

Kankakee County, Illinois
Annual Financial Statements

As of and for the year ended
November 30, 2012

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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, 2012, 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' 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, net 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Kankakee County, State of Illinois, as of November 30, 2012, 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 June 26, 2013, on our consideration of the Kankakee County, State of Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* 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' financial statements as a whole. The other supplementary information as listed in the table of contents 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, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
June 26, 2013

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**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, 2012, which collectively comprise the Kankakee County, State of Illinois' basic financial statements and have issued our report thereon dated June 26, 2013. 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

Management of Kankakee County, Illinois is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Kankakee County, Illinois', 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, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Kankakee County, Illinois' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described below, we identified a deficiency in internal control over financial reporting that we consider to be material weaknesses.

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

Finding 2012-01: Certain salaried employees were inadvertently paid more than contractually stated or board authorized amounts during fiscal year 2012 due to the anomaly of there being 27 pay periods during the year, rather than the normal 26 pay periods. The anomaly occurs every 12 or 13 years on a bi-weekly pay schedule, depending on the calendar and actual pay dates.

Management's Response: To ensure that this does not reoccur, all statements of payroll in the future will include an amount in a bi-weekly format to conform to the County's bi-weekly pay schedule. This will continue as is the current practice in all non-union statements of payroll. Any salaries that are board authorized will also include a bi-weekly format at the next opportunity for approval, in or prior to May 2014. Additionally, the bi-weekly format will be included in all union contracts as they are presented for negotiation. As this anomaly of 27 pay periods will not occur again until 2024, this method will be common practice prior to that time.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kankakee County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described as Finding 2012-01 above.

Kankakee County, Illinois' response to the finding identified in our audit is described above. We did not audit Kankakee County, Illinois' response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, the County Board, 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.

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
June 26, 2013

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, 2012 and 2011.

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 \$63 million (*net assets*). Net assets invested in capital assets (net of depreciation and related debt) account for over 68 percent of this amount (\$43.2 million). Of the total, \$4.8 million (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- At the close of fiscal year 2012, the County of Kankakee's governmental funds reported combined ending fund balances of \$18.0 million.
- Overall revenues for governmental funds were \$54.4 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

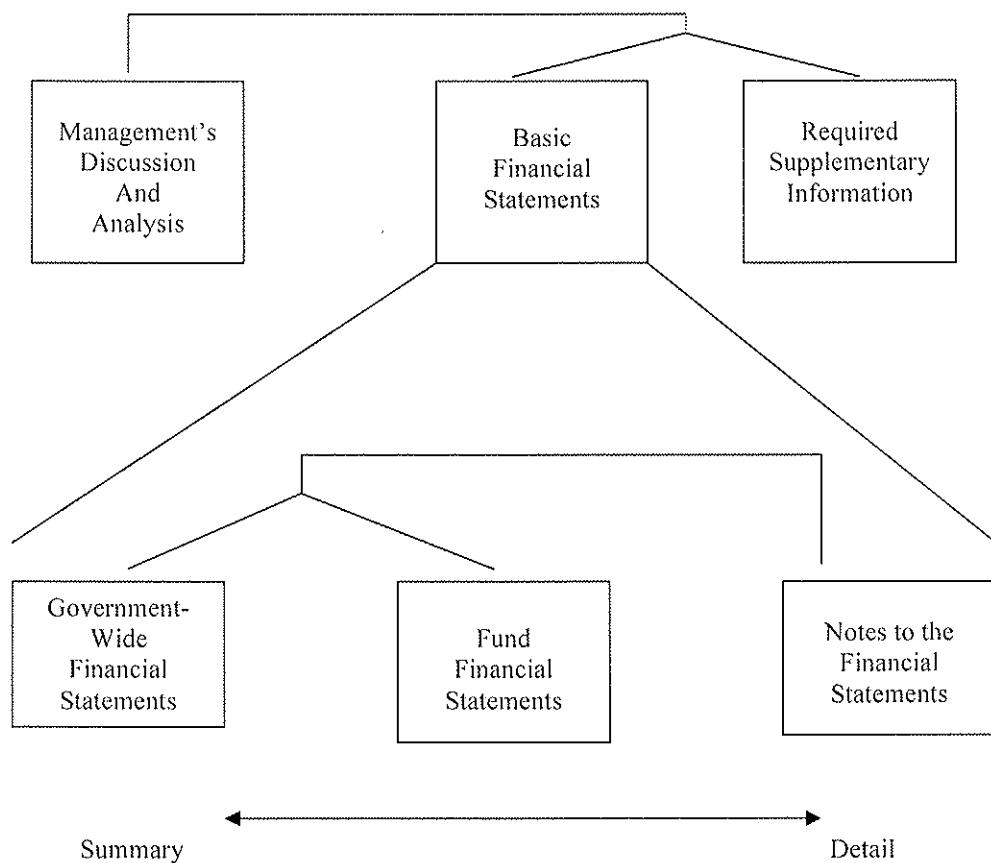


Illustration B summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of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

Illustration B

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

		Fund Financial Statements			
		Government-wide 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 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 payment is 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 21-22 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 or 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-five 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, Pension Fund, and County Highway Fund. These three funds are considered to be major funds. In prior years, the Tort Fund was also listed separately as a major fund. However, GASB 10 states that for financial reporting purposes, the activity in the Tort Fund should be presented as if it were part of the General Fund. Data from the other thirty-two 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 23-25 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 26-28 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 29-30 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 31-52 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 54-67 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 70-90 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the tenth 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 just over \$63 million. Net assets for governmental activities decreased approximately \$1.9 million from FY 2011. This follows decreases of \$1.3 million from FY 2010, \$1.0 million from FY 2009 and \$5.33 million in the prior year from an all-time high of over \$72 million in FY 2008. However, for business-type activities, net assets increased by nearly \$0.1 million.

Exhibit 1
Condensed Statement of Net Assets (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 40,219	\$ 43,737	\$ 4,587	\$ 4,739	\$ 44,806	\$ 48,476
Capital assets	64,449	65,752	2,420	2,329	66,869	68,081
Total assets	104,668	109,489	7,007	7,068	111,675	116,557
Current and other liabilities	24,787	26,311	575	498	25,362	26,809
Long-term debt	22,294	23,681	981	1,205	23,275	24,886
Total liabilities	47,081	49,992	1,556	1,703	48,637	51,695
Net assets invested in capital assets, net of related debt	41,963	44,709	1,238	910	43,201	45,619
Restricted	14,804	15,873	253	254	15,057	16,127
Unrestricted	820	(1,085)	3,960	4,201	4,780	3,116
Total net assets	\$ 57,587	\$ 59,497	\$ 5,451	\$ 5,365	\$ 63,038	\$ 64,862

A significant portion of the County's net assets (68.5 percent) reflects investment of \$43.2 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, \$15.1 million (24 percent), represents resources that are subject to external restrictions on how they may be used. Of this amount, \$0.6 million of governmental activities and all of the business-type activities restricted net assets are restricted for debt service. Additionally, \$0.5 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 (7.5 percent) is located in unrestricted net assets. Kankakee County's unrestricted net assets of \$4.8 million may be used to meet the County's ongoing obligations to citizens and creditors. This is an increase of \$1.7 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, both for the government as a whole, as well as for its separate governmental and business-type activities. This is the first year since 2008 that the County has had a positive balance in unrestricted net assets for governmental activities.

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

Exhibit 2

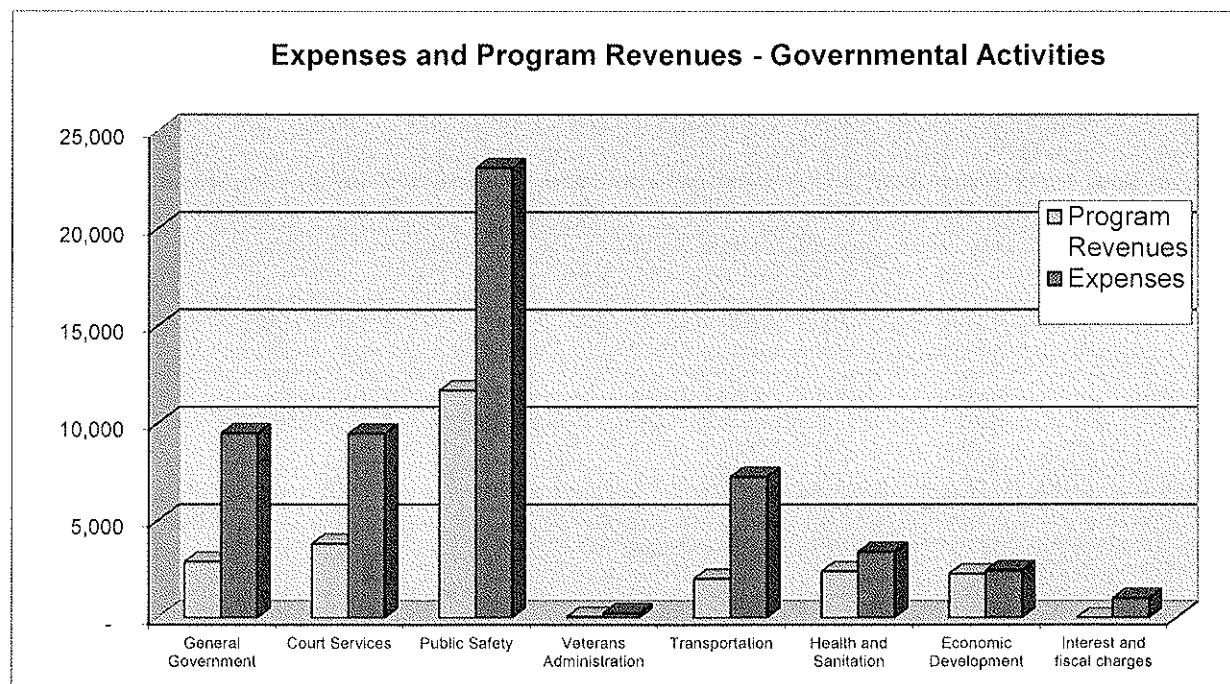
Kankakee County's Changes in Net Assets (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues						
Charges for Services	\$ 17,055	\$ 16,816	\$ 3,102	\$ 3,065	\$ 20,157	\$ 19,881
Operating Grants and Contributions	7,499	9,518	-	-	7,499	9,518
Capital Grants and Contributions	563	22	-	-	563	22
General Revenues						
Property Taxes	16,528	16,204	-	-	16,528	16,204
Sales Tax	7,485	7,888	-	-	7,485	7,888
State Income Tax	2,522	2,234	-	-	2,522	2,234
Replacement and Other Taxes	2,495	2,606	-	-	2,495	2,606
Other	241	297	8	32	249	329
Total Revenues	54,388	55,585	3,110	3,097	57,498	58,682
Expenses						
Governmental Activities						
General Government	9,483	8,777	-	-	9,483	8,777
Public Safety	23,087	21,753	-	-	23,087	21,753
Court Services	9,463	9,479	-	-	9,463	9,479
Transportation	7,250	8,877	-	-	7,250	8,877
Health and Sanitation	3,396	3,266	-	-	3,396	3,266
Veterans Administration	230	237	-	-	230	237
Economic Development	2,431	3,407	-	-	2,431	3,407
Interest and fiscal charges	1,015	1,163	-	-	1,015	1,163
Business-Type Activities						
Emergency Telephone Services	-	-	2,747	2,608	2,747	2,608
Animal Control	-	-	277	298	277	298
Total Expenses	56,355	56,959	3,024	2,906	59,379	59,865
Excess (Deficiency) Before Special Items	(1,967)	(1,374)	86	191	(1,881)	(1,183)
Special & Extraordinary Items	57	62	-	-	57	62
Increase (Decrease) in Net Assets	(1,910)	(1,312)	86	191	(1,824)	(1,121)
Net Assets - Beginning of Year	59,497	60,809	5,365	5,174	64,862	65,983
Net Assets - End of Year	\$ 57,587	\$ 59,497	\$ 5,451	\$ 5,365	\$ 63,038	\$ 64,862

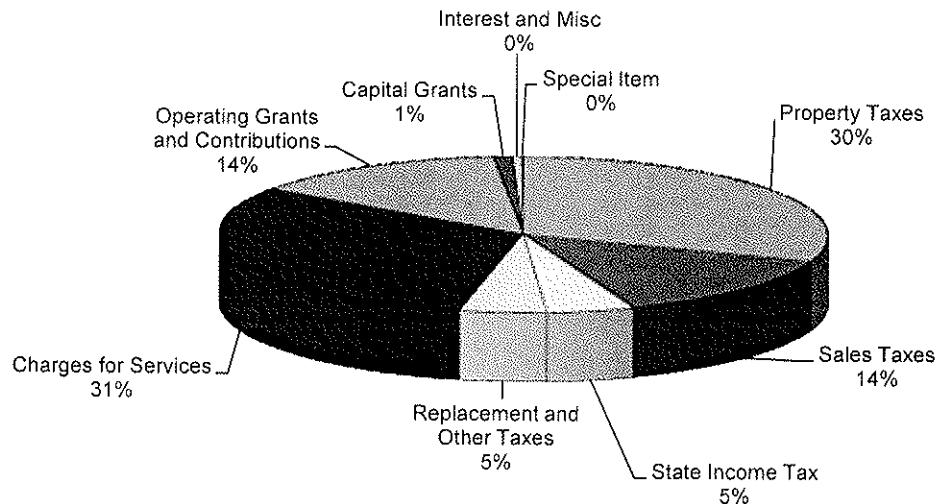
- Charges for services for governmental activities increased overall by nearly \$0.24 million (1.4 percent). There was a larger increase in Public Safety of \$0.7 million as a result of filled capacity in the inmate rental program. This was partially offset by decreases of \$0.2 million in charges for services in the court services, as well as \$0.2 million in transportation. This was the second consecutive year of increases in general government charges for service following four years of declines in this category.
- Operating grants for governmental activities decreased by \$2.0 million (21.2 percent) during the year. The most significant change was a decrease in Economic Development of \$1.0 million as a result of the completion of American Recovery and Reinvestment Act (ARRA) awards for the Workforce Investment Act (WIA) program which ended on June 30, 2011. There was another significant change in transportation, where there was a decrease of \$0.77 million in operating grants. Additionally, the majority of the decrease in operating grants for court services was due to the ending of the child support grant program which ended on April 30, 2012.

- Capital grants for governmental activities increased by \$0.54 million during the year. This is the result of transportation capital grants for the highway department.
- Sales tax revenue had a decrease of \$0.4 million (5.1 percent) from last fiscal year. This follows a \$0.03 million increase experienced in the prior year, and a \$0.4 million increase two years ago. The County has experienced great volatility in its sales tax revenue over the past several years. Three years ago, the County experienced a drastic decrease of \$1.8 million. 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 were relatively stagnant from the prior year, with only a decrease of \$0.6 million, although there were varying rates of fluctuation amongst the governmental activities. The areas of significant increase were in general government (\$0.7 million), and public safety (\$1.3 million). Areas that experienced decreases from the prior year included transportation (\$1.6 million) and economic development (\$1.0 million).

Governmental Activities



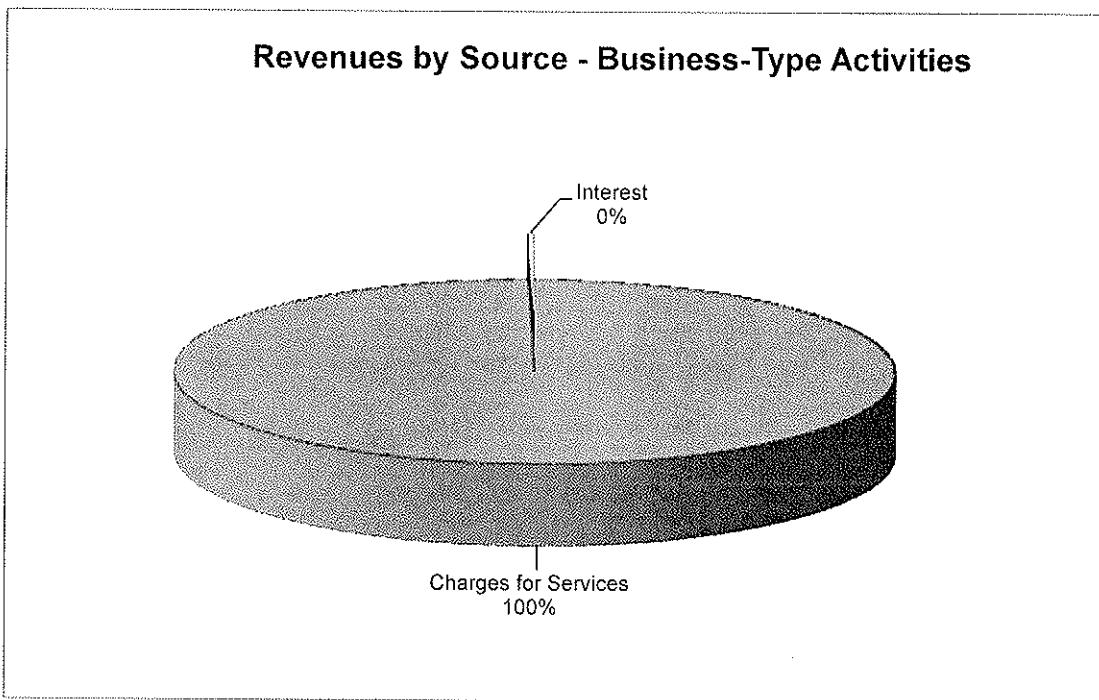
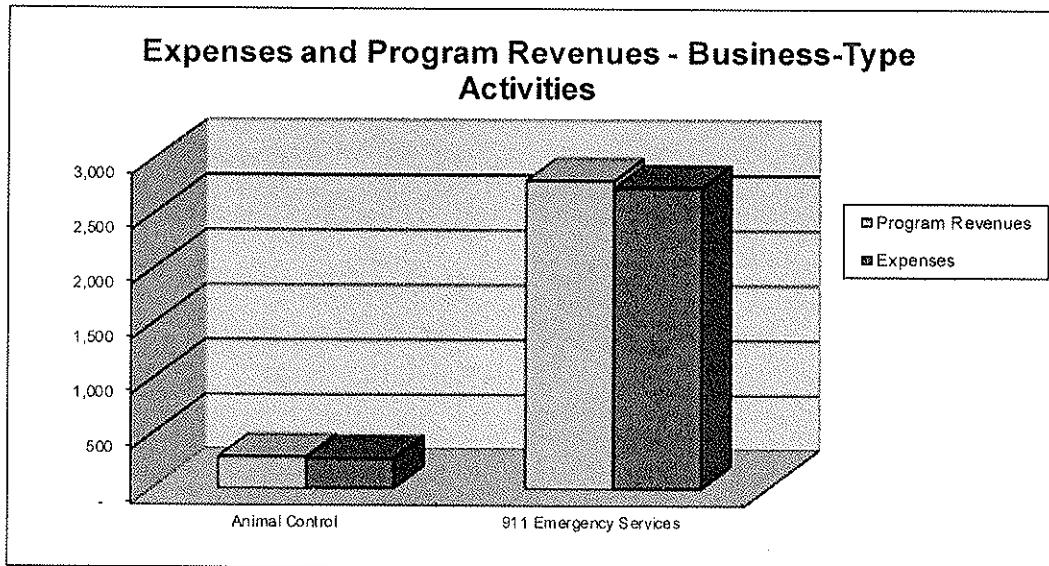
Revenues by Source - Governmental Activities



Governmental activities decreased the County's net assets by \$1.9 million. In the prior fiscal year, net assets decreased by \$1.3 million. Although there was a decrease in expenses from the prior year of \$0.6 million; a decrease in revenues from the prior year of \$1.2 million contributed to another deficit. State income tax finally experienced an increase for the second consecutive year (\$0.3 million) after continuous decline in previous years, while property taxes continued its trend back up as well. However, sales tax and replacement tax decreased by \$0.4 and \$0.1 million, respectively.

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 general government, court services, and transportation. Public safety comprises 41.0 percent of total governmental activities, up from 29 percent eight years ago. General government increased to 16.8 percent of total governmental activities, while economic development decreased to 4.3 percent due to the completion of expenses attributable to the ARRA awards discussed above. 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, 30 cents of every dollar, of the County's revenue for governmental funds comes from property taxes (up from 29 cents a year ago), and 54 cents of every dollar raised comes from some type of tax. This is an increase from 52 cents in the prior year. The percent of revenue from tax has changed from 52 cents three years ago, 53 cents four years ago, 55 cents five years ago, 56 cents six years ago (when you remove the one time special item), 60 cents seven years ago and 63 cents eight years ago. More specifically, the percentage of property taxes funding governmental activities has decreased from 32 percent in FY2003 to 30 percent in FY2012.

Business-Type Activities



Business-type activities increased the County's net assets by \$0.1 million to \$5.45 million, an increase of 1.6 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

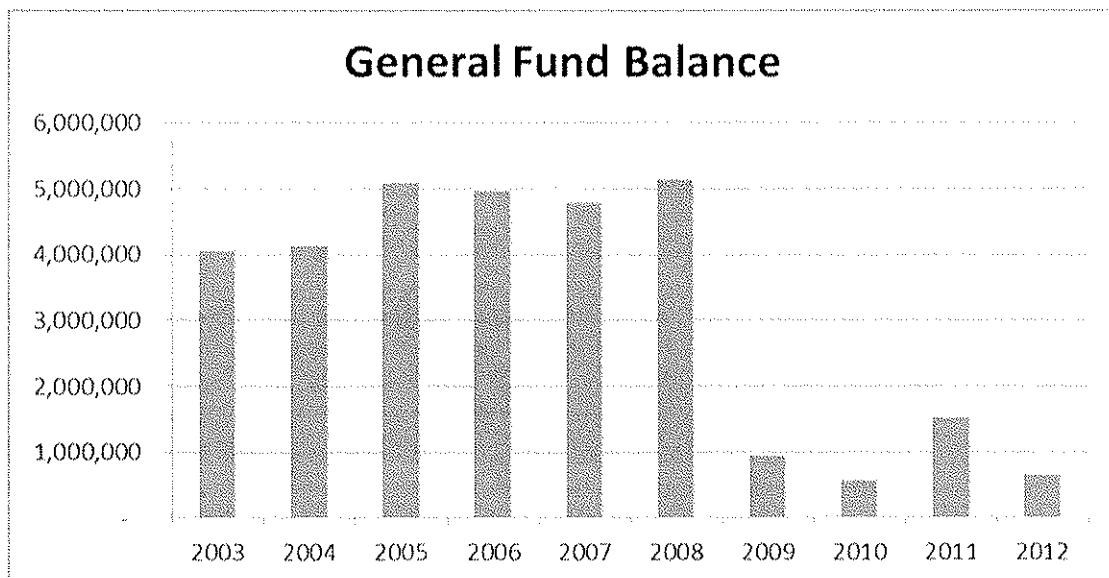
The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources available for spending. This information is useful in assessing the County's financing requirements. In particular, assigned and unassigned fund balance measures the County's 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 \$18.0 million. About \$0.9 million (5.1 percent) of the fund balance is classified as non-spendable because it is not in spendable form due to inventories and prepaid items. The majority of the fund balance, \$13.7 million (76.1 percent), is restricted; external constraints have been placed on the use of the resources. Approximately \$2.9 million (16.3 percent) is assigned, which the County intends to use for the transportation function. Approximately \$0.5 million (2.5 percent) constitutes unassigned fund balance, which is available for discretionary spending.

Revenues for the governmental funds in 2012 totaled \$54.4 million. Expenditures were \$59.3 million. Overall, the fund balance decreased by \$4.2 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 2012 the total fund balance of the General Fund (excluding Tort) was \$0.6 million. The fund balance decreased by \$0.9 million in 2012. This follows an increase of \$0.95 in 2011, preceded by decreases of \$0.36 million and \$4.2 million in 2010 and 2009, respectively. The following chart illustrates the fund balances of the General Fund since FY 2003.



The Tort Liability Fund, reported in the General Fund, ended the year with a fund balance of \$1.3 million, which represents a decrease of \$0.6 million from the prior fiscal year. This followed no change in FY11 preceded by a \$0.19 million decrease in FY10 and a \$0.16 decrease in FY09. Prior to that, there were decreases from FY03 to FY07, with a slight increase in FY08. This represents an overall 54.3 percent decrease from FY03 through FY11.

On the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances found on pages 23-24, the general fund activity and tort fund activity are combined in one column as the general fund. GASB 10 states that risk financing activities, such as the Tort Fund, should be reported in the general fund for financial reporting purposes. However, for budgeting, accounting, and internal reporting, these funds are still presented separately. The combined fund balance ended the year with a balance of \$2.0 million, a decrease of \$1.5 million.

The Pension Fund, a special revenue fund, is a major fund of the County. Fund balance at the end of 2012 was \$1.1 million, a decrease of \$0.37 million. This followed an increase of \$0.27 million in the prior year. Previously, the Pension Fund had experienced decreases each year since the end of FY03 when the fund balance was \$4.7 million. Overall, the fund balance of the pension fund has experienced a 76.4 percent decrease from FY03 through FY12. Due to the declining fund balance, the percentages on the property tax limitation model for 2010 were modified to allow for the additional revenue to the Pension Fund.

The final major fund for the County is the County Highway Fund. The fund closed the year with a \$3.2 million balance. This represents \$0.4 million increase in the County Highway 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 \$5.1 million. Of this amount, \$1.2 million is invested in capital assets, net of related debt and \$0.25 million is restricted for debt service. The remainder, \$3.6 million, is unrestricted. Total net assets increased by \$0.07 million during the year.

Animal Control. There was a net asset balance of \$355,838 at the end of the fiscal year. This represented an increase of \$15,769. Of the total, \$37,442 is invested in capital assets, net of related debt and the remainder of \$318,396 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 \$2.8 million, a net decrease of \$0.2 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 budget of \$31.3 million was increased to \$33.6 million. The expenditure budget of \$30.6 million was increased to \$32.8 million.

The increase in the General Fund revenues was due to several factors including increased sales tax revenues, state income tax revenues, new grant awards, and the increased inmate housing rentals.

Departments with increases to their original expenditure budget include Management Information Systems (\$12,000), Board of Review (\$6,000), Administration (\$23,000), Election Commission (\$85,500), County Clerk (\$4,500), Buildings and Grounds (\$622,000), Capital Development (\$123,000), County Treasurer (\$7,000), Economic Development (\$29,000), Public Defender (\$7,000), Probation (\$34,000), DNDC (\$26,000), Sheriff's Office (\$336,000), Corrections (\$1,274,000), Coroner (\$69,000), Merit Commission (\$7,000) and ESDA (\$38,000).

Several of these budget amendments came from the budget of \$200,000 in contingency. Others were compensated by departments with decreases to their original budget including Finance (\$10,000), Health Insurance (\$250,000), Utilities (\$50,000), Planning (\$3,000), and Dispatch Services (\$50,000).

As revenues fell short of budgeted expectations, the budget variance for revenues and other financing sources was \$0.8 million under the final budget; while expenditures resulted in a variance of \$0.5 million over final budget. The largest variances of revenues were circuit clerk fees and inmate housing and reimbursements, which each came in \$0.2 million under budget. Additionally, the grants and other reimbursements, and county fines and forfeitures each came in \$0.1 million under budget. For the expenditures, there was not a lot of variance between the final budget and actual expenditures. The most substantial negative variance was \$0.67 million in Capital Development and \$0.27 million in Corrections. Significant positive differences between budgeted expenditures and actual expenditures were in Health Insurance of \$0.08 million, Circuit Clerk of \$0.08 million, and State's Attorney of \$0.16 million.

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, 2012, amounts to \$66.9 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 decrease in the County's investment in capital assets for the current fiscal year was 1.8 percent (a 2.0 percent decrease for governmental activities and a 3.9 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	
	2012	2011	2012	2011	2012	2011
Transportation Network	\$ 14,672	\$ 15,606	\$ -	\$ -	\$ 14,672	\$ 15,606
Land	920	920	61	61	981	981
Construction in Progress	1,104	526	382	-	1,486	526
Intangible Assets	1,446	1,341	-	-	1,446	1,341
Building - idle	1,770	1,770	-	-	1,770	1,770
Buildings and Improvements	37,394	38,250	-	-	37,394	38,250
Buildings and Improvements under capital lease agreements	3,093	3,243	-	-	3,093	3,243
Leasehold improvements	-	-	197	197	197	197
Equipment	1,924	2,504	1,756	2,041	3,680	4,545
Equipment under capital lease agreements	-	-	24	30	24	30
Vehicles	2,126	1,592	-	-	2,126	1,592
Total Capital Assets	\$ 64,449	\$ 65,752	\$ 2,420	\$ 2,329	\$ 66,869	\$ 68,081

Major capital asset changes that occurred during 2012 include the following:

Intangible assets of \$0.1 million were added for the IJIS project, and construction in progress increased by \$0.6 million. Equipment of \$0.2 million and vehicles of \$1.0 million were added, in addition to \$0.2 million to the transportation network and \$0.5 million to building improvements. The vehicles were partially offset by \$0.3 million in retirements. Regarding business-type activities, \$0.4 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 \$25.4 million. This encompasses \$24.2 million outstanding long-term debt in governmental activities and \$1.4 million outstanding long-term debt in business-type activities. This represents a decrease of approximately \$1.2 million (4.7 percent) in governmental activities and a decrease of approximately \$0.2 million (15.5 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)

	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Debt Certificates	\$ 6,789	\$ 10,821	\$ -	\$ -	\$ 6,789	\$ 10,821
Bonds - General Obligation	13,089	10,109	-	-	13,089	10,109
Loan / Lease Agreement	175	175	-	-	175	175
Capital Leases	3,524	3,700	17	24	3,541	3,724
Bonds - Alternate Revenue Source	-	-	1,165	1,395	1,165	1,395
Compensated Absences	611	565	37	24	648	589
Total	\$ 24,188	\$ 25,370	\$ 1,219	\$ 1,443	\$ 25,407	\$ 26,813

The compensated absences calculation required the reporting of additional liability amounts for governmental activities, which was partially offset by some retirements. There was also an addition to capital leases for governmental activities as vehicles were purchased. Additionally, debt certificates were retired and refinanced with lower interest rates as general obligation bonds. Accordingly, there were sizable retirements to debt certificates and additions to general obligation bonds.

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 2013 increased 4.75 percent to approximately \$32.8 million from the original FY12 budget; while the expenditure budget for 2013 increased likewise. Accordingly, most of the revenues are budgeted at similar levels to 2012. Slight shifts include decreases in the budget for property tax (\$0.16 million), replacement tax (\$0.15 million), and some grants. Conversely, increases were budgeted for out of county inmate rental (\$1.4 million), state income taxes (\$0.23 million), and other grants.

On the expenditure side there were slight variations from the 2012 budget. Expenditures for elections are budgeted to be reduced by \$0.13 million from the level budgeted for the major elections of 2012. Increases to the budget include a \$0.2 million increase in Buildings and Grounds, \$0.37 million increase in Capital Development, \$0.13

million increase in Circuit Clerk, \$0.09 million increase to Probation, a \$.11 million increase to the Sheriff Department, and a \$0.39 million increase to the Corrections Department.

The budget projects for expenditures equal to revenues in fiscal year 2013.

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 2012. 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 continued to be expended through June 30, 2011. The County received an Energy Efficiency Block Grant through ARRA funds which ended during FY12. Additionally, the County also received an ARRA Drug Prosecution Grant and an ARRA Integrated Information Systems Grant with funding continuing into FY13.

The union contracts with FOP Probation, FOP Deputies, and ETSB 911 ended November 30, 2012 and negotiations are ongoing. The union contract with Corrections that had ended November 30, 2010, was finalized in October 2012. The union contract for Teamsters (Maintenance) ended at the end of FY08 and while negotiations had been ongoing, an agreement was reached in April 2013. Additionally, the Coroner's Office unionization process has been finalized with a contract signed in April 2013 as well.

Sales tax revenue continues to be an issue as the County remains in litigation. Progress is being made as most of the funds held at the Department of Revenue were 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.

Kankakee Community College is undergoing a north campus expansion with a \$10 million investment. The new campus is expected to be open for Fall 2014 courses. Olivet Nazarene University invested \$72 million into its new chapel and student life center, which are both open.

The Illinois Army National Guard is still working on plans to build a \$48 million Readiness Center and Army Aviation Support Facility at the Greater Kankakee Airport. This project will potentially add 75 full time jobs and approximately 200 troops will be trained at this location.

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.

Regarding transportation, the exit 315 interchange of Interstate I-57 is undergoing a \$54 million reconfiguration during a two year project that began in 2011 and is expected to be completed later this year. The Illiana Corridor, a project that would connect I-65 in Indiana to I-55 in Illinois is under review. The Bi-State Commission studying this project announced that the preferred corridor is B3, which would cross approximately two miles north of Kankakee County. A decision is still expected to be made in 2013. Another local transportation project is the I-57 interchange at 6000 N Rd. This \$55 million project could begin in 2014.

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 three year extension was granted on this project, and planning is ongoing.

Kankakee County has proven to be a viable market for expanding companies. The Kankakee County Waste Water Treatment Plant is undergoing a \$60 million capital investment with construction beginning in May 2013. Kinder Morgan is expanding its local site with a \$60 million investment. This is beginning in May 2013 resulting in 200 construction jobs. Ring Container is expanding with a \$3.5 million warehouse expansion project expected to

include 9 new jobs. Precisionaire Inc. in the eastern part of the County is undergoing a 40,000 square foot warehouse expansion with a \$12 million investment. Dawn Foods is experiencing a production line expansion resulting in 25 new jobs. Other sources of expansion in our area include Armstrong World Industries with a *\$700,000 investment into plant capital and retaining its current workforce, Peddinghaus with a \$500,000 investment* into remodeling and upgrades, Agreliant with a \$450,000 capital investment, and Cornerstone Services, Inc. with a \$1 million capital investment and 35 new jobs.

Additionally, Kankakee County continues to be a destination for new national chains, with Panera Bread, Olive Garden, Popeyes, Noodles and Company, and Texas Roadhouse opening in the past year. The trend is expected to continue.

Outside consultants completed a space needs study for the County offices. While it is evident that additional space is warranted, the County is pursuing various cost effective methods to resolve these issues. However, one step has been taken in early 2013 due to the space needs. The State's Attorney's office has moved from various locations in both the courthouse and annex building, and is now leasing space in a nearby building. This has allowed the Public Defender's Office to relocate to the vacated space in the annex building. Additionally, the suitability of the existing courthouse is still in question due to numerous violations of the Americans with Disabilities Act. This is in addition to the fact that an additional circuit court judge was assigned to the already tight facility at the Kankakee County Courthouse. The move by the State's Attorney's office will help with these issues, but a thorough evaluation of the space continues.

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, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash	\$ 7,163,721	\$ 1,666,764	\$ 8,830,485	\$ 489,369
Cash - restricted	-	277,102	277,102	-
Investments, at cost	6,897,197	2,039,911	8,937,108	-
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	16,802,506	-	16,802,506	-
Accounts	6,524,432	121,413	6,645,845	-
Loans	239,226	-	239,226	1,797,468
Due from other governments	1,348,871	462,578	1,811,449	111,600
Prepaid expenses	340,744	8,251	348,995	317
Inventory, at cost	613,401	-	613,401	-
Bond issuance costs, net of amortization	288,445	11,414	299,859	34,458
Capital assets, net of accumulated depreciation	64,449,389	2,420,063	66,869,452	-
Total assets	\$ 104,667,932	\$ 7,007,496	\$ 111,675,428	\$ 2,433,212
Liabilities and Net Assets				
Liabilities				
Vouchers and accounts payable	\$ 4,202,580	\$ 191,713	\$ 4,394,293	\$ 45,465
Accrued wages and benefits	1,672,511	121,234	1,793,745	-
Payable from restricted assets	-	23,586	23,586	-
Deferred revenue	17,018,537	-	17,018,537	15,028
Noncurrent liabilities:				
Due within one year	1,893,433	238,106	2,131,539	95,000
Due in more than one year	22,294,204	981,401	23,275,605	1,860,000
Total liabilities	47,081,265	1,556,040	48,637,305	2,015,493
Net Assets				
Invested in capital assets, net of related debt	41,962,453	1,238,259	43,200,712	-
Restricted for:				
Debt service	566,671	253,516	820,187	-
Capital projects	462,193	-	462,193	-
Other purposes (enabling legislation)	13,775,209	-	13,775,209	-
Unrestricted	820,141	3,959,681	4,779,822	417,719
Total net assets	57,586,667	5,451,456	63,038,123	417,719
Total liabilities and net assets	\$ 104,667,932	\$ 7,007,496	\$ 111,675,428	\$ 2,433,212

Kankakee County, Illinois
 Statement of Activities
 For the Year Ended November 30, 2012

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants	Primary Government		Total Primary Government	Component Unit
					Governmental Activities	Business-Type Activities		
Primary government:								
Governmental activities								
General government	9,483,436	\$ 2,357,136	\$ 534,982	\$ -	\$ (6,591,318)		\$ (6,591,318)	
Court services	9,463,167	2,650,993	1,165,375	-	(5,646,799)		(5,646,799)	
Public safety	23,087,317	11,319,076	366,147	-	(11,402,094)		(11,402,094)	
Health and sanitation	3,395,624	305,011	2,088,720	-	(1,001,893)		(1,001,893)	
Transportation	7,250,004	422,298	1,025,302	562,712	(5,239,692)		(5,239,692)	
Veterans administration	230,436	-	49,361	-	(181,075)		(181,075)	
Economic development	2,430,630	-	2,269,247	-	(161,383)		(161,383)	
Interest and fiscal charges	1,014,444	-	-	-	(1,014,444)		(1,014,444)	
Total governmental activities	<u>56,355,058</u>	<u>17,054,514</u>	<u>7,499,134</u>	<u>562,712</u>	<u>(31,238,698)</u>		<u>(31,238,698)</u>	
Business-type activities								
911 Emergency services	2,747,237	2,810,149	-	-	\$ 62,912		62,912	
Animal control	276,278	291,673	-	-	15,395		15,395	
Total business-type activities	<u>3,023,515</u>	<u>3,101,822</u>	<u>-</u>	<u>-</u>	<u>78,307</u>		<u>78,307</u>	
Total primary government	<u>\$ 59,378,573</u>	<u>\$ 20,156,336</u>	<u>\$ 7,499,134</u>	<u>\$ 562,712</u>	<u>(31,238,698)</u>	<u>78,307</u>	<u>(31,160,391)</u>	
Component unit:								
Kankakee County Public Building Commission	<u>\$ 108,422</u>	<u>\$ 120,234</u>	<u>\$ -</u>	<u>\$ -</u>				<u>\$ 11,812</u>
General revenues:								
Taxes								
Property taxes								
16,528,453								
Sales tax								
7,485,321								
State income tax								
2,521,619								
Replacement and other taxes								
2,494,507								
Interest								
20,903								
Miscellaneous								
220,617								
Special item-gain (loss) on disposal of assets								
56,854								
Total general revenues and special items								
29,328,274								
Change in net assets								
(1,910,424)								
Net assets - beginning								
59,497,091								
Net assets - ending								
\$ 57,586,667								
\$ 5,451,456								
\$ 63,038,123								
\$ 417,719								

See accompanying notes to the basic financial statements.

Kankakee County, Illinois
 Balance Sheet
 Governmental Funds
 November 30, 2012

Assets	General	Pension	County	Other	Total
	Fund		Highway	Governmental	Governmental
Cash	\$ 236,061	\$ 242,744	\$ 1,668,065	\$ 5,016,851	\$ 7,163,721
Investments, at cost	15,031	-	1,289,677	5,592,489	6,897,197
Receivables (net of applicable allowances for estimated uncollectible amounts):					
Taxes, including interest, penalties, and liens	7,021,157	5,042,771	1,854,616	2,883,962	16,802,506
Accounts	5,966,786	145,675	193,948	430,913	6,737,322
Loans	-	-	-	239,226	239,226
Prepaid expenses	320,227	-	-	20,517	340,744
Due from other funds	46,061	1,425,000	-	1,212,390	2,683,451
Due from other governments	-	-	-	422,068	422,068
Inventory, at cost	163,437	-	251,304	198,660	613,401
Total assets	<u>\$ 13,768,760</u>	<u>\$ 6,856,190</u>	<u>\$ 5,257,610</u>	<u>\$ 16,017,076</u>	<u>\$ 41,899,636</u>
Liabilities and Fund Balances					
Liabilities:					
Vouchers and accounts payable	\$ 2,019,121	\$ 652,512	\$ 187,374	\$ 1,298,774	\$ 4,157,781
Due to other funds	2,637,390	-	-	46,061	2,683,451
Deferred revenue	7,138,228	5,082,642	1,869,686	2,927,981	17,018,537
Total liabilities	<u>11,794,739</u>	<u>5,735,154</u>	<u>2,057,060</u>	<u>4,272,816</u>	<u>23,859,769</u>
Fund balances:					
Non-spendable:					
Prepaid items	320,227	-	-	4,503	324,730
Inventory	163,437	-	251,304	178,493	593,234
Restricted for:					
General government	-	-	-	632,685	632,685
Debt service	-	-	-	566,671	566,671
Judiciary and court	-	-	-	1,448,304	1,448,304
Public safety	-	-	-	133,024	133,024
Health and welfare	-	-	-	2,165,684	2,165,684
Transportation	-	-	-	5,612,198	5,612,198
Economic development	-	-	-	540,505	540,505
Retirement	-	1,121,036	-	-	1,121,036
Tort liability/claims	1,038,404	-	-	-	1,038,404
Capital projects	-	-	-	462,193	462,193
Assigned to transportation	-	-	2,949,246	-	2,949,246
Unassigned	<u>451,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>451,953</u>
Total fund balance	<u>1,974,021</u>	<u>1,121,036</u>	<u>3,200,550</u>	<u>11,744,260</u>	<u>18,039,867</u>
Total liabilities and fund balance	<u>\$ 13,768,760</u>	<u>\$ 6,856,190</u>	<u>\$ 5,257,610</u>	<u>\$ 16,017,076</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	64,449,389
Bond issue costs, net of amortization, are not financial resources and, therefore, are not reported in the funds as assets	288,445
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.....	(24,187,637)
Full accrual accounting and modified accrual accounting use differing revenue and expense recognition criteria.....	(1,003,397)
Net assets of governmental activities.....	<u>\$ 57,586,667</u>

Kankakee County, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended November 30, 2012

	General Fund	Pension	County Highway	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 14,491,816	\$ 4,796,874	\$ 1,812,990	\$ 2,912,094	\$ 24,013,774
Intergovernmental	5,533,436	50,299	-	7,230,603	12,814,338
Charges for services	13,937,133	-	724,808	-	14,661,941
Licenses and permits	355,052	-	-	186,873	541,925
Fines and forfeits	719,262	-	-	1,372,874	2,092,136
Interest on investments	3,929	666	1,725	14,583	20,903
Miscellaneous	91,724	-	93,876	106,218	291,818
Total revenues	35,132,352	4,847,839	2,633,399	11,823,245	54,436,835
Expenditures:					
Current:					
General government	12,753,742	5,204,894	-	356,525	18,315,161
Judiciary and court related	5,765,869	-	-	1,569,701	7,335,570
Public safety	15,283,261	-	-	335,857	15,619,118
Health and welfare	-	-	-	2,767,472	2,767,472
Transportation	-	-	2,024,141	4,680,083	6,704,224
Economic development	161,383	-	-	2,269,247	2,430,630
Capital outlay	873,549	-	219,890	2,082,289	3,175,728
Debt service principal	980,838	-	-	983,479	1,964,317
Debt service interest	413,668	12,021	-	588,755	1,014,444
Total expenditures	36,232,310	5,216,915	2,244,031	15,633,408	59,326,664
Excess (deficiency) of revenues over (under) expenditures	(1,099,958)	(369,076)	389,368	(3,810,163)	(4,889,829)
Other financing sources (uses):					
Transfers in	13,516	-	-	1,393,272	1,406,788
Transfers out	(1,078,676)	-	-	(328,112)	(1,406,788)
Proceeds from refunding bonds	3,690,000	-	-	-	3,690,000
Proceeds from long-term debt	673,604	-	-	-	673,604
Premium on bonds sold	59,569	-	-	-	59,569
Refunded debt proceeds paid to escrow agent	(3,672,287)	-	-	-	(3,672,287)
Cost of issuance of long-term debt	(77,282)	-	-	-	(77,282)
Total other financing sources (uses)	(391,556)	-	-	1,065,160	673,604
Net change in fund balances	(1,491,514)	(369,076)	389,368	(2,745,003)	(4,216,225)
Fund balances, beginning of year	3,465,535	1,490,112	2,811,182	14,489,263	22,256,092
Fund balances, end of year	\$ 1,974,021	\$ 1,121,036	\$ 3,200,550	\$ 11,744,260	\$ 18,039,867

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, 2012**

Net change in fund balances - total governmental funds	\$ (4,216,225)
Amounts reported for governmental activities in the statement of activities are different because:	
The issuance of long-term debt and refunding bonds, including premiums, is reflected as other financing sources on the fund level statements, but is reported as an addition to liabilities on the entity wide statements	(4,423,173)
The refunded debt proceeds paid to escrow agent are reflected as other financing uses on the fund level statements, but are reported as a reduction to liabilities on the entity wide statements	3,672,287
Unamortized debt issue costs and discount related to defeased debt were expensed on the entity wide statements, but not reported on the fund level statements	(36,758)
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	1,964,317
Debt issue costs are reflected as other financing uses on the fund level statements, but are reported as an addition to other assets on the entity wide statements	77,282
Amortization of debt issue costs, premiums, discounts, and deferred charges on refunding is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(657)
The current period change in compensated absences does not require or provide current financial resources and, therefore, is not reported in governmental funds	37,225
Change in pension obligation resulting from contributions paid at a rate less than the required rate is not reported on the fund level statements	(173,177)
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	(3,799,381)
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	2,499,497
Full accrual accounting and modified accrual accounting use differing revenue and expense recognition criteria	2,488,339
Change in net assets of governmental activities - entity wide statements	<u>\$ (1,910,424)</u>

Kankakee County, Illinois
Statement of Net Assets
Proprietary Funds - Enterprise Funds
November 30, 2012

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Assets			
Current assets			
Cash	\$ 1,506,282	\$ 160,482	\$ 1,666,764
Cash - restricted	277,102	-	277,102
Investments	1,853,234	186,677	2,039,911
Accounts receivable	80,598	40,815	121,413
Receivable from other governments	462,578	-	462,578
Prepaid expenses	8,251	-	8,251
Total current assets	<u>4,188,045</u>	<u>387,974</u>	<u>4,576,019</u>
Property, plant, and equipment			
Property and equipment	6,887,049	174,471	7,061,520
Accumulated depreciation	(4,521,232)	(120,225)	(4,641,457)
Net property, plant, and equipment	<u>2,365,817</u>	<u>54,246</u>	<u>2,420,063</u>
Bond issue costs, net and other assets			
Total assets	<u>\$ 6,565,276</u>	<u>\$ 442,220</u>	<u>\$ 7,007,496</u>
Liabilities			
Current liabilities			
Current portion - long-term debt	\$ 230,000	\$ 8,106	\$ 238,106
Vouchers and accounts payable	122,135	69,578	191,713
Payable from restricted assets	23,586	-	23,586
Accrued wages and benefits	121,234	-	121,234
Total current liabilities	<u>496,955</u>	<u>77,684</u>	<u>574,639</u>
Long-term liabilities			
Long-term debt, net of current portion	935,000	8,698	943,698
Accrued sick time	37,703	-	37,703
Total long-term liabilities	<u>972,703</u>	<u>8,698</u>	<u>981,401</u>
Total liabilities	<u>1,469,658</u>	<u>86,382</u>	<u>1,556,040</u>
Net assets			
Invested in capital assets, net of related debt	1,200,817	37,442	1,238,259
Restricted for debt service (expendable)	253,516	-	253,516
Unrestricted	3,641,285	318,396	3,959,681
Total net assets	<u>5,095,618</u>	<u>355,838</u>	<u>5,451,456</u>
Total liabilities and net assets	<u>\$ 6,565,276</u>	<u>\$ 442,220</u>	<u>\$ 7,007,496</u>

Kankakee County, Illinois
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds - Enterprise Funds
For the Year Ended November 30, 2012

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Operating revenues:			
Charges for services and other fees	\$ 2,806,698	\$ 287,427	\$ 3,094,125
Miscellaneous	3,451	4,246	7,697
Total operating revenues	<u>2,810,149</u>	<u>291,673</u>	<u>3,101,822</u>
Operating expenses:			
Personal services	1,949,470	184,361	2,133,831
Contractual services	324,121	36,978	361,099
Supplies and materials	4,306	19,382	23,688
Other services and charges	98,525	27,960	126,485
Depreciation and amortization expense	<u>313,292</u>	<u>5,819</u>	<u>319,111</u>
Total operating expenses	<u>2,689,714</u>	<u>274,500</u>	<u>2,964,214</u>
Operating income (loss)	<u>120,435</u>	<u>17,173</u>	<u>137,608</u>
Nonoperating revenue (expense):			
Interest income	8,006	374	8,380
Interest expense	<u>(57,523)</u>	<u>(1,778)</u>	<u>(59,301)</u>
Net nonoperating revenue (loss)	<u>(49,517)</u>	<u>(1,404)</u>	<u>(50,921)</u>
Change in net assets	70,918	15,769	86,687
Net assets, beginning of year	<u>5,024,700</u>	<u>340,069</u>	<u>5,364,769</u>
Net assets, end of year	<u>\$ 5,095,618</u>	<u>\$ 355,838</u>	<u>\$ 5,451,456</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, 2012

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 2,127,614	\$ 311,314	\$ 2,438,928
Payments to suppliers	(913,574)	(66,418)	(979,992)
Payments to employees	(1,394,248)	(184,361)	(1,578,609)
Internal activity - payments from (to) other funds	867,946	(257)	867,689
Other receipts	3,451	4,246	7,697
Net cash provided (used) by operating activities	<u>691,189</u>	<u>64,524</u>	<u>755,713</u>
Cash flows from capital and related financing activities:			
Interest payments on long-term debt	(61,978)	(1,778)	(63,756)
Payments on long-term debt	(230,000)	(7,555)	(237,555)
Purchase of equipment	(407,178)	-	(407,178)
Net cash flows provided (used) by capital and related financing activities	<u>(699,156)</u>	<u>(9,333)</u>	<u>(708,489)</u>
Cash flows from investing activities:			
Purchase of investments	(1,853,547)	-	(1,853,547)
Sale of investments	2,582,697	-	2,582,697
Interest income	8,006	374	8,380
Net cash flows provided (used) by investing activities	<u>737,156</u>	<u>374</u>	<u>737,530</u>
Net increase (decrease) in cash and cash investments	<u>729,189</u>	<u>55,565</u>	<u>784,754</u>
Cash and cash investments, beginning of year	<u>1,054,195</u>	<u>291,594</u>	<u>1,345,789</u>
Cash and cash investments, end of year	<u>\$ 1,783,384</u>	<u>\$ 347,159</u>	<u>\$ 2,130,543</u>
Reported on balance sheet as cash	<u>\$ 1,783,384</u>	<u>\$ 160,482</u>	<u>\$ 1,943,866</u>
Included in balance sheet investments	<u>-</u>	<u>186,677</u>	<u>186,677</u>
	<u>\$ 1,783,384</u>	<u>\$ 347,159</u>	<u>\$ 2,130,543</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 120,435	\$ 17,173	\$ 137,608
Adjustments to reconcile net income to net cash provided from operating activities:			
Depreciation expense	310,424	5,819	316,243
Amortization of bond issue costs	2,869	-	2,869
Change in assets and liabilities:			
(Increase) decrease in accounts receivable/prepaid expenses	180,611	23,923	204,534
Increase (decrease) in accrued salaries and benefits	24,165	17,609	41,774
Increase (decrease) in other liabilities	52,685	-	52,685
Net cash provided by operating activities	<u>\$ 691,189</u>	<u>\$ 64,524</u>	<u>\$ 755,713</u>

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds
November 30, 2012

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets		
Cash	\$ 1,061,288	\$ 2,120,229
Investments, at cost	1,699,026	309,995
Receivables:		
Accounts receivable	<u>95,157</u>	<u>177,383</u>
Total assets	<u>\$ 2,855,471</u>	<u>\$ 2,607,607</u>
Liabilities and Net Assets		
Liabilities		
Vouchers payable	\$ 21,423	\$ 9,001
Due to:		
Other governments	-	33,382
Others	<u>-</u>	<u>2,565,224</u>
Total liabilities	<u>21,423</u>	<u>2,607,607</u>
Net Assets		
Restricted for other purposes	<u>2,834,048</u>	<u>-</u>
Total net assets	<u>2,834,048</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 2,855,471</u>	<u>\$ 2,607,607</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended November 30, 2012

	<u>Private Purpose Trust Funds</u>
Additions:	
Intergovernmental	\$ 1,351,576
Miscellaneous	1,704,586
Interest	<u>1,947</u>
Total additions	<u>3,058,109</u>
Deductions:	
Transportation	1,548,023
Other	<u>1,704,700</u>
Total deductions	<u>3,252,723</u>
Change in net assets	(194,614)
Net assets, beginning of year	<u>3,028,662</u>
Net assets, end of year	<u>\$ 2,834,048</u>

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

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 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, 2012. 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, a special revenue fund.

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
As of and for the year ended November 30, 2012

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 County Board Chairman appoints 50% or more of the board members of numerous entities. These entities are separate legal entities and they have no financial accountability to the County; therefore, these entities are not included in these financial statements.

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. 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 information on lease obligations.

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
As of and for the year ended November 30, 2012

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 and includes the Tort Fund of the County. It accounts for all financial resources not accounted for or reported in another fund.

Pension – This fund is used to account for and report property tax revenues restricted for employee pension costs.

County Highway Fund – This fund is used to account for and report operations to improve, repair and maintain all county highways. Its revenues consist primarily of property taxes and charges for fuel and other services.

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 – This fund is used to account for emergency dispatch services to residents of the County, for both county services and services provided by 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
As of and for the year ended November 30, 2012

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.

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 \$2,340,000 for the General Fund, \$749,000 for the Tort Fund, \$550,000 for the Pension Fund and \$425,600 for non-major special revenue funds. 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, fuel, and transportation and other supplies recorded at cost, using the first in, first out method.

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.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 3 – Summary of Significant Accounting Policies (Continued)

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 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 than 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 certain employees in the departments of County Sheriff, Corrections, Health, County Recorder, and the Emergency Telephone System Board, a percentage of accumulated sick days may be paid or credited for retirement purposes at levels ranging from 80 to 120 days.

Long Term Obligations: In the government-wide financial statements and proprietary funds 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.

Fund Equity: Proprietary fund equity is classified the same as in the government-wide statements. Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. • Nonspendable fund balance cannot be spent because of its form. • Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. • Committed fund balance is a limitation imposed by formal action of the County. Commitments may be established, modified, or rescinded only through resolutions approved by the County Board. • Assigned fund balance refers to amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the County Board. Assigned amounts also include remaining positive fund balances for all governmental funds except the General Fund. • Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above three categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted or committed to those purposes.

When both restricted and unrestricted fund balances are available for use, it is the County's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 3 - Summary of Significant Accounting Policies (Continued)

Restricted Net Assets: For government-wide financial statements, net assets are reported as restricted when constraints placed on net assets are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted as they are needed.

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 2011 tax levy collected in 2012 was recorded as revenues during this fiscal year.

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".

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.

Note 4 – Deposits and Investments

The County has adopted a written investment policy which conforms to state statutes for investment of public funds. At year end, the County's investments were comprised of the following:

	<u>% of Portfolio</u>	
Certificates of Deposit	46%	\$ 5,004,695
Illinois Funds Money Market	54%	<u>5,941,434</u>
		<u>\$10,946,129</u>
Investments reported on:		
Statement of Net Assets	\$ 8,937,108	
Statement of Fiduciary Net Assets:		
Private Purpose Trust	1,699,026	
Agency	<u>309,995</u>	
		<u>\$10,946,129</u>

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 4 – Deposits and Investments (Continued)

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 requires public funds to be invested within the guidelines set forth in the Public Funds Investment Act (30 ILCS/235). The County's investment policy conforms to these state statutes and does not further limit its investment choices. As of November 30, 2012, all the County's investments exposed to credit risk were rated AAA 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. Audited financial statements for the Illinois Funds are available from the Illinois Auditor General.

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, 2012, all deposits were either insured or collateralized with collateral held by the County's agent in the County's name.

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, 2012, the County had \$1,655,681 invested in overnight repurchase agreements. 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 \$1,310,523 as of October 31, 2012. Non-FDIC insured balances were collateralized with pledged securities held by the bank's agent, not in the Commission's name.

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.

Kankakee County, Illinois
 Notes to Basic Financial Statements
 As of and for the year ended November 30, 2012

Note 5 - CDAP Loans Receivable (Continued)

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, 2011	Additions	Retirements	Balances November 30, 2012
Exceptional Health Partners	\$ 76,111	\$ -	\$ (7,531)	\$ 68,580
Unipar	665,484	-	-	665,484
Accion	50,000	25,000	-	75,000
Main Street Momence	50,000	-	-	50,000
Pembroke Township	<u>45,645</u>	<u>-</u>	<u>-</u>	<u>45,645</u>
Total	887,240	25,000	(7,531)	904,709
Less allowance for uncollectible amounts:	<u>(665,484)</u>	<u>-</u>	<u>-</u>	<u>(665,484)</u>
CDAP loans, net	<u>\$ 221,756</u>	<u>\$25,000</u>	<u>\$ (7,531)</u>	<u>\$239,225</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.

Note 6 – Capital Assets

Capital asset activity for the year ended November 30, 2012 was as follows:

	Balances November 30, 2011	Additions	Retirements and Reclassifications	Balances November 30, 2012
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 920,314	\$ -	\$ -	\$ 920,314
Construction in progress	526,093	578,433	-	1,104,526
Intangible assets	1,340,847	105,195	-	1,446,042
Building – idle	<u>1,770,000</u>	<u>-</u>	<u>-</u>	<u>1,770,000</u>
Total	<u>4,557,254</u>	<u>683,628</u>	<u>-</u>	<u>5,240,882</u>
Capital assets being depreciated:				
Transportation network	30,642,962	161,798	-	30,804,760
Buildings and improvements	49,806,306	514,037	-	50,320,343
Buildings and improvements under capital lease agreements	5,180,000	-	-	5,180,000
Equipment	10,236,263	158,666	279,462	10,115,467
Vehicles	<u>5,534,413</u>	<u>981,368</u>	<u>293,675</u>	<u>6,222,106</u>
Total capital assets being depreciated	<u>101,399,944</u>	<u>1,815,869</u>	<u>573,137</u>	<u>102,642,676</u>
Less accumulated depreciation for:				
Transportation network	15,037,032	1,096,122	-	16,133,154
Buildings and improvements	11,557,635	1,368,482	-	12,926,117
Buildings and improvements under capital lease agreements	1,937,045	150,208	-	2,087,253
Equipment	7,731,937	736,163	276,861	8,191,239
Vehicles	<u>3,941,941</u>	<u>448,406</u>	<u>293,941</u>	<u>4,096,406</u>
Total accumulated depreciation	<u>40,205,590</u>	<u>3,799,381</u>	<u>570,802</u>	<u>43,434,169</u>
Governmental activity capital assets, net	<u>\$65,751,608</u>	<u>\$(1,299,884)</u>	<u>\$ 2,335</u>	<u>\$64,449,389</u>

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 6 – Capital Assets (Continued)

	<u>Balances November 30, 2011</u>	<u>Additions</u>	<u>Retirements and Reclassifications</u>	<u>Balances November 30, 2012</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 61,013	\$ -	\$ -	\$ 61,013
Construction in progress	-	382,173	-	382,173
Total	<u>61,013</u>	<u>382,173</u>	<u>-</u>	<u>443,186</u>
Capital assets being depreciated:				
Equipment	6,342,717	25,005	28,618	6,339,104
Leasehold improvements	197,277	-	-	197,277
Equipment under capital lease agreements	81,953	-	-	81,953
Total	<u>6,621,947</u>	<u>25,005</u>	<u>28,618</u>	<u>6,618,334</u>
Less: Accumulated depreciation	4,301,944	310,424	28,618	4,583,750
Accumulated amortization, capital leases	<u>51,888</u>	<u>5,819</u>	<u>-</u>	<u>57,707</u>
Total accumulated depreciation	<u>4,353,832</u>	<u>316,243</u>	<u>28,618</u>	<u>4,641,457</u>
Business-type activities capital assets, net	<u>\$ 2,329,128</u>	<u>\$ 90,939</u>	<u>\$ -</u>	<u>\$ 2,420,063</u>

Depreciation for the year ended November 30, 2012, was charged as follows to the following functions:

Governmental activities:	
General governmental	\$ 108,024
Court services	259,401
Public safety	2,002,729
Health and sanitation	75,572
Transportation	1,352,040
Veterans administration	<u>1,615</u>
Total governmental activities	<u>\$3,799,381</u>
Business-type activities:	
911 Emergency services	\$ 310,424
Animal control	<u>5,819</u>
Total business-type activities	<u>\$ 316,243</u>

Note 7 – Long-Term Debt

Long-term debt consists of the following:

Governmental Activities

Notes Payable and Debt Certificates:

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.

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%. The purpose of the debt certificates was to fund the construction of public safety facilities.

Portions of the Series 2004 Debt Certificates were refunded with the Series 2012 bonds. Payments for the refunded bonds are made from escrow deposits held by a third party, and therefore are not reported as debt by the County.

Debt Certificates, Series 2005B 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%. The purpose of the debt certificates was to fund the construction of public safety facilities.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 7 – Long-Term Debt (Continued)

Bonds:

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, and a property tax levy, if necessary. The purpose of this bond issue was to fund the integrated justice information system.

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 2012, \$61,109 of interest was refunded to the County.

General Obligation Refunding Bonds (Alternate Revenue Source), Series 2011 dated June 15, 2011, in the original issue amount of \$6,600,000 provide for serial retirement of principal beginning December 1, 2012 through 2024, and interest payable December 1 and June 1 of each year beginning December 1, 2011 at rates of 2.0% to 4.2%, secured by inmate housing fees of the General Fund, and a property tax levy, if necessary. The purpose of this bond issue was to provide monies to advance refund Series 2005A Debt Certificates.

General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012 dated April 24, 2012, in the original issue amount of \$3,690,000 provide for serial retirement of principal payable on December 1 each year for 2012 through 2024, and interest payable December 1 and June 1 each year, beginning December 1, 2012 at rates of 2.0% to 3.25%, secured by inmate housing fees of the General Fund, and a property tax levy, if necessary. The purpose of this bond issue was to provide monies to advance refund \$3,395,000 of Series 2004 Debt Certificates.

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.

Changes in long-term debt are as follows:

	<u>Balances</u> <u>November 30,</u> <u>2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>November 30,</u> <u>2012</u>
Governmental activities:				
Bonds – General Obligation	\$10,025,000	\$3,690,000	\$ 490,000	\$13,225,000
Adjustments for deferred amounts:				
For issuance premiums	83,629	59,569	7,724	135,474
On refunding	-	(277,287)	(6,012)	(271,275)
Total bonds – general obligation	<u>10,108,629</u>	<u>3,472,282</u>	<u>491,712</u>	<u>13,089,199</u>
Debt Certificates	10,605,000	-	4,020,000	6,585,000
Adjustments for deferred amounts:				
For issuance premiums	216,627	-	12,634	203,993
Total debt certificates	<u>10,821,627</u>	<u>-</u>	<u>4,032,634</u>	<u>6,788,993</u>
Note payable	175,000	-	-	175,000
Capital leases (Note 8)	3,699,562	673,604	849,317	3,523,849
Compensated absences	564,815	53,253	7,472	610,596
Total	<u>\$ 25,369,633</u>	<u>\$4,199,136</u>	<u>\$5,381,135</u>	<u>\$24,187,637</u>
Business-type activities:				
Bonds - Alternate Revenue Source	\$ 1,395,000	\$ -	\$ 230,000	\$ 1,165,000
Capital leases (Note 8)	24,359	-	7,555	16,804
Compensated absences	23,618	14,085	-	37,703
Total	<u>\$ 1,442,977</u>	<u>\$ 14,085</u>	<u>\$ 237,555</u>	<u>\$ 1,219,507</u>

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 7 – Long-Term Debt (Continued)

As of November 30, 2012, the County was obligated to make payments of principal and interest as follows:

For fiscal years ending November 30,	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,893,433	\$1,031,219	\$ 2,924,652	\$ 238,106	\$ 52,452	\$ 290,558
2014	2,059,242	968,429	3,027,671	238,698	40,935	279,633
2015	1,804,838	820,979	2,625,817	235,000	29,081	264,081
2016	1,822,912	754,830	2,577,742	235,000	17,566	252,566
2017	1,556,582	682,665	2,239,247	235,000	5,875	240,875
2018-2022	8,741,054	2,444,581	11,185,635	-	-	-
2023-2027	4,935,788	647,718	5,583,506	-	-	-
2028-2030	<u>695,000</u>	<u>65,340</u>	<u>760,340</u>	-	-	-
	<u>\$23,508,849</u>	<u>\$7,415,761</u>	<u>\$30,924,610</u>	<u>\$1,181,804</u>	<u>\$145,909</u>	<u>\$1,327,713</u>

The total interest incurred for short-term and long-term debt for the year ended November 30, 2012 was \$1,073,745 all of which was charged to expense.

For governmental activities, the compensated absences are liquidated by the fund in which the related salaries are charged.

Advance Refunding

The Series 2012 bonds totaled \$3,690,000 and were used to refund \$3,395,000 of the Series 2004 debt certificates. The proceeds of these bonds were placed in escrow held by a third party to generate resources for all future debt service payments of the refunded Series 2004 debt certificates. As a result, the refunded debt certificates are considered defeased and the liability has been removed from the County's statement of net assets.

The refunding was undertaken to reduce future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$277,287. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. The transaction also resulted in an economic gain of \$138,194 and a reduction of \$138,007 in future debt service payments.

The remaining balance of the defeased Series 2005A debt certificates and Series 2004 debt certificates as of November 30, 2012 was \$6,535,000 and \$3,395,000, respectively.

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%.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 8 - Leases (Continued)

Future minimum rental commitments for this lease as of November 30, 2012 are as follows:

	<u>ETSB Fund</u>
2013	\$ 18,762
2014	18,762
2015	18,762
2016	18,762
2017	18,762
2018 – 2022	93,810
2023 – 2027	93,810
2028	<u>9,381</u>
	<u>\$290,811</u>

Rent expenditures/expenses for operating leases for year ended November 30, 2012 - \$ 18,762

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 \$577,854 in 2012 to \$666,199 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 – 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.

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. 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.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 8 - Leases (Continued)

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.

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
For fiscal years ended November 30,					
2013	\$ 611,608	\$ 181,815	\$277,664	\$1,071,087	\$9,333
2014	648,778	183,015	178,190	1,009,983	9,333
2015	659,997	184,025	36,259	880,281	-
2016	666,199	184,735	-	850,934	-
2017	-	185,250	-	185,250	-
2018-2022	-	914,310	-	914,310	-
2023-2026	-	707,779	-	707,779	-
Total minimum lease payments	2,586,582	2,540,929	492,113	5,619,624	18,666
Less: Amount representing estimated executory costs (maintenance and insurance), included in total minimum lease payments	1,242,547	-	-	1,242,547	-
Net minimum lease payments	1,344,035	2,540,929	492,113	4,377,077	18,666
Less: Amount representing interest	166,556	672,422	14,250	853,228	1,862
Present value of net minimum lease payments	\$1,177,479	\$1,868,507	\$ 477,863	\$3,523,849	\$16,804

Note 9 – Short-Term Debt

Short-term debt provides financing for governmental activities. In December 2011, the County issued \$3,300,000 2011A Corporate Purpose Tax Anticipation Warrants and \$1,000,000 2011B Taxable Pension Purpose Tax Anticipation Warrants due September 30, 2012 with interest rates of 1.03% and 1.54%, respectively. This debt was issued for interim financing of General Fund and Pension Fund operations. On September 26, 2012, the County repaid the notes plus \$38,552 in interest. The following is a summary of changes in short-term debt for the year ended November 30, 2012:

	2011A Series	2011B Series
Balance December 1, 2011	\$ -0-	\$ -0-
Increases	3,300,000	1,000,000
Decreases	(3,300,000)	(1,000,000)
Balance November 30, 2012	\$ -0-	\$ -0-

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 10 - Retirement Funds

Regular and Elected County Official Personnel

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's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

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 2012 was 11.51 and 81.91 percent, respectively, of annual covered payroll. The County annual required contribution rate for calendar year 2012 was 11.85 and 104.70 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, 2012, the County's actual contributions for pension costs for Regular and Elected County Officials were \$2,227,159 and \$148,405, respectively. The County's annual required contributions (ARC) for calendar year 2012 were \$2,292,948 and \$189,697, respectively. The County's annual pension cost (APC) for calendar year 2012 was \$2,302,691 and \$192,771, respectively.

Three-Year Trend Information for the Regular County Official Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/12	\$2,302,691	97%	\$ 75,532
12/31/11	2,067,211	92%	167,413
12/31/10	2,102,540	86%	288,126

Three-Year Trend Information for the Elected County Official Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/12	\$192,771	77%	\$44,366
12/31/11	180,818	72%	51,738
12/31/10	256,998	64%	91,995

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, 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 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, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 10 –Retirement Funds (Continued)

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular and Elected Official plans were 67.89 and 0.00 percent funded, respectively. The actuarial accrued liability for benefits was \$47,521,886 and \$2,188,988, respectively, and the actuarial value of assets was \$32,262,077 and \$(2,139,053), respectively, resulting in an underfunded actuarial accrued liability (UAAL) of \$15,259,809 and \$4,328,041, respectively. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plans) was \$19,349,775 and \$181,181, respectively, and the ratio of the UAAL to the covered payroll was 79 percent and 2,389 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 2012 used by the County was 24.52 percent of annual covered payroll. The County's annual required contribution rate for the calendar year 2012 was 25.48 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, 2012, the County's actual contributions for pension cost for the Sheriff's Law Enforcement Personnel were \$976,550. Its annual required contribution (ARC) for calendar year 2012 was \$1,014,784. Its annual pension cost (APC) for calendar year 2012 was \$1,019,480.

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>
12/31/12	\$1,019,480	96%	\$ 42,930
12/31/11	959,862	88%	115,818
12/31/10	944,707	89%	103,698

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2010, 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, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 10 – Retirement Funds (Continued)

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 32.30 percent funded. The actuarial accrued liability for benefits was \$17,841,897 and the actuarial value of assets was \$5,762,265, resulting in an underfunded actuarial accrued liability (UAAL) of \$12,079,632. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$3,982,668 and the ratio of the UAAL to the covered payroll was 303 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.

Net Pension Obligation

	<u>Regular Plan</u>	<u>Elected Officials Plan</u>	<u>SLEP Plan</u>	<u>Total</u>
Annual required contribution (ARC)	\$2,292,948	\$189,697	\$1,014,784	\$3,497,429
Interest on net pension obligation	34,165	10,780	16,464	61,409
Adjustment to ARC	(24,422)	(7,706)	(11,768)	(43,896)
Annual pension cost	2,302,691	192,771	1,019,480	3,514,942
Actual contributions	(2,227,159)	(148,405)	(976,550)	(3,352,114)
Change in net pension obligation	75,532	44,366	42,930	162,828
Net pension obligation November 30, 2011	455,539	143,733	219,516	818,788
Net pension obligation November 30, 2012	\$ 531,071	\$188,099	\$ 262,446	\$ 981,616

Note 11 – 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 12 – Interfund Accounts and Transfers

Interfund balances are as follows:

	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 46,061	\$3,687,390
Tort Fund (Reported in General Fund)	1,050,000	-
Total General Fund	1,096,061	3,687,390
Pension	1,425,000	-
Other Governmental Funds	1,212,390	46,061
Subtotal	3,733,451	3,733,451
Elimination in General/Tort Funds	(1,050,000)	(1,050,000)
Total Governmental Funds	\$2,683,451	\$2,683,451

The General Fund borrowed \$3,687,390 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.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 12 – Interfund Accounts and Transfers (Continued)

Transfers during the year ended November 30, 2012 are summarized as follows:

	<u>In</u>	<u>Out</u>
General Fund	\$ 13,516	\$1,078,676
Other Nonmajor Funds:		
Arrestee Medical	-	9,000
Forfeited Funds - Sheriff	-	4,516
Court Document Storage	-	157,298
Court Automation	-	157,298
Bond Fund Series 2009	314,595	-
Bond Fund Series 2011	659,166	-
Bond Fund Series 2012	<u>419,511</u>	<u>-</u>
	<u>\$1,406,788</u>	<u>\$1,406,788</u>

The Arrestee Medical Fund transferred \$9,000 to the General Fund to offset inmate medical expenses paid out of the General Fund. The Forfeited Funds - Sheriff Fund transferred accumulated funds in the amount of \$4,516 to the General Fund. 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. The General Fund transferred debt service principal and interest into the Bond Fund Series 2011 and Series 2012 in accordance with debt covenants.

Note 13 – 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>
General Fund (excluding Tort)	\$33,286,316	\$32,780,467	\$505,849
Nonmajor Special Revenue Funds			
Treasurer's Interest	39,265	20,000	19,265
Coroner Fee	40,773	30,100	10,673
Health Fund	3,068,808	3,044,675	24,133

Note 14 – 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.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 15 – 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.

Courthouse Renovations

In May 2012, after an inspection of the Kankakee County courthouse, the Office of the Attorney General of the State of Illinois sent a letter to the County listing 159 deficiencies within the courthouse relative to the Americans with Disabilities Act (ADA) that the County needs to address. The County has also determined that the current courthouse does not meet the Illinois Supreme Court Standards pertaining to courtrooms and courthouse traffic patterns, and does not meet space needs for current operations. Furthermore, the age of the court house and the condition of the present mechanical and electrical systems present several challenges in meeting standards and needs. The County has approved hiring an architectural engineering planning and design firm to complete a space needs study, make design recommendations, and lead the County through the process of making a decision. The County must also determine how these costs will be funded. The County has approved placing a question on the ballot for the General Primary Election in March 2014 regarding a referendum for a tax increase with a specific amount to be determined later.

Note 16 – 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. In addition, the County provides for 100% of the healthcare premiums for life for eligible disabled police deputy and correctional officers. 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.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 16 – Other Postemployment Benefit (OPEB) Plans (Continued)

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 was implemented on a prospective basis as of November 30, 2009. An actuarial valuation is required at least biennially. 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 as of November 30, 2011 (as of the last actuarial study) is as follows:

Annual required contribution	\$100,682
Interest on net OPEB obligation	(543)
Adjustment to annual required contribution	<u>362</u>
Annual OPEB cost	100,501
Contributions made	<u>115,273</u>
Increase in OPEB obligation (prepayment)	(14,772)
Net OPEB obligation (prepayment) beginning of year	<u>(10,859)</u>
Net OPEB obligation (prepayment) end of year	<u><u>\$ (25,631)</u></u>

Trend Information

Fiscal Year	Annual OPEB Cost	% of OPEB Cost	Net OPEB Obligation
11/30/12**	\$100,501	114.7%	<u><u>\$(25,631)</u></u>
11/30/11	100,501	114.7%	<u><u>(25,631)</u></u>
11/30/10*	104,414	110.4%	<u><u>(10,859)</u></u>
11/30/09	104,414	110.4%	<u><u>(10,859)</u></u>

*Results from 2009 actuarial study

** Results from 2011 actuarial study

Funded Status: As of November 30, 2011, the most recent actuarial valuation date, the OPEB plan was 0% funded. The actuarial accrued liability for benefits was \$4,546,525, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability of \$4,546,525. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarial determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return including an inflation rate of 3.0%, a 5% projected salary increase, and a healthcare cost trend rate of 8.0%, 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, 2011 was 30 years.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 16 – Other Postemployment Benefit (OPEB) Plans (Continued)

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 were at least 50 years of age qualified. The ERI offer terminated November 30, 2011. In conjunction with the ERI, the County offered an early retirement health insurance incentive to those qualifying employees who elected 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 17 – 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 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 \$750,056 and include outstanding receivables from the County in the amount of \$127,715 at November 30, 2012.

Note 18 - 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 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, 2012, revenues of approximately \$10.55 million resulting from these agreements were recognized in the General Fund.

Note 19 – 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 approximately \$1.6 million 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, 2012.

Note 20 - Impact of Recently Issued Accounting Principles

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. GASBS No. 60 provides financial reporting guidance for service concession arrangements (SCAs). This Statement is effective for periods beginning after December 15, 2011. The County does not have any SCAs and therefore the adoption of GASBS No. 60 will not have any impact on the County's financial statements.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASBS No. 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This Statement is effective for periods beginning after June 15, 2012. Management has evaluated all component units under the new criteria and determined that the Kankakee County Public Building Commission will need to be reported as a blended special revenue fund in future years. All other component units will be reported in the same manner as previous years.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 20 - Impact of Recently Issued Accounting Principles (Continued)

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASBS No. 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011, which is fiscal year ending November 30, 2013, for the County.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASBS No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011, which is fiscal year ending November 30, 2013, for the County. The statement of net position and balance sheet information will be reclassified for any prior periods presented.

In June 2011, the GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions -- an amendment of GASB Statement No. 53*. GASBS No. 64 provides clarification on whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement is effective for periods beginning after June 15, 2011. Management does not anticipate that the adoption of GASBS No. 64 will have any impact on the County's current or future financial statements.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, effective for fiscal years beginning after June 15, 2013. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. The County does not administer pension plans and therefore this statement will not impact its financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASBS No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012, which is fiscal year ending November 30, 2014 for the County.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statement No. 10 and No. 62*, effective for periods beginning after December 15, 2012, which is fiscal year ending November 30, 2014 for the County.

In June 2012, the GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, effective for fiscal years beginning after June 15, 2014. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions.

Management is currently evaluating the impact of the adoption of Statement Nos. 65, 66, and 68 on the County's future financial statements, and has chosen not to early apply the provisions of these Statements.

Kankakee County, Illinois
Notes to Basic Financial Statements
As of and for the year ended November 30, 2012

Note 21 – Subsequent Events

In December 2012, the County issued \$5,395,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012A to advance refund a portion of the County's existing Debt Certificates, Series 2005B. The bonds provide for serial retirement of principal beginning December 1, 2013 through 2024 and interest payable at rates of 2% to 2.5%, secured by inmate housing fees of the General Fund, and a property tax levy, if necessary.

In January 2013, the County Board authorized the issuance of \$4,000,000 2013 Taxable Corporate Purpose and Pension Purpose Tax Anticipation Warrants due September 30, 2013 with an interest rate of .093%.

Required Supplementary Information

Kankakee County, Illinois

Budgetary Comparison Schedule

General Fund - Revenues and Other Financing Sources (Uses)

For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Taxes:				
Property taxes	\$ 4,731,055	\$ 4,731,055	\$ 4,721,370	\$ (9,685)
Sales tax	7,445,000	7,545,000	7,485,321	(59,679)
Total taxes	<u>12,176,055</u>	<u>12,276,055</u>	<u>12,206,691</u>	<u>(69,364)</u>
Intergovernmental:				
State income tax	2,250,000	2,550,000	2,521,619	(28,381)
Replacement taxes	940,000	940,000	864,184	(75,816)
Inheritance tax	20,000	70,000	65,515	(4,485)
Grants and other reimbursements	2,073,901	2,190,901	2,072,209	(118,692)
Total intergovernmental	<u>5,283,901</u>	<u>5,750,901</u>	<u>5,523,527</u>	<u>(227,374)</u>
Charges for Services:				
County Recorder fees	347,000	402,000	386,057	(15,943)
Circuit Clerk fees	2,283,000	2,283,000	2,091,608	(191,392)
Inmate housing and reimbursements	9,300,000	10,900,000	10,709,772	(190,228)
Building and Zoning fees	191,000	231,000	217,242	(13,758)
Sheriff fees	243,000	243,000	266,122	23,122
County Clerk fees	175,100	175,100	160,812	(14,288)
Other fees and reimbursements	71,700	124,700	105,520	(19,180)
Total charges for services	<u>12,610,800</u>	<u>14,358,800</u>	<u>13,937,133</u>	<u>(421,667)</u>
License and Permits:				
Liquor licenses	24,000	24,000	24,500	500
Cable TV franchise fees	200,000	200,000	247,612	47,612
Contractor licenses	80,000	80,000	80,900	900
Gambling machine licenses	2,500	2,500	2,040	(460)
Total licenses and permits	<u>306,500</u>	<u>306,500</u>	<u>355,052</u>	<u>48,552</u>
Fines and Forfeits:				
County fines and forfeitures	299,000	324,000	223,428	(100,572)
Real estate tax penalties	525,000	525,000	495,834	(29,166)
Total fines and forfeitures	<u>824,000</u>	<u>849,000</u>	<u>719,262</u>	<u>(130,198)</u>
Interest				
Interest	<u>9,500</u>	<u>9,500</u>	<u>3,588</u>	<u>(5,912)</u>
Miscellaneous				
Miscellaneous	<u>48,200</u>	<u>48,200</u>	<u>49,524</u>	<u>1,324</u>
Total general fund revenues as budgeted	<u>31,258,956</u>	<u>33,598,956</u>	<u>32,794,777</u>	<u>(804,179)</u>
Tort fund-see Tort Liability				
Budget Comparison Schedule	<u>2,333,431</u>	<u>2,333,431</u>	<u>2,337,575</u>	<u>4,144</u>
Total general fund revenues as reported	<u>33,592,387</u>	<u>35,932,387</u>	<u>35,132,352</u>	<u>(800,035)</u>
Other financing sources:				
Transfers in	28,000	28,000	13,516	(14,484)
Proceeds from refunding bonds	-	-	3,690,000	3,690,000
Proceeds from long-term debt	-	-	673,604	673,604
Premium on bonds sold	-	-	59,569	59,569
Total other financing sources	<u>28,000</u>	<u>28,000</u>	<u>4,436,689</u>	<u>4,408,689</u>
Total revenues and other financing sources	<u>\$ 33,620,387</u>	<u>\$ 35,960,387</u>	<u>\$ 39,569,041</u>	<u>\$ 3,608,654</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government				
Management Information Systems (MIS)				
Personal services	\$ 171,500	\$ 171,500	\$ 164,193	\$ (7,307)
Supplies	500	500	-	(500)
Capital outlay	83,000	95,000	104,363	9,363
Other services and charges	3,000	3,000	939	(2,061)
Total MIS	<u>258,000</u>	<u>270,000</u>	<u>269,495</u>	<u>(505)</u>
Board of Review				
Personal services	21,000	22,000	23,040	1,040
Supplies	-	3,000	717	(2,283)
Other services and charges	-	2,000	1,836	(164)
Total Board of Review	<u>21,000</u>	<u>27,000</u>	<u>25,593</u>	<u>(1,407)</u>
County Administration				
Personal services	237,400	245,900	251,085	5,185
Contractual services	83,500	92,500	91,463	(1,037)
Supplies	4,600	4,600	5,205	605
Capital outlay	5,500	11,000	4,841	(6,159)
Other services and charges	36,000	36,000	35,073	(927)
Total County Administration	<u>367,000</u>	<u>390,000</u>	<u>387,667</u>	<u>(2,333)</u>
County Auditor				
Personal services	115,750	115,750	103,046	(12,704)
Contractual services	-	-	43	43
Supplies	2,275	2,275	4,194	1,919
Capital outlay	-	-	396	396
Other services and charges	1,975	1,975	2,842	867
Total County Auditor	<u>120,000</u>	<u>120,000</u>	<u>110,521</u>	<u>(9,479)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
County Recorder				
Personal services	129,654	129,654	129,779	125
Contractual services	580	580	494	(86)
Supplies	6,000	6,000	5,751	(249)
Other services and charges	2,266	2,266	1,476	(790)
Total County Recorder	<u>138,500</u>	<u>138,500</u>	<u>137,500</u>	<u>(1,000)</u>
Election Commission				
Personal services	316,670	316,670	354,971	38,301
Contractual services	62,850	81,150	47,707	(33,443)
Supplies	137,380	204,580	207,651	3,071
Other services and charges	48,100	48,100	39,280	(8,820)
Total Election Commission	<u>565,000</u>	<u>650,500</u>	<u>649,609</u>	<u>(891)</u>
Regional Superintendent of Schools				
Contractual services	348,583	348,583	333,361	(15,222)
Total Regional Superintendent of Schools	<u>348,583</u>	<u>348,583</u>	<u>333,361</u>	<u>(15,222)</u>
County Clerk				
Personal services	164,033	164,033	170,497	6,464
Supplies	18,250	18,250	14,829	(3,421)
Other services and charges	1,217	5,717	1,732	(3,985)
Total County Clerk	<u>183,500</u>	<u>188,000</u>	<u>187,058</u>	<u>(942)</u>
Buildings and Grounds				
Personal services	515,294	698,294	695,496	(2,798)
Contractual services	100,306	195,306	174,880	(20,426)
Supplies	109,800	157,800	186,919	29,119
Capital outlay	13,000	209,000	205,824	(3,176)
Other services and charges	13,600	113,600	124,040	10,440
Debt service principal	14,000	14,000	-	(14,000)
Total Buildings and Grounds	<u>766,000</u>	<u>1,388,000</u>	<u>1,387,159</u>	<u>(841)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Capital Development				
Contractual services	56,827	79,827	81,528	1,701
Capital outlay	5,000	105,000	524,030	419,030
Other services and charges	18,340	18,340	16,025	(2,315)
Debt service principal	728,199	728,199	980,838	252,639
Debt service interest	411,769	411,769	413,668	1,899
Total Capital Development	1,220,135	1,343,135	2,016,089	672,954
Health Insurance				
Other services and charges	25,000	25,000	16,236	(8,764)
Insurances	4,250,500	4,000,500	3,935,582	(64,918)
Total Health Insurance	4,275,500	4,025,500	3,951,818	(73,682)
Utilities				
Contractual services	-	-	26,699	26,699
Supplies	32,000	32,000	615	(31,385)
Other services and charges	1,043,000	993,000	983,230	(9,770)
Total Utilities	1,075,000	1,025,000	1,010,544	(14,456)
Planning Department				
Personal services	591,557	618,557	607,024	(11,533)
Contractual services	25,343	55,343	47,013	(8,330)
Supplies	66,200	56,200	40,185	(16,015)
Capital outlay	1,380	1,380	3,192	1,812
Other services and charges	185,700	135,700	147,877	12,177
Insurances	20,000	20,000	29,588	9,588
Total Planning Department	890,180	887,180	874,879	(12,301)
County Treasurer				
Personal services	152,550	152,550	151,039	(1,511)
Contractual services	4,500	4,500	6,808	2,308
Supplies	38,000	45,000	44,530	(470)
Other services and charges	5,450	5,450	4,934	(516)
Total County Treasurer	200,500	207,500	207,311	(189)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Finance Department				
Personal services	122,417	122,417	118,251	(4,166)
Contractual services	5,000	5,000	4,453	(547)
Supplies	1,800	1,800	2,074	274
Capital outlay	3,000	-	-	-
Other services and charges	10,783	3,783	2,362	(1,421)
Total Finance Department	<u>143,000</u>	<u>133,000</u>	<u>127,140</u>	<u>(5,860)</u>
Contingency				
Other services and charges	<u>200,000</u>	-	-	-
Total Contingency	<u>200,000</u>	-	-	-
Supervisor of Assessments				
Personal services	256,500	256,500	255,219	(1,281)
Contractual services	76,635	76,635	80,482	3,847
Supplies	19,365	19,365	20,151	786
Capital outlay	4,000	4,000	1,395	(2,605)
Other services and charges	8,500	8,500	5,960	(2,540)
Total Supervisor of Assessments	<u>365,000</u>	<u>365,000</u>	<u>363,207</u>	<u>(1,793)</u>
ZBA - BOE Planning				
Personal services	4,000	4,000	3,072	(928)
Contractual services	<u>4,000</u>	<u>4,000</u>	<u>4,350</u>	<u>350</u>
Total ZBA - BOE Planning	<u>8,000</u>	<u>8,000</u>	<u>7,422</u>	<u>(578)</u>
Total General Government	<u>\$ 11,144,898</u>	<u>\$ 11,514,898</u>	<u>\$ 12,046,373</u>	<u>\$ 531,475</u>
Economic Development				
Personal services	\$ 131,000	\$ 156,000	\$ 149,391	\$ (6,609)
Contractual services	10,000	14,000	11,992	(2,008)
Total Economic Development	<u>\$ 141,000</u>	<u>\$ 170,000</u>	<u>\$ 161,383</u>	<u>\$ (8,617)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Judiciary and Court Related				
Circuit Court				
Personal services	\$ 152,900	\$ 152,900	\$ 158,487	\$ 5,587
Contractual services	137,375	137,375	131,372	(6,003)
Supplies	7,650	7,650	8,122	472
Capital outlay	1,000	1,000	-	(1,000)
Other services and charges	31,075	31,075	23,230	(7,845)
Insurances	7,000	7,000	2,732	(4,268)
Total Circuit Court	<u>337,000</u>	<u>337,000</u>	<u>323,943</u>	<u>(13,057)</u>
Circuit Clerk				
Personal services	611,100	611,100	548,597	(62,503)
Supplies	39,000	39,000	34,384	(4,616)
Capital outlay	11,500	11,500	450	(11,050)
Other services and charges	8,400	8,400	7,280	(1,120)
Total Circuit Clerk	<u>670,000</u>	<u>670,000</u>	<u>590,711</u>	<u>(79,289)</u>
Child Support and Maintenance				
Personal services	28,137	28,137	30,955	2,818
Supplies	7,821	7,821	2,794	(5,027)
Other services and charges	9,542	9,542	96	(9,446)
Total Child Support and Maintenance	<u>45,500</u>	<u>45,500</u>	<u>33,845</u>	<u>(11,655)</u>
Jury Commission				
Personal services	39,112	39,112	39,032	(80)
Contractual services	3,000	3,000	3,090	90
Supplies	21,800	21,800	15,002	(6,798)
Capital outlay	1,500	1,500	5,430	3,930
Other services and charges	99,588	99,588	94,288	(5,300)
Total Jury Commission	<u>165,000</u>	<u>165,000</u>	<u>156,842</u>	<u>(8,158)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Judiciary and Court Related (continued)				
States Attorney				
Personal services	1,682,765	1,682,765	1,581,709	(101,056)
Contractual services	25,400	25,400	12,935	(12,465)
Supplies	26,743	26,743	21,683	(5,060)
Capital outlay	25,000	25,000	300	(24,700)
Other services and charges	5,500	5,500	2,611	(2,889)
Insurances	39,000	39,000	28,836	(10,164)
Total States Attorney	<u>1,804,408</u>	<u>1,804,408</u>	<u>1,648,074</u>	<u>(156,334)</u>
Public Defender				
Personal services	766,062	773,062	773,149	87
Contractual Services	3,700	3,700	3,538	(162)
Supplies	6,650	6,650	6,866	216
Capital outlay	300	300	-	(300)
Other services and charges	3,288	3,288	3,034	(254)
Total Public Defender	<u>780,000</u>	<u>787,000</u>	<u>786,587</u>	<u>(413)</u>
Probation				
Personal services	1,147,996	1,181,996	1,181,130	(866)
Contractual services	1,500	1,500	-	(1,500)
Supplies	1,000	1,000	960	(40)
Capital outlay	-	-	1,359	1,359
Other services and charges	13,600	13,600	7,970	(5,630)
Insurances	5,000	5,000	10,925	5,925
Total Probation	<u>1,169,096</u>	<u>1,203,096</u>	<u>1,202,344</u>	<u>(752)</u>
DNDC				
Contractual Services	32,000	32,000	13,525	(18,475)
Other services and charges	97,000	123,000	141,990	18,990
Total DNDC	<u>129,000</u>	<u>155,000</u>	<u>155,515</u>	<u>515</u>
Juvenile Detention Center				
Contractual services	<u>875,000</u>	<u>875,000</u>	<u>875,547</u>	<u>547</u>
Total Juvenile Detention Center	<u>875,000</u>	<u>875,000</u>	<u>875,547</u>	<u>547</u>
Total Judiciary and Court Related	\$ 5,975,004	\$ 6,042,004	\$ 5,773,408	\$ (268,596)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Public Safety				
Sheriff's Office				
Personal services	\$ 3,827,227	\$ 4,022,227	\$ 4,045,961	\$ 23,734
Contractual services	77,600	77,600	33,460	(44,140)
Supplies	33,675	48,675	54,002	5,327
Capital outlay	29,400	29,400	2,279	(27,121)
Other services and charges	<u>369,590</u>	<u>495,590</u>	<u>536,881</u>	<u>41,291</u>
Total Sheriff's Office	<u>4,337,492</u>	<u>4,673,492</u>	<u>4,672,583</u>	<u>(909)</u>
Corrections				
Personal services	6,408,287	7,108,287	7,259,012	150,725
Contractual services	73,845	100,845	110,012	9,167
Supplies	102,788	102,788	132,768	29,980
Capital outlay	13,364	13,364	5,153	(8,211)
Other services and charges	<u>1,361,716</u>	<u>1,908,716</u>	<u>1,993,170</u>	<u>84,454</u>
Total Corrections	<u>7,960,000</u>	<u>9,234,000</u>	<u>9,500,115</u>	<u>266,115</u>
Auxiliary Police				
Supplies	<u>2,500</u>	<u>2,500</u>	<u>1,720</u>	<u>(780)</u>
Total Auxiliary Police	<u>2,500</u>	<u>2,500</u>	<u>1,720</u>	<u>(780)</u>
Coroner				
Personal services	209,100	223,100	223,024	(76)
Contractual services	85,000	140,000	138,170	(1,830)
Supplies	2,800	2,800	1,963	(837)
Capital outlay	1,200	1,200	298	(902)
Other services and charges	<u>16,900</u>	<u>16,900</u>	<u>19,766</u>	<u>2,866</u>
Total Coroner	<u>315,000</u>	<u>384,000</u>	<u>383,221</u>	<u>(779)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Public Safety (continued)				
Dispatch Services				
Contractual services	615,500	565,500	555,479	(10,021)
Total Dispatch Services	615,500	565,500	555,479	(10,021)
Merit Commission				
Personal services	750	750	625	(125)
Supplies	150	150	1	(149)
Other services and charges	4,100	11,100	10,201	(899)
Total Merit Commission	5,000	12,000	10,827	(1,173)
ESDA				
Personal services	103,460	119,460	112,327	(7,133)
Contractual services	1,975	5,475	5,658	183
Supplies	4,550	4,550	3,954	(596)
Capital outlay	6,140	15,140	14,239	(901)
Other services and charges	27,798	37,298	43,916	6,618
Insurances	150	150	1,113	963
Total ESDA	144,073	182,073	181,207	(866)
Total Public Safety	\$ 13,379,565	\$ 15,053,565	\$ 15,305,152	\$ 251,587
Total general fund expenditures as budgeted	\$ 30,640,467	\$ 32,780,467	\$ 33,286,316	\$ 505,849
Tort fund-see Tort Liability				
Budget Comparison Schedule	\$ 2,401,847	\$ 3,150,847	\$ 2,945,994	\$ (204,853)
Total general fund expenditures as reported	\$ 33,042,314	\$ 35,931,314	\$ 36,232,310	\$ 300,996
Other financing sources:				
Transfers out	\$ 646,489	\$ 846,489	\$ 1,078,676	\$ 232,187
Refunded debt proceeds paid to escrow agent	-	-	3,672,287	3,672,287
Cost of issuance of long-term debt	-	-	77,282	77,282
Total other financing sources	\$ 646,489	\$ 846,489	\$ 4,828,245	\$ 3,981,756
Total expenditures and other financing sources	\$ 33,688,803	\$ 36,777,803	\$ 41,060,555	\$ 4,282,752

Kankakee County, Illinois
Budgetary Comparison Schedule
Tort Liability Fund (reported in General Fund)
For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 2,289,831	\$ 2,289,831	\$ 2,285,125	\$ (4,706)
Intergovernmental	2,000	2,000	9,909	7,909
Interest on investments	1,600	1,600	341	(1,259)
Miscellaneous	<u>40,000</u>	<u>40,000</u>	<u>42,200</u>	<u>2,200</u>
Total revenue	<u>2,333,431</u>	<u>2,333,431</u>	<u>2,337,575</u>	<u>4,144</u>
Expenditures:				
Personal services	488,447	563,447	576,462	13,015
Contractual services	1,786,000	2,401,000	2,134,100	(266,900)
Supplies and materials	7,800	7,800	6,215	(1,585)
Capital outlay	1,000	1,000	-	(1,000)
Other services and charges	<u>118,600</u>	<u>177,600</u>	<u>229,217</u>	<u>51,617</u>
Total expenditures	<u>2,401,847</u>	<u>3,150,847</u>	<u>2,945,994</u>	<u>(204,853)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (68,416)</u>	<u>\$ (817,416)</u>	<u>\$ (608,419)</u>	<u>\$ 208,997</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
Pension Fund
For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Property taxes	\$ 4,806,752	\$ 4,806,752	\$ 4,796,874	\$ (9,878)
Intergovernmental	35,000	35,000	50,299	15,299
Interest on investments	2,100	2,100	666	(1,434)
Total revenues	4,843,852	4,843,852	4,847,839	3,987
Expenditures:				
Personal services	4,744,200	5,294,200	5,204,894	(89,306)
Debt service interest	-	-	12,021	12,021
Total expenditures	4,744,200	5,294,200	5,216,915	(89,306)
Excess (deficiency) of revenues over expenditures	\$ 99,652	\$ (450,348)	\$ (369,076)	\$ 81,272

Kankakee County, Illinois
Budgetary Comparison Schedule
County Highway Fund
For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 1,817,442	\$ 1,817,442	\$ 1,812,990	\$ (4,452)
Fines and fees	478,800	478,800	724,808	246,008
Interest on investments	1,600	1,600	1,725	125
Miscellaneous	17,040	17,040	93,876	76,836
Total revenues	2,314,882	2,314,882	2,633,399	318,517
Expenditures:				
Personal services	1,585,097	1,585,097	1,205,685	(379,412)
Contractual services	379,600	379,600	17,753	(361,847)
Capital outlay	1,650,000	1,650,000	219,890	(1,430,110)
Other services and charges	1,279,000	1,279,000	800,703	(478,297)
Total expenditures	4,893,697	4,893,697	2,244,031	(2,649,666)
Excess (deficiency) of revenues over expenditures	\$ (2,578,815)	\$ (2,578,815)	\$ 389,368	\$ 2,968,183

Kankakee County, Illinois
Required Supplementary Information - Schedule of Funding Progress
November 30, 2012

Illinois Municipal Retirement Fund

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)
Regular County Employees						
12/31/12	\$32,262,077	\$47,521,886	\$15,259,809	67.89%	\$19,349,775	78.86%
12/31/11	28,284,708	43,027,140	14,787,432	65.67%	18,534,612	79.78%
12/31/10	31,076,880	42,746,222	11,669,342	72.70%	19,467,963	59.94%
Elected Officials						
12/31/12	\$(2,139,053)	\$2,188,988	\$4,328,041	0.00%	\$181,181	2388.79%
12/31/11	(2,197,092)	2,131,766	4,328,858	0.00%	173,355	2497.11%
12/31/10	(2,050,809)	2,028,065	4,078,874	0.00%	243,762	1673.30%
Sheriff's Law Enforcement Personnel (SLEP)						
12/31/12	\$5,762,265	\$17,841,897	\$12,079,632	32.30%	\$3,982,668	303.31%
12/31/11	4,049,412	14,593,987	10,544,575	27.75%	3,786,649	278.47%
12/31/10	7,781,424	17,301,582	9,520,158	44.98%	4,082,570	233.19%

On a market value basis, the actuarial value of assets as of December 31, 2012, is \$33,437,088 and \$(2,087,924), for County Regular and Elected County Official members, respectively. On a market basis, the funded ratio would be 70.36% and 0.00%, respectively.

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$6,321,729 for the Sheriff's Law Enforcement Personnel. On a market basis, the funded ratio would be 35.43%.

Other Postemployment Benefit (OPEB) Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
11/31/12	\$-0-	\$4,546,525	\$4,546,525	0.0%**
11/30/11	-0-	4,546,525	4,546,525	0.0%
11/30/10	-0-	1,527,209	1,527,209	0.0% *
11/30/09	-0-	1,527,209	1,527,209	0.0%

Membership in the plan consisted of the following:

	November 30, 2012	November 30, 2011	November 30, 2010*
Retirees and beneficiaries receiving benefits	37	37	21
Active vested plan members	200	200	203
Active nonvested plan members	233	233	287
Total	470	470	511

*Results from 2009 actuarial study

** Results from 2011 actuarial study

Kankakee County, Illinois
Notes to Required Supplementary Information
As of and for the year ended November 30, 2012

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. Supplemental appropriations totaling \$4,877,600 were approved December 11, 2012.

The following funds had expenditures in excess of appropriations for the year ending November 30, 2012:

	<u>Actual Amount</u>	<u>Budget Amount</u>	<u>Amount in Excess of Appropriations</u>
General Fund (excluding Tort)	\$33,286,316	\$32,780,467	\$505,849
Nonmajor Special Revenue Funds			
Treasurer's Interest	39,265	20,000	19,265
Coroner Fee	40,773	30,100	10,673
Health Fund	3,068,808	3,044,675	4,261

Other Supplementary Information

Kankakee County, Illinois

Tort Liability Insurance Fund

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

November 30, 2012

Property and liability insurance	\$1,044,279
Illinois Public Risk Fund, workmen's compensation insurance	774,869
Salaries (States Attorney, Civil Division and administrative) and related benefits	421,944
Illinois Department of Employment Security, unemployment insurance	154,518
River Valley Detention Center insurance	35,430
Litigation Fees	247,046
Miscellaneous claims, net of insurance reimbursements	105,040
Other	<u>162,868</u>
	<u>\$2,945,994</u>

Kankakee County, Illinois
Combining Balance Sheet - General Fund
November 30, 2012

	General Fund	Tort Fund	Eliminations	Total General Fund
Assets				
Cash	\$ 118,136	\$ 117,925	\$ -	\$ 236,061
Investments, at cost	8,323	6,708	-	15,031
Receivables (net of applicable allowances for estimated uncollectible amounts):				
Taxes, including interest, penalties, and liens	4,498,830	2,522,327	-	7,021,157
Accounts	5,948,045	18,741	-	5,966,786
Prepaid expenses	29,732	290,495	-	320,227
Due from other funds	46,061	1,050,000	(1,050,000)	46,061
Inventory, at cost	163,437	-	-	163,437
Total assets	\$ 10,812,564	\$ 4,006,196	\$ (1,050,000)	\$ 13,768,760
Liabilities and Fund Balances				
Liabilities:				
Vouchers and accounts payable	\$ 1,900,047	\$ 119,074	\$ -	\$ 2,019,121
Due to other funds	3,687,390	-	(1,050,000)	2,637,390
Deferred revenue	4,580,005	2,558,223	-	7,138,228
Total liabilities	10,167,442	2,677,297	(1,050,000)	11,794,739
Fund balances:				
Non-spendable:				
Prepaid items	29,732	290,495	-	320,227
Inventory	163,437	-	-	163,437
Restricted for:				
Tort liability/claims	-	1,038,404	-	1,038,404
Unassigned	451,953	-	-	451,953
Total fund balance	645,122	1,328,899	-	1,974,021
Total liabilities and fund balance	\$ 10,812,564	\$ 4,006,196	\$ (1,050,000)	\$ 13,768,760

Kankakee County, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund
For the Year Ended November 30, 2012

	General Fund	Tort Fund	Total General Fund
Revenues:			
Taxes	\$ 12,206,691	\$ 2,285,125	\$ 14,491,816
Intergovernmental	5,523,527	9,909	5,533,436
Charges for services	13,937,133	-	13,937,133
Licenses and permits	355,052	-	355,052
Fines and forfeits	719,262	-	719,262
Interest on investments	3,588	341	3,929
Miscellaneous	49,524	42,200	91,724
Total revenues	32,794,777	2,337,575	35,132,352
Expenditures:			
Current:			
General government	9,807,748	2,945,994	12,753,742
Judiciary and court related	5,765,869	-	5,765,869
Public safety	15,283,261	-	15,283,261
Economic development	161,383	-	161,383
Capital outlay	873,549	-	873,549
Debt service principal	980,838	-	980,838
Debt service interest	413,668	-	413,668
Total expenditures	33,286,316	2,945,994	36,232,310
Excess (deficiency) of revenues over (under) expenditures	(491,539)	(608,419)	(1,099,958)
Other financing sources (uses):			
Transfers in	13,516	-	13,516
Transfers out	(1,078,676)	-	(1,078,676)
Proceeds from refunding bonds	3,690,000	-	3,690,000
Proceeds from long-term debt	673,604	-	673,604
Premium on bonds sold	59,569	-	59,569
Refunded debt proceeds paid to escrow agent	(3,672,287)	-	(3,672,287)
Cost of issuance of long-term debt	(77,282)	-	(77,282)
Total other financing sources (uses)	(391,556)	-	(391,556)
Net change in fund balances	(883,095)	(608,419)	(1,491,514)
Fund balances, beginning of year	1,528,217	1,937,318	3,465,535
Fund balances, end of year	\$ 645,122	\$ 1,328,899	\$ 1,974,021

Kankakee County, Illinois

Combining Balance Sheet - Nonmajor Governmental Funds

November 30, 2012

	Nonmajor Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash	\$ 4,368,798	\$ 571,537	\$ 76,516	\$ 5,016,851
Investments, at cost	5,592,489	-	-	5,592,489
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	2,289,803	594,159	-	2,883,962
Accounts	430,913	-	-	430,913
Loans	239,226	-	-	239,226
Prepaid expenses	20,517	-	-	20,517
Due from other funds	811,400	990	400,000	1,212,390
Due from other governments	422,068	-	-	422,068
Inventory, at cost	198,660	-	-	198,660
 Total assets	 <u>\$ 14,373,874</u>	 <u>\$ 1,166,686</u>	 <u>\$ 476,516</u>	 <u>\$ 16,017,076</u>
Liabilities and Fund Balances:				
Liabilities				
Vouchers and accounts payable	\$ 1,283,461	\$ 990	\$ 14,323	\$ 1,298,774
Due to other funds	46,061	-	-	46,061
Deferred revenue	<u>2,328,956</u>	<u>599,025</u>	<u>-</u>	<u>2,927,981</u>
 Total liabilities	 <u>3,658,478</u>	 <u>600,015</u>	 <u>14,323</u>	 <u>4,272,816</u>
Fund balances:				
Non-spendable:				
Prepaid items	4,503	-	-	4,503
Inventory	178,493	-	-	178,493
Restricted for:				
General government	632,685	-	-	632,685
Debt service	-	566,671	-	566,671
Judiciary and court	1,448,304	-	-	1,448,304
Public safety	133,024	-	-	133,024
Health and welfare	2,165,684	-	-	2,165,684
Transportation	5,612,198	-	-	5,612,198
Economic development	540,505	-	-	540,505
Capital projects	-	-	462,193	462,193
Total fund balance	<u>10,715,396</u>	<u>566,671</u>	<u>462,193</u>	<u>11,744,260</u>
Total liabilities and fund balance	<u>\$ 14,373,874</u>	<u>\$ 1,166,686</u>	<u>\$ 476,516</u>	<u>\$ 16,017,076</u>

Kankakee County, Illinois
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Nonmajor Governmental Funds
For the Year Ended November 30, 2012

	Nonmajor Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 2,326,656	\$ 585,438	\$ -	\$ 2,912,094
Intergovernmental	7,230,603	-	-	7,230,603
Licenses and permits	186,873	-	-	186,873
Fines and fees	1,372,874	-	-	1,372,874
Interest on investments	14,233	350	-	14,583
Miscellaneous	105,698	520	-	106,218
Total revenues	11,236,937	586,308	-	11,823,245
Expenditures:				
General government	347,775	8,750	-	356,525
Judiciary and court related	990,141	277,405	302,155	1,569,701
Public safety	335,857	-	-	335,857
Public health and welfare	2,767,472	-	-	2,767,472
Transportation	4,680,083	-	-	4,680,083
Economic development	2,269,247	-	-	2,269,247
Capital outlay	2,055,041	-	27,248	2,082,289
Debt service principal	82,269	901,210	-	983,479
Debt service interest	75,925	512,830	-	588,755
Total expenditures	13,603,810	1,700,195	329,403	15,633,408
Excess (deficiency) of revenues over expenditures	(2,366,873)	(1,113,887)	(329,403)	(3,810,163)
Other financing sources (uses):				
Operating transfers in	-	1,393,272	-	1,393,272
Operating transfers out	(328,112)	-	-	(328,112)
Total other financing sources (uses)	(328,112)	1,393,272	-	1,065,160
Excess (deficiency) of revenues over expenditures and other sources (uses)	(2,694,985)	279,385	(329,403)	(2,745,003)
Fund balance, beginning of year	13,410,381	287,286	791,596	14,489,263
Fund balance, end of year	\$ 10,715,396	\$ 566,671	\$ 462,193	\$ 11,744,260

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2012

Assets	Major Funds				Nonmajor Funds			
	Pension	County Highway	Matching Tax	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants
Cash	\$ 242,744	\$ 1,668,065	\$ 596,275	\$ 56,337	\$ 53,085	\$ 74,438	\$ 33,479	\$ -
Investments, at cost	-	1,289,677	2,506,473	1,287	825	694	60,318	-
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	5,042,771	1,854,616	845,938	-	-	-	-	-
Accounts	145,675	193,948	-	998	2,749	-	-	169,272
Loans	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	3,349	-	707	-	-
Due from other funds	1,425,000	-	-	50,000	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Inventory, at cost	-	251,304	-	-	-	-	-	-
Total assets	<u>\$ 6,856,190</u>	<u>\$ 5,257,610</u>	<u>\$ 3,948,686</u>	<u>\$ 111,971</u>	<u>\$ 56,659</u>	<u>\$ 75,839</u>	<u>\$ 93,797</u>	<u>\$ 169,272</u>
Liabilities and Fund Balance								
Liabilities:								
Vouchers payable	\$ 652,512	\$ 187,374	\$ 96,941	\$ 2,186	\$ 276	\$ 9,831	\$ -	\$ 169,272
Due to other funds	-	-	-	-	-	-	-	-
Deferred revenue	5,082,642	1,869,686	853,158	-	-	-	-	-
Total liabilities	<u>5,735,154</u>	<u>2,057,060</u>	<u>950,099</u>	<u>2,186</u>	<u>276</u>	<u>9,831</u>	<u>-</u>	<u>169,272</u>
Fund balances:								
Non-spendable:								
Prepaid items	-	-	-	3,349	-	707	-	-
Inventory	-	251,304	-	-	-	-	-	-
Restricted for:								
General government	-	-	-	106,436	56,383	65,301	93,797	-
Debt service	-	-	-	-	-	-	-	-
Judiciary and court	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Transportation	-	-	2,998,587	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Retirement	1,121,036	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Assigned to transportation	-	2,949,246	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>1,121,036</u>	<u>3,200,550</u>	<u>2,998,587</u>	<u>109,785</u>	<u>56,383</u>	<u>66,008</u>	<u>93,797</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 6,856,190</u>	<u>\$ 5,257,610</u>	<u>\$ 3,948,686</u>	<u>\$ 111,971</u>	<u>\$ 56,659</u>	<u>\$ 75,839</u>	<u>\$ 93,797</u>	<u>\$ 169,272</u>

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2012

Assets	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
	\$ 55,544	\$ 120,512	\$ 1,683	\$ 83,405	\$ 62,220	\$ 61,408	\$ 9,948	\$ 13,187
Cash	21,394	191	-	1,267	50,608	50,548	-	-
Investments, at cost								
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	-	-	-	-
Accounts	10,036	17,788	3,880	7,514	-	149	325	1,777
Loans	-	-	-	-	-	-	-	-
Prepaid expenses	-	447	-	-	-	-	-	-
Due from other funds	50,000	250,000	-	-	-	-	-	45,000
Due from other governments	-	-	-	-	-	-	-	-
Inventory, at cost	-	-	-	-	-	-	-	-
Total assets	<u>\$ 136,974</u>	<u>\$ 388,938</u>	<u>\$ 5,563</u>	<u>\$ 92,186</u>	<u>\$ 112,828</u>	<u>\$ 112,105</u>	<u>\$ 10,273</u>	<u>\$ 59,964</u>
Liabilities and Fund Balance								
Liabilities:								
Vouchers payable	\$ 10,502	\$ 3,276	\$ 3,880	\$ 7,854	\$ 1,400	\$ 6,699	\$ -	\$ 552
Due to other funds	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>10,502</u>	<u>3,276</u>	<u>3,880</u>	<u>7,854</u>	<u>1,400</u>	<u>6,699</u>	<u>-</u>	<u>552</u>
Fund balances:								
Non-spendable:								
Prepaid items	-	447	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Restricted for:								
General government	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Judiciary and court	-	385,215	1,683	84,332	111,428	105,406	10,273	59,412
Public safety	126,472	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Retirement	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Assigned to transportation	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>126,472</u>	<u>385,662</u>	<u>1,683</u>	<u>84,332</u>	<u>111,428</u>	<u>105,406</u>	<u>10,273</u>	<u>59,412</u>
Total liabilities and fund balance	<u>\$ 136,974</u>	<u>\$ 388,938</u>	<u>\$ 5,563</u>	<u>\$ 92,186</u>	<u>\$ 112,828</u>	<u>\$ 112,105</u>	<u>\$ 10,273</u>	<u>\$ 59,964</u>

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2012

Assets	Nonmajor Funds								
	Court Automation	Driver Improvement Program	Arrestee Medical	Sheriff TBL Account	Coroner's Fee	Health	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans
Cash	\$ 513,497	\$ (9,175)	\$ 9,143	\$ 900	\$ 25,657	\$ 440,112	\$ 286,837	\$ 1	\$ 301,279
Investments, at cost	9,299	-	-	-	-	1,205,948	178,216	-	-
Receivables:									
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	-	471,960	125,968	-	-
Accounts	18,047	6,120	752	-	3,099	-	-	-	-
Loans	-	-	-	-	-	-	-	-	239,226
Prepaid expenses	-	-	-	-	-	-	-	-	-
Due from other funds	150,000	16,400	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	311,707	-	-	-
Inventory, at cost	-	-	-	-	-	30,153	-	-	-
Total assets	<u>\$ 690,843</u>	<u>\$ 13,345</u>	<u>\$ 9,895</u>	<u>\$ 900</u>	<u>\$ 28,756</u>	<u>\$ 2,459,880</u>	<u>\$ 591,021</u>	<u>\$ 1</u>	<u>\$ 540,505</u>
Liabilities and Fund Balance									
Liabilities:									
Vouchers payable	\$ 5,396	\$ 13,250	\$ -	\$ -	\$ -	\$ 231,516	\$ 10,089	\$ -	\$ -
Due to other funds	-	-	9,000	-	24,000	-	13,061	-	-
Deferred revenue	-	-	-	-	-	492,127	128,438	-	-
Total liabilities	<u>5,396</u>	<u>13,250</u>	<u>9,000</u>	<u>-</u>	<u>24,000</u>	<u>723,643</u>	<u>151,588</u>	<u>-</u>	<u>-</u>
Fund balances:									
Non-spendable:									
Prepaid items	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	9,986	-	-	-
Restricted for:									
General government	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Judiciary and court	685,447	95	-	-	-	-	-	-	-
Public safety	-	-	895	900	4,756	-	-	1	-
Health and welfare	-	-	-	-	-	1,726,251	439,433	-	-
Transportation	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	540,505
Retirement	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Assigned to transportation	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balance	<u>685,447</u>	<u>95</u>	<u>895</u>	<u>900</u>	<u>4,756</u>	<u>1,736,237</u>	<u>439,433</u>	<u>1</u>	<u>540,505</u>
Total liabilities and fund balance	<u>\$ 690,843</u>	<u>\$ 13,345</u>	<u>\$ 9,895</u>	<u>\$ 900</u>	<u>\$ 28,756</u>	<u>\$ 2,459,880</u>	<u>\$ 591,021</u>	<u>\$ 1</u>	<u>\$ 540,505</u>

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2012

Assets	Nonmajor Funds							Total Nonmajor Funds	Total
	County Motor Fuel Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants			
Cash	\$ 527,437	\$ 937,040	\$ 44,266	\$ 58,671	\$ 5,013	\$ 6,599	\$ 4,368,798	\$ 6,279,607	
Investments, at cost	600,475	901,456	-	3,490	-	-	5,592,489	6,882,166	
Receivables:									
Taxes (net of allowance for estimated uncollectibles)	-	845,937	-	-	-	-	2,289,803	9,187,190	
Accounts	-	-	-	649	-	187,758	430,913	770,536	
Loans	-	-	-	-	-	-	239,226	239,226	
Prepaid expenses	-	-	-	-	-	16,014	20,517	20,517	
Due from other funds	-	-	-	250,000	-	-	811,400	2,236,400	
Due from other governments	110,361	-	-	-	-	-	422,068	422,068	
Inventory, at cost	168,507	-	-	-	-	-	198,660	449,964	
Total assets	<u>\$ 1,406,780</u>	<u>\$ 2,684,433</u>	<u>\$ 44,266</u>	<u>\$ 312,810</u>	<u>\$ 5,013</u>	<u>\$ 210,371</u>	<u>\$ 14,373,874</u>	<u>\$ 26,487,674</u>	
Liabilities and Fund Balance									
Liabilities:									
Vouchers payable	\$ 120,282	\$ 379,921	\$ -	\$ 2,042	\$ -	\$ 208,296	\$ 1,283,461	\$ 2,123,347	
Due to other funds	-	-	-	-	-	-	46,061	46,061	
Deferred revenue	-	853,158	-	-	-	-	2,328,956	9,281,284	
Total liabilities	<u>120,282</u>	<u>1,233,079</u>	<u>-</u>	<u>2,042</u>	<u>-</u>	<u>210,371</u>	<u>3,658,478</u>	<u>11,450,692</u>	
Fund balances:									
Non-spendable:									
Prepaid items	-	-	-	-	-	-	4,503	4,503	
Inventory	168,507	-	-	-	-	-	178,493	429,797	
Restricted for:									
General government	-	-	-	310,768	-	-	632,685	632,685	
Debt service	-	-	-	-	-	-	-	-	
Judiciary and court	-	-	-	-	5,013	-	1,448,304	1,448,304	
Public safety	-	-	-	-	-	-	133,024	133,024	
Health and welfare	-	-	-	-	-	-	2,165,684	2,165,684	
Transportation	1,117,991	1,451,354	44,266	-	-	-	5,612,198	5,612,198	
Economic development	-	-	-	-	-	-	540,505	540,505	
Retirement	-	-	-	-	-	-	-	1,121,036	
Capital projects	-	-	-	-	-	-	-	-	
Assigned to transportation	-	-	-	-	-	-	-	2,949,246	
Unassigned	-	-	-	-	-	-	-	-	
Total fund balance	<u>1,286,498</u>	<u>1,451,354</u>	<u>44,266</u>	<u>310,768</u>	<u>5,013</u>	<u>-</u>	<u>10,715,396</u>	<u>15,036,982</u>	
Total liabilities and fund balance	<u>\$ 1,406,780</u>	<u>\$ 2,684,433</u>	<u>\$ 44,266</u>	<u>\$ 312,810</u>	<u>\$ 5,013</u>	<u>\$ 210,371</u>	<u>\$ 14,373,874</u>	<u>\$ 26,487,674</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, 2012

	Major Funds				Nonmajor Funds				
	Pension	County Highway	Matching Tax	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants	
Revenues:									
Property taxes	\$ 4,796,874	\$ 1,812,990	\$ 868,719	\$ -	\$ -	\$ -	\$ -	\$ -	
Intergovernmental	50,299	-	-	-	-	-	-	-	616,445
Licenses and permits	-	-	-	-	-	-	-	-	
Fines and fees	-	724,808	-	127,133	25,814	19,634	15,880	-	
Interest on investments	666	1,725	5,154	35	140	192	139	-	
Miscellaneous	-	93,876	-	-	-	11,125	-	-	
Total revenues	4,847,839	2,633,399	873,873	127,168	25,954	30,951	16,019	616,445	
Expenditures:									
General government	5,204,894	-	-	122,128	41,015	49,679	39,265	-	
Judiciary and court related	-	-	-	-	-	-	-	-	
Public safety	-	-	-	-	-	-	-	-	
Public health and welfare	-	-	-	-	-	-	-	-	
Transportation	-	2,024,141	2,157,743	-	-	-	-	-	616,445
Economic development	-	-	-	-	-	-	-	-	
Capital outlay	-	219,890	-	6,666	3,100	-	-	-	
Debt service principal	-	-	-	-	-	-	-	-	
Debt service interest	12,021	-	-	-	-	-	-	-	
Total expenditures	5,216,915	2,244,031	2,157,743	128,794	44,115	49,679	39,265	616,445	
Excess (deficiency) of revenues over expenditures	(369,076)	389,368	(1,283,870)	(1,626)	(18,161)	(18,728)	(23,246)	-	
Other financing sources (uses):									
Operating transfers out	-	-	-	-	-	-	-	-	
Total other financing sources (uses)	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(369,076)	389,368	(1,283,870)	(1,626)	(18,161)	(18,728)	(23,246)	-	
Fund balance, beginning of year	1,490,112	2,811,182	4,282,457	111,411	74,544	84,736	117,043	-	
78 Fund balance, end of year	\$ 1,121,036	\$ 3,200,550	\$ 2,998,587	\$ 109,785	\$ 56,383	\$ 66,008	\$ 93,797	\$ -	

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2012

	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	-	-	-	(62,452)	59,287	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and fees	154,627	234,214	56,473	82,737	-	2,756	4,739	21,394
Interest on investments	90	225	3	61	143	230	18	21
Miscellaneous	-	30,554	-	-	-	-	-	-
Total revenues	154,717	264,993	56,476	20,346	59,430	2,986	4,757	21,415
Expenditures:								
General government	-	-	-	-	68	-	-	-
Judiciary and court related	-	547,119	56,473	180,286	1,539	20,727	4,396	20,028
Public safety	295,084	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	36,006	-	-	3,850	4,977	826	-	-
Debt service principal	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-
Total expenditures	331,090	547,119	56,473	184,136	6,584	21,553	4,396	20,028
Excess (deficiency) of revenues over expenditures	(176,373)	(282,126)	3	(163,790)	52,846	(18,567)	361	1,387
Other financing sources (uses):								
Operating transfers out	-	(157,298)	-	-	-	-	-	-
Total other financing sources (uses)	-	(157,298)	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(176,373)	(439,424)	3	(163,790)	52,846	(18,567)	361	1,387
Fund balance, beginning of year	302,845	825,086	1,680	248,122	58,582	123,973	9,912	58,025
Fund balance, end of year	\$ 126,472	\$ 385,662	\$ 1,683	\$ 84,332	\$ 111,428	\$ 105,406	\$ 10,273	\$ 59,412

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2012

	Nonmajor Funds									Forfeited Funds - Sheriff	Revolving CDAP Loans		
	Driver												
	Court Automation	Improvement Program	Arrestee Medical	Sheriff TBL Account	Coroner's Fee	Health	Veterans Assistance						
Revenues:													
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 457,023	\$ 132,195	\$ -	\$ -	\$ -	\$ -		
Intergovernmental	-	-	-	-	-	2,150,166	49,361	-	422	-	-		
Licenses and permits	-	-	-	-	-	186,873	-	-	-	-	-		
Fines and fees	237,740	56,315	9,010	-	29,709	99,376	-	-	-	-	-		
Interest on investments	609	-	13	-	55	1,259	896	6	2,257	-	-		
Miscellaneous	30,555	-	-	400	-	26,839	1,375	-	-	-	-		
Total revenues	268,904	56,315	9,023	400	29,764	2,921,536	183,827	428	2,257				
Expenditures:													
General government	-	-	-	-	-	-	-	-	-	-	-		
Judiciary and court related	102,326	56,402	-	-	-	-	-	-	-	-	-		
Public safety	-	-	-	-	40,773	-	-	-	-	-	-		
Public health and welfare	-	-	-	-	-	2,562,208	205,264	-	-	-	-		
Transportation	-	-	-	-	-	-	-	-	-	-	-		
Economic development	-	-	-	-	-	-	-	-	-	-	-		
Capital outlay	-	-	-	-	-	348,406	10,797	-	-	-	-		
Debt service principal	-	-	-	-	-	82,269	-	-	-	-	-		
Debt service interest	-	-	-	-	-	75,925	-	-	-	-	-		
Total expenditures	102,326	56,402	-	-	40,773	3,068,808	216,061	-	-				
Excess (deficiency) of revenues over expenditures	166,578	(87)	9,023	400	(11,009)	(147,272)	(32,234)	428	2,257				
Other financing sources (uses):													
Operating transfers out	(157,298)	-	(9,000)	-	-	-	-	(4,516)	-	-	-		
Total other financing sources (uses)	(157,298)	-	(9,000)	-	-	-	-	(4,516)	-				
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	9,280	(87)	23	400	(11,009)	(147,272)	(32,234)	(4,088)	2,257				
Fund balance, beginning of year	676,167	182	872	500	15,765	1,883,509	471,667	4,089	538,248				
Fund balance, end of year	\$ 685,447	\$ 95	\$ 895	\$ 900	\$ 4,756	\$ 1,736,237	\$ 439,433	\$ 1	\$ 540,505				

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Statements of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended November 30, 2012

	Nonmajor Funds						Total Nonmajor Funds	Total
	County Motor Fuel Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants		
Revenues:								
Property taxes	\$ -	\$ 868,719	\$ -	\$ -	\$ -	\$ -	\$ 2,326,656	\$ 8,936,520
Intergovernmental	1,973,665	-	174,462	-	-	2,269,247	7,230,603	7,280,902
Licenses and permits	-	-	-	-	-	-	186,873	186,873
Fines and fees	-	-	-	193,132	2,191	-	1,372,874	2,097,682
Interest on investments	1,395	1,185	10	97	-	-	14,233	16,624
Miscellaneous	-	-	-	4,850	-	-	105,698	199,574
Total revenues	1,975,060	869,904	174,472	198,079	2,191	2,269,247	11,236,937	18,718,175
Expenditures:								
General government	-	-	-	95,620	-	-	347,775	5,552,669
Judiciary and court related	-	-	-	-	845	-	990,141	990,141
Public safety	-	-	-	-	-	-	335,857	335,857
Public health and welfare	-	-	-	-	-	-	2,767,472	2,767,472
Transportation	1,668,106	83,371	154,418	-	-	-	4,680,083	6,704,224
Economic development	-	-	-	-	-	2,269,247	2,269,247	2,269,247
Capital outlay	-	1,632,858	-	7,555	-	-	2,055,041	2,274,931
Debt service principal	-	-	-	-	-	-	82,269	82,269
Debt service interest	-	-	-	-	-	-	75,925	87,946
Total expenditures	1,668,106	1,716,229	154,418	103,175	845	2,269,247	13,603,810	21,064,756
Excess (deficiency) of revenues over expenditures	306,954	(846,325)	20,054	94,904	1,346	-	(2,366,873)	(2,346,581)
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	(328,112)	(328,112)
Total other financing sources (uses)	-	-	-	-	-	-	(328,112)	(328,112)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	306,954	(846,325)	20,054	94,904	1,346	-	(2,694,985)	(2,674,693)
Fund balance, beginning of year	979,544	2,297,679	24,212	215,864	3,667	-	13,410,381	17,711,675
Fund balance, end of year	\$ 1,286,498	\$ 1,451,354	\$ 44,266	\$ 310,768	\$ 5,013	\$ -	\$ 10,715,396	\$ 15,036,982

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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:			
Property taxes	\$ 574,552	\$ 585,438	\$ 10,886
Interest on investments	450	350	(100)
Total revenue	<u>575,002</u>	<u>585,788</u>	<u>10,786</u>
Expenditures:			
Other services and charges	274,103	277,405	3,302
Debt service principal	225,000	223,710	(1,290)
Debt service interest	75,449	76,739	1,290
Total expenditures	<u>574,552</u>	<u>577,854</u>	<u>3,302</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 450</u>	<u>7,934</u>	<u>\$ 7,484</u>
Fund balance, beginning of year		<u>35,686</u>	
Fund balance, end of year		<u>\$ 43,620</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, 2012

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Total revenue	\$ -	\$ -	\$ -
Expenditures:			
Debt service principal	140,000	140,000	-
Debt service interest	174,595	175,585	990
Total expenditures	<u>314,595</u>	<u>315,585</u>	<u>990</u>
Excess (deficiency) of revenues over expenditures	(314,595)	(315,585)	(990)
Other financing sources (uses):			
Operating transfers in	<u>314,595</u>	<u>314,595</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>\$ -</u>	<u>(990)</u>	<u>\$ (990)</u>
Fund balance, beginning of year		<u>251,600</u>	
Fund balance, end of year	<u>\$ 250,610</u>		

Kankakee County, Illinois
2011 Bond Series Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2012

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Total revenue	\$ -	\$ -	\$ -
Expenditures:			
Other services and charges	-	5,000	5,000
Debt service principal	270,000	270,000	-
Debt service interest	<u>218,000</u>	<u>217,413</u>	<u>(587)</u>
Total expenditures	<u>488,000</u>	<u>492,413</u>	<u>4,413</u>
Excess (deficiency) of revenues over expenditures	(488,000)	(492,413)	(4,413)
Other financing sources (uses):			
Operating transfers in	-	659,166	659,166
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>\$ (488,000)</u>	<u>166,753</u>	<u>\$ 654,753</u>
Fund balance, beginning of year		-	
Fund balance, end of year		<u>\$ 166,753</u>	

Kankakee County, Illinois
2012 Bond Series Debt Service Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2012

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Miscellaneous income	\$ -	\$ 520	\$ 520
Total revenue	- -	520	520
Expenditures:			
Other services and charges	- -	3,750	3,750
Debt service principal	270,000	267,500	(2,500)
Debt service interest	45,000	43,093	(1,907)
Total expenditures	315,000	314,343	(657)
Excess (deficiency) of revenues over expenditures	(315,000)	(313,823)	1,177
Other financing sources (uses):			
Operating transfers in	- -	419,511	419,511
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ (315,000)	105,688	\$ 420,688
Fund balance, beginning of year	- -	- -	- -
Fund balance, end of year	\$ 105,688	\$ 105,688	\$ 105,688

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
November 30, 2012

	Township MFT	Contract Appraisal Work	Circuit Clerk Bonds	Total
Assets				
Cash	\$ 168,597	\$ 16,579	\$ 876,112	\$ 1,061,288
Investments, at cost	1,148,898	50,128	500,000	1,699,026
Receivables:				
Accounts receivable	95,157	-	-	95,157
Total assets	<u>\$ 1,412,652</u>	<u>\$ 66,707</u>	<u>\$ 1,376,112</u>	<u>\$ 2,855,471</u>
Liabilities and Net Assets				
Liabilities				
Vouchers payable	\$ 21,423	\$ -	\$ -	\$ 21,423
Total liabilities	<u>21,423</u>	<u>-</u>	<u>-</u>	<u>21,423</u>
Net Assets				
Restricted for other purposes	1,391,229	66,707	1,376,112	2,834,048
Total net assets	<u>1,391,229</u>	<u>66,707</u>	<u>1,376,112</u>	<u>2,834,048</u>
Total liabilities and net assets	<u>\$ 1,412,652</u>	<u>\$ 66,707</u>	<u>\$ 1,376,112</u>	<u>\$ 2,855,471</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
For the Year Ended November 30, 2012

	Township MFT	Contract Appraisal Work	Circuit Clerk Bonds	Total
Additions:				
Intergovernmental	\$ 1,351,576	\$ -	\$ -	\$ 1,351,576
Miscellaneous	-	-	1,704,586	1,704,586
Interest	1,854	93	-	1,947
Total additions	1,353,430	93	1,704,586	3,058,109
Deductions:				
Transportation	1,548,023	-	-	1,548,023
Other	-	-	1,704,700	1,704,700
Total deductions	1,548,023	-	1,704,700	3,252,723
Change in net assets	(194,593)	93	(114)	(194,614)
Net assets, beginning of year	1,585,822	66,614	1,376,226	3,028,662
Net assets, end of year	\$ 1,391,229	\$ 66,707	\$ 1,376,112	\$ 2,834,048

Kankakee County, Illinois
 Fiduciary Funds - Agency Funds
 Combining Balance Sheet
 November 30, 2012

	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	Sheriff Seizure
Assets										
Cash	\$ 49	\$ (14,018)	\$ 58	\$ 234,747	\$ 33,333	\$ 74,226	\$ 2,693	\$ 297,379	\$ 34,358	\$ 96,528
Investments, at cost	-	-	13,378	227,206	-	-	-	38,132	31,279	-
Receivables:										
Accounts	-	-	-	-	-	-	-	-	175,000	-
Total assets	\$ 49	\$ (14,018)	\$ 13,436	\$ 461,953	\$ 33,333	\$ 74,226	\$ 2,693	\$ 335,511	\$ 240,637	\$ 96,528
Liabilities										
Vouchers payable	\$ -	\$ -	\$ -	\$ 6,603	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	49	-	-	-	33,333	-	-	-	-	-
Due to others	-	(14,018)	13,436	455,350	-	74,226	2,693	335,511	240,637	96,528
Total liabilities	\$ 49	\$ (14,018)	\$ 13,436	\$ 461,953	\$ 33,333	\$ 74,226	\$ 2,693	\$ 335,511	\$ 240,637	\$ 96,528

Kankakee County, Illinois
 Fiduciary Funds - Agency Funds
 Combining Balance Sheet
 November 30, 2012

	Sheriff Sale Account	Sheriff Commissary	Circuit Clerk	County Clerk	Sheriff Safety	Teen Court	Total
Assets							
Cash	\$ 15,605	\$ 148,672	\$ 331,354	\$ 854,641	\$ 6,386	\$ 4,218	\$ 2,120,229
Investments, at cost	-	-	-	-	-	-	309,995
Receivables:							
Accounts	-	-	-	-	-	2,383	177,383
Total assets	\$ 15,605	\$ 148,672	\$ 331,354	\$ 854,641	\$ 6,386	\$ 6,601	\$ 2,607,607
Liabilities							
Vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,398	\$ 9,001
Due to other governments	-	-	-	-	-	-	33,382
Due to others	15,605	148,672	331,354	854,641	6,386	4,203	2,565,224
Total liabilities	\$ 15,605	\$ 148,672	\$ 331,354	\$ 854,641	\$ 6,386	\$ 6,601	\$ 2,607,607

Kankakee County, Illinois
Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended November 30, 2012

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>End of Year</u>
Back Tax	\$ 45	\$ 287,896	\$ 287,892	\$ 49
Riverside Country Estates Special Assessment	(14,018)	-	-	(14,018)
Arrowhead Hill Special Assessment	13,422	14	-	13,436
Drainage Districts	537,967	103,879	179,893	461,953
Collector	105,431	214,411,085	214,483,183	33,333
Sheriff Civil Process	4,878	280,337	210,989	74,226
Inheritance Tax	66,392	177	63,876	2,693
Condemnation Account	335,013	498	-	335,511
Legacies	240,315	561	239	240,637
Sheriff Seizure	33,738	238,900	176,110	96,528
Sheriff Sale Account	249,369	146,027	379,791	15,605
Sheriff Commissary	267,890	2,160,745	2,279,963	148,672
Circuit Clerk	384,728	5,856,944	5,910,318	331,354
County Clerk	1,918,342	5,238,726	6,302,427	854,641
Sheriff Safety	-	15,142	8,756	6,386
Teen Court	8,364	23,527	25,290	6,601
Total	\$ 4,151,876	\$ 228,764,458	\$ 230,308,727	\$ 2,607,607

Kankakee County, Illinois
 Assessed Valuations, Rates and Extensions
 For the tax levy years 2002 through 2011

Extension year	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Assessed valuation, net of special districts and general abatements	\$ 1,894,580,741	\$ 1,977,819,149	\$ 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
Tax rates:										
General corporate	\$ 0.250	\$ 0.224	\$ 0.218	\$ 0.222	\$ 0.222	\$ 0.232	\$ 0.237	\$ 0.250	\$ 0.250	\$ 0.250
IMRF	0.158	0.151	0.131	0.119	0.117	0.116	0.112	0.118	0.115	0.113
County health	0.024	0.022	0.023	0.024	0.024	0.025	0.026	0.027	0.025	0.025
Liability insurance	0.121	0.113	0.107	0.117	0.130	0.133	0.134	0.141	0.129	0.127
County highway	0.096	0.090	0.092	0.093	0.094	0.096	0.098	0.100	0.100	0.100
Social security	0.096	0.092	0.089	0.090	0.091	0.092	0.091	0.096	0.095	0.092
Veterans	0.007	0.010	0.011	0.011	0.011	0.009	0.009	0.010	0.009	0.009
Highway matching	0.046	0.044	0.045	0.045	0.046	0.047	0.049	0.050	0.050	0.050
Joint bridge	0.046	0.044	0.045	0.045	0.046	0.047	0.049	0.050	0.050	0.050
Public Building Commission	0.031	0.029	0.029	0.032	0.033	0.016	0.016	0.017	0.037	0.036
Extension education	0.015	0.014	0.017	0.018	0.019	0.020	0.021	0.022	0.021	0.020
Total tax rates	\$ 0.890	\$ 0.833	\$ 0.807	\$ 0.816	\$ 0.833	\$ 0.833	\$ 0.842	\$ 0.881	\$ 0.881	\$ 0.872
Tax extensions:										
General corporate	\$ 4,736,452	\$ 4,430,315	\$ 4,222,107	\$ 4,208,091	\$ 4,090,085	\$ 3,818,656	\$ 3,598,125	\$ 3,448,048	\$ 3,386,531	\$ 3,311,804
IMRF	2,993,437	2,986,507	2,537,137	2,255,688	2,155,586	1,909,328	1,700,380	1,627,479	1,557,804	1,496,935
County health	454,699	435,120	445,452	454,929	442,171	411,493	394,731	372,389	338,653	331,180
Liability insurance	2,292,443	2,234,936	2,072,318	2,217,777	2,395,095	2,189,143	2,034,383	1,944,699	1,747,450	1,682,396
County highway	1,818,798	1,780,037	1,781,806	1,762,849	1,731,838	1,580,134	1,487,832	1,379,219	1,354,612	1,324,721
Social security	1,818,798	1,819,594	1,723,704	1,705,983	1,676,567	1,514,295	1,381,558	1,324,050	1,286,882	1,218,744
Veterans	132,621	197,782	213,042	208,509	202,662	148,138	136,638	137,922	121,915	119,225
Highway matching	871,507	870,240	871,536	852,991	847,495	773,607	743,916	689,610	677,306	662,361
Joint bridge	871,507	870,240	871,536	852,991	847,495	773,607	743,916	689,610	677,306	662,361
Public Building Commission	587,320	573,568	561,656	606,572	607,986	263,356	242,911	234,467	501,207	476,900
Extension education	284,187	276,895	329,247	341,196	350,052	329,194	318,821	303,428	284,469	264,944
Total tax extensions	\$ 16,861,769	\$ 16,475,234	\$ 15,629,541	\$ 15,467,576	\$ 15,347,032	\$ 13,710,951	\$ 12,783,211	\$ 12,150,921	\$ 11,934,135	\$ 11,551,571