

**Kankakee County, Illinois**

**Financial Statements**

**For the year ended  
November 30, 2004**

Kankakee County, Illinois  
Annual Financial Statements  
For The Year Ended November 30, 2004  
Table of Contents

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	<u>Page</u>
Independent Auditor's Reports .....	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.....	3
Management's Discussion and Analysis .....	4
<b>Basic Financial Statements:</b>	
Government-wide Statement of Net Assets .....	18
Government-wide Statement of Activities .....	19
<b>Fund Financial Statements:</b>	
Balance Sheet - Governmental Funds .....	20
Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	22
Statement of Net Assets - Proprietary Funds .....	23
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Enterprise Funds.....	24
Statement of Cash Flows - Enterprise Funds .....	25
Statement of Fiduciary Net Assets - Fiduciary Funds.....	26
Statement of Changes in Fiduciary Net Assets .....	27
Notes to Financial Statements.....	28
<b>Required Supplementary Information:</b>	
<b>Budgetary Comparison Schedules:</b>	
General Fund - Revenues and Other Financing Sources (Uses).....	44
General Fund - Expenditures .....	45
Tort Fund .....	52
Pension Fund.....	53
Schedule of Funding Progress - Illinois Municipal Retirement Fund .....	54
Tort Expenditures .....	56
<b>Other Supplementary Information:</b>	
<b>Combining and Individual Fund Statements and Schedules:</b>	
Combining Balance Sheet - Nonmajor Governmental Funds .....	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	59
Balance Sheets - Major and Nonmajor Special Revenue Funds .....	60
Statements of Revenues, Expenditures, and Changes in Fund Balances - Major and Nonmajor Special Revenue Funds.....	64
Juvenile Detention Debt Service Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance.....	68
Combining Balance Sheet - Fiduciary Funds - Agency Funds .....	69
Statement of Changes in Assets and Liabilities - Agency Funds .....	71
Assessed Valuations, Rates and Extensions .....	72

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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, each major fund, and the aggregate remaining fund information of Kankakee County, Illinois, as of and for the year ended November 30, 2004, which collectively comprise the County's basic financial statement as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Kankakee County Public Building Commission, which represents 100 percent of the assets and revenues of the component unit column. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Kankakee County Public Building Commission, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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 other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and aggregate remaining fund information of Kankakee County, Illinois, as of November 30, 2004, 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 a report dated May 10, 2005 on our consideration of Kankakee County, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 conjunction with this report in considering the results of our audit.

The management's discussion and analysis and the accompanying required supplementary information on pages 5 through 17 and 44 through 56, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kankakee County, Illinois basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Smith, Harding, Glatz & Son P.C.*

May 10, 2005

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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, each major fund, and the aggregate remaining fund information of Kankakee County, Illinois as of and for the year ended November 30, 2004, and have issued our report thereon dated May 10, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Kankakee County, Illinois's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

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

However, we noted certain matters that we reported to management of Kankakee County, Illinois, in a separate letter dated May 10, 2005.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Kankakee County Board, 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 & Ohm P.C.*

May 10, 2005



## 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, 2004 and 2003.

The Management's Discussion and Analysis (MD&A) is an element of the new 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 is the second year of implementation, and thus 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 \$42.6 million (*net assets*). Net assets invested in capital assets (net of depreciation and related debt) account for over 30 percent of this amount (\$12.9 million). Of the total, \$6.6 million (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$0.24 million (0.6 percent). The governmental net assets increased by \$0.36 million (0.9 percent) while the business-type net assets decreased by \$0.12 million (2.7 percent). These changes are after reclassifications resulting in a beginning of year balance of net assets for governmental activities of \$37.75 million instead of \$36.62 million. This is described in more detail in note 15 to the financial statements.
- At the close of fiscal year 2004, the County of Kankakee's governmental funds reported combined ending fund balances of \$32.5 million. The majority of this amount, \$24.2 million is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$3.1 million, or 14.18 percent of total general fund expenditures.
- The County's financial status continues to be strong. Total net assets increased more than 0.6 percent over the course of the year.
- Overall revenues were \$38.9 million, \$0.3 million less than expenses.

### 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).

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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- **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**

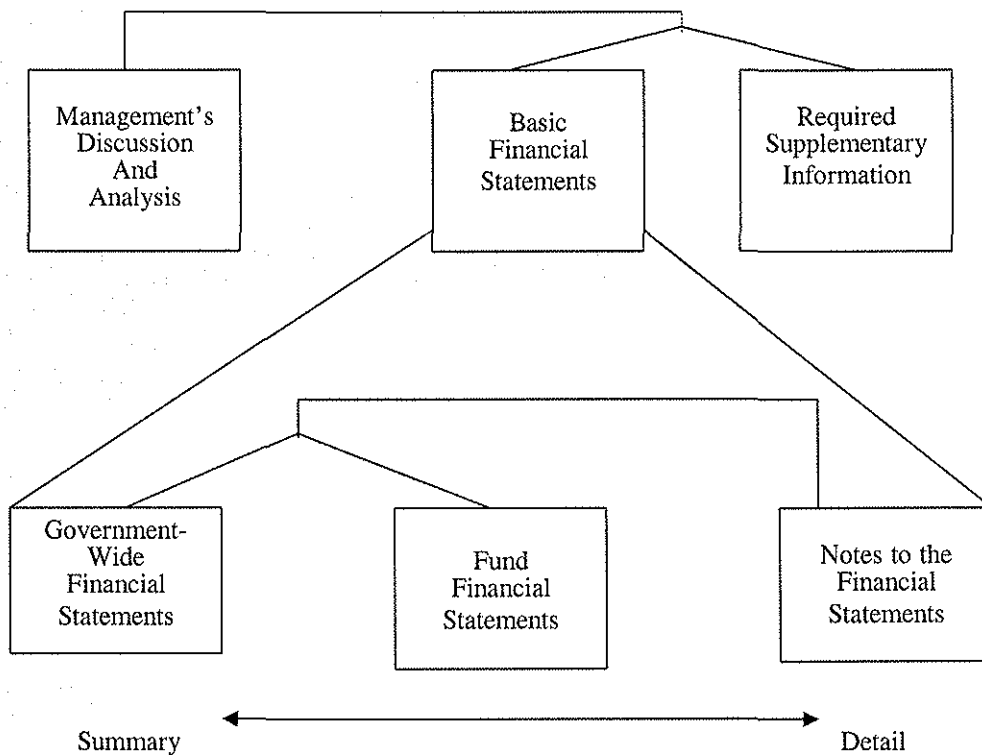


Illustration B summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of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

**Kankakee County, Illinois**  
**Management's Discussion and Analysis**  
**For the Year ended November 30, 2004**

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

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Scope</b>	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
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>Statement of net assets</li> <li>Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet</li> <li>Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>Statement of net assets</li> <li>Statement of revenues, expenses, and changes in net assets</li> <li>Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>Statement of fiduciary net assets</li> <li>Statement of changes in fiduciary net assets</li> </ul>
<b>Accounting basis and measurement focus</b>	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
<b>Type of asset/liability information</b>	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
<b>Type of inflow/outflow information</b>	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 year, regardless of when cash is received or paid	All revenues and expenses during 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).



**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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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 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 18-19 of this report.

#### **Fund Financial Statements**

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

The County has three categories of funds:

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

Kankakee County maintains thirty-three 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, the tort fund, the pension fund, and the capital projects fund. These four funds are considered to be major funds. Data from the other twenty-nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 20-22 of this report.

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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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 23-25 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 26-27 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 28-42 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.

Required supplementary information can be found on page 44-56 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 57-70 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

This is the second year that the County has presented its financial statements under the new 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*. Therefore, 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 assets exceeded liabilities by \$42.6 million. Net assets for governmental activities increased \$1.5 million from FY 2003. However, for business-type activities, net assets decreased by \$0.1 million.

**Kankakee County, Illinois**  
**Management's Discussion and Analysis**  
**For the Year Ended November 30, 2004**

**Exhibit 1**  
**Condensed Statement of Net Assets (In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
Capital and other assets	\$ 48,205	\$ 45,153	\$ 3,335	\$ 3,040	\$ 51,540	\$ 48,193
Capital assets	17,873	18,301	4,419	4,962	22,292	23,263
<b>Total assets</b>	<b>66,078</b>	<b>63,454</b>	<b>7,754</b>	<b>8,002</b>	<b>73,832</b>	<b>71,456</b>
Current and other liabilities	16,442	17,035	461	358	16,903	17,393
Long-term debt	11,519	9,803	2,776	3,004	14,295	12,807
<b>Total liabilities</b>	<b>27,961</b>	<b>26,838</b>	<b>3,237</b>	<b>3,362</b>	<b>31,198</b>	<b>30,200</b>
Net assets invested in capital assets, net of related debt	11,533	11,661	1,416	1,740	12,949	13,401
Restricted	22,922	21,640	202	236	23,124	21,876
Unrestricted	3,662	3,315	2,899	2,664	6,561	5,979
<b>Total net assets</b>	<b>\$ 38,117</b>	<b>\$ 36,616</b>	<b>\$ 4,517</b>	<b>\$ 4,640</b>	<b>\$ 42,634</b>	<b>\$ 41,256</b>

A significant portion of the County's net assets (30.4 percent) reflects investment of \$12.95 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, \$23.1 million (54.2 percent), represents resources that are subject to external restrictions on how they may be used. Of this amount, \$0.06 million of governmental activities and all of the business-type activities restricted net assets are restricted for debt service. The remainder is restricted for other purposes.

The remaining portion of the County's net assets (15.4 percent) is located in unrestricted net assets. Kankakee County's unrestricted net assets of \$6.6 million may be used to meet the County's ongoing obligations to citizens and creditors.

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. The same situation held true for the prior fiscal year.

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

**Kankakee County, Illinois**  
**Management's Discussion and Analysis**  
**For the Year Ended November 30, 2004**

**Exhibit 2**  
**Kankakee County's Changes in Net Assets (In Thousands)**

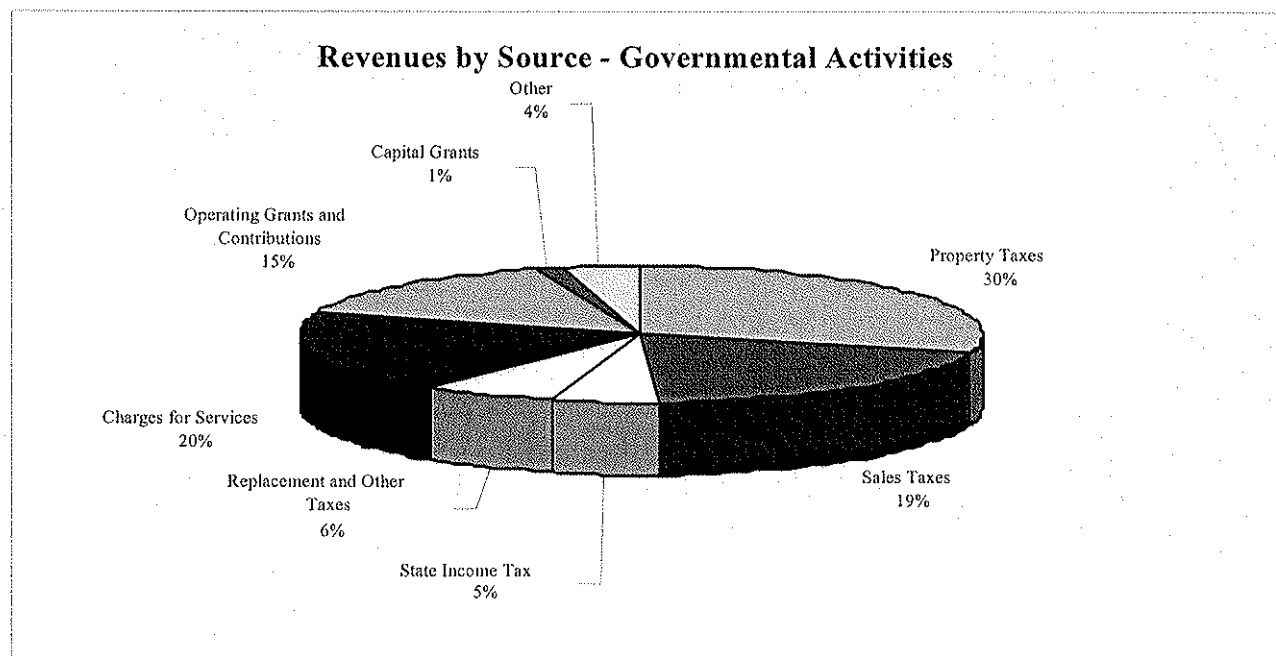
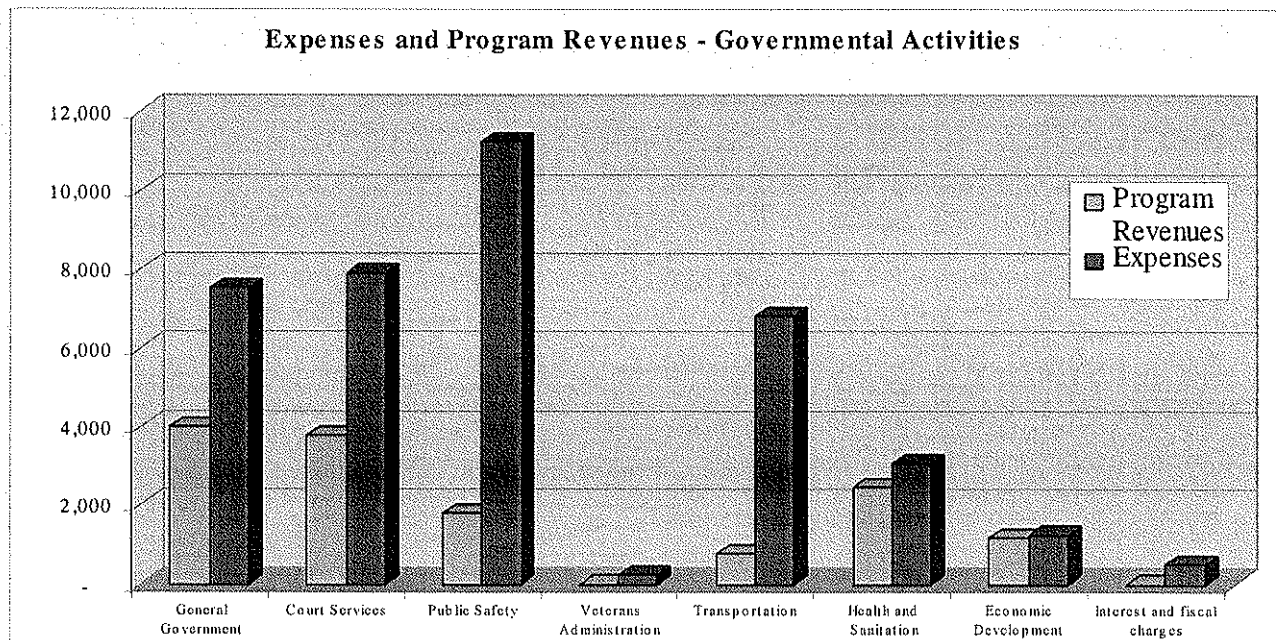
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 7,744	\$ 6,896	\$ 2,487	\$ 1,920	\$ 10,231	\$ 8,816
Operating Grants and Contributions	5,709	4,437	27	-	5,736	4,437
Capital Grants and Contributions	506	251	-	-	506	251
General Revenues						
Property Taxes	11,582	11,234	-	-	11,582	11,234
Sales Tax	7,471	6,211	-	-	7,471	6,211
State Income Tax	1,943	1,898	-	-	1,943	1,898
Replacement and Other Taxes	2,480	2,538	-	-	2,480	2,538
Other	1,289	987	15	22	1,303	1,009
<b>Total Revenues</b>	<b>38,724</b>	<b>34,452</b>	<b>2,529</b>	<b>1,942</b>	<b>41,252</b>	<b>36,394</b>
<b>Expenses</b>						
Governmental Activities						
General Government	7,522	6,990	-	-	7,522	6,990
Public Safety	11,237	9,423	-	-	11,237	9,423
Court Services	7,898	6,987	-	-	7,898	6,987
Transportation	6,807	5,408	-	-	6,807	5,408
Health and Sanitation	3,001	3,140	-	-	3,001	3,140
Veterans Administration	229	205	-	-	229	205
Economic Development	1,174	-	-	-	1,174	-
Interest and fiscal charges	491	360	-	-	491	360
Business-Type Activities						
Emergency Telephone Services	-	-	2,385	1,726	2,385	1,726
Animal Control	-	-	267	253	267	253
<b>Total Expenses</b>	<b>38,359</b>	<b>32,513</b>	<b>2,652</b>	<b>1,979</b>	<b>41,011</b>	<b>34,492</b>
Increase (Decrease) in Net Assets	365	1,939	(123)	(37)	242	1,902
Net Assets - Beginning of Year	37,752	34,677	4,640	4,677	42,392	39,354
Net Assets - End of Year	<u>\$ 38,117</u>	<u>\$36,616</u>	<u>\$ 4,517</u>	<u>\$ 4,640</u>	<u>\$ 42,634</u>	<u>\$41,256</u>

- Operating grants for governmental activities increased by \$1.3 million (29 percent) during the year, a result of the County becoming the fiscal agent for the Local Workforce Investment Area 11.
- Charges for services for governmental activities increased by \$0.8 million (12.3 percent). Roughly half of this increase is due to increases in fees charged for court services. This continued increase is the result of the increase on a variety of court fees in August 2003. Another \$315,885 is the result of recognition of deferred revenue from a project completed during the year in the transportation area.
- Sales tax revenue jumped by \$1.26 million (20.3 percent) from last fiscal year. This is due to the continued success of the tax rebate program implemented in the City of Kankakee to draw more businesses to the area.
- Economic development is a new category of expense this fiscal year under governmental activities. It is a result of the services provided by the Workforce Investment Act of which the County is now the grantee.
- Expenditures for transportation increased by \$1.4 million. A large portion of this is due to \$0.5 million in capital outlay in the Highway Department. The rest of the increase is due to large expenditures in the County Bridge Fund.

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

- Public safety expenditures increased by \$1.8 million. This is a result of new union contracts in the Sheriff and Corrections Departments which affects wages and employee benefits. Another cause of this increase is new capital assets and related depreciation.
- General government expenditures increased by \$0.5 million. The majority of this increase was due to the match required for the purchase of new voting machines of \$195,000.
- Charges for services for business-type activities increased by \$0.57 million (30.2 percent) during the year. This is a result of increased revenue from the City of Kankakee since the City and County combined their dispatch departments.

**Governmental Activities**

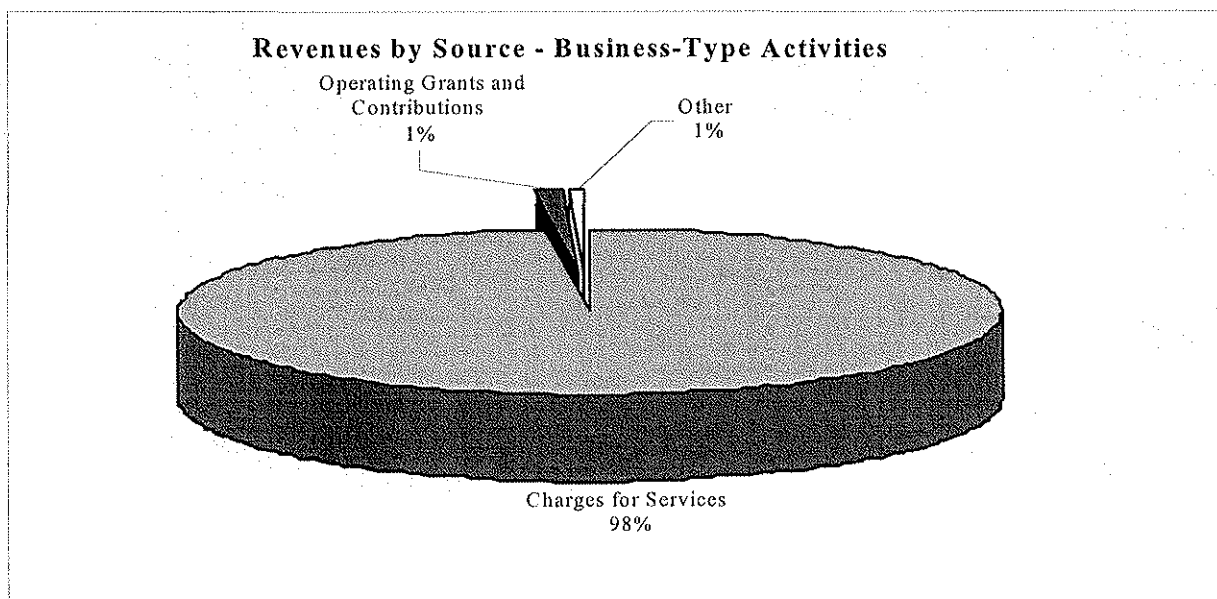
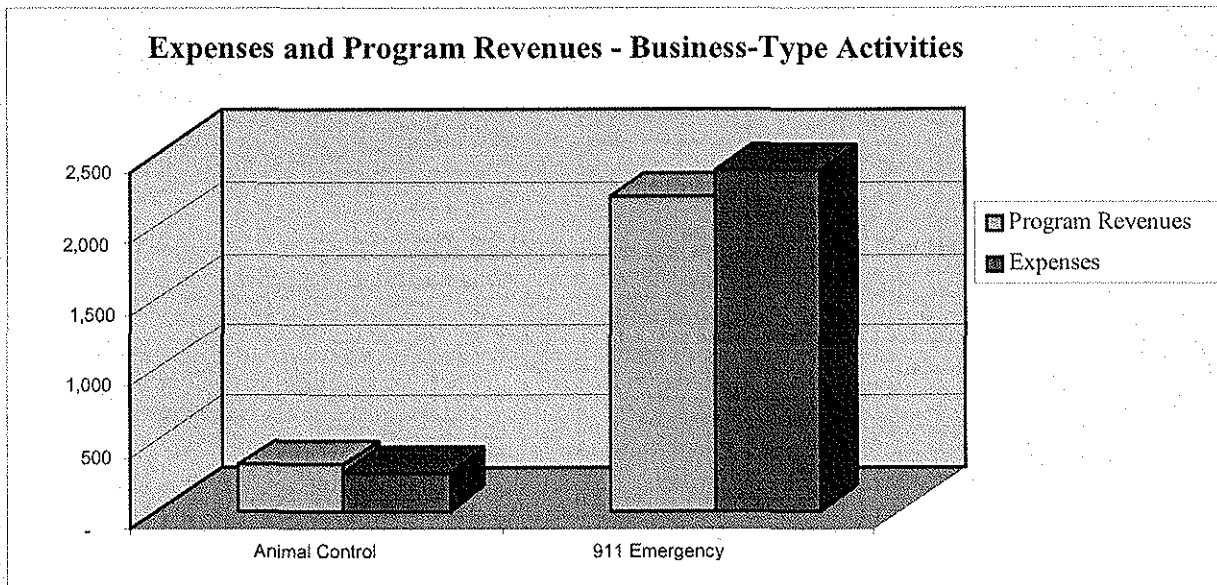


**Kankakee County, Illinois**  
**Management's Discussion and Analysis**  
**For the Year Ended November 30, 2004**

Governmental activities increased the County's net assets by \$0.4 million, accounting for all of the growth in the assets of the County. Once again, a key aspect of this growth was a large increase in sales tax revenue during the year.

The preceding charts illustrate the County's governmental expenses and revenues by function and its revenue by source. Public safety is the largest governmental expense of the County, followed by court services, general government, and transportation. 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. Almost one-third of the County's revenue for governmental funds comes from property taxes, and 60 cents of every dollar raised comes from some type of tax, down from 63 cents a year ago.

**Business-Type Activities**



Business-type activities decreased the County's net assets by \$0.12 million to \$4.5 million, a decline of 2.7 percent.

## **FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

### **Governmental Funds**

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

At the end of the current fiscal year the County's governmental funds reported combined ending fund balances of \$32.5 million. Approximately \$24.2 million (74.4 percent) of that amount constitutes unreserved fund balance, which is available for discretionary spending. Another \$860,000 is unreserved but designated for capital projects. The remainder of the fund balance, \$7.4 million, is reserved; it is committed for various purposes and is not available for new spending. This is an increase from \$534,300 in reserve at the close of the last fiscal year. This large increase is mostly due to \$5.8 million reserved in the capital projects fund.

Revenues for the governmental funds in 2004 totaled \$38.9 million. Expenditures were \$39.3 million. Other financing sources/uses contributed an additional \$6.3 million. Overall, the fund balance increased by \$5.99 million for the year.

The General Fund is the chief operating fund of the County. It is composed of 34 departments: Administration, Liquor Commission, Treasurer, County Clerk, Elections, Recorder, Assessments, Board of Reviews, Planning, Information Services, Building & Grounds, Health Insurance, 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., Relief, Sheriff Police, Corrections, Auxiliary Police, E.S.D.A., Merit Commission, Dispatch Center, and Coroner.

At the end of 2004 the total fund balance of the General Fund was \$4.1 million. The fund balance increased by \$82,679 in 2004. The unreserved fund balance of the general fund was \$4.0 million.

The Tort Liability Fund, a special revenue fund and one of the major funds of the County, ended the year with a fund balance of \$2.68 million, which represents a decrease of \$0.2 million from the prior fiscal year.

The Pension Fund, a special revenue fund, is another major fund of the County. Fund balance at the end of 2004 was \$4.7 million, a decrease of \$0.65 million.

This year, there was a fourth major fund for Kankakee County, the Capital Projects Fund. It closed fiscal year 2004 with a \$5.8 million fund balance.

### **Proprietary Funds**

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

**911 System Fee Fund.** This fund also qualified as a major fund of Kankakee County. Net assets at the end of the year amounted to \$4.3 million. Of this amount, \$1.4 million is invested in capital assets, net of related debt and \$0.2 million is restricted for debt service. The remainder, \$2.7 million, is unrestricted. Total net assets decreased by \$165,822 during the year.

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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**Animal Control.** There was a net asset balance of \$202,095 at the end of the fiscal year. This represented an increase of \$42,340. Of the total, \$36,201 is invested in capital assets, net of related debt and the remainder of \$165,894 is unrestricted.

**Fiduciary Funds**

The County maintains fiduciary funds for the assets of others in various Private Purpose Trust Funds and Agency Funds. Total net assets in the Fiduciary funds are \$1.39 million, an increase of \$0.16 million from last year. This increase reflects a restatement from last year's financial statements yielding a \$1.23 million beginning of year balance due to reclassifying the CDAP Fund as a special revenue fund.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year, the County Board revised the County budget several times. Generally, the budget amendments during the year were due to grants. Changes were also made at the end of the year to account for unexpected revenues and expenditures. The original General Fund budget of \$20.7 million increased to \$21.96 million in revenues and \$22.26 million in expenditures.

The budget for the General Fund increased revenues \$1.26 million during the year. The most significant increase, \$0.84 million, was due to higher than anticipated sales tax revenue. Amendments due to newly issued grants during fiscal year 2004 totaled \$0.3 million.

The most significant of budget increases on the expenditure side was a \$0.5 million amendment for capital outlay for the Election Commission. New voting machines were purchased for use in the 2004 elections. Another significant increase of \$0.3 million was the result of an increase in expenditures for contractual services in the Planning Department as the Board voted for the General Fund to take over expenses that were formerly charged to the Tipping Fee Fund. An additional increase of \$0.2 million was due to court ordered services paid for out of DNDC in the General Fund.

**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, 2004, amounts to \$22.3 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 4.4 percent (a 2.4 percent decrease for governmental activities and a 12.3 percent decrease for business-type activities).

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



**Kankakee County, Illinois**  
**Management's Discussion and Analysis**  
**For the Year Ended November 30, 2004**

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

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Transportation Network	\$ 7,384	\$ 8,123	\$ -	\$ -	\$ 7,384	\$ 8,123
Land	80	-	61	61	141	61
Construction in Progress	171	-	-	-	171	-
Buildings and Improvements	3,437	3,677	-	-	3,437	3,677
Buildings and Improvements under capital lease agreements	4,314	4,451	-	-	4,314	4,451
Leasehold improvements	-	-	197	193	197	193
Equipment	1,224	939	4,128	4,668	5,352	5,606
Equipment under capital lease agreements	-	-	33	40	33	40
Vehicles	1,262	1,112	-	-	1,262	1,112
<b>Total Capital Assets</b>	<b>\$17,872</b>	<b>\$18,301</b>	<b>\$ 4,419</b>	<b>\$ 4,962</b>	<b>\$22,292</b>	<b>\$23,263</b>

Major capital asset changes that occurred during 2004 include the following:

The sheriff's department purchased new squad cars during the year to replace retired vehicles. The administration department also purchased vehicles during the year.

More detail about the County's capital assets is presented in Note 7 to the financial statements.

**Long-term Debt**

At the end of the current fiscal year, the County of Kankakee had total bonded debt outstanding of \$15.4 million. This encompasses \$12.4 million outstanding long-term debt in governmental activities and \$3.0 million outstanding long-term debt in business-type activities. This represents an increase of approximately \$1.4 million (13.5 percent) in governmental activities and a decrease of approximately \$0.2 million (7.2 percent) in business-type activities.

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

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

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Debt Certificates	\$ 5,750	\$ -	\$ -	\$ -	\$ 5,750	\$ -
Loan / Lease Agreement	1,071	1,264	-	-	1,071	1,264
Capital Leases	5,249	5,376	34	41	5,283	5,417
Bonds - Alternate Revenue Source	-	-	2,970	3,180	2,970	3,180
Other Commitments	-	3,998	-	-	-	3,998
<b>Total</b>	<b>\$12,070</b>	<b>\$10,638</b>	<b>\$ 3,004</b>	<b>\$ 3,221</b>	<b>\$15,074</b>	<b>\$13,860</b>

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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The major addition to long-term debt during the year for governmental activities was the \$6.0 million in debt certificates issued for the Sheriff's Administration Building. However, the County also eliminated nearly \$4.0 million in other commitments in addition to payments of \$0.89 million on debt and lease agreements.

There were no additions to long-term debt for business-type activities. Alternatively, the County retired \$210,000 in bonds and paid \$7,619 on the lease of the Animal Control truck.

More detailed information about the County's long-term liabilities is presented in Note 8 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The County's General Fund budget for 2005 increased only 7.8 percent to approximately \$23.9 million. This budget increase generally reflects wage increases of County personnel. A large part of the increase on the revenue side is due to expected \$0.65 million in ticket fees. The other substantial increase is \$1.5 million in inmate housing fees. Other fluctuations are mostly due to retirement of certain grants and additions of others, including about \$0.45 million in two new sheriff's grants. There is also an increase of approximately \$0.5 million in personnel expenditures in the Corrections Department budgeted for fiscal year 2005.

On July 1, 2004, Kankakee County became fiscal agent for the Workforce Investment Act Grant. Our local workforce area consists of Grundy, Livingston, and Kankakee County. Fiscal year 2005 will be the first full year as grantee. For the period of July 1 thru November 30, 2004 the County expended \$1.14 million in Workforce Investment Act Funds. This amount will continue to grow in 2005 as we complete a full year of grant services.

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

The Chicago Bears have renewed their contract for 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.

Splash Valley Aquatic Park opened in June 2004. The water park, which is part of the Kankakee Valley Park District and can accommodate up to 1,500 people, also has the potential to attract tourist travel into the County. It will be open June through September and features discounted rates for residents.

The Park District is also building an ice rink near the water park. It is expected to open in late fall or early winter. The project was funded through a \$6.6 million state grant. KCC is paying a portion of the costs that are related to the fitness center it will use. The 49,000-square-foot building will be located on the southeast corner of Kankakee Community College's campus adjacent to the soccer and softball fields. The facility includes the 85-foot-by-200-foot ice rink, a fitness center and locker rooms. The fitness center will be 8,000 square feet and will be operated by KCC.

Layoffs in May 2004 at Aventis Behring, the largest employer in the County, led to increased unemployment in the area. A portion of those laid off were since rehired; however, many are still looking for employment.

The Kankakee County Board voted against a landfill in Kankakee County. Waste Management is currently appealing this vote. Revenue from Waste Management that we have been receiving for the siting process will not be in the budget in future years; related expenses will also be absent from the budget.

The planning department of Kankakee County recently completed step 1 of a 3-step process to determine the feasibility for the extension of metra commuter rail service from University Park to Kankakee. Other communities in Kankakee and Will County are helping to fund the local portion of the grant contract. While the study is a lengthy process, it could lead to possible future growth for our County.

**Kankakee County, Illinois  
Management's Discussion and Analysis  
For the Year Ended November 30, 2004**

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In recent years, there has been a generally continued increase in sales tax revenue due to increased spending in the area. This is expected to continue increasing in future years.

A new hotel and conference center, Hilton Garden Inn and Convention Center, opened in November 2004 at exit 308 in southern Kankakee County. This has the potential to attract others from outside the area for the use of its convention center. It was also recently announced that a large Gas City which will house Dunkin' Donuts, Subway Sandwich shop, and Great American Hot Dog & Pizza eatery will be built in the vicinity.

The County completed construction of the new jail in early 2005. The new jail is located along Interstate 57 in southern Kankakee County. This will allow the existing jail to be rented out for out of county inmate housing as a revenue source. Additional, new correctional officers have been hired in order to operate both the new facility and also continue operating the current facility.

The County Board recently approved a \$17 million bond issue to expand the new jail in order to house additional inmates.

The County is currently undergoing a compensation and classification study performed by an outside firm. The findings are expected to be released in August, and it is still uncertain how this will affect the County's current pay scale.

Outside consultants are also undertaking a space needs study for the County offices. They will determine what additional space is warranted according to both current and future needs of the County.

The Board is considering replacing the fire escape of the county administration building as the existing one has been deemed unsafe. This project is expected to cost around \$160,000.

## **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, 2004

Assets	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Cash	\$ 8,036,575	\$ 1,277,608	\$ 9,314,183	\$ 1,878,805
Cash - restricted	-	259,288	259,288	-
Investments, at cost	21,689,911	1,098,948	22,788,859	2,503,375
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	12,506,122	-	12,506,122	-
Accounts	4,060,262	355,302	4,415,564	-
Loans	20,093	-	20,093	2,348,033
Internal balances	450,817	-	450,817	-
Due from other governments	837,178	-	837,178	-
Prepaid expenses	486,907	253,459	740,366	-
Inventory, at cost	66,739	-	66,739	-
Other assets	50,625	90,043	140,668	-
Capital assets, net of accumulated depreciation	17,872,433	4,419,238	22,291,671	20,540,547
Total assets	<u>\$ 66,077,662</u>	<u>\$ 7,753,886</u>	<u>\$ 73,831,548</u>	<u>\$ 27,270,760</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Vouchers and accounts payable	\$ 2,596,472	\$ 74,699	\$ 2,671,171	\$ 63,441
Checks in excess of deposits	102,722	-	102,722	-
Payable from restricted assets	-	57,598	57,598	-
Accrued wages and benefits	342,643	101,246	443,889	-
Deferred revenue	12,520,380	-	12,520,380	4,112,355
Non current liabilities:				
Due within one year	878,885	227,941	1,106,826	60,000
Due in more than one year	11,519,418	2,775,910	14,295,328	2,375,000
Total Liabilities	<u>27,960,520</u>	<u>3,237,394</u>	<u>31,197,914</u>	<u>6,610,796</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	11,533,431	1,415,387	12,948,818	20,540,547
Restricted for:				
Debt service	60,757	201,690	262,447	-
Other purposes	22,861,238	-	22,861,238	-
Unrestricted	3,661,716	2,899,415	6,561,131	119,417
Total net assets	<u>38,117,142</u>	<u>4,516,492</u>	<u>42,633,634</u>	<u>20,659,964</u>
Total liabilities and net assets	<u>\$ 66,077,662</u>	<u>\$ 7,753,886</u>	<u>\$ 73,831,548</u>	<u>\$ 27,270,760</u>

Kankakee County, Illinois  
Statement of Activities  
For the Year Ended November 30, 2004

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants	Governmental Activities	Primary Government Business-Type Activities	Total Primary Government	Component Unit
Primary government:								
Governmental activities								
General government	20 \$ 7,522,273	\$ 3,223,860	\$ 520,256	\$ 263,693	\$ (3,514,464)		\$ (3,514,464)	
Court services	21 7,897,893	2,531,085	1,255,233	-	(4,111,575)		(4,111,575)	
Public safety	22 11,237,165	917,478	858,687	-	(9,461,000)		(9,461,000)	
Health and sanitation	23 3,000,556	542,104	1,900,373	-	(558,079)		(558,079)	
Transportation	6,806,871	529,183	-	242,129	(6,035,559)		(6,035,559)	
Veterans administration	228,691	-	-	-	(228,691)		(228,691)	
Economic development	1,174,362	-	1,174,206	-	(156)		(156)	
Interest and fiscal charges	490,826	-	-	-	(490,826)		(490,826)	
Total governmental activities	38,358,637	7,743,710	5,708,755	505,822	(24,400,350)		(24,400,350)	
Business-type activities								
911 Emergency services	2,384,753	2,178,810	27,000	-		(178,943)	(178,943)	
Animal control	267,546	308,253	-	-		40,707	40,707	
Total business-type activities	2,652,299	2,487,063	27,000	-		(138,236)	(138,236)	
Total primary government	\$ 41,010,936	\$ 10,230,773	\$ 5,735,755	\$ 505,822	(24,400,350)	(138,236)	(24,538,586)	
Component unit:								
Kankakee County Public Building Commission	\$ 145,489	\$ 187,123	\$ -	\$ 13,251,277				\$ 13,292,911
General revenues:								
Taxes								
Property taxes					11,582,291	-	11,582,291	-
Sales tax					7,471,309	-	7,471,309	-
State income tax					1,943,324	-	1,943,324	-
Replacement and other taxes					2,479,900	-	2,479,900	-
Interest					316,858	14,754	331,612	829
Miscellaneous					971,678	-	971,678	-
Transfers					-	-	-	-
Total general revenues and transfers					24,765,360	14,754	24,780,114	829
Change in net assets					365,010	(123,482)	241,528	13,293,740
Net assets - beginning, restated					37,752,132	4,639,974	42,392,106	7,366,224
Net assets - ending					\$ 38,117,142	\$ 4,516,492	\$ 42,633,634	\$ 20,659,964

Kankakee County, Illinois  
Balance Sheet  
Governmental Funds  
November 30, 2004

	General Fund	Tort Liability	Pension	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash	\$ 1,124,658	\$ 820,552	\$ 1,584,728	\$ 788,880	\$ 3,717,757	\$ 8,036,575
Investments, at cost	551,178	1,446,352	3,257,180	5,003,658	11,431,543	21,689,911
Receivables (net of applicable allowances for estimated uncollectible amounts):						
Taxes, including interest, penalties, and liens	3,555,730	1,999,402	3,041,695	-	3,909,295	12,506,122
Accounts	3,275,657	9,579	15,713	-	513,241	3,814,190
Loans	-	-	-	-	20,093	20,093
Prepaid expenses	71,942	357,922	-	-	57,043	486,907
Due from other funds	453,850	4,857	50,584	-	117,460	626,751
Due from other governments	194,758	-	-	-	642,420	837,178
Inventory, at cost	66,739	-	-	-	-	66,739
Total assets	<u>\$ 9,294,512</u>	<u>\$ 4,638,664</u>	<u>\$ 7,949,900</u>	<u>\$ 5,792,538</u>	<u>\$ 20,408,852</u>	<u>\$ 48,084,466</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Vouchers and accounts payable	\$ 1,283,107	\$ 24,094	\$ 285,226	\$ -	\$ 835,882	\$ 2,428,309
Checks in excess of deposits	-	-	-	-	102,722	102,722
Due to other funds	65,941	-	-	-	109,993	175,934
Deferred revenue	3,571,503	1,934,579	2,936,170	-	4,113,668	12,555,920
Accumulated unpaid sick and vacation pay	239,895	-	46,426	-	56,322	342,643
Total liabilities	<u>5,160,446</u>	<u>1,958,673</u>	<u>3,267,822</u>	<u>-</u>	<u>5,218,587</u>	<u>15,605,528</u>
<b>Fund balances:</b>						
<b>Fund balances (deficit):</b>						
Reserved	138,681	357,922	-	5,792,538	1,148,108	7,437,249
Unreserved - designated for capital projects	860,000	-	-	-	-	860,000
Unreserved	3,135,385	2,322,069	4,682,078	-	14,042,157	24,181,689
Total fund balances	<u>4,134,066</u>	<u>2,679,991</u>	<u>4,682,078</u>	<u>5,792,538</u>	<u>15,190,265</u>	<u>32,478,938</u>
Total liabilities and fund balances	<u>\$ 9,294,512</u>	<u>\$ 4,638,664</u>	<u>\$ 7,949,900</u>	<u>\$ 5,792,538</u>	<u>\$ 20,408,852</u>	

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

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.....	(12,398,303)
The difference in net assets between full accrual accounting and modified accrual accounting due to differing revenue and expense recognition criteria between the two methods.....	164,074
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds as assets .....	17,872,433
Net assets of governmental activities.....	<u>\$ 38,117,142</u>

Kankakee County, Illinois  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended November 30, 2004

	General Fund	Tort Liability	Pension	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$10,838,245	\$ 1,737,216	\$ 2,828,027	\$ -	\$ 3,650,112	\$ 19,053,600
Intergovernmental	5,063,168	12,911	102,278	-	5,455,626	10,633,983
Charges for services	4,452,413	-	-	-	-	4,452,413
Licenses and permits	229,520	-	-	-	188,031	417,551
Fines and forfeits	896,026	-	-	-	2,111,512	3,007,538
Interest on investments	36,490	19,081	41,474	61,460	158,353	316,858
Miscellaneous	283,349	-	-	-	779,396	1,062,745
Total revenues	<u>21,799,211</u>	<u>1,769,208</u>	<u>2,971,779</u>	<u>61,460</u>	<u>12,343,030</u>	<u>38,944,688</u>
Expenditures:						
Current:						
General government	6,592,752	1,937,619	3,037,327	-	343,246	11,910,944
Judiciary and court related	5,828,756	-	-	-	695,116	6,523,872
Public safety	7,365,089	-	-	-	352,196	7,717,285
Health and welfare	-	-	-	-	2,875,225	2,875,225
Transportation	-	-	-	-	5,378,883	5,378,883
Economic development	-	-	-	-	1,177,175	1,177,175
Capital outlay	1,353,489	61,156	-	171,096	736,629	2,322,370
Debt service principal	710,863	-	-	-	165,279	876,142
Debt service interest	262,457	-	-	-	223,536	485,993
Total expenditures	<u>22,113,406</u>	<u>1,998,775</u>	<u>3,037,327</u>	<u>171,096</u>	<u>11,947,285</u>	<u>39,267,889</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(314,195)</u>	<u>(229,567)</u>	<u>(65,548)</u>	<u>(109,636)</u>	<u>395,745</u>	<u>(323,201)</u>
Other financing sources (uses):						
Transfers in	12,255	-	-	5,902,174	-	5,914,429
Transfers out	(5,902,174)	-	-	-	(12,255)	(5,914,429)
Proceeds from long-term debt	6,286,793	-	-	-	23,633	6,310,426
Total other financing sources (uses)	<u>396,874</u>	<u>-</u>	<u>-</u>	<u>5,902,174</u>	<u>11,378</u>	<u>6,310,426</u>
Net change in fund balances	82,679	(229,567)	(65,548)	5,792,538	407,123	5,987,225
Fund balances, beginning of year	4,051,387	2,909,558	4,747,626	-	14,783,142	26,491,713
Fund balances, end of year	<u>\$ 4,134,066</u>	<u>\$ 2,679,991</u>	<u>\$ 4,682,078</u>	<u>\$ 5,792,538</u>	<u>\$ 15,190,265</u>	<u>\$ 32,478,938</u>

**Kankakee County, Illinois**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended November 30, 2004**

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Net change in fund balances - total governmental funds \$ 5,987,225

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

The issuance of long-term debt (bonds, leases) provides current financial resources to governmental funds (6,310,426)

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 871,309

The current period change in compensated absences included in accrued wages and benefits does not require or provide current financial resources and, therefore, is not reported in governmental funds (19,612)

Depreciation on capital assets is not reflected on the fund level statements, but is reported as an expense on the entity wide statements (2,104,261)

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 1,567,430

Full accrual accounting and modified accrual accounting use differing revenue and expense recognition criteria 373,345

Change in net assets of governmental activities - entity wide statements \$ 365,010



Kankakee County, Illinois  
Statement of Net Assets  
Proprietary Funds - Enterprise Funds  
November 30, 2004

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
<b>Assets</b>			
Current assets			
Cash	\$ 1,220,553	\$ 57,055	\$ 1,277,608
Cash - restricted	259,288	-	259,288
Investments	987,317	111,631	1,098,948
Accounts receivable	344,145	11,157	355,302
Prepaid expenses and line charges	84,940	215	85,155
Total current assets	<u>2,896,243</u>	<u>180,058</u>	<u>3,076,301</u>
Property, plant, and equipment			
Building, improvements and equipment	7,114,709	142,118	7,256,827
Accumulated depreciation	<u>(2,765,523)</u>	<u>(72,066)</u>	<u>(2,837,589)</u>
Net property, plant, and equipment	<u>4,349,186</u>	<u>70,052</u>	<u>4,419,238</u>
Prepaid line charges	168,304	-	168,304
Bond issue costs, net and other assets	90,043	-	90,043
Total assets	<u>\$ 7,503,776</u>	<u>\$ 250,110</u>	<u>\$ 7,753,886</u>
<b>Liabilities</b>			
Current liabilities			
Current portion - long-term debt	\$ 220,000	\$ 7,941	\$ 227,941
Vouchers payable	61,751	12,948	74,699
Vouchers payable from restricted assets	57,598	-	57,598
Accrued salaries and benefits	<u>100,030</u>	<u>1,216</u>	<u>101,246</u>
Total current liabilities	<u>439,379</u>	<u>22,105</u>	<u>461,484</u>
Long-term liabilities			
Long-term debt, net of current portion	<u>2,750,000</u>	<u>25,910</u>	<u>2,775,910</u>
Total long-term liabilities	<u>2,750,000</u>	<u>25,910</u>	<u>2,775,910</u>
Total liabilities	<u>3,189,379</u>	<u>48,015</u>	<u>3,237,394</u>
<b>Net assets</b>			
Invested in capital assets, net of related debt	1,379,186	36,201	1,415,387
Restricted for debt service	201,690	-	201,690
Unrestricted	<u>2,733,521</u>	<u>165,894</u>	<u>2,899,415</u>
Total net assets	<u>4,314,397</u>	<u>202,095</u>	<u>4,516,492</u>
Total liabilities and net assets	<u>\$ 7,503,776</u>	<u>\$ 250,110</u>	<u>\$ 7,753,886</u>

Kankakee County, Illinois  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds - Enterprise Funds  
For the Year Ended November 30, 2004

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Revenues:			
Charges for services and other fees	\$ 2,178,445	\$ 305,472	\$ 2,483,917
Miscellaneous	365	2,781	3,146
Total revenues	<u>2,178,810</u>	<u>308,253</u>	<u>2,487,063</u>
Operating expenses:			
Personal services	1,175,025	176,736	1,351,761
Contractual services	316,497	36,275	352,772
Supplies and materials	43,133	16,019	59,152
Other services and charges	91,578	30,153	121,731
Depreciation and amortization expense	619,597	6,600	626,197
Total operating expenses	<u>2,245,830</u>	<u>265,783</u>	<u>2,511,613</u>
Operating income (loss)	<u>(67,020)</u>	<u>42,470</u>	<u>(24,550)</u>
Nonoperating revenue (expense):			
Interest income	13,121	1,633	14,754
Interest expense	(138,923)	(1,763)	(140,686)
Grant revenue	27,000	-	27,000
Net nonoperating revenue (loss)	<u>(98,802)</u>	<u>(130)</u>	<u>(98,932)</u>
Change in net assets	<u>(165,822)</u>	<u>42,340</u>	<u>(123,482)</u>
Net assets, beginning of year	<u>4,480,219</u>	<u>159,755</u>	<u>4,639,974</u>
Net assets, end of year	<u>\$ 4,314,397</u>	<u>\$ 202,095</u>	<u>\$ 4,516,492</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, 2004

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 1,518,893	\$ 301,100	\$ 1,819,993
Payments to suppliers	(698,133)	(87,221)	(785,354)
Payments to employees	(834,893)	(175,520)	(1,010,413)
Internal activity - payments from (to) other funds	559,921	-	559,921
Other receipts	365	2,781	3,146
Net cash provided (used) by operating activities	<u>546,153</u>	<u>41,140</u>	<u>587,293</u>
Cash flows from capital and related financing activities:			
Proceeds from long-term financing	-	-	-
Interest payments on long-term debt	(142,227)	(1,763)	(143,990)
Payments on long-term debt	(210,000)	(7,619)	(217,619)
Grant receipts	27,000	-	27,000
Purchase of equipment	(55,682)	-	(55,682)
Net cash flows provided (used) by capital and related financing activities	<u>(380,909)</u>	<u>(9,382)</u>	<u>(390,291)</u>
Cash flows from investing activities:			
Purchase of investments	(801,037)	-	(801,037)
Interest income	13,121	1,633	14,754
Net cash flows provided (used) by investing activities	<u>(787,916)</u>	<u>1,633</u>	<u>(786,283)</u>
Net increase (decrease) in cash and cash investments	(622,672)	33,391	(589,281)
Cash and cash investments, beginning of year	<u>2,176,646</u>	<u>135,295</u>	<u>2,311,941</u>
Cash and cash investments, end of year	<u>\$ 1,553,974</u>	<u>\$ 168,686</u>	<u>\$ 1,722,660</u>
Reported on-balance sheet as cash	\$ 1,479,841	\$ 57,055	\$ 1,536,896
Included in balance sheet investments	74,133	111,631	185,764
	<u>\$ 1,553,974</u>	<u>\$ 168,686</u>	<u>\$ 1,722,660</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (67,020)	\$ 42,470	\$ (24,550)
Adjustments to reconcile net income to net cash provided from operating activities:			
Depreciation expense	530,929	6,600	537,529
Amortization of line charges and bond issue costs	88,668	-	88,668
Undepreciated balance on disposed assets	889	-	889
Change in assets and liabilities:			
(Increase) decrease in other assets	(107,211)	(4,587)	(111,798)
Increase (decrease) in accrued salaries and benefits	82,030	1,216	83,246
Increase (decrease) in other liabilities	17,868	(4,559)	13,309
Net cash provided by operating activities	<u>\$ 546,153</u>	<u>\$ 41,140</u>	<u>\$ 587,293</u>

Kankakee County, Illinois  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
November 30, 2004

	Private Purpose Trust Funds	Agency Funds
<b>Assets</b>		
Cash	\$ 97,696	\$ 7,895,326
Investments, at cost	1,189,493	901,272
Receivables:		
Accounts receivable	-	80,370
Due from other funds	-	477,097
Due from other governments	107,466	-
<b>Total assets</b>	<b>\$ 1,394,655</b>	<b>\$ 9,354,065</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Vouchers payable	\$ 8,452	\$ 8,563
Due to:		
Other funds	-	927,914
Other governments	-	4,462,691
Others	-	3,954,897
<b>Total liabilities</b>	<b>8,452</b>	<b>9,354,065</b>
<b>Net Assets</b>		
Restricted for other purposes	1,386,203	-
<b>Total net assets</b>	<b>1,386,203</b>	<b>-</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,394,655</b>	<b>\$ 9,354,065</b>

Kankakee County, Illinois  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds - Private Purpose Trust Funds  
Year ended November 30, 2004

	Township MFT	Contract Appraisal Work	Total
Additions:			
Intergovernmental	\$ 1,292,539	\$ -	\$ 1,292,539
Miscellaneous		29,506	29,506
Interest	15,375	-	15,375
Total additions	1,307,914	29,506	1,337,420
Deductions:			
Transportation	1,165,438		1,165,438
Other services and charges		13,371	13,371
Total deductions	1,165,438	13,371	1,178,809
Change in net assets	142,476	16,135	158,611
Net assets, beginning of year - restated	1,168,367	59,225	1,227,592
Net assets, end of year	\$ 1,310,843	\$ 75,360	\$ 1,386,203

**Kankakee County, Illinois**  
**Notes to Basic Financial Statements**

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**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 seven 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, and Treasurer.

The County's basic financial statements include accounts of all officials and activities described above and all other County operations. The County's major operations include human, 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, 2004. The Commission issues separate financial statements which are on file at the Office of Finance Director, Kankakee County, 189 E. Court St., Suite 300, Kankakee, Illinois 60901. The County Board is not financially responsible for obligations of the Commission unless any such improvements are for its benefit.

Component Units - Blended

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

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

The **Kankakee County Emergency Telephone System Board** is created by the County Board which also defines its powers and duties. This Board of nine members, four of whom may be members of the County Board, oversees the implementation and operations of the emergency telephone system. 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

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**Note 1 – The Financial Reporting Entity (Continued)**

Related Organizations

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

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

Kankakee County is one of several governmental units that jointly govern the Kankakee Area Metropolitan Enforcement Group, (KAMEG), a law enforcement initiative aimed at reducing illegal drug traffic in the area. The County serves as implementing agency for grants received through the Illinois Criminal Justice Information Authority, and also provided enforcement personnel to KAMEG. Reimbursements for the year amounted to \$102,900.

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

Joint Ventures

The County is a participant with Will County in a joint venture to operate a juvenile justice center under an intergovernmental agreement, with operating responsibility vested principally in Will County. The facility is leased from the Will County Public Building Commission for a period of 30 years by the joint venturers – See Note 9. Operation of the facility is under the responsibility of the Chief Judge of the 12<sup>th</sup> Judicial Circuit (Will County) with advice of the Chief Judge of the 21<sup>st</sup> 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.

**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

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**Note 2 – Basis of Presentation (Continued)**

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

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

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

Pension – This fund accounts for employee pension costs.

Capital Projects Fund – This fund accounts for construction activities related to public safety administrative facilities.

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

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

Additionally, the government reports the following 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 government.

**Note 3 – Summary of Significant Accounting Policies**

The accompanying financial statements of the County are prepared in conformity with 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.



**Note 3 – Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the County considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and special assessments. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entails 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, additional appropriations were made by the County Board. 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 fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The County has invested funds in the Illinois Funds Money Market Fund. This fund is an investments pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Investments in the fund are valued at the price the investment could be sold for as of year-end.

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

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

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

Kankakee County, Illinois  
Notes to Basic Financial Statements

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**Note 3 - Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**Compensated Absences:** Vested or accumulated vacation/sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation/sick leave of proprietary funds is recorded as an expense and liability for those funds as the benefits accrue to employees. No liability is recorded for nonvesting, accumulating rights to receive vacation/sick leave benefits; however, a liability is recognized for that portion of accumulating vacation/sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement. County policy states that an employee must use each year's vacation days during the year. Sick and extended illness days may be accumulated to a total of 120 days per employee with no amount payable upon separation from service. Under collective bargaining agreements covering employees in the departments of County Sheriff, Corrections and County Recorder, 50% of accumulated days may be paid or credited for retirement purposes at levels ranging from 50 to 70 days.

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

**Property Taxes:** The County is responsible for the assessment and collection of property taxes for all jurisdictions including the schools and special districts within the County. The County levies property taxes annually on or before the last Tuesday in December based on the assessed valuation determined in April of the same year. Property tax payments are due in two equal installments, June 1 and September 1, with the first installment being due no earlier than 30 days from date of mailing. Tax bills are generally mailed before May 15. 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.

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

Kankakee County, Illinois  
Notes to Basic Financial Statements

**Note 3 - Summary of Significant Accounting Policies (Continued)**

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

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

**Note 4 - Deposits and Investments**

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

The cash and investment deposits of the County in financial institutions are summarized to give an indication of the level of risk. Following is a description of categories of risk established by the Governmental Accounting Standards Board:

- Deposits:**
- (1) Insured or collateralized with securities held by the County or by its agent in the County's name.
  - (2) Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.
  - (3) Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name.)
- Investments:**
- (1) Insured or registered, or securities held by the County or its agent in the County's name.
  - (2) Uninsured and unregistered, with securities held by the counter party's trust department or agent in the County's name.
  - (3) Uninsured and unregistered, the securities held by the counter party, or by its trust department or agent but not in the County's name.

The County's deposits and investments are categorized below:

	Deposits		Investments		
	Bank Balance	Carrying Amount	Bank Balance	Carrying Amount	Market Value
Category 1	\$ 1,221,285	-	\$ 400,000	-	-
Category 2	15,401,659	-	3,807,642	-	-
Category 3	<u>2,374,072</u>	-	<u>1,063,960</u>	-	-
Total	<u>\$18,997,016</u>	<u>\$16,669,591</u>	<u>\$5,271,602</u>	<u>\$ 5,355,183</u>	<u>\$ 5,355,183</u>
Cash and investments not subject to credit risk:					
Illinois Funds Money Market Fund		-		14,520,783	14,520,783
Other		<u>5,300</u>		-	-
		16,674,891		19,875,966	<u>\$19,875,966</u>
County funds on deposit with component unit		<u>788,880</u>		<u>5,003,658</u>	
		<u>\$17,463,771</u>		<u>\$24,879,624</u>	

The Kankakee County Public Building Commission held County funds in the amount of \$5,792,538 as of November 30, 2004. The Building Commission's deposits are categorized as follows: Category 1 - \$200,000; Category 2 - \$9,220,695; Category 3 - \$2,015,593.

Kankakee County, Illinois  
Notes to Basic Financial Statements

**Note 4 – Deposits and Investments (Continued)**

Reconciliation to Government-wide Statement of Net Assets:

	<u>Cash</u>	<u>Investments</u>
Government-wide Statement of Net Assets	\$9,573,471	\$22,788,859
Less checks in excess of deposits	(102,722)	-
Statement of Fiduciary Net Assets	<u>7,993,022</u>	<u>2,090,765</u>
	<u>\$17,463,771</u>	<u>\$24,879,624</u>

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

**Note 5 - CDAP Loans Receivable**

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

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

	Balances November 30, 2003	Additions	Retirements	Balances November 30, 2004
SWA Properties	\$ -	\$21,000	\$907	\$ 20,093
McIntyre's Meats	8,331	-	-	8,331
MTAE, Inc.	<u>357,398</u>	-	-	<u>357,398</u>
Total	365,729	21,000	907	385,822
Less allowance for uncollectible amounts:	<u>(365,729)</u>	-	-	<u>(365,729)</u>
CDAP loans, net	<u>\$ -</u>	<u>\$21,000</u>	<u>\$907</u>	<u>\$ 20,093</u>

The allowance for loan losses reflects amounts estimated to be unrecoverable.

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.

**Note 6 – Interfund Accounts and Transfers**

Interfund receivable and payable balances at November 30, 2004 were:

	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 453,850	\$ 65,941
Tort Liability	4,857	-
Pension	50,584	-
County Highway	106,960	-
Other Governmental Funds	<u>10,500</u>	<u>109,993</u>
Total Governmental Funds	<u>626,751</u>	<u>175,934</u>
Agency Funds	<u>477,097</u>	<u>927,914</u>
Total Due To/From Other Funds - All Funds	<u>\$1,103,848</u>	<u>\$1,103,848</u>

Kankakee County, Illinois  
Notes to Basic Financial Statements

**Note 6 – Interfund Accounts and Transfers (Continued)**

Transfers during the year ended November 30, 2004 are summarized as follows:

	From	To
General Fund	\$5,902,174	\$ 12,255
Capital Projects Fund	-	5,902,174
Other Nonmajor Funds	<u>12,255</u>	-
	<u>\$5,914,429</u>	<u>\$5,914,429</u>

The transfer from the General Fund to the Capital Projects Fund was to account for capital projects financed with proceeds from issuance of debt certificates and administered by a component unit. See Note 12 for additional information.

**Note 7 – Capital Assets**

Capital asset activity for the year ended November 30, 2004 was as follows:

	Balances November 30, 2003	Additions	Retirements and Reclassifications	Balances November 30, 2004
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$(80,000)	\$ 80,000
Construction in progress	-	171,096	-	171,096
Total	-	171,096	(80,000)	251,096
Capital assets being depreciated:				
Transportation network	15,404,807	-	-	15,404,807
Buildings and improvements	6,371,547	-	-	6,371,547
Buildings and improvements under capital lease agreements	5,260,000	-	80,000	5,180,000
Equipment	3,549,982	65,119	17,720	4,184,381
Vehicles	3,155,764	744,214	175,429	3,724,549
Total capital assets being depreciated	<u>33,742,100</u>	<u>1,396,333</u>	<u>273,149</u>	<u>34,865,284</u>
Less accumulated depreciation for:				
Transportation network	7,282,255	738,430	-	8,020,685
Buildings and improvements	2,694,556	240,008	-	2,934,564
Buildings and improvements under capital lease agreements	808,667	170,208	113,287	865,588
Equipment	2,611,371	444,286	95,343	2,960,314
Vehicles	2,043,985	511,329	92,518	2,462,796
Total accumulated depreciation	<u>15,440,834</u>	<u>2,104,261</u>	<u>301,148</u>	<u>17,243,947</u>
Governmental activity capital assets, net	<u>\$18,301,266</u>	<u>\$ (536,832)</u>	<u>\$(107,999)</u>	<u>\$17,872,433</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated - Land	\$ 61,013	\$ -	\$ -	\$ 61,013
Capital assets being depreciated:				
Equipment	7,029,509	-	70,084	6,957,317
Leasehold improvements	193,467	-	3,810	197,277
Equipment under capital lease agreements	43,976	-	(2,756)	41,220
	<u>7,266,952</u>	-	71,138	7,195,814
Less: Accumulated depreciation	2,361,791	533,833	65,886	2,829,738
Accumulated amortization, capital leases	4,155	3,696	-	7,851
Total accumulated depreciation	<u>2,365,946</u>	<u>537,529</u>	<u>65,886</u>	<u>2,837,589</u>
Business-type activities capital assets, net	<u>\$ 4,962,019</u>	<u>\$(537,529)</u>	<u>\$ 5,252</u>	<u>\$4,419,238</u>

Kankakee County, Illinois  
Notes to Basic Financial Statements

Note 8 – Long-Term Debt

Long-term debt consists of the following:

Governmental Activities:

Loan/lease agreement dated September 21, 1999 and effective August 1, 2000 with National City Bank providing for monthly installments of \$21,309 through August 1, 2009, including interest at 5.25% per annum, secured by capital improvements \$ 1,071,094

Debt Certificates, Series 2004 in the original amount of \$6,000,000 payable annually, December 1 in amounts ranging from \$210,000 to \$410,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 1.15% to 4.6% per annum, with an effective net interest rate of 4.1% 5,750,000

Capital lease obligations – See Note 9 5,248,986

Compensated absences 328,223

Total governmental activities \$12,398,303

Business-type Activities

\$3,300,000 general obligation alternate revenue source bonds due in annual installments beginning January 1, 2003 in amounts ranging from \$120,000 to \$235,000 through 2017, plus interest at rates ranging from 3.55% to 5%, secured by surcharges on telecommunications revenues \$ 2,970,000

Capital lease obligations - See Note 9 33,851

Total business-type activities \$ 3,003,851

Changes in long-term debt are as follows:

	Balances November 30, 2003	Additions	Adjustments/ Retirements	Balances November 30, 2004
Governmental activities:				
Debt Certificates	\$ -	\$6,000,000	\$ 250,000	\$ 5,750,000
Loan/lease agreement	1,264,374	-	193,280	1,071,094
Capital Leases	5,375,587	310,426	437,027	5,248,986
Other Commitments	3,998,097	-	3,998,097	-
Compensated absences	308,611	19,612	-	328,223
Total	\$10,946,669	\$6,330,038	\$4,878,404	\$12,398,303
Business-type activities:				
Bonds - Alternate Revenue Source	\$ 3,180,000	\$ -	\$ 210,000	\$ 2,970,000
Capital leases	41,470	-	7,619	33,851
Total	\$ 3,221,470	\$ -	\$ 217,619	\$ 3,003,851

Kankakee County, Illinois  
Notes to Basic Financial Statements

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**Note 8 – Long-Term Debt (Continued)**

The annual requirements to amortize all long-term debt outstanding at November 30, 2004, exclusive of compensated absences are as follows:

Year Ending November 30,	<u>Principal</u>	<u>Interest</u>
2005	\$ 1,032,460	\$ 683,341
2006	979,950	637,363
2007	913,042	597,167
2008	916,596	558,508
2009	894,830	517,351
2010-2014	4,016,374	2,070,280
2015-2019	3,398,992	1,106,302
2020-2024	2,586,363	479,524
2025-2026	<u>335,324</u>	<u>28,674</u>
	<u>\$15,073,931</u>	<u>\$6,678,510</u>

**Note 9 – Leases**

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

**Operating Leases**

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

**Capital Leases – Juvenile Justice Center Facilities**

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

Annual rental payments for Kankakee County, including operation and maintenance costs, range from \$497,397 in 2003 to \$666,200 in year 2016. For years 2017 through 2026, rental payments will be determined through negotiation. The County is not liable for any lease payments attributable to that portion of the facility leased by Will County.

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

Kankakee County, Illinois  
Notes to Basic Financial Statements

Note 9 - Leases (Continued)

**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. 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 lease is for a period of 25 years beginning November 1, 2001 and provides for annual rent of \$189,000 plus various executory costs through 2021, and amounts ranging from \$164,588 to \$188,015 through the end of the term.

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. 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 revenue bond and is secured by various revenues of the County Health Department.

**Capital Leases - Equipment**

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

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

	Will County Public Building Commission	Kankakee County Public Building Commission	Other Leases
Year ended November 30,			
2005	\$ 521,589	\$ 197,185	\$258,015
2006	525,420	199,175	175,150
2007	548,880	197,423	62,483
2008	576,398	200,236	9,380
2009	603,001	198,590	-
2010-2014	2,955,233	996,070	-
2015-2019	1,326,196	995,941	-
2020-2024	-	941,051	-
2025-2027	-	364,000	-
Total minimum lease payments	7,056,717	4,289,671	505,028
Less: Amount representing estimated executory costs (such as maintenance and insurance), included in total minimum lease payments	3,540,197	167,338	-
Net minimum lease payments	3,516,520	4,122,333	505,028
Less: Amount representing interest	1,046,296	1,787,043	27,705
Present value of net minimum lease payments	\$2,470,224	\$2,335,290	\$477,323



Kankakee County, Illinois  
Notes to Basic Financial Statements

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Note 10 – Retirement Funds

Regular employees and elected County officials

The County's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained at [www.imrf.org/pubs/pubs-homepage.htm](http://www.imrf.org/pubs/pubs-homepage.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in the regular IMRF plan and the elected officials IMRF plan are required to contribute 4.50 percent and 7.50 percent, respectively, of their annual covered salary. The member rate is established by state statute. The County is required to contribute at an actuarially determined rate. The employer rates for calendar year 2004 were 8.44 percent and 89.74 percent, respectively, of payroll. The County contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization periods at December 31, 2004 were 10 years and 28 years respectively.

For December 31, 2004, the County's annual pension cost of \$1,041,087 and \$155,379 respectively for the plans was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2002 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3 percent annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period, with a 15% corridor. The assumptions used for the 2004 actuarial valuation were based on the 1999-2001 experience study.

Trend information is presented in the following table.

Actuarial Valuation Date	Regular Annual Pension Cost (APC)	Elected Officials Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/04	\$1,041,087	\$155,379	100%	\$-0-
12/31/03	607,788	241,876	100%	-0-
12/31/02	479,644	198,042	100%	-0-
12/31/01	568,194	108,124	100%	-0-
12/31/00	610,253	171,367	100%	-0-
12/31/99	649,047	129,991	100%	-0-
12/31/98	642,385	65,749	100%	-0-
12/31/97	618,926	13,600	100%	-0-
12/31/96	652,374	-0-	100%	-0-
12/31/95	621,384	-0-	100%	-0-

**Kankakee County, Illinois**  
**Notes to Basic Financial Statements**

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**Note 10 – Retirement Funds (Continued)**

**Sheriff's Law Enforcement Personnel**

The County's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained at [www.imrf.org/pubs/pubs-homepage.htm](http://www.imrf.org/pubs/pubs-homepage.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 6.50 percent of their annual covered salary. The member rate is established by state statute. The County is required to contribute at an actuarially determined rate. The employer rate for calendar year 2004 was 17.34 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2004 was 28 years.

For December 31, 2004, the County's annual pension cost of \$544,800 was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2002 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3 percent annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2004 actuarial valuation were based on the 1999-2001 experience study.

Trend information is presented in the following table.

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/04	\$544,800	100%	\$-0-
12/31/03	405,243	100%	-0-
12/31/02	389,565	100%	-0-
12/31/01	379,120	100%	-0-
12/31/00	335,709	100%	-0-
12/31/99	298,208	100%	-0-
12/31/98	321,117	100%	-0-
12/31/97	236,479	100%	-0-
12/31/96	248,312	100%	-0-
12/31/95	224,959	100%	-0-

**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.

Kankakee County, Illinois  
Notes to Basic Financial Statements

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**Note 12 – Contingencies and Commitments**

Capital Improvements

Subsequent to year-end, the County occupied a new detention facility constructed by the Kankakee County Public Commission utilizing grant funds from the Illinois Department of Economic Opportunity. During 2004, the County issued debt certificates in the amount of \$6,000,000 for construction of an addition to the detention facility for public safety administration. Proceeds of the certificates were deposited to the Building Commission.

Concurrent with the issuance of the debt certificates, the County entered into an intergovernmental agreement with the Building Commission whereby the Commission would be responsible for construction of the facility and payment of debt service from funds advanced by the County.

In November 2004, the Commission entered into contractual commitments for construction costs of approximately \$5,400,000. Proceeds from the debt certificates and related construction activity have been reflected in the County financial statements in a capital projects fund, with net assets reserved for future construction activity.

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.

**Note 13 – 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.

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

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**Note 14 – Additional Disclosures**

The following funds had expenditures in excess of appropriations:

- County Clerk Computer
- Dispute Resolution
- Health Fund

Special Assessments - The County acts as collection agent for improvements made to various properties and financed through special assessments against those properties. The balance owed by property owners at November 30 for Arrowhead Hills and Riverside Country Estates respectively amounted to \$1,954 plus any accrued interest at the annual rate of 9% and \$76,489 plus any accrued interest at the annual rate of 7%, respectively. The County has no obligation for this debt which is reflected in the agency funds.

**Note 15 – Restatements and Reclassifications**

The statement of net assets was adjusted to eliminate executory costs in the amount of \$3,998,097 from long-term debt on December 1, 2003. This amount was also eliminated from deferred charges, a noncurrent asset, with no effect on net assets.

Changes in classification of the CDAP Fund from a fiduciary fund to a special revenue fund and in the classification and useful lives of Health Fund assets recorded under capital lease arrangements result in the following adjustments to beginning net assets.

	Governmental Activities	Fiduciary Funds
Net assets, beginning of year as previously reported	\$36,615,767	\$2,250,672
Reclassification of CDAP Revolving Loan Fund	1,023,080	(1,023,080)
Adjustment of Health Fund arising from changes in depreciable lives	113,285	-
Net assets, beginning of year as restated	<u>\$37,752,132</u>	<u>\$1,227,592</u>

### **Required Supplementary Information**

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Revenues and Other Financing Sources (Uses)  
 For the Year ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<b>Taxes:</b>				
Property taxes	\$ 3,425,000	\$ 3,425,000	\$ 3,366,936	\$ (58,064)
Sales tax	6,455,354	7,292,173	7,471,309	179,136
Total Taxes	9,880,354	10,717,173	10,838,245	121,072
<b>Intergovernmental:</b>				
State income tax	2,200,000	2,200,000	1,943,324	(256,676)
Replacement taxes	620,000	620,000	626,044	6,044
Inheritance tax	85,000	85,000	62,155	(22,845)
Photo processing tax	-	-	-	-
Grants and other reimbursements	2,319,033	2,627,017	2,431,645	(195,372)
Total Intergovernmental	5,224,033	5,532,017	5,063,168	(468,849)
<b>Charges for Services:</b>				
County Recorder fees	650,000	650,000	651,848	1,848
Circuit Clerk fees	1,937,100	1,937,100	2,023,634	86,534
Building and Zoning fees	343,000	343,000	368,754	25,754
Sheriff fees	265,500	265,500	251,330	(14,170)
County Clerk fees	161,700	161,700	173,066	11,366
Other fees and reimbursements	971,500	1,061,500	983,781	(77,719)
Total Charges for Services	4,328,800	4,418,800	4,452,413	33,613
<b>License and Permits:</b>				
Liquor licenses	37,000	37,000	35,575	(1,425)
Cable TV franchise fees	115,000	115,000	108,638	(6,362)
Contractor licenses	65,000	65,000	75,575	10,575
Gambling machine licenses	11,000	11,000	9,732	(1,268)
Total Licenses and Permits	228,000	228,000	229,520	1,520
<b>Fines and Forfeits:</b>				
County fines and forfeitures	406,000	406,000	448,049	42,049
Real estate tax penalties	375,000	375,000	447,977	72,977
Total Fines and Forfeits	781,000	781,000	896,026	113,758
<b>Interest</b>	55,000	55,000	36,490	(18,510)
<b>Miscellaneous</b>	229,900	229,900	283,349	53,449
<b>Total Revenues</b>	<u>\$ 20,727,087</u>	<u>\$ 21,961,890</u>	<u>\$ 21,799,211</u>	<u>\$ (162,679)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	\$ 17,000	\$ 17,000	\$ 12,255	\$ (4,745)
Transfers out	-	-	(5,902,174)	(5,902,174)
Proceeds from long-term debt	-	286,793	6,286,793	6,000,000
Total Other Financing Sources (Uses)	<u>\$ 17,000</u>	<u>\$ 303,793</u>	<u>\$ 396,874</u>	<u>\$ 93,081</u>

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
General Government				
Community Services				
Relief	\$ 900	\$ 900	\$ -	\$ 900
Management Information Systems				
Personal services	117,900	117,900	79,970	37,930
Contractual services	1,000	1,000	(27)	1,027
Supplies	5,000	5,000	31	4,969
Capital outlay	224,600	224,600	272,681	(48,081)
Other services and charges	10,500	10,500	2,066	8,434
Total MIS	359,000	359,000	354,721	4,279
Board of Review				
Personal services	19,200	19,200	20,320	(1,120)
Contractual services	600	600	-	600
Supplies	600	600	770	(170)
Other services and charges	15,600	15,600	15,191	409
Total Board of Review	36,000	36,000	36,281	(281)
County Administration				
Personal services	227,200	215,200	210,897	4,303
Contractual services	43,800	43,800	46,173	(2,373)
Supplies	7,800	6,690	3,254	3,436
Capital outlay	750	750	201	549
Other services and charges	72,033	47,033	51,149	(4,116)
Debt service principal	9,090	7,200	7,200	-
Debt service interest	14,327	14,327	14,327	-
Total County Administration	375,000	335,000	333,201	1,799
County Auditor				
Personal services	122,100	91,600	85,985	5,615
Contractual services	5,000	-	-	-
Supplies	4,700	1,700	1,763	(63)
Capital outlay	4,000	3,000	7,154	(4,154)
Other services and charges	10,700	8,700	6,894	1,806
Total County Auditor	146,500	105,000	101,796	3,204

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
General Government (continued)				
County Recorder				
Personal services	\$ 144,000	\$ 144,000	\$ 144,660	\$ (660)
Contractual services	-	-	-	-
Supplies	6,600	6,600	5,840	760
Other services and charges	1,400	1,400	1,400	-
Total County Recorder	152,000	152,000	151,900	100
Election Commission				
Personal services	285,533	285,533	277,314	8,219
Contractual services	25,620	25,620	16,556	9,064
Supplies	146,362	185,362	208,828	(23,466)
Capital outlay	-	469,262	456,880	12,382
Other services and charges	42,485	49,668	33,288	16,380
Total Election Commission	500,000	1,015,445	992,866	22,579
Regional Superintendent of Schools				
Contractual services	168,000	168,000	167,915	85
Other services and charges	-	-	-	-
Total Regional Superintendent of Schools	168,000	168,000	167,915	85
County Clerk				
Personal services	158,435	164,435	161,882	2,553
Contractual services	-	-	-	-
Supplies	16,060	16,060	17,078	(1,018)
Capital outlay	-	1,837	1,228	609
Other services and charges	2,505	2,505	2,064	441
Total County Clerk	177,000	184,837	182,252	2,585
Buildings and Grounds				
Personal services	455,945	410,945	398,581	12,364
Contractual services	69,000	54,000	47,759	6,241
Supplies	91,950	91,950	91,653	297
Capital outlay	379,000	29,100	34,148	(5,048)
Other services and charges	13,400	13,400	18,241	(4,841)
Debt service principal	193,280	193,280	193,280	-
Debt service interest	62,425	62,425	62,425	-
Total Buildings and Grounds	1,265,000	855,100	846,087	9,013



Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
General Government (continued)				
Capital Development				
Capital outlay	\$ 80,672	\$ 357,465	\$ 354,911	\$ 2,554
Other services and charges	5,000	5,000	102,826	(97,826)
Debt service principal	250,000	250,000	250,000	-
Debt service interest	164,328	164,328	164,328	-
Total Capital Development	500,000	776,793	872,065	(95,272)
Health Insurance and Utilities				
Supplies	37,000	37,000	30,293	6,707
Other services and charges	380,000	380,000	590,838	(210,838)
Insurances	1,850,000	1,850,000	1,645,210	204,790
Total Health Insurance and Utilities	2,267,000	2,267,000	2,266,341	659
Liquor Commissioner Fees	2,400	2,400	2,400	-
Planning Department				
Personal services	441,995	441,995	393,748	48,247
Contractual services	417,842	719,677	729,467	(9,790)
Supplies	17,000	17,000	28,085	(11,085)
Capital outlay	20,000	20,000	9,097	10,903
Other services and charges	120,511	200,511	200,412	99
Total Planning Department	1,017,348	1,399,183	1,360,809	38,374
County Treasurer				
Personal services	175,587	175,587	173,310	2,277
Contractual services	3,600	3,600	4,919	(1,319)
Supplies	33,893	33,893	34,151	(258)
Capital outlay	-	-	285	(285)
Other services and charges	5,920	5,920	5,266	654
Total County Treasurer	219,000	219,000	217,931	1,069

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
General Government (continued)				
Finance Department				
Personal services	\$ 148,331	\$ 159,331	\$ 125,026	\$ 34,305
Contractual services	29,500	50,500	24,628	25,872
Supplies	1,700	1,700	2,251	(551)
Capital outlay	62,000	6,000	60,768	(54,768)
Other services and charges	7,500	6,500	4,948	1,552
Debt service principal	10,665	10,665	10,666	(1)
Debt service interest	304	304	304	-
Total Finance Department	260,000	235,000	228,591	6,409
Contingency				
Other services and charges	275,000	-	-	-
Total Contingency	275,000	-	-	-
Supervisor of Assessments				
Personal services	247,525	243,525	244,909	(1,384)
Contractual services	98,120	84,120	83,605	515
Supplies	28,775	28,775	25,517	3,258
Capital outlay	2,680	2,680	1,400	1,280
Other services and charges	5,900	5,900	4,516	1,384
Total Supervisor of Assessments	383,000	365,000	359,947	5,053
ZBA - BOE Planning				
Personal services	9,800	9,800	8,403	1,397
Contractual services	10,000	10,000	10,529	(529)
Total ZBA - BOE Planning	19,800	19,800	18,932	868
<b>Total General Government</b>	<b>\$ 8,122,948</b>	<b>\$ 8,495,458</b>	<b>\$ 8,494,035</b>	<b>\$ 1,423</b>

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Judiciary and Court Related				
Circuit Court				
Personal services	\$ 60,000	\$ 60,000	\$ 63,484	\$ (3,484)
Contractual services	126,300	98,300	94,556	3,744
Supplies	7,700	7,700	8,781	(1,081)
Capital outlay	3,000	3,000	886	2,114
Other services and charges	18,000	18,000	15,106	2,894
Total Circuit Court	215,000	187,000	182,813	4,187
Circuit Clerk				
Personal services	821,280	838,280	861,786	(23,506)
Supplies	61,600	59,600	42,391	17,209
Capital outlay	1,500	1,500	2,729	(1,229)
Other services and charges	2,620	2,620	1,610	1,010
Total Circuit Clerk	887,000	902,000	908,516	(6,516)
Jury Commission				
Personal services	22,552	22,552	24,440	(1,888)
Contractual services	1,700	1,700	6,008	(4,308)
Supplies	11,700	11,700	6,655	5,045
Capital outlay	2,000	18,000	16,960	1,040
Other services and charges	146,048	156,048	154,933	1,115
Total Jury Commission	184,000	210,000	208,996	1,004
States Attorney				
Personal services	1,500,713	1,487,713	1,493,401	(5,688)
Contractual services	101,575	94,575	95,153	(578)
Supplies	45,080	45,080	45,299	(219)
Capital outlay	18,602	18,602	9,945	8,657
Other services and charges	48,813	40,813	40,272	541
Total States Attorney	1,714,783	1,686,783	1,684,070	2,713
Public Defender				
Personal services	576,578	576,578	578,928	(2,350)
Contractual Services	4,339	4,339	14,531	(10,192)
Supplies	4,250	4,250	3,952	298
Capital outlay	-	-	-	-
Other services and charges	200	200	-	200
Total Public Defender	585,367	585,367	597,411	(12,044)

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<b>Judiciary and Court Related (continued)</b>				
Probation				
Personal services	\$ 1,150,000	\$ 1,221,000	\$ 1,196,666	\$ 24,334
Contractual services	302,000	408,500	431,435	(22,935)
Supplies	6,500	6,500	8,573	(2,073)
Capital outlay	-	-	501	(501)
Other services and charges	25,000	25,000	21,330	3,670
Total Probation	1,483,500	1,661,000	1,658,505	2,495
<b>DNDC</b>				
Contractual Services	30,000	30,000	29,974	26
Other services and charges	370,000	590,000	589,492	508
Total DNDC	400,000	620,000	619,466	534
<b>Total Judiciary and Court Related</b>	<b>\$ 5,469,650</b>	<b>\$ 5,852,150</b>	<b>\$ 5,859,777</b>	<b>\$ (7,627)</b>
<b>Public Safety</b>				
Sheriff's Office				
Personal services	\$ 3,034,911	\$ 3,282,174	\$ 3,240,331	\$ 41,843
Contractual services	48,413	60,413	39,254	21,159
Supplies	45,100	67,100	81,999	(14,899)
Capital outlay	35,971	158,732	87,033	71,699
Other services and charges	217,342	293,342	337,711	(44,369)
Debt service principal	78,837	256,837	249,717	7,120
Debt service interest	6,044	20,044	21,073	(1,029)
Total Sheriff's Office	3,466,618	4,138,642	4,057,118	81,524
Corrections				
Personal services	1,855,730	1,855,730	2,069,512	(213,782)
Contractual services	24,465	24,465	26,930	(2,465)
Supplies	61,150	61,150	75,351	(14,201)
Capital outlay	191,105	166,105	8,923	157,182
Other services and charges	717,550	717,550	614,957	102,593
Total Corrections	2,850,000	2,825,000	2,795,673	29,327

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 General Fund - Expenditures  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Public Safety (continued)				
Auxiliary Police				
Contractual services	\$ -	\$ -	\$ 143	\$ (143)
Supplies	4,300	4,300	4,873	(573)
Other services and charges	200	200	260	(60)
Total Auxiliary Police	4,500	4,500	5,276	(776)
Coroner				
Personal services	138,138	142,638	141,067	1,571
Contractual services	53,000	95,500	90,215	5,285
Supplies	2,592	2,592	7,230	(4,638)
Capital outlay	1,500	2,736	1,983	753
Other services and charges	7,770	7,770	10,248	(2,478)
Total Coroner	203,000	251,236	250,743	493
Dispatch Services				
Personal services	-	-	-	-
Contractual services	463,500	450,000	449,761	239
Total Dispatch Services	463,500	450,000	449,761	239
Merit Commission				
Personal services	1,775	1,775	600	1,175
Contractual services	-	-	-	-
Supplies	475	475	45	430
Other services and charges	6,250	6,250	1,340	4,910
Total Merit Commission	8,500	8,500	1,985	6,515
ESDA				
Personal services	97,504	97,504	106,125	(8,621)
Contractual services	4,800	4,800	5,330	(530)
Supplies	4,020	4,020	5,723	(1,703)
Capital outlay	22,567	22,567	25,776	(3,209)
Other services and charges	26,480	111,306	56,084	55,222
Total ESDA	155,371	240,197	199,038	41,159
Total Public Safety	\$ 7,151,489	\$ 7,918,075	\$ 7,759,594	\$ 158,481
Total Fund Expenditures	\$ 20,744,087	\$ 22,265,683	\$ 22,113,406	\$ 152,277

Kankakee County, Illinois  
 Budgetary Comparison Schedule  
 Tort Liability Fund - Special Revenue Fund  
 For the Year Ended November 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 1,762,152	\$ 1,762,152	\$ 1,737,216	\$ (24,936)
Intergovernmental	12,000	12,000	12,911	911
Interest on investments	45,000	45,000	19,081	(25,919)
Total revenue	1,819,152	1,819,152	1,769,208	(49,944)
Expenditures - General Government:				
Personal services	358,843	358,843	362,158	(3,315)
Contractual services	1,413,309	1,602,157	1,537,426	64,731
Supplies and materials	1,000	1,000	2,740	(1,740)
Capital outlay	1,000	62,000	61,156	844
Other services and charges	45,000	45,000	35,295	9,705
Total expenditures	1,819,152	2,069,000	1,998,775	70,225
Excess (deficiency) of revenue and other sources over expenditures	\$ -	\$ (249,848)	\$ (229,567)	\$ 20,281

**Kankakee County, Illinois**  
**Budgetary Comparison Schedule**  
**Pension Fund - Special Revenue Fund**  
**For the Year Ended November 30, 2004**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues:				
Property taxes	\$ 2,868,620	\$ 2,868,620	\$ 2,828,027	\$ (40,593)
Intergovernmental	70,000	70,000	102,278	32,278
Interest on investments	72,000	72,000	41,474	(30,526)
Total revenue	<u>3,010,620</u>	<u>3,010,620</u>	<u>2,971,779</u>	<u>(38,841)</u>
Expenditures - General Government:				
Personal services	<u>2,586,500</u>	<u>3,060,000</u>	<u>3,037,327</u>	<u>22,673</u>
Total expenditures	<u>2,586,500</u>	<u>3,060,000</u>	<u>3,037,327</u>	<u>22,673</u>
Excess (deficiency) of revenue and other sources over expenditures	<u>\$ 424,120</u>	<u>\$ (49,380)</u>	<u>\$ (65,548)</u>	<u>\$ (16,168)</u>

Kankakee County, Illinois  
 Illinois Municipal Retirement Fund  
 Required Supplementary Information - Schedule of Funding Progress  
 November 30, 2004

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>County Employees</u>						
12/31/04	\$24,184,411	\$26,236,791	\$2,052,380	92.18%	\$12,335,153	16.64%
12/31/03	22,326,589	23,686,164	1,359,575	94.26%	11,172,572	12.17%
12/31/02	21,360,038	20,840,153	(519,885)	102.49%	10,097,760	(5.15%)
12/31/01	21,812,188	18,938,656	(2,873,532)	115.17%	9,360,690	(30.70%)
12/31/00	20,168,833	17,188,352	(2,980,481)	117.34%	8,570,964	(34.78%)
12/31/99	17,274,465	15,717,081	(1,557,384)	109.91%	7,829,285	(19.90%)
12/31/98	14,868,421	14,228,327	(640,094)	104.50%	7,584,238	(8.44%)
12/31/97	13,288,074	14,174,835	886,761	93.74%	7,171,567	12.36%
12/31/96	12,262,498	12,584,809	322,311	97.44%	7,359,454	4.38%
12/31/95	11,271,976	11,266,545	(5,431)	100.05%	6,839,212	(0.08%)

On a market value basis, the actuarial value of assets basis as of December 31, 2004 is \$24,234,792. On a market basis, the funded ratio would be 92.37%.

Elected Officials

12/31/94	\$ 273,213	\$2,172,100	\$1,898,887	12.58%	\$144,734	1311.98%
12/31/03	38,514	1,979,235	1,940,721	1.95%	212,640	912.68%
12/31/02	632,500	3,052,446	2,419,946	20.72%	238,264	1015.66%
12/31/01	478,465	2,794,686	2,316,221	17.12%	225,447	1027.39%
12/31/00	328,734	3,578,784	3,250,050	9.19%	373,104	871.08%
12/31/99	1,153,921	3,296,643	2,142,722	35.00%	377,226	568.02%
12/31/98	542,538	1,906,602	1,960,602	27.67%	328,745	431.36%
12/31/97	37,605	782,341	782,341	4.81%	302,811	245.94%

On a market value basis, the actuarial value of assets as of December 31, 2004 is \$276,656. On a market basis, the funded ratio would be 12.74%.

Sheriff's Law Enforcement Personnel

12/31/04	\$10,745,751	\$13,096,309	\$2,350,558	82.05%	\$3,141,870	74.81%
12/31/03	9,686,101	11,969,252	2,283,151	80.92%	\$2,930,176	77.92%
12/31/02	9,245,551	10,496,927	1,251,376	88.08%	2,602,306	48.09%
12/31/01	9,598,035	9,686,168	88,133	99.09%	2,629,123	3.35%
12/31/00	7,747,307	8,414,997	667,690	92.07%	2,584,363	25.84%
12/31/99	7,390,000	7,655,247	264,909	96.54%	2,313,489	11.45%
12/31/98	6,372,879	7,011,642	638,763	90.89%	2,349,067	27.19%
12/31/97	6,725,179	7,340,556	615,377	91.62%	2,271,488	27.09%
12/31/96	5,574,101	6,680,768	1,106,667	83.44%	2,269,922	48.75%
12/31/95	5,595,655	5,577,455	(18,200)	100.33%	2,027,316	(0.90%)

On a market value basis, the actuarial value of assets as of December 31, 2004 is \$10,771,081. On a market basis, the funded ratio would be 82.25%.



**Kankakee County, Illinois**  
**Illinois Municipal Retirement Fund**  
**Required Supplementary Information - Schedule of Funding Progress**  
**November 30, 2004**

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**\*Digest of Changes**

**Assumptions**

The actuarial assumptions used to determine the actuarial accrued liability for 2004 are based on the 1999-2001 Experience Study.

The principal changes were:

- Fewer members are expected to take refunds early in their career.
- For Regular members, fewer normal and early retirements are expected to occur.

Kankakee County, Illinois  
Tort Liability Insurance Fund

Required Supplementary Information - Disclosure of Tort Expenditures under PA 91-0628  
November 30, 2004

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Property and liability insurance	\$ 819,121
Illinois Public Risk Fund, workmen's compensation insurance	694,381
Salaries (States Attorney, Civil Division and administrative)	309,814
Illinois Department of Employment Security, unemployment insurance	52,343
River Valley Detention Center insurance	23,574
Equipment - taser guns	61,156
Miscellaneous claims, net of insurance reimbursements	33,042
Other	<u>5,344</u>
	<u>\$1,998,775</u>

## **Other Supplementary Information**

Kankakee County, Illinois  
Combining Balance Sheet - Nonmajor Governmental Funds  
November 30, 2004

	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash	\$ 3,716,547	\$ 1,210	\$ 3,717,757
Investments, at cost	11,390,559	40,984	11,431,543
Receivables, (net, where applicable of allowance for uncollectibles):			
Taxes, including interest, penalties and liens	3,369,326	539,969	3,909,295
Accounts	513,241	-	513,241
Loans	20,093	-	20,093
Prepaid expenses	57,043	-	57,043
Due from other funds	117,460	-	117,460
Due from other governments	642,420	-	642,420
Inventory, at cost	-	-	-
<b>Total Assets</b>	<b>\$ 19,826,689</b>	<b>\$ 582,163</b>	<b>\$ 20,408,852</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities</b>			
Vouchers and accounts payable	\$ 835,882	\$ -	\$ 835,882
Checks in excess of deposits	102,722	-	102,722
Due to other funds	109,993	-	109,993
Deferred revenue	3,592,262	521,406	4,113,668
Accumulated unpaid sick and vacation pay	56,322	-	56,322
<b>Total Liabilities</b>	<b>4,697,181</b>	<b>521,406</b>	<b>5,218,587</b>
<b>Fund Balances</b>			
Reserved - debt service and capital projects	-	60,757	60,757
Reserved - other	1,087,351	-	1,087,351
Unreserved	14,042,157	-	14,042,157
<b>Total Fund Balance</b>	<b>15,129,508</b>	<b>60,757</b>	<b>15,190,265</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 19,826,689</b>	<b>\$ 582,163</b>	<b>\$ 20,408,852</b>

Kankakee County, Illinois  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Nonmajor Governmental Funds  
For the Year Ended November 30, 2004

	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 3,151,896	\$ 498,216	\$ 3,650,112
Intergovernmental	5,455,626	-	5,455,626
Licenses and permits	188,031	-	188,031
Fines and forfeits	2,111,512	-	2,111,512
Interest on investments	156,969	1,384	158,353
Miscellaneous	779,396	-	779,396
Total revenues	<u>11,843,430</u>	<u>499,600</u>	<u>12,343,030</u>
Expenditures:			
General government	343,246	-	343,246
Judiciary and court related	414,366	280,750	695,116
Public safety	352,196	-	352,196
Health and welfare	2,875,225	-	2,875,225
Transportation	5,378,883	-	5,378,883
Economic development	1,177,175	-	1,177,175
Capital outlay	736,629	-	736,629
Debt service principal	88,178	77,101	165,279
Debt service interest	83,990	139,546	223,536
Total expenditures	<u>11,449,888</u>	<u>497,397</u>	<u>11,947,285</u>
Excess (deficiency) of revenues over expenditures	<u>393,542</u>	<u>2,203</u>	<u>395,745</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	(12,255)	-	(12,255)
Proceeds from long-term debt	23,633	-	23,633
Total other financing sources (uses)	<u>11,378</u>	<u>-</u>	<u>11,378</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>404,920</u>	<u>2,203</u>	<u>407,123</u>
Fund balance, beginning of year	<u>14,724,588</u>	<u>58,554</u>	<u>14,783,142</u>
Fund balance, end of year	<u>\$ 15,129,508</u>	<u>\$ 60,757</u>	<u>\$ 15,190,265</u>

Kankakee County, Illinois  
Major and Nonmajor Special Revenue Funds  
Balance Sheets  
November 30, 2004

	Tort Liability	Pension	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants	Court Security Fee
<b>Assets</b>								
Cash	\$ 820,552	\$ 1,584,728	\$ 93,357	\$ 11,759	\$ 19,464	\$ 20,440	\$ -	\$ 84,003
Investments, at cost	1,446,352	3,257,180	18,346	40,851	36,731	42,126	-	254,966
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	1,999,402	3,041,695	-	-	-	-	-	-
Accounts	9,579	15,713	2,210	1,336	12,260	12,270	-	22,234
Loans								
Prepaid expenses	357,922	-	59	567	2,488	-	-	135
Due from other funds	4,857	50,584	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,638,664</b>	<b>\$ 7,949,900</b>	<b>\$ 113,972</b>	<b>\$ 54,513</b>	<b>\$ 70,943</b>	<b>\$ 74,836</b>	<b>\$ -</b>	<b>\$ 361,338</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Vouchers payable	\$ 24,094	\$ 285,226	\$ 1,155	\$ 6,968	\$ -	\$ -	\$ -	\$ 4,979
Checks in excess of deposits	-	-	-	-	-	-	-	-
Due to other funds	-	-	3,033	-	-	-	-	-
Due to others	-	-	-	-	-	-	-	-
Deferred revenue	1,934,579	2,936,170	-	-	-	-	-	-
Compensated absences	-	46,426	-	-	-	-	-	-
<b>Total liabilities</b>	<b>1,958,673</b>	<b>3,267,822</b>	<b>4,188</b>	<b>6,968</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,979</b>
Fund balance - reserved	357,922	-	59	567	2,488	-	-	135
unreserved	2,322,069	4,682,078	109,725	46,978	68,455	74,836	-	356,224
<b>Total fund balance (deficit)</b>	<b>2,679,991</b>	<b>4,682,078</b>	<b>109,784</b>	<b>47,545</b>	<b>70,943</b>	<b>74,836</b>	<b>-</b>	<b>356,359</b>
<b>Total liabilities and fund balance</b>	<b>\$ 4,638,664</b>	<b>\$ 7,949,900</b>	<b>\$ 113,972</b>	<b>\$ 54,513</b>	<b>\$ 70,943</b>	<b>\$ 74,836</b>	<b>\$ -</b>	<b>\$ 361,338</b>

Kankakee County, Illinois  
Major and Nonmajor Special Revenue Funds  
Balance Sheets  
November 30, 2004

	Court Document Storage	Law Library	Probation Service Fee	Forfeited Funds -State's Attorney	Gang Violence Victims and Witness	Dispute Resolution	Court Automation	Driver Improvement Program
<b>Assets</b>								
Cash	\$ 513,080	\$ 49,997	\$ 86,001	\$ 13,758	\$ 19,710	\$ 3,385	\$ 96,561	\$ (6,113)
Investments, at cost	366,524	42,119	104,530	27,164	58,948	-	551,093	633
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	-	-	-	-
Accounts	8,295	4,533	7,320	-	547	375	8,459	4,040
Loans	-	-	-	-	-	-	-	-
Prepaid expenses	1,458	36	-	-	-	-	3,534	-
Due from other funds	-	-	-	-	-	-	-	10,500
Due from other governments	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 889,357</b>	<b>\$ 96,685</b>	<b>\$ 197,851</b>	<b>\$ 40,922</b>	<b>\$ 79,205</b>	<b>\$ 3,760</b>	<b>\$ 659,647</b>	<b>\$ 9,060</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Vouchers payable	\$ 453	\$ 13,724	\$ 1,325	\$ 1,613	\$ 227	\$ -	\$ 9,977	\$ 8,674
Checks in excess of deposits	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Due to others	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>453</b>	<b>13,724</b>	<b>1,325</b>	<b>1,613</b>	<b>227</b>	<b>-</b>	<b>9,977</b>	<b>8,674</b>
Fund balance - reserved	1,458	36	-	-	-	-	3,534	-
unreserved	887,446	82,925	196,526	39,309	78,978	3,760	646,136	386
<b>Total fund balance (deficit)</b>	<b>888,904</b>	<b>82,961</b>	<b>196,526</b>	<b>39,309</b>	<b>78,978</b>	<b>3,760</b>	<b>649,670</b>	<b>386</b>
<b>Total liabilities and fund balance</b>	<b>\$ 889,357</b>	<b>\$ 96,685</b>	<b>\$ 197,851</b>	<b>\$ 40,922</b>	<b>\$ 79,205</b>	<b>\$ 3,760</b>	<b>\$ 659,647</b>	<b>\$ 9,060</b>

Kankakee County, Illinois  
Major and Nonmajor Special Revenue Funds  
Balance Sheets  
November 30, 2004

	Arrestee Medical	Health	County Garbage Tipping Fee	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans	County Highway	County Motor Fuel Tax
<b>Assets</b>								
Cash	\$ 13,764	\$ 516,033	\$ 163,207	\$ 33,655	\$ 3,830	\$ 497,216	\$ 524,359	\$ 307,768
Investments, at cost	-	1,146,652	-	492,825	-	513,059	1,546,677	419,316
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	-	383,015	-	141,727	-	-	1,422,292	-
Accounts	825	196,567	27,760	-	-	-	34,188	-
Loans	-	-	-	-	-	20,093	-	-
Prepaid expenses	-	-	-	1,042	-	-	-	47,488
Due from other funds	-	-	-	-	-	-	106,960	-
Due from other governments	-	-	-	-	-	26,019	-	128,507
Total assets	<u>\$ 14,589</u>	<u>\$ 2,242,267</u>	<u>\$ 190,967</u>	<u>\$ 669,249</u>	<u>\$ 3,830</u>	<u>\$ 1,056,387</u>	<u>\$ 3,634,476</u>	<u>\$ 903,079</u>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Vouchers payable	\$ 12,255	\$ 60,184	\$ 25,308	\$ 7,950	\$ -	\$ 26,037	\$ 111,452	\$ 2,168
Checks in excess of deposits	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	106,960
Due to others	-	-	-	-	-	-	-	-
Deferred revenue	-	422,774	-	137,204	-	-	1,372,042	-
Compensated absences	-	55,175	-	1,147	-	-	-	-
Total liabilities	<u>12,255</u>	<u>538,133</u>	<u>25,308</u>	<u>146,301</u>	<u>-</u>	<u>26,037</u>	<u>1,483,494</u>	<u>109,128</u>
Fund balance - reserved	-	-	-	1,042	-	1,030,350	-	47,488
unreserved	<u>2,334</u>	<u>1,704,134</u>	<u>165,659</u>	<u>521,906</u>	<u>3,830</u>	<u>-</u>	<u>2,150,982</u>	<u>746,463</u>
Total fund balance (deficit)	<u>2,334</u>	<u>1,704,134</u>	<u>165,659</u>	<u>522,948</u>	<u>3,830</u>	<u>1,030,350</u>	<u>2,150,982</u>	<u>793,951</u>
Total liabilities and fund balance	<u>\$ 14,589</u>	<u>\$ 2,242,267</u>	<u>\$ 190,967</u>	<u>\$ 669,249</u>	<u>\$ 3,830</u>	<u>\$ 1,056,387</u>	<u>\$ 3,634,476</u>	<u>\$ 903,079</u>



Kankakee County, Illinois  
Major and Nonmajor Special Revenue Funds  
Balance Sheets  
November 30, 2004

	Matching Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants	Total
<b>Assets</b>							
Cash	\$ 211,313	\$ 275,449	\$ 41,072	\$ 118,907	\$ 4,572	\$ -	\$ 6,121,827
Investments, at cost	3,585,600	2,040,271	-	102,128	-	-	16,094,091
Receivables:							
Taxes (net of allowance for estimated uncollectibles)	711,146	711,146	-	-	-	-	8,410,423
Accounts	-	166,278	-	3,744	-	-	538,533
Loans	-	-	-	-	-	-	20,093
Prepaid expenses	-	-	-	194	-	42	414,965
Due from other funds	-	-	-	-	-	-	172,901
Due from other governments	-	-	-	-	-	487,894	642,420
Total assets	<u>\$ 4,508,059</u>	<u>\$ 3,193,144</u>	<u>\$ 41,072</u>	<u>\$ 224,973</u>	<u>\$ 4,572</u>	<u>\$ 487,936</u>	<u>\$ 32,415,253</u>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Vouchers payable	\$ 46,581	\$ 84,432	\$ 10,202	\$ 15,004	\$ -	\$ 385,214	\$ 1,145,202
Checks in excess of deposits	-	-	-	-	-	102,722	102,722
Due to other funds	-	-	-	-	-	-	109,993
Due to others	-	-	-	-	-	-	-
Deferred revenue	686,021	974,221	-	-	-	-	8,463,011
Compensated absences	-	-	-	-	-	-	102,748
Total liabilities	<u>732,602</u>	<u>1,058,653</u>	<u>10,202</u>	<u>15,004</u>	<u>-</u>	<u>487,936</u>	<u>9,923,676</u>
Fund balance - reserved	-	-	-	194	-	-	1,445,273
unreserved	<u>3,775,457</u>	<u>2,134,491</u>	<u>30,870</u>	<u>209,775</u>	<u>4,572</u>	<u>-</u>	<u>21,046,304</u>
Total fund balance (deficit)	<u>3,775,457</u>	<u>2,134,491</u>	<u>30,870</u>	<u>209,969</u>	<u>4,572</u>	<u>-</u>	<u>22,491,577</u>
Total liabilities and fund balance	<u>\$ 4,508,059</u>	<u>\$ 3,193,144</u>	<u>\$ 41,072</u>	<u>\$ 224,973</u>	<u>\$ 4,572</u>	<u>\$ 487,936</u>	<u>\$ 32,415,253</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, 2004

	Tort Liability	Pension	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants	Court Security Fee
Revenues:								
Property taxes	\$ 1,737,216	\$ 2,828,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	12,911	102,278	-	-	-	-	373,276	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and fees	-	-	124,320	21,494	18,371	12,270	2,500	299,814
Interest on investments	19,081	41,474	981	516	535	574	-	3,360
Miscellaneous	-	-	-	-	25	-	-	-
Total revenues	<u>1,769,208</u>	<u>2,971,779</u>	<u>125,301</u>	<u>22,010</u>	<u>18,931</u>	<u>12,844</u>	<u>375,776</u>	<u>303,174</u>
Expenditures:								
Current:								
General government	1,937,619	3,037,327	104,587	23,549	1,869	-	-	-
Judiciary and court related	-	-	-	-	-	-	-	196,262
Public safety	-	-	-	-	-	-	274,723	-
Public health and welfare	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	101,126	-
Capital outlay	61,156	-	126,570	-	6,940	-	-	21,744
Debt service principal	-	-	4,833	-	-	-	-	-
Debt service interest	-	-	1,015	-	-	-	-	-
Total expenditures	<u>1,998,775</u>	<u>3,037,327</u>	<u>237,005</u>	<u>23,549</u>	<u>8,809</u>	<u>-</u>	<u>375,849</u>	<u>218,006</u>
Excess (deficiency) of revenues over expenditures	<u>(229,567)</u>	<u>(65,548)</u>	<u>(111,704)</u>	<u>(1,539)</u>	<u>10,122</u>	<u>12,844</u>	<u>(73)</u>	<u>85,168</u>
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	-	-
Proceeds from long-term debt	-	-	23,633	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>23,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(229,567)</u>	<u>(65,548)</u>	<u>(88,071)</u>	<u>(1,539)</u>	<u>10,122</u>	<u>12,844</u>	<u>(73)</u>	<u>85,168</u>
6 Fund balance, beginning of year - restated	<u>2,909,558</u>	<u>4,747,626</u>	<u>197,855</u>	<u>49,084</u>	<u>60,821</u>	<u>61,992</u>	<u>73</u>	<u>271,191</u>
Fund balance (deficit), end of year	<u>\$ 2,679,991</u>	<u>\$ 4,682,078</u>	<u>\$ 109,784</u>	<u>\$ 47,545</u>	<u>\$ 70,943</u>	<u>\$ 74,836</u>	<u>\$ -</u>	<u>\$ 356,359</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, 2004

	Court Document Storage	Law Library	Probation Service Fee	Forfeited Funds -State's Attorney	Gang Violence Victims and Witness	Dispute Resolution	Court Automation	Driver Improvement Program
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	9,480	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and fees	125,784	58,207	80,407	-	8,499	4,790	127,052	70,728
Interest on investments	7,601	657	1,451	358	752	-	7,631	91
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>133,385</u>	<u>58,864</u>	<u>81,858</u>	<u>9,838</u>	<u>9,251</u>	<u>4,790</u>	<u>134,683</u>	<u>70,819</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Judiciary and court related	39,446	30,466	7,860	5,044	1,264	5,092	125,341	-
Public safety	-	-	-	-	-	-	-	77,473
Public health and welfare	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	6,020	-
Debt service principal	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-
Total expenditures	<u>39,446</u>	<u>30,466</u>	<u>7,860</u>	<u>5,044</u>	<u>1,264</u>	<u>5,092</u>	<u>131,361</u>	<u>77,473</u>
Excess (deficiency) of revenues over expenditures	<u>93,939</u>	<u>28,398</u>	<u>73,998</u>	<u>4,794</u>	<u>7,987</u>	<u>(302)</u>	<u>3,322</u>	<u>(6,654)</u>
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>93,939</u>	<u>28,398</u>	<u>73,998</u>	<u>4,794</u>	<u>7,987</u>	<u>(302)</u>	<u>3,322</u>	<u>(6,654)</u>
5 Fund balance, beginning of year - restated	<u>794,965</u>	<u>54,563</u>	<u>122,528</u>	<u>34,515</u>	<u>70,991</u>	<u>4,062</u>	<u>646,348</u>	<u>7,040</u>
Fund balance (deficit), end of year	<u>\$ 888,904</u>	<u>\$ 82,961</u>	<u>\$ 196,526</u>	<u>\$ 39,309</u>	<u>\$ 78,978</u>	<u>\$ 3,760</u>	<u>\$ 649,670</u>	<u>\$ 386</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, 2004

	Arrestee Medical	Health	County Garbage Tipping Fee	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans	County Highway
Revenues:							
Property taxes	\$ -	\$ 337,122	\$ -	\$ 121,214	\$ -	\$ -	\$ 1,346,775
Intergovernmental	-	1,842,632	-	-	-	57,741	-
Licenses and permits	-	188,031	-	-	-	-	-
Fines and fees	12,220	212,642	168,994	-	-	-	529,183
Interest on investments	35	17,502	734	8,482	18	10,219	19,020
Miscellaneous	-	30,235	5,745	21,655	-	-	47,618
Total revenues	<u>12,255</u>	<u>2,628,164</u>	<u>175,473</u>	<u>151,351</u>	<u>18</u>	<u>67,960</u>	<u>1,942,596</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public health and welfare	-	2,452,626	153,368	211,491	-	57,740	-
Economic development	-	-	-	-	-	2,950	-
Transportation	-	-	-	-	-	-	1,400,586
Capital outlay	-	32,983	-	-	-	-	488,923
Debt service principal	-	83,345	-	-	-	-	-
Debt service interest	-	82,975	-	-	-	-	-
Total expenditures	<u>-</u>	<u>2,651,929</u>	<u>153,368</u>	<u>211,491</u>	<u>-</u>	<u>60,690</u>	<u>1,889,509</u>
Excess (deficiency) of revenues over expenditures	<u>12,255</u>	<u>(23,765)</u>	<u>22,105</u>	<u>(60,140)</u>	<u>18</u>	<u>7,270</u>	<u>53,087</u>
Other financing sources (uses):							
Operating transfers out	(12,255)	-	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(12,255)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	(23,765)	22,105	(60,140)	18	7,270	53,087
99 Fund balance, beginning of year - restated	<u>2,334</u>	<u>1,727,899</u>	<u>143,554</u>	<u>583,088</u>	<u>3,812</u>	<u>1,023,080</u>	<u>2,097,895</u>
Fund balance (deficit), end of year	<u>\$ 2,334</u>	<u>\$ 1,704,134</u>	<u>\$ 165,659</u>	<u>\$ 522,948</u>	<u>\$ 3,830</u>	<u>\$ 1,030,350</u>	<u>\$ 2,150,982</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, 2004

	County Motor Fuel Tax	Matching Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants	Total
Revenues:								
Property taxes	\$ -	\$ 673,393	\$ 673,392	\$ -	\$ -	\$ -	\$ -	\$ 7,717,139
Intergovernmental	1,791,702	-	-	206,589	-	-	1,174,206	5,570,815
Licenses and permits	-	-	-	-	-	-	-	188,031
Fines and fees	-	-	-	-	231,667	2,570	-	2,111,512
Interest on investments	11,512	37,036	25,222	839	1,808	16	19	217,524
Miscellaneous	-	-	571,232	-	102,886	-	-	779,396
Total revenues	<u>1,803,214</u>	<u>710,429</u>	<u>1,269,846</u>	<u>207,428</u>	<u>336,361</u>	<u>2,586</u>	<u>1,174,225</u>	<u>16,584,417</u>
Expenditures:								
Current:								
General government	-	-	-	-	213,241	-	-	5,318,192
Judiciary and court related	-	-	-	-	-	3,591	-	414,366
Public safety	-	-	-	-	-	-	-	352,196
Public health and welfare	-	-	-	-	-	-	-	2,875,225
Economic development	-	-	-	-	-	-	1,174,225	1,177,175
Transportation	2,151,697	172,426	1,343,480	209,568	-	-	-	5,378,883
Capital outlay	-	-	-	-	53,449	-	-	797,785
Debt service principal	-	-	-	-	-	-	-	88,178
Debt service interest	-	-	-	-	-	-	-	83,990
Total expenditures	<u>2,151,697</u>	<u>172,426</u>	<u>1,343,480</u>	<u>209,568</u>	<u>266,690</u>	<u>3,591</u>	<u>1,174,225</u>	<u>16,485,990</u>
Excess (deficiency) of revenues over expenditures	<u>(348,483)</u>	<u>538,003</u>	<u>(73,634)</u>	<u>(2,140)</u>	<u>69,671</u>	<u>(1,005)</u>	<u>-</u>	<u>98,427</u>
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	-	(12,255)
Proceeds from long-term debt	-	-	-	-	-	-	-	23,633
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,378</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(348,483)</u>	<u>538,003</u>	<u>(73,634)</u>	<u>(2,140)</u>	<u>69,671</u>	<u>(1,005)</u>	<u>-</u>	<u>109,805</u>
Fund balance, beginning of year - restated	<u>1,142,434</u>	<u>3,237,454</u>	<u>2,208,125</u>	<u>33,010</u>	<u>140,298</u>	<u>5,577</u>	<u>-</u>	<u>22,381,772</u>
Fund balance (deficit), end of year	<u>\$ 793,951</u>	<u>\$ 3,775,457</u>	<u>\$ 2,134,491</u>	<u>\$ 30,870</u>	<u>\$ 209,969</u>	<u>\$ 4,572</u>	<u>\$ -</u>	<u>\$ 22,491,577</u>

**Kankakee County, Illinois**  
**Juvenile Detention Debt Service Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended November 30, 2004**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 472,395	\$ 498,216	\$ 25,821
Interest on investments	1,500	1,384	(116)
Total revenue	473,895	499,600	25,705
Expenditures:			
Other services and charges	273,109	280,750	(7,641)
Debt service principal	75,000	77,101	(2,101)
Debt service interest	149,288	139,546	9,742
Total expenditures	497,397	497,397	-
Excess (deficiency) of revenues over expenditures	\$ (23,502)	2,203	\$ 25,705
Fund balance, beginning of year		58,554	
Fund balance, end of year		\$ 60,757	

Kankakee County, Illinois  
Fiduciary Funds - Agency Funds  
Combining Balance Sheet  
November 30, 2004

	Back Tax	Riverside Country Estates S.A.	Arrowhead Hills S.A.	Drainage Districts	Collector	Sheriff Civil Process	Inheritance Tax	Condemnation Account	Tax Refund Account
<b>Assets</b>									
Cash	\$ 535,702	\$ 26,934	\$ 7,273	\$ 185,829	\$ 4,380,286	\$ 9,589	\$ 16,916	\$ 15,362	\$ 2,324
Investments, at cost	-	-	-	341,693	-	-	-	32,731	-
Receivables									
Taxes	-	-	-	-	-	-	-	-	-
Accounts	-	76,489	1,955	1,926	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	477,097	-	-	-	-
Total assets	<u>\$ 535,702</u>	<u>\$ 103,423</u>	<u>\$ 9,228</u>	<u>\$ 529,448</u>	<u>\$ 4,857,383</u>	<u>\$ 9,589</u>	<u>\$ 16,916</u>	<u>\$ 48,093</u>	<u>\$ 2,324</u>
<b>Liabilities</b>									
Checks in excess of deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vouchers payable	2,480	-	-	2,339	-	-	3,744	-	-
Due to other funds	533,222	-	-	-	394,692	-	-	-	-
Due to other governments	-	-	-	-	4,462,691	-	-	-	-
Due to others	-	103,423	9,228	527,109	-	9,589	13,172	48,093	2,324
Total liabilities	<u>\$ 535,702</u>	<u>\$ 103,423</u>	<u>\$ 9,228</u>	<u>\$ 529,448</u>	<u>\$ 4,857,383</u>	<u>\$ 9,589</u>	<u>\$ 16,916</u>	<u>\$ 48,093</u>	<u>\$ 2,324</u>

Kankakee County, Illinois  
Fiduciary Funds - Agency Funds  
Combining Balance Sheet  
November 30, 2004

	Legacies	Sheriff Seizure	Sheriff Sale Account	Sheriff Commissary	Circuit Clerk	County Clerk	Total
<b>Assets</b>							
Cash	\$ 61,465	\$ 8,938	\$ 147,806	\$ 92,035	\$ 1,487,627	\$ 917,240	\$ 7,895,326
Investments, at cost	26,848	-	-	-	500,000	-	901,272
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	80,370
Accrued interest	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	477,097
Total assets	<u>\$ 88,313</u>	<u>\$ 8,938</u>	<u>\$ 147,806</u>	<u>\$ 92,035</u>	<u>\$ 1,987,627</u>	<u>\$ 917,240</u>	<u>\$ 9,354,065</u>
<b>Liabilities</b>							
Checks in excess of deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vouchers payable	-	-	-	-	-	-	8,563
Due to other funds	-	-	-	-	-	-	927,914
Due to other governments	-	-	-	-	-	-	4,462,691
Due to others	88,313	8,938	147,806	92,035	1,987,627	917,240	3,954,897
Total liabilities	<u>\$ 88,313</u>	<u>\$ 8,938</u>	<u>\$ 147,806</u>	<u>\$ 92,035</u>	<u>\$ 1,987,627</u>	<u>\$ 917,240</u>	<u>\$ 9,354,065</u>



Kankakee County, Illinois  
Statement of Changes in Assets and Liabilities - Agency Funds  
November 30, 2004

	Beginning of Year	Additions	Reductions	End of Year
Back Tax	\$ 214,194	\$ 537,353	\$ 215,845	\$ 535,702
Riverside Country Estates Special Assessment	151,422	52,812	100,811	103,423
Arrowhead Hill Special Assessment	9,174	54	-	9,228
Drainage Districts	498,583	103,929	73,064	529,448
Collector	3,804,944	111,212,096	110,159,657	4,857,383
Sheriff Civil Process	5,787	196,778	192,976	9,589
Inheritance Tax	117,058	1,026,634	1,126,776	16,916
Condemnation Account	677,446	2,647	632,000	48,093
Tax Refund Account	2,290	34	-	2,324
Legacies	51,939	40,697	4,323	88,313
Sheriff Seizure	8,888	50	-	8,938
Sheriff Sale Account	70,481	1,441,245	1,363,920	147,806
Sheriff Commissary	73,891	357,138	338,994	92,035
Circuit Clerk	1,951,635	10,045,184	10,009,192	1,987,627
County Clerk	481,036	3,462,931	3,026,727	917,240
Total	<u>\$ 8,118,768</u>	<u>\$ 128,479,582</u>	<u>\$ 127,244,285</u>	<u>\$ 9,354,065</u>

Kankakee County, Illinois  
Assessed Valuations, Rates and Extensions  
For the tax levy years 1995 through 2004

Extension year	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Assessed valuation, net of special districts and general abatements	<u>\$ 1,379,219,189</u>	<u>\$ 1,354,612,444</u>	<u>\$ 1,324,721,431</u>	<u>\$ 1,259,599,751</u>	<u>\$ 1,192,275,916</u>	<u>\$ 1,120,355,538</u>	<u>\$ 1,059,065,406</u>	<u>\$ 970,558,723</u>	<u>\$ 927,753,503</u>	<u>\$ 869,607,014</u>
Tax rates:										
General corporate	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250
IMRF	0.118	0.115	0.113	0.114	0.115	0.106	0.114	0.114	0.113	0.113
County Health	0.027	0.025	0.025	0.025	0.025	0.027	0.025	0.026	0.030	0.030
Tort Liability	0.141	0.129	0.127	0.120	0.121	0.112	0.121	0.118	0.117	0.117
County Highway	0.100	0.100	0.100	0.100	0.100	0.100	0.094	0.100	0.100	0.100
Social Security	0.096	0.095	0.092	0.094	0.094	0.091	0.094	0.095	0.093	0.093
Veterans	0.010	0.009	0.009	0.016	0.018	0.018	0.018	0.018	0.020	0.020
Highway matching	0.050	0.050	0.050	0.050	0.050	0.050	0.048	0.050	0.050	0.050
Joint Bridge	0.050	0.050	0.050	0.050	0.050	0.050	0.048	0.050	0.050	0.050
Public Building Commission	0.017	0.037	0.036	0.038	0.038	0.039	0.041	0.041	0.043	abated
Extension Education	0.022	0.021	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020
Total tax rates	<u>\$ 0.881</u>	<u>\$ 0.881</u>	<u>\$ 0.872</u>	<u>\$ 0.877</u>	<u>\$ 0.881</u>	<u>\$ 0.863</u>	<u>\$ 0.873</u>	<u>\$ 0.882</u>	<u>\$ 0.886</u>	<u>\$ 0.843</u>
Tax extensions:										
General corporate	\$ 3,448,048	\$ 3,386,531	\$ 3,311,804	\$ 3,148,999	\$ 2,980,690	\$ 2,800,889	\$ 2,647,664	\$ 2,426,397	\$ 2,319,384	\$ 2,174,018
IMRF	1,627,479	1,557,804	1,496,935	1,435,944	1,371,117	1,187,577	1,207,335	1,106,437	1,048,361	982,656
Public health	372,389	338,653	331,180	314,900	298,069	302,496	264,766	252,345	278,326	260,882
Liability insurance	1,944,699	1,747,450	1,682,396	1,511,520	1,442,654	1,254,798	1,281,469	1,145,259	1,085,472	1,017,440
County highway	1,379,219	1,354,612	1,324,721	1,259,600	1,192,276	1,120,356	995,521	970,559	927,754	869,607
Social security	1,324,050	1,286,882	1,218,744	1,184,024	1,120,739	1,019,524	995,521	922,031	862,811	808,735
Veterans	137,922	121,915	119,225	201,536	214,610	201,664	190,632	174,701	185,551	173,921
Highway matching	689,610	677,306	662,361	629,800	596,138	560,178	508,351	485,279	463,877	434,804
County bridge	689,610	677,306	662,361	629,800	596,138	560,178	508,351	485,279	463,877	434,804
Public Building Commission	234,467	501,207	476,900	478,648	453,065	436,939	434,217	397,929	398,934	abated
Extension Education	303,428	284,469	264,944	251,920	238,455	224,071	211,813	194,112	185,551	173,921
Total tax extensions	<u>\$ 12,150,921</u>	<u>\$ 11,934,135</u>	<u>\$ 11,551,571</u>	<u>\$ 11,046,691</u>	<u>\$ 10,503,951</u>	<u>\$ 9,668,670</u>	<u>\$ 9,245,640</u>	<u>\$ 8,560,328</u>	<u>\$ 8,219,898</u>	<u>\$ 7,330,788</u>

**Kankakee County Finance Department**  
**Kankakee County Statement of Revenues and Expenditures**  
**0001 - 04 Formula**  
**From 12/1/2003 Through 5/31/2005**

		Current Year Actual	Total Budget	Total Budget Variance	Percent Total Budget Remaining
<b>Revenues</b>					
WIA Admin	005	143,287.59	58,333.00	84,954.59	145.63%
WIA Youth-In School	010	174,487.24	204,603.50	(30,116.26)	(14.71%)
WIA Youth-Out of School	020	239,568.05	159,401.50	80,166.55	50.29%
WIA Adult	030	401,706.21	0.00	401,706.21	0.00%
WIA Dislocated Worker	040	506,648.65	0.00	506,648.65	0.00%
Non Grant Related	999	26,153.65	161,001.00	(134,847.35)	(83.75%)
<b>Total Revenues</b>		<b>1,491,851.39</b>	<b>583,339.00</b>	<b>908,512.39</b>	<b>(155.74%)</b>
<b>Expenditures</b>					
WIA Admin	005	143,287.59	58,333.00	(84,954.59)	(145.63%)
WIA Youth-In School	010	174,487.24	285,103.50	110,616.26	38.79%
WIA Youth-Out of School	020	239,568.05	239,902.50	334.45	0.13%
WIA Adult	030	401,706.21	0.00	(401,706.21)	0.00%
WIA Dislocated Worker	040	506,648.65	0.00	(506,648.65)	0.00%
<b>Total Expenditures</b>		<b>1,465,697.74</b>	<b>583,339.00</b>	<b>(882,358.74)</b>	<b>(151.26%)</b>
<b>Excess Revenues over Expenditures</b>		<b>26,153.65</b>	<b>0.00</b>	<b>26,153.65</b>	<b>0.00%</b>