

Sales tax revenue is currently an issue as revenue belonging to the County is being held at the Department of Revenue. The County is currently in litigation regarding this issue, and progress is being made as some of the funds were being recouped in 2011. However, the long term viability of the sales tax program noted in the Government Wide Financial Analysis section is questionable as pending legislation may greatly affect that program.

In February 2009, the president of Vision Energy presented a proposal to the Kankakee County Planning Commission of a 33,000 acre, \$1 billion dollar wind farm encompassing parts of four Illinois counties. The project proposes to build and operate over 300 wind turbines and employ as many as 250 construction and 40 full-time operations and maintenance workers. A spring 2012 start date is anticipated.

The Chicago Bears continue to hold their summer training camp with Olivet Nazarene University in Bourbonnais. This event has increased tourist travel into the County in late July and early August, which can lead to an increase in sales tax revenue.

Riverside Medical Center, a major hospital in Kankakee, is undergoing its largest expansion since the hospital opened in 1966. The \$85 million addition will add 160,000 square feet of new space. The first phase of the project is complete, with the remainder expected to be completed later this year.

In the healthcare field, Riverside Medical Center, Provena St. Mary's Hospital, and Shapiro Developmental Center are adding a combined 450 jobs.

Bunge Oil has a \$5 million project in line to increase capacity at its Kankakee County location, as well as expanding its Research and Development department at this location as well.

CSL Behring is lobbying its parent company, CSL Limited for an expansion at its local site which could bring a \$150 million investment over three years. They have already added approximately 75 new full time employees. Other sources of expansion in our area include Sun Chemical which has completed an expansion at its Kankakee location and Vulcan Materials in Manteno with a \$45 million project expected to start this year. Precisionaire Inc. in the eastern part of the County is undergoing a \$4 million expansion which will add 40 new jobs to this location.

The Illinois Army National Guard also announced plans to build a \$48 million Readiness Center and Army Aviation Support Facility at the Greater Kankakee Airport. A fall 2011 start date is anticipated and this project will add 75 full time jobs and approximately 200 troops will be trained at this location.

In addition, there have been no significant mass closings or layoffs in Kankakee County in the past year. Olivet Nazarene University and Kankakee Community College each recorded a record number of graduates in 2011 as well.

Regarding transportation, the exit 315 interchange of Interstate I-57 will be undergoing a \$40 million reconfiguration during a two year project expected to begin this summer.

Additionally, the planning department of Kankakee County has completed the first two phases of a 3-phase study to determine the feasibility for the extension of metra commuter rail service from University Park to Kankakee. Phase I was completed in 2005 and Phase II was completed in the beginning of 2008. Other communities in Kankakee and Will County are helping to fund the local portion of the grant contract. While the study is a lengthy process, it could lead to possible future growth for our County. However, we are not expecting funding for Phase III in the foreseeable future.

Outside consultants completed a space needs study for the County offices. While it is evident that additional space is warranted, it is yet to be determined what course of action the County will pursue. However, one step was taken in 2009 due to the space needs. The public defenders office moved from the basement of the courthouse, and is now leasing space in a nearby building.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Kankakee County Finance Department, 189 E. Court St. Suite 300, Kankakee, IL 60901.

Kankakee County, Illinois
Statement of Net Assets
November 30, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash	\$ 14,119,133	\$ 1,059,440	\$ 15,178,573	\$ 585,407
Cash - restricted	-	268,230	268,230	-
Investments, at cost	2,371,477	2,724,485	5,095,962	-
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	16,030,893	-	16,030,893	-
Accounts	6,109,137	194,489	6,303,626	-
Loans	340,158	-	340,158	1,956,076
Internal balances	(164)	164	-	-
Due from other governments	3,238,054	615,008	3,853,062	-
Prepaid expenses	244,598	1,436	246,034	-
Inventory, at cost	559,027	-	559,027	-
Other assets	239,460	17,151	256,611	39,382
Capital assets, net of accumulated depreciation	68,295,003	2,570,110	70,865,113	-
Total assets	\$ 111,546,776	\$ 7,450,513	\$ 118,997,289	\$ 2,580,865
Liabilities and Net Assets				
Liabilities				
Vouchers and accounts payable	\$ 7,000,544	\$ 212,297	\$ 7,212,841	\$ 39,100
Payable from restricted assets	-	32,447	32,447	-
Accrued wages and benefits	1,156,150	351,842	1,507,992	-
Deferred revenue	16,309,482	-	16,309,482	15,286
Noncurrent liabilities:				
Due within one year	1,505,507	237,041	1,742,548	90,000
Due in more than one year	24,766,376	1,442,977	26,209,353	2,025,846
Total liabilities	50,738,059	2,276,604	53,014,663	2,170,232
Net Assets				
Invested in capital assets, net of related debt	44,642,921	913,710	45,556,631	-
Restricted for:				
Debt service	218,627	235,783	454,410	-
Capital projects	1,770,514	-	1,770,514	-
Other purposes (enabling legislation)	17,031,028	-	17,031,028	-
Unrestricted	(2,854,373)	4,024,416	1,170,043	410,633
Total net assets	60,808,717	5,173,909	65,982,626	410,633
Total liabilities and net assets	\$ 111,546,776	\$ 7,450,513	\$ 118,997,289	\$ 2,580,865

Kankakee County, Illinois
Statement of Activities
For the Year Ended November 30, 2010

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total Primary Government	
Primary government:								
Governmental activities								
General government	8,534,467	\$ 2,273,049	\$ 471,876	\$ 12,555	\$ (5,776,987)		\$ (5,776,987)	
Court services	9,556,219	3,010,373	1,485,979	-	(5,059,867)		(5,059,867)	
Public safety	22,570,675	9,724,968	596,633	13,510	(12,235,564)		(12,235,564)	
Health and sanitation	3,037,891	297,456	2,511,514	-	(228,921)		(228,921)	
Transportation	7,504,248	564,056	493,325	986,168	(5,460,699)		(5,460,699)	
Veterans administration	189,285	-	25,500	-	(163,785)		(163,785)	
Economic development	4,337,950	-	4,037,209	-	(300,741)		(300,741)	
Interest and fiscal charges	1,189,198	-	-	-	(1,189,198)		(1,189,198)	
Total governmental activities	56,919,933	15,869,902	9,622,036	1,012,233	(30,415,762)		(30,415,762)	
Business-type activities								
911 Emergency services	2,809,976	2,686,374	-	-		\$ (123,602)	(123,602)	
Animal control	303,342	329,157	-	-		25,815	25,815	
Total business-type activities	3,113,318	3,015,531	-	-		(97,787)	(97,787)	
Total primary government	\$ 60,033,251	\$ 18,885,433	\$ 9,622,036	\$ 1,012,233	(30,415,762)	(97,787)	(30,513,549)	
Component unit:								
Kankakee County Public Building Commission	\$ 136,743	\$ 136,945	\$ -	\$ -				\$ 202
General revenues:								
Taxes								
Property taxes					15,300,704	-	15,300,704	-
Sales tax					7,861,656	-	7,861,656	-
State income tax					2,216,252	-	2,216,252	-
Replacement and other taxes					3,630,194	-	3,630,194	-
Interest					43,020	39,754	82,774	3,581
Miscellaneous					346,863	-	346,863	-
Special item-gain (loss) on disposal of assets					24,167	-	24,167	-
Total general revenues and special items					29,422,856	39,754	29,462,610	3,581
Change in net assets					(992,906)	(58,033)	(1,050,939)	3,783
Net assets - beginning					61,801,623	5,231,942	67,033,565	406,850
Net assets - ending					\$ 60,808,717	\$ 5,173,909	\$ 65,982,626	\$ 410,633

See accompanying notes to the basic financial statements.

Kankakee County, Illinois
Balance Sheet
Governmental Funds
November 30, 2010

	General Fund	Tort Liability	Pension	County Highway	Matching Tax	Other Governmental Funds	Total Governmental Funds
Assets							
Cash	\$ 422,540	\$ 4,806	\$ 1,602,295	\$ 1,719,271	\$ 4,077,158	\$ 6,293,063	\$ 14,119,133
Investments, at cost	10,068	6,697	-	967,369	782	1,386,561	2,371,477
Receivables (net of applicable allowances for estimated uncollectible amounts):							
Taxes, including interest, penalties, and liens	4,247,501	2,211,832	4,815,140	1,781,211	861,245	2,113,964	16,030,893
Accounts	5,435,929	-	35,615	197,022	-	440,571	6,109,137
Loans	-	-	-	-	-	340,158	340,158
Prepaid expenses	57,917	92,054	-	-	-	88,368	238,339
Due from other funds	77,038	1,900,000	38,830	-	-	2,713,000	4,728,868
Due from other governments	1,864,773	-	-	-	-	672,413	2,537,186
Inventory, at cost	154,207	-	-	196,294	-	208,526	559,027
Total assets	<u>\$ 12,269,973</u>	<u>\$ 4,215,389</u>	<u>\$ 6,491,880</u>	<u>\$ 4,861,167</u>	<u>\$ 4,939,185</u>	<u>\$ 14,256,624</u>	<u>\$ 47,034,218</u>
Liabilities and Fund Balances							
Liabilities:							
Vouchers and accounts payable	\$ 2,625,890	\$ 61,552	\$ 451,913	\$ 166,932	\$ 225	\$ 1,102,679	\$ 4,409,191
Due to other funds	4,651,197	-	-	-	-	77,835	4,729,032
Deferred revenue	4,419,514	2,211,832	4,815,139	1,781,211	861,245	2,220,541	16,309,482
Compensated absences	-	-	-	-	-	-	-
Total liabilities	<u>11,696,601</u>	<u>2,273,384</u>	<u>5,267,052</u>	<u>1,948,143</u>	<u>861,470</u>	<u>3,401,055</u>	<u>25,447,705</u>
Fund balances (deficit):							
Reserved for:							
Prepaid expenses	57,917	92,054	-	-	-	88,368	238,339
Inventory	154,207	-	-	196,294	-	139,591	490,092
Capital projects	-	-	-	-	-	1,705,989	1,705,989
Debt service	-	-	-	-	-	218,627	218,627
Unreserved, reported in:							
General fund	361,248	-	-	-	-	-	361,248
Special revenue funds	-	1,849,951	1,224,828	2,716,730	4,077,715	8,702,994	18,572,218
Total fund balances	<u>573,372</u>	<u>1,942,005</u>	<u>1,224,828</u>	<u>2,913,024</u>	<u>4,077,715</u>	<u>10,855,569</u>	<u>21,586,513</u>
Total liabilities and fund balances	<u>\$ 12,269,973</u>	<u>\$ 4,215,389</u>	<u>\$ 6,491,880</u>	<u>\$ 4,861,167</u>	<u>\$ 4,939,185</u>	<u>\$ 14,256,624</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds as assets	68,295,003
Bond issue costs, net of amortization, are not financial resources and, therefore, are not reported in the funds as assets.....	239,460
Long-term liabilities, including liabilities for retirement obligations, are not due and payable in the current period and therefore, are not reported as a fund liability in governmental funds.....	(26,271,883)
The difference in net assets between full accrual accounting and modified accrual accounting due to differing revenue and expense recognition criteria between the two methods.....	(3,040,376)
Net assets of governmental activities.....	<u>\$ 60,808,717</u>

Kankakee County, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended November 30, 2010

	General Fund	Tort Liability	Pension	County Highway	Matching Tax	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 12,083,879	\$ 2,072,532	\$ 4,260,713	\$ 1,781,843	\$ 871,549	\$ 2,091,844	\$ 23,162,360
Intergovernmental	5,740,574	2,027	38,032	-	-	9,443,308	15,223,941
Charges for services	12,483,060	-	-	564,056	-	-	13,047,116
Licenses and permits	280,042	-	-	-	-	181,950	461,992
Fines and forfeits	805,669	-	-	-	-	1,463,310	2,268,979
Interest on investments	9,979	1,612	2,903	3,666	8,751	16,109	43,020
Miscellaneous	86,762	36,700	-	46,050	-	254,454	423,966
Total revenues	<u>31,489,965</u>	<u>2,112,871</u>	<u>4,301,648</u>	<u>2,395,615</u>	<u>880,300</u>	<u>13,450,975</u>	<u>54,631,374</u>
Expenditures:							
Current:							
General government	8,865,794	2,300,697	4,749,127	-	-	627,811	16,543,429
Judiciary and court related	6,071,678	-	-	-	-	1,393,014	7,464,692
Public safety	14,216,461	-	-	-	-	408,225	14,624,686
Health and welfare	-	-	-	-	-	2,773,463	2,773,463
Transportation	-	-	-	2,161,240	256,451	2,785,303	5,202,994
Economic development	214,773	-	-	-	-	4,032,717	4,247,490
Capital outlay	521,893	-	-	225,317	-	2,283,605	3,030,815
Debt service principal	1,133,405	-	-	-	-	273,576	1,406,981
Debt service interest	858,325	-	-	-	-	330,873	1,189,198
Total expenditures	<u>31,882,329</u>	<u>2,300,697</u>	<u>4,749,127</u>	<u>2,386,557</u>	<u>256,451</u>	<u>14,908,587</u>	<u>56,483,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(392,364)</u>	<u>(187,826)</u>	<u>(447,479)</u>	<u>9,058</u>	<u>623,849</u>	<u>(1,457,612)</u>	<u>(1,852,374)</u>
Other financing sources (uses):							
Transfers in	27,500	-	-	-	-	337,153	364,653
Transfers out	-	-	-	-	-	(364,653)	(364,653)
Proceeds from long-term debt	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>27,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,500)</u>	<u>-</u>
Net change in fund balances	<u>(364,864)</u>	<u>(187,826)</u>	<u>(447,479)</u>	<u>9,058</u>	<u>623,849</u>	<u>(1,485,112)</u>	<u>(1,852,374)</u>
Fund balances, beginning of year	938,236	2,129,831	1,672,307	2,903,966	3,453,866	12,340,681	23,438,887
Fund balances, end of year	<u>\$ 573,372</u>	<u>\$ 1,942,005</u>	<u>\$ 1,224,828</u>	<u>\$ 2,913,024</u>	<u>\$ 4,077,715</u>	<u>\$ 10,855,569</u>	<u>\$ 21,586,513</u>

Kankakee County, Illinois

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Year Ended November 30, 2010**

Net change in fund balances - total governmental funds	\$ (1,852,374)
Amounts reported for governmental activities in the statement of activities are different because:	
The payment of principal on long-term debt is reflected as an expense on the fund level statements, but is reported as a reduction of liabilities on the entity wide statements	1,406,981
Depreciation on capital assets and losses on the sale of assets are not reflected on the fund level statements, but are reported as an expense on the entity wide statements	(3,925,000)
Amortization on debt issue costs is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(12,601)
The acquisition of capital assets is reported as an expense on the fund level statements, but is capitalized as an asset on the entity wide statements	2,600,181
Full accrual accounting and modified accrual accounting use differing revenue and expense recognition criteria	789,907
Change in net assets of governmental activities - entity wide statements	<u>\$ (992,906)</u>

Kankakee County, Illinois
Statement of Net Assets
Proprietary Funds - Enterprise Funds
November 30, 2010

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Assets			
Current assets			
Cash	\$ 984,543	\$ 74,897	\$ 1,059,440
Cash - restricted	268,230	-	268,230
Investments	2,538,104	186,381	2,724,485
Accounts receivable	135,519	58,970	194,489
Due from other funds	-	164	164
Receivable from other governments	615,008	-	615,008
Prepaid expenses and line charges	1,436	-	1,436
Total current assets	4,542,840	320,412	4,863,252
Property, plant, and equipment			
Building, improvements and equipment	6,433,274	182,851	6,616,125
Accumulated depreciation	(3,929,048)	(116,967)	(4,046,015)
Net property, plant, and equipment	2,504,226	65,884	2,570,110
Bond issue costs, net and other assets	17,151	-	17,151
Total assets	\$ 7,064,217	\$ 386,296	\$ 7,450,513
Liabilities			
Current liabilities			
Current portion - long-term debt	\$ 230,000	\$ 7,041	\$ 237,041
Vouchers and accounts payable	167,451	44,846	212,297
Payable from restricted assets	32,447	-	32,447
Accrued wages and benefits	351,842	-	351,842
Total current liabilities	781,740	51,887	833,627
Long-term liabilities			
Long-term debt, net of current portion	1,395,000	24,359	1,419,359
Accrued sick time	23,618	-	23,618
Total long-term liabilities	1,418,618	24,359	1,442,977
Total liabilities	2,200,358	76,246	2,276,604
Net assets			
Invested in capital assets, net of related debt	879,226	34,484	913,710
Restricted for debt service (expendable)	235,783	-	235,783
Unrestricted	3,748,850	275,566	4,024,416
Total net assets	4,863,859	310,050	5,173,909
Total liabilities and net assets	\$ 7,064,217	\$ 386,296	\$ 7,450,513

Kankakee County, Illinois**Statement of Revenues, Expenses, and Changes in Fund Net Assets****Proprietary Funds - Enterprise Funds****For the Year Ended November 30, 2010**

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Operating revenues:			
Charges for services and other fees	\$ 2,684,355	\$ 324,906	\$ 3,009,261
Miscellaneous	2,019	4,251	6,270
Total operating revenues	<u>2,686,374</u>	<u>329,157</u>	<u>3,015,531</u>
Operating expenses:			
Personal services	1,814,539	195,329	2,009,868
Contractual services	390,702	43,458	434,160
Supplies and materials	3,217	18,813	22,030
Other services and charges	126,467	36,967	163,434
Depreciation and amortization expense	396,282	8,775	405,057
Total operating expenses	<u>2,731,207</u>	<u>303,342</u>	<u>3,034,549</u>
Operating income (loss)	<u>(44,833)</u>	<u>25,815</u>	<u>(19,018)</u>
Nonoperating revenue (expense):			
Interest income	39,156	598	39,754
Interest expense	(78,769)	-	(78,769)
Net nonoperating revenue (loss)	<u>(39,613)</u>	<u>598</u>	<u>(39,015)</u>
Change in net assets	<u>(84,446)</u>	<u>26,413</u>	<u>(58,033)</u>
Net assets, beginning of year	<u>4,948,305</u>	<u>283,637</u>	<u>5,231,942</u>
Net assets, end of year	<u>\$ 4,863,859</u>	<u>\$ 310,050</u>	<u>\$ 5,173,909</u>

Note: 911 System Fee Fund revenues are pledged for payment of alternate revenue source bonds.

Kankakee County, Illinois
Statement of Cash Flows
Proprietary Funds - Enterprise Fund Types
For the Year Ended November 30, 2010

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 1,866,876	\$ 274,948	\$ 2,141,824
Payments to suppliers	(806,928)	(91,957)	(898,885)
Payments to employees	(1,161,977)	(197,426)	(1,359,403)
Internal activity - payments from (to) other funds	699,400	(328)	699,072
Other receipts	2,019	4,251	6,270
Net cash provided (used) by operating activities	599,390	(10,512)	588,878
Cash flows from capital and related financing activities:			
Interest payments on long-term debt	(83,080)	-	(83,080)
Payments on long-term debt	(230,000)	(9,333)	(239,333)
Purchase of equipment	(555,648)	-	(555,648)
Net cash flows provided (used) by capital and related financing activities	(868,728)	(9,333)	(878,061)
Cash flows from investing activities:			
Purchase of investments	(2,538,103)	-	(2,538,103)
Sale of investments	2,258,247	-	2,258,247
Interest income	39,156	598	39,754
Net cash flows provided (used) by investing activities	(240,700)	598	(240,102)
Net increase (decrease) in cash and cash investments	(510,038)	(19,247)	(529,285)
Cash and cash investments, beginning of year	1,762,811	280,525	2,043,336
Cash and cash investments, end of year	\$ 1,252,773	\$ 261,278	\$ 1,514,051
Reported on balance sheet as cash	\$ 1,252,773	\$ 74,897	\$ 1,327,670
Included in balance sheet investments	-	186,381	186,381
	\$ 1,252,773	\$ 261,278	\$ 1,514,051
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (44,833)	\$ 25,815	\$ (19,018)
Adjustments to reconcile net income to net cash provided from operating activities:			
Depreciation expense	393,413	8,775	402,188
Amortization of line charges and bond issue costs	2,869	-	2,869
Change in assets and liabilities:			
(Increase) decrease in accounts receivable/prepaid expenses	(99,771)	(50,122)	(149,893)
Increase (decrease) in accrued salaries and benefits	265,142	(2,097)	263,045
Increase (decrease) in other liabilities	82,570	7,117	89,687
Net cash provided by operating activities	\$ 599,390	\$ (10,512)	\$ 588,878

Noncash capital and related financing activities:

Equipment in the amount of \$40,733 was acquired under a capital lease in the Other Enterprise Funds.

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds
November 30, 2010

Assets	Private Purpose Trust Funds	Agency Funds
Cash	\$ 479,756	\$ 4,040,138
Investments, at cost	946,584	808,482
Receivables:		
Accounts receivable	<u>100,869</u>	<u>154,261</u>
Total assets	<u>\$ 1,527,209</u>	<u>\$ 5,002,881</u>
Liabilities and Net Assets		
Liabilities		
Vouchers payable	\$ 1,325	\$ 91,171
Due to:		
Other governments	-	674,959
Others	<u>-</u>	<u>4,236,751</u>
Total liabilities	<u>1,325</u>	<u>5,002,881</u>
Net Assets		
Restricted for other purposes	<u>1,525,884</u>	<u>-</u>
Total net assets	<u>1,525,884</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 1,527,209</u>	<u>\$ 5,002,881</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended November 30, 2010

	<u>Private Purpose Trust Funds</u>
Additions:	
Intergovernmental	\$ 1,548,709
Interest	<u>3,382</u>
Total additions	<u>1,552,091</u>
Deductions:	
Transportation	1,249,501
Other services and charges	<u>6,942</u>
Total deductions	<u>1,256,443</u>
Change in net assets	295,648
Net assets, beginning of year	<u>1,230,236</u>
Net assets, end of year	<u><u>\$ 1,525,884</u></u>

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 1 – The Financial Reporting Entity

Kankakee County, Illinois is a municipal corporation formed in 1853 operating under the county board form of government. The Board of Trustees consists of twenty-eight members and is the legal and executive body of the County. In addition, there are eight other elected administrative officials, each of whom is independent as set forth in Illinois law. These officials are Clerk of Courts, Auditor, Coroner, Prosecuting Attorney, Recorder, Sheriff, Treasurer and County Clerk.

The County's basic financial statements include accounts of all officials and activities described above and all other County operations. The County's major operations include human services, social and economic development services, certain health care and community assistance services, public safety, a civil and criminal justice system, road and bridge maintenance and general administrative services.

Component Units: As required by generally accepted accounting principles (GAAP), the financial statements of the reporting entity include those of Kankakee County, the primary government, and its component units. The County complies with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, in defining the reporting entity. Component units are legally separate organizations for which the elected officials of the County are financially accountable. Organizations for which the County is accountable because it appoints a majority of the voting board, but is not financially accountable for its operations, are related organizations. Financial information of component units is blended with that of Kankakee County where, among other criteria, the nature of services rendered by the component unit is almost exclusively for the benefit of the County or where the governing body of the component unit is substantially the same as that of the County. Component unit financial information that is not blended with that of the County is discretely presented in a separate column on the County's government wide financial statements. A general description of the component units and related organizations follows:

Component Units – Discretely-presented

The **Kankakee County Public Building Commission** is a separate municipal corporation created for the purpose of acquiring or enhancing public buildings or facilities. The Commissioners are appointed by and serve at the pleasure of the Chairman of the County Board. Because of its appointment powers, the County includes the Commission in its financial statements as a discretely-presented component unit using their fiscal year end October 31, 2010. The Commission issues separate financial statements which are on file at the Office of Finance Director, Kankakee County, 189 E. Court St., Suite 300, Kankakee, Illinois 60901. The County Board is not financially responsible for obligations of the Commission unless any such improvements are for its benefit.

Component Units - Blended

The **Kankakee County Health Department** is an Illinois governmental entity, which is governed by an eight-member board, appointed by the County, which also approves its budget. The Health Department's financial statements are blended with those of the County because of the degree of control the County can exercise over its activities. Its transactions are accounted for in the Health Fund, a special revenue fund.

The **Veterans Assistance Commission** is a central assistance committee composed of one delegate from each County post to oversee assistance to military veterans and their families. The oversight is shared by the Chairman of the County Board or his designee. Under Illinois law, the County is to provide office space, phone and supplies for the Commission and payment of assistance claims. Because of its oversight powers and the economic burden this requirement places on the County, its transactions are accounted for in the Veterans Assistance Fund which is blended with other special revenue funds.

The **Kankakee County Emergency Telephone System Board** is created by the County Board which also defines its powers and duties. This Board of nine members, four of whom may be members of the County Board, oversees the implementation and operations of the emergency telephone system. Currently, no County Board members serve on this Board. Because it has reserved powers, the operations are accounted for in the 911 System Fee Proprietary Fund which is blended with other County funds.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 1 – The Financial Reporting Entity (Continued)

Related Organizations

The **Cooperative Extension Services of the College of Agriculture**, of the University of Illinois operate in counties where extension councils have been established to disseminate information on subjects related to agriculture and home economics and other University programs. Oversight is provided by extension councils which derive their duties and powers from the Board of Trustees of the University of Illinois. Extension service programs and related local funding are coordinated by an extension board numbering at least seven comprised of four members from the Extension Council and three from the County Board. The County extends taxes to finance operations of the Extension Service. The County is not financially responsible for any part of the Extension Services' operations except as it may choose to be.

The **Kankakee County Housing Authority** provides low-income housing and rental assistance to residents of the County. Its commissioners are appointed by the County Board Chairman. The Authority is a separate legal organization and has no financial accountability to the County.

Related organizations are not included in the financial statements of the County.

Joint Ventures

The County is a participant with Will County in a joint venture to operate a juvenile justice center under an intergovernmental agreement, with operating responsibility vested principally in Will County. The facility is leased from the Will County Public Building Commission for a period of 30 years by the joint venturers – See Note 8. Operation of the facility is under the responsibility of the Chief Judge of the 12th Judicial Circuit (Will County) with advice of the Chief Judge of the 21st Judicial Circuit (Kankakee County). Each party to the agreement is responsible for their respective share of expenses in proportion to beds leased, which amounts to 25% for Kankakee County. See Note 8 for more information.

Note 2 – Basis of Presentation

Government-wide Financial Statements The statement of net assets and the statement of changes in net assets report information on all of the non-fiduciary activities of the primary government and its component units. 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. Likewise the primary government is reported separately from legally separate component units for which the primary government is financially accountable. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of activities displays the direct expenses of a given function or segment and the associated 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) operating or capital 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.

Fund Financial Statements The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental, proprietary and fiduciary activities. These statements present each major fund as a separate column on the fund financial statements and all non-major funds are aggregated and presented in a single column.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 2 – Basis of Presentation (Continued)

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The County has presented the following major governmental funds:

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

Tort Liability – This fund accounts for the County's operations related to risk management for claims involving employee injury, general liability and liability arising from torts.

Pension – This fund accounts for employee pension costs.

County Highway Fund – This fund accounts for operations to improve, repair and maintain all County highways.

Matching Tax Fund – This fund accounts for the payment of the proportionate share of expenses in constructing or reconstruction, including engineering and right-of-way costs, of highways in the Federal Aid System.

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 has presented the following major proprietary fund:

911 System Fee Fund – The fund is used to account for emergency dispatch services to residents of the County, including other units of local government.

Additionally, the government reports the following fiduciary fund types:

Private purpose trust funds – These funds report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Agency funds – These funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operations, but which are due to other individuals, agencies or governments.

Note 3 – Summary of Significant Accounting Policies

The accompanying financial statements of the County are prepared in conformity with generally accepted accounting principles (GAAP) for local government units as prescribed in statements and interpretations issued by GASB and other recognized authoritative sources.

Measurement Focus and Basis of Accounting: The government-wide financial statements, component unit financial statements, and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet, and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows. In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting", the County and its component units apply all GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 3 – Summary of Significant Accounting Policies (Continued)

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 County considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and special assessments. All other revenue items are considered to be measurable and available only when cash is received by the government. 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. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses consists of all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

Budgetary Accounting and Control: The County adopts an annual budget and appropriation ordinance in accordance with Illinois law. The budget covers the fiscal year ending November 30, and is available for public inspection at least fifteen days prior to final adoption. The budget document is prepared for all budgetary funds using the modified accrual basis. 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 may make appropriations in excess of those authorized in the original budget. During the year, the County Board made additional appropriations of \$821,846 for the General Fund, primarily for new grants. The original budget and all budgetary amendments and supplemental appropriations necessary during the year are included in the final budget amounts presented in the budget-to-actual comparisons.

Pooled Cash and Cash Equivalents and Related Investments: Cash resources of a number of individual funds are combined to form a pool of cash and investments which is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Investments are recorded at cost, which approximates market. For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

All component units define cash and cash equivalents as cash on hand and deposits with original maturities of three months or less.

Receivables: Property taxes receivable are recorded net of an allowance for uncollectible amounts based on historical experience of approximately 0.7 percent of extensions. Other accounts receivable are reported net of any allowance for uncollectibles.

Inventories: Inventories consist of tax stamps, postage, and supplies recorded at cost.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 3 – Summary of Significant Accounting Policies (Continued)

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Capital assets are defined by the County as assets with an initial, individual cost of more than its capitalization threshold and an estimated useful life in excess of one year. Categories of capital assets and associated capitalization thresholds are as follows: land - \$100,000; buildings and improvements - \$25,000 - \$100,000; infrastructure assets (county roads and bridges) - \$100,000; equipment - \$5,000. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

Cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

The County depreciates assets on a straight line basis using the following estimated useful lives:

<u>Asset</u>	<u>Estimated Useful Life</u>
Equipment, furniture and fixtures	5 to 10 years
Buildings, structures and improvements	30 to 50 years
Improvements other than buildings	30 to 50 years

Compensated Absences: Only vested or accumulated vacation/sick leave that is due and liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In the government-wide financial statements and proprietary fund types, vested or accumulated vacation/sick leave is recorded as an expense and liability as the benefits accrue to employees. No liability is recorded for nonvesting, accumulating rights to receive vacation/sick leave benefits; however, a liability is recognized for that portion of accumulating vacation/sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement. County policy states that an employee must use each year's vacation days during the year. Sick and extended illness days may be accumulated to a total of 120 days per employee with no amount payable upon separation from service. Under collective bargaining agreements covering employees in the departments of County Sheriff, Corrections and County Recorder, 50% of accumulated days may be paid or credited for retirement purposes at levels ranging from 50 to 80 days.

Long Term Obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Property Taxes: The County is responsible for the assessment and collection of property taxes for all jurisdictions including the schools and special districts within the County. The County levies property taxes annually on or before the last Tuesday in December based on the assessed valuation determined in April of the same year. Property tax payments are due in two equal installments, usually in June and September, with the first installment being due no earlier than 30 days from date of mailing. Tax bills are generally mailed in May. Distributions to the County and other districts are made shortly thereafter. Property taxes become a lien on the property on January 1. Taxes receivable at November 30 that are intended to finance the subsequent fiscal year are appropriately deferred. The 2009 tax levy collected in 2010 was recorded as revenues during this fiscal year.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires the County to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 3 - Summary of Significant Accounting Policies (Continued)

Interfund Transactions: During the normal course of operations the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Activity between funds that is referred to as "due to/from other funds" represents transactions when one fund incurs expenditures/expenses for the benefit of another fund and expects repayment from it. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Note 4 – Deposits and Investments

The County's investment policy conforms to state statutes which authorize the government to make deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

At year end, the County's investments were comprised of the following:

	<u>% of Portfolio</u>	
Certificates of Deposit	44%	\$3,038,104
Illinois Funds Money Market	56%	\$3,812,924

Credit Risk. The County's cash and investments are subject to credit risk (the risk that an issuer or counterparty to an investment will not fulfill its obligation). State Law limits investments in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSRO's). The County's investment policy conforms to these state statutes and does not further limit its investment choices. As of November 30, 2010, all the County's investments exposed to credit risk were rated AAAM by Standard & Poor's.

The Illinois Funds Money Market Fund is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral or additional insurance in the event of default or failure of the financial institution holding the funds. As of November 30, 2010, all deposits were either insured or collateralized.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 4 – Deposits and Investments (Continued)

Custodial Credit Risk – Investments. With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy limits the exposure to investment custodial credit risk by requiring all investments to be secured by private insurance or collateral.

The County's primary investment, Illinois Funds Money Market Fund, is collateralized 105% over FDIC with U.S. Treasury obligations and marked to market on a daily basis to maintain sufficiency.

As of November 30, 2010, the County had \$297,652 invested in an overnight repurchase agreement. The underlying security is held by the investment's counterparty, not in the name of the County.

Concentration of Credit Risk. The County's investment policy states investments shall be diversified to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions.

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the County's policy states investments shall provide sufficient liquidity to meet all operating requirements that may be reasonably anticipated.

The Kankakee County Public Building Commission held County funds in the amount of \$1,361,780 as of October 31, 2010. All amounts were insured or collateralized.

Under an ordinance governing the borrowing and payment of general obligation bonds, alternate revenue source, certain cash balances in the 911 System Fee Fund, a business-type activity, are restricted for payment of interest and principal.

Note 5 - CDAP Loans Receivable

The CDAP Loan Program is designed to assist Kankakee County in attracting or expanding local industry. The program provides low interest loans to projects that create or retain jobs primarily for low to moderate-income workers.

In accordance with the Illinois Department of Commerce and Economic Opportunity, Community Development Assistance Program, the County has the following Community Development loans outstanding.

	Balances November 30, 2009	Additions	Charge Offs	Allowance Adjustments	Retirements	Balances November 30, 2010
McIntyre's Meats	\$ 8,331	\$ -	\$ (8,331)	\$ -	\$ -	\$ -
MTAE, Inc.	341,072	-	(341,072)	-	-	-
Exceptional Health Partners	111,884	-	-	-	(27,742)	84,142
Unipar	821,500	-	-	-	-	821,500
Accion	50,000	-	-	-	-	50,000
Main Street Momence	-	50,000	-	-	-	50,000
Total	1,332,787	50,000	(349,403)	-	(27,742)	1,005,642
Less allowance for uncollectible amounts:	(1,170,903)	-	349,403	156,016	-	(665,484)
CDAP loans, net	<u>\$ 161,884</u>	<u>\$50,000</u>	<u>\$ -</u>	<u>\$156,016</u>	<u>\$(27,742)</u>	<u>\$ 340,158</u>

The County has security agreements of perfected second position and personal guarantees or assignments of life insurance policies to be used as collateral on all CDAP loans. The allowance for loan losses reflects amounts estimated to be unrecoverable.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 6 – Capital Assets

Capital asset activity for the year ended November 30, 2010 was as follows:

	<u>Balances November 30, 2009</u>	<u>Additions</u>	<u>Retirements and Reclassifications</u>	<u>Balances November 30, 2010</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 847,400	\$ -	\$ -	\$ 847,400
Construction in progress	1,530,603	-	868,442	662,161
Intangible assets	-	979,821	-	979,821
Building – idle	<u>1,770,000</u>	-	-	<u>1,770,000</u>
Total	<u>4,148,003</u>	<u>979,821</u>	<u>868,442</u>	<u>4,259,382</u>
Capital assets being depreciated:				
Transportation network	27,763,461	2,879,501	-	30,642,962
Buildings and improvements	49,729,330	76,976	-	49,806,306
Buildings and improvements under capital lease agreements	5,180,000	-	-	5,180,000
Equipment	9,294,750	651,653	10,000	9,936,403
Vehicles	<u>5,100,207</u>	<u>103,840</u>	<u>51,239</u>	<u>5,152,808</u>
Total capital assets being depreciated	<u>97,067,748</u>	<u>3,711,970</u>	<u>61,239</u>	<u>100,718,479</u>
Less accumulated depreciation for:				
Transportation network	12,656,335	1,233,463	-	13,889,798
Buildings and improvements	8,843,782	1,356,616	-	10,200,398
Buildings and improvements under capital lease agreements	1,636,629	150,208	-	1,786,837
Equipment	6,171,061	770,457	10,000	6,931,518
Vehicles	<u>3,511,290</u>	<u>414,256</u>	<u>51,239</u>	<u>3,874,307</u>
Total accumulated depreciation	<u>32,819,097</u>	<u>3,925,000</u>	<u>61,239</u>	<u>36,682,858</u>
Governmental activity capital assets, net	<u>\$68,396,654</u>	<u>\$ 766,791</u>	<u>\$868,442</u>	<u>\$68,295,003</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 61,013	\$ -	\$ -	\$ 61,013
Construction in progress	-	524,424	-	524,424
Total	<u>61,013</u>	<u>524,424</u>	-	<u>583,437</u>
Capital assets being depreciated:				
Equipment	5,720,234	31,224	-	5,751,458
Leasehold improvements	197,277	-	-	197,277
Equipment under capital lease agreements	<u>41,220</u>	<u>40,733</u>	-	<u>81,953</u>
Total	<u>5,958,731</u>	<u>71,957</u>	-	<u>6,030,688</u>
Less: Accumulated depreciation	3,606,533	393,413	-	3,999,946
Accumulated amortization, capital leases	<u>37,294</u>	<u>8,775</u>	-	<u>46,069</u>
Total accumulated depreciation	<u>3,643,827</u>	<u>402,188</u>	-	<u>4,046,015</u>
Business-type activities capital assets, net	<u>\$ 2,375,917</u>	<u>\$ 194,193</u>	<u>\$ -</u>	<u>\$ 2,570,110</u>

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 6 – Capital Assets (Continued)

Depreciation for the year ended November 30, 2010, was charged as follows to the following functions:

Governmental activities:

General governmental	\$ 249,455
Court services	225,794
Public safety	1,867,180
Health and sanitation	67,254
Transportation	1,514,058
Veterans administration	1,259
Total governmental activities	<u>\$3,925,000</u>

Business-type activities:

911 Emergency services	\$ 393,413
Animal control	8,775
Total business-type activities	<u>\$ 402,188</u>

Note 7 – Long-Term Debt

Long-term debt consists of the following:

Governmental Activities

Installment note in the amount of \$175,000 dated October 1, 2009, for the purchase of real estate, providing for four annual interest payments at a rate of 4% and one principal payment on October 1, 2014

\$ 175,000

Debt Certificates, Series 2004 in the original amount of \$6,000,000 payable annually, December 1 in amounts ranging from \$215,000 to \$410,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 1.75% to 4.6% per annum, with an effective net interest rate of 4.1%

4,420,000

Debt Certificates, Series 2005 A in the original amount of \$8,500,000 payable annually, December 1 in amounts ranging from \$170,000 to \$635,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 2.75% to 4.6% per annum, with an effective net interest rate of 4.0%

6,915,000

Less discount

(89,431)

Debt Certificates, Series 2005 B in the original amount of \$8,265,000 payable annually, December 1 in amounts ranging from \$135,000 to \$645,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 2.75% to 5.0% per annum, with an effective net interest rate of 4.57%

6,790,000

Plus premium

228,755

Taxable General Obligation Bonds (Alternate Revenue Source), Series 2009, (Build America Bonds - Direct Payment) dated September 15, 2009, in the original issue amount of \$3,500,000, provide for serial retirement of principal beginning January 15, 2011 through 2022 with Term Bonds due January 15, 2024, 2026, 2028 and 2030; and interest payable January 15 and July 15 of each year beginning January 15, 2010 at rates of 1.85% to 6.2%, secured by court fee revenues of the Circuit Clerk Automation and Document Storage Funds

3,500,000

Capital lease obligations – See Note 8

3,862,056

Compensated absences

470,503

Total governmental activities

\$26,271,883

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 7 – Long-Term Debt (Continued)

Business-type Activities

\$3,300,000 general obligation alternate revenue source bonds due in annual installments beginning January 1, 2003 in amounts ranging from \$220,000 to \$235,000 through 2017, plus interest at rates ranging from 3.55% to 5%, secured by surcharges on telecommunications revenues	\$1,625,000
Capital lease obligations – See Note 8	31,400
Compensated absences	<u>23,618</u>
Total business-type activities	<u>\$1,680,018</u>

Changes in long-term debt are as follows:

	Balances November 30, 2009	Additions	Adjustments/ Retirements	Balances November 30, 2010
Governmental activities:				
Debt Certificates	\$19,226,331	\$ -	\$ 962,007	\$18,264,324
Bonds – General Obligation	3,500,000	-	-	3,500,000
Loan/lease agreement	175,000	-	-	175,000
Capital leases	4,314,037	-	451,981	3,862,057
Compensated absences	<u>435,201</u>	<u>35,302</u>	<u>-</u>	<u>470,503</u>
Total	<u>\$27,650,569</u>	<u>\$35,302</u>	<u>\$1,413,988</u>	<u>\$26,271,884</u>
Business-type activities:				
Bonds - Alternate Revenue Source	\$ 1,855,000	\$ -	\$ 230,000	\$ 1,625,000
Capital leases	-	40,733	9,333	31,400
Compensated absences	<u>23,618</u>	<u>-</u>	<u>-</u>	<u>23,618</u>
Total	<u>\$ 1,878,618</u>	<u>\$40,733</u>	<u>\$ 239,333</u>	<u>\$1,680,018</u>

The annual requirements to amortize all long-term debt outstanding at November 30, 2010, exclusive of compensated absences and net of bond premium and discount are as follows:

Year Ending November 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2011	\$ 1,505,507	\$1,154,779	\$2,660,286	\$ 237,041	\$ 74,907	\$ 311,948
2012	1,530,564	1,096,292	2,626,856	237,555	63,755	301,310
2013	1,551,131	1,039,270	2,590,401	238,106	52,452	290,558
2014	1,814,698	977,726	2,792,424	238,698	40,935	279,633
2015	1,703,821	899,855	2,603,676	235,000	29,081	264,081
2016-2020	8,238,274	3,375,749	11,614,023	470,000	23,441	493,441
2021-2025	8,028,514	1,371,003	9,399,517	-	-	-
2026-2030	<u>1,289,547</u>	<u>183,563</u>	<u>1,473,110</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$25,662,056</u>	<u>\$10,098,237</u>	<u>\$35,760,293</u>	<u>\$1,656,400</u>	<u>\$284,571</u>	<u>\$1,940,971</u>

Bond Series 2009 is a Build America Bond, on which 35% of the interest paid will be refundable to the County. This amounts to \$817,659 over the life of the bonds and will be recorded as revenues at the time of receipt. During fiscal year 2010, \$50,284 of interest was refunded to the County.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 8 – Leases

The County has entered into various leasing arrangements for facilities and equipment that contribute to its ability to provide needed governmental services. Under generally accepted accounting principles, leases that transfer ownership at their conclusion or are otherwise tantamount to a transfer of property rights over the estimated service life of the underlying leasehold are accorded treatment similar to asset purchases. Those that do not are considered operating leases. Following are significant leasing arrangements currently in effect.

Operating Leases

In April 2002, the Kankakee County Emergency Telephone System Board entered into a sublease agreement with the Kankakee County Public Health Department for 5,285 square feet of space which the Health Department leases indirectly from the Kankakee County Public Building Commission. The lease term is for 25 years at an initial annual rent of \$18,762 subject to review every five years with a maximum increase at that time of 15%.

Capital Leases – Juvenile Justice Center Facilities

In October 1996 the County, together with Will County, Illinois, entered into a 30 year noncancellable lease agreement ending October 15, 2026 with the Will County Public Building Commission for a 100 bed county shelter care and detention home for minors. Kankakee County leases 25 beds, and Will County leases 75. This facility is financed by revenue bonds issued by the Will County Public Building Commission.

Annual rental payments for Kankakee County, including operation and maintenance costs, range from \$548,613 in 2010 to \$666,200 in year 2016. For years 2017 through 2026, rental payments will be determined through negotiation. The County is not liable for any lease payments attributable to that portion of the facility leased by Will County.

The lease agreement further provides that upon expiration of the lease term, either Kankakee or Will County may choose not to renew. In that event, the withdrawing party's interest will be purchased based on that party's proportionate share of funds contributed (including lease payments) applied to a value to be determined under provisions in the agreement. If neither party chooses to renew, each county will bear its proportionate share of costs to restore the property through demolition. The County has provided for its lease obligation through a tax levy on all taxable property in the County, and finances, from its General Fund, its share of the program operating expenses of the facility.

Capital Leases - Health Department Facilities

In January 2002, the County entered into a lease agreement with the Kankakee County Public Building Commission and an intergovernmental agreement with the Kankakee County Public Health Department for lease of facilities to be occupied by the Health Department. In January 2007, the lease was amended due to the refunding of the underlying bonds issued by the Kankakee County Public Building Commission. This resulted in a loss on early extinguishment of debt in the amount of \$175,033. The lease is for a period of 20 years beginning November 1, 2007 and provides for annual rents ranging from \$175,335 to \$185,570 with an effective interest rate of 4.426%.

The Health Department's share of the lease payments due the Kankakee County Public Building Commission amounting to 88% of the total requirements of the lease is paid to the County of Kankakee which then remits 100% of the payment required to the Building Commission. The financial statements reflect the lease activity in the Health Fund and General Fund in proportion to their respective obligations for lease payments. The lease is considered a general obligation alternate bond and is secured by various revenues of the County Health Department. Upon payment of all lease rentals, the Public Building Commission shall transfer fee simple title to the Health Department provided that the Health Department is authorized by law to take such title. If transfer is not then permitted, title shall be transferred to Kankakee County.

Subsequent to execution of this lease, the Kankakee County Emergency Telephone System Board was added as a party to the intergovernmental agreement to lease 5,285 square feet of space subject to the aforementioned lease. The intergovernmental agreement provides for, among other things, the Kankakee County Emergency Telephone System Board to pay annual rent in the amount of \$18,762 (see above operating lease information) to the Kankakee County Public Health Department.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 8 - Leases (Continued)

Capital Leases – Equipment

The County leases vehicles under capital lease arrangements with lease terms of periods of five years, generally. The leases are similarly structured and generally provide for lease payments on a quarterly or semi-annual basis.

Future minimum lease payments under these capital leases are as follows:

	Governmental Activities				Business Activities
	Will County Public Building Commission	Kankakee County Public Building Commission	Other	Total	Animal Control Vehicle
Year ended November 30,					
2011	\$ 568,381	\$ 179,380	\$150,858	\$898,619	\$9,333
2012	577,853	180,330	54,554	812,737	9,333
2013	611,608	181,815	-	793,423	9,333
2014	648,778	183,015	-	831,793	9,333
2015	659,997	184,025	-	844,022	-
2016-2020	666,199	921,695	-	1,587,894	-
2021-2025	-	893,326	-	893,326	-
2026	-	177,053	-	177,053	-
Total minimum lease payments	3,732,816	2,900,639	205,412	6,838,867	37,332
Less: Amount representing estimated executor costs (maintenance and insurance), included in total minimum lease payments	1,785,193	-	-	1,785,193	-
Net minimum lease payments	1,947,623	2,900,639	205,412	5,053,674	37,332
Less: Amount representing interest	331,830	850,029	9,759	1,191,618	5,932
Present value of net minimum lease payments	\$1,615,793	\$2,050,610	\$ 195,653	\$3,862,056	\$31,400

Note 9 – Short-Term Debt

Short-term debt provides financing for governmental activities. In June 2010, the County issued \$1,500,000 Corporate Tax Anticipation Warrants. This debt was issued for interim financing of General Fund operations. On September 30, 2010, the County repaid the note plus \$10,651 in interest at a rate of 3.5%. The following is a summary of changes in short-term debt for the year ended November 30, 2010:

Balance December 1, 2009	\$ -0-
Increases	1,500,000
Decreases	(1,500,000)
Balance November 30, 2010	<u>-0-</u>

Note 10 – Restricted Net Assets

The amount of net assets restricted by enabling legislation is \$17,031,028.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 11 - Retirement Funds

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

County Regular and Elected County Officials

Funding Policy. As set by statute, Regular and Elected County Official plan members are required to contribute 4.50 and 7.50 percent, respectively, of their annual covered salary. The statute requires the County to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County contribution rate for calendar year 2010 was 9.32 percent and 67.69 percent, respectively, of annual covered payroll. The County annual required contribution rate for calendar year 2010 was 10.80 percent and 105.43 percent, respectively. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For calendar year ending December 31, 2010, the County's actual contributions for pension costs for Regular and Elected County Officials were \$1,814,414 and \$165,003, respectively. The County's required contributions for calendar year 2010 were \$2,102,540 and \$256,998, respectively.

Three-Year Trend Information for the County Regular Plan

<u>Fiscal</u> <u>Year Ending</u>	<u>Regular</u> <u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
12/31/10	\$2,102,540	86%	\$288,126
12/31/09	1,749,443	100%	0
12/31/08	1,695,263	100%	0

Three-Year Trend Information for the Elected County Official Plan

<u>Fiscal</u> <u>Year Ending</u>	<u>Regular</u> <u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
12/31/10	\$256,998	64%	\$91,995-
12/31/09	154,549	100%	-0-
12/31/08	171,353	100%	-0-

The required contribution for 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the County Regular and Elected County Official plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period, with a 20% corridor between the actuarial and market value of assets. The County Regular and Elected County Official plans' unfunded actuarial accrued liability at the December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 11 – Retirement Funds (Continued)

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the Regular and Elected Official plans were 72.70 percent and 0.00 percent funded, respectively. The actuarial accrued liability for benefits was \$42,746,222 and \$2,028,065, respectively, and the actuarial value of assets was \$31,076,880 and \$(2,050,809) respectively, resulting in an underfunded actuarial accrued liability (UAAL) of \$11,669,342 and \$4,078,874, respectively. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plans) was \$19,467,963 and \$243,762, respectively, and the ratio of the UAAL to the covered payroll was 60 percent and 1,673 percent, respectively.

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

Sheriff's Law Enforcement Personnel

Plan Description. The County's defined benefit pension 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 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.

Funding Policy. 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 statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County contribution rate for calendar year 2010 used by the County was 20.60 percent of annual covered payroll. The County's annual required contribution rate for the calendar year 2010 was 23.14 percent. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For calendar year ending December 31, 2010, the County's actual contributions for pension cost for the Sheriff's Law Enforcement Personnel were \$841,009. Its required contribution for calendar year 2010 was \$944,707.

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

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/10	\$944,707	89%	\$103,698
12/31/09	819,377	100%	-0-
12/31/08	848,062	100%	-0-

The required contribution for 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County Sheriff's Law Enforcement Personnel plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The County Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 11 – Retirement Funds (Continued)

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 44.98 percent funded. The actuarial accrued liability for benefits was \$17,301,582 and the actuarial value of assets was \$7,781,424, resulting in an underfunded actuarial accrued liability (UAAL) of \$9,520,158. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$4,082,457 and the ratio of the UAAL to the covered payroll was 233 percent.

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

Note 12 – Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or emergency.

Note 13 – Interfund Accounts and Transfers

Interfund balances are as follows:

	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 77,038	\$4,651,197
Tort Fund	1,900,000	-
Pension Fund	38,830	-
Other Governmental Funds	2,713,000	77,835
Total Governmental Funds	<u>4,728,868</u>	<u>4,729,032</u>
Business-Type Funds: Nonmajor	164	-
Total	<u>\$4,729,032</u>	<u>\$4,729,032</u>

The General Fund borrowed \$4,613,000 from other governmental funds in the form of interfund loans to cover operating expenses. The remaining balances resulted from normal interfund activity when one fund incurs expenditures/expenses for the benefit of another fund and expects repayment.

Transfers during the year ended November 30, 2010 are summarized as follows:

	<u>In</u>	<u>Out</u>
General Fund	\$27,500	\$ -
Other Nonmajor Funds:		
Arrestee Medical	-	10,700
Treasurer's Interest	-	16,800
Court Document Storage	-	168,576
Court Automation	-	168,577
Bond Fund Series 2009	<u>337,153</u>	-
	<u>\$364,653</u>	<u>\$364,653</u>

The Arrestee Medical Fund transferred \$10,700 to the General Fund to offset inmate medical expenses paid out of the General Fund. The Treasurer's Interest Fund transferred accumulated funds in the amount of \$16,800 to the General Fund as allowed under state statute. The Court Document Storage and Court Automation Funds transferred debt service principal and interest into the Bond Fund Series 2009 in accordance with debt covenants.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 14 – Additional Fund Disclosures

The following funds had expenditures in excess of appropriations:

	<u>Actual Amount</u>	<u>Budget Amount</u>	<u>Amount in Excess of Appropriations</u>
Major Special Revenue Funds			
Tort	\$2,300,697	\$2,274,277	26,420
Pension	4,749,127	4,680,962	68,165
Nonmajor Special Revenue Funds			
Forfeited Funds – State's Attorney	22,027	21,350	677
Driver Improvement Program	83,187	54,000	29,187

Note 15 – Insurance and Related Risks

The County is exposed to various risks in the course of its daily operations. These include liability under workers' compensation laws, employee health insurance and general liability under tort laws. Except for workers' compensation insurance, described in the following paragraph, the County purchases commercial insurance for these risks. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The County has entered into an agreement with the Illinois Public Risk Fund. The pooling agreement permits public agencies within the meaning of the Intergovernmental Cooperation Act of the State of Illinois to provide a means whereby members of the Fund could contract with each other to protect against liability or loss under the Workers' Compensation and Occupational Diseases Laws of the State of Illinois.

The County's cost is based on rates determined by the Trustees of the Fund, applied to its payroll costs and adjusted for its loss experience. Members of the Fund may also be subject to additional contributions not to exceed 10 percent of such member's contribution for the most recent fiscal year of the Fund if additional reserves are deemed necessary by the Fund's trustees. No additional assessments have been made as of the current year-end.

Note 16 – Contingencies and Commitments

Grant Contingency

Under terms of federal and state grants, periodic audits are required and certain costs may be questioned leading to possible reimbursement claims by grantor agencies.

Litigation

The County is involved in several lawsuits arising in the normal course of business, including claims for property damage and personal injury. The County carries insurance for these claims and has historically been able to settle such claims within the limits of its coverage. The likelihood of any loss in excess of these limits is not presently determinable.

Highway Construction

The County has entered into an agreement with the State of Illinois for a road and bridge improvement project to be administered by the Illinois Department of Transportation with an estimated cost, excluding engineering, of approximately \$4,733,653. The project, which was substantially completed at November 30, 2008, includes cost participation at the federal and state level, as well as cost sharing by the Village of Aroma Park in the amount of \$341,806 payable to the County in ten annual installments beginning in 2007; the balance at November 30, 2010 on this obligation was \$273,445. The County has accrued \$2,023,967 as a liability to the State of Illinois at November 30, 2010.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 16 – Contingencies and Commitments (Continued)

Collective Bargaining Agreements

The County is party to a number of collective bargaining agreements covering a number of labor groups. These agreements expire at varying dates through November 2013. Agreements presently expired and in varying stages of negotiation are described in the following paragraphs.

The Kankakee County Emergency Telephone System Board is a party to a labor agreement with the Illinois Fraternal Order of Police Labor of Council covering telecommunicator employees. The agreement expired on November 30, 2008. Proposals were submitted for arbitration and decided upon on February 14, 2010. Accordingly, an estimated liability for retroactive pay and related benefits of \$262,686 at November 30, 2010 has been included in the financial statements. The new contract will be effective through November 30, 2012.

Kankakee County is a party to a labor agreement with the Teamsters Local 705 AFL-CIO covering the maintenance employees. The agreement expired on November 30, 2008, and no new agreement has been reached as of the date of these financial statements. Adjustments, if any, to the financial statements for the year ended November 30, 2010 are not presently determinable.

Note 17 – Other Postemployment Benefit (OPEB) Plans

Plan Description

The County provides fixed payments to certain of its employees under a defined benefit healthcare plan which is administered by the County. These payments amount to \$12.50 per month for each year of service upon attainment of various specified retirement ages and number of years of service; payments cease upon the retiree attaining Medicare eligibility status. Employees are also eligible, upon retirement, to participate in the County health insurance plan at their own cost until attainment of Medicare eligibility. Approved compensation policies and agreements with collective bargaining units form the basis of the benefit structure.

Funding Policy

The County's contributions, which are limited to the monthly stipends as described above, are financed on a pay-as-you-go basis; this policy is reviewed annually by the governing board.

Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45 which has been implemented on a prospective basis as of November 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County's annual OPEB cost and related information is as follows:

Annual required contribution	\$104,414
Interest on net OPEB obligation	0
Adjustment to annual required contribution	0
Annual OPEB cost	104,414
Contributions made	115,273
Net OPEB obligation (prepayment)	<u>\$ (10,859)</u>

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 17 – Other Postemployment Benefit (OPEB) Plans (Continued)

Funded Status

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
11/30/09	\$-0-	\$1,527,209	\$1,527,209	0.0%

Actuarial Methods and Assumptions

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

In the November 30, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expense) and including an inflation rate of 3.0%, and a healthcare cost trend rate of 8.0 percent, initial, and 6.0% ultimate. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at November 30, 2009 was 30 years.

IMRF Early Retirement

In November 2010, the County Board elected to adopt an IMRF early retirement incentive (ERI) as provided for by Section 7-141-1 of the Illinois Pension Code. Employees with twenty years of creditable service in IMRF and who are at least 50 years of age qualify. The ERI offer terminates November 30, 2011. In conjunction with the ERI, the County offered an early retirement health insurance incentive to those qualifying employees who elect to retire on or before November 30, 2010. Management has determined that the future costs and related disclosures for these health insurance stipends are immaterial to the financial statements.

Note 18 – Related Party Transactions

Upon the establishment of a County-wide coordinated public safety communication system, the County of Kankakee committed to an annual dispatch fee of \$538,386 with annual increases not to exceed 4%. Fees included in 911 emergency services on the entity-wide statements and in the operating revenues of the 911 System Fee Fund were \$708,694 and include outstanding receivables from the County in the amount of \$236,371 at November 30, 2010.

Note 19 - Other Disclosures

The County has agreements with the United States Marshals Service and Cook County, Illinois to house prisoners in local facilities. The agreement with the United States Marshals Service is in effect indefinitely until terminated in writing by either party. The agreement with Cook County will renew annually, if funded. The County is reimbursed at a rate of \$60 per prisoner, per day, under the Cook County agreement. The reimbursement rate for the United States Marshals Service is \$72 per prisoner, per day. For the year ended November 30, 2010, revenues of approximately \$8.87 million resulting from these agreements were recognized in the General Fund.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 20 – Recognition of Certain Revenues from the State of Illinois

Generally accepted accounting principles expressly recognize the need for judgment and consistency in applying the modified accrual basis of accounting to revenue recognition. Generally, revenues otherwise not recorded until received should be accrued if the date of the actual receipt is delayed beyond the normal time of receipt. Due to the State of Illinois' fiscal crisis, certain tax revenues and grants in aid in the amount of \$1,523,507 were not received before the close of the regular availability period and were delayed beyond the normal time of receipt. These revenues were recognized in the General Fund as of November 30, 2010.

Note 21 – Subsequent Events

In December 2010, the County Board authorized the issuance of \$3,500,000 2010A Corporate Purpose Tax Anticipation Warrants and \$1,000,000 2010B Taxable Pension Purpose Tax Anticipation Warrants due September 30, 2011 with interest rates of 1.03% and 1.54%, respectively.

In August 2011, the County Board authorized the issuance of General Obligation Bonds for financing costs of capital projects not to exceed \$3,250,000.

Required Supplementary Information

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Revenues and Other Financing Sources (Uses)
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Taxes:				
Property taxes	\$ 4,208,091	\$ 4,208,091	\$ 4,222,223	\$ 14,132
Sales tax	7,426,670	7,426,670	7,861,656	434,986
Total taxes	11,634,761	11,634,761	12,083,879	449,118
Intergovernmental:				
State income tax	2,325,000	2,325,000	2,216,252	(108,748)
Replacement taxes	900,000	900,000	978,886	78,886
Inheritance tax	25,000	25,000	99,543	74,543
Grants and other reimbursements	1,698,884	2,520,730	2,445,893	(74,837)
Total intergovernmental	4,948,884	5,770,730	5,740,574	(30,156)
Charges for Services:				
County Recorder fees	470,000	470,000	363,048	(106,952)
Circuit Clerk fees	2,140,500	2,140,500	2,357,142	216,642
Inmate housing and reimbursements	9,460,000	9,460,000	9,064,002	(395,998)
Building and Zoning fees	302,128	302,128	206,328	(95,800)
Sheriff fees	279,600	279,600	249,600	(30,000)
County Clerk fees	155,150	155,150	165,184	10,034
Wind farm permit fees	750,000	750,000	-	(750,000)
Other fees and reimbursements	86,400	86,400	77,756	(8,644)
Total charges for services	13,643,778	13,643,778	12,483,060	(1,160,718)
License and Permits:				
Liquor licenses	22,000	22,000	22,400	400
Cable TV franchise fees	175,000	175,000	172,392	(2,608)
Contractor licenses	88,000	88,000	83,000	(5,000)
Gambling machine licenses	6,500	6,500	2,250	(4,250)
Total licenses and permits	291,500	291,500	280,042	(11,458)
Fines and Forfeits:				
County fines and forfeitures	520,000	520,000	297,568	(222,432)
Real estate tax penalties	475,000	475,000	508,101	33,101
Total fines and forfeitures	995,000	995,000	805,669	(193,581)
Interest	25,000	25,000	9,979	(15,021)
Miscellaneous	51,600	51,600	86,762	35,162
Total revenues	31,590,523	32,412,369	31,489,965	(922,404)
Other financing sources:				
Transfers in	32,000	32,000	27,500	(4,500)
Total other financing sources	32,000	32,000	27,500	(4,500)
Total revenues and other financing sources	<u>\$ 31,622,523</u>	<u>\$ 32,444,369</u>	<u>\$ 31,517,465</u>	<u>\$ (926,904)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government				
Management Information Systems (MIS)				
Personal services	\$ 186,479	\$ 186,479	\$ 192,580	\$ 6,101
Supplies	450	450	-	(450)
Capital outlay	112,071	112,071	92,217	(19,854)
Other services and charges	6,000	6,000	2,972	(3,028)
Total MIS	305,000	305,000	287,769	(17,231)
Board of Review				
Personal services	23,040	23,040	23,040	-
Contractual services	50	50	-	(50)
Supplies	250	250	939	689
Other services and charges	1,660	4,160	3,325	(835)
Total Board of Review	25,000	27,500	27,304	(196)
County Administration				
Personal services	257,050	288,050	296,105	8,055
Contractual services	46,000	46,000	45,426	(574)
Supplies	4,850	4,850	6,008	1,158
Capital outlay	1,000	1,000	235	(765)
Other services and charges	43,100	54,100	45,047	(9,053)
Total County Administration	352,000	394,000	392,821	(1,179)
County Auditor				
Personal services	136,570	136,570	135,565	(1,005)
Supplies	2,045	2,045	2,385	340
Other services and charges	1,385	1,385	1,990	605
Total County Auditor	140,000	140,000	139,940	(60)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
County Recorder				
Personal services	156,560	161,560	162,571	1,011
Supplies	4,500	4,500	3,146	(1,354)
Other services and charges	940	940	583	(357)
Total County Recorder	162,000	167,000	166,300	(700)
Election Commission				
Personal services	326,824	326,824	303,101	(23,723)
Contractual services	47,950	68,061	60,692	(7,369)
Supplies	120,196	132,751	131,678	(1,073)
Capital outlay	12,000	12,000	1,826	(10,174)
Other services and charges	50,530	50,530	45,353	(5,177)
Total Election Commission	557,500	590,166	542,650	(47,516)
Regional Superintendent of Schools				
Contractual services	352,600	352,600	352,591	(9)
Total Regional Superintendent of Schools	352,600	352,600	352,591	(9)
County Clerk				
Personal services	202,939	202,939	200,433	(2,506)
Supplies	10,721	10,721	12,885	2,164
Capital outlay	5,000	5,000	-	(5,000)
Other services and charges	1,340	1,340	1,576	236
Total County Clerk	220,000	220,000	214,894	(5,106)
Buildings and Grounds				
Personal services	625,819	625,819	580,030	(45,789)
Contractual services	113,781	113,781	100,743	(13,038)
Supplies	119,800	209,800	267,871	58,071
Capital outlay	13,000	13,000	3,501	(9,499)
Other services and charges	13,600	13,600	22,499	8,899
Debt service principal	14,000	14,000	-	(14,000)
Total Buildings and Grounds	900,000	990,000	974,644	(15,356)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Capital Development				
Contractual services	80,900	80,900	50,860	(30,040)
Capital outlay	-	-	4,960	4,960
Other services and charges	815,840	553,840	22,340	(531,500)
Debt service principal	1,155,020	1,155,020	1,133,405	(21,615)
Debt service interest	816,060	816,060	858,325	42,265
Total Capital Development	2,867,820	2,605,820	2,069,890	(535,930)
Health Insurance				
Contractual services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	35,000	35,000	23,227	(11,773)
Insurances	2,689,000	2,689,000	3,122,952	433,952
Total Health Insurance	2,724,000	2,724,000	3,146,179	422,179
Utilities				
Supplies	38,000	38,000	29,379	(8,621)
Other services and charges	1,000,000	1,000,000	959,045	(40,955)
Total Utilities	1,038,000	1,038,000	988,424	(49,576)
Planning Department				
Personal services	625,790	625,790	622,146	(3,644)
Contractual services	28,191	28,191	70,872	42,681
Supplies	15,100	15,100	23,946	8,846
Capital outlay	2,700	142,700	1,580	(141,120)
Other services and charges	98,219	98,219	87,465	(10,754)
Total Planning Department	770,000	910,000	806,009	(103,991)
County Treasurer				
Personal services	187,085	187,085	184,225	(2,860)
Contractual services	4,000	4,000	4,965	965
Supplies	38,000	38,000	39,780	1,780
Other services and charges	5,915	5,915	5,028	(887)
Total County Treasurer	235,000	235,000	233,998	(1,002)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Finance Department				
Personal services	195,811	195,811	185,068	(10,743)
Contractual services	43,489	43,489	33,263	(10,226)
Supplies	1,500	1,500	1,643	143
Other services and charges	4,200	4,200	4,234	34
Total Finance Department	<u>245,000</u>	<u>245,000</u>	<u>224,208</u>	<u>(20,792)</u>
Contingency				
Other services and charges	200,000	-	-	-
Total Contingency	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Supervisor of Assessments				
Personal services	320,175	317,675	321,653	3,978
Contractual services	53,700	53,700	53,041	(659)
Supplies	20,825	20,825	12,414	(8,411)
Capital outlay	1,600	1,600	-	(1,600)
Other services and charges	3,700	3,700	1,704	(1,996)
Total Supervisor of Assessments	<u>400,000</u>	<u>397,500</u>	<u>388,812</u>	<u>(8,688)</u>
ZBA - BOE Planning				
Personal services	5,000	5,000	2,471	(2,529)
Contractual services	5,000	5,000	2,939	(2,061)
Total ZBA - BOE Planning	<u>10,000</u>	<u>10,000</u>	<u>5,410</u>	<u>(4,590)</u>
Total General Government	<u>\$ 11,503,920</u>	<u>\$ 11,351,586</u>	<u>\$ 10,961,843</u>	<u>\$ (389,743)</u>
Economic Development				
Personal services	\$ 155,000	\$ 155,000	\$ 140,669	\$ (14,331)
Contractual services	10,000	10,000	12,159	2,159
Supplies	-	54,306	56,911	2,605
Capital outlay	-	102,513	102,513	-
Other services and charges	-	-	5,034	5,034
Total Economic Development	<u>\$ 165,000</u>	<u>\$ 321,819</u>	<u>\$ 317,286</u>	<u>\$ (4,533)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Judiciary and Court Related				
Circuit Court				
Personal services	\$ 147,317	\$ 147,317	\$ 166,639	\$ 19,322
Contractual services	176,875	176,875	119,537	(57,338)
Supplies	8,100	8,100	10,119	2,019
Capital outlay	2,500	2,500	-	(2,500)
Other services and charges	36,900	36,900	36,803	(97)
Total Circuit Court	371,692	371,692	333,098	(38,594)
Circuit Clerk				
Personal services	721,750	710,750	671,595	(39,155)
Supplies	49,000	49,000	35,811	(13,189)
Capital outlay	1,500	1,500	1,142	(358)
Other services and charges	2,750	2,750	2,203	(547)
Total Circuit Clerk	775,000	764,000	710,751	(53,249)
Child Support and Maintenance				
Personal services	45,500	56,500	58,413	1,913
Supplies	6,500	6,500	4,293	(2,207)
Total Child Support and Maintenance	52,000	63,000	62,706	(294)
Jury Commission				
Personal services	38,947	38,947	38,601	(346)
Contractual services	3,000	3,000	599	(2,401)
Supplies	21,800	21,800	14,758	(7,042)
Capital outlay	1,500	1,500	1,780	280
Other services and charges	153,420	153,420	158,496	5,076
Total Jury Commission	218,667	218,667	214,234	(4,433)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Judiciary and Court Related (continued)				
States Attorney				
Personal services	1,592,978	1,746,978	1,688,720	(58,258)
Contractual services	30,000	30,000	24,585	(5,415)
Supplies	24,124	24,124	26,584	2,460
Capital outlay	-	-	2,022	2,022
Other services and charges	27,500	27,500	55,223	27,723
Total States Attorney	<u>1,674,602</u>	<u>1,828,602</u>	<u>1,797,134</u>	<u>(31,468)</u>
Public Defender				
Personal services	752,675	752,675	721,825	(30,850)
Contractual Services	5,045	5,045	3,534	(1,511)
Supplies	6,450	6,450	5,777	(673)
Capital outlay	-	-	211	211
Other services and charges	2,830	2,830	2,526	(304)
Total Public Defender	<u>767,000</u>	<u>767,000</u>	<u>733,873</u>	<u>(33,127)</u>
Probation				
Personal services	1,290,300	1,290,300	1,245,587	(44,713)
Contractual services	2,000	2,000	2,731	731
Supplies	8,700	8,700	7,110	(1,590)
Other services and charges	43,500	43,500	27,915	(15,585)
Total Probation	<u>1,344,500</u>	<u>1,344,500</u>	<u>1,283,343</u>	<u>(61,157)</u>
DNDC				
Contractual Services	32,000	32,000	14,547	(17,453)
Other services and charges	162,641	162,641	84,443	(78,198)
Total DNDC	<u>194,641</u>	<u>194,641</u>	<u>98,990</u>	<u>(95,651)</u>
Juvenile Detention Center				
Contractual services	650,000	650,000	842,704	192,704
Total Juvenile Detention Center	<u>650,000</u>	<u>650,000</u>	<u>842,704</u>	<u>192,704</u>
Total Judiciary and Court Related	<u>\$ 6,048,102</u>	<u>\$ 6,202,102</u>	<u>\$ 6,076,833</u>	<u>\$ (125,269)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Public Safety				
Sheriff's Office				
Personal services	\$ 4,022,988	\$ 4,022,988	\$ 3,988,921	\$ (34,067)
Contractual services	141,142	141,142	167,083	25,941
Supplies	42,400	42,400	50,759	8,359
Capital outlay	17,000	335,510	290,421	(45,089)
Other services and charges	435,866	435,866	444,249	8,383
Total Sheriff's Office	4,659,396	4,977,906	4,941,433	(36,473)
Corrections				
Personal services	6,290,538	6,540,538	6,705,624	165,086
Contractual services	82,512	82,512	22,785	(59,727)
Supplies	128,400	128,400	61,027	(67,373)
Capital outlay	20,500	20,500	4,539	(15,961)
Other services and charges	1,628,050	1,628,050	1,598,277	(29,773)
Total Corrections	8,150,000	8,400,000	8,392,252	(7,748)
Auxiliary Police				
Supplies	2,450	2,450	1,635	(815)
Other services and charges	550	550	546	(4)
Total Auxiliary Police	3,000	3,000	2,181	(819)
Coroner				
Personal services	237,372	237,372	243,971	6,599
Contractual services	103,336	128,336	122,480	(5,856)
Supplies	3,600	3,600	2,787	(813)
Capital outlay	1,000	1,000	271	(729)
Other services and charges	24,692	24,692	22,565	(2,127)
Total Coroner	370,000	395,000	392,074	(2,926)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2010

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Public Safety (continued)				
Dispatch Services				
Contractual services	557,000	557,000	568,968	11,968
Total Dispatch Services	557,000	557,000	568,968	11,968
Merit Commission				
Personal services	1,300	1,300	75	(1,225)
Contractual services	-	-	-	-
Supplies	365	365	2	(363)
Other services and charges	5,335	5,335	360	(4,975)
Total Merit Commission	7,000	7,000	437	(6,563)
ESDA				
Personal services	113,235	113,235	118,111	4,876
Contractual services	3,350	23,201	9,859	(13,342)
Supplies	6,490	6,490	15,114	8,624
Capital outlay	12,830	22,830	14,675	(8,155)
Other services and charges	23,200	63,200	71,263	8,063
Total ESDA	159,105	228,956	229,022	66
Total Public Safety	\$ 13,905,501	\$ 14,568,862	\$ 14,526,367	\$ (42,495)
Total Fund Expenditures	\$ 31,622,523	\$ 32,444,369	\$ 31,882,329	\$ (562,040)

Kankakee County, Illinois
Budgetary Comparison Schedule
Tort Liability Fund
For the Year Ended November 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 2,217,777	\$ 2,217,777	\$ 2,072,532	\$ (145,245)
Intergovernmental	3,000	3,000	2,027	(973)
Interest on investments	6,100	6,100	1,612	(4,488)
Total revenue	<u>2,274,277</u>	<u>2,274,277</u>	<u>2,112,871</u>	<u>(161,406)</u>
Expenditures:				
Personal services	410,761	410,761	460,100	49,339
Contractual services	1,708,116	1,708,116	1,759,444	51,328
Supplies and materials	2,700	2,700	7,629	4,929
Capital outlay	1,000	1,000	-	(1,000)
Other services and charges	151,700	151,700	73,524	(78,176)
Total expenditures	<u>2,274,277</u>	<u>2,274,277</u>	<u>2,300,697</u>	<u>26,420</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (187,826)</u>	<u>\$ (187,826)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
Pension Fund
For the Year Ended November 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 3,961,671	\$ 3,961,671	\$ 4,260,713	\$ 299,042
Intergovernmental	50,000	50,000	38,032	(11,968)
Interest on investments	27,700	27,700	2,903	(24,797)
Total revenues	<u>4,039,371</u>	<u>4,039,371</u>	<u>4,301,648</u>	<u>262,277</u>
Expenditures:				
Personal services	<u>4,680,962</u>	<u>4,680,962</u>	<u>4,749,127</u>	<u>68,165</u>
Total expenditures	<u>4,680,962</u>	<u>4,680,962</u>	<u>4,749,127</u>	<u>68,165</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (641,591)</u>	<u>\$ (641,591)</u>	<u>\$ (447,479)</u>	<u>\$ 194,112</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
County Highway Fund
For the Year Ended November 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 1,742,560	\$ 1,742,560	\$ 1,781,843	\$ 39,283
Fines and fees	254,900	254,900	564,056	309,156
Interest on investments	7,000	7,000	3,666	(3,334)
Miscellaneous	31,780	31,780	46,050	14,270
Total revenues	<u>2,036,240</u>	<u>2,036,240</u>	<u>2,395,615</u>	<u>359,375</u>
Expenditures:				
Personal services	1,783,015	1,783,015	1,399,594	(383,421)
Contractual services	453,600	453,600	20,421	(433,179)
Capital outlay	915,000	915,000	225,317	(689,683)
Other services and charges	1,237,500	1,237,500	741,225	(496,275)
Total expenditures	<u>4,389,115</u>	<u>4,389,115</u>	<u>2,386,557</u>	<u>(2,002,558)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (2,352,875)</u>	<u>\$ (2,352,875)</u>	<u>\$ 9,058</u>	<u>\$ 2,361,933</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
Matching Tax Fund
For the Year Ended November 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 871,280	\$ 871,280	\$ 871,549	\$ 269
Interest on investments	9,900	9,900	8,751	(1,149)
Miscellaneous	34,181	34,181	-	(34,181)
Total revenues	<u>915,361</u>	<u>915,361</u>	<u>880,300</u>	<u>(35,061)</u>
Expenditures:				
Other services and charges	<u>2,812,164</u>	<u>2,812,164</u>	<u>256,451</u>	<u>(2,555,713)</u>
Total expenditures	<u>2,812,164</u>	<u>2,812,164</u>	<u>256,451</u>	<u>(2,555,713)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (1,896,803)</u>	<u>\$ (1,896,803)</u>	<u>\$ 623,849</u>	<u>\$ 2,520,652</u>

Kankakee County, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information - Schedule of Funding Progress
November 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>Regular County Employees</u>						
12/31/10	\$31,076,880	\$42,746,222	\$11,669,342	72.70%	\$19,467,963	59.94%
12/31/09	32,318,789	42,661,292	10,342,503	75.76%	20,654,579	50.07%
12/31/08	30,402,874	37,952,078	7,549,204	80.11%	17,491,852	43.16%
<u>Elected Officials</u>						
12/31/10	\$(2,050,809)	\$2,028,065	\$4,078,874	0.00%	\$243,762	1673.30%
12/31/09	(2,064,209)	2,069,683	4,133,892	0.00%	251,137	1646.07%
12/31/08	(2,012,826)	1,885,888	3,898,714	0.00%	291,566	1337.16%
<u>Sheriff's Law Enforcement Personnel (SLEP)</u>						
12/31/10	\$ 7,781,424	\$17,301,582	\$9,520,158	44.98%	\$4,082,570	233.19%
12/31/09	8,126,360	17,981,048	9,854,688	45.19%	4,328,457	227.67%
12/31/08	10,720,499	18,267,640	7,547,141	58.69%	4,005,340	188.43%

On a market value basis, the actuarial value of assets as of December 31, 2010, is \$33,118,367 and \$(1,955,094), for County Regular and Elected County Official members, respectively. On a market basis, the funded ratio would be 77.48% and 0.00%, respectively.

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$8,749,554 for the Sheriff's Law Enforcement Personnel. On a market basis, the funded ratio would be 50.57%.

Kankakee County, Illinois
Notes to Required Supplementary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year end.

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

The County receives a proposed budget for the fiscal year commencing December 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted to obtain taxpayer comments. Prior to December 1, the budget is legally enacted by the County Board. Responsibility for control of and amendments to the budget rests with the County. No supplemental appropriations for the County Budget were necessary during the year.

The following funds had expenditures in excess of appropriations for the year ending November 30, 2010:

	<u>Actual Amount</u>	<u>Budget Amount</u>	<u>Amount in Excess of Appropriations</u>
Major Special Revenue Funds			
Tort	\$2,300,697	\$2,274,277	26,420
Pension	4,749,127	4,680,962	68,165
Nonmajor Special Revenue Funds			
Forfeited Funds – State’s Attorney	22,027	21,350	677
Driver Improvement Program	83,187	54,000	29,187

Other Supplementary Information

Kankakee County, Illinois

Tort Liability Insurance Fund

Other Supplementary Information - Disclosure of Tort Expenditures under PA 91-0628

November 30, 2010

Property and liability insurance	\$940,514
Illinois Public Risk Fund, workmen's compensation insurance	747,126
Salaries (States Attorney, Civil Division and administrative) and related benefits	385,512
Illinois Department of Employment Security, unemployment insurance	74,588
River Valley Detention Center insurance	37,879
Miscellaneous claims, net of insurance reimbursements	16,957
Other	<u>98,121</u>
	<u>\$2,300,697</u>

Kankakee County, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds
November 30, 2010

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash	\$ 4,303,142	\$ 218,627	\$ 1,771,294	\$ 6,293,063
Investments, at cost	1,386,561	-	-	1,386,561
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	1,546,325	567,639	-	2,113,964
Accounts	440,571	-	-	440,571
Loans	340,158	-	-	340,158
Prepaid expenses	23,843	-	64,525	88,368
Due from other funds	2,713,000	-	-	2,713,000
Due from other governments	672,413	-	-	672,413
Inventory, at cost	208,526	-	-	208,526
Total assets	\$ 11,634,539	\$ 786,266	\$ 1,835,819	\$ 14,256,624
Liabilities and Fund Balances:				
Liabilities				
Vouchers and accounts payable	\$ 1,037,374	\$ -	\$ 65,305	\$ 1,102,679
Checks in excess of deposits	-	-	-	-
Due to other funds	77,835	-	-	77,835
Due to others	-	-	-	-
Deferred revenue	1,652,902	567,639	-	2,220,541
Compensated absences	-	-	-	-
Total liabilities	2,768,111	567,639	65,305	3,401,055
Fund balances				
Reserved - debt service	-	218,627	-	218,627
Reserved - capital projects	-	-	1,705,989	1,705,989
Reserved - other	163,434	-	64,525	227,959
Unreserved	8,702,994	-	-	8,702,994
Total fund balances	8,866,428	218,627	1,770,514	10,855,569
Total liabilities and fund balances	\$ 11,634,539	\$ 786,266	\$ 1,835,819	\$ 14,256,624

Kankakee County, Illinois
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Nonmajor Governmental Funds
For the Year Ended November 30, 2010

	Nonmajor Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 1,530,117	\$ 561,727	\$ -	\$ 2,091,844
Intergovernmental	9,443,308	-	-	9,443,308
Licenses and permits	181,950	-	-	181,950
Fines and fees	1,463,310	-	-	1,463,310
Interest on investments	15,826	283	-	16,109
Miscellaneous	254,454	-	-	254,454
Total revenues	<u>12,888,965</u>	<u>562,010</u>	<u>-</u>	<u>13,450,975</u>
Expenditures:				
General government	627,811	-	-	627,811
Judiciary and court related	986,929	253,902	152,183	1,393,014
Public safety	408,225	-	-	408,225
Public health and welfare	2,773,463	-	-	2,773,463
Transportation	2,785,303	-	-	2,785,303
Economic development	4,032,717	-	-	4,032,717
Capital outlay	1,306,301	-	977,304	2,283,605
Debt service principal	78,089	195,487	-	273,576
Debt service interest	83,539	247,334	-	330,873
Total expenditures	<u>13,082,377</u>	<u>696,723</u>	<u>1,129,487</u>	<u>14,908,587</u>
Excess (deficiency) of revenues over expenditures	<u>(193,412)</u>	<u>(134,713)</u>	<u>(1,129,487)</u>	<u>(1,457,612)</u>
Other financing sources (uses):				
Operating transfers in	-	337,153	-	337,153
Operating transfers out	(364,653)	-	-	(364,653)
Proceeds from long-term debt	-	-	-	-
Total other financing sources (uses)	<u>(364,653)</u>	<u>337,153</u>	<u>-</u>	<u>(27,500)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(558,065)</u>	<u>202,440</u>	<u>(1,129,487)</u>	<u>(1,485,112)</u>
Fund balance, beginning of year	9,424,493	16,187	2,900,001	12,340,681
Fund balance, end of year	<u>\$ 8,866,428</u>	<u>\$ 218,627</u>	<u>\$ 1,770,514</u>	<u>\$ 10,855,569</u>

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Balance Sheets
November 30, 2010

	Major Funds				Nonmajor Funds				
	Tort Liability	Pension	County Highway	Matching Tax	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants
Assets									
Cash	\$ 4,806	\$ 1,602,295	\$ 1,719,271	\$ 4,077,158	\$ (1,510)	\$ 96,175	\$ 82,419	\$ 99,468	\$ -
Investments, at cost	6,697	-	967,369	782	1,285	824	693	214	-
Receivables:									
Taxes (net of allowance for estimated uncollectibles)	2,211,832	4,815,140	1,781,211	861,245	-	-	-	-	-
Accounts	-	35,615	197,022	-	2,889	1,428	19,395	19,395	118,667
Loans	-	-	-	-	-	-	-	-	-
Prepaid expenses	92,054	-	-	-	4,362	-	982	-	-
Due from other funds	1,900,000	38,830	-	-	125,000	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Inventory, at cost	-	-	196,294	-	-	-	-	-	-
Total assets	\$ 4,215,389	\$ 6,491,880	\$ 4,861,167	\$ 4,939,185	\$ 132,026	\$ 98,427	\$ 103,489	\$ 119,077	\$ 118,667
Liabilities and Fund Balance									
Liabilities									
Vouchers payable	\$ 61,552	\$ 451,913	\$ 166,932	\$ 225	\$ 6,420	\$ 8,343	\$ 1,073	\$ -	\$ 50,507
Due to other funds	-	-	-	-	-	-	-	-	68,160
Deferred revenue	2,211,832	4,815,139	1,781,211	861,245	-	-	-	-	-
Total liabilities	2,273,384	5,267,052	1,948,143	861,470	6,420	8,343	1,073	-	118,667
Fund balance - reserved	92,054	-	196,294	-	4,362	-	982	-	-
Fund balance - unreserved	1,849,951	1,224,828	2,716,730	4,077,715	121,244	90,084	101,434	119,077	-
Total fund balance (deficit)	1,942,005	1,224,828	2,913,024	4,077,715	125,606	90,084	102,416	119,077	-
Total liabilities and fund balance	\$ 4,215,389	\$ 6,491,880	\$ 4,861,167	\$ 4,939,185	\$ 132,026	\$ 98,427	\$ 103,489	\$ 119,077	\$ 118,667

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Balance Sheets
November 30, 2010

	Nonmajor Funds							
	Court Security Fee	Court Document Storage	Law Library	Probation Service Fee	Forfeited Funds -State's Attorney	Gang Violence Victims and Witness	Dispute Resolution	Circuit Clerk Administration/ Operations
Assets								
Cash	\$ (39,770)	\$ 26,771	\$ 6,979	\$ 8,190	\$ 19,855	\$ 136,728	\$ 10,076	\$ 2,476
Investments, at cost	21,361	190	-	1,265	550	490	-	-
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	-	-	-	-
Accounts	14,690	19,860	4,439	19,882	-	308	363	1,527
Loans	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Due from other funds	350,000	1,225,000	-	310,000	-	-	-	53,000
Due from other governments	-	-	-	-	-	-	-	-
Inventory, at cost	-	-	-	-	-	-	-	-
Total assets	<u>\$ 346,281</u>	<u>\$ 1,271,821</u>	<u>\$ 11,418</u>	<u>\$ 339,337</u>	<u>\$ 20,405</u>	<u>\$ 137,526</u>	<u>\$ 10,439</u>	<u>\$ 57,003</u>
Liabilities and Fund Balance								
Liabilities								
Vouchers payable	\$ 13,622	\$ 12,828	\$ 9,742	\$ 11,408	\$ 317	\$ -	\$ -	\$ 853
Due to other funds	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>13,622</u>	<u>12,828</u>	<u>9,742</u>	<u>11,408</u>	<u>317</u>	<u>-</u>	<u>-</u>	<u>853</u>
Fund balance - reserved	-	-	-	-	-	-	-	-
Fund balance - unreserved	332,659	1,258,993	1,676	327,929	20,088	137,526	10,439	56,150
Total fund balance (deficit)	<u>332,659</u>	<u>1,258,993</u>	<u>1,676</u>	<u>327,929</u>	<u>20,088</u>	<u>137,526</u>	<u>10,439</u>	<u>56,150</u>
Total liabilities and fund balance	<u>\$ 346,281</u>	<u>\$ 1,271,821</u>	<u>\$ 11,418</u>	<u>\$ 339,337</u>	<u>\$ 20,405</u>	<u>\$ 137,526</u>	<u>\$ 10,439</u>	<u>\$ 57,003</u>

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Balance Sheets
November 30, 2010

	Nonmajor Funds							
	Court Automation	Driver Improvement Program	Arrestee Medical	Coroner's Fee	Health	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans
Assets								
Cash	\$ 195,645	\$ 9,726	\$ 10,910	\$ 9,132	\$ 623,884	\$ 282,215	\$ 4,074	\$ 194,307
Investments, at cost	9,284	-	-	-	604,464	177,352	-	-
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	469,769	215,311	-	-
Accounts	19,720	6,370	628	100	-	-	-	-
Loans	-	-	-	-	-	-	-	340,158
Prepaid expenses	3,712	-	-	-	-	-	-	-
Due from other funds	475,000	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	547,208	-	-	-
Inventory, at cost	-	-	-	-	91,699	-	-	-
Total assets	\$ 703,361	\$ 16,096	\$ 11,538	\$ 9,232	\$ 2,337,024	\$ 674,878	\$ 4,074	\$ 534,465
Liabilities and Fund Balance								
Liabilities								
Vouchers payable	\$ 11,042	\$ 12,325	\$ 10,700	\$ -	\$ 14,271	\$ 18,829	\$ -	\$ -
Due to other funds	-	3,753	-	-	-	5,125	-	-
Deferred revenue	-	-	-	-	538,704	227,666	-	-
Total liabilities	11,042	16,078	10,700	-	552,975	251,620	-	-
Fund balance - reserved	3,712	-	-	-	22,764	-	-	-
Fund balance - unreserved	688,607	18	838	9,232	1,761,285	423,258	4,074	534,465
Total fund balance (deficit)	692,319	18	838	9,232	1,784,049	423,258	4,074	534,465
Total liabilities and fund balance	\$ 703,361	\$ 16,096	\$ 11,538	\$ 9,232	\$ 2,337,024	\$ 674,878	\$ 4,074	\$ 534,465

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Balance Sheets
November 30, 2010

	Nonmajor Funds						Total Nonmajor Funds	Total
	County Motor Fuel Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants		
Assets								
Cash	\$ 131,404	\$ 2,186,453	\$ 24,200	\$ 1,160	\$ 2,512	\$ 179,663	\$ 4,303,142	\$ 11,706,672
Investments, at cost	564,357	748	-	3,484	-	-	1,386,561	2,361,409
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	861,245	-	-	-	-	1,546,325	11,215,753
Accounts	68,117	-	-	5,071	-	117,722	440,571	673,208
Loans	-	-	-	-	-	-	340,158	340,158
Prepaid expenses	-	-	-	-	-	14,787	23,843	115,897
Due from other funds	-	-	-	175,000	-	-	2,713,000	4,651,830
Due from other governments	125,205	-	-	-	-	-	672,413	672,413
Inventory, at cost	116,827	-	-	-	-	-	208,526	404,820
Total assets	<u>\$ 1,005,910</u>	<u>\$ 3,048,446</u>	<u>\$ 24,200</u>	<u>\$ 184,715</u>	<u>\$ 2,512</u>	<u>\$ 312,172</u>	<u>\$ 11,634,539</u>	<u>\$ 32,142,160</u>
Liabilities and Fund Balance								
Liabilities								
Vouchers payable	\$ 139,775	\$ 397,538	\$ -	\$ 31,693	\$ -	\$ 286,088	\$ 1,037,374	\$ 1,717,996
Due to other funds	-	-	-	-	-	797	77,835	77,835
Deferred revenue	-	861,245	-	-	-	25,287	1,652,902	11,322,329
Total liabilities	<u>139,775</u>	<u>1,258,783</u>	<u>-</u>	<u>31,693</u>	<u>-</u>	<u>312,172</u>	<u>2,768,111</u>	<u>13,118,160</u>
Fund balance - reserved	116,827	-	-	-	-	-	148,647	436,995
Fund balance - unreserved	749,308	1,789,663	24,200	153,022	2,512	-	8,717,781	18,587,005
Total fund balance (deficit)	<u>866,135</u>	<u>1,789,663</u>	<u>24,200</u>	<u>153,022</u>	<u>2,512</u>	<u>-</u>	<u>8,866,428</u>	<u>19,024,000</u>
Total liabilities and fund balance	<u>\$ 1,005,910</u>	<u>\$ 3,048,446</u>	<u>\$ 24,200</u>	<u>\$ 184,715</u>	<u>\$ 2,512</u>	<u>\$ 312,172</u>	<u>\$ 11,634,539</u>	<u>\$ 32,142,160</u>

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2010

	Major Funds				Nonmajor Funds				
	Tort Liability	Pension	County Highway	Matching Tax	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants
Revenues:									
Property taxes	\$ 2,072,532	\$ 4,260,713	\$ 1,781,843	\$ 871,549	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,027	38,032	-	-	-	-	-	-	493,325
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and fees	-	-	564,056	-	109,813	22,006	19,916	19,395	-
Interest on investments	1,612	2,903	3,666	8,751	130	178	155	193	-
Miscellaneous	36,700	-	46,050	-	25	-	14,173	-	-
Total revenues	<u>2,112,871</u>	<u>4,301,648</u>	<u>2,395,615</u>	<u>880,300</u>	<u>109,968</u>	<u>22,184</u>	<u>34,244</u>	<u>19,588</u>	<u>493,325</u>
Expenditures:									
General government	2,300,697	4,749,127	-	-	116,528	13,302	38,888	3,287	-
Judiciary and court related	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-	-
Transportation	-	-	2,161,240	256,451	-	-	-	-	493,325
Economic development	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	225,317	-	9,755	-	-	-	-
Debt service principal	-	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-	-
Total expenditures	<u>2,300,697</u>	<u>4,749,127</u>	<u>2,386,557</u>	<u>256,451</u>	<u>126,283</u>	<u>13,302</u>	<u>38,888</u>	<u>3,287</u>	<u>493,325</u>
Excess (deficiency) of revenues over expenditures	<u>(187,826)</u>	<u>(447,479)</u>	<u>9,058</u>	<u>623,849</u>	<u>(16,315)</u>	<u>8,882</u>	<u>(4,644)</u>	<u>16,301</u>	<u>-</u>
Other financing sources (uses):									
Operating transfers out	-	-	-	-	-	-	-	(16,800)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,800)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(187,826)</u>	<u>(447,479)</u>	<u>9,058</u>	<u>623,849</u>	<u>(16,315)</u>	<u>8,882</u>	<u>(4,644)</u>	<u>(499)</u>	<u>-</u>
Fund balance, beginning of year	<u>2,129,831</u>	<u>1,672,307</u>	<u>2,903,966</u>	<u>3,453,866</u>	<u>141,921</u>	<u>81,202</u>	<u>107,060</u>	<u>119,576</u>	<u>-</u>
7 Fund balance (deficit), end of year	<u>\$ 1,942,005</u>	<u>\$ 1,224,828</u>	<u>\$ 2,913,024</u>	<u>\$ 4,077,715</u>	<u>\$ 125,606</u>	<u>\$ 90,084</u>	<u>\$ 102,416</u>	<u>\$ 119,077</u>	<u>\$ -</u>

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2010

	Nonmajor Funds							
	Court Security Fee	Court Document Storage	Law Library	Probation Service Fee	Forfeited Funds -State's Attorney	Gang Violence Victims and Witness	Dispute Resolution	Circuit Clerk Administration/ Operations
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	120,090	13,390	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and fees	253,434	243,399	65,682	72,050	-	7,056	5,547	19,712
Interest on investments	407	1,493	3	328	41	262	19	50
Miscellaneous	-	25,142	-	-	-	-	-	-
Total revenues	<u>253,841</u>	<u>270,034</u>	<u>65,685</u>	<u>192,468</u>	<u>13,431</u>	<u>7,318</u>	<u>5,566</u>	<u>19,762</u>
Expenditures:								
General government	-	-	-	-	743	-	-	-
Judiciary and court related	-	245,146	65,732	227,863	21,284	-	5,531	18,227
Public safety	408,142	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	1,703	-	-	17,025	-	-	-	-
Debt service principal	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-
Total expenditures	<u>409,845</u>	<u>245,146</u>	<u>65,732</u>	<u>244,888</u>	<u>22,027</u>	<u>-</u>	<u>5,531</u>	<u>18,227</u>
Excess (deficiency) of revenues over expenditures	<u>(156,004)</u>	<u>24,888</u>	<u>(47)</u>	<u>(52,420)</u>	<u>(8,596)</u>	<u>7,318</u>	<u>35</u>	<u>1,535</u>
Other financing sources (uses):								
Operating transfers out	-	(168,576)	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(168,576)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(156,004)</u>	<u>(143,688)</u>	<u>(47)</u>	<u>(52,420)</u>	<u>(8,596)</u>	<u>7,318</u>	<u>35</u>	<u>1,535</u>
Fund balance, beginning of year	<u>488,663</u>	<u>1,402,681</u>	<u>1,723</u>	<u>380,349</u>	<u>28,684</u>	<u>130,208</u>	<u>10,404</u>	<u>54,615</u>
Fund balance (deficit), end of year	<u>\$ 332,659</u>	<u>\$ 1,258,993</u>	<u>\$ 1,676</u>	<u>\$ 327,929</u>	<u>\$ 20,088</u>	<u>\$ 137,526</u>	<u>\$ 10,439</u>	<u>\$ 56,150</u>

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2010

	Nonmajor Funds							
	Court Automation	Driver Improvement Program	Arrestee Medical	Coroner's Fee	Health	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 445,521	\$ 213,048	\$ -	\$ -
Intergovernmental	-	-	-	-	2,199,010	25,500	-	-
Licenses and permits	-	-	-	-	181,950	-	-	-
Fines and fees	248,696	71,490	10,529	9,312	96,744	-	-	-
Interest on investments	1,728	21	15	3	1,541	685	10	5,321
Miscellaneous	25,142	-	-	-	19,291	-	-	143,281
Total revenues	275,566	71,511	10,544	9,315	2,944,057	239,233	10	148,602
Expenditures:								
General government	-	-	-	-	-	-	-	-
Judiciary and court related	317,791	83,187	-	-	-	-	-	-
Public safety	-	-	-	83	-	-	-	-
Public health and welfare	-	-	-	-	2,602,076	171,387	-	-
Transportation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	118,129	1,075	-	-
Debt service principal	-	-	-	-	78,089	-	-	-
Debt service interest	-	-	-	-	83,539	-	-	-
Total expenditures	317,791	83,187	-	83	2,881,833	172,462	-	-
Excess (deficiency) of revenues over expenditures	(42,225)	(11,676)	10,544	9,232	62,224	66,771	10	148,602
Other financing sources (uses):								
Operating transfers out	(168,577)	-	(10,700)	-	-	-	-	-
Total other financing sources (uses)	(168,577)	-	(10,700)	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(210,802)	(11,676)	(156)	9,232	62,224	66,771	10	148,602
Fund balance, beginning of year	903,121	11,694	994	-	1,721,825	356,487	4,064	385,863
Fund balance (deficit), end of year	\$ 692,319	\$ 18	\$ 838	\$ 9,232	\$ 1,784,049	\$ 423,258	\$ 4,074	\$ 534,465

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2010

	Nonmajor Funds							
	County Motor Fuel Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants	Total Nonmajor Funds	Total
Revenues:								
Property taxes	\$ -	\$ 871,548	\$ -	\$ -	\$ -	\$ -	\$ 1,530,117	\$ 10,516,754
Intergovernmental	2,551,765	-	3,019	-	-	4,037,209	9,443,308	9,483,367
Licenses and permits	-	-	-	-	-	-	181,950	181,950
Fines and fees	-	-	-	186,229	2,300	-	1,463,310	2,027,366
Interest on investments	1,060	1,857	15	310	1	-	15,826	32,758
Miscellaneous	-	-	-	27,400	-	-	254,454	337,204
Total revenues	2,552,825	873,405	3,034	213,939	2,301	4,037,209	12,888,965	22,579,399
Expenditures:								
General government	-	-	-	455,063	-	-	627,811	7,677,635
Judiciary and court related	-	-	-	-	2,168	-	986,929	986,929
Public safety	-	-	-	-	-	-	408,225	408,225
Public health and welfare	-	-	-	-	-	-	2,773,463	2,773,463
Transportation	2,105,292	177,586	9,100	-	-	-	2,785,303	5,202,994
Economic development	-	-	-	-	-	4,032,717	4,032,717	4,032,717
Capital outlay	-	1,141,397	-	12,725	-	4,492	1,306,301	1,531,618
Debt service principal	-	-	-	-	-	-	78,089	78,089
Debt service interest	-	-	-	-	-	-	83,539	83,539
Total expenditures	2,105,292	1,318,983	9,100	467,788	2,168	4,037,209	13,082,377	22,775,209
Excess (deficiency) of revenues over expenditures	447,533	(445,578)	(6,066)	(253,849)	133	-	(193,412)	(195,810)
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	(364,653)	(364,653)
Total other financing sources (uses)	-	-	-	-	-	-	(364,653)	(364,653)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	447,533	(445,578)	(6,066)	(253,849)	133	-	(558,065)	(560,463)
Fund balance, beginning of year	418,602	2,235,241	30,266	406,871	2,379	-	9,424,493	19,584,463
Fund balance (deficit), end of year	\$ 866,135	\$ 1,789,663	\$ 24,200	\$ 153,022	\$ 2,512	\$ -	\$ 8,866,428	\$ 19,024,000

Kankakee County, Illinois
Juvenile Detention Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2010

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Property taxes	\$ 548,613	\$ 561,727	\$ 13,114
Interest on investments	500	283	(217)
Total revenue	549,113	562,010	12,897
Expenditures:			
Other services and charges	249,363	253,902	4,539
Debt service principal	199,539	195,487	(4,052)
Debt service interest	99,711	99,224	(487)
Total expenditures	548,613	548,613	-
Excess (deficiency) of revenues over expenditures	<u>\$ 500</u>	13,397	<u>\$ 12,897</u>
Fund balance, beginning of year		16,187	
Fund balance, end of year		<u>\$ 29,584</u>	

Kankakee County, Illinois
2009 Bond Series Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2010

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Total revenue	\$ -	\$ -	\$ -
Expenditures:			
Debt service interest	-	148,110	148,110
Total expenditures	-	148,110	148,110
Excess (deficiency) of revenues over expenditures	\$ -	(148,110)	\$ (148,110)
Other financing sources (uses):			
Operating transfers in	-	337,153	337,153
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ -	189,043	\$ 189,043
Fund balance, beginning of year		-	
Fund balance, end of year		\$ 189,043	

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
November 30, 2010

	Township MFT	Contract Appraisal Work	Total
Assets			
Cash	\$ 423,438	\$ 56,318	\$ 479,756
Investments, at cost	946,513	71	946,584
Receivables:			
Accounts receivable	100,869	-	100,869
Total assets	<u>\$ 1,470,820</u>	<u>\$ 56,389</u>	<u>\$ 1,527,209</u>
Liabilities and Net Assets			
Liabilities			
Vouchers payable	\$ 1,325	\$ -	\$ 1,325
Total liabilities	<u>1,325</u>	<u>-</u>	<u>1,325</u>
Net Assets			
Restricted for other purposes	1,469,495	56,389	1,525,884
Total net assets	<u>1,469,495</u>	<u>56,389</u>	<u>1,525,884</u>
Total liabilities and net assets	<u>\$ 1,470,820</u>	<u>\$ 56,389</u>	<u>\$ 1,527,209</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
For the Year Ended November 30, 2010

	Township MFT	Contract Appraisal Work	Total
Additions:			
Intergovernmental	\$ 1,548,709	\$ -	\$ 1,548,709
Interest	3,009	373	3,382
Total additions	1,551,718	373	1,552,091
Deductions:			
Transportation	1,249,501	-	1,249,501
Other services and charges	-	6,942	6,942
Total deductions	1,249,501	6,942	1,256,443
Change in net assets	302,217	(6,569)	295,648
Net assets, beginning of year	1,167,278	62,958	1,230,236
Net assets, end of year	\$ 1,469,495	\$ 56,389	\$ 1,525,884

Kankakee County, Illinois
Fiduciary Funds - Agency Funds
Combining Balance Sheet
November 30, 2010

	Back Tax	Riverside Country Estates S.A.	Arrowhead Hills S.A.	Drainage Districts	Collector	Sheriff Civil Process	Inheritance Tax	Condemnation Account	Unclaimed Legacies and Bonds
Assets									
Cash	\$ 41,482	\$ (14,018)	\$ 58	\$ 308,776	\$ 641,838	\$ 15,875	\$ 60,155	\$ 16,152	\$ 26,380
Investments, at cost	-	-	13,357	225,824	-	-	-	38,072	31,229
Receivables									
Accounts	-	-	-	-	-	-	-	-	153,082
Total assets	<u>\$ 41,482</u>	<u>\$ (14,018)</u>	<u>\$ 13,415</u>	<u>\$ 534,600</u>	<u>\$ 641,838</u>	<u>\$ 15,875</u>	<u>\$ 60,155</u>	<u>\$ 54,224</u>	<u>\$ 210,691</u>
Liabilities									
Vouchers payable	\$ -	\$ -	\$ -	\$ 13,850	\$ -	\$ -	\$ 75,341	\$ -	\$ -
Due to other governments	33,121	-	-	-	641,838	-	-	-	-
Due to others	8,361	(14,018)	13,415	520,750	-	15,875	(15,186)	54,224	210,691
Total liabilities	<u>\$ 41,482</u>	<u>\$ (14,018)</u>	<u>\$ 13,415</u>	<u>\$ 534,600</u>	<u>\$ 641,838</u>	<u>\$ 15,875</u>	<u>\$ 60,155</u>	<u>\$ 54,224</u>	<u>\$ 210,691</u>

Kankakee County, Illinois
Fiduciary Funds - Agency Funds
Combining Balance Sheet
November 30, 2010

	Sheriff Seizure	Sheriff Sale Account	Sheriff Commissary	Circuit Clerk	County Clerk	Teen Court	Total
Assets							
Cash	\$ 35,961	\$ 206,958	\$ 157,851	\$ 1,748,441	\$ 790,589	\$ 3,640	\$ 4,040,138
Investments, at cost	-	-	-	500,000	-	-	808,482
Receivables							
Accounts	-	-	-	-	-	1,179	154,261
Total assets	<u>\$ 35,961</u>	<u>\$ 206,958</u>	<u>\$ 157,851</u>	<u>\$ 2,248,441</u>	<u>\$ 790,589</u>	<u>\$ 4,819</u>	<u>\$ 5,002,881</u>
Liabilities							
Vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,980	\$ 91,171
Due to other governments	-	-	-	-	-	-	674,959
Due to others	35,961	206,958	157,851	2,248,441	790,589	2,839	4,236,751
Total liabilities	<u>\$ 35,961</u>	<u>\$ 206,958</u>	<u>\$ 157,851</u>	<u>\$ 2,248,441</u>	<u>\$ 790,589</u>	<u>\$ 4,819</u>	<u>\$ 5,002,881</u>

Kankakee County, Illinois
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended November 30, 2010

	Beginning of Year	Additions	Reductions	End of Year
Back Tax	\$ 49,037	\$ 197,321	\$ 204,876	\$ 41,482
Riverside Country Estates Special Assessment	(14,018)	-	-	(14,018)
Arrowhead Hill Special Assessment	13,395	19	-	13,414
Drainage Districts	579,031	95,450	139,881	534,600
Collector	649,671	157,203,065	157,210,898	641,838
Sheriff Civil Process	9,801	268,008	261,934	15,875
Inheritance Tax	84,423	1,717,567	1,741,835	60,155
Condemnation Account	54,136	88	-	54,224
Legacies	105,008	153,533	47,850	210,691
Sheriff Seizure	8,322	98,588	70,949	35,961
Sheriff Sale Account	47,728	304,415	145,185	206,958
Sheriff Commissary	220,021	1,171,022	1,233,191	157,852
Circuit Clerk	2,363,456	9,470,367	9,585,382	2,248,441
County Clerk	642,603	5,337,070	5,189,084	790,589
Teen Court	3,101	23,992	22,274	4,819
Total	<u>\$ 4,815,715</u>	<u>\$ 176,040,505</u>	<u>\$ 175,853,339</u>	<u>\$ 5,002,881</u>

Kankakee County, Illinois
Assessed Valuations, Rates and Extensions
For the tax levy years 2000 through 2009

Extension year	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Assessed valuation, net of special districts and general abatements	\$ 1,936,746,108	\$ 1,895,536,281	\$ 1,775,003,707	\$ 1,706,053,999	\$ 1,518,196,140	\$ 1,379,219,189	\$ 1,354,612,444	\$ 1,324,721,431	\$ 1,259,599,751	\$ 1,192,275,916
Tax rates:										
General corporate	\$ 0.218	\$ 0.222	\$ 0.222	\$ 0.232	\$ 0.237	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250
IMRF	0.131	0.119	0.117	0.116	0.112	0.118	0.115	0.113	0.114	0.115
County health	0.023	0.024	0.024	0.025	0.026	0.027	0.025	0.025	0.025	0.025
Liability insurance	0.107	0.117	0.130	0.133	0.134	0.141	0.129	0.127	0.120	0.121
County highway	0.092	0.093	0.094	0.096	0.098	0.100	0.100	0.100	0.100	0.100
Social security	0.089	0.090	0.091	0.092	0.091	0.096	0.095	0.092	0.094	0.094
Veterans	0.011	0.011	0.011	0.009	0.009	0.010	0.009	0.009	0.016	0.018
Highway matching	0.045	0.045	0.046	0.047	0.049	0.050	0.050	0.050	0.050	0.050
Joint bridge	0.045	0.045	0.046	0.047	0.049	0.050	0.050	0.050	0.050	0.050
Public Building Commission	0.029	0.032	0.033	0.016	0.016	0.017	0.037	0.036	0.038	0.038
Extension education	0.017	0.018	0.019	0.020	0.021	0.022	0.021	0.020	0.020	0.020
Total tax rates	\$ 0.807	\$ 0.816	\$ 0.833	\$ 0.833	\$ 0.842	\$ 0.881	\$ 0.881	\$ 0.872	\$ 0.877	\$ 0.881
Tax extensions:										
General corporate	\$ 4,222,107	\$ 4,208,091	\$ 4,090,085	\$ 3,818,656	\$ 3,598,125	\$ 3,448,048	\$ 3,386,531	\$ 3,311,804	\$ 3,148,999	\$ 2,980,690
IMRF	2,537,137	2,255,688	2,155,586	1,909,328	1,700,380	1,627,479	1,557,804	1,496,935	1,435,944	1,371,117
County health	445,452	454,929	442,171	411,493	394,731	372,389	338,653	331,180	314,900	298,069
Liability insurance	2,072,318	2,217,777	2,395,095	2,189,143	2,034,383	1,944,699	1,747,450	1,682,396	1,511,520	1,442,654
County highway	1,781,806	1,762,849	1,731,838	1,580,134	1,487,832	1,379,219	1,354,612	1,324,721	1,259,600	1,192,276
Social security	1,723,704	1,705,983	1,676,567	1,514,295	1,381,558	1,324,050	1,286,882	1,218,744	1,184,024	1,120,739
Veterans	213,042	208,509	202,662	148,138	136,638	137,922	121,915	119,225	201,536	214,610
Highway matching	871,536	852,991	847,495	773,607	743,916	689,610	677,306	662,361	629,800	596,138
Joint bridge	871,536	852,991	847,495	773,607	743,916	689,610	677,306	662,361	629,800	596,138
Public Building Commission	561,656	606,572	607,986	263,356	242,911	234,467	501,207	476,900	478,648	453,065
Extension education	329,247	341,196	350,052	329,194	318,821	303,428	284,469	264,944	251,920	238,455
Total tax extensions	\$ 15,629,541	\$ 15,467,576	\$ 15,347,032	\$ 13,710,951	\$ 12,783,211	\$ 12,150,921	\$ 11,934,135	\$ 11,551,571	\$ 11,046,691	\$ 10,503,951