

Kankakee County, Illinois

Annual Financial Statements

**For the year ended
November 30, 2006**

**Kankakee County, Illinois
 Annual Financial Statements
 For The Year Ended November 30, 2006
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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, 2006, which collectively comprise the County's basic financial statements 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 respective 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, 2006, and the respective changes in financial position and, where applicable, cash flows 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 June 14, 2007 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 assessing the results of our audit.

The management's discussion and analysis and the accompanying required supplementary information as listed in the table of contents 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 required 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's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Smith, Farley, Ghosh & Oha, P.C.

June 14, 2007

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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, 2006, which collectively comprise Kankakee County, Illinois's basic financial statements and have issued our report thereon dated June 14, 2007. 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*.

We noted certain matters that we reported to management of Kankakee County, Illinois, in a separate letter dated June 14, 2007.

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.

June 14, 2007



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the County of Kankakee presents readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended November 30, 2006 and 2005.

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 analysis will include comparative information to last year's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County of Kankakee exceeded its liabilities at the close of the most recent fiscal year by \$68.85 million (*net assets*). Net assets invested in capital assets (net of depreciation and related debt) account for over 58 percent of this amount (\$40.6 million). Of the total, \$6.7 million (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$0.6 million (0.8 percent). The governmental net assets decreased by \$0.8 million (1.2 percent) while the business-type net assets increased by \$0.2 million (4.7 percent).
- At the close of fiscal year 2006, the County of Kankakee's governmental funds reported combined ending fund balances of \$26.2 million. The majority of this amount, \$20.2 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 \$2.5 million, or 8.5 percent of total general fund expenditures.
- Overall revenues were \$49.4 million, and the completion of capital projects was the main cause of a decrease in fund balance for governmental funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

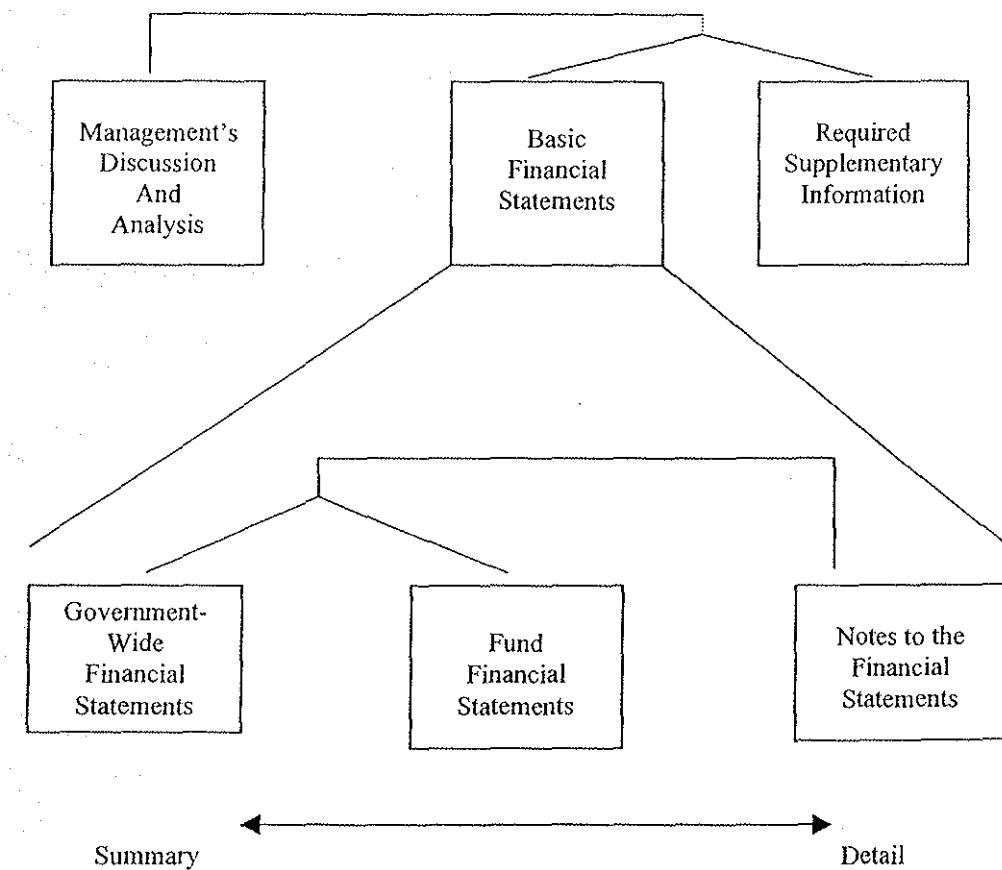


Illustration B summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of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

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

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

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-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tort Fund, Pension Fund, Capital Projects Fund, and County Highway Fund. These five funds are considered to be major funds. Data from the other twenty-six 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.

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 28-41 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 pages 43-56 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 59-69 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the fourth 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*. The new reporting model significantly changes the recording and presentation of financial data and comparative data is provided.

Exhibit 1 is a condensed version of the statement of net assets for the County of Kankakee. At the close of the current fiscal year the County's net assets exceeded liabilities by \$68.85 million. Net assets for governmental activities decreased \$0.34 million from FY 2005. However, for business-type activities, net assets increased by \$0.2 million. This follows a slight decrease in business-type net assets in each of the two prior years.

Exhibit 1

Condensed Statement of Net Assets (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 43,675	\$ 56,977	\$ 3,946	\$ 3,477	\$ 47,621	\$ 60,455
Capital assets	66,321	55,739	3,506	3,967	69,827	59,707
Total assets	109,996	112,717	7,452	7,445	117,448	120,162
Current and other liabilities	19,497	20,494	427	387	19,924	20,881
Long-term debt	26,340	27,726	2,335	2,578	28,675	30,304
Total liabilities	45,837	48,220	2,762	2,965	48,599	51,185
Net assets invested in capital assets, net of related debt	39,604	37,750	958	1,191	40,562	38,941
Restricted	21,345	21,982	240	233	21,585	22,215
Unrestricted	3,210	4,765	3,492	3,055	6,702	7,820
Total net assets	\$ 64,159	\$ 64,497	\$ 4,690	\$ 4,479	\$ 68,849	\$ 68,976

A significant portion of the County's net assets (58.9 percent) reflects investment of \$40.6 million in capital assets such as land, buildings, and equipment, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, the resources needed to repay the debt must be provided from other sources, as capital assets cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, \$21.6 million (31.4 percent), represents resources that are subject to external restrictions on how they may be used. Of this amount, \$0.02 million of governmental activities and all of the business-type activities restricted net assets are restricted for debt service. The remainder is restricted for other purposes.

The remaining portion of the County's net assets (9.7 percent) is located in unrestricted net assets. Kankakee County's unrestricted net assets of \$6.7 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.

Exhibit 2

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

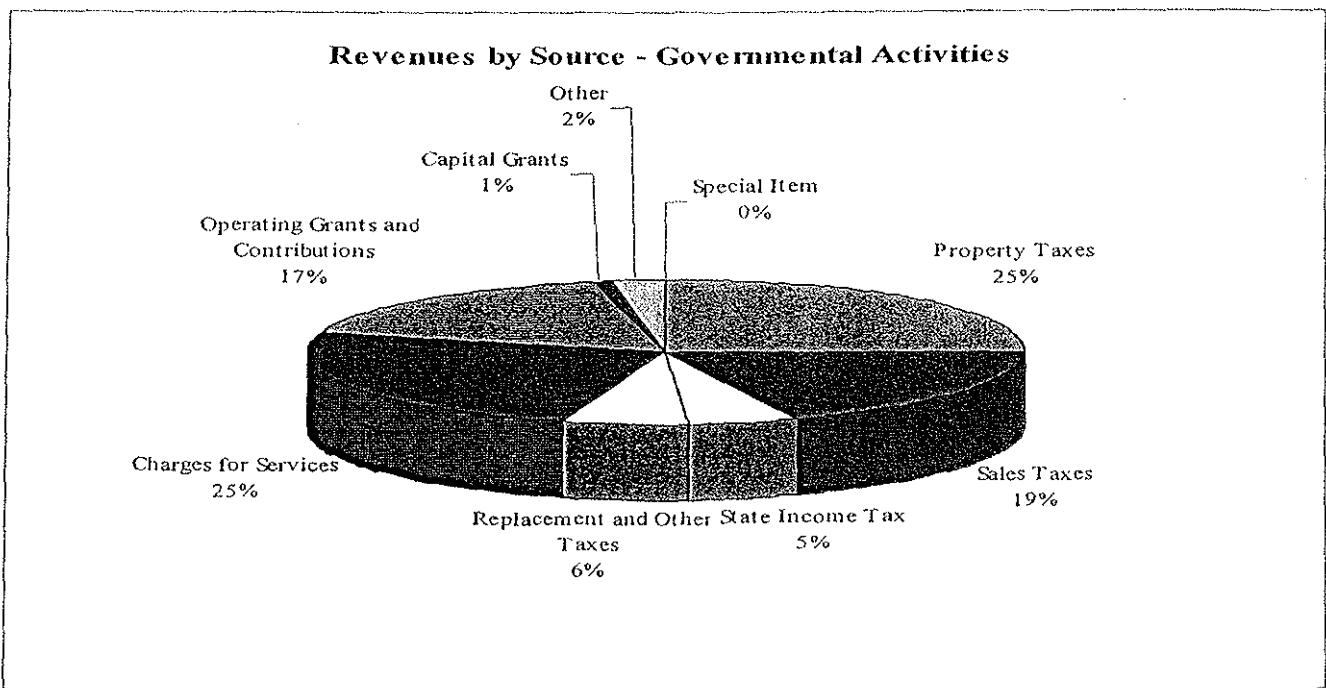
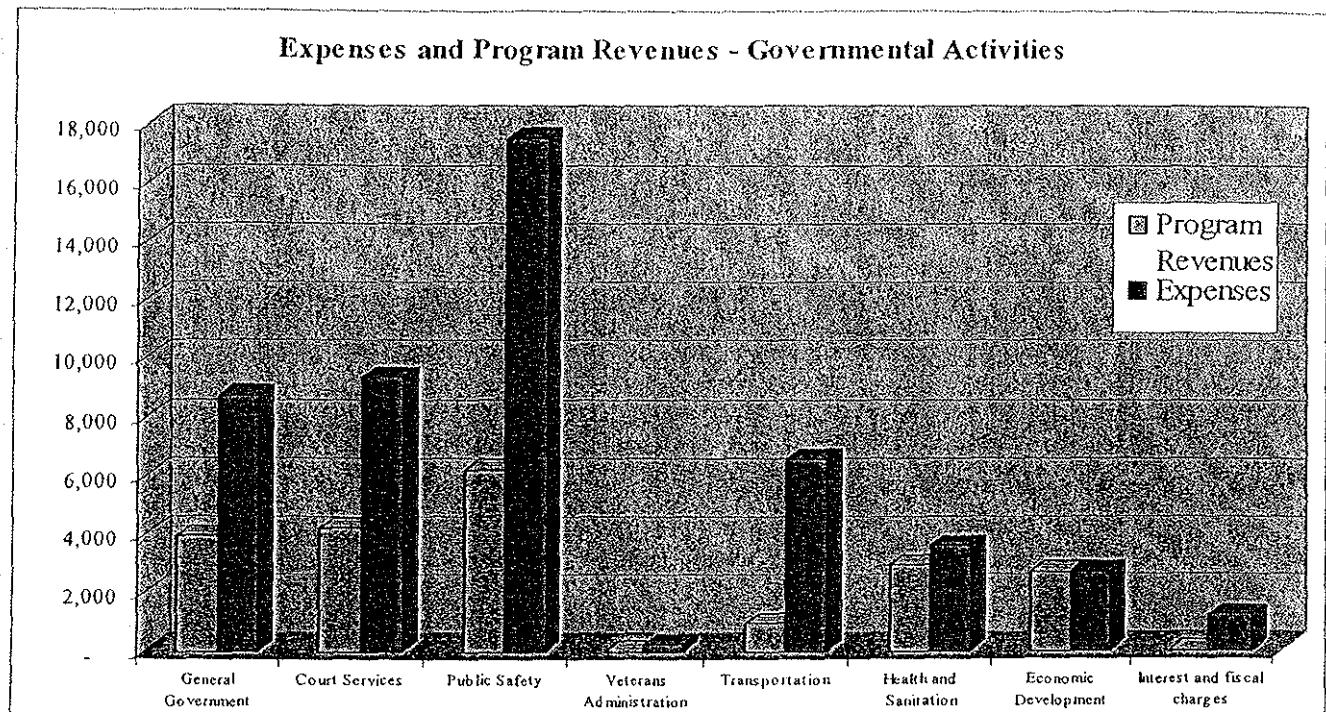
	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenues						
Program Revenues						
Charges for Services	\$ 12,176	\$ 9,909	\$ 2,721	\$ 2,670	\$ 14,897	\$ 12,579
Operating Grants and Contributions	8,473	8,132	-	-	8,473	8,132
Capital Grants and Contributions	355	943	-	-	355	943
General Revenues						
Property Taxes	12,413	11,847	-	-	12,413	11,847
Sales Tax	9,184	8,664	-	-	9,184	8,664
State Income Tax	2,477	2,269	-	-	2,477	2,269
Replacement and Other Taxes	2,939	2,942	-	-	2,939	2,942
Other	1,178	1,587	106	61	1,284	1,648
Total Revenues	49,195	46,294	2,827	2,731	52,022	49,024
Expenses						
Governmental Activities						
General Government	8,735	7,770	-	-	8,735	7,770
Public Safety	17,537	14,411	-	-	17,537	14,411
Court Services	9,384	8,742	-	-	9,384	8,742
Transportation	6,596	6,543	-	-	6,596	6,543
Health and Sanitation	3,630	3,156	-	-	3,630	3,156
Veterans Administration	249	256	-	-	249	256
Economic Development	2,712	2,842	-	-	2,712	2,842
Interest and fiscal charges	1,207	911	-	-	1,207	911
Business-Type Activities						
Emergency Telephone Services	-	-	2,345	2,495	2,345	2,495
Animal Control	-	-	272	273	272	273
Total Expenses	50,050	44,631	2,617	2,768	52,667	47,398
Excess (Deficiency) Before Special Items	(855)	1,663	210	(37)	(645)	1,626
Special Items	60	24,717	-	-	60	24,717
Increase (Decrease) in Net Assets	(795)	26,380	210	(37)	(585)	26,343
Net Assets - Beginning of Year*	64,954	38,117	4,479	4,516	69,434	42,634
Net Assets - End of Year	\$ 64,159	\$ 64,497	\$ 4,690	\$ 4,479	\$ 68,849	\$ 68,976

*Beginning of Year Net Assets for FY 2006 were restated by \$0.46 million.

- Charges for services for governmental activities increased by \$2.3 million (22.3 percent). This increase is due to an increase in charges for service for public safety of \$2.5 million. The revenues received are a result of the federal inmate housing contract. Charges for services in general government are down due largely to an end of services in planning.
- Capital grants for governmental activities decreased by \$0.6 million (62.4 percent) during the year. This is partially the result of completion of transportation capital grants for the highway department.
- Sales tax revenue jumped by \$0.52 million (6.0 percent) from last fiscal year. While 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; the growth seems to have slowed from prior years. Sales tax had increased by \$1.2 million from FY2004 to FY2005 and by \$1.3 million from FY2003 to FY2004, giving the County a 39.5 percent increase over the prior two year period.

- The drop in special items is exclusively due to the prior year amount of \$24.7 million which was a result of a lease with the Kankakee County Public Building Commission for detention facilities.
- Public safety expenditures increased by \$3.1 million. Due to a new contract with the Federal Marshall Service, the County housed approximately 170 new inmates, which lead to increased costs to run both jails. The County maintains a federal inmate housing contract with the federal government to offset these expenditures.

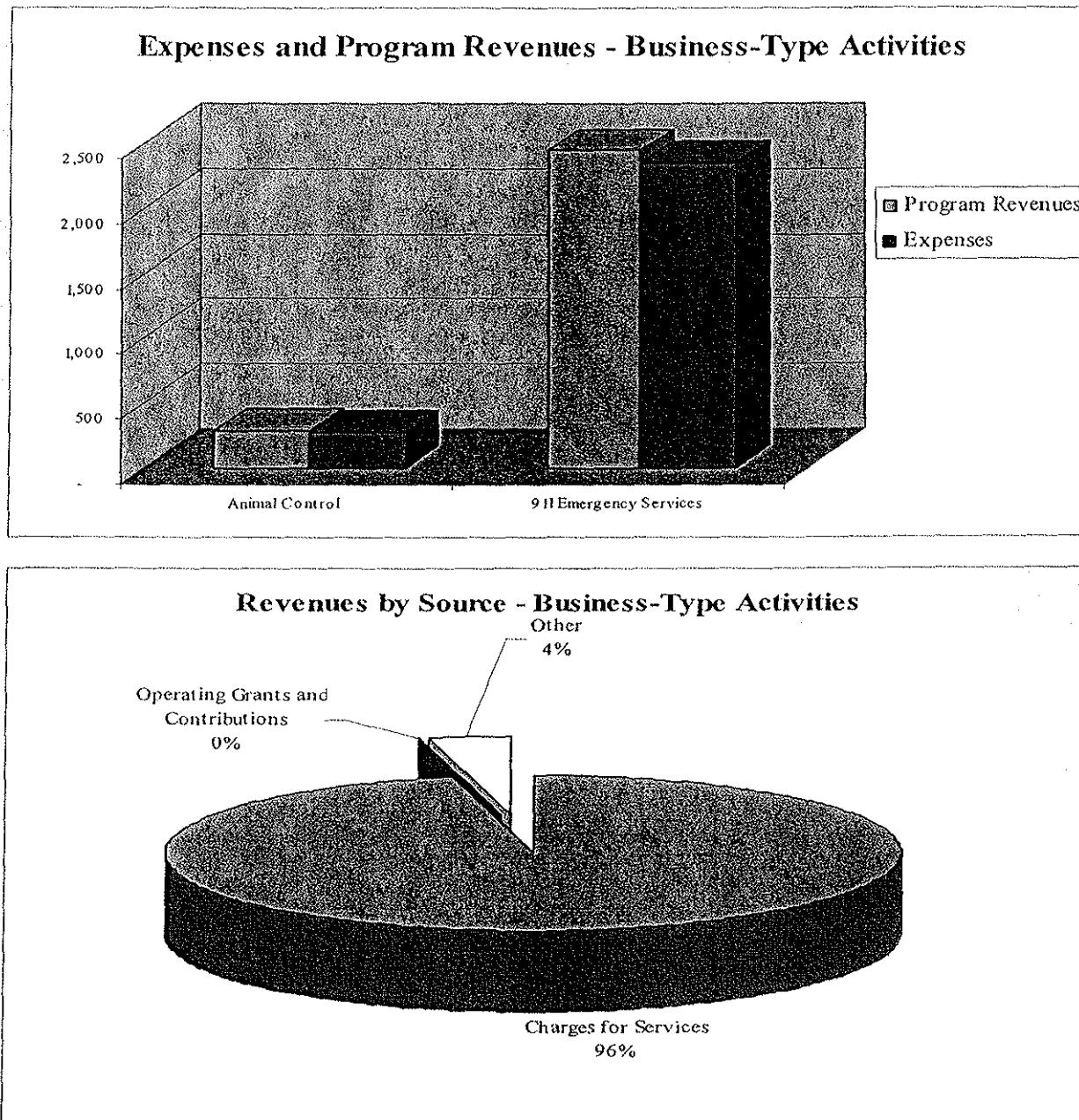
Governmental Activities



Governmental activities decreased the County's net assets by \$0.8 million; however, due to a prior year restatement, the beginning of year net assets were increased by \$0.5 million.

The preceding charts illustrate the County's governmental expenses and revenues by function and its revenue by source. Public safety is the largest governmental expense of the County, followed by court services, general government, and transportation. It has increased to 35 percent of total governmental activities, up from 29 percent two years ago. 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. One-quarter of the County's revenue for governmental funds comes from property taxes, and 55 cents of every dollar raised comes from some type of tax. However, the percent of revenue from tax has decreased from 56 cents a year ago (excludes the one time special item), 60 cents two years ago and 63 cents three years ago. More specifically, the percentage of property taxes funding governmental activities has decreased from 32 percent in FY2003 to 25 percent in FY2006.

Business-Type Activities



Business-type activities increased the County's net assets by \$0.2 million to \$4.7 million, an increase of 4.7 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 \$26.2 million. Approximately \$22.7 million (86.7 percent) of that amount constitutes unreserved fund balance, which is available for discretionary spending. Another \$1.8 million is unreserved but designated for capital projects. The remainder of the fund balance, \$1.7 million, is reserved; it is committed for various purposes and is not available for new spending.

Revenues for the governmental funds in 2006 totaled \$49.4 million. Expenditures were \$62.3 million. Other financing sources/uses contributed an additional \$0.3 million. Overall, the fund balance decreased by \$12.6 million for the year. However, \$10.9 million of this decrease was due to completion of the jail in capital projects. This is also offset by increases in fund balance of \$5.8 and \$5.4 million in FY2004 and FY2005, respectively.

The General Fund is the chief operating fund of the County. It is composed of 32 departments: Administration, Treasurer, County Clerk, Elections, Recorder, Assessments, Board of Review, 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., Sheriff Police, Corrections, Auxiliary Police, E.S.D.A., Merit Commission, Dispatch Center, and Coroner.

At the end of 2006 the total fund balance of the General Fund was \$5.0 million. The fund balance decreased by \$461,616 in 2006. The unreserved and undesignated fund balance of the general fund was \$2.5 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 \$2.4 million, which represents a decrease of \$0.15 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 2005 was \$3.6 million, a decrease of \$0.7 million.

A fourth major fund for Kankakee County is the Capital Projects Fund. It closed fiscal year 2006 with a \$0.4 million fund balance, a decrease of \$10.9 million.

The final major fund for the County is the County Highway Fund. This is the first year it has been designated as a major fund, and closed the year with a \$2.4 million balance. This was an increase of \$0.15 million.

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 \$4.4 million. Of this amount, \$0.9 million is invested in capital assets, net of related debt and \$0.2 million is restricted for debt service. The remainder, \$3.3 million, is unrestricted. Total net assets increased by \$191,670 during the year.

Animal Control. There was a net asset balance of \$255,983 at the end of the fiscal year. This represented an increase of \$18,768. Of the total, \$35,551 is invested in capital assets, net of related debt and the remainder of \$220,432 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 \$1.8 million, an increase of \$0.45 million from last year.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the County Board revised the County budget due to emergency issues. Generally, the budget amendments during the year were due to grants and higher than anticipated revenues from the sales tax agreement. Changes were also made at the end of the year to account for unexpected revenues and expenditures. The original General Fund budget of \$27.9 million increased to \$29.9 million.

The budget for the General Fund increased revenues \$2.0 million during the year. The most significant increase, \$0.6 million, was due to higher than anticipated sales tax revenue. Amendments caused by grants and other reimbursements during fiscal year 2006 totaled \$0.9 million.

The most significant budget increase on the expenditure side was \$1.0 million amendment for Corrections. Another significant increase of \$0.7 million in the Election Department was the result of additional grant for the November election. Other increased expenditures included a \$0.4 million increase for personal services in the Sheriff's Department. An additional increase of \$0.17 million to the Probation Department in the General Fund was due to a decrease in funding for the Juvenile Detention Center by the State. The County is contractually obligated to pay for 25 percent of the expenditures at this facility.

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, 2006, amounts to \$69.8 million (net of accumulated depreciation). This investment in capital assets includes the transportation network, land, construction in progress, buildings and improvements, buildings and improvements under capital lease agreements, leasehold improvements, equipment, equipment under capital lease agreements, and vehicles. The total increase in the County's investment in capital assets for the current fiscal year was 16.9 percent (a 19.0 percent increase for governmental activities and an 11.6 percent decrease for business-type activities).

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

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

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Transportation Network	\$ 9,276	\$ 7,223	\$ -	\$ -	\$ 9,276	\$ 7,223
Land	468	293	61	61	529	354
Construction in Progress	362	13,145	-	-	362	13,145
Building - idle	1,770	-	-	-	1,770	-
Buildings and Improvements	45,955	27,382	-	-	45,955	27,382
Buildings and Improvements under capital lease agreements	3,994	4,154	-	-	3,994	4,154
Leasehold improvements	-	-	197	197	197	197
Equipment	3,133	2,184	3,226	3,682	6,359	5,865
Equipment under capital lease agreements	-	-	22	27	22	27
Vehicles	1,363	1,359	-	-	1,363	1,359
Total Capital Assets	\$66,321	\$55,739	\$ 3,506	\$ 3,967	\$69,826	\$59,707

Major capital asset changes that occurred during 2006 include the following:

Nearly \$13.0 million of construction in progress for work being done on the second phase of the detention center was completed and reclassified under buildings and improvements.

Additional land was purchased near the Courthouse to allow for additional parking.

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

There was \$685,657 in retirements to ETSB's inventory which consisted of mass disposition of computers.

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

Long-term Debt

At the end of the current fiscal year, the County of Kankakee had total debt outstanding of \$30.3 million. This encompasses \$27.7 million outstanding long-term debt in governmental activities and \$2.6 million outstanding long-term debt in business-type activities. This represents a decrease of approximately \$1.0 million (3.5 percent) in governmental activities and a decrease of approximately \$0.24 million (8.6 percent) in business-type activities.

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

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

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Debt Certificates	\$21,785	\$22,305	\$ -	\$ -	\$21,785	\$22,305
Loan / Lease Agreement	653	867	-	-	653	867
Capital Leases	4,935	5,125	18	26	4,953	5,151
Bonds - Alternate Revenue Source	-	-	2,530	2,750	2,530	2,750
Compensated Absences	335	414	16	31	351	444
Total	\$27,707	\$28,711	\$ 2,564	\$ 2,807	\$30,271	\$31,517

The only addition to long-term debt during the year for governmental activities was a \$0.275 million lease agreement for new squad cars. However, the County had payments or retirements of \$1.3 million on debt and lease agreements.

There were no additions to long-term debt for business-type activities. Alternatively, the County retired \$220,000 in bonds and paid \$8,280 on the lease of the Animal Control truck.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's General Fund budget for 2007 increased only 7.1 percent to approximately \$31.9 million. A large part of the increase on the revenue side is due to an expected \$1.0 million increase in sales tax revenue. The other substantial revenue increase is \$1.7 million in inmate housing fees. There is an expenditure increase of about \$0.5 million in the Planning Department. A large part of this is the addition of a \$0.3 million grant for Phase II of the Metra Extension Project. Also budgeted is a \$0.7 million increase in the County's portion of health insurance. A large increase is in Capital Development as the County pays down the debt from the detention facility utilizing revenues from the inmate housing contract. There is also an increase in personnel expenditures in the Corrections Department budgeted for fiscal year 2007 due to the opening of the addition to the detention center, which is partially offset by revenues from the inmate housing contract.

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

The local government program revenue bonds issued for the new jail were given a Moody's investment rating of Aaa.

In March 2007, the County ended its Solid Waste Enforcement grant with the state which it had taken over in the prior year from the Health Department.

The union contract for the Recorder's Office ends in 2007 and negotiations will begin. Also in 2007, the Treasurer's Office is expected to finalize their new union contract.

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. Attendance and revenue has increased each year the park has been open.

Oak Orthopedics Sports Arena opened in fall 2005 near the water park. 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 is using. The 49,000 square-foot building is 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. This represents an attraction to the area which is open year round.

The planning department of Kankakee County is working on a 3-phase study to determine the feasibility for the extension of metra commuter rail service from University Park to Kankakee. Phase I was completed in 2005 and Phase II began in 2006. 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.

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

Growth continues to occur in both the north and south ends of the County. Wal-Mart has recently broken ground on two Super Wal-Marts, one in southern Kankakee County near exit 308 and another in northern Kankakee County along Route 50. Bradley Commons opened in fall 2006 and continues to be developed. Among others in the development, Kohl's, Petco, and Shoe Carnival have opened with a Buffalo Wild Wings scheduled to open in the near future.

Also just announced is the anticipated ground breaking of Bourbonnais Crossing near Route 45 and Indian Oaks Road. The development is promising a hotel, senior living, shopping, restaurants, and services. A new travel center has also been announced in Kankakee near exit 308 which will consist of a truck stop and gas station, convenience store, and McDonald's and Chester's restaurants.

This continued growth in the area is spurred by the projected 3,000 - 6,000 new homes estimated to be built in the Bradley-Bourbonnais area over the next five years. Because of this and current overcrowding, the school board of Bradley-Bourbonnais Community High School put a referendum for a new high school on the ballot in November 2006 and April 2007. The measure failed each time. The school board is currently searching for a solution.

The County completed construction of the new jail in early 2005 and phase two of the jail in 2006. 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.

Outside consultants completed a space needs study for the County offices. While it is evident that additional space is warranted, it is yet to be determined what course of action the County will pursue.

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, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash	\$ 7,861,736	\$ 1,231,748	\$ 9,093,484	\$ 442,024
Cash - restricted	-	289,297	289,297	-
Investments, at cost	13,879,789	1,745,457	15,625,246	-
Receivables, (net, where applicable of allowance for uncollectibles):				
Taxes, including interest, penalties and liens	14,171,212	-	14,171,212	-
Accounts	5,736,052	420,823	6,156,875	-
Loans	186,624	-	186,624	2,231,890
Internal balances	(100,935)	100,935	-	-
Due from other governments	321,615	-	321,615	-
Prepaid expenses	1,156,710	81,473	1,238,183	-
Inventory, at cost	174,880	-	174,880	-
Other assets	287,727	76,282	364,009	-
Capital assets, net of accumulated depreciation	66,320,525	3,505,942	69,826,467	-
Total assets	<u>\$ 109,995,935</u>	<u>\$ 7,451,957</u>	<u>\$ 117,447,892</u>	<u>\$ 2,673,914</u>
Liabilities and Net Assets				
Liabilities				
Vouchers and accounts payable	\$ 3,376,778	\$ 91,312	\$ 3,468,090	\$ 50,822
Payable from restricted assets	-	49,695	49,695	-
Accrued wages and benefits	542,059	57,052	599,111	-
Deferred revenue	14,044,505	-	14,044,505	-
Noncurrent liabilities:				
Due within one year	1,533,212	228,632	1,761,844	65,000
Due in more than one year	26,340,419	2,335,360	28,675,779	2,245,000
Total liabilities	<u>45,836,973</u>	<u>2,762,051</u>	<u>48,599,024</u>	<u>2,360,822</u>
Net Assets				
Invested in capital assets, net of related debt	39,604,174	958,312	40,562,486	-
Restricted for:				
Debt service	21,567	239,602	261,169	-
Other purposes	21,323,728	-	21,323,728	-
Unrestricted	3,209,493	3,491,992	6,701,485	313,092
Total net assets	<u>64,158,962</u>	<u>4,689,906</u>	<u>68,848,868</u>	<u>313,092</u>
Total liabilities and net assets	<u>\$ 109,995,935</u>	<u>\$ 7,451,957</u>	<u>\$ 117,447,892</u>	<u>\$ 2,673,914</u>

Kankakee County, Illinois
 Statement of Activities
 For the Year Ended November 30, 2006

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants	Primary Government		Total Primary Government	Component Unit
					Governmental Activities	Business-Type Activities		
Primary government:								
Governmental activities								
General government	\$ 8,734,873	\$ 2,873,838	\$ 1,048,521	\$ -	\$ (4,812,514)		\$ (4,812,514)	
Court services	9,384,242	2,858,945	1,360,097	-	(5,165,200)		(5,165,200)	
Public safety	17,536,639	5,252,879	770,350	192,169	(11,321,241)		(11,321,241)	
Health and sanitation	3,630,108	517,347	2,441,064	-	(671,697)		(671,697)	
Transportation	6,595,782	673,346	140,632	162,496	(5,619,308)		(5,619,308)	
Veterans administration	249,266	-	-	-	(249,266)		(249,266)	
Economic development	2,712,225	-	2,711,840	-	(385)		(385)	
Interest and fiscal charges	1,206,722	-	-	-	(1,206,722)		(1,206,722)	
Total governmental activities	<u>50,049,857</u>	<u>12,176,355</u>	<u>8,472,504</u>	<u>354,665</u>	<u>(29,046,333)</u>		<u>(29,046,333)</u>	
Business-type activities								
911 Emergency services	2,344,950	2,439,181	-	-	\$ 94,231		94,231	
Animal control	271,962	282,174	-	-	10,212		10,212	
Total business-type activities	<u>2,616,912</u>	<u>2,721,355</u>	<u>-</u>	<u>-</u>	<u>104,443</u>		<u>104,443</u>	
Total primary government	<u>\$ 52,666,769</u>	<u>\$ 14,897,710</u>	<u>\$ 8,472,504</u>	<u>\$ 354,665</u>	<u>(29,046,333)</u>	<u>104,443</u>	<u>(28,941,890)</u>	
Component unit:								
Kankakee County Public Building Commission	<u>\$ 129,026</u>	<u>\$ 154,501</u>	<u>\$ -</u>	<u>\$ -</u>			<u>\$ 25,475</u>	
General revenues:								
Taxes								
Property taxes								
12,413,065								
Sales tax								
9,183,846								
State income tax								
2,477,260								
Replacement and other taxes								
2,939,020								
Interest								
963,933								
Miscellaneous								
213,869								
Special item - gain on sale of assets								
59,952								
Total general revenues and special items								
28,250,945								
Change in net assets								
(795,388)								
Net assets - beginning								
64,954,350								
Net assets - ending								
\$ 64,158,962								
\$ 4,689,906								
\$ 68,848,868								
\$ 313,092								

See accompanying notes to the basic financial statements.

Kankakee County, Illinois
 Balance Sheet
 Governmental Funds
 November 30, 2006

	General Fund	Tort Liability	Pension	Capital Projects	County Highway	Other Governmental Funds	Total Governmental Funds
Assets							
Cash	\$ 723,601	\$ 1,492,351	\$ 1,326,011	\$ 368,660	\$ 346,258	\$ 3,604,855	\$ 7,861,736
Investments, at cost	91,232	377,999	2,440,631	-	2,047,273	8,922,654	13,879,789
Receivables (net of applicable allowances for estimated uncollectible amounts):							
Taxes, including interest, penalties, and liens	4,156,767	2,294,033	3,558,132	-	1,661,159	2,501,121	14,171,212
Accounts	5,192,933	2,905	55,131	-	43,852	380,307	5,675,128
Loans	-	-	-	-	-	186,624	186,624
Prepaid expenses	552,294	490,261	1,510	-	-	112,645	1,156,710
Due from other funds	10,510	-	-	-	95,492	-	106,002
Due from other governments	-	-	-	-	-	321,615	321,615
Inventory, at cost	81,653	-	-	-	36,996	56,231	174,880
Total assets	<u>\$ 10,808,990</u>	<u>\$ 4,657,549</u>	<u>\$ 7,381,415</u>	<u>\$ 368,660</u>	<u>\$ 4,231,030</u>	<u>\$ 16,086,052</u>	<u>\$ 43,533,696</u>
Liabilities and Fund Balances							
Liabilities:							
Vouchers and accounts payable	\$ 1,551,528	\$ 39,077	\$ 351,801	\$ -	\$ 188,665	\$ 921,568	\$ 3,052,639
Due to other funds	88,955	-	11,980	-	-	106,002	206,937
Deferred revenue	4,205,357	2,220,156	3,446,214	-	1,607,129	2,580,759	14,059,615
Total liabilities	<u>5,845,840</u>	<u>2,259,233</u>	<u>3,809,995</u>	<u>-</u>	<u>1,795,794</u>	<u>3,608,329</u>	<u>17,319,191</u>
Fund balances (deficit):							
Reserved for:							
Prepaid expenses	552,294	490,261	1,510	-	-	112,645	1,156,710
Inventory	81,653	-	-	-	36,996	32,877	151,526
Capital projects	-	-	-	368,660	-	-	368,660
Debt service	-	-	-	-	-	21,567	21,567
Unreserved, designated for capital projects	1,801,121	-	-	-	-	-	1,801,121
Unreserved, reported in:							
General fund	2,528,082	-	-	-	-	-	2,528,082
Special revenue funds	-	1,908,055	3,569,910	-	2,398,240	12,310,634	20,186,839
Total fund balances	<u>4,963,150</u>	<u>2,398,316</u>	<u>3,571,420</u>	<u>368,660</u>	<u>2,435,236</u>	<u>12,477,723</u>	<u>26,214,505</u>
Total liabilities and fund balances	<u>\$ 10,808,990</u>	<u>\$ 4,657,549</u>	<u>\$ 7,381,415</u>	<u>\$ 368,660</u>	<u>\$ 4,231,030</u>	<u>\$ 16,086,052</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds as assets	66,320,525
Bond issue costs, net of amortization, are not financial resources and, therefore, are not reported in the funds as assets.....	287,727
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.....	(27,873,631)
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.....	(790,164)
Net assets of governmental activities.....	<u>\$ 64,158,962</u>

Kankakee County, Illinois
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended November 30, 2006

	General Fund	Tort Liability	Pension	Capital Projects	County Highway	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 12,766,764	\$ 2,025,788	\$ 3,068,930	\$ -	\$ 1,481,463	\$ 2,253,966	\$ 21,596,911
Intergovernmental	10,471,762	5,975	85,547	236,269	-	7,681,598	18,481,151
Charges for services	4,015,830	-	-	-	-	-	4,015,830
Licenses and permits	376,786	-	-	-	-	239,303	616,089
Fines and forfeits	990,884	-	-	-	673,346	1,503,208	3,167,438
Interest on investments	145,920	71,262	139,065	10,648	81,801	515,237	963,933
Miscellaneous	407,183	-	-	3,988	66,377	102,174	579,722
Total revenues	29,175,129	2,103,025	3,293,542	250,905	2,302,987	12,295,486	49,421,074
Expenditures:							
Current:							
General government	8,232,417	2,248,332	4,008,329	-	-	365,338	14,854,416
Judiciary and court related	6,579,667	-	-	-	-	637,913	7,217,580
Public safety	11,038,726	-	-	88,720	-	404,038	11,531,484
Health and welfare	-	-	-	-	-	3,385,030	3,385,030
Transportation	-	-	-	-	1,760,448	4,265,112	6,025,560
Economic development	-	-	-	-	-	2,675,293	2,675,293
Capital outlay	1,674,611	1,099	-	10,930,298	397,314	989,942	13,993,264
Debt service principal	1,035,406	-	-	-	-	164,972	1,200,378
Debt service interest	1,155,629	-	-	-	-	242,923	1,398,552
Total expenditures	29,716,456	2,249,431	4,008,329	11,019,018	2,157,762	13,130,561	62,281,557
Excess (deficiency) of revenues over (under) expenditures	(541,327)	(146,406)	(714,787)	(10,768,113)	145,225	(835,075)	(12,860,483)
Other financing sources (uses):							
Transfers in	112,000	-	-	-	-	263,238	375,238
Transfers out	(263,238)	-	-	(100,000)	-	(12,000)	(375,238)
Proceeds from long-term debt	275,949	-	-	-	-	-	275,949
Total other financing sources (uses)	124,711	-	-	(100,000)	-	251,238	275,949
Net change in fund balances	(416,616)	(146,406)	(714,787)	(10,868,113)	145,225	(583,837)	(12,584,534)
Fund balances, beginning of year, restated (Note 9)							
Fund balances, end of year	<u>5,379,766</u>	<u>2,544,722</u>	<u>4,286,207</u>	<u>11,236,773</u>	<u>2,290,011</u>	<u>13,061,560</u>	<u>38,799,039</u>
	<u>\$ 4,963,150</u>	<u>\$ 2,398,316</u>	<u>\$ 3,571,420</u>	<u>\$ 368,660</u>	<u>\$ 2,435,236</u>	<u>\$ 12,477,723</u>	<u>\$ 26,214,505</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, 2006**

Net change in fund balances - total governmental funds	\$ (12,584,534)
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	(275,949)
The payment of principal on long-term debt is reflected as an expense on the fund level statements, but is reported as a reduction of liabilities on the entity wide statements	1,200,378
The current period change in compensated absences included in noncurrent liabilities does not require or provide current financial resources and, therefore, is not reported in governmental funds	78,835
Depreciation on capital assets is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(2,998,711)
Amortization on debt issue costs is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(6,346)
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	13,726,239
Full accrual accounting and modified accrual accounting use differing revenue and expense recognition criteria	64,700
Change in net assets of governmental activities - entity wide statements	<u>\$ (795,388)</u>

Kankakee County, Illinois
 Statement of Net Assets
 Proprietary Funds - Enterprise Funds
 November 30, 2006

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
	Assets		
Current assets			
Cash	\$ 1,185,831	\$ 45,917	\$ 1,231,748
Cash - restricted	289,297	-	289,297
Investments	1,572,429	173,028	1,745,457
Accounts receivable	404,085	16,738	420,823
Due from other funds	100,935	-	100,935
Prepaid expenses and line charges	81,441	32	81,473
Total current assets	<u>3,634,018</u>	<u>235,715</u>	<u>3,869,733</u>
Property, plant, and equipment			
Building, improvements and equipment	6,468,452	142,118	6,610,570
Accumulated depreciation	<u>(3,015,691)</u>	<u>(88,937)</u>	<u>(3,104,628)</u>
Net property, plant, and equipment	<u>3,452,761</u>	<u>53,181</u>	<u>3,505,942</u>
Bond issue costs, net and other assets			
Bond issue costs, net and other assets	76,282	-	76,282
Total assets	<u>\$ 7,163,061</u>	<u>\$ 288,896</u>	<u>\$ 7,451,957</u>
Liabilities			
Current liabilities			
Current portion - long-term debt	\$ 220,000	\$ 8,632	\$ 228,632
Vouchers and accounts payable	76,029	15,283	91,312
Payable from restricted assets	49,695	-	49,695
Accrued wages and benefits	57,052	-	57,052
Total current liabilities	<u>402,776</u>	<u>23,915</u>	<u>426,691</u>
Long-term liabilities			
Long-term debt, net of current portion	2,310,000	8,998	2,318,998
Accrued sick time	<u>16,362</u>	<u>-</u>	<u>16,362</u>
Total long-term liabilities	<u>2,326,362</u>	<u>8,998</u>	<u>2,335,360</u>
Total liabilities	<u>2,729,138</u>	<u>32,913</u>	<u>2,762,051</u>
Net assets			
Invested in capital assets, net of related debt	922,761	35,551	958,312
Restricted for debt service	239,602	-	239,602
Unrestricted	3,271,560	220,432	3,491,992
Total net assets	<u>4,433,923</u>	<u>255,983</u>	<u>4,689,906</u>
Total liabilities and net assets	<u>\$ 7,163,061</u>	<u>\$ 288,896</u>	<u>\$ 7,451,957</u>

Kankakee County, Illinois
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds - Enterprise Funds
For the Year Ended November 30, 2006

	Enterprise Funds		
	911 System	Other Enter-	Total
	Fee Fund	prise Funds	
Revenues:			
Charges for services and other fees	\$ 2,437,625	\$ 279,566	\$ 2,717,191
Miscellaneous	1,556	2,608	4,164
Total revenues	2,439,181	282,174	2,721,355
Operating expenses:			
Personal services	1,255,245	178,891	1,434,136
Contractual services	339,455	33,305	372,760
Supplies and materials	3,617	14,010	17,627
Other services and charges	87,455	36,316	123,771
Depreciation and amortization expense	539,059	8,339	547,398
Total operating expenses	2,224,831	270,861	2,495,692
Operating income (loss)	214,350	11,313	225,663
Nonoperating revenue (expense):			
Interest income	97,439	8,556	105,995
Interest expense	(120,119)	(1,101)	(121,220)
Net nonoperating revenue (loss)	(22,680)	7,455	(15,225)
Change in net assets	191,670	18,768	210,438
Net assets, beginning of year	4,242,253	237,215	4,479,468
Net assets, end of year	\$ 4,433,923	\$ 255,983	\$ 4,689,906

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, 2006

	Enterprise Funds		
	911 System Fee Fund	Other Enter- prise Funds	Total
Cash flows from operating activities:			
Receipts from customers	\$ 1,538,910	\$ 290,052	\$ 1,828,962
Payments to suppliers	(745,253)	(93,149)	(838,402)
Payments to employees	(938,399)	(174,579)	(1,112,978)
Internal activity - payments from (to) other funds	702,664	223	702,887
Other receipts	1,556	2,608	4,164
Net cash provided (used) by operating activities	<u>559,478</u>	<u>25,155</u>	<u>584,633</u>
Cash flows from capital and related financing activities:			
Interest payments on long-term debt	(120,119)	(1,101)	(121,220)
Payments on long-term debt	(220,000)	(8,280)	(228,280)
Net cash flows provided (used) by capital and related financing activities	<u>(340,119)</u>	<u>(9,381)</u>	<u>(349,500)</u>
Cash flows from investing activities:			
Purchase of investments	(547,303)	-	(547,303)
Interest income	97,439	8,556	105,995
Net cash flows provided (used) by investing activities	<u>(449,864)</u>	<u>8,556</u>	<u>(441,308)</u>
Net increase (decrease) in cash and cash investments	<u>(230,505)</u>	<u>24,330</u>	<u>(206,175)</u>
Cash and cash investments, beginning of year	<u>1,785,684</u>	<u>194,615</u>	<u>1,980,299</u>
Cash and cash investments, end of year	<u>\$ 1,555,179</u>	<u>\$ 218,945</u>	<u>\$ 1,774,124</u>
Reported on balance sheet as cash	\$ 1,475,128	\$ 45,917	\$ 1,521,045
Included in balance sheet investments	80,051	173,028	253,079
	<u>\$ 1,555,179</u>	<u>\$ 218,945</u>	<u>\$ 1,774,124</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 214,350	\$ 11,313	\$ 225,663
Adjustments to reconcile net income to net cash provided from operating activities:			
Depreciation expense	451,251	8,339	459,590
Amortization of line charges and bond issue costs	87,809	-	87,809
Undepreciated balance on disposed assets	1,746	-	1,746
Change in assets and liabilities:			
(Increase) decrease in other assets	(226,129)	10,865	(215,264)
Increase (decrease) in accrued salaries and benefits	(9,705)	4,312	(5,393)
Increase (decrease) in other liabilities	40,156	(9,674)	30,482
Net cash provided by operating activities	<u>\$ 559,478</u>	<u>\$ 25,155</u>	<u>\$ 584,633</u>

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds
November 30, 2006

	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
Assets		
Cash	\$ 295,762	\$ 8,792,298
Investments, at cost	1,815,418	922,787
Receivables:		
Accounts receivable	<u>114,467</u>	<u>393,999</u>
Total assets	<u>\$ 2,225,647</u>	<u>\$ 10,109,084</u>
Liabilities and Net Assets		
Liabilities		
Vouchers payable	\$ 170,186	\$ 804,073
Due to:		
Other governments	-	5,509,331
Others	-	3,795,680
Deferred revenue	<u>250,000</u>	<u>-</u>
Total liabilities	<u>420,186</u>	<u>10,109,084</u>
Net Assets		
Restricted for other purposes	<u>1,805,461</u>	<u>-</u>
Total net assets	<u>1,805,461</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 2,225,647</u>	<u>\$ 10,109,084</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended November 30, 2006

	<u>Private Purpose Trust Funds</u>
Additions:	
Intergovernmental	\$ 1,837,674
Interest	<u>93,676</u>
Total additions	<u>1,931,350</u>
Deductions:	
Transportation	1,460,670
Other services and charges	<u>1,453</u>
Total deductions	<u>1,462,123</u>
Change in net assets	469,227
Net assets, beginning of year	<u>1,336,234</u>
Net assets, end of year	<u><u>\$ 1,805,461</u></u>

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 1 – The Financial Reporting Entity

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

The County's basic financial statements include accounts of all officials and activities described above and all other County operations. The County's major operations include human, 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, 2006. The Commission issues separate financial statements which are on file at the Office of Finance Director, Kankakee County, 189 E. Court St., Suite 300, Kankakee, Illinois 60901. The County Board is not financially responsible for obligations of the Commission unless any such improvements are for its benefit.

Component Units - Blended

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

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

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

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 1 – The Financial Reporting Entity (Continued)

Related Organizations

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

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

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, weapons, and gang activity 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.

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

Joint Ventures

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

Note 2 – Basis of Presentation

Government-wide Financial Statements The statement of net assets and the statement of changes in net assets report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise the primary government is reported separately from legally separate component units for which the primary government is financially accountable. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of activities displays the direct expenses of a given function or segment and the associated program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 2 – Basis of Presentation (Continued)

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

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

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

Pension – This fund accounts for employee pension costs.

Capital Projects Fund – This fund accounts for construction of public safety administrative facilities.

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

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 governments.

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.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 3 – Summary of Significant Accounting Policies (Continued)

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

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

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses 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

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 than an employee must use each year's vacation days during the year. Sick and extended illness days may be accumulated to a total of 120 days per employee with no amount payable upon separation from service. Under collective bargaining agreements covering employees in the departments of County Sheriff, Corrections and County Recorder, 50% of accumulated days may be paid or credited for retirement purposes at levels ranging from 50 to 80 days.

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

Property Taxes: The County is responsible for the assessment and collection of property taxes for all jurisdictions including the schools and special districts within the County. The County levies property taxes annually on or before the last Tuesday in December based on the assessed valuation determined in April of the same year. Property tax payments are due in two equal installments, 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

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

The County's cash and investments are subject to credit risk (the risk that an issuer or counterparty to an investment will not fulfill its obligation) and custodial credit risk (the risk that in the event of a bank failure, the government's deposits may not be returned to it). The County's investment policy states that when selecting which financial institutions will be depositories for County funds, the Treasurer will take into consideration the ability of the institution to have sufficient collateral for deposits in excess of FDIC insurance.

As of November 30, 2006, the County had investments in the Illinois Funds Money Market, rated AAA by Standard and Poors, with a carrying and fair value of \$13,323,299. The remaining investments consisted of certificates of deposit with local financial institutions. Deposits in the amount of \$1,911,943 were uninsured and uncollateralized at November 30.

The Kankakee County Public Building Commission held County funds in the amount of \$368,660 as of November 30, 2006. All amounts were insured or collateralized.

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

Note 5 - CDAP Loans Receivable

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

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

	<u>Balances</u> <u>November 30, 2005</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>November 30, 2006</u>
McIntyre's Meats	\$ 8,331	-	-	\$ 8,331
MTAE, Inc.	350,515	-	\$ 5,295	345,220
Exceptional Health Partners	<u>358,846</u>	<u>\$192,221</u>	<u>5,597</u>	<u>186,624</u>
Total	358,846	192,221	10,892	540,175
Less allowance for uncollectible amounts:	(358,846)	<u>-</u>	<u>(5,295)</u>	<u>(353,551)</u>
CDAP loans, net	<u>\$ 186,624</u>	<u>\$192,221</u>	<u>\$ 5,597</u>	33

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 5 - CDAP Loans Receivable (Continued)

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

Note 6 -- Capital Assets

Capital asset activity for the year ended November 30, 2006 was as follows:

	<u>Balances November 30, 2005</u>	<u>Additions</u>	<u>Retirements and Reclassifications</u>	<u>Balances November 30, 2006</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 293,114	\$ 175,245	\$ -	\$ 468,359
Construction in progress	13,144,756	-	12,782,739	362,017
Building - idle	-	1,770,000	-	1,770,000
Total	<u>13,437,870</u>	<u>1,945,245</u>	<u>12,782,739</u>	<u>2,600,376</u>
Capital assets being depreciated:				
Transportation network	15,961,038	2,790,161	-	18,751,199
Buildings and improvements	31,028,165	19,769,682	-	50,797,847
Buildings and improvements under capital lease agreements	5,180,000	-	-	5,180,000
Equipment	5,470,805	1,425,096	41,665	6,854,236
Vehicles	<u>4,322,149</u>	<u>458,307</u>	<u>427,712</u>	<u>4,352,744</u>
Total capital assets being depreciated	<u>61,962,157</u>	<u>24,443,246</u>	<u>469,377</u>	<u>85,936,026</u>
Less accumulated depreciation for:				
Transportation network	8,737,964	737,588	-	9,475,552
Buildings and improvements	3,646,417	1,196,808	-	4,843,225
Buildings and improvements under capital lease agreements	1,025,797	160,208	-	1,186,005
Equipment	3,287,011	463,430	29,500	3,720,941
Vehicles	<u>2,963,417</u>	<u>440,677</u>	<u>413,940</u>	<u>2,990,154</u>
Total accumulated depreciation	<u>19,660,606</u>	<u>2,998,711</u>	<u>443,440</u>	<u>22,215,877</u>
Governmental activity capital assets, net	<u>\$55,739,421</u>	<u>\$23,389,780</u>	<u>\$12,808,676</u>	<u>\$66,320,525</u>
Business-type activities:				
Capital assets not being depreciated - Land	\$ 61,013	\$ -	\$ -	\$ 61,013
Capital assets being depreciated:				
Equipment	6,996,717	-	685,657	6,311,060
Leasehold improvements	197,277	-	-	197,277
Equipment under capital lease agreements	<u>41,220</u>	<u>-</u>	<u>-</u>	<u>41,220</u>
Less: Accumulated depreciation	<u>3,315,209</u>	<u>453,702</u>	<u>683,911</u>	<u>3,085,000</u>
Accumulated amortization, capital leases	<u>13,740</u>	<u>5,888</u>	<u>-</u>	<u>19,628</u>
Total accumulated depreciation	<u>3,328,949</u>	<u>459,590</u>	<u>683,911</u>	<u>3,104,628</u>
Business-type activities capital assets, net	<u>\$ 3,967,278</u>	<u>\$ (459,590)</u>	<u>\$ 1,746</u>	<u>\$ 3,505,942</u>

Kankakee County, Illinois
 Notes to Basic Financial Statements

Note 6 – Capital Assets (Continued)

Depreciation for the year ended November 30, 2006, was charged as follows to the following functions:

Governmental activities:	
General governmental	\$ 388,539
Court services	190,397
Public safety	1,347,348
Health and sanitation	68,079
Transportation	1,003,089
Veterans administration	1,259
Total governmental activities	<u>\$2,998,711</u>

Business-type activities:	
911 Emergency services	\$451,251
Animal control	8,339
Total business-type activities	<u>\$459,590</u>

Note 7 – 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	\$ 652,755
Debt Certificates, Series 2004 in the original amount of \$6,000,000 payable annually, December 1 in amounts ranging from \$215,000 to \$410,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 1.75% to 4.6% per annum, with an effective net interest rate of 4.1%	5,325,000
Debt Certificates, Series 2005 A in the original amount of \$8,500,000 payable annually, December 1 in amounts ranging from \$170,000 to \$635,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 2.75% to 4.6% per annum, with an effective net interest rate of 4.0%	8,330,000
Less discount	(107,731)
Debt Certificates, Series 2005 B in the original amount of \$8,265,000 payable annually, December 1 in amounts ranging from \$135,000 to \$645,000 and with interest payable semiannually on June 1 and December 1 at rates ranging from 2.75% to 5.0% per annum, with an effective net interest rate of 4.57%	8,130,000
Plus premium	273,900
Capital lease obligations – See Note 8	4,934,982
Compensated absences	<u>334,725</u>
Total governmental activities	<u>\$27,873,631</u>

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 7 – Long-Term Debt (Continued)

Business-type Activities

\$3,300,000 general obligation alternate revenue source bonds due in annual installments beginning January 1, 2003 in amounts ranging from \$220,000 to \$235,000 through 2017, plus interest at rates ranging from 3.55% to 5%, secured by surcharges on telecommunications revenues	\$ 2,530,000
Capital lease obligations - See Note 8	17,630
Compensated absences	<u>16,362</u>

Total business-type activities \$ 2,563,992

Changes in long-term debt are as follows:

	Balances November 30, 2005	Additions	Adjustments/ Retirements	Balances November 30, 2006
Governmental activities:				
Debt Certificates	\$22,305,000	\$ -	\$ 520,000	\$21,785,000
Loan/lease agreement	867,475	-	214,720	652,755
Capital leases	5,124,691	275,949	465,658	4,934,982
Compensated absences	<u>413,560</u>	<u>-</u>	<u>78,835</u>	<u>334,725</u>
Total	<u>\$28,710,726</u>	<u>\$275,949</u>	<u>\$1,279,213</u>	<u>\$27,707,462</u>
Business-type activities:				
Bonds - Alternate Revenue Source	\$ 2,750,000	\$ -	\$ 220,000	\$ 2,530,000
Capital leases	25,910	-	8,280	17,630
Compensated absences	<u>30,830</u>	<u>-</u>	<u>14,468</u>	<u>16,362</u>
Total	<u>\$ 2,806,740</u>	<u>\$ -</u>	<u>\$ 242,748</u>	<u>\$ 2,563,992</u>

The annual requirements to amortize all long-term debt outstanding at November 30, 2006, exclusive of compensated absences are as follows:

Year Ending November 30,	Principal	Interest
2007	\$ 1,761,844	\$ 1,304,587
2008	1,756,968	1,235,857
2009	1,644,494	1,166,843
2010	1,456,348	1,109,004
2011	1,509,733	1,053,464
2012-2016	8,529,755	4,273,012
2017-2021	7,642,656	2,411,375
2022-2026	<u>5,618,569</u>	<u>596,560</u>
	<u>\$29,920,367</u>	<u>\$13,150,702</u>

Note 8 – Leases

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

Operating Leases

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

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 8 - Leases (Continued)

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 \$525,420 in 2006 to \$666,200 in year 2016. For years 2017 through 2026, rental payments will be determined through negotiation. The County is not liable for any lease payments attributable to that portion of the facility leased by Will County.

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

Capital Leases - Health Department Facilities

In January 2002, the County entered into a lease agreement with the Kankakee County Public Building Commission and an intergovernmental agreement with the Kankakee County Public Health Department for lease of facilities to be occupied by the Health Department. 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 bond and is secured by various revenues of the County Health Department.

Subsequent to November 30, the County of Kankakee, the Health Department and the Kankakee Public Building Commission entered into amended lease and intergovernmental agreements, which have the effect of reducing future minimum, lease payments to the Kankakee Public Building Commission. The reduction is expected to be approximately \$114,000 over the remaining original lease term.

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.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 8 - Leases (Continued)

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

	Will County Public Building Commission	Kankakee County Public Building Commission	Other Leases	
			Governmental	Business Type
Year ended November 30,				
2007	\$ 548,880	\$ 189,000	\$260,921	9,381
2008	576,398	189,000	173,458	9,380
2009	603,001	189,000	50,143	-
2010	548,613	189,000	-	-
2011	568,381	189,000	-	-
2012-2016	3,164,435	944,999	-	-
2017-2021	-	944,999	-	-
2022-2026	-	891,469	-	-
Total minimum lease payments	6,009,708	3,726,467	484,522	18,761
Less: Amount representing estimated executory costs (maintenance and insurance), included in total minimum lease payments	<u>2,962,482</u>	-	-	-
Net minimum lease payments	3,047,226	3,726,467	484,522	18,761
Less: Amount representing interest	<u>781,234</u>	<u>1,511,500</u>	<u>30,499</u>	<u>1,131</u>
Present value of net minimum lease payments	<u>\$2,265,992</u>	<u>\$2,214,967</u>	<u>\$454,023</u>	<u>\$17,630</u>

Note 9 – Restricted Net Assets, and Restatements of Fund Balances

The amount of net assets restricted by enabling legislation is \$20,986,994.

Unmatured compensated absences consisting of vacation time and compensating time were recorded as a liability and expense in the November 30, 2005 fund financial statements. In accordance with GASB Interpretation No. 6, such amounts should only be recorded when due. Beginning fund balances have been restated as shown below.

	General Fund	Pension Fund	County Highway	Other Governmental Funds
Fund balance at November 30, 2005, as previously reported	\$5,075,188	\$4,222,530	\$2,259,252	\$13,002,926
Vacation and compensating time	<u>304,578</u>	<u>63,677</u>	<u>30,759</u>	<u>58,634</u>
Beginning fund balance, restated	<u>\$5,379,766</u>	<u>\$4,286,207</u>	<u>\$2,290,011</u>	<u>\$13,061,560</u>

Note 10 - Retirement Funds

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 or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 10 – Retirement Funds (Continued)

Regular employees and elected County officials

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 2006 were 9.80 percent and 68.08 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, 2006 were 26 years.

For December 31, 2006, the County's annual pension cost of \$1,578,358 and \$169,032 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, 2004 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 2006 actuarial valuation were based on the 2002-2004 experience study.

Trend information is presented in the following table.

<u>Actuarial Valuation Date</u>	Regular Annual Pension Cost (APC)	Elected Officials Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/06	\$1,578,358	\$169,032	100%	\$-0-
12/31/05	1,401,434	198,788	100%	-0-
12/31/04	1,041,087	218,816	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-

Sheriff's Law Enforcement Personnel

Employees participating in IMRF are required to contribute 7.50 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 2006 was 18.86 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, 2006 was 26 years.

For December 31, 2006, the County's annual pension cost of \$708,711 was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2004 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 2006 actuarial valuation were based on the 2000-2004 experience study.

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 10 – Retirement Funds (Continued)

Trend information is presented in the following table.

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/06	\$708,711	100%	\$-0-
12/31/05	617,055	100%	-0-
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-

Note 11 – Deferred Compensation Plan

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

Note 12 – Interfund Accounts and Transfers

Interfund receivables and payables are principally due to the General Fund incurring expenditures for the benefit of the County Garbage Tipping Fund and the Highway Fund incurring expenditures for the benefit of the County Motor Fuel Tax Fund. The interfund balance between the General and Pension Funds and the 911 System Fee Fund relate to payments under an intergovernmental agreement. Balances are as follows:

	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 10,510	\$89,740
Pension Fund	-	11,195
Highway Fund	95,492	-
Other Governmental Funds		<u>106,002</u>
Total Governmental Funds	<u>106,002</u>	<u>206,937</u>
Enterprise Fund - 911 System Fee Fund	100,935	-
Total Due To/From Other Funds - All Funds	<u>\$206,937</u>	<u>\$206,937</u>

Transfers during the year ended November 30, 2006 are summarized as follows:

	<u>In</u>	<u>Out</u>
General Fund	\$112,000	\$263,238
Capital Projects Fund	-	100,000
Other Nonmajor Funds	<u>263,238</u>	<u>12,000</u>
	<u>\$375,238</u>	<u>\$375,238</u>

The General Fund transferred funds to the Debt Service Fund as a result of the abatement of a tax levy. The Capital Projects Fund transferred debt certificate proceeds to the General Fund to be used for capital improvements permitted by the debt agreement.

Note 13 – Additional Fund Disclosures

The following funds had expenditures in excess of appropriations:

Tort Fund	Garbage Tipping
Pension Fund	

Kankakee County, Illinois
Notes to Basic Financial Statements

Note 13 – Additional Fund Disclosures (Continued)

The Driver Improvement Program Fund had a deficit fund balance at November 30, 2006.

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 Riverside Country Estates amounted to \$19,045 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 14 – Insurance and Related Risks

The County is exposed to various risks in the course of its daily operations. These include liability under workers' compensation laws, employee health insurance and general liability under tort laws. Except for workers' compensation insurance, described in the following paragraph, the County purchases commercial insurance for these risks.

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

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

Note 15 – Contingencies and Commitments

Grant Contingency

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

Litigation

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

Note 16 - Other Disclosures

The County has an agreement with the United States Marshals Service to house federal prisoners in local facilities. The agreement is in effect indefinitely until terminated in writing by either party. The County is reimbursed at a rate of \$60 per prisoner, per day. For the year ended November 30, 2006, revenues of approximately \$3.7 million, resulting from this agreement were recognized in the General Fund.

Required Supplementary Information

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Revenues and Other Financing Sources (Uses)
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Taxes:				
Property taxes	\$ 3,406,489	\$ 3,581,489	\$ 3,582,918	\$ 1,429
Sales tax	8,781,200	9,381,200	9,183,846	(197,354)
Total Taxes	<u>12,187,689</u>	<u>12,962,689</u>	<u>12,766,764</u>	<u>(195,925)</u>
Intergovernmental:				
State income tax	2,250,000	2,250,000	2,477,260	227,260
Replacement taxes	750,000	750,000	923,702	173,702
Inheritance tax	120,000	120,000	119,858	(142)
Federal inmate housing	4,752,000	4,752,000	4,099,162	(652,838)
Grants and other reimbursements	2,009,745	2,946,660	2,851,780	(94,880)
Total Intergovernmental	<u>9,881,745</u>	<u>10,818,660</u>	<u>10,471,762</u>	<u>(346,898)</u>
Charges for Services:				
County Recorder fees	681,500	681,500	782,885	101,385
Circuit Clerk fees	2,397,000	2,397,000	2,266,174	(130,826)
Building and Zoning fees	370,000	370,000	393,806	23,806
Sheriff fees	250,500	250,500	264,939	14,439
County Clerk fees	186,000	186,000	182,336	(3,664)
Other fees and reimbursements	87,500	87,500	125,690	38,190
Total Charges for Services	<u>3,972,500</u>	<u>3,972,500</u>	<u>4,015,830</u>	<u>43,330</u>
License and Permits:				
Liquor licenses	35,000	35,000	27,425	(7,575)
Cable TV franchise fees	120,000	120,000	244,133	124,133
Contractor licenses	75,000	75,000	96,350	21,350
Gambling machine licenses	11,250	11,250	8,878	(2,372)
Total Licenses and Permits	<u>241,250</u>	<u>241,250</u>	<u>376,786</u>	<u>135,536</u>
Fines and Forfeits:				
County fines and forfeitures	487,500	487,500	489,426	1,926
Real estate tax penalties	450,000	488,913	501,458	12,545
Total Fines and Forfeits	<u>937,500</u>	<u>976,413</u>	<u>990,884</u>	<u>12,099</u>
Interest	<u>84,000</u>	<u>84,000</u>	<u>145,920</u>	<u>61,920</u>
Miscellaneous	<u>266,900</u>	<u>391,900</u>	<u>407,183</u>	<u>15,283</u>
Total Revenues	<u>27,571,584</u>	<u>29,447,412</u>	<u>29,175,129</u>	<u>(272,283)</u>
Other Financing Sources (Uses):				
Transfers in	313,000	413,000	112,000	\$ (301,000)
Transfers out	-	-	(263,238)	(263,238)
Proceeds from long-term debt	-	-	275,949	275,949
Total Other Financing Sources (Uses)	<u>313,000</u>	<u>413,000</u>	<u>124,711</u>	<u>(288,289)</u>
Total Revenues and Other Financing Sources (Uses)	<u>\$ 27,884,584</u>	<u>\$ 29,860,412</u>	<u>\$ 29,299,840</u>	<u>\$ (560,572)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government				
Management Information Systems (MIS)				
Personal services	\$ 147,000	\$ 147,000	\$ 153,720	\$ 6,720
Contractual services	5,000	5,000	-	(5,000)
Supplies	1,550	1,550	3,652	2,102
Capital outlay	204,350	204,350	197,544	(6,806)
Other services and charges	7,100	7,100	6,162	(938)
Total MIS	365,000	365,000	361,078	(3,922)
Board of Review				
Personal services	23,040	23,040	23,232	192
Contractual services	600	600	140	(460)
Supplies	400	400	578	178
Other services and charges	11,960	61,960	8,995	(52,965)
Total Board of Review	36,000	86,000	32,945	(53,055)
County Administration				
Personal services	262,913	262,913	262,870	(43)
Contractual services	37,100	37,100	33,342	(3,758)
Supplies	5,917	5,917	4,809	(1,108)
Capital outlay	14,500	14,500	11,317	(3,183)
Other services and charges	86,153	76,153	63,398	(12,755)
Debt service principal	9,090	9,090	7,313	(1,777)
Debt service interest	14,327	14,327	15,367	1,040
Total County Administration	430,000	420,000	398,416	(21,584)
County Auditor				
Personal services	141,500	141,500	124,639	(16,861)
Supplies	7,700	7,700	20,798	13,098
Capital outlay	5,500	5,500	3,706	(1,794)
Other services and charges	9,300	9,300	12,765	3,465
Total County Auditor	164,000	164,000	161,908	(2,092)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
County Recorder				
Personal services	187,200	187,200	188,366	1,166
Supplies	7,100	7,100	5,434	(1,666)
Other services and charges	2,700	2,700	705	(1,995)
Total County Recorder	197,000	197,000	194,505	(2,495)
Election Commission				
Personal services	303,209	303,209	308,892	5,683
Contractual services	16,946	16,946	44,358	27,412
Supplies	212,175	177,175	198,168	20,993
Capital outlay	-	758,272	613,000	(145,272)
Other services and charges	55,670	55,670	56,333	663
Total Election Commission	588,000	1,311,272	1,220,751	(90,521)
Regional Superintendent of Schools				
Contractual services	320,115	300,115	299,269	(846)
Total Regional Superintendent of Schools	320,115	300,115	299,269	(846)
County Clerk				
Personal services	170,694	180,694	182,239	1,545
Supplies	19,451	19,451	15,263	(4,188)
Other services and charges	4,855	4,855	2,705	(2,150)
Total County Clerk	195,000	205,000	200,207	(4,793)
Buildings and Grounds				
Personal services	577,418	577,418	590,353	12,935
Contractual services	132,500	132,500	90,979	(41,521)
Supplies	137,895	137,895	224,874	86,979
Capital outlay	111,600	76,600	14,740	(61,860)
Other services and charges	29,158	29,158	19,796	(9,362)
Total Buildings and Grounds	988,571	953,571	940,742	(12,829)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Capital Development				
Capital outlay	615,657	556,557	432,519	(124,038)
Other services and charges	10,000	10,000	16,020	6,020
Debt service principal	982,253	982,253	1,020,691	38,438
Debt service interest	1,310,145	1,310,145	1,139,621	(170,524)
Total Capital Development	2,918,055	2,858,955	2,608,851	(250,104)
Health Insurance and Utilities				
Supplies	40,000	40,000	40,462	462
Other services and charges	674,882	674,882	799,241	124,359
Insurances	2,335,118	2,358,473	2,576,669	218,196
Total Health Insurance and Utilities	3,050,000	3,073,355	3,416,372	343,017
Planning Department				
Personal services	706,462	706,462	633,324	(73,138)
Contractual services	83,610	183,610	250,747	67,137
Supplies	37,600	37,600	21,618	(15,982)
Capital outlay	21,000	21,000	4,396	(16,604)
Other services and charges	61,736	61,736	109,079	47,343
Total Planning Department	910,408	1,010,408	1,019,164	8,756
County Treasurer				
Personal services	192,455	192,455	180,528	(11,927)
Contractual services	4,500	4,500	3,703	(797)
Supplies	37,100	37,100	36,978	(122)
Other services and charges	6,945	6,945	5,674	(1,271)
Total County Treasurer	241,000	241,000	226,883	(14,117)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
General Government (continued)				
Finance Department				
Personal services	189,912	159,912	127,152	(32,760)
Contractual services	42,000	42,000	35,415	(6,585)
Supplies	3,500	3,500	2,856	(644)
Capital outlay	18,588	18,588	38,261	19,673
Other services and charges	13,000	13,000	17,744	4,744
Total Finance Department	267,000	237,000	221,428	(15,572)
Contingency				
Other services and charges	400,000	-	-	-
Total Contingency	400,000	-	-	-
Supervisor of Assessments				
Personal services	286,743	306,743	301,240	(5,503)
Contractual services	92,120	92,120	89,528	(2,592)
Supplies	26,700	26,700	26,156	(544)
Capital outlay	14,737	14,737	9,805	(4,932)
Other services and charges	4,700	4,700	3,018	(1,682)
Total Supervisor of Assessments	425,000	445,000	429,747	(15,253)
ZBA - BOE Planning				
Personal services	7,500	7,500	4,135	(3,365)
Contractual services	10,500	10,500	4,186	(6,314)
Other services and charges	-	-	110	110
Total ZBA - BOE Planning	18,000	18,000	8,431	(9,569)
Total General Government	\$ 11,513,149	\$ 11,885,676	\$ 11,740,697	(144,979)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Judiciary and Court Related				
Circuit Court				
Personal services	\$ 137,500	\$ 137,500	\$ 126,421	\$ (11,079)
Contractual services	113,160	113,160	116,866	3,706
Supplies	11,375	11,375	9,398	(1,977)
Capital outlay	3,000	3,000	1,193	(1,807)
Other services and charges	19,965	19,965	17,236	(2,729)
Total Circuit Court	<u>285,000</u>	<u>285,000</u>	<u>271,114</u>	<u>(13,886)</u>
Circuit Clerk				
Personal services	920,230	945,230	949,520	4,290
Supplies	46,500	46,500	47,383	883
Capital outlay	1,000	1,000	928	(72)
Other services and charges	5,270	5,270	1,675	(3,595)
Total Circuit Clerk	<u>973,000</u>	<u>998,000</u>	<u>999,506</u>	<u>1,506</u>
Child Support and Maintenance				
Personal services	53,500	48,500	46,477	(2,023)
Supplies	6,500	6,500	5,775	(725)
Total Child Support and Maintenance	<u>60,000</u>	<u>55,000</u>	<u>52,252</u>	<u>(2,748)</u>
Jury Commission				
Personal services	30,350	30,350	33,797	3,447
Contractual services	3,500	3,500	2,034	(1,466)
Supplies	18,700	18,700	17,161	(1,539)
Capital outlay	16,000	16,000	11,839	(4,161)
Other services and charges	161,450	181,450	180,023	(1,427)
Total Jury Commission	<u>230,000</u>	<u>250,000</u>	<u>244,854</u>	<u>(5,146)</u>
States Attorney				
Personal services	1,656,326	1,641,726	1,630,348	(11,378)
Contractual services	113,735	113,735	126,265	12,530
Supplies	52,865	52,865	43,278	(9,587)
Capital outlay	28,744	28,744	53,226	24,482
Other services and charges	63,896	63,896	52,703	(11,193)
Total States Attorney	<u>1,915,566</u>	<u>1,900,966</u>	<u>1,905,820</u>	<u>4,854</u>

**Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006**

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Judiciary and Court Related (continued)				
Public Defender				
Personal services	668,641	668,641	649,234	(19,407)
Contractual Services	20,090	20,090	14,087	(6,003)
Supplies	6,400	6,400	5,243	(1,157)
Capital outlay	-	-	33,171	33,171
Other services and charges	869	869	1,171	302
Total Public Defender	696,000	696,000	702,906	6,906
Probation				
Personal services	1,365,833	1,365,833	1,299,923	(65,910)
Contractual services	496,300	666,300	752,021	85,721
Supplies	10,000	10,000	12,006	2,006
Capital outlay	46,000	46,000	3,299	(42,701)
Other services and charges	37,500	37,500	40,108	2,608
Total Probation	1,955,633	2,125,633	2,107,357	(18,276)
DNDC				
Contractual Services	30,000	30,000	28,851	(1,149)
Other services and charges	395,000	345,000	370,663	25,663
Total DNDC	425,000	375,000	399,514	24,514
Total Judiciary and Court Related	\$ 6,540,199	\$ 6,685,599	\$ 6,683,323	\$ (2,276)

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Public Safety				
Sheriff's Office				
Personal services	\$ 3,285,868	\$ 3,644,067	\$ 3,698,314	\$ 54,247
Contractual services	143,826	143,826	91,755	(52,071)
Supplies	93,433	79,433	78,872	(561)
Capital outlay	22,860	121,177	143,955	22,778
Other services and charges	416,764	434,764	453,668	18,904
Debt service principal	-	-	7,402	7,402
Debt service interest	-	-	641	641
Total Sheriff's Office	<u>3,962,751</u>	<u>4,423,267</u>	<u>4,474,607</u>	<u>51,340</u>
Corrections - Combs Center				
Personal services	3,951,179	4,383,179	4,336,274	(46,905)
Contractual services	23,400	53,400	23,229	(30,171)
Supplies	101,652	101,652	120,803	19,151
Capital outlay	56,000	86,000	57,163	(28,837)
Other services and charges	704,769	1,175,769	1,249,615	73,846
Total Corrections	<u>4,837,000</u>	<u>5,800,000</u>	<u>5,787,084</u>	<u>(12,916)</u>
Auxiliary Police				
Supplies	4,700	4,700	4,024	(676)
Other services and charges	800	800	849	49
Total Auxiliary Police	<u>5,500</u>	<u>5,500</u>	<u>4,873</u>	<u>(627)</u>
Coroner				
Personal services	200,548	200,548	200,017	(531)
Contractual services	94,252	94,252	103,883	9,631
Supplies	5,900	5,900	5,451	(449)
Capital outlay	5,900	1,500	438	(1,062)
Other services and charges	17,800	17,800	15,246	(2,554)
Total Coroner	<u>324,400</u>	<u>320,000</u>	<u>325,035</u>	<u>5,035</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
General Fund - Expenditures
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Public Safety (continued)				
Dispatch Services				
Contractual services	485,000	485,000	486,506	1,506
Total Dispatch Services	485,000	485,000	486,506	1,506
Merit Commission				
Personal services	2,000	2,000	475	(1,525)
Supplies	525	525	1,384	859
Other services and charges	7,475	7,475	1,551	(5,924)
Total Merit Commission	10,000	10,000	3,410	(6,590)
ESDA				
Personal services	113,860	113,860	119,365	5,505
Contractual services	5,200	5,200	3,808	(1,392)
Supplies	4,320	4,320	6,833	2,513
Capital outlay	49,675	73,460	44,111	(29,349)
Other services and charges	33,530	48,530	36,804	(11,726)
Total ESDA	206,585	245,370	210,921	(34,449)
Total Public Safety	\$ 9,831,236	\$ 11,289,137	\$ 11,292,436	3,299
Total Fund Expenditures	\$ 27,884,584	\$ 29,860,412	\$ 29,716,456	(143,956)

**Kankakee County, Illinois
Budgetary Comparison Schedule
Tort Liability Fund
For the Year Ended November 30, 2006**

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Property taxes	\$ 2,045,700	\$ 2,045,700	\$ 2,025,788	\$ (19,912)
Intergovernmental	20,000	20,000	5,975	(14,025)
Interest on investments	<u>55,200</u>	<u>55,200</u>	<u>71,262</u>	<u>16,062</u>
Total revenue	<u>2,120,900</u>	<u>2,120,900</u>	<u>2,103,025</u>	<u>(17,875)</u>
Expenditures:				
Personal services	451,300	451,300	423,926	(27,374)
Contractual services	1,615,500	1,615,500	1,768,377	152,877
Supplies and materials	2,100	2,100	3,450	1,350
Capital outlay	2,000	2,000	1,099	(901)
Other services and charges	<u>50,000</u>	<u>50,000</u>	<u>52,579</u>	<u>2,579</u>
Total expenditures	<u>2,120,900</u>	<u>2,120,900</u>	<u>2,249,431</u>	<u>128,531</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (146,406)</u>	<u>\$ (146,406)</u>

Kankakee County, Illinois
Budgetary Comparison Schedule
Pension Fund
For the Year Ended November 30, 2006

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues:				
Property taxes	\$ 3,075,142	\$ 3,075,142	\$ 3,068,930	\$ (6,212)
Intergovernmental	100,000	100,000	85,547	(14,453)
Interest on investments	96,000	96,000	139,065	43,065
Total revenues	<u>3,271,142</u>	<u>3,271,142</u>	<u>3,293,542</u>	<u>22,400</u>
Expenditures:				
Personal services	<u>3,741,903</u>	<u>3,741,903</u>	<u>4,008,329</u>	<u>266,426</u>
Total expenditures	<u>3,741,903</u>	<u>3,741,903</u>	<u>4,008,329</u>	<u>266,426</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (470,761)</u>	<u>\$ (470,761)</u>	<u>\$ (714,787)</u>	<u>\$ (244,026)</u>

**Kankakee County, Illinois
Budgetary Comparison Schedule
County Highway Fund
For the Year Ended November 30, 2006**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:				
Property taxes	\$ 1,497,290	\$ 1,497,290	\$ 1,481,463	\$ (15,827)
Fines and fees	578,198	578,198	673,346	95,148
Interest on investments	35,000	35,000	81,801	46,801
Miscellaneous	40,000	40,000	66,377	26,377
Total revenues	2,150,488	2,150,488	2,302,987	152,499
Expenditures:				
Personal services	1,175,163	1,175,163	972,233	(202,930)
Contractual services	486,650	486,650	109,557	(377,093)
Capital outlay	1,765,000	1,765,000	397,314	(1,367,686)
Other services and charges	830,320	830,320	678,658	(151,662)
Total expenditures	4,257,133	4,257,133	2,157,762	(2,099,371)
Excess (deficiency) of revenues over expenditures	\$ (2,106,645)	\$ (2,106,645)	\$ 145,225	\$ 2,251,870

Kankakee County, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information - Schedule of Funding Progress
November 30, 2006

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>						
12/31/06	\$30,540,714	\$33,809,217	\$3,268,503	90.33%	\$16,105,693	20.29%
12/31/05	27,459,933	29,718,645	2,258,712	92.40%	14,659,351	15.41%
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%

On a market value basis, the actuarial value of assets basis as of December 31, 2006 is \$32,643,220. On a market basis, the funded ratio would be 96.55%.

<u>Elected Officials</u>						
12/31/06	\$779,001	\$2,549,438	\$1,770,437	30.56%	\$248,285	713.07%
12/31/05	459,492	2,205,785	1,746,293	20.83%	244,977	712.84%
12/31/04	273,213	2,172,100	1,898,887	12.58%	215,424	881.46%
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	1,418,064	27.67%	328,745	431.36%
12/31/97	37,605	782,341	744,736	4.81%	302,811	245.94%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$922,131. On a market basis, the funded ratio would be 36.17%.

<u>Sheriff's Law Enforcement Personnel (SLEP)</u>						
12/31/06	\$13,940,051	\$19,601,376	\$5,661,325	71.12%	\$3,757,747	150.66%
12/31/05	11,741,288	15,072,567	3,331,279	77.90%	\$3,275,241	101.71%
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	8,359,423	9,027,113	667,690	92.60%	2,584,363	25.84%
12/31/99	7,390,338	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%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$14,979,540. On a market basis, the funded ratio would be 76.42%.

**Kankakee County, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information - Schedule of Funding Progress
November 30, 2006**

***Digest of Changes**

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and more early retirements are expected to occur.

SLEP member contribution rate changed from 6.50% to 7.50% effective June 1, 2006.

Other Supplementary Information

Kankakee County, Illinois
Tort Liability Insurance Fund
Other Supplementary Information - Disclosure of Tort Expenditures under PA 91-0628
November 30, 2006

Property and liability insurance	\$1,090,709
Illinois Public Risk Fund, workmen's compensation insurance	651,062
Salaries (States Attorney, Civil Division and administrative)	353,017
Illinois Department of Employment Security, unemployment insurance	70,909
River Valley Detention Center insurance	26,606
Miscellaneous claims, net of insurance reimbursements	47,920
Other	9,208
	\$2,249,431

Kankakee County, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds
November 30, 2006

	Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Assets			
Cash	\$ 3,604,805	\$ 50	\$ 3,604,855
Investments, at cost	8,909,958	12,696	8,922,654
Receivables, (net, where applicable of allowance for uncollectibles):			
Taxes, including interest, penalties and liens	2,210,639	290,482	2,501,121
Accounts	380,307	-	380,307
Loans	186,624	-	186,624
Prepaid expenses	112,645	-	112,645
Due from other funds	-	-	-
Due from other governments	321,615	-	321,615
Inventory, at cost	56,231	-	56,231
 Total assets	 <u>\$ 15,782,824</u>	 <u>\$ 303,228</u>	 <u>\$ 16,086,052</u>
 Liabilities and Fund Balances:			
Liabilities			
Vouchers and accounts payable	\$ 921,568	\$ -	\$ 921,568
Due to other funds	106,002	-	106,002
Deferred revenue	<u>2,299,098</u>	<u>281,661</u>	<u>2,580,759</u>
 Total liabilities	 <u>3,326,668</u>	 <u>281,661</u>	 <u>3,608,329</u>
 Fund balances			
Reserved - debt service and capital projects	-	21,567	21,567
Reserved - other	145,522	-	145,522
Unreserved	<u>12,310,634</u>	<u>-</u>	<u>12,310,634</u>
 Total fund balances	 <u>12,456,156</u>	 <u>21,567</u>	 <u>12,477,723</u>
 Total liabilities and fund balances	 <u>\$ 15,782,824</u>	 <u>\$ 303,228</u>	 <u>\$ 16,086,052</u>

Kankakee County, Illinois
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Nonmajor Governmental Funds
For the Year Ended November 30, 2006

	Nonmajor Special Revenue	Debt Service	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 2,012,081	\$ 241,885	\$ 2,253,966
Intergovernmental	7,681,598	-	7,681,598
Licenses and permits	239,303	-	239,303
Fines and fees	1,503,208	-	1,503,208
Interest on investments	513,807	1,430	515,237
Miscellaneous	102,174	-	102,174
Total revenues	12,052,171	243,315	12,295,486
Expenditures:			
General government	365,338	-	365,338
Judiciary and court related	344,565	293,348	637,913
Public safety	404,038	-	404,038
Public health and welfare	3,385,030	-	3,385,030
Transportation	4,265,112	-	4,265,112
Economic development	2,675,293	-	2,675,293
Capital outlay	989,942	-	989,942
Debt service principal	62,640	102,332	164,972
Debt service interest	113,183	129,740	242,923
Total expenditures	12,605,141	525,420	13,130,561
Excess (deficiency) of revenues over expenditures	(552,970)	(282,105)	(835,075)
Other financing sources (uses):			
Operating transfers in	-	263,238	263,238
Operating transfers out	(12,000)	-	(12,000)
Total other financing sources (uses)	(12,000)	263,238	251,238
Excess (deficiency) of revenues over expenditures and other sources (uses)	(564,970)	(18,867)	(583,837)
Fund balance, beginning of year, restated (Note 9)	13,021,126	40,434	13,061,560
Fund balance, end of year	\$ 12,456,156	\$ 21,567	\$ 12,477,723

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2006

	Major Funds					Nonmajor Funds				
	Tort Liability	Pension	County Highway	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants	Court Security Fee	
	Assets									
Cash	\$ 1,492,351	\$ 1,326,011	\$ 346,258	\$ 128,310	\$ 10,371	\$ 46,254	\$ 47,279	\$ 75,000	\$ 237,040	
Investments, at cost	377,999	2,440,631	2,047,273	19,810	38,869	39,664	45,490	-	275,812	
Receivables:										
Taxes (net of allowance for estimated uncollectibles)	2,294,033	3,558,132	1,661,159	-	-	-	-	-	-	
Accounts	2,905	55,131	43,852	2,145	1,304	18,480	15,750	35,857	25,738	
Loans	-	-	-	-	-	-	-	-	-	
Prepaid expenses	490,261	1,510	-	592	413	-	-	-	1,217	
Due from other funds	-	-	95,492	-	-	-	-	-	-	
Due from other governments	-	-	-	-	-	-	-	-	-	
Inventory, at cost	-	-	36,996	-	-	-	-	-	-	
Total assets	<u>\$ 4,657,549</u>	<u>\$ 7,381,415</u>	<u>\$ 4,231,030</u>	<u>\$ 150,857</u>	<u>\$ 50,957</u>	<u>\$ 104,398</u>	<u>\$ 108,519</u>	<u>\$ 110,857</u>	<u>\$ 539,807</u>	
Liabilities and Fund Balance										
Liabilities										
Vouchers payable	\$ 39,077	\$ 351,801	\$ 188,665	\$ 1,536	\$ 203	\$ 336	\$ 1,770	\$ 110,857	\$ 6,675	
Due to other funds	-	11,980	-	-	-	-	-	-	-	
Deferred revenue	<u>2,220,156</u>	<u>3,446,214</u>	<u>1,607,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total liabilities	<u>2,259,233</u>	<u>3,809,995</u>	<u>1,795,794</u>	<u>1,536</u>	<u>203</u>	<u>336</u>	<u>1,770</u>	<u>110,857</u>	<u>6,675</u>	
Fund balance - reserved	490,261	1,510	36,996	592	413	-	-	-	1,217	
Fund balance - unreserved	<u>1,908,055</u>	<u>3,569,910</u>	<u>2,398,240</u>	<u>148,729</u>	<u>50,341</u>	<u>104,062</u>	<u>106,749</u>	<u>-</u>	<u>533,915</u>	
Total fund balance (deficit)	<u>2,398,316</u>	<u>3,571,420</u>	<u>2,435,236</u>	<u>149,321</u>	<u>50,754</u>	<u>104,062</u>	<u>106,749</u>	<u>-</u>	<u>533,132</u>	
Total liabilities and fund balance	<u>\$ 4,657,549</u>	<u>\$ 7,381,415</u>	<u>\$ 4,231,030</u>	<u>\$ 150,857</u>	<u>\$ 50,957</u>	<u>\$ 104,398</u>	<u>\$ 108,519</u>	<u>\$ 110,857</u>	<u>\$ 539,807</u>	

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2006

	Nonmajor Funds								
	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	
	Assets								
Cash	\$ 651,481	\$ (1,392)	\$ 180,512	\$ 9,505	\$ 36,021	\$ 3,874	\$ 251,238	\$ (4,201)	
Investments, at cost	395,785	40,417	112,876	29,333	63,653	-	380,785	-	
Receivables:									
Taxes (net of allowance for estimated uncollectibles)	-	-	-	-	-	-	-	-	
Accounts	11,044	6,972	7,194	-	674	465	11,133	5,880	
Loans	-	-	-	-	-	-	-	-	
Prepaid expenses	1,077	-	-	-	-	-	-	3,482	-
Due from other funds	-	-	-	-	-	-	-	-	
Due from other governments	-	-	-	-	-	-	-	-	
Inventory, at cost	-	-	-	-	-	-	-	-	
Total assets	\$ 1,059,387	\$ 45,997	\$ 300,582	\$ 38,838	\$ 100,348	\$ 4,339	\$ 646,638	\$ 1,679	
Liabilities and Fund Balance									
Liabilities									
Vouchers payable	\$ 762	\$ 6,078	\$ 10,013	\$ 150	\$ -	\$ -	\$ 3,648	\$ 4,139	
Due to other funds	-	-	-	-	-	-	-	-	
Deferred revenue	-	-	-	-	-	-	-	-	
Total liabilities	762	6,078	10,013	150	-	-	3,648	4,139	
Fund balance - reserved	1,077	-	-	-	-	-	-	3,482	
Fund balance - unreserved	1,057,548	39,919	290,569	38,688	100,348	4,339	639,508	(2,460)	
Total fund balance (deficit)	1,058,625	39,919	290,569	38,688	100,348	4,339	642,990	(2,460)	
Total liabilities and fund balance	\$ 1,059,387	\$ 45,997	\$ 300,582	\$ 38,838	\$ 100,348	\$ 4,339	\$ 646,638	\$ 1,679	

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2006

	Nonmajor Funds						
	Arrestee Medical	Health	County Garbage Tipping Fee	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans	County Motor Fuel Tax
	Assets						
Cash	\$ 12,776	\$ 581,655	\$ 8,430	\$ 54,106	\$ 4,001	\$ 364,350	\$ 282,149
Investments, at cost	-	1,214,474	-	318,445	-	548,646	457,009
Receivables:							
Taxes (net of allowance for estimated uncollectibles)	-	428,542	-	137,508	-	-	-
Accounts	711	-	2,080	1,414	-	4,303	-
Loans	-	-	-	-	-	186,624	-
Prepaid expenses	-	-	-	724	-	-	60,752
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	137,937	-	-	-	30,099	139,558
Inventory, at cost	-	56,231	-	-	-	-	-
Total assets	<u>\$ 13,487</u>	<u>\$ 2,418,839</u>	<u>\$ 10,510</u>	<u>\$ 512,197</u>	<u>\$ 4,001</u>	<u>\$ 1,134,022</u>	<u>\$ 939,468</u>
Liabilities and Fund Balance							
Liabilities							
Vouchers payable	\$ 12,000	\$ 59,510	\$ -	\$ 9,958	\$ -	\$ 34,403	\$ 68,868
Due to other funds	-	-	10,510	-	-	-	95,492
Deferred revenue	-	465,162	-	132,546	-	-	-
Total liabilities	<u>12,000</u>	<u>524,672</u>	<u>10,510</u>	<u>142,504</u>	<u>-</u>	<u>34,403</u>	<u>164,360</u>
Fund balance - reserved	-	32,877	-	724	-	-	60,752
Fund balance - unreserved	1,487	1,861,290	-	368,969	4,001	1,099,619	714,356
Total fund balance (deficit)	<u>1,487</u>	<u>1,894,167</u>	<u>-</u>	<u>369,693</u>	<u>4,001</u>	<u>1,099,619</u>	<u>775,108</u>
Total liabilities and fund balance	<u>\$ 13,487</u>	<u>\$ 2,418,839</u>	<u>\$ 10,510</u>	<u>\$ 512,197</u>	<u>\$ 4,001</u>	<u>\$ 1,134,022</u>	<u>\$ 939,468</u>

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Balance Sheets
 November 30, 2006

	Nonmajor Funds						Total Nonmajor Funds	Total
	Matching Tax	County Bridge	Township Bridge	Geographical Information System	Marriage Fund	WIA Grants		
Assets								
Cash	\$ 28,445	\$ 170,524	\$ 149,732	\$ 246,160	\$ 3,869	\$ 27,316	\$ 3,604,805	\$ 6,769,425
Investments, at cost	3,006,946	1,811,662	-	110,282	-	-	8,909,958	13,775,861
Receivables:								
Taxes (net of allowance for estimated uncollectibles)	822,294	822,295	-	-	-	-	2,210,639	9,723,963
Accounts	-	-	-	4,005	-	225,158	380,307	482,195
Loans	-	-	-	-	-	-	186,624	186,624
Prepaid expenses	-	-	-	13,473	-	30,915	112,645	604,416
Due from other funds	-	-	-	-	-	-	-	95,492
Due from other governments	-	-	-	14,021	-	-	321,615	321,615
Inventory, at cost	-	-	-	-	-	-	56,231	93,227
Total assets	\$ 3,857,685	\$ 2,804,481	\$ 149,732	\$ 387,941	\$ 3,869	\$ 283,389	\$ 15,782,824	\$ 32,052,818
Liabilities and Fund Balance								
Liabilities								
Vouchers payable	\$ 155,728	\$ 113,162	\$ 10,335	\$ 33,560	\$ -	\$ 277,877	\$ 921,568	\$ 1,501,111
Due to other funds	-	-	-	-	-	-	106,002	117,982
Deferred revenue	795,280	795,280	105,318	-	-	5,512	2,299,098	9,572,597
Total liabilities	951,008	908,442	115,653	33,560	-	283,389	3,326,668	11,191,690
Fund balance - reserved	-	-	-	13,473	-	30,915	145,522	674,289
Fund balance - unreserved	2,906,677	1,896,039	34,079	340,908	3,869	(30,915)	12,310,634	20,186,839
Total fund balance (deficit)	2,906,677	1,896,039	34,079	354,381	3,869	-	12,456,156	20,861,128
Total liabilities and fund balance	\$ 3,857,685	\$ 2,804,481	\$ 149,732	\$ 387,941	\$ 3,869	\$ 283,389	\$ 15,782,824	\$ 32,052,818

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Statements of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended November 30, 2006

	Major Funds				Nonmajor Funds				
	Tort Liability	Pension	County Highway	Recorder Computer	County Clerk Computer	County Treasurer Computer	Treasurer's Interest	Subrecipient Grants	Court Security Fee
Revenues:									
Property taxes	\$ 2,025,788	\$ 3,068,930	\$ 1,481,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,975	85,547	-	-	-	-	-	341,787	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and fees	-	-	673,346	126,886	21,986	9,065	15,750	-	312,702
Interest on investments	71,262	139,065	81,801	2,490	1,834	2,065	2,355	-	15,139
Miscellaneous	-	-	66,377	-	-	24,285	-	-	-
Total revenues	2,103,025	3,293,542	2,302,987	129,376	23,820	35,415	18,105	341,787	327,841
Expenditures:									
General government	2,248,332	4,008,329	-	60,156	15,890	7,650	3,291	-	-
Judiciary and court related	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	201,155	202,883
Public health and welfare	-	-	-	-	-	-	-	-	-
Transportation	-	-	1,760,448	-	-	-	-	140,632	-
Economic development	-	-	-	-	-	-	-	-	-
Capital outlay	1,099	-	397,314	16,367	-	11,500	-	-	-
Debt service principal	-	-	-	9,010	-	-	-	-	-
Debt service interest	-	-	-	493	-	-	-	-	-
Total expenditures	2,249,431	4,008,329	2,157,762	86,026	15,890	19,150	3,291	341,787	202,883
Excess (deficiency) of revenues over expenditures	(146,406)	(714,787)	145,225	43,350	7,930	16,265	14,814	-	124,958
Other financing sources (uses):									
Operating transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(146,406)	(714,787)	145,225	43,350	7,930	16,265	14,814	-	124,958
Fund balance, beginning of year, restated (Note 9)	2,544,722	4,286,207	2,290,011	105,971	42,824	87,797	91,935	-	408,174
Fund balance (deficit), end of year	\$ 2,398,316	\$ 3,571,420	\$ 2,435,236	\$ 149,321	\$ 50,754	\$ 104,062	\$ 106,749	\$ -	\$ 533,132

Kankakee County, Illinois
Major and Nonmajor Special Revenue Funds
Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended November 30, 2006

	Nonmajor Funds							
	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	-	-	-	8,400	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and fees	140,294	62,329	87,790	-	8,258	5,219	140,874	68,176
Interest on investments	27,961	2,073	6,250	1,432	3,119	45	22,277	9
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	168,255	64,402	94,040	9,832	11,377	5,264	163,151	68,185
Expenditures:								
General government	-	-	-	-	-	-	-	-
Judiciary and court related	76,590	77,542	59,722	2,758	-	4,800	50,102	70,966
Public safety	-	-	-	-	-	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-
Capital outlay	-	-	30,616	10,303	-	-	25,198	-
Debt service principal	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-
Total expenditures	76,590	77,542	90,338	13,061	-	4,800	75,300	70,966
Excess (deficiency) of revenues over expenditures	91,665	(13,140)	3,702	(3,229)	11,377	464	87,851	(2,781)
Other financing sources (uses):								
Operating transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	91,665	(13,140)	3,702	(3,229)	11,377	464	87,851	(2,781)
Fund balance, beginning of year, restated (Note 9)	966,960	53,059	286,867	41,917	88,971	3,875	555,139	321
Fund balance (deficit), end of year	\$ 1,058,625	\$ 39,919	\$ 290,569	\$ 38,688	\$ 100,348	\$ 4,339	\$ 642,990	\$ (2,460)

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Statements of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended November 30, 2006

	Nonmajor Funds						
	Arrestee Medical	Health	County Garbage Tipping Fee	Veterans Assistance	Forfeited Funds - Sheriff	Revolving CDAP Loans	County Motor Fuel Tax
Revenues:							
Property taxes	\$ -	\$ 394,536	\$ -	\$ 136,079	\$ -	\$ -	\$ -
Intergovernmental	-	2,174,985	94	-	-	351,646	1,895,460
Licenses and permits	-	239,303	-	-	-	-	-
Fines and fees	11,106	259,282	-	-	-	-	-
Interest on investments	39	65,894	239	16,768	20	36,657	36,706
Miscellaneous	-	19,416	-	1,268	-	5,495	-
Total revenues	11,145	3,153,416	333	154,115	20	393,798	1,932,166
Expenditures:							
General government	-	-	71,704	-	-	-	-
Judiciary and court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public health and welfare	-	2,807,632	-	225,751	-	351,647	-
Transportation	-	-	-	-	-	-	1,900,974
Economic development	-	-	-	-	-	227	-
Capital outlay	-	52,709	198	625	-	-	-
Debt service principal	-	53,630	-	-	-	-	-
Debt service interest	-	112,690	-	-	-	-	-
Total expenditures	-	3,026,661	71,902	226,376	-	351,874	1,900,974
Excess (deficiency) of revenues over expenditures	11,145	126,755	(71,569)	(72,261)	20	41,924	31,192
Other financing sources (uses):							
Operating transfers out	(12,000)	-	-	-	-	-	-
Total other financing sources (uses)	(12,000)	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(855)	126,755	(71,569)	(72,261)	20	41,924	31,192
Fund balance, beginning of year, restated (Note 9)	2,342	1,767,412	71,569	441,954	3,981	1,057,695	743,916
Fund balance (deficit), end of year	\$ 1,487	\$ 1,894,167	\$ -	\$ 369,693	\$ 4,001	\$ 1,099,619	\$ 775,108

Kankakee County, Illinois
 Major and Nonmajor Special Revenue Funds
 Statements of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended November 30, 2006

	Nonmajor Funds							Total Nonmajor Funds	Total		
	Matching Tax	County Bridge	Township Bridge	Geographical Information System		Marriage Fund	WIA Grants				
Revenues:											
Property taxes	\$ 740,733	\$ 740,733	\$ -	\$ -	\$ -	\$ 2,711,840	\$ 2,012,081	\$ 8,588,262			
Intergovernmental	-	-	147,386	50,000	-	2,711,840	7,681,598	7,773,120			
Licenses and permits	-	-	-	-	-	-	239,303	239,303			
Fines and fees	-	-	-	231,431	2,060	-	1,503,208	2,176,554			
Interest on investments	169,891	91,019	2,585	6,762	20	158	513,807	805,935			
Miscellaneous	-	-	-	51,710	-	-	102,174	168,551			
Total revenues	910,624	831,752	149,971	339,903	2,080	2,711,998	12,052,171	19,751,725			
Expenditures:											
General government	-	-	-	206,647	-	-	365,338	6,621,999			
Judiciary and court related	-	-	-	-	2,085	-	344,565	344,565			
Public safety	-	-	-	-	-	-	404,038	404,038			
Public health and welfare	-	-	-	-	-	-	3,385,030	3,385,030			
Transportation	2,006,723	70,856	145,927	-	-	-	4,265,112	6,025,560			
Economic development	-	-	-	-	-	2,675,066	2,675,293	2,675,293			
Capital outlay	-	798,015	-	7,479	-	36,932	989,942	1,388,355			
Debt service principal	-	-	-	-	-	-	62,640	62,640			
Debt service interest	-	-	-	-	-	-	113,183	113,183			
Total expenditures	2,006,723	868,871	145,927	214,126	2,085	2,711,998	12,605,141	21,020,663			
Excess (deficiency) of revenues over expenditures	(1,096,099)	(37,119)	4,044	125,777	(5)	-	(552,970)	(1,268,938)			
Other financing sources (uses):											
Operating transfers out	-	-	-	-	-	-	(12,000)	(12,000)			
Total other financing sources (uses)	-	-	-	-	-	-	(12,000)	(12,000)			
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(1,096,099)	(37,119)	4,044	125,777	(5)	-	(564,970)	(1,280,938)			
Fund balance, beginning of year, restated (Note 9)	4,002,776	1,933,158	30,035	228,604	3,874	-	13,021,126	22,142,066			
Fund balance (deficit), end of year	\$ 2,906,677	\$ 1,896,039	\$ 34,079	\$ 354,381	\$ 3,869	\$ -	\$ 12,456,156	\$ 20,861,128			

**Kankakee County, Illinois
 Juvenile Detention Debt Service Fund
 Statement of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended November 30, 2006**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues:			
Property taxes	\$ 525,420	\$ 241,885	\$ (283,535)
Interest on investments	1,500	1,430	(70)
Total revenue	<u>526,920</u>	<u>243,315</u>	<u>(283,605)</u>
Expenditures:			
Other services and charges	286,570	293,348	6,778
Debt service principal	100,000	102,332	2,332
Debt service interest	138,850	129,740	(9,110)
Total expenditures	<u>525,420</u>	<u>525,420</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	1,500	(282,105)	(283,605)
Other financing sources (uses):			
Operating transfers in	<u>-</u>	<u>263,238</u>	<u>263,238</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	\$ <u>1,500</u>	<u>(18,867)</u>	<u>\$ (20,367)</u>
Fund balance, beginning of year		<u>40,434</u>	
Fund balance, end of year	<u>\$ 21,567</u>		

Kankakee County, Illinois
Statement of Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
November 30, 2006

	Township MFT	Contract Appraisal	
		Work	Total
Assets			
Cash	\$ 234,389	\$ 61,373	\$ 295,762
Investments, at cost	1,806,523	8,895	1,815,418
Receivables:			
Accounts receivable	114,467	-	114,467
Total assets	<u>\$ 2,155,379</u>	<u>\$ 70,268</u>	<u>\$ 2,225,647</u>
Liabilities and Net Assets			
Liabilities			
Vouchers payable	\$ 170,186	\$ -	\$ 170,186
Deferred revenue	250,000	-	250,000
Total liabilities	<u>420,186</u>	<u>-</u>	<u>420,186</u>
Net Assets			
Restricted for other purposes	1,735,193	70,268	1,805,461
Total net assets	<u>1,735,193</u>	<u>70,268</u>	<u>1,805,461</u>
Total liabilities and net assets	<u>\$ 2,155,379</u>	<u>\$ 70,268</u>	<u>\$ 2,225,647</u>

Kankakee County, Illinois
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds - Private Purpose Trust Funds
For the Year Ended November 30, 2006

	Township	Contract	
	MFT	Appraisal	
		Work	
Additions:			
Intergovernmental	\$ 1,823,174	\$ 14,500	\$ 1,837,674
Interest	<u>92,129</u>	<u>1,547</u>	<u>93,676</u>
Total additions	<u>1,915,303</u>	<u>16,047</u>	<u>1,931,350</u>
Deductions:			
Transportation	1,460,670	-	1,460,670
Other services and charges	<u>-</u>	<u>1,453</u>	<u>1,453</u>
Total deductions	<u>1,460,670</u>	<u>1,453</u>	<u>1,462,123</u>
Change in net assets	454,633	14,594	469,227
Net assets, beginning of year	<u>1,280,560</u>	<u>55,674</u>	<u>1,336,234</u>
Net assets, end of year	<u>\$ 1,735,193</u>	<u>\$ 70,268</u>	<u>\$ 1,805,461</u>

Kankakee County, Illinois
 Fiduciary Funds - Agency Funds
 Combining Balance Sheet
 November 30, 2006

	Back Tax	Riverside Country Estates S.A.	Arrowhead Hills S.A.	Drainage Districts	Collector	Sheriff Civil Process	Inheritance Tax	Condemnation Account	Tax Refund Account	Unclaimed Legacies and Bonds
Assets										
Cash	\$ 494,415	\$ 12,028	\$ 12,596	\$ 225,936	\$ 4,666,835	\$ 16,326	\$ 801,634	\$ 17,720	\$ 2,369	\$ 73,565
Investments, at cost	-	-	-	358,451	-	-	-	35,344	-	28,992
Receivables										
Accounts	-	19,045	-	1,883	370,243	-	-	-	-	-
Total assets	\$ 494,415	\$ 31,073	\$ 12,596	\$ 586,270	\$ 5,037,078	\$ 16,326	\$ 801,634	\$ 53,064	\$ 2,369	\$ 102,557
Liabilities										
Vouchers payable	\$ -	\$ -	\$ -	\$ 3,013	\$ -	\$ -	\$ 801,049	\$ -	\$ -	\$ -
Due to other governments	472,253	-	-	-	5,037,078	-	-	-	-	-
Due to others	22,162	31,073	12,596	583,257	-	16,326	585	53,064	2,369	102,557
Total liabilities	\$ 494,415	\$ 31,073	\$ 12,596	\$ 586,270	\$ 5,037,078	\$ 16,326	\$ 801,634	\$ 53,064	\$ 2,369	\$ 102,557

Kankakee County, Illinois
 Fiduciary Funds - Agency Funds
 Combining Balance Sheet
 November 30, 2006

	Sheriff Seizure	Sheriff Sale Account	Sheriff Commissary	Circuit Clerk	County Clerk	Teen Court	Total
Assets							
Cash	\$ 8,733	\$ 135,878	\$ 126,421	\$ 1,762,365	\$ 418,129	\$ 17,348	\$ 8,792,298
Investments, at cost	-	-	-	500,000	-	-	922,787
Receivables							
Accounts	-	-	-	-	-	2,828	393,999
Total assets	<u>\$ 8,733</u>	<u>\$ 135,878</u>	<u>\$ 126,421</u>	<u>\$ 2,262,365</u>	<u>\$ 418,129</u>	<u>\$ 20,176</u>	<u>\$ 10,109,084</u>
Liabilities							
Vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11	\$ 804,073
Due to other governments	-	-	-	-	-	-	5,509,331
Due to others	<u>8,733</u>	<u>135,878</u>	<u>126,421</u>	<u>2,262,365</u>	<u>418,129</u>	<u>20,165</u>	<u>3,795,680</u>
Total liabilities	<u>\$ 8,733</u>	<u>\$ 135,878</u>	<u>\$ 126,421</u>	<u>\$ 2,262,365</u>	<u>\$ 418,129</u>	<u>\$ 20,176</u>	<u>\$ 10,109,084</u>

Kankakee County, Illinois

Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended November 30, 2006

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>End of Year</u>
Back Tax	\$ 552,289	\$ 497,947	\$ 555,821	\$ 494,415
Riverside Country Estates Special Assessment	50,674	23,093	42,694	31,073
Arrowhead Hill Special Assessment	9,750	3,794	948	12,596
Drainage Districts	560,334	116,293	90,357	586,270
Collector	4,212,561	124,490,281	123,665,764	5,037,078
Sheriff Civil Process	13,504	226,756	223,934	16,326
Inheritance Tax	14,243	2,030,281	1,242,890	801,634
Condemnation Account	47,974	8,090	3,000	53,064
Tax Refund Account	2,352	17	-	2,369
Legacies	112,306	2,330	12,079	102,557
Sheriff Seizure	8,675	58	-	8,733
Sheriff Sale Account	51,522	1,299,214	1,214,858	135,878
Sheriff Commissary	100,800	792,455	766,834	126,421
Circuit Clerk	2,152,125	10,107,531	9,997,291	2,262,365
County Clerk	448,384	3,345,969	3,376,224	418,129
Teen Court	-	48,554	28,378	20,176
Total	\$ 8,337,493	\$ 142,992,663	\$ 141,221,072	\$ 10,109,084

Kankakee County, Illinois
 Assessed Valuations, Rates and Extensions
 For the tax levy years 1997 through 2006

Extension year	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Assessed valuation, net of special districts and general abatements	\$ 1,706,053,999	\$ 1,518,196,140	\$ 1,379,219,189	\$ 1,354,612,444	\$ 1,324,721,431	\$ 1,259,599,751	\$ 1,192,275,916	\$ 1,120,355,538	\$ 1,059,065,406	\$ 970,558,723
Tax rates:										
General corporate	\$ 0.232	\$ 0.237	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250
IMRF	0.116	0.112	0.118	0.115	0.113	0.114	0.115	0.106	0.114	0.114
County health	0.025	0.026	0.027	0.025	0.025	0.025	0.025	0.027	0.025	0.026
Liability insurance	0.133	0.134	0.141	0.129	0.127	0.120	0.121	0.112	0.121	0.118
County highway	0.096	0.098	0.100	0.100	0.100	0.100	0.100	0.100	0.094	0.100
Social security	0.092	0.091	0.096	0.095	0.092	0.094	0.094	0.091	0.094	0.095
Veterans	0.009	0.009	0.010	0.009	0.009	0.016	0.018	0.018	0.018	0.018
Highway matching	0.047	0.049	0.050	0.050	0.050	0.050	0.050	0.050	0.048	0.050
Joint Bridge	0.047	0.049	0.050	0.050	0.050	0.050	0.050	0.050	0.048	0.050
Public Building Commission	0.016	0.016	0.017	0.037	0.036	0.038	0.038	0.039	0.041	0.041
Extension education	0.020	0.021	0.022	0.021	0.020	0.020	0.020	0.020	0.020	0.020
Total tax rates	\$ 0.833	\$ 0.842	\$ 0.881	\$ 0.881	\$ 0.872	\$ 0.877	\$ 0.881	\$ 0.863	\$ 0.873	\$ 0.882
Tax extensions:										
General corporate	\$ 3,818,656	\$ 3,598,125	\$ 3,448,048	\$ 3,386,531	\$ 3,311,804	\$ 3,148,999	\$ 2,980,690	\$ 2,800,889	\$ 2,647,664	\$ 2,426,397
IMRF	1,909,328	1,700,380	1,627,479	1,557,804	1,496,935	1,435,944	1,371,117	1,187,577	1,207,335	1,106,437
County health	411,493	394,731	372,389	338,653	331,180	314,900	298,069	302,496	264,766	252,345
Liability insurance	2,189,143	2,034,383	1,944,699	1,747,450	1,682,396	1,511,520	1,442,654	1,254,798	1,281,469	1,145,259
County highway	1,580,134	1,487,832	1,379,219	1,354,612	1,324,721	1,259,600	1,192,276	1,120,356	995,521	970,559
Social security	1,514,295	1,381,558	1,324,050	1,286,882	1,218,744	1,184,024	1,120,739	1,019,524	995,521	922,031
Veterans	148,138	136,638	137,922	121,915	119,225	201,536	214,610	201,664	190,632	174,701
Highway matching	773,607	743,916	689,610	677,306	662,361	629,800	596,138	560,178	508,351	485,279
Joint bridge	773,607	743,916	689,610	677,306	662,361	629,800	596,138	560,178	508,351	485,279
Public Building Commission	263,356	242,911	234,467	501,207	476,900	478,648	453,065	436,939	434,217	397,929
Extension education	329,194	318,821	303,428	284,469	264,944	251,920	238,455	224,071	211,813	194,112
Total tax extensions	\$ 13,710,951	\$ 12,783,211	\$ 12,150,921	\$ 11,934,135	\$ 11,551,571	\$ 11,046,691	\$ 10,503,951	\$ 9,668,670	\$ 9,245,640	\$ 8,560,328