

*MACON COUNTY, ILLINOIS*

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT*

*For the fiscal year ended  
November 30, 2007*

**May, Cocagne & King, P.C.**

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Certified Public Accountants & Consultants

*MACON COUNTY, ILLINOIS*

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT*

*For the fiscal year ended  
November 30, 2007*

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*Report prepared and issued by  
the Macon County Auditor's Office*

*Amy C. Stockwell, County Auditor*

MACON COUNTY, ILLINOIS

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November 30, 2007

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## **INTRODUCTORY SECTION**





May 31, 2008

To the Citizens of Macon County, Illinois and the Macon County Board

Ladies and Gentlemen:

We are pleased to present Macon County, Illinois' (the County) Comprehensive Annual Financial Report (CAFR) for the year ended November 30, 2007. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. The County is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the County's financial activities have been included.

This report is intended to provide informative and relevant financial information for the citizens of the County, board members, investors, creditors and other concerned readers. All are encouraged to contact me with any comments or questions concerning this report.

In accordance with requirements established by Illinois law, the County's financial statements have been audited by independent certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report and includes an unqualified opinion.

An audit was also conducted to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related Office of Management and Budget Circular A-133, Audits of State and Local Governments. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of Federal and State awards. The results of the Federal Single Audit are presented as part of the CAFR.

The role of the auditors is to audit the basic financial statements to determine if they are free of material misstatements and to assess the accounting principles used. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Responsibility for the accuracy of the data presented as well as completeness and fairness of presentation of this report rests with County management.

### Macon County, Illinois

Established in 1829, Macon County is 581 square miles, located centrally in the State of Illinois, some 150 miles south of Chicago and west of Indianapolis, 109 miles northeast of St. Louis and 70 miles southeast of Peoria. The county was explored and settled because of the richly productive nature of its prairie lands which have been plowed and farmed for almost two hundred years. During the 20<sup>th</sup> century, Decatur became an important manufacturing center because of its central location and the entrepreneurial energy of its people. During the 1990's and into the beginning of the new century, Macon County was hit hard with plant closings. The population of the County has been in a gradual decline over several decades.

Macon County retains its industrial character, with a number of companies having major manufacturing facilities here. These include Akorn Incorporated, Caterpillar, Mueller, PPG Industries, Bodine Electric, the Herald & Review and Prairie Central Maintenance & Fabricators. Macon County is the location for the headquarters of Archer Daniels Midland and Tate & Lyle North America; Caterpillar has a major plant here and has expanded to serve a growing worldwide market for heavy equipment, especially demanded by developing economies. As the national economy is changing, so is that of Macon County. Major employers outside the manufacturing sector include Decatur Memorial Hospital, Decatur Public School District, Illinois Power, St. Mary's Hospital, Norfolk Southern Corporation, Millikin University, City of Decatur, Richland Community College, United Parcel Service, and Macon County government itself.

According to the Census Department 2007 estimate, the population of Macon County has fallen again this year to 108,732. The Census Department estimates that population for the County has fallen by 4.7% since the 2000 census; in the same time period the population of the State of Illinois has grown by 3.3%. The largest concentration of population in the County is located in the City of Decatur, which the U.S. Census estimates lost 3.3% of its population between 2000 and 2003 and 4.2% of its population from 1990 to 2000. The most recent estimate (2003) from the Census puts Decatur population at 79,285 or approximately 2/3 of the total population of the County.

The population is older than the state average: 15.7% are over age 65 (versus 12.0% for the state) and also more female (52.3% in Macon County versus 50.9% for the state). Residents of Macon County are more likely to own their homes than the state average: 71.6% of households in Macon County were homeowners versus 67.3% statewide, according to the 2000 census. Median housing costs are one-half of state wide numbers: the median value of a home in the 2000 census was \$ 69,800 versus \$ 130,800 for the state as a whole. Macon County residents were more likely to be high school graduates than the state average (83.2% in Macon County versus 81.4% for the state).

### Government Structure and Services

Macon County government provides a full range of services to the citizens, including most prominently the Courts and criminal justice system. The County administers the consolidated civil and criminal justice system, and fulfills various law enforcement functions through the Sheriff's Office. Other major county responsibilities include maintenance of all property records, administration of consolidated elections, provision of public health services and maintenance of county roads, bridges and highways. A number of other functions are performed by county officials, including emergency management services, animal control, job training and workforce development, the veteran's commission and solid waste management among others.

Macon County is a non-home rule county government governed by the Illinois County Code, 55 ILCS 5+ and related acts. It is composed of 24 departments, including 9 independently elected officials, the judiciary, and a twenty one member County Board elected from seven three member districts. The Board is both the legislative policy maker and the supervisor of administration for departments that report directly to the Board.

Elected officials, department heads and county board members work cooperatively together to insure the smooth functioning of county government. Macon County government also has cooperative arrangements with other governmental agencies, including the City of Decatur and various townships and villages throughout the county.

### Major Initiatives

During 2007, a number of major initiatives were completed or progressed substantially. These included:

- Completed the expansion of Mound Road to Progress City, a permanent outdoor convention facility adjacent to Richland Community College which is home to the Farm Progress Show.
- Completed the environmental review of the proposed Southeast Beltway around Decatur in preparation for the route approval application to the Federal Highway Administration.
- Expanded the Community Restorative Boards of citizen volunteers who work closely with offenders on Probation to identify and repair the harm caused by an offender's behavior.

- The State's Attorney and Probation offices are working with the Decatur Police and a number of other community organizations to promote a "Weed and Seed" program in a specific part of inner city Decatur. This initiative is bringing the concept of Balanced and Restorative Justice to the community.
- The State's Attorney's Teen Court is developing a truancy court for youth in the Weed and Seed area, as well as being involved in the Safety Net Initiative.
- Set additional weeks of jury trials to speed resolution of cases through the judicial system; jail populations have been averaging lower because of these changes in throughput.
- Completion of implementation of a new computer system by the Recorder that puts current documents on the web for easy public access. In the coming years, historical data will be added to provide a complete archive of real estate transactions.
- The Sheriff signed a contract for jail medical services which moved from an out of town provider to a local hospital.
- The Sheriff installed a major upgrade to his main radio system; this system is now compliant with all upcoming federal mandates and is used by several local police and fire departments as well as the Sheriff.
- Using grant funds from IDOT, the Sheriff now has a full time DUI enforcement officer.
- The Veteran's Assistance Commission (VAC) implemented a major new software project to computerize all Veterans records and provide easier access for veterans and their families. The VAC also continued their transportation program, carrying 1,398 veterans to Danville for needed medical care.
- Began negotiations on expansion of landfill, including revisions to the Siting Ordinance in preparation for this major activity.
- The Regional Planning Commission was reinstated and is in the process of working on a Comprehensive Regional Plan.
- Work has begun on development of a Wind Power Ordinance, and the GIS department is going to be significantly gearing up with the hiring of a GIS analysis during 2008.
- The Emergency Management Agency, the Macon County Health Department, the Mental Health Board and the entire Social Service Network continues working diligently to enhance the Emergency Operations Response Plan in Macon County.
- Macon County was declared a Federal Disaster area in December 2006 as a result of an ice storm that left tens of thousands of citizens without power for up to a week. Over 45 local, state and federal agencies cooperated during the disaster and its aftermath to mitigate its effects.
- The Health Department expanded its direct services to senior citizens by offering chronic disease management and money management to allow seniors to remain in their own homes longer.
- Prenatal health care services were expanded by the Health Department offering a new program at the Women's prison in Decatur.
- Continued to make improvements in the budgeting process, including the preparation of capital budgets and authorized position reports. Further improvements are planned in the FY 2009 budget cycle.

## Future Outlook

Macon County has reached a major milestone with the complete repayment of its internal intrafund debt after the close of the fiscal year. The County's general fund had deficit spending during the 1998-2001 period which created internal debt; now, six years of surpluses in the general fund (2002-2007) are allowing complete repayment of this internal debt. Repayment of the debt and careful management of financial assets are allowing levy reductions for some funds; County Board members have pledged to reduce the general fund levy after debt repayment. Unrestricted fund balances are now in the acceptable range for sound financial management and are being supplemented with designated reserves especially for expected future increases in health care costs.

Appropriations and spending are closely watched under the County Board's 'zero growth' budget policy. Population and employment trends make it very likely that this policy will continue for the foreseeable future. In addition, expected declines coming from state and federal deficits will impact Macon County and will demand that all expenditures be carefully considered. Prudent financial management policies continue to be implemented and refined throughout the County.

Although Macon County does not have a formal multi-year budgeting process, the Finance Committee is very committed to careful management of financial resources. A formal multi-year capital budget is being implemented this year, and multi-year forecasting models are being developed. A number of initiatives will continue to be examined in 2008 as we continue to move toward multi-year budgeting. Demographic trends make it imperative that expenditures be cautious now and in the future to be able to keep the progress that has been made in reducing property tax levies despite inevitable cost increases (payroll, health insurance, utilities, and so forth).

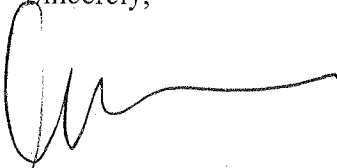
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Macon County for its comprehensive annual financial report for the fiscal year ended November 30, 2006. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

Preparation of the CAFR is a very significant undertaking, and I wish to thank all the employees of my office and all those in other offices throughout Macon County who helped make this possible. I am especially appreciative of the initiative and care shown by Chief Deputy Auditor Carol Reed in preparation of this expanded report. We are also indebted to the professionalism and commitment of our independent auditors, May, Cocagne and King, P.C. The cooperation of everyone is greatly appreciated, as is the commitment of the Macon County Board to professional financial management of Macon County for the benefit of our ultimate bosses, the citizens and taxpayers of this County.

Sincerely,

A handwritten signature in black ink, appearing to read 'Amy C. Stockwell', with a long horizontal flourish extending to the right.

Amy C. Stockwell  
Macon County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Macon County  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
November 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Charles S. Cox*

President

*Jeffrey R. Emer*

Executive Director

**MACON COUNTY, ILLINOIS**

**LIST OF PRINCIPAL OFFICERS**

**November 30, 2007**

**COUNTY BOARD MEMBERS:**

<b>District</b>	<b>Representative</b>	<b>District</b>	<b>Representative</b>
5	Patricia Cox	3	Karen Zaiz
6	Dave Drobisch	4	Kevin Meachum
3	Jay Dunn	2	William Oliver
4	Keith Ashby	2	Jerry Potts
6	Don Westerman	1	Robert Sampson (Chairman)
5	Phillip Hogan	7	Bryan Smith
5	Mervil Jacobs	2	Verzell Taylor
3	John Snyder	7	Edward Yoder
4	Joe McLaughlin	6	David Williams
1	Linda Little	1	Melverta Wilkins
7	Olin D. Wolfe		

**OTHER ELECTED OFFICIALS:**

**Auditor, Amy Stockwell**

**County Clerk, Stephen Bean**

**Treasurer, Steve Grimm**

**Recorder, Mary Eaton**

**Circuit Clerk, Kathy Hott**

**State's Attorney, Jack Ahola**

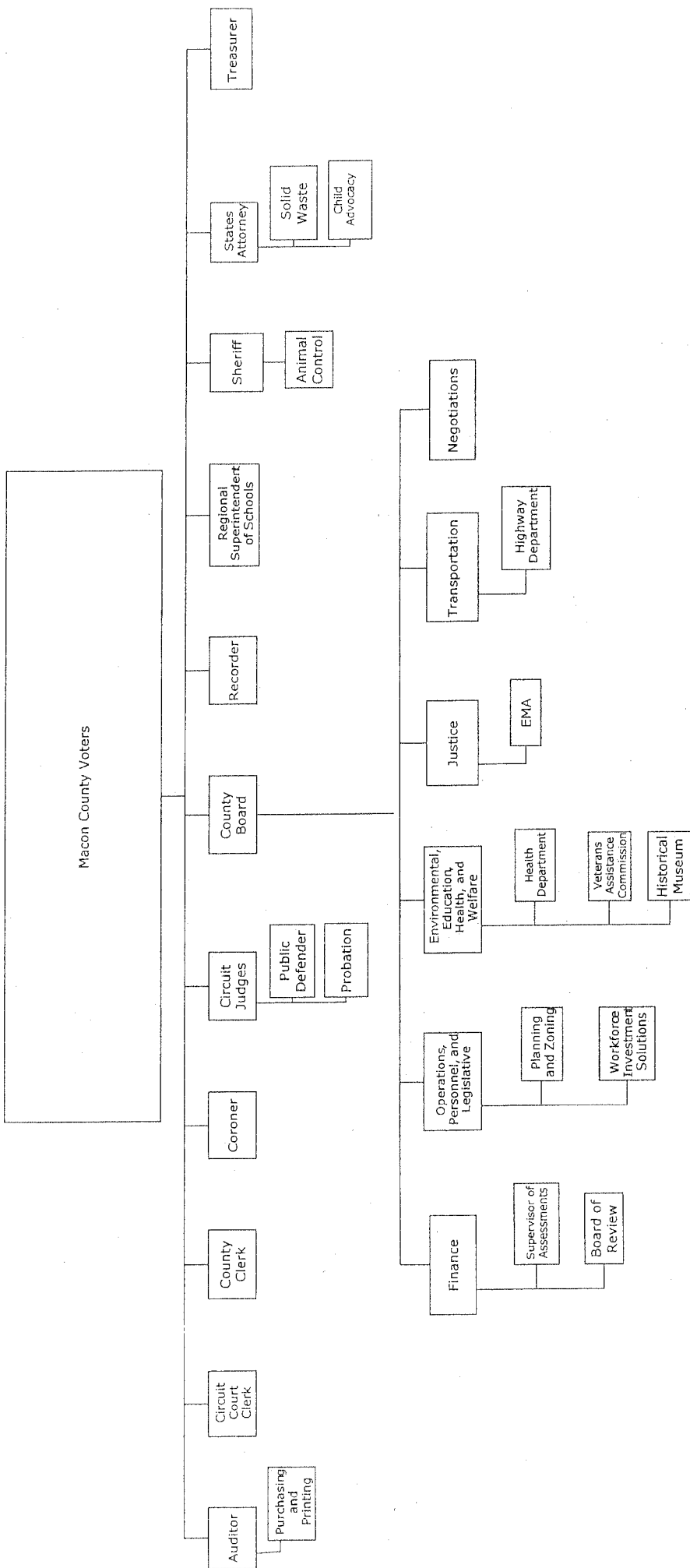
**Coroner, Michael Day**

**Regional Superintendent of Education, Richard Shelby**

**Sheriff, Jerry Dawson**

**Supervisor of Assessments, Daysa Miller**





**FINANCIAL SECTION**



# May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

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PHILIP R. BAUER  
ANDREW D. THOMAS  
HELGA J. TOWLER  
WILLIAM R. MOSS  
CATHERINE J. MANSUR  
STEVEN R. GROHNE  
MARK S. WOOD

## INDEPENDENT AUDITORS' REPORT

Macon County Board  
Macon County, Illinois  
Decatur, Illinois

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois as of and for the year ended November 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the County's nonmajor governmental funds, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended November 30, 2007, 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 Macon County Mental Health Board or the Macon County Emergency Telephone System Board which represent 21% of the assets, 16% of the liabilities and 25% of the net assets of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Macon County Mental Health Board or the Macon County Emergency Telephone System Board, is based solely on the report of the other auditors.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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. The financial statements of the Decatur Public Building Commission and the Macon County Emergency Telephone System Board were not audited in accordance with *Government Auditing Standards*. 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 reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major funds, and the aggregate remaining fund information of Macon County, Illinois as of November 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service and fiduciary fund of Macon County, Illinois as of November 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2008, on our consideration of the Macon County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 5-20 and 71-84 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. 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 Macon County, Illinois' basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Macon County, Illinois. The accompanying individual Workforce Investment Solutions grant financial information is presented to comply with the requirements of the Illinois Department of Commerce and Economic Opportunity and is also not a required part of the financial statements. The schedule of expenditures of federal awards and grant financial 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. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*May. Cozagne & King, P.C.*

May 15, 2008



# May, Cocagne & King, P.C.

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STEVEN R. GROHNE  
MARK S. WOOD

## 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*

Macon County Board  
Macon County, Illinois  
Decatur, Illinois

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon County, Illinois, as of and for the year ended November 30, 2007, which collectively comprise the Macon County, Illinois' basic financial statements and have issued our report thereon dated May 15, 2008. We conducted our audit in accordance with U.S. generally accepted auditing standards 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 Macon County, Illinois' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Macon County, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Macon County, Illinois' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Macon County, Illinois' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Macon County, Illinois' financial statements that is more than inconsequential will not be prevented or detected by the Macon County, Illinois' internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting items 07-1 through 07-5.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Macon County, Illinois' internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

#### Compliance and Other Matters

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

We noted certain matters that we have reported to management of Macon County, Illinois, in a separate letter dated May 15, 2008.

Macon County, Illinois' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Macon County, Illinois' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the organization, 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.

*May. Cocagne & King, P.C.*

May 15, 2008

**MACON COUNTY, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**November 30, 2007**

The Macon County, Illinois' (the "County") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the County's financial activity, (3) identify changes in the County's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the basic financial statements and accompanying notes to those financial statements.

**Financial Highlights**

- The assets of Macon County exceeded its liabilities at the close of the most recent fiscal year by \$ 63,346,561 (*net assets*), up \$ 16,365,245 from the prior year. In addition to normal operations, net assets increased because of the inclusion this year for the first time of all infrastructure on the balance sheet of the primary government accounting for \$ 16,926,886 of the change. Of the total net assets of the primary government, \$ 34,603,813 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors. This number is up \$ 751,422 over last year. The three discretely presented component units of Macon County have a total of \$ 23,159,819 in additional net assets, of which \$ 5,338,557 is unrestricted.
- Government-wide, Macon County had \$ 47,673,874 in expenses for the primary government, up \$ 7,390,396 from the prior year. Of this increase, \$ 1,103,466 was due to increased depreciation of transportation infrastructure recorded for the first time this year, and \$ 916,551 was for increased transportation expenditures, including completion of the Mound Road project and maintenance of the entire road system. Payments to Decatur Public Building Commission (DPBC) for the County's buildings were up by \$ 3,143,608 as 2007 was the first year of normal operations under the new lease (2006 had been a transitional year), and these expenses were allocated to General Administration, the Courts and Public Safety. Operating expenditures (before depreciation and building expenses) grew by \$ 975,071 in the Public Safety for new capital and personnel increases while expenditures for public health and welfare grew by \$ 690,904, reflecting the expenditure of new grant income and program initiatives.
- The primary government offset expenses with \$ 6,984,439 of charges for services and \$ 13,519,377 of operating grants and contributions. This left a balance of \$ 27,170,058 in expenses to be covered by general revenue sources for the primary government. General revenues, including property taxes, sales taxes, income taxes and other income sources, were \$ 26,536,624 government-wide, thus creating a decrease in net assets for the year of \$ 633,434.
- Macon County component units had \$ 8,520,149 in expenses, offset by \$ 5,591,232 of charges for services and \$ 1,020,163 of operating grants and contributions. General revenues were higher than net expenses for all three of the component units, thus creating increases in net assets for each of the three units.

- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$ 6,467,445 or 40.9% of total general fund expenditures. The Macon County Board designated \$ 3,495,000 for debt repayment, a reserve for possible future self funding of employee health costs and an economic stabilization (“rainy day”) fund. The management reporting reserve for debt repayment stood at \$ 995,000 at the end of the fiscal year; soon after the end of the fiscal year the entire intra-fund debt was repaid and this designation released. Ending fund balance is the sum of revenue minus expense in all prior years. In fiscal year 2006, we saw ending fund balance at a normal, fiscally prudent level finally overcoming the effects of deficit spending in fiscal years 1999, 2000 and 2001. Results recorded in 2007 allowed the subsequent repayment of all debt, a significant milestone in Macon County’s return to fiscal health.
- Macon County reduced general obligation debt in 2007 by making scheduled payments on the mortgage for the Health Department building expansion. Total general obligation debt was reduced by \$ 66,369 during fiscal year 2007.
- Macon County has \$ 29,688,257 in capital assets, net of accumulated depreciation, for the primary government. These assets are up substantially from last year because of the full implementation of GASB Statement No. 34 this year. Assets include \$ 196,809 in land and improvements, \$ 2,751,543 in buildings and improvements, \$ 1,159,060 in vehicles, and \$ 24,900,600 in infrastructure. Government wide, there was also \$ 680,245 in furniture, fixtures, technology and equipment. Major capital asset purchases this year included new vehicles for the State’s Attorney, Health Department, Solid Waste, Animal Control, EMA and the Sheriff (totaling \$ 483,849); the replacement of the Sheriff’s main radio system; and, the purchase of trailers by Solid Waste to expand recycling. A number of departments replaced computer hardware and software. Infrastructure additions included a new bridge on County Highway 25 and a new box culvert on County Highway 19, as well as the completion of the Mound Road extension to Progress City permanent outdoor convention site adjacent to Richland Community College.
- The Decatur Public Building Commission, a component unit, has \$ 25,629,354 of capital assets including \$ 1,305,813 in land and improvements, and \$ 24,323,541 in other capital assets including the Law Enforcement Center, the Court House, the Macon County Office Building and the Animal Control facility which was placed in service during 2007. The commission’s financial statement reflects the placing in service of \$ 2,199,098 of construction in progress assets at November 30, 2006.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Macon County’s basic financial statements. The County’s basic financial statements are comprised of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.



### *Government-wide Financial Statements*

The *government-wide financial statements* are designed to provide readers with a broad overview of Macon County's finances, in a manner similar to a private sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the County (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The *statement of net assets* presents information on all of Macon County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County in total 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 changes in net assets are reported as the underlying event giving rise to the change occurs. Revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The government-wide financial statements include Macon County government and three component units: the Macon County Mental Health Board (708 Board), the Emergency Telephone System Board (ETSB Board) and the Decatur Public Building Commission (DPBC).

### *Fund Financial Statements*

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Macon County, like other units of state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

*Governmental Funds.* Governmental funds, including the General Fund, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Macon County maintains 39 governmental funds, including the General Fund, 37 special revenue funds, and one capital project funds. (There are a number of additional funds for management reporting and control purposes.) Of these 39 governmental funds, 5 (including the general fund) are major funds as defined by GASB Statement No. 34 for each of which are presented statements of revenues, expenditures, and changes in fund balances as well as fund balance sheets. Non-major funds are also presented individually in the supplemental information.

Macon County government adopts annual appropriated budgets for the General Fund and most special revenue funds. Budgetary comparison statements (original versus final) statements have been provided for the General Fund, the County Health Fund, the County Highway Fund, the Federal Aid Matching Fund and the Multi-Facility Lease Fund to demonstrate compliance with the adopted budget.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

*Proprietary Funds.* Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Internal Service Fund (a proprietary fund) is used to report activities that provide supplies and services for other programs and activities - such as the County's self-insurance program. Because these services predominately benefit governmental rather than business type functions, the Internal Service Fund is reported with governmental activities in the government-wide financial statements.

*Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations.

*Notes to the Financial Statements.* The notes provide additional information that is essential to a full understanding of the data provided in the County's financial statements.

### **The County's Government-wide Financial Analysis**

Of the County's primary government total assets of \$ 68,957,919, a substantial portion (43.3% ) is held in cash (\$ 19,748,333) and monetary investments (\$ 10,106,559). Cash and investments again increased by \$ 866,487, up 3% from the prior year. A roughly equivalent portion of assets are capital assets including the County's transportation infrastructure. Receivables from all sources are 7.3% of assets, and increased 24% from the prior year.

The government-wide balance sheet includes three component units which each have significant operational and/or financial relationships with the County. The largest of these is the Decatur Public Building Commission, which has \$ 29,730,513 in assets including \$ 1,305,462 in cash and cash equivalents, and \$ 2,447,737 in restricted cash constituting 12.6% of its total assets. Net assets increased by \$ 1,335,864 due to an operating surplus due to receipt of the full operations and maintenance payment specified in the long term lease. The DPBC holds the county facilities (office building, court house, animal control facility and law enforcement center) on its books for a total of \$ 24,121,897 or 81.1% of total DPBC assets.

Liabilities total \$ 5,611,358 for the primary government, including accounts payable, accrued salaries, liability for future compensated employee absences and deferred revenue. The major external obligation of primary government liabilities is the general obligation note on the health department building of which a balance of \$ 1,003,966 remains due in more than one year.

Assets minus liabilities equal net assets, or assets available after satisfaction of obligations. Net assets for Macon County currently stand at \$ 63,346,561 for the primary government, up 35.0% from the prior year. Of the \$ 16,365,245 increase in net assets this year, \$ 15,936,817 is accounted for by the addition of infrastructure assets to the statement this year in accordance with the provisions of GASB Statement No. 34. Restricted Net Assets were \$ 429,487 in 2006 for capital projects, debt service and other items and are not available for additional obligations; this year restricted assets have fallen to \$ 106,493. Unrestricted net assets have grown by \$ 751,422, a modest improvement in governmental financial flexibility; unrestricted net assets now stand at \$ 34,603,813 for the primary government.

The County's net assets for fiscal year ended November 30 are summarized as follows:

	<b>2007</b>	<b>2006</b>	
	<b>Governmental</b>	<b>Governmental</b>	<b>% Change</b>
	<b>Activities</b>	<b>Activities</b>	
Current and other assets	<b>\$ 39,269,662</b>	37,174,843	5.6%
Capital assets	<b>29,688,257</b>	13,817,809	114.9%
Total assets	<b>68,957,919</b>	50,992,652	35.2%
Long term liabilities	<b>1,930,309</b>	1,072,278	80.0%
Other liabilities	<b>3,681,049</b>	2,939,058	25.2%
Total liabilities	<b>5,611,358</b>	4,011,336	39.9%
Net Assets:			
Invested in capital assets, net of related debt	<b>28,636,255</b>	12,699,438	125.5%
Restricted	<b>106,493</b>	429,487	(75.2%)
Unrestricted	<b>34,603,813</b>	33,852,391	2.2%
Total net assets	<b>\$ 63,346,561</b>	46,981,316	34.8%

Governmental activities decreased the County's net assets by \$(633,434) during fiscal year 2007. The key components of this change for the primary government are the following:

	2007	2006	% Change
Revenue:			
Program revenue:			
Charges for services	\$ 6,984,439	6,640,083	5.19%
Operating grants and contributions	13,519,377	13,164,103	2.70%
General revenue:			
Property taxes	14,956,074	15,507,295	(3.55%)
Sales tax	5,905,221	5,902,593	0.04%
Income and replacement taxes	2,409,412	2,223,615	8.36%
Investment income	1,294,699	1,199,480	7.94%
Miscellaneous	1,971,218	1,820,732	8.27%
Total revenue	<u>47,040,440</u>	<u>46,457,901</u>	1.25%
Expenses:			
General control and administration	9,421,696	10,384,209	(9.27%)
Public safety	13,637,829	9,715,600	40.37%
Judiciary and court related	8,037,076	6,299,870	27.58%
Public health and welfare	9,637,112	8,954,194	7.63%
Transportation	6,897,914	4,877,917	41.41%
Interest on long term debt	42,247	51,688	(18.27%)
Total expenses	<u>47,673,874</u>	<u>40,283,478</u>	18.35%
Change in net assets	(633,434)	6,174,423	(110.26%)
Net assets, beginning	46,981,316	41,081,732	14.36%
Prior period adjustment	<u>16,998,679</u>	<u>(274,839)</u>	6,287.96%
Net assets, ending	<u><u>\$ 63,346,561</u></u>	<u><u>46,981,316</u></u>	34.83%

The prior period adjustment in 2007 is the result of restatement of assets to record the County's infrastructure investment as provided for in GASB Statement No. 34, as previously mentioned.

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- The overall financial position of the County remained roughly the same during fiscal year 2007. For the government as a whole, expenses exceeded revenues by \$ 633,434, which reflected planned drawdown of several special revenue fund reserves to insure prudent use of tax dollars.
- Government-wide, Macon County had \$ 47,673,874 in expenses in its primary government functions, up significantly from the prior year. The two major changes accounting for the increase in expenditures were the additional depreciation expense coming from the newly added infrastructure assets, and a full year of normal operations with the DBPC lease. The DPBC lease payment, which includes bond principal and interest and operations and maintenance fees, is made in accordance with a long term operating lease signed by the Macon County Board in 2005.
- This year, building expenses (including operations and maintenance and principal and interest) were divided by function rather than all included with General Control and Administration as they were last year. In 2006, the entire payment of \$ 2,623,374 was shown in General Administration; in 2007 with a full year of normal operations, the \$ 5,766,982 payment was split into three areas. These included \$ 1,262,947 in General Control, \$ 2,927,878 in Public Safety, and \$ 1,576,157 in Judiciary and the Courts.
- These expenses were offset by \$ 6,984,439 of users' fees (charges for services) and \$ 13,519,377 of operating grants and contributions, leaving \$ 27,170,058 of expenses to be covered by general revenue sources. User fees showed an increase of 5.2% with a full year of fee increases in court costs as well as continued strength in fees collected for recording deeds. Operating grant revenues were also up - 2.7% or \$ 355,274 - due to the net affect of having completed grant requirements in 2006 for which no funding was received in 2007, and increasing other program services through additional grant funding. The Help America Vote Act grant, which represented \$ 793,000 of revenue in 2006, was used to upgrade voting machines and is not a continuous funding source. This grant was completed in 2006 and not received again in 2007. Additional operating grants were received throughout the County, but primarily increases were seen by the Probation Department (approximately \$ 277,000), the Health Department (approximately \$ 437,000) and the Highway Department (approximately \$ 375,000) to continue prior services and expand other operational areas.
- The \$ 27,170,058 not covered by service charges and operating grants was up 32.7% from last year for the same reasons that total expenditures grew: increased infrastructure depreciation and a full year of building lease operations. The following summarizes changes in the major expenditure categories excluding the lease and depreciation expenses:

	2007	2006	Change
Operating Expenses without Lease and Depreciation:			
General Control and Administration	\$ 7,725,205	7,301,077	424,128
Public Safety	10,423,181	9,448,110	975,071
Judiciary and Court	6,369,517	6,209,133	160,384
Public Health and Welfare	9,440,621	8,749,717	690,904
Transportation	4,991,235	4,074,684	916,551
Interest on Long Term Debt	42,247	51,688	(9,441)
 Total	 <b>\$ 38,992,006</b>	 35,834,409	 3,157,597

- The \$ 424,128 increase in general control and administration operating expenses (before depreciation and building lease expenses) government wide was primarily due to increases in IMRF payments because of payroll increases, as well as additional payment of Judgments from the Judgment Fund. The GIS fund recorded a \$ 137,915 increase in expenditure as the fund contributed to technology improvements in a number of offices in preparation for a expanded geographic information system program. The increase also reflects future insurance claims liabilities for all the county's self insurance programs including worker's compensation, general liability and property and casualty.
- The \$ 975,071 increase in operating expenses government wide for Public Safety was due to increased expenditures in the Law Enforcement Safety Tax (LEST) fund and in the animal control fund. LEST expenditures increased because of increases in the Sheriff and Jail departments, including additional personnel expenses, costs of hospitalization, increased medical costs, the full amount of prisoner transport costs and technology upgrades. A major portion of the increase was due to increased expenditures in the Animal Control fund which had a full year of professional operations under the management of the Sheriff in a new state of the art facility. Additional staff, adequate equipment and expanded software for operation of this facility were made possible by a new intergovernmental agreement with the City of Decatur which represented the first contract increase in over a decade. The Animal Control operation is also being supported by the Decatur Macon County Animal Shelter Foundation which raises private funds for the support of adoption coordinators.
- The Judiciary and Courts grew by \$ 160,384 government wide primarily because increases spread throughout the Courts, Probation, Public Defender, Circuit Clerk and State's Attorney. Contractual and management-determined increases in personnel costs, technology upgrades and increases in outside services all contributed to the increase.

- Public Health and Welfare operating expenditures grew by \$ 690,904 because of several major programs. The largest single increase was in the Redeploy Grant (up \$ 265,189) administered by Probation to reduce the number of people being sent to the Illinois State Department of Corrections. This program continues to be funded and expanded and just received notice of additional funding for the current state fiscal year. Expenditures increased in the Health department (\$ 239,774) where public health and senior services continue to expand. There was also an increase of \$ 176,314 in the Workforce Department, as grant income increases to retrain workers displaced by plant and business closings in the Workforce zone which includes Decatur and Macon County.
- Transportation operating expenditures grew by \$ 916,551 due to payment of the County's matching share of state-let projects. Costs continue for engineering studies on the Southeast Beltway. If the Beltway receives all of the appropriate state and federal approvals, it will require a very large financial commitment from Macon County in future years.
- Interest on long term debt is incurred on the mortgage for the expanded building at the Health Department. These expenditures are decreasing slightly as the mortgage is being paid down.
- Grants and other contributions which contributed 28.2 % of all revenues during fiscal year 2006 were up slightly to 28.7% of revenues during 2007. Charges for services were also up slightly, from 14.3% in 2006 to 14.8% in 2007. Together, grants and charges totaled 43.6% of total receipts.
- General revenues were 56.4% of total revenue and of this amount, \$ 14,956,074 were collected from Macon County residents in the form of property taxes. This amount was down from the previous year by \$ 551,221 because of the County Board's reduction of operating levies and department efforts to replace property taxes with other sources of income.
- The next largest portion of general revenues is from sales taxes collected by retailers in the County, and this category was essentially flat. Following sales taxes, the next largest general revenue source is from state income and replacement taxes collected by the Illinois Department of Revenue and passed back to Macon County where the 8.4% increase again reflects a strong state-wide economy. Macon County has again benefited from a statewide increase in the number of jobs and decrease in unemployment rates; income taxes are allocated on to Macon County by a formula so that the county is tied to statewide trends which were positive during 2005-2007.

## **Financial Analysis of Macon County's Major Funds**

As noted earlier, Macon County government 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 *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### *Expenses and Program Revenues - Governmental Activities*

Macon County government provides a number of services to the citizens of Macon County. These include law enforcement and administration of the criminal justice system, administration of consolidated elections, property tax records and tax collection for all taxing bodies, maintenance of county roads, bridges and highways and the provision of health services.

### *Revenues by Source - Government Activities*

Revenues to support these programs are provided by fees for services, by operating grants and other intergovernmental transfers and from general revenue.

Charges for services include a wide variety of fees for court costs, fees collected when deeds are recorded, and fees collected when vital records are recorded. Fees are also collected for County building permits.

Operating Grants include both State and Federal grants; federal grants are passed through state agencies. These may be in the form of subsidies for county personnel (such as Probation, Supervisor of Assessments or State's Attorney) or in the form of grants which require certain services be provided within the term of the grant. These revenue sources are earmarked for provision of specific services and may not be used for other purposes.

The primary source of general revenue government-wide is property taxes. Property taxes are collected for and recorded in separate funds, such as the General Fund, the Retirement Fund, the Highway Fund, and so forth. The Equalized Assessed Valuation, on which all property taxes are raised, has been growing 2-3% in recent years.



### *General Fund*

The General Fund is the main operating fund of the County. The General Fund presented in the financial statements includes other funds which are shown separately for management information purposes, namely the election equipment fund and the circuit clerk's maintenance account. In fiscal year 2007, for the sixth year in a row, the General Fund again showed a positive balance in the operating account (current revenues minus current expenditures). Both revenue and expenditures showed favorable variances to budget contributing to this positive result. The result of six years of surpluses is the return to financial health of the fund, with total fund balances now standing at a very healthy \$ 6,788,318 including \$ 3,495,000 which has been designated for future needs by the County Board, and \$ 2,972,445 which is unrestricted. The details of fund balance designations are detailed in Note 11.

On the revenue side, total revenue was virtually unchanged from last year while coming in significantly better than the conservative budget for FY 2007. Taxes were up 4.8% (\$ 438,885) over last year because of favorable performance of both sales taxes and income taxes. Intergovernmental revenues were down because of the completion of several major grants. Fines and fees collected by the courts system and the recorder were up a healthy 5.8% or \$ 218,263. Interest income continued ahead of last year by 21.0% or \$ 45,111; this trend will not continue because of Federal Reserve reductions in interest rates. Several new sources of revenue increased the budget by \$ 68,355 during the year. In total, general fund revenues were \$ 1,524,642 favorable to budget.

On the expenditure side, most departments spent well below their budgeted appropriations. If budget was exceeded in one expense classification or "bucket" within a department, it was offset by spending below budget in another "bucket" for that department.

Spending totaled \$ 15,821,571 versus a final budget of \$ 16,664,215 creating a favorable variance to expenditure budget of \$ 842,644. A favorable result on health insurance expenditures and continued restraint by the office holders contributed to the favorable variance to budget in the general fund. Spending in 2007 in total of \$ 15,821,571 was actually down from 2006 spending of \$ 16,111,584 by \$ 290,013 even though most employees received wage increases through their collective bargaining contracts. Several large expenditures (such as purchase of automated voting equipment) were made in 2006 and were not repeated in 2007.

These large favorable variances to budget on the revenue and expenditures sides produced a positive of \$ 2,360,583 variance. The change in fund balance of \$ 2,202,714 in 2007 allowed for the completion of repayment of the old intra-fund debt early in 2008.

Budgetary Basis	2007	2006	% Change
<b>Revenues:</b>			
Taxes	\$ 9,486,491	9,037,760	5.0%
Intergovernmental	2,072,303	2,872,449	(27.9%)
Fines, fees and forfeitures	4,001,092	3,782,829	5.8%
Licenses and permits	98,700	120,577	(18.1%)
Interest on investments	260,164	215,053	21.0%
Miscellaneous revenue	1,586,286	1,477,098	7.4%
<b>Total revenues</b>	<b>17,505,036</b>	<b>17,505,766</b>	<b>0.0%</b>
<b>Expenses:</b>			
General control and administration	3,441,844	3,605,863	(4.5%)
Public safety	6,166,780	6,002,797	2.7%
Judiciary and court related	5,989,829	5,846,866	2.4%
Public health and welfare	154,350	145,744	5.9%
Capital outlay	68,768	510,314	(86.5%)
<b>Total expenditure</b>	<b>15,821,571</b>	<b>16,111,584</b>	<b>(1.8%)</b>
Excess of revenues over expenditures	1,683,465	1,394,182	20.7%
Transfers in	519,249	908,595	(42.9%)
<b>Net changes in fund balance</b>	<b>\$ 2,202,714</b>	<b>2,302,777</b>	<b>(4.3%)</b>

Unrestricted ending fund balance first turned positive at the end of 2004, remained positive in 2005 and 2006 and has now grown to a comfortable and reasonable level. Six years of operating surpluses in the General Fund have finally outweighed negative ending fund balances caused by deficit spending in the General Fund in fiscal years 1999, 2000 and 2001. Going forward, the Illinois Comptroller recommends that general fund unrestricted fund balances should be no less than three months of expenditures in the General Fund (about \$ 4mm).

The detailed statement of this fund is found on pages 71 through 76 of the financial report.

### *County Health Fund*

Macon County's Health Fund levies taxes to provide health related services not covered by specialized grants such as environmental health, immunizations, and well and sick child care among others. This fund is also used to supplement a variety of federal and state grants to promote health, wellness, and disease prevention and to provide health services to underserved populations. The Macon County Board of Health has also decided to offer a number of senior services, designed to help seniors remain in their homes and these services continue to expand. The Macon County Health Department also provides services to neighboring counties on a contract or fee for service basis.

Expenditures and transfers were slightly above revenues in this fund, again reducing fund balances. Last year the fund balance reduction was \$ 30,177, and during fiscal year 2007 it was \$ 60,737. Revenue was up by 2.7% in total: taxes were down by \$ 280,974 because of a planned reduction in the levy to bring reserves to appropriate levels, while intergovernmental receipts grew significantly (13.9%). Changes in Fines (down 4.5%) were partially offset by increases in licenses (5.5%). Spending grew by \$ 294,589 or 5.8%, with capital spending up and principal and interest on debt slightly up as well. The primary growth as in operational expenditures including program expansions and increases in personnel costs.

Details on this fund are shown on pages 77 and 78 of the financial report.

### *County Highway Fund*

Macon County's Highway Fund levies taxes to construct and maintain county roads, bridges and highways, including resealing, snow removal and issuing permits for work along county right of ways. The fund is intended by state statute to fully cover operating expenses and partially cover capital expenses of the highway department; other highway capital costs are covered in several additional special revenue funds. In addition to property taxes, this fund receives state Motor Fuel Tax funds via rental of equipment for highway use. In 2007, the major construction projects included completion of two bridges, as well as completion of the Mound Road expansion for Progress City.

Details on this fund are shown on pages 79 and 80 of the financial report. The Highway fund balance increased because of the timing of capital projects. At November 30, 2007, the fund balance stood at \$ 1,110,371.

### *Federal Aid Matching Fund*

Macon County's Federal Aid Matching Fund is one of seven highway funds (six special revenue and one agency) which pay for highway construction and maintenance. The Federal Aid Matching Fund is used to record receipts of property taxes which provide the local match for federally-funded construction projects on the County Highway System. State statutes restrict the use of these funds to construction and engineering expenses only. These funds cannot be used on operating expenses.

This was the first year for inclusion of this fund as a major fund. Budget basis revenues totaled \$ 709,590 while expenditures totaled \$ 1,582,994 as a planned use of fund balance. Expenditures in this fund are irregular due to timing of major projects. In some cases, funds accumulate over several years in advance of major projects which then are quickly completed. In others, project costs are paid, for which reimbursement is received in later periods. Major maintenance projects this year from this fund included a bridge on Illiniwick Road (County Highway 20) and a safety project on Brush College Road (County Highway 1). In addition, expenditures continued to be made for engineering costs related to Phase II of the Beltway expansion project, with \$ 254,439 paid for environmental and engineering studies in preparation for planned route approval by the U.S. Department of Transportation.

Details on this fund are shown on pages 81 and 82 of the financial report.

### ***Multi-Facility Lease Fund***

Macon County's Multi-Facility Lease fund collects property taxes which are used to make lease payments to the Decatur Public Building Commission (DPBC) for rental of the Courthouse, Law Enforcement Center, Macon County Office Building, and Macon County Animal Control facility. These property taxes were previously collected in two separate funds which were consolidated in 2006 into one fund with the signing of the multi-facility lease. The County has no levy limit on this fund as long as there is a valid lease in place with the DPBC, which can be of any mutually agreeable term. The present lease has a ten year term and can be renegotiated with the action of both the County and the DPBC.

The lease payment to the DPBC is composed of principal and interest payments on prior bonds; principal and interest payments on the bonds issued in 2005 for jail expansion, courthouse renovations and acquisition and renovation of the animal control facility, as well as Operating and Maintenance payments for each of the facilities. Operations and Maintenance items include those items typically included on a commercial lease, but also cover a wider range of building related expenditures not typically included in a commercial lease. The lease provides for payment of rent in advance; should funds not be spent, they are returned to the County in the following year at the discretion of the DPBC.

Details of this fund are shown on pages 83 and 84 of the financial report. Details of the lease and its components are given in Notes 7 (Capital Assets) and 15 (Multiple Facilities Lease) to the financial statements.

### **Capital Asset and Debt Administration**

*Capital Assets.* Macon County's investment in capital assets for its governmental activities as of November 30, 2007 amounted to \$ 29,688,257 net of accumulated depreciation. This investment in capital assets includes land, buildings and related improvements, vehicles, furniture and fixtures, technology and equipment, and infrastructure. Net capital assets increased by \$ 15,870,448 in fiscal year 2007 largely due to the complete inclusion of infrastructure (roads, bridges and other highways for which Macon County is responsible for maintenance) on Macon County's list of capital assets this year for the first time. In addition to the assets of the Primary Government, component unit assets included \$ 25,629,354 for the DPBC and \$ 296,059 for the ETSB. Building commission assets reflect the completion of the major construction projects begun with the 2005 bond issue and the placement in service during 2007 of \$ 2,199,098 of construction in progress.

Major capital asset additions included purchases of new squad cars for the Sheriff, as well as new vehicles for Probation, State's Attorney, Solid Waste, Health Department, Emergency Management Agency and Animal Control. Additionally, new computers, servers and laptops and associated technology were purchased for a number of offices. The Sheriff purchased a major radio upgrade to the "Sheriff Main" system which is used by several jurisdictions in the County. The Highway Department completed two bridges, one on County Highway 25 and other on County Highway 19, as well as completing the addition of Mound Road to the Progress City site at Richland Community College. The Highway department also purchased new computers and servers, a Waterway Machine and a Wheeled Excavator (\$ 204,185).

A detailed schedule of capital assets and associated depreciation are shown in Note 7, pages 51 and 52 of the financial report.

*Long-term Debt.* The general obligation debt of the County consists of the mortgage for the expansion of the Health Department which is due by November 1, 2009. Details of this debt can be found in Note 8 to the financial statements.

State statutes limit the amount of net general obligation debt of the County; this should not exceed 2.875% of the total assessed valuation of the County. Total County debt falls well below this limit.

The principal component of the County's future commitments is a 10 year operating lease agreement with the Decatur Public Building Commission (DPBC), signed in 2005. As discussed previously, this lease covers principal and interest payments as well as operations and maintenance changes for the major county buildings (excluding the Highway department and the Health department). The 2005 lease was signed in connection with DPBC's \$ 9,490,000 private placement with a local bank with a 4.597 average life and an all-in TIC cost of 3.749392%.

The terms of the Multiple Facilities Lease and its accounting treatment are covered in Note 15, pages 61 through 64.

### **Economic Factors and Next Year's Budgets and Rates**

The following factors were considered in preparing the County's budget for the fiscal year 2008 period (December 1, 2007 to November 30, 2008):

- Macon County's unemployment rate continues to increase, with 2007 results (5.8%) up from 2006 (5.5%) and also above unadjusted state-wide numbers (5.0%). The unemployment rate does not include those who have stopped looking for work. It now appears that if there have been increases in some jobs in Macon County, these increases have been offset by losses in other sectors.
- Macon County population continues a long-term, slow decline, which limits financial resources available to all public bodies in the County.
- Although Macon County housing prices are relatively low, Macon County has been impacted by the sub-prime mortgage crisis. One report (Today show on May 9, 2008) places Decatur and Macon County among the areas most impacted in the nation with housing prices down 15.9% although local realtors report that homes have been moving in the first quarter of 2008.
- Sales tax and income taxes appear to be trending slightly upward, but a portion of this increase is due to gas price increases which may be having a drag on other sectors of the economy. Macon County has benefited from improvements in the overall Illinois economy through income tax receipts which are distributed on a formula based on overall state economic activity.
- Although there have been some promising developments in the employment and local economy, the loss of good paying jobs continues to constrain resources available for government activities.
- Fees collected for services are trending higher, but may be reduced on the real estate side if the trend of mortgage refinancing observed over the past several years comes to an end.
- Federal and state budget deficits make intergovernmental receipts more at risk than previously. In particular, there is great concern with the state budget process, and structural deficits will likely have an impact on Macon County during FY 2008 and beyond.
- Inflationary trends in the region compare favorably to national indices.
- Employee benefits costs continue to increase, including especially the costs of health coverage for County employees. While aggressive management of insurance programs has mitigated the immediate effect, this remains a financial difficulty.

With the return of the unrestricted fund balance in General Fund to positive territory, the County Board moved to swiftly complete payment of the old intra-fund debt in early 2008. This milestone was the result of six years of surpluses in the general fund. In addition, designations of fund balances were created for "Economic Stabilization" (Rainy Day Fund) and for the possible future self funding of employee medical insurance costs.

### **Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in its financial structure. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Macon County Auditor, Amy C. Stockwell, 141 S. Main Street, Suite 312, Decatur, IL 62523; (217) 424-1385.

MACON COUNTY, ILLINOIS

STATEMENT OF NET ASSETS

November 30, 2007

	Primary Government	Discretely Presented Component Units		
		Governmental Activities		Business-Type Activities
		Macon County Mental Health Board	Macon County ETSB	Decatur Public Building Commission
<b>Assets</b>				
Cash and cash equivalents	\$ 19,748,333	2,012,743	56,000	1,305,462
Investments	10,106,559	39,637	3,300,257	
Taxes receivable (net of allowance for uncollectibles)	583,257	2,165,825		
Due from governmental agencies:				
State of Illinois	3,300,689			
Other governmental agencies	933,765			
Accounts receivable	200,519	67,590		
Notes receivable, current		6,900		
Inventories	581,864			59,683
Prepaid items	3,553,302	7,649		45,368
Non current asset:				
Note receivable		263,860		
Restricted cash	261,374			2,447,737
Capital assets:				
Land and improvements	196,809			1,305,813
Other capital assets, net of depreciation	29,491,448		296,059	24,323,541
Issuance cost of long-term debt, net				242,909
<b>Total assets</b>	<b>68,957,919</b>	<b>4,564,204</b>	<b>3,652,316</b>	<b>29,730,513</b>
<b>Liabilities</b>				
Cash drawn in excess of funds available	140,333			
Accounts payable	2,589,491	269,078		
Accrued salaries	738,590		6,991	47,992
Unearned revenue	164,629	2,173,487		1,568,958
Accrued interest payable				168,820
Amounts due within one year:				
General obligation notes payable	48,006			
Revenue bonds payable				1,885,000
Amounts due in more than one year:				
General obligation notes payable	1,003,996			
Accrued compensated absences	926,313			
Revenue bonds payable				8,666,888
<b>Total liabilities</b>	<b>5,611,358</b>	<b>2,442,565</b>	<b>6,991</b>	<b>12,337,658</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	28,636,255		296,059	15,077,466
Restricted:				
Capital projects	106,493			2,447,737
Unrestricted	34,603,813	2,121,639	3,349,266	(132,348)
<b>Total net assets</b>	<b>\$ 63,346,561</b>	<b>2,121,639</b>	<b>3,645,325</b>	<b>17,392,855</b>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF ACTIVITIES

Year ended November 30, 2007

Functions	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental activities:			
General control and administration	\$ 9,421,696	2,195,857	745,085
Public safety	13,637,829	1,380,536	551,504
Judiciary and court-related	8,037,076	2,674,929	1,525,383
Public health and welfare	9,637,112	685,056	7,452,571
Transportation	6,897,914	48,061	3,244,834
Interest on long-term debt	42,247		
Total primary government	47,673,874	6,984,439	13,519,377
Component Units:			
Governmental activities:			
Macon County Mental Health Board	3,351,503	120,157	1,020,163
Macon County Emergency Telephone System Board (ETSB)	894,432		
Business-type activities:			
Decatur Public Building Commission	4,274,214	5,471,075	
Total component units	\$ 8,520,149	5,591,232	1,020,163

General Revenues:

Property taxes  
 Sales tax  
 Income and replacement tax  
 Telephone surcharge  
 Investment income  
 Miscellaneous

Total general revenues

Change in net assets

Net assets, beginning, as restated

Net assets, ending

See Notes to Financial Statements.



Net (Expense) Revenue and  
Changes in Net Assets

Primary Government Governmental Activities	Component Units		
	Macon County Mental Health Board	Macon County ETSB	Decatur Public Building Commission
(6,480,754)			
(11,705,789)			
(3,836,764)			
(1,499,485)			
(3,605,019)			
(42,247)			
<u>(27,170,058)</u>	-		
	(2,211,183)		
		(894,432)	
			1,196,861
	<u>(2,211,183)</u>	<u>(894,432)</u>	<u>1,196,861</u>
14,956,074	2,074,192		
5,905,221			
2,409,412			
		955,019	
1,294,699	164,351	146,129	138,268
1,971,218	30,310	25,588	736
<u>26,536,624</u>	<u>2,268,853</u>	<u>1,126,736</u>	<u>139,004</u>
(633,434)	57,670	232,304	1,335,865
<u>63,979,995</u>	<u>2,063,969</u>	<u>3,413,021</u>	<u>16,056,990</u>
<u>\$ 63,346,561</u>	<u>2,121,639</u>	<u>3,645,325</u>	<u>17,392,855</u>

MACON COUNTY, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
November 30, 2007

	General Corporate Fund	County Health Fund	County Highway Fund	Federal Aid Matching Fund
<b>Assets</b>				
Cash	\$ 2,434,612	1,538,854	1,231,548	2,115,877
Investments, at cost	3,656,733		3,704	6,233
Taxes receivable, net of allowance or uncollectibles	142,634	46,829	51,173	16,339
Accounts receivable	49,648	135,800		
Inventory	15,541	16,954		
Due from governmental agencies:				
State of Illinois	1,526,245	587,766		203,514
Other governmental agencies	83,464		106,000	
Prepaid items	55,051			
Restricted cash	261,374			
Due from other funds	545,878	189,912	29,094	
Total assets	<u>8,771,180</u>	<u>2,516,115</u>	<u>1,421,519</u>	<u>2,341,963</u>
<b>Liabilities</b>				
Cash drawn in excess of funds available			2,020	
Accounts payable	137,526	103,474	265,189	1,039,101
Accrued salaries	443,478	138,372	41,290	
Unearned revenue	24,923	21,160		
Due to other funds	1,376,935	22,233	2,649	
Total liabilities	<u>1,982,862</u>	<u>285,239</u>	<u>311,148</u>	<u>1,039,101</u>
<b>Fund Balances</b>				
Reserved	320,873	16,954		140,051
Unreserved, reported in:				
General Fund:				
Designated	3,495,000			
Undesignated	2,972,445			
Special revenue funds:				
Designated				
Undesignated		2,213,922	1,110,371	1,162,811
Capital project funds				
Total fund balances	<u>6,788,318</u>	<u>2,230,876</u>	<u>1,110,371</u>	<u>1,302,862</u>
Total liabilities and fund balances	<u>\$ 8,771,180</u>	<u>2,516,115</u>	<u>1,421,519</u>	<u>2,341,963</u>

See Notes to Financial Statements.

Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
3,122,807	9,294,761	19,738,459
	6,439,693	10,106,363
205,124	121,158	583,257
	15,071	200,519
		32,495
	983,164	3,300,689
677,328	66,973	933,765
3,497,436	815	3,553,302
		261,374
167,533	1,148,773	2,081,190
7,670,228	18,070,408	40,791,413
	138,313	140,333
	684,876	2,230,166
	115,288	738,428
	118,546	164,629
	680,023	2,081,840
-	1,737,046	5,355,396
3,497,436	1,659,315	5,634,629
		3,495,000
		2,972,445
	283,632	283,632
4,172,792	14,283,922	22,943,818
	106,493	106,493
7,670,228	16,333,362	35,436,017
7,670,228	18,070,408	40,791,413

MACON COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
November 30, 2007

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

Total fund balances - total governmental funds	\$ 35,436,017
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	29,688,257
Inventory held for future projects, not for sale	549,369
Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The assets and liabilities of the internal service funds is included in governmental activities in the statement of net assets.	(348,767)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(1,978,315)</u>
Net assets of governmental activities	<u><u>\$ 63,346,561</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS

Year ended November 30, 2007

	General Corporate Fund	County Health Fund	County Highway Fund	Federal Aid Matching Fund
<b>Revenues:</b>				
Taxes	\$ 9,499,337	1,156,100	1,317,879	421,619
Intergovernmental	2,072,303	3,589,757	375,114	215,385
Fines, fees, forfeitures	4,001,092	285,428	48,061	
Licenses and permits	98,700	141,191		
Interest on investments	260,164	73,513	30,421	77,153
Miscellaneous	1,586,286	5,800	96,747	
<b>Total revenues</b>	<b>17,517,882</b>	<b>5,251,789</b>	<b>1,868,222</b>	<b>714,157</b>
<b>Expenditures:</b>				
Current:				
General control and administration	3,442,456			
Public safety	6,166,780			
Judiciary and court-related	5,989,829			
Public health and welfare	154,350	5,080,338		
Transportation			1,157,923	1,442,943
Capital outlay	68,768	147,852	1,135,177	
Debt service:				
Principal		66,369		
Interest		42,247		
<b>Total expenditures</b>	<b>15,822,183</b>	<b>5,336,806</b>	<b>2,293,100</b>	<b>1,442,943</b>
Excess (deficiency) of revenues over (under) expenditures	1,695,699	(85,017)	(424,878)	(728,786)
<b>Other financing sources (uses):</b>				
Transfers in	519,249	114,280	1,200,000	
Transfers out		(90,000)	(61,250)	
<b>Total other financing sources (uses)</b>	<b>519,249</b>	<b>24,280</b>	<b>1,138,750</b>	<b>-</b>
Net change in fund balances	2,214,948	(60,737)	713,872	(728,786)
Fund balances, beginning of year	4,573,370	2,291,613	396,499	2,031,648
Fund balances, end of year	\$ 6,788,318	2,230,876	1,110,371	1,302,862

See Notes to Financial Statements.

Multi-Facility Lease Fund	Other Governmental Funds	Total Governmental Funds
5,282,947	5,592,825	23,270,707
671,425	6,951,428	13,875,412
	2,053,932	6,388,513
		239,891
109,483	743,287	1,294,021
16,300	243,116	1,948,249
6,080,155	15,584,588	47,016,793
1,262,947	3,886,463	8,591,866
2,927,878	3,954,490	13,049,148
1,576,157	306,442	7,872,428
	4,083,192	9,317,880
	2,676,261	5,277,127
	607,310	1,959,107
		66,369
		42,247
5,766,982	15,514,158	46,176,172
313,173	70,430	840,621
		1,833,529
	(1,877,279)	(2,028,529)
-	(1,877,279)	(195,000)
313,173	(1,806,849)	645,621
7,357,055	18,140,211	34,790,396
7,670,228	16,333,362	35,436,017

MACON COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
Year ended November 30, 2007

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Net change in fund balances - total governmental funds		\$ 645,621
Amounts reported for governmental activities in the statement of activities are different because:		
Internal service funds are used to pay for the costs of certain activities, such as insurance and leasing. The net revenue of the internal service funds is reported with governmental activities in the statement of activities.		
		(191,443)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	\$ 1,858,448	
Depreciation	(2,914,886)	
Excess of depreciation over capital outlay expense		(1,056,438)
Loss on capital asset disposition		
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt.		
		66,369
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds:		
Inventory change	108,582	
Compensated absences payable change	(206,125)	
		(97,543)
Change in net assets of governmental activities		\$ (633,434)

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
November 30, 2007

	Governmental Activities Internal Service Fund
<hr/>	
<b>ASSETS</b>	
Cash	\$ 9,874
Investments	196
Due from other funds	<u>67,053</u>
Total assets	<u>77,123</u>
<b>LIABILITIES</b>	
Accounts payable	9,172
Claims payable - workers compensation	215,761
Claims payable - liability	134,392
Accrued salaries	162
Due to other funds	<u>66,403</u>
Total liabilities	<u>425,890</u>
<b>NET ASSETS</b>	
Unreserved	<u>(348,767)</u>
Total net assets	<u><u>\$ (348,767)</u></u>

See Notes to Financial Statements.



MACON COUNTY, ILLINOIS

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
Year ended November 30, 2007

	Governmental Activities Internal Service Fund
Operating revenue:	
Miscellaneous	\$ 22,969
Operating expenses:	
Salaries	28,300
Claim payments	309,325
Contingency for claim loss	72,465
Total operating expenses	410,090
Operating income (loss)	(387,121)
Nonoperating revenue (expenses):	
Interest on investments	678
Income (loss) before transfers	(386,443)
Transfers in	195,000
Change in net assets	(191,443)
Net assets (deficit), beginning of year	(157,324)
Net assets (deficit), end of year	\$ (348,767)

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year ended November 30, 2007

	Governmental Activities Internal Service Fund
<hr/>	
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from user departments and participants	\$ 22,909
Cash paid to employees for services	(28,276)
Cash paid for claims	<u>(215,850)</u>
<b>Net cash flows from operating activities</b>	<u>(221,217)</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES	
Net transfers	<u>195,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	678
Net investment transactions	<u>35,413</u>
<b>Net cash flows from investing activities</b>	<u>36,091</u>
Net increase in cash and cash equivalents	9,874
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u><u>9,874</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	(387,121)
Adjustments to reconcile operating loss to net cash flows from operating activities:	
(Increase) in due from other funds	(56,283)
(Decrease) in cash drawn in excess of funds available	(10,180)
(Decrease) in accounts payable	(19,427)
Increase in accrued salaries	24
Increase in claims payable	185,367
Increase in due to other funds	<u>66,403</u>
<b>Net cash flows from operating activities</b>	<u><u>\$ (221,217)</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS

AGENCY FUNDS

November 30, 2007

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**Assets**

Cash	\$ 8,925,206
Investments	1,051,315
Accrued interest	5,078
Due from State of Illinois - allotment	<u>86,365</u>
Total assets	<u><u>10,067,964</u></u>

**Liabilities**

Due to other governmental agencies	2,036,391
Accounts payable	27,755
Deposits payable	2,003,142
Due to taxing districts	5,823,641
Due to tax buyers	<u>177,035</u>
Total liabilities	<u><u>\$ 10,067,964</u></u>

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies**

Macon County is a municipal corporation governed by an elected twenty-one member board. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Circuit Clerk, County Clerk, Coroner, Recorder, Sheriff, State's Attorney, Supervisor of Assessments and Treasurer. Although elected officials manage the internal operations of their respective departments, the County Board authorizes expenditures as well as serves as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

The financial statements of Macon County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

**The Financial Reporting Entity:** As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units. The County's financial statements include all funds, departments, boards and agencies that are not legally separate from the County. The component units are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

The following discretely presented component units are reported in separate columns in the basic financial statements to emphasize that they are legally separate from the County.

The Macon County Mental Health Board (708 Board) is a special unit of local County government, operating under the Community Mental Health Act, Chapter 405 ILCS, Section 20/01 et seq. of the Illinois Compiled Statutes (ILCS). The 708 Board is funded through Macon County property taxes and various other local and state agencies, and distributes funds to various local nonprofit agencies that deal with the developmentally disabled and mentally ill. All members of the 708 Board are appointed by the Macon County Board. The Macon County Board approves the 708 Board's annual budget, and also has the authority to determine its tax levy. As such, the County has significant influence over the 708 Board and has included the organization in the reporting entity. The 708 Board's year-end for financial reporting purposes is June 30, which differs from the County. The 708 Board's June 30, 2007, financial statements are included herein.

Complete financial statements for the Macon County Mental Health Board can be obtained at 132 South Water Street, Decatur, Illinois 62523.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**The Financial Reporting Entity, continued:**

The Macon County Emergency Telephone System Board (ETSB) is a special unit of local County government, operating under the Emergency Telephone System Act, Chapter 50 ILCS, Section 750/15.4 et seq. of the Illinois Compiled Statutes (ILCS). The ETSB is funded through telephone surcharges and distributes funds to plan, coordinate, and supervise the implementation of an enhanced 9-1-1 system. All members of the ETSB are appointed by the Macon County Board. The Macon County Board may at any time change the rate of the surcharge imposed as long as the new rate does not exceed the rate specified in the referendum. As such, the County has significant influence over the ETSB and has included the organization in the reporting entity. The ETSB's year end for financial reporting purposes is November 30, 2007, the same as the County. The ETSB's November 30, 2007, financial statements are included herein.

Complete financial statements for the Macon County Emergency Telephone System Board can be obtained at 141 South Main Street, Suite 810, Decatur, Illinois 62523.

The Decatur Public Building Commission (DPBC) is a municipal corporation created under the provisions of the Public Building Commission Act of the State of Illinois. The purpose of the DPBC is to acquire or construct facilities for participating governments and to issue bonded debt to finance the acquisition or construction of such facilities. The City of Decatur organized the DPBC along with the County, and together they appoint the five-member governing board of the DPBC. The DPBC is financially dependent on the County because the debt issued by the DPBC is paid almost entirely by the County in the form of lease payments for County facilities. As such, the County has significant influence over the DPBC and has included the organization in the reporting entity. The DPBC's year end for financial reporting purposes is November 30, 2007, the same as the County. The DPBC's November 30, 2007 financial statements are included herein.

Complete financial statements for the DPBC can be obtained from the DPBC's administrative office at 141 South Main Street, Suite 808, Decatur, Illinois 62523.

## MACON COUNTY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Related Organizations:** The County's officials are also responsible for appointing members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Board appoints board members of all Fire Protection Districts in Macon County, all Drainage Districts in Macon County, Macon County Conservation District, and the Mosquito Abatement District.

In addition, several legally separate tax exempt organizations have been established to benefit the County and others. These organizations include the Decatur and Macon County Animal Shelter Foundation, the Macon County Community Health Foundation, the Macon County Historical Society, and Friends of the Macon County Child Advocacy Center.

**Basis of Presentation:** The County's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements: The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government and its component units, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the County.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Fund Financial Statements: During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental fund financial statements is on major governmental funds, each presented in a separate column. All remaining governmental funds are aggregated and presented in a single column and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Fund Accounting:** The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds:** Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund - The General Fund accounts for all financial resources, 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.

County Health Fund - The County Health Fund accounts for a county-wide property tax levy and federal and state grants for operating the Macon County Health Department, and the costs of services provided to the public through the department.

County Highway Fund - The County Highway Fund accounts for a county-wide property tax levy for County highway maintenance, as well as federal and state grants and subsidies, and expenditures for the purpose of highway improvements and maintenance.

Federal Aid Matching Fund - The Federal Aid Matching Fund accounts for revenue, including project refunds from the State of Illinois, and property tax levies, and expenditures for the County's share of highway improvements.

Multi-Facility Lease Fund - The Multi-Facility Lease Fund accounts for property tax revenue and annual lease payments and maintenance expenditures to the Decatur Public Building Commission for the Macon County Office Building, Courts Facility, Law Enforcement Center and Animal Control Facility.

The other governmental funds of the County account for county-wide property tax levies, grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Fund Accounting, continued:**

Proprietary Funds: Proprietary Funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of operating income, financial position, changes in net assets and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The County's proprietary fund types consist only of one internal service fund. The Internal Service Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the County. The County established the Self Insurance Fund for the purpose of providing for the accumulation of funds to fund the County's self-funded workmen's compensation liability insurance. This internal service fund derives its funding from periodic transfers from the Insurance Liability Fund and not from any cost reimbursements from other funds. This funding is then used to pay claims when the need arises. The Internal Service Fund is included in governmental activities for government-wide reporting purposes.

Fiduciary Funds: The County's fiduciary fund types consist only of Agency Funds, which are custodial in nature and do not involve the measurement of operations. The County's Agency Funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for property taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions. Agency Funds use the accrual basis of accounting.

**Measurement Focus:**

Government-Wide Financial Statements: The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets.

Fund Financial Statements: All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.



MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Basis of Accounting:** Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting, and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Discretely Presented Component Units: Each component unit financial statement included herein is prepared using the accrual basis of accounting except the Macon County ETSB which have been prepared in accordance with the modified cash basis of accounting.

Revenues - Exchange and Nonexchange Transactions: Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty (60) days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, income taxes and state-levied locally shared taxes.

Deferred Revenues: Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Expenses/Expenditures: On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Basis of Accounting, continued:**

Decatur Public Building Commission:

Operating Revenues and Expenses: Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the Commission. Operating revenues consist primarily of rental charges. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities, if any.

**Cash and Cash Equivalents/Investments:** All deposits of the County are made in board designated official depositories and are secured as required by the Public Funds Investment Act. The County may designate, as an official depository, any bank insured by the Federal Deposit Insurance Corporation or credit union with the principal office located within the State of Illinois. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. The County maintains separate bank accounts for each individual fund.

Investments consist of interest-bearing deposits invested in the Illinois Funds Money Market and Prime Funds and certificates of deposit and are stated at cost, which equals market. The County maintains separate investment accounts for each individual fund.

**Cash and Cash Equivalents:** For purposes of the statement of cash flows, the County's proprietary fund considers all highly liquid investments (including restricted assets) with a maturity of three (3) months or less when purchased to be cash equivalents.

**Restricted Assets:** Restricted cash in the General Fund is cash set aside for the payment of expenses related to the child support maintenance program operated by the Macon County Circuit Clerk, the commissary operated at the jail by the Macon County Sheriff, and a marriage account held for judicial expenditures.

**Inventories and Prepaid Items:** Inventories of consumable supplies are recorded at cost (determined on a first-in, first-out basis). Inventory in the General Fund and governmental activities consists of expendable supplies held for consumption. The costs are recorded as expenditures under the purchase method. Reported inventories are equally offset by a reservation in fund balance. Inventory recorded as an asset at year end consists of unused commodities (vaccines) received through federal grant programs, office supplies, and parts and operating materials.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The County has adopted the consumption method of accounting for prepaid items. That is, the asset is recorded when the payment to vendors are made, and the expenses are amortized in the appropriate accounting period.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Capital Assets:** General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

Primary Government: Capital assets purchased or acquired with an original cost of at least \$ 5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

In accordance with GASB Statement No. 34, the County has elected to defer, until the fiscal year ending November 30, 2007, the requirement to record and depreciate general infrastructure assets acquired before the implementation date (November 30 2004). For 2007, the County recorded general infrastructure assets acquired since 1980 that had not previously been recorded.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	25 years
Vehicles	5-10 years
Furniture and fixtures	5 years
Technology and equipment	3 years
Infrastructure	25 years

Decatur Public Building Commission: Capital assets of proprietary funds are stated at cost. The cost of property additions and major replacements of retired units of property is capitalized. Interest on funds used during construction of major projects has not been capitalized.

Assets capitalized have an original cost of \$ 500 or more and over ten years of useful life. Depreciation is computed on the straight-line basis. The estimated useful lives used to compute depreciation are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Parking lot	10 years
Law Enforcement Center	5-40 years
Macon County Office Building	10-40 years
Equipment	3-10 years

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Interfund Activity:** Interfund activity is reported as either loans, services provided, reimbursements or transfers. On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers which are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as "Internal Balances."

**Transactions Between Funds:** The County allocates to the Special Revenue Funds an indirect cost amount of the salaries and wages and related costs of personnel who perform administrative services for those funds but are paid through the General Fund along with other indirect costs deemed necessary for their operations. During the year ended November 30, 2007, the County allocated \$ 330,865 for such services.

**Compensated Absences:** Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

County employees receive vacation and sick pay in varying amounts based upon their employment anniversary dates and the bargaining unit to which they are a part. Deputies' and correctional officers' unused sick leave is utilized according to IMRF regulations to extend retirement benefits when a deputy or correctional officer dies or retires. The employee, or employee's beneficiary in case of death, may elect to receive a sick leave buy-out payment at the rate of 50 percent of the employee's accumulated sick leave up to a maximum of 60 days, or 120 days for employees hired before 1994. The County pays no accumulated sick leave to any other employees upon termination.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The County does not set aside funds in its current budget to fund liabilities incurred during the period. Rather, the County funds compensated absences on a "pay-as-you-go" basis. The noncurrent portion of the liability is not reported.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Compensated Absences, continued:**

Macon County Emergency Telephone System Board: The Board does not accrue compensatory time for employees. Sick and vacation time must be used in the year earned.

Decatur Public Building Commission: Employees can earn three weeks vacation, three floating holidays, one personal day and six sick days per year. However, sick days do not accrue, as they are not paid when leaving employment. The accrual for compensated absences was \$ 30,385 at November 30, 2007.

**Accrued Liabilities and Long-Term Obligations:** All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

**Net Assets:** Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Use of Estimates:** The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Governmental Fund Balance Reserves:** The County reserves those portions of governmental fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventory, debt service, restricted cash, prepaid expenditures, disaster contingency, investment and noncurrent debt.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 1 - Summary of Significant Accounting Policies, continued**

**Governmental Fund Balance Reserves, continued:**

Decatur Public Building Commission:

Bond Discount/Issuance Costs: Issuance costs and discounts arising as the result of the issuance of bonds are deferred and amortized over the terms of the respective issues using the straight-line method. Discounts are presented as a reduction of the face amount of the underlying debt whereas issuance costs are recorded as deferred charges.

Macon County Mental Health Board:

Related Parties: Woodford Homes, Inc., a related party through common management, pays a management fee to the Board for administrative services rendered. The fee was \$ 92,700 for the year ended June 30, 2007.

**Note 2 - Deposits and Investments**

State statutes authorize the County to invest in obligations of the U.S. Treasury or its agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements (subject to limitations), commercial paper rated within the three highest classifications by at least two standard rating services, money market mutual funds and the Illinois Funds.

**Deposits - Custodial Credit Risk:** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of November 30, 2007, \$ 2,487,629 of the County's bank balance of \$ 33,544,834 (including certificates of deposit, checking, and savings accounts) was exposed to custodial credit risk as being uninsured and uncollateralized. The County evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

At November 30, 2007, the carrying amount of the DPBC's cash deposits totaled \$ 3,752,999 including restricted cash of \$ 2,447,737. The bank balance at November 30, 2007, totaled \$ 4,037,989, all of which was insured by federally depository insurance or collateralized by securities held by a financial institution's trust department or agent in the Commission's name. The Commission's deposits are not subject to custodial credit risk.

At November 30, 2007, the carrying amount of the ETSB's cash deposits totaled \$ 56,000, all of which was fully insured by federally depository insurance.

At June 30, 2007, none of the Macon County Mental Health Board's bank balances of \$ 2,108,548 were exposed to custodial credit risk.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

**Note 2 - Deposits and Investments, continued**

**Investments:** The County invests in the Illinois Funds Money Market Fund and Prime Fund external investment pools which consist of monies invested by individual participants that are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. For purposes of overall credit risk, the funds are rated AAAM by Standard and Poor's. The individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each individual participant's account.

**Custodial Credit Risk:** Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments (or related collateral securities that are held by an outside party). The County does not have a policy for custodial credit risk. At year end, none of the County's investments were subject to custodial credit risk due to the fact that investments were part of an insured pool.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy to limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the County minimizes the risk by investing operating funds primarily in short-term securities or similar investment pools in order to meet cash requirements for ongoing operations. The Illinois Funds investment pool had a weighted average maturity of 7-15 days.

**Concentration of Credit Risk:** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. All of the County's investments are in certificates of deposit and external investment pools.

The composition of the County's cash, cash equivalents and investments, including restricted cash and investments, on November 30, 2007, was as follows:

	Primary Government	Component Units		
		708 Board	ETSB	DPBC
Cash on hand	\$ 8,325			200
Deposits in banks	28,786,406	2,012,743	56,000	3,752,999
Certificates of deposit	2,138,364		699,685	
Illinois Funds Money Market Fund	4,422,701		2,600,572	
Illinois Funds Prime Fund	4,596,814			
Corporate Stock		39,637		

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

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Note 2 - Deposits and Investments, continued

**Concentration of Credit Risk, continued:** The County's cash, cash equivalents and investments for the primary government at November 30, 2007, are reported as:

	Governmental Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 18,992,795	9,680,894	28,673,689
Investments	10,106,562	1,051,315	11,157,877
Restricted cash	261,374		261,374
Cash drawn in excess of funds available	(140,333)		(140,333)

**Restricted Cash and Investments:** Cash and investments of \$ 261,375 are restricted by state statute, or for specific purposes as follows:

Major governmental - General Fund:	
Circuit Clerk Separate Maintenance	\$ 244,228
Jail Inmate Expenditures	4,600
Judiciary expenditures	492
Child Support Held in Trust	<u>12,054</u>
	<u>\$ 261,374</u>

Note 3 - Property Taxes

The County's property tax is levied on January 1 of each year on all taxable real property located in the County. Real property tax revenue received in 2007 represents collection of the 2006 taxes. Real property taxes for the 2007 levy will be collected in and are intended to finance 2008 operations.

Macon County property is assessed as of January 1 of each year by the Township Assessors. The values are adjusted by various percentages according to the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Macon County Clerk computes the annual tax rate by dividing the requested levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Macon County Collector and used as a basis for issuing tax bills to all taxpayers in the County.



MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 3 - Property Taxes, continued**

Property taxes are collected by the Macon County Collector who periodically remits to each taxing unit its respective share of the collections. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds. Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and the second installment is due no later than September 1. A lien on taxable real property is effective thirty (30) days after the second installment due date.

The following are the taxes levied per \$ 100 of assessed valuation.

	Maximum Rate	2006 Levy
General Corporate	.2500	.25000
County Highway	.1000	.08970
Bridge Fund	.0500	.03374
Illinois Municipal Retirement		.06900
Federal Aid Matching	.0500	.02864
Historical Museum	.0020	.00200
County Health Department	.1070	.08207
Insurance Liability		.01380
Veterans' Assistance Commission	.0300	.00621
Mental Health (708 Board)	.1500	.15000
Judgment Repayment Fund		.02070
DPBC Lease Fund		.35956
Social Security		.06693
Macon County Cooperative Extension	.0500	.02589
		<u>1.19824</u>

**Note 4 - Permissive Sales and Use Tax**

In 2003, the County Board, by resolution approved by the electors, imposed a one quarter of one percent (.25%) tax on all retail sales made in the County. Revenue from this tax is to be used exclusively for public safety purposes. The County Board established how the sales tax proceeds would be allocated to the various public safety-related departments and activities.

Vendor collections of the tax are paid to the State Treasurer by the twentieth day of the month following collection. The State Comptroller then determines the amount of the taxes to be returned to the County. A receivable is recognized at year end for amounts that will be received from sales which occurred prior to December 1, 2007.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 5 - Receivables**

Receivables at November 30, 2007 consisted of accounts (billings for user charged services), sales taxes, accrued interest, grants, entitlements, shared revenues, interfunds, and property taxes. All amounts due from other governments are considered collectible in full.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonably systematic method of determining their existence, completeness, valuation, and collectibility.

A summary of the principal amounts due is as follows:

<u>Fund Type/Fund</u>	<u>Description</u>	<u>Amount</u>
General Fund	Taxes	\$ 1,089,016
	Grants	123,068
	State salary subsidies	456,796
	Municipal contract	83,464
	Other receivables	<u>49,647</u>
Total General Fund		<u>1,801,991</u>
Special Revenue Funds	Taxes	877,997
	Grants	1,337,069
	Local governments	850,301
	Other receivables	<u>150,872</u>
Total Special Revenue Funds		<u>3,216,239</u>
Total		<u>\$ 5,018,230</u>

Macon County Mental Health Board:

Note Receivable: The note receivable of \$ 270,760 represents a 25-year contract for deed with monthly payments including interest at 4.75%.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

**Note 6 - Interfund Receivables and Payables and Transfers**

Interfund receivables and payables at November 30, 2007, resulted from two types of transactions between funds. The first transaction type consists of loans made to provide working capital for operations or projects as follows:

	Interfund Receivable	Interfund Payable
General Corporate Fund:		
Non major governmental funds	\$	995,000
Non major governmental funds	995,000	
	<u>\$ 995,000</u>	<u>995,000</u>

The second transaction type results from the time lag between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made, as follows:

	Interfund Receivable	Interfund Payable
General Corporate Fund:		
County Health	\$ 20,403	39,157
Internal Service Fund	53,828	22,053
Highway	2,649	19,381
Multi-Facility Lease		167,533
Non major governmental funds	468,998	133,811
Multi-Facility Lease Fund:		
General	167,533	
County Health:		
General	39,157	20,403
Non major governmental funds	150,755	1,830
Highway:		
General	19,381	2,649
Internal Service Fund	9,713	
Internal Service Funds:		
General	22,053	53,828
Highway		9,713
Non major governmental funds	45,000	2,862
Non major governmental funds	153,773	680,023
	<u>\$ 1,153,243</u>	<u>1,153,243</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

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Note 6 - Interfund Receivables and Payables and Transfers, continued

	Transfers Out	Transfers In
General Corporate Fund:		
County Health	\$	90,000
Highway		61,250
Non major governmental funds		367,999
Health Department:		
General	90,000	
Non major governmental funds		114,280
Highway:		
General	61,250	
Non major governmental funds		1,200,000
Internal Service Fund:		
Non major governmental funds		195,000
Non major governmental funds	<u>1,877,279</u>	
	<u>\$ 2,028,529</u>	<u>2,028,529</u>

Transfers were made to the General Fund from other funds to offset administrative costs and health insurance expenditures in the amount of \$ 330,865. An additional \$ 188,384 was transferred from the Judgment Fund to the General Fund in order to support the operations of the Probation Department.

The Motor Fuel Tax Fund transferred \$ 600,000 to the County Highway Fund to offset the cost of using County-owned equipment for the annual required maintenance of roads within the County. An additional \$ 600,000 was transferred to the County Highway Fund to provide resources to enable the completion of Progress City infrastructure additions.

The Liability Insurance Fund transferred \$ 195,000 to the Self Insurance Fund to provide resources for the payment of workmen's compensation insurance claims under the County's self insurance program.

Transfers totaling \$ 114,280 were made to the County Health Fund from the Women, Infants and Children Grant Fund and the Home Modification Fund to allocate overhead costs of the Health Department to those programs.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

Note 7 - Capital Assets

Capital asset activity for the year ended November 30, 2007, was as follows:

	Balance December 1, 2006	Additions	Deletions	Balance November 30, 2007
Primary government governmental activities:				
Nondepreciable capital assets:				
Land and improvements	\$ 196,809			196,809
Total nondepreciable capital assets	196,809	-	-	196,809
Depreciable capital assets:				
Buildings and building improvements	10,154,271			10,154,271
Vehicles	2,684,836	483,849		3,168,685
Furniture and fixtures	84,796	13,619		98,415
Technology and equipment	2,435,923	318,171		2,754,094
Infrastructure	36,522,452	1,042,810		37,565,262
Total depreciable capital assets	51,882,278	1,858,449	-	53,740,727
Less accumulated depreciation for:				
Buildings and building improvements	7,004,008	398,720		7,402,728
Vehicles	1,542,280	467,345		2,009,625
Furniture and fixtures	43,227	18,321		61,548
Technology and equipment	1,543,400	567,316		2,110,716
Infrastructure	11,201,478	1,463,184		12,664,662
Total accumulated depreciation	21,334,393	2,914,886	-	24,249,279
Total depreciable assets, net	30,547,885	(1,056,437)	-	29,491,448
Governmental activities capital assets, net	\$ 30,744,694	(1,056,437)	-	29,688,257

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

Note 7 - Capital Assets, continued

Depreciation expense for the year ended November 30, 2007 was charged to governmental functions as follows:

Governmental activities:

General government	\$ 433,544
Judicially and court related	91,402
Public safety	286,770
Transportation	1,906,679
Public health and welfare	196,491

Total depreciation expense - governmental activities	\$ 2,914,886
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Decatur Public Building Commission:

Capital assets at November 30, 2007, and the related depreciation for the year then ended, were as follows:

	Cost	Accumulated Depreciation	Depreciated Cost	Current Depreciation
Land	\$ 1,049,447		1,049,447	
Parking lot	256,366	256,366		
Law Enforcement Center	20,770,330	8,443,420	12,326,910	534,305
Macon County Office building/ Court Facility	14,840,589	5,377,869	9,462,720	393,522
Vehicles	76,785	62,728	14,057	1,961
Equipment and furnishings	2,925,436	2,481,483	443,953	88,800
Animal Control	2,434,988	102,721	2,332,267	62,791
Total capital assets	\$ 42,353,941	16,724,587	25,629,354	1,081,379

Macon County Emergency Telephone System Board:

Capital assets activity for the year ended November 30, 2007 was:

	Balance November 30, 2006	Additions	Deletions	Balance November 30, 2007
Furniture and fixtures	\$ 1,119,697	212,415		1,332,112
Less accumulated depreciation	877,655	158,398		1,036,053
Capital assets, net	\$ 242,042	54,017	-	296,059

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

**Note 8 - Long-Term Debt**

The following is a summary of changes in the County's long-term obligations for the year ended November 30, 2007:

	Balance at November 30, 2006	Additions	Reductions	Balance at November 30, 2007	Amount Due In One Year
Governmental activities:					
General obligation debt	\$ 1,118,371		66,369	<b>1,052,002</b>	48,006
Compensated absences	720,188	1,330,503	1,124,378	<b>926,313</b>	
 Total governmental activities	 <b>\$ 1,838,559</b>	 1,330,503	 1,190,747	 <b>1,978,315</b>	

**Compensated Absences:** The County has recorded a liability of \$ 926,313 for accumulated vacation and sick leave benefits. These benefits are not expected to be paid from current available resources. The liability will be liquidated from the general and special revenue funds of the County.

The general obligation debt at November 30, 2007, is comprised of the following:

\$ 1,260,875 note payable due November 1, 2009. Monthly payments of \$ 7,874 are due beginning December 1, 2003, including interest at 4.35%. Principal and interest to be serviced by the general revenue of the County. The note is secured by a mortgage on the Health Department Building.

\$ 1,052,002

The Illinois Revised Statutes provide that the net general obligation debt of the County, exclusive of certain exempt debt, should not exceed 2.875 percent of the total assessed valuation of the County. The effect of the debt limitations described above is an overall debt margin of \$ 41,670,588 at November 30, 2007.

Annual debt service requirements to maturity for the general obligation note are as follows:

	Principal	Interest	Total
2008	\$ 48,006	46,484	94,490
2009	1,003,996	44,221	1,048,217
	<u>\$ 1,052,002</u>	<u>90,705</u>	<u>1,142,707</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 8 - Long-Term Debt, continued**

Decatur Public Building Commission:

Public Building Revenue Bonds: On July 31, 1997, the Commission issued \$ 9,705,000 in Public Building Revenue Bonds. The bonds bear interest at varying fixed rates increasing with the length of maturity from 4.15% to 5.40%.

On June 2, 2005, in connection with the issuance of the 2005 General Obligation Lease Revenue Bonds, \$ 3,585,000 of the 1997 bonds were advance refunded. The Commission used \$ 3,676,650 of the 2005 bond proceeds to purchase U.S. Government securities which were deposited with an escrow agent to provide for all future debt service on the refunded 1997 bonds. As a result, that portion of the 1997 bonds is considered defeased, and the Commission has removed the liability from its accounts. The call date of the defeased bonds is January 1, 2007.

The excess of the advance refunding over the book value of the defeased bonds of \$ 127,902 is being amortized over the remaining life of the 2005 bonds.

The annual requirements to amortize the remaining outstanding debt of \$ 2,640,000 as of November 30, 2007, assuming no early retirements, is as follows:

Year ending November 30	Principal	Interest	Total	Balance
2008	\$ 205,000	133,161	338,161	2,435,000
2009	220,000	122,533	342,533	2,215,000
2010	230,000	111,113	341,113	1,985,000
2011	240,000	99,068	339,068	1,745,000
2012	255,000	86,258	341,258	1,490,000
2013	270,000	72,540	342,540	1,220,000
2014	280,000	58,032	338,032	940,000
2015	295,000	42,721	337,721	645,000
2016	315,000	26,325	341,325	330,000
2017	330,000	8,910	338,910	
Total	\$ 2,640,000	760,661	3,400,661	



MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

**Note 8 - Long-Term Debt, continued**

General Obligation Lease Revenue Bonds, Series 2005: On June 2, 2005, the Commission approved resolution 2005-3 authorizing the issuance of \$ 9,490,000 General Obligation Lease Revenue Bonds for the purpose of providing for the refunding of certain Public Revenue Bonds, Series 1997 and to provide for certain acquisitions, improvements and equipping of facilities.

Annual debt service requirements are as follows:

Year ending November 30	Principal	Interest	Total	Balance
2008	\$ 1,680,000	253,570	1,933,570	6,260,000
2009	1,515,000	200,373	1,715,373	4,745,000
2010	1,345,000	151,614	1,496,614	3,400,000
2011	1,155,000	107,580	1,262,580	2,245,000
2012	940,000	70,180	1,010,180	1,305,000
2013	700,000	40,023	740,023	605,000
2014	445,000	17,741	462,741	160,000
2015	160,000	4,680	164,680	
Total	\$ 7,940,000	845,761	8,785,761	

**Note 9 - Prior Period Adjustments**

The following discloses the restatement of government-wide net assets as of the beginning of the fiscal year:

Net assets, beginning of year, as previously reported	\$ 46,981,316
Increase due to implementation of the retroactive reporting provisions of GASB Statement No. 34 recording major infrastructure, net of accumulated depreciation	16,926,886
Increase due to recording the value of vaccine inventory received as non-cash assistance	<u>71,793</u>
Net assets, beginning of year, as restated	<u>\$ 63,979,995</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

**Note 10 - Intergovernmental Revenue**

A summary of intergovernmental revenue for the year ended November 30, 2007, follows:

	Major Funds					Non Major Funds	Component Unit 708 Board
	General Fund	County Health Fund	Highway Fund	Federal Aid Matching Fund	Multi- Facility Lease Fund		
Municipal	\$ 357,300				671,425	411,419	
Federal and state grants	580,301	3,589,757	375,114	215,385		3,885,141	1,020,163
Federal government							
State of Illinois	1,134,702					2,654,868	
<b>Total</b>	<b>\$ 2,072,303</b>	<b>3,589,757</b>	<b>375,114</b>	<b>215,385</b>	<b>671,425</b>	<b>6,951,428</b>	<b>1,020,163</b>

**Note 11 - Fund Equity Balances**

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

**Reserved fund balance** represents that portion of fund balance not available for appropriation or expenditure.

Fund balances reserved at November 30, 2007, are composed of the following:

	Major Funds				Non Major Funds
	General Fund	County Health Fund	Federal Aid Matching Fund	Multi-Facility Lease Fund	
Encumbrances	\$ 960		140,051		163,500
Inventory	15,541	16,954			
Non current receivable					995,000
Prepaid expenditures	55,051			3,497,436	815
Reserved per statute	249,321				
Disaster contingency					500,000
<b>Total</b>	<b>\$ 320,873</b>	<b>16,954</b>	<b>140,051</b>	<b>3,497,436</b>	<b>1,659,315</b>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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Note 11 - Fund Equity Balances, continued

**Unreserved, undesignated fund balance** represents the remainder of the County's equity in governmental fund balances.

**Designated fund balance** is established to reflect management's plans for financial resource allocation in a future period. Such plans are subject to change and may never result in expenditures. At November 30, 2007, funds were designated as follows:

General Fund:	
Designated for intrafund debt repayment	\$ 995,000
Designated for insurance and retiree health benefits	1,000,000
Designated for cash flow and emergency reserve	<u>1,500,000</u>
Total	<u>3,495,000</u>
Nonmajor Special Revenue Funds:	
Designated for future grant expenditures:	
Workforce Investment Solutions Fund	(39,272)
State's Attorney Grant Fund	122,914
Sheriff's Grant Fund	88,657
ESDA Grant Fund	371
Probation Grant Fund	10,962
Designated for future investment in equipment:	
Judgment Repayment Fund	<u>100,000</u>
Total	<u>\$ 283,632</u>

Designated fund balances of the discretely presented component unit represent amounts that are tentatively planned for capital improvements in a future period.

Macon County Mental Health Board:

Fund Balances - Designated: The Board has designated fund balances as of June 30, 2007, for the following items:

Special allocations:	
Indemnification of Board of Directors	\$ 15,000
Possible property tax refund	50,000
Budget deficit	<u>71,811</u>
Total fund balances, designated	<u>\$ 136,811</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 11 - Fund Equity Balances, continued**

**Fund Equity Deficits:** The following funds reported deficit fund balances as of November 30, 2007. The Internal Service Fund deficit will be eliminated with resources transferred from the Liability Insurance Fund. The Special Revenue Funds deficits result from grant recognition timing differences and will be eliminated with future grant revenues.

Internal Service - Self Insurance Fund	\$ 348,767
Special Revenue Funds:	
Women, Infants and Children Grant Fund	21,839
Home Modification Fund	5,634
Workforce Investment Solutions Fund	39,272

Decatur Public Building Commission:

In 1995, the County contributed \$ 2,000,000 towards the renovation of the Macon County office building and courts facility. In 1996, 1997 and 1998, the County contributed a total of \$ 600,000 for the removal of asbestos from the Macon County Courts Facility as part of the renovation project, and the City of Decatur contributed \$ 100,000 towards the upgrade of the communications center at the Law Enforcement Center. The contributed capital is reported in the statement of net assets as net assets invested in capital assets.

**Note 12 - Illinois Municipal Retirement Fund**

Employees of the County, the Macon County Mental Health Board and the Macon County Emergency Telephone System Board participate in the Illinois Municipal Retirement Fund.

**Plan Description:** The County's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), is an agent-multiple-employer public employee retirement system that provides retirement, disability, annual cost of living adjustments and death benefits to Regular, Elected County Officials (ECO) and Sheriff's Law Enforcement Personnel (SLEP) plan members and beneficiaries. IMRF 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. The report may be obtained at [www.imrf.org/pubs/pubs\\_homepage.htm](http://www.imrf.org/pubs/pubs_homepage.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Regular, ECO and SLEP employees participating in IMRF are required to contribute 4.5%, 7.5% and 7.5% of their annual covered salary, respectively. The member rate is established by state statute. The County is required to contribute an actuarially determined rate. The employer rates of covered payroll for calendar year 2007 were 8.25% for Regular members, 21.05% for SLEP members, and 46.22% for ECO members. 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, 2007 was 25 years for SLEP and ECO members, and 5 years for Regular members.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

Note 12 - Illinois Municipal Retirement Fund, continued

**Plan Description, continued:** The employees of the discretely presented component units - Macon County Mental Health Board and Macon County ETSB - are included within the plan for Macon County, Illinois.

For December 31, 2007, the County's **annual pension cost** of \$ 1,309,199 for Regular members, \$ 585,005 for SLEP members, and \$ 261,934 for ECO members was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of 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 2007 actuarial valuation were based on the 2002-2004 experience study.

Trend Information:

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Illinois Municipal Retirement Fund			
	Year	Regular	SLEP	ECO
Annual pension cost (APC)	2005	\$ 866,250	495,335	208,497
	2006	1,319,327	526,256	225,286
	2007	1,309,199	585,005	261,934
Actual contributions	2005	866,250	495,335	208,497
	2006	1,319,327	526,256	225,286
	2007	1,309,199	585,005	261,934
Percentage of APC contributed	2005	100%	100%	100%
	2006	100%	100%	100%
	2007	100%	100%	100%
Net pension obligation	2005	\$ -	-	-
	2006	-	-	-
	2007	-	-	-

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 12 - Illinois Municipal Retirement Fund, continued**

\* Digest of Changes:

The actuarial assumptions used to determine the actuarial accrued liability for 2007 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.

**Note 13 - Decatur Public Building Commission Retirement Plan**

In January 1998, the Commission adopted a Savings Incentive Match Plan for Employees (SIMPLE) Individual Retirement Account (IRA) Plan under Section 408(p) of the Internal Revenue Code. The Commission administers the SIMPLE IRA Plan as a single-employer defined contribution plan, which has been established through a trust agreement with a financial institution. Plan provisions are established and may be amended by the Board. Eligible employees are those who received at least \$ 5,000 in compensation from the Commission during the current year. Participants may elect to make salary reduction contributions to the plan for amounts expressed either as a specific dollar amount or as a percentage of compensation. Salary reduction contributions cannot exceed \$ 10,500 (\$ 12,500 if over 50 years of age) per plan year. In addition, the Commission is generally required to make a matching contribution on behalf of each eligible employee in an amount equal to the employee's salary reduction contributions, up to 3% of the employee's compensation for the applicable calendar year. Contributions requirements are established and may be amended by the Board. A participant's interest in the plan, including that attributable to the Commission's matching contribution, is nonforfeitable. For the year ended November 30, 2007, the Commission's total matching contributions to the plan were \$ 19,434.

**Note 14 - Deferred Compensation Plan**

The County offers all full-time employees a deferred compensation plan established in accordance with the requirements of the Internal Revenue Code Section 457. Participants authorize the County to withhold funds from their salaries which are invested, within a range of options, in individual accounts as directed by the individual. The assets are administered by Nationwide Retirement Solutions and Prudential Retirement Services. The assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. The deferred compensation is not available to the participants until termination, retirement, death or unforeseeable emergency. The County made no contributions to the plan.

Macon County Mental Health Board: The Board offers various employees a deferred compensation plan established in accordance with the requirements of Internal Revenue Code Section 457. The assets of the plan are held in trust for the exclusive benefit of the participants (employees) and their beneficiaries.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

Note 15 - Multiple Facilities Lease

The County had entered into a 30-year lease agreement in 1997 with the Decatur Public Building Commission (DPBC) for financing renovations to the Macon County Office Building and Macon County Courts Facility. In addition, the County, along with the City of Decatur (City) had entered into a noncancellable 20-year lease with the DPBC in 1986 in order to lease the Macon County Law Enforcement Facilities from the DPBC. The leases required that the County levy property taxes to make annual rental payments to the DPBC to service the DPBC revenue bonds and to pay maintenance and utility costs of the center.

On June 1, 2005, the County and the DPBC entered into a new Multiple Facilities Lease Agreement, encompassing the Courthouse, Office Building, Law Enforcement Facilities, and adding the Animal Control Facility. The new lease superseded both of the prior leases, except for the obligations of the County to pay the remaining rent due under the 1986 lease, all of which was due and payable on or before January 1, 2006. Concurrent with the execution of the lease, the DPBC issued the General Obligation Lease Revenue Bonds, Series 2005 for the purposes of paying the costs of the renovation projects and providing for the refunding of the 1997 bond issue.

The initial lease term of the Multiple Facilities Lease Agreement is twelve and one-half (12½) years. Prior to the expiration of the lease, the parties can extend the lease period for an additional thirty (30) years, or such lesser period as they may agree.

The rent is divisible into a debt service component and a facilities rent portion. The debt service component is payable in order to retire the bonds issued by the DPBC. The facilities rent component reflects the amounts necessary to cover operations and maintenance expenditures of the buildings. The following is a schedule of the future minimum lease payments under the lease and the present value of the net minimum lease payments at November 30, 2007:

November 30,	Facilities Rent	Debt Service Component		
		Principal	Interest	Total
2008	\$ 3,652,441	1,885,000	386,731	2,271,731
2009	3,869,101	1,735,000	322,905	2,057,905
2010	4,085,905	1,575,000	262,726	1,837,726
2011	4,323,244	1,395,000	206,648	1,601,648
2012	4,576,924	1,195,000	156,437	1,351,437
2013-2017	26,869,721	2,795,000	270,973	3,065,973
	<u>\$ 47,377,336</u>	<u>10,580,000</u>	<u>1,606,420</u>	<u>12,186,420</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 15 - Multiple Facilities Lease, continued**

A further allocation of the rent is set out in the lease agreement to show the rent by facility which allocates the use of the rent receipts by the DPBC. However, the lease agreement states that a reallocation among the facilities is allowed upon written acceptance by both parties.

The initial rent allocation to each facility follows:

Courthouse and Office Building	47.25%
Law Enforcement Facilities	44.87%
Animal Control Facility	<u>7.88%</u>
	<u>100.00%</u>

The agreement states that any amounts remaining after payment of debt service and operations and maintenance costs from the rent payments received for the year, are added to a General and Surplus Revenue Account. At the written request of the County, the DPBC shall apply any or all amounts in the General and Surplus Revenue Account to the next rental payment due. The Multi-Facility Lease Fund records a receivable for the surplus at year end. The change in the surplus for 2007 is as follows:

Balance at November 30, 2006	\$ 770,175
2007 rents applied	(764,272)
2007 surplus	<u>671,425</u>
Balance at November 30, 2007	<u>\$ 677,328</u>

Decatur Public Building Commission:

Multiple Facilities: On June 1, 2005, the Commission entered into a multiple-facility lease agreement with Macon County, Illinois. The leased facilities are the Macon County Courthouse, Macon County Office Building, Macon County Animal Control Facility and the Macon County Law Enforcement Center. This lease supersedes the July 1, 1997 lease.

The Commission is required to pay all utilities, cleaning and other operation and maintenance costs of the multiple facilities. Operational costs not related to facilities operations are born by the lessee. If operation and maintenance costs exceed rental revenue, the Commission may use funds from the General and Surplus Account to offset the deficiency. In the event the General and Surplus Account does not meet the deficiency, the Commission can, by mutual consent with the lessee, reduce services or procure additional rents.

Macon County has the option to renew the lease for up to an additional 30 years after the expiration of the lease. Lease terms related to the renewal option would need to be negotiated at the time of renewal.



MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 15 - Multiple Facilities Lease, continued**

Decatur Public Building Commission, continued:

Lease payments are due each December 1 for the succeeding year and are comprised of 2 components, (1) the debt service component and (2) the facilities rent component. Future minimum lease payments are as follows:

<u>Year ending November 30</u>	<u>Debt Service Component</u>	<u>Facilities Rent Component</u>	<u>Total</u>
2008	\$ 2,271,731	3,652,441	5,924,172
2009	2,057,905	3,869,101	5,927,006
2010	1,837,726	4,085,905	5,923,631
2011	1,601,648	4,323,245	5,924,893
2012	1,351,438	4,576,925	5,928,363
2013	1,082,563	4,838,699	5,921,262
2014	800,774	5,120,189	5,920,963
2015	502,401	5,422,599	5,925,000
2016	341,325	5,573,850	5,915,175
2017	338,910	5,914,384	6,253,294
Total	<u>\$ 12,186,421</u>	<u>47,377,338</u>	<u>59,563,759</u>

The Commission agreed to apply \$ 168,876 of operating surplus towards Macon County's fiscal year 2007 rental obligation, thus reducing rent income by this amount.

On June 1, 2003, the Commission entered into a lease agreement with the County of Macon, whereby, the Commission leased to the County approximately 9,000 square feet located on the sixth and seventh floors of the Macon County Office Building. Monthly rentals on this lease that are received in advance are \$ 3,750.

On June 1, 2003, the Commission entered into a lease agreement with the Macon County Emergency Telephone System Board (ETSB) whereby the Commission is leasing to ETSB approximately 2,118 square feet of office space located on the eighth floor of the Macon County Office Building. The term of the lease is five years commencing on June 1, 2003 and ending on May 31, 2008. Monthly rentals are \$ 1,127. Future minimum lease receipts are \$ 6,765 through May 31, 2008.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)  
November 30, 2007

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**Note 15 - Multiple Facilities Lease, continued**

Decatur Public Building Commission, continued:

On December 19, 2005, the Commission entered into an operating lease agreement with the City of Decatur, Illinois for the use of the Commission's law enforcement center. The lease began on April 1, 2006 and expires on November 30, 2007. Rent payments are as follows:

April 1, 2006 to November 30, 2006:

Total rent required	\$ 225,724
Paid from Commission rent surplus account	(53,299)
Paid from Commission's general fund	<u>(172,425)</u>
Net rent due from City of Decatur on December 1, 2006	<u>\$ -</u>

December 1, 2006 to November 30, 2007:

Total rent required	\$ 320,549
Paid from Commission rent surplus account	<u>(39,985)</u>
Net rent due from City of Decatur on December 1, 2007	<u>\$ 280,564</u>

On August 20, 2007, the Commission renewed a lease with the City under the following terms:

December 1, 2007 to November 30, 2008:

Total rent required	\$ 257,112
Paid from Commission rent surplus account	<u>(57,475)</u>
Net rent due from City of Decatur on December 1, 2008	<u>\$ 199,637</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 16 - Other Leases**

The County has a month to month lease agreement with the Decatur Public Building Commission for 9,000 square feet of space located on the sixth and seventh floors of the Macon County Office Building. This space is for use by the Probation Department of Macon County. The lease calls for monthly rental payments of \$ 3,750. In addition, the Commission provides utilities and upkeep of the space for the County.

Rental expenditures under this lease totaled \$ 45,000 for the fiscal year ended November 30, 2007.

The County currently has a month to month lease agreement for half of the first floor of 1075 West Pershing Road for use by the Workforce Investment Solutions administration offices. The lease calls for monthly rental payments of \$ 1,000.

Rental expenditures under this lease for the fiscal year ended November 30, 2007 totaled \$ 15,000.

The County also has a lease agreement for a portion of the space located at 757 West Pershing Road for use by the Workforce Investment Solutions One Stop Center. The lease is renegotiated annually based on a cost allocation process.

Rental expenditures under this lease for the fiscal year ended November 30, 2007 totaled \$ 45,719.

During 2003, the County entered into a three year lease agreement for office space at 369 West Prairie for use by the Child Advocacy Center. The lease calls for monthly rental payments of \$ 1,150 and has an option to renew for an additional three years at the same rate.

Rental expenditures under this lease for the fiscal year ended November 30, 2007 totaled \$ 16,200.

Macon County Emergency Telephone System Board: The Board leases office space under an operating lease that expires May 31, 2008. Total rent expense was \$ 13,530 for the year. Future minimum lease payments are as follows:

2008	\$ 6,765
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Macon County Mental Health Board: The Board is committed under various leases for office space and other equipment expiring through 2008. These leases are considered for accounting purposes to be operating leases. Rent expense for the year ended June 30, 2007, amounted to \$ 46,982. Future minimum lease payments for these leases are as follows:

2008	\$ 44,651
2009	<u>14,945</u>
Total	<u>\$ 59,596</u>

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 17 - Risk Management**

**Property and Liability:** The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County contracts with the Illinois Counties Risk Management Trust for liability, property, and crime insurance. The program has a \$ 25,000 deductible per occurrence. The list below is a general description of insurance coverage; not all policy terms, conditions, restrictions, exclusions, etc. are included.

Liability:

General (Per Occurrence/Aggregate)	\$ 1,000,000/3,000,000
Law Enforcement (Per Occurrence/Aggregate)	\$ 1,000,000/2,000,000
Auto	\$ 1,000,000
Nurses Professional	\$ 1,000,000
Public Official Errors and Omissions	\$ 1,000,000

Aggregate:

Property	\$ 8,801,900
Inland Marine (scheduled equipment)	\$ 1,067,659
Unscheduled equipment	\$ 10,000
Contractor's equipment (leased)	\$ 100,000
Voting machines	\$ 450,500
Crime	\$ 500,000
Excess Liability (Per Occurrence/Aggregate)	\$ 8,000,000

The County pays all elected officials' bonds by statute.

The other County building and contents are insured under the Decatur Public Building Commission's policy. The boiler/machine are covered by the Public Building Commission. Settled claims have not exceeded this commercial coverage in any of the past three years.

**Unemployment Insurance:** Under provisions of the Illinois Unemployment Insurance Act, the County has elected to self-insure for unemployment compensation benefits. Rather than contribute to the Illinois Unemployment Insurance Fund, the County has agreed to reimburse the State of Illinois for any unemployment benefits paid by the State on behalf of the County. The unemployment compensation program is funded totally by the County.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 17 - Risk Management, continued**

**Workers' Compensation:** The County has elected to self-insure for worker's compensation. The worker's compensation program is funded 90 percent by the County, with the remaining 10 percent being covered by an insurance carrier. The program is insured for amounts above the self-insured retention limits of \$ 400,000 with a statutory maximum limit of indemnity per occurrence. After these limits, the County is insured for amounts up to \$ 1,000,000.

The County's self insurance program is funded by property tax receipts. Proceeds from property taxes are initially recorded in the Insurance Liability Fund and subsequently transferred to the Self Insurance Fund as the need arises.

**Claims and Judgments:** When a probable claim liability has been incurred at year end and the amount of the loss can be reasonably estimated, the County records the estimated loss under its self insurance program. The claim liability includes claims incurred and an estimation for claims incurred but not reported (IBNR), based on historical data pursuant to the self-funded workmen's compensation and unemployment compensation programs. This estimated liability for claims reported to date has been recorded in the Self-Insurance Internal Service Fund.

Changes in the balances of the claims liabilities amount for the two most recent fiscal years are as follows:

	<u>2007</u>	<u>2006</u>
Claims liability, beginning of year	\$ 164,786	274,839
Claims incurred and changes in estimates	247,822	141,948
Claim payments	<u>(196,847)</u>	<u>(252,001)</u>
Claims liability, end of year	<u>\$ 215,761</u>	<u>164,786</u>

There was no liability reported for claims incurred but not reported (IBNR) as of November 30, 2007.

MACON COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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**Note 18 - Commitments and Contingencies**

**Federally Assisted Grant Programs:** The County participated in a number of federally assisted grant programs, principal of which is the Workforce Investment Act. These programs are subject to program compliance audits by the grantors or their representative. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be insignificant.

**Litigation:** There are several lawsuits pending against the County for various reasons. The outcome and eventual liability of the County, if any, in these cases are not known at this time and, accordingly, no specific provisions for these lawsuits are included in the financial statements except as accrued in the Internal Service - Self Insurance Fund. However, based upon past experience, management believes that the insurance coverage maintained by the County is sufficient to cover any potential claims.

**Construction Commitments:** The County has active construction projects as of November 30, 2007, consisting mainly of road construction and resurfacing projects. At year end, the County's major project commitments are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Construction Commitment</u>	<u>Expected Completion Date</u>
South and East Beltway	\$ 1,209,833	775,550	2008

The above construction project is funded primarily by motor fuel tax proceeds, and state and federal grant proceeds.

**Contract Commitments:** During 2006, the County entered into an eighteen-month contract for computer support in connection with the 2007 election cycle. Payments are due monthly based on a total contract price of \$ 248,130.

The County enters into various contracts to support the Sheriff's Department which includes the jail. An annual contract for medical services was entered into for \$ 20,093 per month. Another contract entered into was for dietary services at a per-meal price. These contracts primarily support jail operations.

**Macon County Emergency Telephone System Board:** The Board entered into an agreement to purchase a new system including equipment and software. Half of the contract was paid during 2007 with the remaining half due at a later date.

## MACON COUNTY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued)

November 30, 2007

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#### **Note 19 - Postemployment Benefits**

The County provides for the continuance of health insurance benefits for retired employees under 65 years of age by allowing them to remain in the County's healthcare plan after retirement. Once retirees reach 65 years of age, they are eligible for Medicare enrollment and are no longer eligible to participate in the County's health insurance program. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. The retirees pay the cost of the entire annual premium, which is equal to the employee and employer costs for each plan year. Amounts paid by retirees are recorded as revenue when received and the premium paid by the County is recorded as expenditures when paid. The approximation of the portion of health benefits attributable to retirees only cannot reasonably be made.

#### **Note 20 - Non-Commitment Debt**

On May 1, 2000, the County issued Series 2000 Adjustable Rate Demand Revenue Bonds in the amount of \$ 8,700,000. Net proceeds of the issuance were deposited by Decatur Family YMCA, Illinois for the construction of a new facility. The YMCA has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the YMCA will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 8,700,000 at December 31, 2007.

During 1998, the County issued Series 1998A and 1998B Revenue Refunding Bonds in the amount of \$ 14,480,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the defeasance of Series 1995 Revenue Bonds. The University entered into an Irrevocable Escrow Agreement to defease the Series 1995 Revenue Bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on these obligations was \$ 12,700,000 at June 30, 2007. Additionally, \$ 1,735,000 of the \$ 4,913,736 of principal defeased was still outstanding at June 30, 2007.

During February 1999, the County issued Series 1999 Revenue Bonds in the amount of \$ 15,900,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the construction of a new facility, and renovation and improvements to existing facilities. The University has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 13,600,000 at June 30, 2007.

**MACON COUNTY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**November 30, 2007**

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**Note 20 - Non-Commitment Debt, continued**

During April 2001, the County issued Series 2001 Revenue Bonds in the amount of \$ 8,300,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the construction of a new facility. The University has signed a promissory note payable to the County, securing all principal and interest due under the bonds. As the intent of all parties is that the University will provide funds for all debt payments, the liability has not been recorded on the County's balance sheet. The outstanding balance on this obligation was \$ 1,410,000 at June 30, 2007.

During July 2004, the County issued Series 2004 Revenue Refunding Bonds in the amount of \$ 7,060,000. Net proceeds of the issuance were deposited by Millikin University, Illinois for the defeasance of Series 1993 Revenue Bonds. The University received cash to refund the bonds, and the University chose to retire \$ 3,700,000 of Series 2004 bonds during 2004. During 2005, the University chose to retire the Series 2004 Bonds.



**REQUIRED SUPPLEMENTARY INFORMATION**

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 GENERAL CORPORATE FUND  
 Year ended November 30, 2007

	Budgeted Amounts		Actual Amounts
	Original	Final	Budgetary Basis
<b>Revenues:</b>			
Taxes	\$ 8,925,246	8,925,246	9,486,491
Intergovernmental	1,921,993	1,990,348	2,072,303
Fines, fees, forfeitures	3,430,260	3,430,260	4,001,092
Licenses and permits	78,000	78,000	98,700
Interest on investments	121,000	121,000	260,164
Miscellaneous revenue	1,435,540	1,435,540	1,586,286
<b>Total revenues</b>	<b>15,912,039</b>	<b>15,980,394</b>	<b>17,505,036</b>
<b>Expenditures:</b>			
<b>General Control and Administration:</b>			
<b>County Clerk:</b>			
Personnel	218,092	224,192	211,841
Supplies and materials	38,800	38,800	38,734
<b>County Clerk - Elections:</b>			
Personnel	271,700	265,600	169,749
Supplies and materials	300,000	300,000	294,921
<b>County Recorder:</b>			
Personnel	216,951	216,951	182,688
Supplies and materials	13,481	13,481	13,124
<b>County Treasurer:</b>			
Personnel	219,000	219,000	216,839
Supplies and materials	42,185	48,185	45,022
<b>Auditor:</b>			
Personnel	289,662	289,663	288,545
Supplies and materials	34,900	34,900	35,003
Equipment	1,250	1,250	1,237
<b>County Board:</b>			
Personnel	277,724	277,724	258,127
Supplies and materials	1,663,204	1,667,429	1,376,551
Equipment	13,000	8,775	8,456
<b>Supervisor of Assessments:</b>			
Personnel	223,105	223,105	192,756
Supplies and materials	80,000	80,000	64,689
Equipment	1,800	1,800	954
<b>Board of Review:</b>			
Personnel	46,500	46,500	47,584
Supplies and materials	14,700	14,700	5,671
Equipment	300	300	

(Continued)

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
12,846	9,499,337	561,245
	2,072,303	81,955
	4,001,092	570,832
	98,700	20,700
	260,164	139,164
	1,586,286	150,746
12,846	17,517,882	1,524,642

	211,841	12,351
	38,734	66
	169,749	95,851
	294,921	5,079
	182,688	34,263
	13,124	357
	216,839	2,161
	45,022	3,163
	288,545	1,118
297	35,300	(103)
	1,237	13
	258,127	19,597
315	1,376,866	290,878
	8,456	319
	192,756	30,349
	64,689	15,311
	954	846
	47,584	(1,084)
	5,671	9,029
		300

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 GENERAL CORPORATE FUND (Continued)  
 Year ended November 30, 2007

	Budgeted Amounts		Actual
	Original	Final	Amounts Budgetary Basis
Expenditures, continued:			
Public Safety:			
County Sheriff:			
Personnel	\$ 3,221,965	3,224,184	3,155,461
Supplies and materials	76,200	76,200	58,506
Equipment		43,252	43,252
Law Facilities Center:			
Personnel	2,854,412	2,854,412	2,780,593
Supplies and materials	120,800	120,800	172,220
Judiciary and Court-Related:			
Circuit Clerk:			
Personnel	877,494	877,494	856,016
Supplies and materials	124,679	124,679	100,103
Equipment	900	900	
State's Attorney:			
Personnel	1,143,294	1,160,733	1,140,444
Supplies and materials	117,500	123,468	123,219
Equipment	4,220	6,448	6,448
State's Attorney, Title IV-D, Public Aid:			
Personnel	280,500	286,308	286,303
Supplies and materials	41,600	37,645	37,717
Equipment	5,700	3,846	3,846
Circuit Court:			
Personnel	402,990	419,260	405,465
Supplies and materials	103,625	188,625	176,449
Equipment	4,000	4,000	4,125
Public Defender:			
Personnel	834,833	884,233	859,241
Supplies and materials	20,000	20,000	16,034
Probation Officers:			
Personnel	1,642,507	1,642,507	1,567,385
Supplies and materials	400,000	430,000	421,453
Equipment	600	600	450
Public Health and Welfare:			
Superintendent, Regional Office of Education:			
Personnel	112,913	112,913	109,329
Supplies and materials	49,353	49,353	45,021
Total expenditures	16,406,439	16,664,215	15,821,571

(Continued)

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
	3,155,461	68,723
	58,506	17,694
	43,252	
	2,780,593	73,819
	172,220	(51,420)
	856,016	21,478
	100,103	24,576
		900
	1,140,444	20,289
	123,219	249
	6,448	
	286,303	5
	37,717	(72)
	3,846	
	405,465	13,795
	176,449	12,176
	4,125	(125)
	859,241	24,992
	16,034	3,966
	1,567,385	75,122
	421,453	8,547
	450	150
	109,329	3,584
	45,021	4,332
612	15,822,183	842,644

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 GENERAL CORPORATE FUND (Continued)  
 Year ended November 30, 2007

	Budgeted Amounts		Actual
	Original	Final	Amounts Budgetary Basis
Excess (deficiency) of revenues over (under) expenditures	(494,400)	(683,821)	1,683,465
Other financing sources (uses):			
Transfers in	479,682	525,952	519,249
Transfers out			
Total other financing sources (uses)	479,682	525,952	519,249
Net change in fund balance	\$ (14,718)	(157,869)	2,202,714
Budgetary fund balance, beginning of year			4,442,010
Budgetary fund balance, end of year			\$ 6,644,724

See Notes to Required Supplementary Information.

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
12,234	1,695,699	2,367,286
	519,249	(6,703)
-	519,249	(6,703)
12,234	2,214,948	2,360,583

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 COUNTY HEALTH FUND  
 Year ended November 30, 2007

	Budgeted Amounts		Actual Amounts Budgetary Basis
	Original	Final	
Revenues:			
Taxes	\$ 1,190,821	1,190,821	1,211,368
Intergovernmental	3,333,553	3,233,553	3,589,757
Fines, fees, forfeitures	228,200	228,200	285,428
Licenses and permits	125,000	125,000	141,191
Interest on investments	50,000	50,000	73,513
Miscellaneous revenue	10,200	10,200	5,800
Total revenues	<u>4,937,774</u>	<u>4,837,774</u>	<u>5,307,057</u>
Expenditures:			
Current:			
Public Health and Welfare:			
Personnel	4,020,201	4,012,201	4,058,689
Supplies and materials	1,622,255	1,638,255	1,021,649
Equipment			147,852
Debt Service:			
Principal			66,369
Interest			42,247
Total expenditures	<u>5,642,456</u>	<u>5,650,456</u>	<u>5,336,806</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(704,682)</u>	<u>(812,682)</u>	<u>(29,749)</u>
Other financing sources (uses):			
Transfers in			114,280
Transfers out			(90,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>24,280</u>
Net change in fund balance	<u>\$ (704,682)</u>	<u>(812,682)</u>	<u>(5,469)</u>
Budgetary fund balance, beginning of year			<u>2,189,518</u>
Budgetary fund balance, end of year			<u>\$ 2,184,049</u>

See Notes to Required Supplementary Information.



Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
(55,268)	1,156,100	20,547
	3,589,757	356,204
	285,428	57,228
	141,191	16,191
	73,513	23,513
	5,800	(4,400)
(55,268)	5,251,789	469,283
	4,058,689	(46,488)
	1,021,649	616,606
	147,852	(147,852)
	66,369	(66,369)
	42,247	(42,247)
-	5,336,806	313,650
(55,268)	(85,017)	782,933
	114,280	114,280
	(90,000)	(90,000)
-	24,280	24,280
(55,268)	(60,737)	807,213

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 COUNTY HIGHWAY FUND  
 Year ended November 30, 2007

	Budgeted Amounts		Actual Amounts Budgetary Basis
	Original	Final	
Revenues:			
Taxes	\$ 1,300,000	1,300,000	1,306,247
Intergovernmental	900,000	900,000	375,114
Fines, fees, forfeitures	35,000	35,000	48,061
Interest on investments	13,600	13,600	30,421
Miscellaneous revenue	50,000	50,000	96,747
Total revenues	<u>2,298,600</u>	<u>2,298,600</u>	<u>1,856,590</u>
Expenditures:			
Current:			
Transportation:			
Personnel	545,735	545,735	623,411
Supplies and materials	735,566	735,566	534,512
Equipment	1,862,000	1,862,000	1,135,177
Total expenditures	<u>3,143,301</u>	<u>3,143,301</u>	<u>2,293,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(844,701)</u>	<u>(844,701)</u>	<u>(436,510)</u>
Other financing sources (uses):			
Transfers in	600,000	600,000	1,200,000
Transfers out			<u>(61,250)</u>
Total other financing sources (uses)	<u>600,000</u>	<u>600,000</u>	<u>1,138,750</u>
Net change in fund balance	<u>\$ (244,701)</u>	<u>(244,701)</u>	702,240
Budgetary fund balance, beginning of year			<u>356,958</u>
Budgetary fund balance, end of year			<u>\$ 1,059,198</u>

See Notes to Required Supplementary Information.

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
11,632	1,317,879	6,247
	375,114	(524,886)
	48,061	13,061
	30,421	16,821
	96,747	46,747
11,632	1,868,222	(442,010)
	623,411	(77,676)
	534,512	201,054
	1,135,177	726,823
-	2,293,100	850,201
11,632	(424,878)	408,191
	1,200,000	600,000
	(61,250)	(61,250)
-	1,138,750	538,750
11,632	713,872	946,941

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 FEDERAL AID MATCHING FUND  
 Year ended November 30, 2007

	Budgeted Amounts		Actual Amounts Budgetary Basis
	Original	Final	
Revenues:			
Taxes	\$ 415,000	415,000	417,052
Intergovernmental	20,000	20,000	215,385
Interest on investments	30,250	30,250	77,153
Total revenues	<u>465,250</u>	<u>465,250</u>	<u>709,590</u>
Expenditures:			
Current:			
Transportation:			
Supplies and materials	1,200,000	1,200,000	1,582,994
Net change in fund balance	<u>\$ (734,750)</u>	<u>(734,750)</u>	(873,404)
Budgetary fund balance, beginning of year			<u>2,019,876</u>
Budgetary fund balance, end of year			<u>\$ 1,146,472</u>

See Notes to Required Supplementary Information.

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
4,567	421,619	2,052
	215,385	195,385
	77,153	46,903
4,567	714,157	244,340
(140,051)	1,442,943	(382,994)
144,618	(728,786)	627,334

MACON COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 MULTI-FACILITY LEASE FUND  
 Year ended November 30, 2007

	Budgeted Amounts		Actual Amounts Budgetary Basis
	Original	Final	
Revenues:			
Taxes	\$ 5,924,172	5,159,900	5,265,290
Intergovernmental			671,425
Interest on investments	25,000	25,000	109,483
Miscellaneous	14,400	14,400	16,300
Total revenues	<u>5,963,572</u>	<u>5,199,300</u>	<u>6,062,498</u>
Expenditures:			
Current:			
General Control and Administration:			
Public Building Commission lease payments	5,924,172	5,534,250	1,262,947
Public Safety:			
Public Building Commission lease payments			2,927,878
Judiciary and court-related:			
Public Building Commission lease payments			1,576,157
Total expenditures	<u>5,924,172</u>	<u>5,534,250</u>	<u>5,766,982</u>
Net change in fund balance	<u>\$ 39,400</u>	<u>(334,950)</u>	295,516
Budgetary fund balance, beginning of year			<u>7,287,316</u>
Budgetary fund balance, end of year			<u>\$ 7,582,832</u>

See Notes to Required Supplementary Information.

Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Variance
17,657	5,282,947	105,390
	671,425	671,425
	109,483	84,483
	16,300	1,900
17,657	6,080,155	863,198
	1,262,947	4,271,303
	2,927,878	(2,927,878)
	1,576,157	(1,576,157)
-	5,766,982	(232,732)
17,657	313,173	630,466

MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
 ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR  
 November 30, 2007

Schedule of Funding Progress - Regular						
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)
12/31/07	\$ 42,970,384	42,127,962	(842,422)	102.00%	15,869,076	0.00%
12/31/06	39,874,111	39,105,299	(768,812)	101.97%	15,078,028	0.00%
12/31/05	36,250,843	35,546,006	(704,837)	101.98%	14,607,928	0.00%
12/31/04	33,786,042	33,476,685	(309,357)	100.92%	13,863,216	0.00%
12/31/03	32,541,719	29,986,734	(2,554,985)	108.52%	13,215,721	0.00%
12/31/02	32,523,578	28,495,584	(4,027,994)	114.14%	13,238,009	0.00%
12/31/01	33,791,670	26,821,562	(6,970,108)	125.99%	13,344,926	0.00%
12/31/00	32,506,888	25,022,535	(7,484,353)	129.91%	12,996,996	0.00%
12/31/99	28,618,673	22,644,183	(5,974,490)	126.38%	12,017,186	0.00%
12/31/98	24,210,110	20,474,055	(3,736,055)	118.25%	11,424,657	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$ 45,570,377. On a market basis, the funded ratio would be 108.17%.

See Notes to Required Supplementary Information.



MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP  
November 30, 2007

Schedule of Funding Progress - SLEP						
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)
12/31/07	\$ 7,085,429	11,201,196	4,115,767	63.26%	2,779,123	148.10%
12/31/06	6,952,527	11,149,080	4,196,553	62.36%	2,671,351	157.09%
12/31/05	7,356,134	11,171,736	3,815,602	65.85%	2,541,483	150.13%
12/31/04	7,241,724	9,832,435	2,590,711	73.65%	2,358,398	109.85%
12/31/03	7,042,744	9,242,009	2,199,265	76.20%	2,109,734	104.24%
12/31/02	7,461,477	9,273,879	1,812,402	80.46%	2,255,046	80.37%
12/31/01	7,464,742	9,022,779	1,558,037	82.73%	2,180,833	71.44%
12/31/00	6,301,705	8,580,521	2,278,816	73.44%	2,188,319	104.14%
12/31/99	5,083,748	7,184,584	2,100,836	70.76%	2,052,119	102.37%
12/31/98	4,622,299	6,975,476	2,353,177	66.26%	2,121,782	110.91%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$ 7,946,940. On a market basis, the funded ratio would be 70.95%.

See Notes to Required Supplementary Information.

MACON COUNTY, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND - ECO  
November 30, 2007

Schedule of Funding Progress - ECO						
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)
12/31/07	\$ 1,654,086	4,149,162	2,495,076	39.87%	566,712	440.27%
12/31/06	1,233,078	3,747,508	2,514,430	32.90%	517,542	485.84%
12/31/05	757,160	3,099,359	2,342,199	24.43%	478,973	489.00%
12/31/04	502,872	2,605,717	2,102,845	19.30%	469,281	448.10%
12/31/03	278,364	2,348,280	2,069,916	11.85%	480,885	430.44%
12/31/02	570,799	3,088,479	2,517,680	18.48%	575,297	437.63%
12/31/01	515,197	2,915,571	2,400,374	17.67%	571,776	419.81%
12/31/00	512,767	2,366,464	1,853,697	21.67%	501,080	369.94%
12/31/99	1,336,476	3,416,724	2,080,248	39.12%	394,031	527.94%
12/31/98	400,444	1,363,073	962,629	29.38%	240,852	399.68%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$ 1,780,640. On a market basis, the funded ratio would be 42.92%.

See Notes to Required Supplementary Information.

## MACON COUNTY, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

November 30, 2007

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#### Note 1 - Budgetary Process

The budget and appropriations ordinance is prepared on the budgetary basis of accounting. The appropriations ordinance is the County Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Board.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. These appropriations were made before the end of the prior year and before the year end fund balances were known. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended budget as of November 30, 2007.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) An appropriations budget is legally adopted through the budgetary process on an annual fiscal year basis for the General Fund; Special Revenue Funds except for the Regional Planning Commission Fund, State's Attorney Drug Fund, State's Attorney Forfeited Federal Fund, Sheriff's Drug Fund, Probation and Court Services Fund, and ESDA Grant Fund; Capital Project Funds and the Internal Service Fund.
- 2) Officeholders prepare their original appropriated budget requests before the second week of October.
- 3) By the second week of October, the officeholders meet with their respective committees and revise the original appropriated budget amounts.
- 4) The various committees present their revised appropriated budget requests to the Budget Committee for a final revision by the second week of November.
- 5) The appropriated budget goes on public display in November, with public hearings held for the next fifteen (15) days to review additional requests for changes.
- 6) The appropriated budget is reviewed and legally adopted by the Macon County Board in a special session held at the end of November preceding the new fiscal year.
- 7) The appropriated budget is prepared under the modified accrual basis of accounting as required by generally accepted accounting principles (GAAP) except for property tax revenue, which is budgeted on the cash basis, and encumbrances, which are recorded as expenditures for budgetary reporting. The Budget Basis of Accounting footnote shows the nature and amounts of basis and timing differences necessary to reconcile the Non-GAAP actual to GAAP actual at the fund type level.
- 8) Transfers of budgeted amounts between funds or any amendments to the originally approved budget by means of an emergency or supplemental appropriation require approval by two-thirds of the County Board members. Budget amendments were made during the fiscal year.

## MACON COUNTY, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

November 30, 2007

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#### Note 1 - Budgetary Process, continued

- 9) Expenditures are classified into three broad categories - personnel, supplies and materials, and equipment. Transfers of budgeted line items may be made within an expenditure category of a fund by the elected official or department head without seeking approval of the County Board. Transfers or any budget amendments made during the year are reflected in the budget information included in the financial statements.
- 10) Formal budgetary integration is employed as a management control device during the year through an internal reporting basis for all budgeted funds. It is budgetary control policy that expenditures do not exceed appropriations. The legal level of budgetary control (level at which disbursements may not exceed budgets) is at the "three broad categories" level (personnel, supplies and materials, and equipment), however, budgetary control is also maintained with each department at the line item level. The County uses an encumbrance accounting system.
- 11) All nonencumbered appropriations lapse at year end, requiring reappropriation the following fiscal year.

#### Note 2 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the general and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Property tax revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

MACON COUNTY, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)  
November 30, 2007

**Note 2 - Budgetary Basis of Accounting, continued**

The adjustments necessary to reconcile the GAAP and budgetary basis statements are as follows:

	General Fund	County Health	County Highway	Federal Aid Matching	Multi- Facility Lease
Net change in fund balance:					
GAAP basis, November 30, 2007	\$ 2,214,948	(60,737)	713,872	(728,786)	313,173
Taxes receivable at November 30, 2006	129,788	102,097	39,541	11,772	187,467
Taxes receivable at November 30, 2007	(142,634)	(46,829)	(51,173)	(16,339)	(205,124)
Encumbrances recognized as expenditures per budget basis at November 30, 2006	1,572				
Encumbrances recognized as expenditures per budget basis at November 30, 2007	(960)			(140,051)	
Budget basis	\$ 2,202,714	(5,469)	702,240	(873,404)	295,516

**Note 3 - Excess of Expenditures over Appropriations**

Excess of expenditures over appropriations for the year ended November 30, 2007, are as follows:

	Expenditures	Appropriations	Difference
Federal Aid Matching Fund	\$ 1,582,994	1,200,000	382,994
Multi-Facility Lease Fund	5,766,982	5,534,250	232,732
Illinois Municipal Retirement Fund	1,766,754	1,766,003	751
Probation Grant Fund	554,655	518,721	35,934

**COMBINING AND INDIVIDUAL FUND INFORMATION**

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS

November 30, 2007

	Special Revenue Funds			
	Law Enforcement Safety Tax Fund	Illinois Municipal Retirement Fund	Social Security Fund	Insurance Liability Fund
<b>Assets</b>				
Cash	\$ 271,702	1,359,397	380,127	1,964,095
Investments, at cost	964,034	4,576	1,036	6,098
Taxes receivable, net of allowance for uncollectibles		39,363	38,183	7,872
Accounts receivable				9,500
Due from governmental agencies:				
State of Illinois	437,374			
Other governmental agencies				
Prepaid items				815
Due from other funds	1,727	2,991	4,990	999,001
<b>Total assets</b>	<b>1,674,837</b>	<b>1,406,327</b>	<b>424,336</b>	<b>2,987,381</b>
<b>Liabilities</b>				
Cash drawn in excess of funds available				
Accounts payable	47,538	253,505	584	1,305
Accrued salaries	34,161			931
Unearned revenue				
Due to other funds	16,300	597	49,575	45,198
<b>Total liabilities</b>	<b>97,999</b>	<b>254,102</b>	<b>50,159</b>	<b>47,434</b>
<b>Fund Balances</b>				
Reserved for encumbrances				17,500
Reserved for noncurrent receivable				995,000
Reserved for prepaid expenditures				815
Reserved for disaster contingency	500,000			
Unreserved:				
Designated for future grant expenditures				
Designated for future investment in equipment				
Undesignated	1,076,838	1,152,225	374,177	1,926,632
<b>Total fund balances</b>	<b>1,576,838</b>	<b>1,152,225</b>	<b>374,177</b>	<b>2,939,947</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,674,837</b>	<b>1,406,327</b>	<b>424,336</b>	<b>2,987,381</b>

(Continued)

Special Revenue Funds

Judgment Repayment Fund	Working Cash Fund	Regional Planning Commission Fund	Women, Infants, and Children Grant Fund	Home Modification Program	County Motor Fuel Tax Fund	Special Bridge Fund	State- Township Bridge Fund
266,214	303,970	39,975	96,570	11,439	1,853,601	476,291	34,556
3,282,411	1,302	681			536,849	2,348	354
11,810			1,974			19,248	
			51,213		160,122		136,000
1,198						94	
3,561,633	305,272	40,656	149,757	11,439	2,550,572	497,981	170,910
28,777		38,062			1,142	92,415	
6,561							
8,655			171,596	17,073			
43,993	-	38,062	171,596	17,073	1,142	92,415	-
							136,000
100,000							
3,417,640	305,272	2,594	(21,839)	(5,634)	2,549,430	405,566	34,910
3,517,640	305,272	2,594	(21,839)	(5,634)	2,549,430	405,566	170,910
3,561,633	305,272	40,656	149,757	11,439	2,550,572	497,981	170,910



Circuit Clerk Automation Fund	Circuit Clerk Document Storage Fund	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds	County Clerk Automation Fund	Treasurer Automation Fund
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163,516	305,072	31,133	93,069		73,659
1,387	1,333	415	512		970

250

2,850	33,505	193		6,955	
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167,753	339,910	31,741	93,581	7,205	74,629
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2,725	9,816	15,967		430	
3,161	2,051	692			247

32,810		11,249			2,468
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38,696	11,867	27,908	-	430	2,715
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129,057	328,043	3,833	93,581	6,775	71,914
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129,057	328,043	3,833	93,581	6,775	71,914
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167,753	339,910	31,741	93,581	7,205	74,629
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MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS (Continued)

November 30, 2007

	Special Revenue Funds			
	GIS Automation Fund	Courtroom Security Fund	Sheriff's Drug Fund	Animal Control Fund
<b>Assets</b>				
Cash	\$ 240,697	265	10,719	165,618
Investments, at cost	502			493
Taxes receivable, net of allowance for uncollectibles				
Accounts receivable	730			2,243
Due from governmental agencies:				
State of Illinois				
Other governmental agencies				24,236
Prepaid items				
Due from other funds	23,462	4,551		6,623
<b>Total assets</b>	<b>265,391</b>	<b>4,816</b>	<b>10,719</b>	<b>199,213</b>
<b>Liabilities</b>				
Cash drawn in excess of funds available				
Accounts payable	7,510			11,718
Accrued salaries	769			19,699
Unearned revenue				118,546
Due to other funds	45,500	435		3,064
<b>Total liabilities</b>	<b>53,779</b>	<b>435</b>	<b>-</b>	<b>153,027</b>
<b>Fund Balances</b>				
Reserved for encumbrances				
Reserved for noncurrent receivable				
Reserved for prepaid expenditures				
Reserved for disaster contingency				
Unreserved:				
Designated for future grant expenditures				
Designated for future investment in equipment				
Undesignated	211,612	4,381	10,719	46,186
<b>Total fund balances</b>	<b>211,612</b>	<b>4,381</b>	<b>10,719</b>	<b>46,186</b>
<b>Total liabilities and fund balances</b>	<b>\$ 265,391</b>	<b>4,816</b>	<b>10,719</b>	<b>199,213</b>

(Continued)

Special Revenue Funds

Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund	Solid Waste Management Fund	Veterans Assistance Commission Fund	Workforce Investment Solutions Fund	State's Attorney Grant Fund	Sheriff's Grant Fund	ESDA Grant Fund
2,121	59,627	382,020	213,652		147,123	58,698	116,250	51,540	128
8	268	1,365	108,859	1,522,768	1,124				
1,140					3,542				
			374						
				8,822		86,259	19,120	53,554	
				42,737					
			756	40,242		27	13,959	3,576	243
3,269	59,895	383,385	323,641	1,614,569	151,789	144,984	149,329	108,670	371
				137,883					
1,555	893		31,380	2,631	66	101,855	3,876	9,925	
	241		1,315	7,561	2,664	21,143	10,367	2,170	
538	3,989	171,635		4,187		61,258	12,172	7,918	
2,093	5,123	171,635	32,695	152,262	2,730	184,256	26,415	20,013	-
				10,000					
						(39,272)	122,914	88,657	371
1,176	54,772	211,750	290,946	1,452,307	149,059				
1,176	54,772	211,750	290,946	1,462,307	149,059	(39,272)	122,914	88,657	371
3,269	59,895	383,385	323,641	1,614,569	151,789	144,984	149,329	108,670	371

Probation Grant Fund	Total
17,254	9,190,098
	6,439,693
	121,158
	15,071
30,700	983,164
	66,973
	815
	1,146,943
47,954	17,963,915

	138,313
23,186	684,876
	115,288
	118,546
13,806	680,023
36,992	1,737,046

	163,500
	995,000
	815
	500,000
10,962	183,632
	100,000
	14,283,922

10,962	16,226,869
47,954	17,963,915

MACON COUNTY, ILLINOIS

COMBINING BALANCE SHEET FOR NONMAJOR GOVERNMENTAL FUNDS (Continued)  
November 30, 2007

	<u>Capital Projects Funds</u>	
	Health Capital Improvements Fund	Total Nonmajor Governmental Funds
<b>Assets</b>		
Cash	\$ 104,663	9,294,761
Investments, at cost		6,439,693
Taxes receivable, net of allowance for uncollectibles		121,158
Accounts receivable		15,071
Due from governmental agencies:		
State of Illinois		983,164
Other governmental agencies		66,973
Prepaid items		815
Due from other funds	1,830	1,148,773
	<u>106,493</u>	<u>18,070,408</u>
Total assets		
<b>Liabilities</b>		
Cash drawn in excess of funds available		138,313
Accounts payable		684,876
Accrued salaries		115,288
Unearned revenue		118,546
Due to other funds		680,023
		<u>1,737,046</u>
Total liabilities		
<b>Fund Balances</b>		
Reserved for encumbrances		163,500
Reserved for noncurrent receivable		995,000
Reserved for prepaid expenditures		815
Reserved for disaster contingency		500,000
Unreserved:		
Designated for future grant expenditures		183,632
Designated for future investment in equipment		100,000
Undesignated	106,493	14,390,415
	<u>106,493</u>	<u>16,333,362</u>
Total fund balances		
Total liabilities and fund balances	\$ 106,493	18,070,408

See Notes to Financial Statements.

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

Year ended November 30, 2007

	Special Revenue Funds			
	Law Enforcement Safety Tax Fund	Illinois Municipal Retirement Fund	Social Security Fund	Insurance Liability Fund
Revenues:				
Taxes	\$ 2,468,372	1,016,648	983,829	208,382
Intergovernmental	121,444			
Fines, fees, forfeitures	178,123			
Interest on investments	94,248	65,240	9,221	77,025
Miscellaneous	238			9,500
Total revenues	2,862,425	1,081,888	993,050	294,907
Expenditures:				
Current:				
General control and administration		1,766,754	1,053,297	357,848
Public safety	3,178,893			
Judiciary and court-related				
Public health and welfare				
Transportation				
Capital outlay	254,879			
Total expenditures	3,433,772	1,766,754	1,053,297	357,848
Excess (deficiency) of revenues over (under) expenditures	(571,347)	(684,866)	(60,247)	(62,941)
Other financing sources (uses):				
Transfers out				(195,000)
Total other financing sources (uses)	-	-	-	(195,000)
Net change in fund balances	(571,347)	(684,866)	(60,247)	(257,941)
Fund balances (deficit), beginning of year	2,148,185	1,837,091	434,424	3,197,888
Fund balances (deficit), end of year	\$ 1,576,838	1,152,225	374,177	2,939,947

(Continued)

Special Revenue Funds							
Judgment Repayment Fund	Working Cash Fund	Regional Planning Commission Fund	Women, Infants, and Children Grant Fund	Home Modification Program	County Motor Fuel Tax Fund	Special Bridge Fund	State- Township Bridge Fund
305,252			415,269		2,517,070	496,373	136,000
168,024 8,544	11,790	1,319	5,840	226	134,412 8,618	21,103 170,746	1,564
481,820	11,790	1,319	421,109	226	2,660,100	688,222	137,564
347,306			408,218	4,839	2,000,834	675,419	8
20,848			3,175				
368,154	-	-	411,393	4,839	2,000,834	675,419	8
113,666	11,790	1,319	9,716	(4,613)	659,266	12,803	137,556
			(113,259)	(1,021)	(1,200,000)		
-	-	-	(113,259)	(1,021)	(1,200,000)	-	-
113,666	11,790	1,319	(103,543)	(5,634)	(540,734)	12,803	137,556
3,403,974	293,482	1,275	81,704		3,090,164	392,763	33,354
3,517,640	305,272	2,594	(21,839)	(5,634)	2,549,430	405,566	170,910

<u>Circuit Clerk Automation Fund</u>	<u>Circuit Clerk Document Storage Fund</u>
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229,258	120,774
3,245	10,609

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232,503	131,383
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165,447	77,359
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165,447	77,359
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67,056	54,024
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67,056	54,024
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62,001	274,019
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129,057	328,043
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MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year ended November 30, 2007

	Special Revenue Funds				
	State's Attorney Drug Fund	State's Attorney Forfeited Federal Funds	County Clerk Automation Fund	Treasurer Automation Fund	GIS Automation Fund
Revenues:					
Taxes	\$				
Intergovernmental					
Fines, fees, forfeitures	15,334	36,464	47,672	37,835	223,950
Interest on investments	1,858	4,162	2,806	2,365	8,817
Miscellaneous					
Total revenues	17,192	40,626	50,478	40,200	232,767
Expenditures:					
Current:					
General control and administration				30,940	175,340
Public safety					
Judiciary and court-related	26,751	832			
Public health and welfare					
Transportation					
Capital outlay	42,019				19,423
Total expenditures	68,770	832	-	30,940	194,763
Excess (deficiency) of revenues over (under) expenditures	(51,578)	39,794	50,478	9,260	38,004
Other financing sources (uses):					
Transfers out		(30,000)	(42,000)		
Total other financing sources (uses)	-	(30,000)	(42,000)	-	-
Net change in fund balances	(51,578)	9,794	8,478	9,260	38,004
Fund balances (deficit), beginning of year	55,411	83,787	(1,703)	62,654	173,608
Fund balances (deficit), end of year	\$ 3,833	93,581	6,775	71,914	211,612

(Continued)

Special Revenue Funds

Courtroom Security Fund	Sheriff's Drug Fund	Animal Control Fund	Historical Museum Fund	Law Library Fund	Probation and Court Services Fund	Automation Fund	Solid Waste Management Fund	Veterans Assistance Commission Fund
			21,641					92,328
		357,756	27,500				33,405	
110	50,238	392,078		69,555	255,436	138,778	182,404	
		5,421	76	1,511	12,047	10,079	78,631	5,917
		21,103		365			1,479	
110	50,238	776,358	49,217	71,431	267,483	148,857	295,919	98,245
			53,317			101,661		
8,750	58,884	716,713		27,303			342,359	86,945
70,000		51,354		20,410			68,042	1,014
78,750	58,884	768,067	53,317	47,713	-	101,661	410,401	87,959
(78,640)	(8,646)	8,291	(4,100)	23,718	267,483	47,196	(114,482)	10,286
		(49,600)	(800)		(188,384)		(20,000)	(7,000)
-	-	(49,600)	(800)	-	(188,384)	-	(20,000)	(7,000)
(78,640)	(8,646)	(41,309)	(4,900)	23,718	79,099	47,196	(134,482)	3,286
83,021	19,365	87,495	6,076	31,054	132,651	243,750	1,596,789	145,773
4,381	10,719	46,186	1,176	54,772	211,750	290,946	1,462,307	149,059

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year ended November 30, 2007

	Special Revenue Funds				
	Workforce Investment Solutions Fund	State's Attorney Grant Fund	Sheriff's Grant Fund	ESDA Grant Fund	Probation Grant Fund
Revenues:					
Taxes	\$				
Intergovernmental	2,206,724	461,298	128,810		546,152
Fines, fees, forfeitures		76,033			
Interest on investments	61				1,110
Miscellaneous	2,523	20,000			
Total revenues	2,209,308	557,331	128,810	-	547,262
Expenditures:					
Current:					
General control and administration					
Public safety					
Judiciary and court-related					
Public health and welfare	2,181,153	428,669	95,622	8	534,985
Transportation					
Capital outlay		20,748	8,284		19,670
Total expenditures	2,181,153	449,417	103,906	8	554,655
Excess (deficiency) of revenues over (under) expenditures	28,155	107,914	24,904	(8)	(7,393)
Other financing sources (uses):					
Transfers out	(30,215)				
Total other financing sources (uses)	(30,215)	-	-	-	-
Net change in fund balances	(2,060)	107,914	24,904	(8)	(7,393)
Fund balances (deficit), beginning of year	(37,212)	15,000	63,753	379	18,355
Fund balances (deficit), end of year	\$ (39,272)	122,914	88,657	371	10,962

See Notes to Financial Statements.

<u>Total</u>	<u>Capital Projects Funds</u>	
	<u>Health Capital Improvements Fund</u>	<u>Total Nonmajor Governmental Funds</u>
5,592,825		5,592,825
6,951,428		6,951,428
2,053,932		2,053,932
738,837	4,450	743,287
243,116		243,116
<u>15,580,138</u>	<u>4,450</u>	<u>15,584,588</u>
3,886,463		3,886,463
3,954,490		3,954,490
306,442		306,442
4,082,798	394	4,083,192
2,676,261		2,676,261
599,866	7,444	607,310
<u>15,506,320</u>	<u>7,838</u>	<u>15,514,158</u>
<u>73,818</u>	<u>(3,388)</u>	<u>70,430</u>
<u>(1,877,279)</u>		<u>(1,877,279)</u>
<u>(1,877,279)</u>	-	<u>(1,877,279)</u>
(1,803,461)	(3,388)	(1,806,849)
<u>18,030,330</u>	<u>109,881</u>	<u>18,140,211</u>
<u>16,226,869</u>	<u>106,493</u>	<u>16,333,362</u>

## **GENERAL CORPORATE FUND**

The General Corporate Fund is used to account for resources traditionally associated with government which are not required legally, or by sound financial management to be accounted for in another fund.

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
BALANCE SHEET  
November 30, 2007

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**Assets**

Cash	\$ 2,434,612
Investments, at cost	3,656,733
Taxes receivable	142,634
Accounts receivable	49,648
Inventory	15,541
Due from governmental agencies:	
State of Illinois	1,526,245
Other governmental agencies	83,464
Prepaid items	55,051
Restricted cash	261,374
Due from other funds	545,878
	<hr/>
Total assets	8,771,180
	<hr/> <hr/>

**Liabilities**

Accounts payable	137,526
Accrued salaries	443,478
Deferred revenue	24,923
Due to other funds	1,376,935
	<hr/>
Total liabilities	1,982,862
	<hr/> <hr/>

**Fund Balances**

Reserved for encumbrances	960
Reserved for inventory	15,541
Reserved for prepaid expenditures	55,051
Reserved by statute	249,321
Unreserved:	
Designated for insurance and retiree health benefits	1,000,000
Designated for cash flow and emergency reserves	1,500,000
Designated for debt repayment	995,000
Undesignated	2,972,445
	<hr/>
Total fund balances	6,788,318
	<hr/> <hr/>
Total liabilities and fund balances	\$ 8,771,180
	<hr/> <hr/>

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
Year ended November 30, 2007

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Revenues:		
Taxes	\$	9,499,337
Intergovernmental		2,072,303
Fines, fees, forfeitures		4,001,092
Licenses and permits		98,700
Interest on investments		260,164
Miscellaneous revenue		<u>1,586,286</u>
Total revenues		<u>17,517,882</u>
Expenditures:		
Current:		
General control and administration		3,442,456
Public safety		6,166,780
Judiciary and court-related		5,989,829
Public health and welfare		154,350
Capital outlay		<u>68,768</u>
Total expenditures		<u>15,822,183</u>
Excess of revenues over expenditures		1,695,699
Other financing sources (uses):		
Transfers in		<u>519,249</u>
Net change in fund balance		2,214,948
Fund balance, beginning of year		<u>4,573,370</u>
Fund balance, end of year	\$	<u><u>6,788,318</u></u>

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Taxes:			
Property taxes	\$ 3,638,746	3,640,230	1,484
Retailers' occupational tax	3,200,000	3,436,849	236,849
Illinois State income tax	1,300,000	1,526,845	226,845
Illinois personal property replacement tax	700,000	827,124	127,124
Inheritance tax	86,500	55,443	(31,057)
Total revenues, taxes	8,925,246	9,486,491	561,245
Intergovernmental:			
Contracts, municipalities	300,000	356,035	56,035
State Board of Elections	21,000	19,248	(1,752)
Salary reimbursements	1,117,159	1,123,271	6,112
Sheriff training reimbursement	30,000	35,329	5,329
Illinois Department of Human Services, IV-D:			
Circuit Clerk IV-D	53,842	33,664	(20,178)
State's Attorney Child Support Enforcement	327,800	348,118	20,318
City Mapping contract		1,265	1,265
Emergency Management Disaster Relief	2,220	2,218	(2)
State's Attorney Grants:			
Attorney General Victim Witness	27,000	27,000	
Deferred Prosecution Grant	12,000	11,431	(569)
708 Board Deferred Prosecution	23,192	22,426	(766)
Redeploy Illinois Grant	25,635	34,757	9,122
Public Defender Grants:			
Defense services grant	40,500	47,242	6,742
Mental Health Board Grant	10,000	10,299	299
Total revenues, intergovernmental	1,990,348	2,072,303	81,955

(Continued)



MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues (continued):			
Fines, fees, forfeitures:			
Circuit Clerk	\$ 1,753,260	1,952,930	199,670
State's Attorney	400,000	397,008	(2,992)
County Recorder	346,000	557,391	211,391
County Sheriff	298,000	352,264	54,264
County Collector	300,000	387,935	87,935
County Clerk	333,000	353,564	20,564
Total revenues, fines, fees, forfeitures	3,430,260	4,001,092	570,832
Licenses and permits:			
Building, rezoning permits	70,000	91,510	21,510
Liquor license	8,000	7,190	(810)
Total revenues, licenses and permits	78,000	98,700	20,700
Interest on investments	121,000	260,164	139,164
Miscellaneous revenues:			
Miscellaneous receipts and refunds	5,000	18,176	13,176
States Attorney		500	500
Probation		1,467	1,467
Sheriff sales and commissions	280,000	383,757	103,757
Health insurance premiums received	1,080,540	1,095,594	15,054
Franchise fees	70,000	86,792	16,792
Total miscellaneous revenues	1,435,540	1,586,286	150,746
Total revenues	15,980,394	17,505,036	1,524,642

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures:			
General Control and Administration:			
County Clerk:			
Salaries	\$ 191,092	178,748	12,344
Hospitalization	33,100	33,093	7
	<u>224,192</u>	<u>211,841</u>	<u>12,351</u>
Postage	7,240	7,194	46
Telephone	4,000	3,489	511
Copy machine	1,550	1,086	464
Supplies	5,430	6,537	(1,107)
Legal advertising	400	257	143
EDP	19,530	19,529	1
Miscellaneous	650	642	8
	<u>38,800</u>	<u>38,734</u>	<u>66</u>
Total County Clerk	<u>262,992</u>	<u>250,575</u>	<u>12,417</u>
County Clerk - Elections:			
Salaries	239,600	144,428	95,172
Hospitalization	26,000	25,321	679
	<u>265,600</u>	<u>169,749</u>	<u>95,851</u>
Rental polling places	5,000	2,700	2,300
Postage	35,000	32,529	2,471
Legal advertising	35,000	33,169	1,831
Supplies	217,000	221,221	(4,221)
H.A.V.A. supplies		20	(20)
Miscellaneous drayage	8,000	5,282	2,718
	<u>300,000</u>	<u>294,921</u>	<u>5,079</u>
Total County Clerk - Elections	<u>565,600</u>	<u>464,670</u>	<u>100,930</u>
County Recorder:			
Salaries	179,451	152,064	27,387
Hospitalization	37,500	30,624	6,876
	<u>216,951</u>	<u>182,688</u>	<u>34,263</u>
Travel	1,000	951	49
Postage	1,200	1,034	166
Telephone	2,200	2,438	(238)
Maintenance of equipment	350	350	
Copy machine	2,900	2,600	300
Supplies	4,831	4,825	6
Book repair	1,000	926	74
	<u>13,481</u>	<u>13,124</u>	<u>357</u>
Total County Recorder	<u>230,432</u>	<u>195,812</u>	<u>34,620</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
County Treasurer:			
Salaries	\$ 190,525	187,853	2,672
Hospitalization	28,475	28,986	(511)
	<u>219,000</u>	<u>216,839</u>	<u>2,161</u>
Postage	22,730	23,002	(272)
Telephone	4,600	3,739	861
Travel			
Legal advertising	3,500	2,956	544
Copy machine	400	400	
EDP	10,835	10,832	3
Maintenance of equipment	140	190	(50)
Miscellaneous	165	122	43
Supplies	2,000	1,910	90
Printing	3,665	1,871	1,794
Training	150		150
	<u>48,185</u>	<u>45,022</u>	<u>3,163</u>
Total County Treasurer	<u>267,185</u>	<u>261,861</u>	<u>5,324</u>
Auditor:			
Salaries	249,075	247,965	1,110
Hospitalization	40,588	40,580	8
	<u>289,663</u>	<u>288,545</u>	<u>1,118</u>
Postage	2,100	1,893	207
Telephone	3,385	3,395	(10)
Travel	200	175	25
Supplies	4,868	4,942	(74)
Legal advertising	445	697	(252)
EDP	13,752	13,621	131
Training	572	572	
Contractual services	2,878	2,995	(117)
Copy machine	2,388	2,388	
Professional services	4,312	4,325	(13)
	<u>34,900</u>	<u>35,003</u>	<u>(103)</u>
Total Auditor	<u>324,563</u>	<u>323,548</u>	<u>1,015</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
County Board:			
Salaries	\$ 187,724	187,227	497
Hospitalization	90,000	70,900	19,100
	<u>277,724</u>	<u>258,127</u>	<u>19,597</u>
Facility lease	45,000	45,000	
Travel	1,050	238	812
Postage	4,000	936	3,064
Library	650	564	86
Telephone	7,605	7,605	
Maintenance of equipment	1,100	1,072	28
Legal advertising	2,400	(622)	3,022
Copy machine	6,400	778	5,622
Contractual services	21,295	12,263	9,032
Training	1,000	401	599
Supplies	6,700	3,203	3,497
Car expense	6,000	3,339	2,661
Miscellaneous	250		250
	<u>103,450</u>	<u>74,777</u>	<u>28,673</u>
Total County Board	<u>381,174</u>	<u>332,904</u>	<u>48,270</u>
Supervisor of Assessments:			
Salaries	164,105	149,627	14,478
Hospitalization	59,000	43,129	15,871
	<u>223,105</u>	<u>192,756</u>	<u>30,349</u>
Travel	2,400	2,309	91
Training	3,050	2,850	200
Legal advertising	26,500	25,448	1,052
EDP	28,000	24,313	3,687
Copy machine		(6,323)	6,323
Supplies	4,000	3,777	223
Car expense, field assessors	1,550	1,134	416
Postage	12,500	9,214	3,286
Telephone	2,000	1,967	33
	<u>80,000</u>	<u>64,689</u>	<u>15,311</u>
Total Supervisor of Assessments	<u>303,105</u>	<u>257,445</u>	<u>45,660</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
General Control and Administration (continued):			
Board of Review:			
Salaries	\$ 45,000	45,375	(375)
Hospitalization	1,500	2,209	(709)
	<u>46,500</u>	<u>47,584</u>	<u>(1,084)</u>
Travel	800	329	471
Training	1,200	787	413
Supplies	200	54	146
Postage	1,000	865	135
Appraisal research	10,000	1,937	8,063
Legal advertising	1,500	1,699	(199)
	<u>14,700</u>	<u>5,671</u>	<u>9,029</u>
Total Board of Review	<u>61,200</u>	<u>53,255</u>	<u>7,945</u>
Miscellaneous:			
Telephone	10,000	(1,347)	11,347
CPA	74,150	73,450	700
Supplies	12,225	11,957	268
Network - EDP	29,430	35,120	(5,690)
Postage	25,000	21,476	3,524
Miscellaneous	1,500	1,534	(34)
Hospitalization	1,232,604	1,155,514	77,090
Contingency	175,000		175,000
Dues for General	4,070	4,070	
Total Miscellaneous	<u>1,563,979</u>	<u>1,301,774</u>	<u>262,205</u>
Total General Control and Administration	<u>3,960,230</u>	<u>3,441,844</u>	<u>518,386</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
Public Safety:			
County Sheriff:			
Salaries	\$ 3,224,184	3,155,461	68,723
	<u>3,224,184</u>	<u>3,155,461</u>	<u>68,723</u>
Travel	1,004	1,004	
Investigation	1,500	1,445	55
Law enforcement training	20,000	18,890	1,110
Postage	8,000	5,361	2,639
Maintenance of equipment	3,700	3,685	15
Maintenance of radio equipment	19,300	8,015	11,285
Copy machine	22,000	19,651	2,349
Legal advertising	500	269	231
Merit commission	196	186	10
	<u>76,200</u>	<u>58,506</u>	<u>17,694</u>
Total County Sheriff	<u>3,300,384</u>	<u>3,213,967</u>	<u>86,417</u>
Law Facilities Center:			
Salaries and payroll	2,854,412	2,780,593	73,819
	<u>2,854,412</u>	<u>2,780,593</u>	<u>73,819</u>
Training	35,000	32,919	2,081
Transport prisoners	27,720	19,769	7,951
Testing	1,500	997	503
Maintenance of equipment	2,000	1,442	558
Supplies	16,693	82,754	(66,061)
Supplies, law enforcement	2,000	1,152	848
Supplies, laundry	10,587	10,587	
Photo supplies, processing	10,000	8,779	1,221
Uniforms and related items	15,000	13,602	1,398
Travel	300	219	81
	<u>120,800</u>	<u>172,220</u>	<u>(51,420)</u>
Total Law Facilities Center	<u>2,975,212</u>	<u>2,952,813</u>	<u>22,399</u>
Total Public Safety	<u>6,275,596</u>	<u>6,166,780</u>	<u>108,816</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related:			
Circuit Clerk:			
Salaries	\$ 726,806	722,924	3,882
Hospitalization	150,688	133,092	17,596
	<u>877,494</u>	<u>856,016</u>	<u>21,478</u>
Separate maintenance expenses	40,000	21,277	18,723
Travel and dues	2,240	2,529	(289)
Supplies	45,663	36,762	8,901
Professional services	4,700	4,400	300
Postage	11,052	17,102	(6,050)
Telephone	6,566	7,233	(667)
Maintenance of equipment	2,974	1,160	1,814
Copy machine	8,024	6,185	1,839
Legal advertising	3,460	3,455	5
Jury fees			
	<u>124,679</u>	<u>100,103</u>	<u>24,576</u>
Total Circuit Clerk	<u>1,002,173</u>	<u>956,119</u>	<u>46,054</u>
State's Attorney:			
Salaries	964,514	964,798	(284)
Hospitalization	196,219	175,646	20,573
	<u>1,160,733</u>	<u>1,140,444</u>	<u>20,289</u>
Supplies	19,081	19,176	(95)
Court costs, transcripts, appeals	13,863	13,863	
Investigations	4,000	3,990	10
Appellate services	27,000	27,000	
Institute training	8,121	8,121	
Postage	4,215	3,963	252
Telephone	22,965	22,965	
State's Attorney's library	12,600	12,566	34
Copy machine	11,323	11,323	
Miscellaneous	200	182	18
Mental exams/court transcribers	100	70	30
	<u>123,468</u>	<u>123,219</u>	<u>249</u>
Total State's Attorney	<u>1,284,201</u>	<u>1,263,663</u>	<u>20,538</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
State's Attorney, Title IV-D, Public Aid:			
Salaries	\$ 229,178	229,178	
Hospitalization	57,130	57,125	5
	<u>286,308</u>	<u>286,303</u>	<u>5</u>
Postage	6,800	6,736	64
Telephone	1,500	1,480	20
Grant administration	92		92
Institute training	520	520	
Copy machine	1,350	1,300	50
Supplies	7,980	8,361	(381)
Library	16,788	16,788	
Court costs, appeals	2,500	2,417	83
Miscellaneous	115	115	
	<u>37,645</u>	<u>37,717</u>	<u>(72)</u>
Total State's Attorney, Title IV-D, Public Aid	<u>323,953</u>	<u>324,020</u>	<u>(67)</u>
Probation Officers:			
Salaries	1,432,507	1,393,031	39,476
Hospitalization	210,000	174,354	35,646
	<u>1,642,507</u>	<u>1,567,385</u>	<u>75,122</u>
Travel	1,500	1,302	198
Postage	3,000	2,899	101
Telephone	14,000	12,965	1,035
Supplies	6,000	5,783	217
Gas and oil	9,000	8,129	871
Offender services	117,500	114,317	3,183
Electronic monitoring	3,500	3,183	317
EDP	47,500	47,277	223
Institute training	1,500	1,490	10
Private homes	1,000		1,000
Contractual services	223,800	222,475	1,325
Dues	1,700	1,633	67
	<u>430,000</u>	<u>421,453</u>	<u>8,547</u>
Total Probation Officers	<u>2,072,507</u>	<u>1,988,838</u>	<u>83,669</u>

(Continued)



MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
Judiciary and Court-Related (continued):			
Public Defender:			
Salaries	\$ 774,333	759,116	15,217
Hospitalization	109,900	100,125	9,775
	<u>884,233</u>	<u>859,241</u>	<u>24,992</u>
Investigations	5,000	348	4,652
Mental exams, court costs	10,000	10,267	(267)
Transcripts	5,000	5,419	(419)
	<u>20,000</u>	<u>16,034</u>	<u>3,966</u>
Total Public Defender	<u>904,233</u>	<u>875,275</u>	<u>28,958</u>
Circuit Court:			
Salaries, jury commission	6,000	4,650	1,350
Salaries, circuit court	346,890	330,825	16,065
Hospitalization	66,370	69,990	(3,620)
	<u>419,260</u>	<u>405,465</u>	<u>13,795</u>
Mental exams	600	342	258
Transcripts	2,100	2,075	25
Jury fees	85,000	69,952	15,048
Jury meals	4,200	3,856	344
Juror mileage		7,492	(7,492)
Postage	5,000	4,699	301
Parking - jurors	7,200	6,600	600
Interpreters	2,200	2,144	56
Pro rata share of Circuit and Associate Judges' Salaries	4,000	3,964	36
Attorney fees - Court of Appeals	12,000	11,116	884
Telephone	10,500	14,067	(3,567)
Maintenance of equipment	600	569	31
Supplies	6,000	4,549	1,451
Supplies, automation	3,500	3,013	487
Supplies, jury	1,725	1,418	307
Court and judge law library	16,000	14,042	1,958
EDP	20,000	19,092	908
Training	5,000	4,557	443
Contractual services	1,000	15	985
Circuit Court Chief Justice	2,000	2,887	(887)
	<u>188,625</u>	<u>176,449</u>	<u>12,176</u>
Total Circuit Court	<u>607,885</u>	<u>581,914</u>	<u>25,971</u>
Total Judiciary and Court-Related	<u>6,194,952</u>	<u>5,989,829</u>	<u>205,123</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures (continued):			
Public Health and Welfare:			
Superintendent, Regional Office of Education:			
Salaries	\$ 88,254	78,730	9,524
Hospitalization	22,542	20,044	2,498
Fringes	2,117	10,555	(8,438)
	<u>112,913</u>	<u>109,329</u>	<u>3,584</u>
Superintendent travel	3,733	2,303	1,430
Assistant Superintendent travel		1,083	(1,083)
Utilities	7,465	5,676	1,789
Postage	4,147	3,702	445
Telephone	4,562	4,154	408
Building maintenance, lease	25,382	24,875	507
Copy machine	2,903	2,147	756
Supplies	1,161	1,081	80
	<u>49,353</u>	<u>45,021</u>	<u>4,332</u>
Total Superintendent, Regional Office of Education	<u>162,266</u>	<u>154,350</u>	<u>7,916</u>
Total Public Health and Welfare	<u>162,266</u>	<u>154,350</u>	<u>7,916</u>
Capital Outlay:			
County Administration	8,775	8,456	319
Circuit Clerk	900		900
Sheriff	43,252	43,252	
State's Attorney	6,448	6,448	
State's Attorney IV-D	3,846	3,846	
Supervisor of Assessments	1,800	954	846
Board of Review	300		300
Probation	600	450	150
Circuit Courts	4,000	4,125	(125)
Auditor	1,250	1,237	13
	<u>71,171</u>	<u>68,768</u>	<u>2,403</u>
Total Capital Outlay	<u>71,171</u>	<u>68,768</u>	<u>2,403</u>
Total expenditures	<u>16,664,215</u>	<u>15,821,571</u>	<u>842,644</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(683,821)</u>	<u>1,683,465</u>	<u>2,367,286</u>

(Continued)

MACON COUNTY, ILLINOIS

GENERAL CORPORATE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Other financing sources (uses):			
Transfers in:			
Fund administration fees	166,270	228,865	62,595
Transfer from GIS	15,000		(15,000)
Transfer from Animal Control	30,000	30,000	
Transfer from States Attorney		30,000	30,000
Transfer from County Clerk Automation	42,000	42,000	
Probation and Court Services Fund reimbursement	272,082	188,384	(83,698)
Transfer from Solid Waste	600		(600)
Total other financing sources (uses)	525,952	519,249	(6,703)
Net changes in fund balance	<u>\$ (157,869)</u>	2,202,714	<u>2,360,583</u>
Budgetary fund balance, beginning of year		<u>4,442,010</u>	
Budgetary fund balance, end of year		<u>\$ 6,644,724</u>	

## MACON COUNTY, ILLINOIS

### SPECIAL REVENUE FUNDS

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Special Revenue Funds are used to account for revenue from specific taxes or other earmarked revenue sources, which by statute, charter provision, or local ordinance, are designated to finance particular functions or activities of the government.

The Law Enforcement Safety Tax Fund (LEST) accounts for sales tax revenue and expenditures restricted for safety issues.

The Illinois Municipal Retirement Fund accounts for revenue, including property tax levies, contributions from employees and charges to other funds, and expenditures to the state administered retirement system for all general service employees.

The Social Security Fund accounts for revenue, including property tax levies and contributions from employees, and expenditures to the federal government for payroll taxes.

The Insurance Liability Fund accounts for a county-wide property tax levy used to pay the cost of providing liability insurance coverage for the entire entity.

The Judgment Repayment Fund accounts for a county-wide property tax levy for judgments against the County, arbitrators for union negotiations and special prosecutors.

The Working Cash Fund provides for short-term loans to other funds.

The Women, Infants, and Children Grant Fund (WIC) accounts for revenue, including grants from the State of Illinois, and expenditures to carry out the directives of the WIC programs.

The Home Modification Fund accounts for revenue and expenditures to carry out program purposes.

The County Motor Fuel Tax Fund accounts for revenue, including the County's motor fuel tax allotment from the State of Illinois, and expenditures for the purpose of maintenance patrols and payments to the County Highway Fund.

The Special Bridge Fund accounts for revenue, including property tax levies, and expenditures for the County's share of bridge construction and maintenance.

The State-Township Bridge Fund accounts for revenue from the State of Illinois and expenditures to townships for bridge repairs and construction.

The Circuit Clerk Automation Fund accounts for fees collected by the Circuit Clerk and expenditures designated for the computerization of the Circuit Clerk's office.

The Circuit Clerk Document Storage Fund accounts for fees collected for the Circuit Clerk's storage of various documents and expenditures for electronic document storage.

The County Clerk Automation Fund accounts for fees collected by the County Clerk for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

## MACON COUNTY, ILLINOIS

### SPECIAL REVENUE FUNDS (Continued)

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The Treasurer Automation Fund accounts for fees collected by the Treasurer for the filing of various documents and expenditures designated for the computerization of this department.

The Geographic Information Systems (GIS) Fund accounts for fees collected by the recorder's office and expenditures for computerization of the County offices.

The Courtroom Security Fund accounts for expenditures for public safety.

The Animal Control Fund accounts for revenue, including fees collected by the Animal Shelter and a contract with the City of Decatur, and expenditures relating to Animal Control for the County.

The Historical Museum Fund accounts for revenue, including reimbursements received from the Macon County Historical Society, property tax levies, and expenditures relating to the operation of the Macon County Historical Museum.

The Law Library Fund accounts for revenue, including fees from the Circuit Clerk, and expenditures relating to purchases of law reference material.

The Automation Fund accounts for fees collected by the Recorder for the filing of various documents and expenditures designated for the computerization of the document storage system of this department.

The Solid Waste Management Fund accounts for revenue and expenditures relating to solid waste plans and study.

The Veterans Assistance Commissions Fund accounts for revenue, including property tax levies, and expenditures relating to services for veterans.

The Workforce Investment Solutions Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grant's purposes.

The State's Attorney Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The Sheriff's Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

The Probation Grant Fund accounts for revenue, including federal and state grants, and expenditures fulfilling the grants purposes.

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenue:			
Illinois Safety tax	\$ 2,465,000	2,468,372	3,372
Interest on investments	94,075	94,248	173
Fines, fees, forfeitures:			
Court security fees	154,110	174,500	20,390
Coroner fees	3,500	3,623	123
Intergovernmental:			
Building Commission share of security	12,000	15,861	3,861
Salary reimbursement - Coroner	1,361	1,798	437
City Emergency Management fee	10,000	10,302	302
Nuclear Safety Block Grant	12,986	25,087	12,101
FEMA Grant	30,000	39,050	9,050
FEMA LEPC Grant	4,000	12,500	8,500
FEMA Disaster Relief		16,846	16,846
Miscellaneous		238	238
<b>Total revenue</b>	<b>2,787,032</b>	<b>2,862,425</b>	<b>75,393</b>
Expenditures:			
Public Safety:			
County Sheriff:			
Salaries	372,008	206,985	165,023
Group hospitalization	1,053,796	1,020,649	33,147
MIS contractual services	26,000	17,764	8,236
Telephone	30,000	27,258	2,742
Medical	273,182	278,115	(4,933)
Dietary	346,150	346,100	50
Prisoner transport	21,000	20,784	216
Service charge		(150)	150
Supplies	13,500	13,570	(70)
Auto expense	109,800	109,722	78
Uniforms	9,200	7,207	1,993
<b>Total County Sheriff</b>	<b>2,254,636</b>	<b>2,048,004</b>	<b>206,632</b>
Court Security:			
Salaries	360,035	350,808	9,227
Travel	1,000	772	228
Supplies	7,255	5,503	1,752
Uniforms	2,245	2,055	190
<b>Total Court Security</b>	<b>370,535</b>	<b>359,138</b>	<b>11,397</b>

(Continued)

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Coroner:			
Salaries	\$ 115,454	114,395	1,059
Group hospitalization	20,026	16,322	3,704
Maintenance of equipment	950	403	547
Telephone	1,900	1,883	17
Travel	1,000	740	260
Postage	500	224	276
Investigations	3,000	1,982	1,018
Autopsy - medical	64,311	60,773	3,538
Supplies	3,750	2,069	1,681
Total Coroner	210,891	198,791	12,100
Assistant State's Attorney:			
Salaries	430,000	430,000	
Emergency Management Agency:			
Salaries	89,310	88,538	772
Group hospitalization	30,000	18,865	11,135
Maintenance of equipment	12,000	8,471	3,529
Telephone	6,700	6,180	520
Travel	850	266	584
Postage and printing	1,100	951	149
Underwater search	600	477	123
Nuclear Safety Block Grant	11,286	9,919	1,367
Supplies	4,250	4,037	213
Car - gas and oil	4,000	2,831	1,169
Miscellaneous	2,700	2,425	275
Total Emergency Management Agency	162,796	142,960	19,836
Total Public Safety expenditures	3,428,858	3,178,893	249,965

(Continued)

MACON COUNTY, ILLINOIS

LAW ENFORCEMENT SAFETY TAX FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance - Favorable (Unfavorable)
Expenditures, continued:			
Capital Outlay:			
County Sheriff	333,310	227,509	105,801
Coroner	1,861	1,602	259
Emergency Management Agency	30,000	25,768	4,232
Total Capital Outlay	365,171	254,879	110,292
Total expenditures	3,794,029	3,433,772	360,257
Net change in fund balance	<u>\$ (1,006,997)</u>	<u>(571,347)</u>	<u>435,650</u>
Budgetary fund balance, beginning of year		<u>2,148,185</u>	
Budgetary fund balance, end of year		<u>\$ 1,576,838</u>	



MACON COUNTY, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,000,000	1,022,786	22,786
Interest on investments	57,000	65,240	8,240
Total revenues	<u>1,057,000</u>	<u>1,088,026</u>	<u>31,026</u>
Expenditures:			
General Control and Administration:			
Personnel - IMRF Agent Trust Fund	<u>1,766,003</u>	<u>1,766,754</u>	<u>(751)</u>
Net change in fund balance	<u>\$ (709,003)</u>	<u>(678,728)</u>	<u>30,275</u>
Budgetary fund balance, beginning of year		<u>1,791,590</u>	
Budgetary fund balance, end of year		<u>\$ 1,112,862</u>	

MACON COUNTY, ILLINOIS

SOCIAL SECURITY FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 970,000	976,747	6,747
Interest on investments	11,200	9,221	(1,979)
Total revenues	981,200	985,968	4,768
Expenditures:			
General Control and Administration:			
Personnel - Payroll taxes	1,106,972	1,053,297	53,675
Net change in fund balance	\$ (125,772)	(67,329)	58,443
Budgetary fund balance, beginning of year		403,323	
Budgetary fund balance, end of year		\$ 335,994	

MACON COUNTY, ILLINOIS

INSURANCE LIABILITY FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 200,000	208,630	8,630
Interest on investments	36,000	77,025	41,025
Miscellaneous	2,000	9,500	7,500
Total revenues	238,000	295,155	57,155
Expenditures:			
General Control and Administration:			
Personnel - Salaries	23,315	22,622	693
Unemployment	20,000	19,026	974
Supplies and materials - Insurance expense	381,050	333,700	47,350
Total general control and administration	424,365	375,348	49,017
Capital Outlay	2,000		2,000
Total expenditures	426,365	375,348	51,017
Excess (deficiency) of revenues over (under) expenditures	(188,365)	(80,193)	108,172
Other financing sources (uses):			
Transfers out:			
Self Insurance Fund	(185,000)	(195,000)	(10,000)
General Fund	(6,000)		6,000
Total other financing sources (uses)	(191,000)	(195,000)	(4,000)
Net change in fund balance	\$ (379,365)	(275,193)	104,172
Budgetary fund balance, beginning of year		3,189,768	
Budgetary fund balance, end of year		\$ 2,914,575	

MACON COUNTY, ILLINOIS

JUDGMENT REPAYMENT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 300,000	302,087	2,087
Interest on investments	8,000	168,024	160,024
Lease income	2,426	5,542	3,116
Miscellaneous		3,002	3,002
<b>Total revenues</b>	<b>310,426</b>	<b>478,655</b>	<b>168,229</b>
<b>Expenditures:</b>			
General Control and Administration:			
Personnel:			
Salaries	177,000	177,002	(2)
Supplies and materials:			
Contractual	131,864	46,593	85,271
Arbitration	1,136	1,136	
Special prosecutor	12,000	11,318	682
Service charge	50	16	34
Payments of judgments	435,000	110,376	324,624
Interest and costs		865	(865)
<b>Total general control and administration</b>	<b>757,050</b>	<b>347,306</b>	<b>409,744</b>
<b>Capital Outlay</b>	<b>93,153</b>	<b>9,272</b>	<b>83,881</b>
<b>Total expenditures</b>	<b>850,203</b>	<b>356,578</b>	<b>493,625</b>
<b>Net change in fund balance</b>	<b>\$ (539,777)</b>	<b>122,077</b>	<b>661,854</b>
Budgetary fund balance, beginning of year		<u>3,383,753</u>	
Budgetary fund balance, end of year		<u>\$ 3,505,830</u>	

MACON COUNTY, ILLINOIS

WORKING CASH FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Interest on investments	\$ 7,600	11,790	4,190
Net change in fund balance	<u>\$ 7,600</u>	<u>11,790</u>	<u>4,190</u>
Budgetary fund balance, beginning of year		<u>293,482</u>	
Budgetary fund balance, end of year		<u>\$ 305,272</u>	

MACON COUNTY, ILLINOIS

WOMEN, INFANTS, AND CHILDREN GRANT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Federal grant payments	\$ 416,900	409,367	(7,533)
Medicheck		5,902	5,902
Interest on investments	5,500	5,840	340
<b>Total revenues</b>	<b>422,400</b>	<b>421,109</b>	<b>(1,291)</b>
<b>Expenditures:</b>			
Public Health and Welfare:			
Personnel:			
Salaries	299,593	288,722	10,871
Group hospitalization	42,010	41,344	666
Fringes, retirement, FICA	48,755	44,137	4,618
Supplies and materials:			
Travel	1,100	700	400
Supplies	26,050	15,888	10,162
Contractual services	350	1,326	(976)
Dues and fees	500	852	(352)
Telephone	2,700	2,005	695
Postage	2,650	1,338	1,312
Printing	3,500	3,524	(24)
Incentives	600	8,382	(7,782)
<b>Total Public Health and Welfare</b>	<b>427,808</b>	<b>408,218</b>	<b>19,590</b>
Capital Outlay	2,000	3,175	(1,175)
<b>Total expenditures</b>	<b>429,808</b>	<b>411,393</b>	<b>18,415</b>
Excess (deficiency) of revenues over (under) expenditures	(7,408)	9,716	17,124
Other financing sources (uses):			
Transfer in (out) - Health Fund		(113,259)	(113,259)
Net change in fund balance	\$ (7,408)	(103,543)	(96,135)
Budgetary fund balance, beginning of year		81,704	
Budgetary fund balance (deficit), end of year		\$ (21,839)	

MACON COUNTY, ILLINOIS

HOME MODIFICATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Interest on investments	\$	226	226
Grant Revenue	100,000		(100,000)
<b>Total revenues</b>	<b>100,000</b>	<b>226</b>	<b>(99,774)</b>
<b>Expenditures:</b>			
Public Health and Welfare:			
Personnel:			
Salaries		3,540	(3,540)
Group hospitalization		914	(914)
Fringes, retirement, FICA		385	(385)
Supplies and materials:			
Contractual services	100,000		100,000
<b>Total Public Health and Welfare</b>	<b>100,000</b>	<b>4,839</b>	<b>95,161</b>
Excess (deficiency) of revenues over (under) expenditures	-	(4,613)	(4,613)
Other financing sources (uses):			
Transfer out - Health Fund		(1,021)	(1,021)
Net change in fund balance	\$ -	(5,634)	(5,634)
Budgetary fund balance, beginning of year		-	
Budgetary fund balance (deficit), end of year		\$ (5,634)	

MACON COUNTY, ILLINOIS

COUNTY MOTOR FUEL TAX FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Motor fuel tax allotment	\$ 2,730,000	2,468,570	(261,430)
State of Illinois salary reimbursement		48,500	48,500
Interest on investments	60,100	134,412	74,312
Miscellaneous	10,000	8,618	(1,382)
Richland Community College	120,000		(120,000)
Total revenues	<u>2,920,100</u>	<u>2,660,100</u>	<u>(260,000)</u>
Expenditures:			
Transportation:			
Personnel:			
Salaries - reimburse highway	801,662	709,160	92,502
Supplies and materials:			
Payment of other share	1,354,469	759,742	594,727
Maintenance patrols, material	900,000	486,529	413,471
Project expense	300,000	45,447	254,553
Miscellaneous		(44)	44
Total expenditures	<u>3,356,131</u>	<u>2,000,834</u>	<u>1,355,297</u>
Excess (deficiency) of revenues over (under) expenditures	(436,031)	659,266	1,095,297
Other financing sources (uses):			
Transfer out - County Highway Fund	<u>(800,000)</u>	<u>(1,200,000)</u>	<u>(400,000)</u>
Net change in fund balance	<u>\$ (1,236,031)</u>	<u>(540,734)</u>	<u>695,297</u>
Budgetary fund balance, beginning of year		<u>3,090,164</u>	
Budgetary fund balance, end of year		<u>\$ 2,549,430</u>	



MACON COUNTY, ILLINOIS

SPECIAL BRIDGE FUND

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL

Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 489,000	491,302	2,302
Interest on investments	10,100	21,103	11,003
Miscellaneous	75,000	170,746	95,746
Total revenues	574,100	683,151	109,051
Expenditures:			
Transportation:			
Supplies and materials:			
County's share of bridges	570,000	604,043	(34,043)
Payment of other share	110,000	71,376	38,624
Total expenditures	680,000	675,419	4,581
Net change in fund balance	\$ (105,900)	7,732	113,632
Budgetary fund balance, beginning of year		378,586	
Budgetary fund balance, end of year		\$ 386,318	

MACON COUNTY, ILLINOIS

STATE-TOWNSHIP BRIDGE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
State of Illinois	\$ 165,449	136,000	(29,449)
Interest on investments	5,100	1,564	(3,536)
Miscellaneous	85,064		(85,064)
Total revenues	255,613	137,564	(118,049)
Expenditures:			
Transportation:			
Supplies and materials - Township bridges	351,000	133,169	217,831
Net change in fund balance	<u>\$ (95,387)</u>	<u>4,395</u>	<u>99,782</u>
Budgetary fund balance, beginning of year		<u>30,515</u>	
Budgetary fund balance, end of year		<u>\$ 34,910</u>	

MACON COUNTY, ILLINOIS

CIRCUIT CLERK AUTOMATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Circuit Clerk automation fees	\$ 200,000	229,258	29,258
Interest on investments	1,540	3,245	1,705
<b>Total revenues</b>	<b>201,540</b>	<b>232,503</b>	<b>30,963</b>
<b>Expenditures:</b>			
General Control and Administration:			
Personnel:			
Court technology administrator	82,500	82,498	2
Supplies and materials:			
Circuit Clerk - EDP	84,040	28,331	55,709
Circuit Courts - EDP	59,000	54,618	4,382
<b>Total expenditures</b>	<b>225,540</b>	<b>165,447</b>	<b>60,093</b>
Net change in fund balance	\$ (24,000)	67,056	91,056
Budgetary fund balance, beginning of year		62,001	
Budgetary fund balance, end of year		\$ 129,057	

MACON COUNTY, ILLINOIS

CIRCUIT CLERK DOCUMENT STORAGE FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Document storage fees	\$ 100,000	120,774	20,774
Interest on investments	1,540	10,609	9,069
Total revenues	<u>101,540</u>	<u>131,383</u>	<u>29,843</u>
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries - Microfilmer	54,169	51,195	2,974
Hospitalization	14,141		14,141
Supplies and materials:			
Circuit Clerk - EDP	60,000	26,156	33,844
Miscellaneous		8	(8)
Total expenditures	<u>128,310</u>	<u>77,359</u>	<u>50,951</u>
Net change in fund balance	<u>\$ (26,770)</u>	<u>54,024</u>	<u>80,794</u>
Budgetary fund balance, beginning of year		<u>274,019</u>	
Budgetary fund balance, end of year		<u>\$ 328,043</u>	

MACON COUNTY, ILLINOIS

COUNTY CLERK AUTOMATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
County Clerk automation fees	\$ 42,000	47,672	5,672
Interest on investments		2,806	2,806
Total revenues	42,000	50,478	8,478
Other financing sources (uses):			
Transfer out - General Fund administration	(42,000)	(42,000)	
Net change in fund balance	\$ -	8,478	8,478
Budgetary fund balance (deficit), beginning of year		(1,703)	
Budgetary fund balance, end of year		\$ 6,775	

MACON COUNTY, ILLINOIS

TREASURER AUTOMATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Treasurer automation fees	\$ 32,500	37,835	5,335
Interest on investments	3,000	2,365	(635)
Total revenues	<u>35,500</u>	<u>40,200</u>	<u>4,700</u>
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	18,100	16,379	1,721
Supplies and materials:			
Treasurer - EDP	8,000	7,159	841
Postage	11,400	7,402	3,998
Total expenditures	<u>37,500</u>	<u>30,940</u>	<u>6,560</u>
Net change in fund balance	<u>\$ (2,000)</u>	<u>9,260</u>	<u>11,260</u>
Budgetary fund balance, beginning of year		<u>62,654</u>	
Budgetary fund balance, end of year		<u>\$ 71,914</u>	

MACON COUNTY, ILLINOIS

GIS AUTOMATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental:			
I.D.O.T. Planning Grant	\$ 30,000		(30,000)
Fines, fees and forfeitures:			
GIS automation fees	200,000	223,672	23,672
Mapping fees	1,575	278	(1,297)
Interest on investments	1,500	8,817	7,317
<b>Total revenues</b>	<b>233,075</b>	<b>232,767</b>	<b>(308)</b>
<b>Expenditures:</b>			
General Control and Administration:			
Personnel:			
Salaries	149,295	111,076	38,219
Group hospitalization	20,000	4,166	15,834
Supplies and materials:			
Consulting fees	80,000	58,866	21,134
Training	3,000	642	2,358
Supplies	5,000	590	4,410
<b>Total General Control and Administration</b>	<b>257,295</b>	<b>175,340</b>	<b>81,955</b>
Capital Outlay	75,000	11,659	63,341
<b>Total expenditures</b>	<b>332,295</b>	<b>186,999</b>	<b>145,296</b>
Excess (deficiency) of revenues over (under) expenditures	(99,220)	45,768	144,988
<b>Other financing sources (uses):</b>			
Transfer in - Highway Fund	15,000		(15,000)
Transfer out - General Fund administration	(2,800)		2,800
<b>Total other financing sources (uses)</b>	<b>12,200</b>	<b>-</b>	<b>(12,200)</b>
Net change in fund balance	\$ (87,020)	45,768	132,788
Budgetary fund balance, beginning of year		165,844	
Budgetary fund balance, end of year		\$ 211,612	

MACON COUNTY, ILLINOIS

COURTROOM SECURITY FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenue:			
Interest on investments	\$	110	110
Expenditures:			
Public Safety:			
Special studies	10,000	8,750	1,250
Capital Outlay	70,000	70,000	
Total expenditures	80,000	78,750	1,250
Net change in fund balance	\$ (80,000)	(78,640)	1,360
Budgetary fund balance, beginning of year		83,021	
Budgetary fund balance, end of year		\$ 4,381	



MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
City-County contract	\$ 350,000	350,000	
Municipality contract	25,000	7,756	(17,244)
Fines, fees and forfeitures:			
Sales tags	272,988	271,306	(1,682)
Board	10,000	9,477	(523)
Impound fees, destruction	5,500	6,501	1,001
Euthanasia	1,000	1,400	400
Animal adoptions	5,000	4,770	(230)
Warden	7,500	12,930	5,430
Offense	22,000	20,265	(1,735)
Avid chip fee	12,500	8,636	(3,864)
Citations	60,000		(60,000)
Rabies vaccination and observation	10,000	11,732	1,732
Spay neuter fees	22,500	25,150	2,650
Owner release	6,500	6,846	346
Trap rental	100		(100)
Disposal fee	1,500	1,645	145
Animal care fee	15,000	11,420	(3,580)
Interest on investments	6,000	5,421	(579)
Reimbursement from foundation		1,650	1,650
Miscellaneous donations	49,000	19,453	(29,547)
Total revenues	882,088	776,358	(105,730)
Expenditures:			
Public Safety:			
Personnel:			
Salaries	540,149	514,026	26,123
Group hospitalization and fringes	62,000	54,558	7,442
Supplies and materials:			
Vehicle maintenance, gas, and insurance	33,000	31,714	1,286
Contractual services - building	1,000	457	543
Supplies	30,000	35,194	(5,194)
Telephone	7,500	5,038	2,462
Travel	1,000	180	820
Postage	2,500	97	2,403
Printing	2,000	1,751	249
Maintenance of equipment	1,000		1,000
Legal advertising	4,500	3,362	1,138
Maintenance of building		3	(3)

(Continued)

MACON COUNTY, ILLINOIS

ANIMAL CONTROL FUND

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN

FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)

Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures, continued:			
Public Safety, continued:			
Supplies and materials, continued:			
Computer/software	20,000	19,174	826
Training	6,500	3,569	2,931
Professional services	25,000	15,217	9,783
Animal disposal	1,800	1,635	165
Drug testing	1,000	525	475
Spay/neuter	20,000	18,620	1,380
Avid chip	5,000	3,696	1,304
Rabies vaccination	6,000	4,988	1,012
Uniforms	6,000	2,909	3,091
Total Public Safety	775,949	716,713	59,236
Capital Outlay:			
Equipment	56,000	51,354	4,646
Total expenditures	831,949	768,067	63,882
Excess of revenues over expenditures	50,139	8,291	(41,848)
Other financing sources (uses):			
Transfers out:			
General Fund administration	(19,600)	(19,600)	
General Fund professional fees	(30,000)	(30,000)	
Total other financing sources (uses)	(49,600)	(49,600)	-
Net change in fund balance	\$ 539	(41,309)	(41,848)
Budgetary fund balance, beginning of year		87,495	
Budgetary fund balance, end of year		\$ 46,186	

MACON COUNTY, ILLINOIS

**HISTORICAL MUSEUM FUND**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL**  
**Year ended November 30, 2007**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 32,000	29,125	(2,875)
Interest on investments		76	76
Payroll refund, Historical Society	32,600	27,500	(5,100)
Total revenues	<u>64,600</u>	<u>56,701</u>	<u>(7,899)</u>
Expenditures:			
General Control and Administration:			
Personnel:			
Salaries	53,000	42,967	10,033
Retirement/fringes	6,500	6,398	102
Group hospitalization	4,200	3,951	249
Supplies and materials:			
Miscellaneous	100	1	99
Total expenditures	<u>63,800</u>	<u>53,317</u>	<u>10,483</u>
Excess of revenues over expenditures	800	3,384	2,584
Other financing uses:			
Transfer out - General Fund	<u>(800)</u>	<u>(800)</u>	
Net change in fund balance	<u>\$ -</u>	<u>2,584</u>	<u>2,584</u>
Budgetary fund balance (deficit), beginning of year		<u>(2,549)</u>	
Budgetary fund balance, end of year		<u>\$ 35</u>	

MACON COUNTY, ILLINOIS

LAW LIBRARY FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Law Library fees	\$ 63,500	69,555	6,055
Interest on investments	950	1,511	561
Miscellaneous	200	365	165
Total revenues	<u>64,650</u>	<u>71,431</u>	<u>6,781</u>
Expenditures:			
Judiciary and Court-Related:			
Personnel:			
Law librarian	16,500	11,158	5,342
Group hospitalization	4,000	1,872	2,128
Supplies and materials:			
Election research	21,000	13,533	7,467
Supplies	1,000	466	534
Service charge	50	8	42
Telephone	400	266	134
Copy machine	700		700
Total Judiciary and Court-Related	<u>43,650</u>	<u>27,303</u>	<u>16,347</u>
Capital Outlay	<u>21,000</u>	<u>20,410</u>	<u>590</u>
Total expenditures	<u>64,650</u>	<u>47,713</u>	<u>16,937</u>
Net change in fund balance	<u>\$ -</u>	<u>23,718</u>	<u>23,718</u>
Budgetary fund balance, beginning of year		<u>31,054</u>	
Budgetary fund balance, end of year		<u>\$ 54,772</u>	

MACON COUNTY, ILLINOIS

AUTOMATION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
<b>Revenues:</b>			
Fines, fees and forfeitures:			
Recorder automation fees	\$ 120,000	138,778	18,778
Interest on investments	3,900	10,079	6,179
Total revenues	<u>123,900</u>	<u>148,857</u>	<u>24,957</u>
<b>Expenditures:</b>			
General Control and Administration:			
Personnel:			
Recorder salaries	64,326	33,501	30,825
Employee benefits	7,000	7,541	(541)
Supplies and materials:			
Recorder automation expense	43,169	60,198	(17,029)
Miscellaneous		421	(421)
Total General Control and Administration	<u>114,495</u>	<u>101,661</u>	<u>12,834</u>
Capital Outlay	<u>10,000</u>		<u>10,000</u>
Total expenditures	<u>124,495</u>	<u>101,661</u>	<u>22,834</u>
Net change in fund balance	<u>\$ (595)</u>	<u>47,196</u>	<u>47,791</u>
Budgetary fund balance, beginning of year		<u>243,750</u>	
Budgetary fund balance, end of year		<u>\$ 290,946</u>	

MACON COUNTY, ILLINOIS

SOLID WASTE MANAGEMENT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Enforcement grant	\$ 46,271	33,405	(12,866)
Fines, fees and forfeitures:			
Tipping fee surcharge	200,000	175,754	(24,246)
Disposal fee	6,000	6,650	650
Interest on investments	65,250	78,631	13,381
Miscellaneous	2,500	1,479	(1,021)
Total revenues	320,021	295,919	(24,102)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	179,181	171,433	7,748
Salaries - Enforcement	34,998	35,129	(131)
Fringe benefits	26,892	23,879	3,013
Fringe benefits - Enforcement	5,819	4,282	1,537
Group hospitalization	21,667	21,667	
Group hospitalization - Enforcement	4,858	4,858	
Supplies and materials:			
Grant, Clean Community System	5,000	992	4,008
Grant, City of Decatur	26,000	25,321	679
Recycling program	14,500	14,153	347
Consultant	20,000	2,350	17,650
Solid waste sundry	6,777	(560)	7,337
Computer tech support	500	180	320
Computer - Enforcement	340		340
Travel	2,500	1,257	1,243
Travel - Enforcement	810	136	674
Library	750	94	656
Education expense	10,550	9,914	636
Promotional materials	4,450	3,998	452
Equipment maintenance	2,500	844	1,656
Telephone	3,350	3,249	101
Telephone - Enforcement	672	750	(78)
Car mileage	750	172	578

(Continued)

MACON COUNTY, ILLINOIS

SOLID WASTE MANAGEMENT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures, continued:			
Public Health and Welfare, continued:			
Supplies and materials, continued:			
Vehicle gas, oil tires	1,000	951	49
Vehicle expense - Enforcement	3,382	3,443	(61)
Postage	1,500	685	815
Postage - Enforcement	1,680	1,551	129
Printing	1,373	1,373	
Printing - Enforcement	410	68	342
Legal advertising	500		500
Dues	1,000	757	243
Training	3,000	870	2,130
Training - Enforcement	390	250	140
Waste animal disposal	5,000	841	4,159
Rural clean up	8,000	674	7,326
Fines IEPA - Enforcement	1,000	2,000	(1,000)
Advertising - Enforcement	2,286		2,286
Supplies	1,200	920	280
Supplies - Enforcement	1,547	1,040	507
Miscellaneous	10,150	472	9,678
Total Public Health and Welfare	416,282	339,993	76,289
Capital Outlay	74,977	68,042	6,935
Total expenditures	491,259	408,035	83,224
Excess (deficiency) of revenues over (under) expenditures	(171,238)	(112,116)	59,122
Other financing sources (uses):			
Transfer out - General Fund administration	(20,600)	(20,000)	600
Net change in fund balance	<u>\$ (191,838)</u>	<u>(132,116)</u>	<u>59,722</u>
Budgetary fund balance, beginning of year		<u>1,584,423</u>	
Budgetary fund balance, end of year		<u>\$ 1,452,307</u>	

MACON COUNTY, ILLINOIS

VETERANS ASSISTANCE COMMISSION FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 90,000	90,716	716
Interest on investments	3,000	5,917	2,917
Total revenues	93,000	96,633	3,633
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	69,265	69,532	(267)
Group hospitalization	16,200	7,905	8,295
Supplies and materials:			
Dues	200		200
Supplies	3,220	3,219	1
Printing	300		300
EDP	3,000	2,760	240
Insurance	700		700
Service charge	300		300
Copy machine	925	977	(52)
Maintenance of equipment	500		500
Travel	1,270	371	899
Telephone	2,000	1,424	576
Postage	760	757	3
Miscellaneous	1,680		1,680
Total Public Health and Welfare	100,320	86,945	13,375
Capital Outlay	9,500	1,014	8,486
Total expenditures	109,820	87,959	21,861
Excess (deficiency) of revenues over (under) expenditures	(16,820)	8,674	25,494
Other financing sources (uses):			
Transfer out - General Fund administration	(7,400)	(7,000)	400
Net change in fund balance	\$ (24,220)	1,674	25,894
Budgetary fund balance, beginning of year		143,842	
Budgetary fund balance, end of year		\$145,516	



MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Illinois Department of Commerce and Economic Opportunity	\$ 2,533,568	2,206,724	(326,844)
Interest on investments		61	61
Miscellaneous	5,220	2,523	(2,697)
<b>Total revenues</b>	<b>2,538,788</b>	<b>2,209,308</b>	<b>(329,480)</b>
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	566,760	576,150	(9,390)
Group hospitalization	92,008	87,334	4,674
Retirement and fringes	80,876	82,281	(1,405)
Supplies and materials:			
Maintenance agreement	17,500	15,908	1,592
Telephone	12,900	12,422	478
Workforce Investment Board expenses	2,000	4,408	(2,408)
Travel	24,500	23,798	702
Utilities	7,074	7,061	13
Rent	19,184	15,000	4,184
Marketing	19,500	25,032	(5,532)
Staff capacity building	2,000	3,121	(1,121)
Vocational training	446,891	497,627	(50,736)
On-the-job training	40,000	4,600	35,400
Annual membership fees	3,150	2,661	489
Equipment rental	9,892	23,985	(14,093)
Facility costs	36,000	45,719	(9,719)
SDA Contracts	630,023	336,963	293,060
Child care and transportation expenses	50,000	84,358	(34,358)
Periodicals/subscriptions	7,650	17,230	(9,580)
Liability	3,500	5,073	(1,573)
Payroll processing	2,000	1,164	836
Work experience stipends	104,582	53,421	51,161
CSSI RN program expense		116,518	(116,518)
CSSI Medical Coding Program		22,275	(22,275)
CSSI tutoring service		10,066	(10,066)
WIB related expense	11,840	6,049	5,791
Youth scholarships		17,500	(17,500)
Urban League Contract		67,020	(67,020)
Supplies	59,300	16,409	42,891
<b>Total expenditures</b>	<b>2,249,130</b>	<b>2,181,153</b>	<b>67,977</b>

(Continued)

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Excess of revenues over expenditures	289,658	28,155	(261,503)
Other financing sources (uses):			
Transfer out - General Fund administration	(30,631)	(30,215)	416
Net change in fund balance	<u>\$ 259,027</u>	<u>(2,060)</u>	<u>(261,087)</u>
Budgetary fund balance (deficit), beginning of year		<u>(37,212)</u>	
Budgetary fund balance (deficit), end of year		<u>\$ (39,272)</u>	

MACON COUNTY, ILLINOIS

STATE'S ATTORNEY GRANT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Child Advocacy Center:			
Department of Children and Family Services	\$ 85,357	85,357	
Attorney General	16,000	16,050	50
Macon County Mental Health Board	13,285	13,451	166
National Children's Alliance	10,000	8,368	(1,632)
Hidden Victims Grant	15,975	17,936	1,961
Safe from the Start Grant	148,200	148,200	
Computer Tracking Grant	151,923	152,446	523
Redeploy Grant	15,740	19,490	3,750
Circuit Clerk fees	52,500	76,033	23,533
Bernard Foundation Grant		20,000	20,000
Total revenues	508,980	557,331	48,351
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	265,595	260,377	5,218
Group hospitalization	1,530	23	1,507
Fringes, retirement, FICA	39,441	39,374	67
Supplies and materials:			
Phone	5,307	5,613	(306)
Travel	16,802	10,844	5,958
Training	12,280	11,352	928
Utilities	7,506	9,117	(1,611)
Building lease	16,200	16,200	
Postage	1,176	1,101	75
Printing	2,989	4,027	(1,038)
Hidden Victims Grant	15,975	15,500	475
Reference materials	500	743	(243)
Advertising	4,700	10,706	(6,006)
Liability insurance	6,654	6,267	387
Client assistance	800	800	
Supplies	13,111	8,225	4,886
Contractual services	38,635	28,057	10,578

(Continued)

MACON COUNTY, ILLINOIS

STATE'S ATTORNEY GRANT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL (Continued)  
 Year ended November 30, 2007

	Budget	Actual	Variance
Expenditures, continued:			
Public Health and Welfare, continued:			
Supplies and materials, continued:			
Contingent grant expense	9,159		9,159
Copy machine	1,000	343	657
Total Public Health and Welfare	459,360	428,669	30,691
Capital Outlay	25,719	20,748	4,971
Total expenditures	485,079	449,417	35,662
Net change in fund balance	<u>\$ 23,901</u>	107,914	<u>84,013</u>
Budgetary fund balance, beginning of year		<u>15,000</u>	
Budgetary fund balance, end of year		<u>\$ 122,914</u>	

MACON COUNTY, ILLINOIS

SHERIFF'S GRANT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Millikin Hire Back	\$ 20,000	9,550	(10,450)
Local Law Enforcement Block Grant - City of Decatur		21,587	21,587
Curfew Violation Grant	40,000	32,203	(7,797)
Traffic Safety	86,564	20,042	(66,522)
Liquor Sting Grant		10,440	10,440
Sheriff Jail Drug Grant		10,821	10,821
Department of Justice Alien Assistance grant		22,617	22,617
DHS Revenue		1,550	1,550
Total revenues	146,564	128,810	(17,754)
Expenditures:			
Public Health and Welfare:			
Personnel:			
Salaries	60,181	30,716	29,465
Fringes	20,530	1,703	18,827
Hospitalization	6,105		6,105
Supplies and materials:			
LLEB Grant	23,000		23,000
Curfew Violation Grant		25,675	(25,675)
Liquor Sting Grant		17,202	(17,202)
Prisoner Transport Grant		2,282	(2,282)
Traffic Safety	1,000	1,923	(923)
Traffic Safety - auto expense	10,243		10,243
Sheriff Jail Drug Grant		15,141	(15,141)
Alien Assistance Grant		949	(949)
Miscellaneous		31	(31)
Total Public Health and Welfare	121,059	95,622	25,437
Capital Outlay	8,505	8,284	221
Total expenditures	129,564	103,906	25,658
Net change in fund balance	\$ 17,000	24,904	7,904
Budgetary fund balance, beginning of year		63,753	
Budgetary fund balance, end of year		\$ 88,657	

MACON COUNTY, ILLINOIS

PROBATION GRANT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Intergovernmental:			
Redeploy Illinois Grant	\$ 518,721	546,152	27,431
Interest on investments		1,110	1,110
Total revenues	518,721	547,262	28,541
Expenditures:			
Public Health and Welfare:			
Supplies and materials:			
Travel	3,165	3,630	(465)
Substance Abuse	110,782	122,102	(11,320)
Contractual	25,000		25,000
Home intervention	148,581	165,844	(17,263)
Secure Residential		(3,846)	3,846
Mentoring	62,079	58,079	4,000
Technical Assistance	33,353	60,414	(27,061)
Training and education	5,955	10,327	(4,372)
Teen Court	15,686	20,789	(5,103)
Community ACCESS Coordinator	33,474	34,326	(852)
State's Attorney Victim services	34,254	35,787	(1,533)
CRB Coordinator and other expenses	21,979	21,672	307
Supplies	4,743	5,830	(1,087)
Miscellaneous		31	(31)
Total Public Health and Welfare	499,051	534,985	(35,934)
Capital Outlay	19,670	19,670	
Total expenditures	518,721	554,655	(35,934)
Net change in fund balance	\$ -	(7,393)	(7,393)
Budgetary fund balance, beginning of year		18,355	
Budgetary fund balance, end of year		\$ 10,962	

MACON COUNTY, ILLINOIS

CAPITAL PROJECTS FUNDS

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Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Health Capital Improvement Fund accounts for revenue and expenditures designated for construction of the Health Department facility.

MACON COUNTY, ILLINOIS

HEALTH CAPITAL IMPROVEMENT FUND  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE (NON-GAAP) - BUDGET AND ACTUAL  
 Year ended November 30, 2007

	Budget	Actual	Variance
Revenues:			
Interest on investments	\$ 2,600	4,450	1,850
Expenditures:			
Public Health and Welfare:			
Supplies and materials		394	(394)
Capital Outlay:			
Building construction	10,000	7,444	2,556
Total expenditures	10,000	7,838	2,162
Excess (deficiency) of revenues over (under) expenditures	(7,400)	(3,388)	4,012
Other financing sources (uses):			
Transfer out - General Fund administration	(10,000)		10,000
Net change in fund balance	\$ 2,600	(3,388)	(5,988)
Budgetary fund balance, beginning of year		109,881	
Budgetary fund balance, end of year		\$ 106,493	



## MACON COUNTY, ILLINOIS

### AGENCY FUNDS

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Agency Funds are used to account for resources received and held by the County as agent or trustee for individuals, private organizations, and other governmental units. The resources are expended or invested in accordance with the fiduciary agreement or applicable legislative enactment for each fund.

#### COUNTY COLLECTOR'S FUND -

The County Collector's Fund accounts for property tax collections and disbursements to taxing authorities.

#### COUNTY TREASURER'S FUNDS -

The Inheritance Tax Fund accounts for all collections for inheritance tax. The Treasurer's office transfers moneys to the State of Illinois.

The General Assistance Fund accounts for all collections from the State of Illinois for General Assistance. Warrants are issued to transfer moneys to the Decatur Township Office.

The Trust Fund accounts for wage deductions, moneys for condemnation suits, and court ordered deposits. Warrants are issued based on court orders.

#### COUNTY CLERK'S FUND -

The Trust Fund accounts for deposits from delinquent taxpayers for the portion of the tax bill that is for tax buyers. Warrants are then issued to tax buyers after tax sales.

#### CIRCUIT CLERK'S FUNDS -

The Trust Fund charges and collects fees incurred from court cases and distributes the proceeds to the applicable governmental agencies and funds.

The Support Fund accounts for moneys collected for child support and disbursed on court order.

#### COUNTY SHERIFF'S FUND -

The County Sheriff's Trust Fund is used only for reimbursements for overpayments on warrant billing, sheriff sale, and civil process fees.

The Correctional Center Resident Trust Fund accounts for monies, held by the Sheriff as trustee for jail detainees, that can be used for commissary purchases. Any balance remaining is returned to the detainees upon release or transfer.

#### TOWNSHIP ROAD FUND

The Township Road Fund - Motor Fuel Tax provides for disbursements to Township in Macon County for road repairs. The Highway Department is custodian of funds provided by state motor fuel tax designed for each township.

MACON COUNTY, ILLINOIS

COMBINING STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
November 30, 2007

	County Collector's Fund	County Treasurer's Funds	County Clerk's Fund
<b>Assets</b>			
Cash	\$ 5,195,851	30,769	179,318
Investments	538,555	638	
Accrued interest receivable			
Due from State of Illinois - allotment			
Total assets	<u>5,734,406</u>	<u>31,407</u>	<u>179,318</u>
<b>Liabilities</b>			
Due to other governmental agencies		4,852	
Accounts payable			
Deposits payable	(89,235)	26,555	2,283
Due to taxing districts	5,823,641		
Due to tax buyers			177,035
Total liabilities	<u>\$ 5,734,406</u>	<u>31,407</u>	<u>179,318</u>

Circuit Clerk's Funds	County Sheriff's Funds	Township Road Fund	Total
1,588,183	12,227	1,918,858	8,925,206
505,105		7,017	1,051,315
5,078			5,078
		86,365	86,365
<u>2,098,366</u>	<u>12,227</u>	<u>2,012,240</u>	<u>10,067,964</u>
47,054		1,984,485	2,036,391
		27,755	27,755
2,051,312	12,227		2,003,142
			5,823,641
			177,035
<u>2,098,366</u>	<u>12,227</u>	<u>2,012,240</u>	<u>10,067,964</u>

MACON COUNTY, ILLINOIS

COUNTY COLLECTOR'S FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<b>Assets</b>				
Cash	\$ 5,907,425	1,237,444	1,949,018	5,195,851
Investments	540,494	120,859,181	120,861,120	538,555
Total assets	6,447,919	122,096,625	122,810,138	5,734,406
<b>Liabilities</b>				
Due to other funds		420,913	420,913	
Deposits payable	226,745	533,742	849,722	(89,235)
Due to taxing districts	6,221,174	121,141,970	121,539,503	5,823,641
Total liabilities	\$ 6,447,919	122,096,625	122,810,138	5,734,406

MACON COUNTY, ILLINOIS

COUNTY TREASURER'S FUNDS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<b><u>Inheritance Tax Fund</u></b>				
<b>Assets</b>				
Cash	\$ 373	628,782	625,813	3,342
Investments	2,933	111	3,000	44
Total assets	3,306	628,893	628,813	3,386
<b>Liabilities</b>				
Due to other funds		1,659	1,659	
Due to other governmental agencies	3,306	627,234	627,154	3,386
Total liabilities	3,306	628,893	628,813	3,386
<b><u>General Assistance Fund</u></b>				
<b>Assets</b>				
Cash	1,561	312,949	313,044	1,466
<b>Liabilities</b>				
Due to other governmental agencies	1,561	312,949	313,044	1,466
<b><u>Trust Fund</u></b>				
<b>Assets</b>				
Cash	1,316	34,668	10,023	25,961
Investments	24,659	935	25,000	594
Total assets	25,975	35,603	35,023	26,555
<b>Liabilities</b>				
Deposits payable	25,975	35,376	34,796	26,555
Due to other funds		227	227	
Total liabilities	25,975	35,603	35,023	26,555
<b><u>Total Funds</u></b>				
<b>Assets</b>				
Cash	3,250	976,399	948,880	30,769
Investments	27,592	1,046	28,000	638
Total assets	30,842	977,445	976,880	31,407
<b>Liabilities</b>				
Due to other governmental agencies	4,867	940,183	940,198	4,852
Due to other funds		1,886	1,886	
Deposits payable	25,975	35,376	34,796	26,555
Total liabilities	\$ 30,842	977,445	976,880	31,407

MACON COUNTY, ILLINOIS

COUNTY CLERK'S FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<hr/>				
<b>Trust Fund</b>				
<b>Assets</b>				
Cash	\$ 634,103	2,571,573	3,026,358	179,318
				<hr/>
<b>Liabilities</b>				
Deposits payable	3,156	84,982	85,855	2,283
Due to tax buyers	630,947	2,486,591	2,940,503	177,035
				<hr/>
Total liabilities	\$ 634,103	2,571,573	3,026,358	179,318
				<hr/>

MACON COUNTY, ILLINOIS

CIRCUIT CLERK'S FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<b>Trust Fund</b>				
<b>Assets</b>				
Cash	\$ 1,268,490	6,763,259	6,463,663	1,568,086
Certificates of deposit	502,987	524,570	522,452	505,105
Accrued interest	3,610	5,078	3,610	5,078
<b>Total assets</b>	<b>1,775,087</b>	<b>7,292,907</b>	<b>6,989,725</b>	<b>2,078,269</b>
<b>Liabilities</b>				
Deposits payable	1,740,194	2,722,973	2,431,952	2,031,215
Due to other governmental agencies	34,893	562,067	549,906	47,054
Due to other funds		4,007,867	4,007,867	
<b>Total liabilities</b>	<b>1,775,087</b>	<b>7,292,907</b>	<b>6,989,725</b>	<b>2,078,269</b>
<b>Support Fund</b>				
<b>Assets</b>				
Cash	14,758	938,795	933,456	20,097
<b>Liabilities</b>				
Deposits payable	14,758	938,795	933,456	20,097
<b>Total Circuit Clerk's Funds</b>				
<b>Assets</b>				
Cash	1,283,248	7,702,054	7,397,119	1,588,183
Certificates of deposit	502,987	524,570	522,452	505,105
Accrued interest	3,610	5,078	3,610	5,078
<b>Total assets</b>	<b>1,789,845</b>	<b>8,231,702</b>	<b>7,923,181</b>	<b>2,098,366</b>
<b>Liabilities</b>				
Due to other governmental agencies	34,893	562,067	549,906	47,054
Due to other funds		4,007,867	4,007,867	
Deposits payable	1,754,952	3,661,768	3,365,408	2,051,312
<b>Total liabilities</b>	<b>\$ 1,789,845</b>	<b>8,231,702</b>	<b>7,923,181</b>	<b>2,098,366</b>

MACON COUNTY, ILLINOIS

COUNTY SHERIFF'S FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<u>County Sheriff's Trust Fund</u>				
<b>Assets</b>				
Cash	\$ 1,081	399	467	<b>1,013</b>
<b>Liabilities</b>				
Deposits payable	1,081	399	467	<b>1,013</b>
<u>Correctional Center Resident Trust Fund</u>				
<b>Assets</b>				
Cash	13,618	528,789	531,193	<b>11,214</b>
<b>Liabilities</b>				
Accounts payable	3,156		3,156	
Due to other funds		3,751	3,751	
Deposits payable	10,462	525,038	524,286	<b>11,214</b>
Total liabilities	13,618	528,789	531,193	<b>11,214</b>
<u>Total Sheriff's Funds</u>				
<b>Assets</b>				
Cash	14,699	529,188	531,660	<b>12,227</b>
<b>Liabilities</b>				
Accounts payable	3,156		3,156	
Due to other funds		3,751	3,751	
Deposits payable	11,543	525,437	524,753	<b>12,227</b>
Total liabilities	\$ 14,699	529,188	531,660	<b>12,227</b>



MACON COUNTY, ILLINOIS

TOWNSHIP ROAD FUND  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<u>Township Road Fund - Motor Fuel Tax</u>				
<b>Assets</b>				
Cash	\$ 211,663	2,952,473	1,245,278	1,918,858
Investment	1,702,477	74,540	1,770,000	7,017
Due from other funds		7,809	7,809	
Due from State of Illinois - allotment	100,252	86,365	100,252	86,365
Total assets	<u>2,014,392</u>	<u>3,121,187</u>	<u>3,123,339</u>	<u>2,012,240</u>
<b>Liabilities</b>				
Accounts payable	38,414	27,755	38,414	27,755
Due to other governmental agencies	1,975,978	3,093,432	3,084,925	1,984,485
Total liabilities	<u>\$ 2,014,392</u>	<u>3,121,187</u>	<u>3,123,339</u>	<u>2,012,240</u>

MACON COUNTY, ILLINOIS

TOTAL ALL AGENCY FUNDS  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 Year ended November 30, 2007

	Balance November 30, 2006	Additions	Deductions	Balance November 30, 2007
<b>Assets</b>				
Cash	\$ 8,054,388	15,969,131	15,098,313	8,925,206
Investments	2,773,550	121,459,337	123,181,572	1,051,315
Accrued interest receivable	3,610	5,078	3,610	5,078
Due from other funds		7,809	7,809	
Due from State of Illinois - allotment	100,252	86,365	100,252	86,365
	<u>10,931,800</u>	<u>137,527,720</u>	<u>138,391,556</u>	<u>10,067,964</u>
Total assets	10,931,800	137,527,720	138,391,556	10,067,964
<b>Liabilities</b>				
Due to other governmental agencies	2,015,738	4,595,682	4,575,029	2,036,391
Accounts payable	41,570	27,755	41,570	27,755
Due to other funds		4,434,417	4,434,417	
Deposits payable	2,022,371	4,841,305	4,860,534	2,003,142
Due to taxing districts	6,221,174	121,141,970	121,539,503	5,823,641
Due to tax buyers	630,947	2,486,591	2,940,503	177,035
	<u>\$ 10,931,800</u>	<u>137,527,720</u>	<u>138,391,556</u>	<u>10,067,964</u>
Total liabilities	\$ 10,931,800	137,527,720	138,391,556	10,067,964

**STATISTICAL SECTION**  
**(Unaudited)**

# MACON COUNTY, ILLINOIS

## STATISTICAL SECTION

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This part of Macon County, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### Contents

#### **Financial Trends**

These schedules contain trend information to help readers understand how the County's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help readers assess the County's most significant local revenue source - its property tax.

#### **Debt Capacity**

These schedules present information to help readers assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help readers understand the environment within which the County's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help readers understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Except where noted, the information in these schedules is derived from Macon County, Illinois' comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning that year.

MACON COUNTY, ILLINOIS

NET ASSETS BY COMPONENT  
LAST FIVE FISCAL YEARS

(Prepared using the accrual basis of accounting)

	2007	2006	2005	2004	2003
Governmental activities:					
Invested in capital assets, net of related debt	\$ 28,636,255	12,699,438	12,984,934	6,658,161	6,380,924
Restricted	106,493	429,487	6,402,105	3,736,880	3,333,021
Unrestricted	34,603,813	33,852,391	21,694,693	23,577,294	23,168,978
Total governmental activities net assets	<u>63,346,561</u>	<u>46,981,316</u>	<u>41,081,732</u>	<u>33,972,335</u>	<u>32,882,923</u>
Primary government:					
Invested in capital assets, net of related debt	28,636,255	12,699,438	12,984,934	6,658,161	6,380,924
Restricted	106,493	429,487	6,402,105	3,736,880	3,333,021
Unrestricted	34,603,813	33,852,391	21,694,693	23,577,294	23,168,978
Total primary government net assets	<u>\$ 63,346,561</u>	<u>46,981,316</u>	<u>41,081,732</u>	<u>33,972,335</u>	<u>32,882,923</u>

Note: Entity-wide financial information for the County government as a whole is available beginning in fiscal year 2003, the year GASB Statement No. 34 was implemented.

MACON COUNTY, ILLINOIS

CHANGES IN NET ASSETS  
LAST FIVE FISCAL YEARS

(Prepared using the accrual basis of accounting)

	2007	2006	2005	2004	2003
Expenses:					
Governmental activities:					
General control and administration	\$ 9,421,696	10,384,209	8,830,625	8,391,661	8,958,859
Public safety	13,637,829	9,715,600	11,444,061	11,532,508	9,470,243
Judiciary and court-related	8,037,076	6,299,870	6,190,711	6,287,988	5,663,855
Public health and welfare	9,637,112	8,954,194	8,745,459	8,510,230	7,961,185
Transportation	6,897,914	4,877,917	5,027,838	8,657,610	3,977,462
Interest on long-term debt	42,247	51,688	414,085	433,837	433,567
Total governmental activities expenses	47,673,874	40,283,478	40,652,779	43,813,834	36,465,171
Total primary government expenses	47,673,874	40,283,478	40,652,779	43,813,834	36,465,171
Program revenues:					
Governmental activities:					
Charges for services:					
General government	2,195,857	2,103,590	2,102,326	2,296,057	2,042,848
Public safety	1,380,536	1,370,284	1,323,488	1,304,160	1,227,747
Judiciary and court-related	2,674,929	2,480,065	2,490,949	2,382,172	2,004,940
Other activities	733,117	686,144	656,019	520,797	454,994
Operating grants and contributions	13,519,377	13,164,103	16,303,449	12,690,489	12,801,276
Total governmental activities program revenues	20,503,816	19,804,186	22,876,231	19,193,675	18,531,805
Total primary government program revenues	20,503,816	19,804,186	22,876,231	19,193,675	18,531,805
Net (expense) revenue, governmental activities	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)	(17,933,366)
Total primary government net expense	(27,170,058)	(20,479,292)	(17,776,548)	(24,620,159)	(17,933,366)
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	14,956,074	15,507,295	14,420,074	16,052,100	15,686,659
Sales taxes	5,905,221	5,902,593	5,757,499	5,266,907	3,722,735
Other taxes	2,409,412	2,223,615	2,039,441	1,599,709	1,610,643
Investment earnings	1,294,699	1,199,480	566,649	323,540	203,226
Miscellaneous	1,971,218	1,820,732	1,890,985	2,467,316	1,500,168
Total governmental activities	26,536,624	26,653,715	24,674,648	25,709,572	22,723,431
Total primary government	26,536,624	26,653,715	24,674,648	25,709,572	22,723,431
Change in net assets, governmental activities	(633,434)	6,174,423	6,898,100	1,089,413	4,790,065
Total primary government	\$ (633,434)	6,174,423	6,898,100	1,089,413	4,790,065

Note: Entity-wide financial information for the County government as a whole is available beginning in fiscal year 2003, the year GASB Statement No. 34 was implemented.

MACON COUNTY, ILLINOIS

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

	2007	2006	2005
General Fund:			
Reserved	\$ 320,873	374,000	335,580
Unreserved	6,467,445	4,199,370	1,930,881
Total general fund	<u>6,788,318</u>	<u>4,573,370</u>	<u>2,266,461</u>
All Other Governmental Funds:			
Reserved	5,313,756	4,875,463	7,140,198
Unreserved, reported in:			
Special revenue funds	23,227,450	25,231,682	18,953,264
Capital projects funds	106,493	109,881	114,555
Total all other governmental funds	<u>\$ 28,647,699</u>	<u>30,217,026</u>	<u>26,208,017</u>

2004	2003	2002	2001	2000	1999	1998
344,028	325,342	52,541	62,546	55,153	229,972	33,072
513,469	(310,780)	(968,055)	(1,095,577)	(309,112)	746,896	1,496,563
857,497	14,562	(915,514)	(1,033,031)	(253,959)	976,868	1,529,635
3,326,728	2,852,857	26,159	4,648	132,207	85,721	58,830
20,507,992	21,105,874	21,499,359	21,421,759	21,646,789	21,066,434	18,821,636
409,730	214,778					
24,244,450	24,173,509	21,525,518	21,426,407	21,778,996	21,152,155	18,880,466



MACON COUNTY, ILLINOIS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

	2007	2006	2005	2004
<b>Revenues:</b>				
Taxes	\$ 23,270,707	23,633,503	22,217,014	22,918,716
Intergovernmental	13,875,412	13,572,273	16,674,267	13,030,618
Fines, fees and forfeitures	6,388,513	5,977,479	5,947,761	5,964,843
Licenses and permits	239,891	254,434	254,203	198,214
Investment earnings	1,294,021	1,198,017	565,332	322,822
Miscellaneous revenues	1,948,249	1,820,732	1,888,737	2,465,857
<b>Total revenues</b>	<b>47,016,793</b>	<b>46,456,438</b>	<b>47,547,314</b>	<b>44,901,070</b>
<b>Expenditures:</b>				
General control and administration	8,591,866	9,815,467	8,027,914	7,480,110
Public safety	13,049,148	9,323,558	10,984,285	11,283,184
Judiciary and court-related	7,872,428	6,180,166	6,049,224	6,203,159
Public health and welfare	9,317,880	8,632,064	8,348,134	8,103,792
Transportation	5,277,127	3,785,442	3,745,609	7,267,977
Capital outlay	1,959,107	2,164,129	6,491,796	2,700,159
Debt service:				
Principal	66,369	54,954	692,275	511,557
Interest	42,247	51,688	413,237	436,135
<b>Total expenditures</b>	<b>46,176,172</b>	<b>40,007,468</b>	<b>44,752,474</b>	<b>43,986,073</b>
<b>Excess of revenues over (under) expenditures</b>	<b>840,621</b>	<b>6,448,970</b>	<b>2,794,840</b>	<b>914,997</b>
<b>Other financing sources (uses):</b>				
Capital lease proceeds				182,879
Loan proceeds				
Refinancing payments				
Transfers in	1,833,529	4,959,152	2,147,121	1,977,160
Transfers out	(2,028,529)	(5,088,152)	(2,266,121)	(2,161,160)
<b>Total other financing sources (uses)</b>	<b>(195,000)</b>	<b>(129,000)</b>	<b>(119,000)</b>	<b>(1,121)</b>
<b>Net change in fund balances</b>	<b>\$ 645,621</b>	<b>6,319,970</b>	<b>2,675,840</b>	<b>913,876</b>
Debt service as a percentage of noncapital expenditures	0.25%	0.28%	2.89%	2.30%
Debt service as a percentage of total expenditures	0.24%	0.27%	2.47%	2.15%
Ratio of capital outlay to total expenditures	4.24%	5.41%	14.51%	6.14%

2003	2002	2001	2000	1999	1998
21,020,037	19,315,963	18,798,749	18,991,581	18,758,464	18,191,984
13,135,830	13,553,447	11,835,066	9,624,963	10,155,010	8,559,364
5,276,095	6,339,340	5,761,317	5,743,207	5,631,176	5,688,599
119,880	90,953	96,596	83,457	58,609	73,535
202,805	437,313	1,108,432	1,513,110	1,027,157	1,197,696
1,500,168	1,252,459	2,936,883	4,126,463	3,067,879	2,384,948
41,254,815	40,989,475	40,537,043	40,082,781	38,698,295	36,096,126
8,251,404	7,492,415	10,731,437	10,850,766	9,583,524	8,735,458
9,466,188	9,863,964	9,888,752	10,070,210	9,136,630	9,065,536
5,550,206	6,756,603	6,831,218	7,133,910	5,566,739	4,830,567
7,705,262	8,380,261	6,588,511	6,027,061	6,372,417	5,662,906
5,267,006	5,514,115	5,063,696	4,691,800	3,857,572	4,164,571
3,938,078	1,535,835	1,222,204	793,677	985,285	702,744
614,183	487,624	461,172	414,285	505,045	381,569
444,422	444,331	462,671	469,019	503,133	644,267
41,236,749	40,475,148	41,249,661	40,450,728	36,510,345	34,187,618
18,066	514,327	(712,618)	(367,947)	2,187,950	1,908,508
106,093					
2,589,202			190,667		
(1,309,191)					
1,699,967	216,655	1,217,423	1,576,699	919,209	816,182
(1,809,467)	(514,354)	(1,572,168)	(2,038,004)	(1,388,237)	(1,256,317)
1,276,604	(297,699)	(354,745)	(270,638)	(469,028)	(440,135)
1,294,670	216,628	(1,067,363)	(638,585)	1,718,922	1,468,373
2.84%	2.39%	2.31%	2.23%	2.84%	3.06%
2.57%	2.30%	2.24%	2.18%	2.76%	3.00%
9.55%	3.79%	2.96%	1.96%	2.70%	2.06%

MACON COUNTY, ILLINOIS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

(Prepared using the modified accrual basis of accounting)

Fiscal Year Ended November 30	Property	Retailer's occupational	Other	Total
1998	\$ 13,487,874	2,835,226	1,868,884	18,191,984
1999	13,845,752	2,982,512	1,930,200	18,758,464
2000	13,738,288	3,091,739	2,161,554	18,991,581
2001	14,032,760	3,041,468	1,724,521	18,798,749
2002	14,467,514	3,020,464	1,827,985	19,315,963
2003	15,686,659	3,722,735	1,610,643	21,020,037
2004	16,052,100	5,266,907	1,599,709	22,918,716
2005	14,420,074	5,757,499	2,039,441	22,217,014
2006	15,507,295	5,902,593	2,223,615	23,633,503
2007	14,956,074	5,905,221	2,409,412	23,270,707

MACON COUNTY, ILLINOIS

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUATION  
LAST TEN TAX LEVY YEARS

Year Property Assessed	Fiscal Year Ended	Real Estate		Railroads		Total	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1997	1998	\$ 1,039,456,138	3,118,680,282	14,309,408	42,932,517	1,053,765,546	3,161,612,799
1998	1999	1,286,998,463	3,860,999,250	14,318,217	42,954,694	1,301,316,680	3,903,953,944
1999	2000	1,087,345,909	3,515,600,327	14,689,302	44,112,018	1,102,035,211	3,559,712,345
2000	2001	1,124,646,483	3,620,285,295	11,201,302	32,583,006	1,135,847,785	3,652,868,301
2001	2002	1,206,961,765	3,582,095,677	11,263,206	33,789,618	1,218,224,971	3,615,885,295
2002	2003	1,257,587,721	3,738,040,602	11,574,187	34,722,561	1,269,161,908	3,772,763,163
2003	2004	1,332,089,906	3,960,081,273	12,062,815	36,188,445	1,344,152,721	3,996,269,718
2004	2005	1,310,728,120	3,932,184,360	11,780,781	35,342,343	1,322,508,901	3,967,526,703
2005	2006	1,374,064,456	4,122,193,368	12,117,906	36,353,718	1,386,182,362	4,158,547,086
2006	2007	1,435,141,676	4,305,425,028	14,270,070	42,810,210	1,449,411,746	4,348,235,238

Source: Macon County Clerk's Office

Note: Property in the County of Macon, Illinois is reassessed every year. The County assesses property at approximately 33.3% of actual value. Estimated actual value is calculated by dividing taxable value by that percentage. Assessed value includes tax-exempt property.

<u>Ratio of Total Assessed to Total Estimated Actual Value</u>	<u>Total Direct Tax Rate</u>
33 1/3	1.5768
33 1/3	1.4212
33 1/3	1.4274
33 1/3	1.4098
33 1/3	1.3819
33 1/3	1.4135
33 1/3	1.3829
33 1/3	1.2720
33 1/3	1.3233
33 1/3	1.1983

MACON COUNTY, ILLINOIS

SCHEDULE OF PROPERTY TAX RATES  
 ALL DIRECT AND OVERLAPPING GOVERNMENTS  
 LAST TEN TAX LEVY YEARS  
 (Per \$100 of Assessed Valuation)

Governmental Unit	Year of Levy				
	2006	2005	2004	2003	2002
County of Macon, direct rates:					
General Corporate Fund	<b>0.2500</b>	0.2447	0.2500	0.2500	0.2500
County Highway Fund	<b>0.0897</b>	0.0893	0.0901	0.0853	0.0849
Special Bridge Fund	<b>0.0338</b>	0.0500	0.0339	0.0316	0.0314
Illinois Municipal Retirement Fund	<b>0.0690</b>	0.0974	0.0756	0.1098	0.1111
Federal Aid Matching Fund	<b>0.0286</b>	0.0285	0.0287	0.0269	0.0267
Historical Museum Fund	<b>0.0020</b>	0.0020	0.0020	0.0020	0.0020
County Health Department Fund	<b>0.0821</b>	0.1054	0.1070	0.1070	0.1070
Insurance Liability Fund	<b>0.0138</b>	0.0260	0.0547	0.0581	0.0615
Veterans Commission Fund	<b>0.0062</b>	0.0066	0.0069	0.0068	0.0070
708 Board Fund	<b>0.1500</b>	0.1500	0.1500	0.1500	0.1500
Judgment Repayment Fund	<b>0.0207</b>	0.0216	0.0340	0.0413	0.0585
Law Facilities Center Fund			0.1792	0.2594	0.2679
Social Security Tax Fund	<b>0.0669</b>	0.0700	0.0699	0.0716	0.0733
Decatur Public Building Commission Lease Fund	<b>0.3596</b>	0.4047			
Building Renovation Fund			0.1626	0.1559	0.1594
Macon County Coop Extension	<b>0.0259</b>	0.0271	0.0274	0.0272	0.0228
<b>Total direct rate</b>	<b>1.1983</b>	1.3233	1.2720	1.3829	1.4135
City of Decatur	<b>1.2418</b>	1.2699	1.2717	1.1934	1.2796
Conservation District	<b>0.1056</b>	0.1088	0.1146	0.1146	0.1082
Decatur Park District	<b>1.0288</b>	1.0141	0.9988	0.9988	0.9988
Decatur Sanitary District	<b>0.2644</b>	0.2828	0.2964	0.2964	0.2616
Decatur Township	<b>0.2691</b>	0.2679	0.2664	0.2775	0.2494
Hickory Point Township	<b>0.3009</b>	0.3006	0.3022	0.2913	0.3010
Richland Community College	<b>0.3868</b>	0.3889	0.3895	0.3895	0.3839
Decatur School District	<b>4.3107</b>	4.3201	4.1670	4.1670	4.0734
Mt. Zion School District	<b>3.9197</b>	3.9851	4.0149	3.9609	3.9901

Note: Taxes are collected during the year following the year taxes are levied.

Source: Macon County Clerk's Office

2001	2000	1999	1998	1997
0.2400	0.2390	0.2463	0.2500	0.2500
0.0960	0.0956	0.0986	0.1000	0.1000
0.0339	0.0353	0.0364	0.0400	0.0400
0.0771	0.0803	0.0828	0.0867	0.0920
0.0289	0.0301	0.0310	0.0500	0.0500
0.0020	0.0020	0.0020	0.0020	0.0020
0.1034	0.1070	0.1012	0.1070	0.1070
0.0610	0.0615	0.0634	0.0066	0.0700
0.0070	0.0072	0.0074	0.0075	0.0075
0.1500	0.1500	0.1500	0.1463	0.1353
0.0610	0.0615	0.0634	0.0660	0.0700
0.2729	0.2846	0.2868	0.2895	0.3801
0.0643	0.0669	0.0690	0.0750	0.0800
0.1608	0.1650	0.1646	0.1694	0.1687
0.0236	0.0238	0.0245	0.0252	0.0242
1.3819	1.4098	1.4274	1.4212	1.5768
1.2857	1.3939	1.3716	1.3444	1.3827
0.1052	0.1070	0.1097	0.1046	0.1051
0.9325	0.9980	0.9910	0.9879	0.9838
0.3047	0.3301	0.3380	0.3504	0.3611
0.2653	0.2840	0.2686	0.2637	0.2455
0.3005	0.3217	0.3311	0.3356	0.3387
0.3723	0.3721	0.3328	0.3325	0.2871
3.9862	3.6250	3.2946	3.3086	3.2994
3.9629	3.9571	3.9896	3.9830	3.9775

MACON COUNTY, ILLINOIS

PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business Property	2007 Equalized Assessed Valuation	Percentage of Total 2007 Equalized Assessed Valuation	2007 Rank
Archer Daniels Midland Co.	Industrial	\$ 27,570,853	1.90%	1
Hickory Point LLC	Retail	14,078,955	0.97%	2
Wal-Mart Stores Inc.	Retail	8,723,607	0.60%	3
Caterpillar Inc.	Industrial	6,817,402	0.47%	4
Tate and Lyle North America	Industrial	5,594,599	0.39%	5
Pittsburg Plate Glass Co.	Industrial	4,107,245	0.28%	6
Decatur Memorial Health Foundation	Health	4,093,588	0.28%	7
Northgate Ltd. Partnership	Retail	3,859,768	0.27%	8
Brettwood Village Assoc.	Retail	3,655,847	0.25%	9
Millikin University	Education	3,308,058	0.23%	10
		<u>81,809,922</u>	<u>5.64%</u>	

Total 2007 County assessed valuation

1,449,411,746

Taxpayer	Type of Business Property	1998 Equalized Assessed Valuation	Percentage of Total 1998 Equalized Assessed Valuation	1998 Rank
Archer Daniels Midland Co.	Industrial	28,250,568	2.68%	1
Caterpillar Inc.	Industrial	10,506,095	1.00%	2
Tate and Lyle North America	Industrial	9,134,147	0.87%	3
CWB Investments	Retail	7,953,752	0.75%	4
Brettwood Village Assoc.	Retail	5,332,098	0.51%	5
Pittsburg Plate Glass Co.	Industrial	5,330,711	0.51%	6
Wal-Mart Stores Inc.	Retail	4,387,281	0.42%	7
Illinois Power Company	Utility	4,244,458	0.40%	8
Firestone	Industrial	3,215,351	0.31%	9
Raynor - Holiday Inn	Lodging	3,050,627	0.29%	10
		<u>81,405,088</u>	<u>7.74%</u>	

Total 1998 County assessed valuation

1,053,765,546

Source: Macon County Supervisor of Assessments



MACON COUNTY, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS - COUNTY FUNDS  
LAST TEN TAX LEVY YEARS

	Tax Levy Year				
	2006	2005	2004	2003	2002
Tax Extensions:					
General Corporate Fund	\$ 3,623,529	3,392,410	3,309,657	3,330,292	3,144,033
County Highway Fund	1,300,122	1,238,279	1,192,800	1,136,293	1,067,711
Special Bridge Fund	489,032	465,065	448,790	420,947	394,889
Illinois Municipal Retirement Fund	1,000,094	1,350,005	1,000,840	1,462,659	1,397,206
Federal Aid Matching Fund	415,111	395,063	379,949	358,337	335,782
Historical Museum Fund	28,988	27,724	26,477	26,642	25,152
County Health Department Fund	1,190,950	1,461,774	1,416,590	1,425,336	1,397,271
Insurance Liability Fund	200,019	360,131	724,153	773,957	773,430
Veterans Commission Fund	90,009	92,043	91,347	90,583	88,032
708 Board Fund	2,176,708	2,080,719	1,985,873	1,998,134	1,958,792
Judgment Repayment Fund	300,028	300,109	450,113	550,162	735,701
Law Facilities Center Fund			2,372,362	3,455,503	3,369,139
Social Security Tax Fund	970,091	970,052	925,380	953,793	921,828
Decatur Public Building Commission Lease Fund	5,211,504	5,609,890			
Building Renovation			2,152,601	2,076,764	2,004,631
Macon County Extension	375,671	375,612	362,753	362,327	297,737
<b>Total</b>	<b>\$ 17,371,856</b>	<b>18,118,876</b>	<b>16,839,685</b>	<b>18,421,729</b>	<b>17,911,334</b>
<b>Total Collections</b>	<b>17,375,414</b>	<b>18,047,742</b>	<b>16,801,523</b>	<b>18,410,806</b>	<b>17,843,535</b>
<b>Percentage of extensions collected</b>	<b>100.02%</b>	<b>99.61%</b>	<b>99.77%</b>	<b>99.94%</b>	<b>99.62%</b>

Note: Taxes are collected during the year following the year taxes are levied.  
Subsequent year collections are not presented because there was no subsequent adjustments to the levy.

Source: Macon County Clerk's Office and Macon County Treasurer's Office

2001	2000	1999	1998	1997
2,896,768	2,714,734	2,714,377	2,804,705	2,622,639
1,158,704	1,085,890	1,086,628	1,100,000	1,039,100
409,167	400,962	401,148	434,000	409,640
930,584	912,101	912,504	964,971	965,130
348,818	341,896	341,638	556,500	524,550
24,139	22,716	22,040	22,260	20,981
1,300,121	266,294	1,161,938	1,179,200	1,120,961
736,260	698,558	698,704	734,580	734,338
84,488	81,782	81,551	84,505	78,678
1,886,057	1,775,178	1,722,240	1,550,696	1,351,782
736,260	698,558	698,704	734,338	734,338
3,293,860	3,232,681	3,160,701	3,221,943	3,231,793
776,091	759,895	760,420	834,750	839,244
1,940,836	1,874,183	1,813,987	1,885,430	1,344,888
296,740	281,299	281,299	251,634	249,775
16,818,893	15,146,727	15,857,879	16,359,512	15,267,837
16,765,230	16,059,661	15,725,560	15,321,795	15,009,351
99.68%	106.03%	99.17%	93.66%	98.31%

**MACON COUNTY, ILLINOIS**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	2007	2006	2005	2004	2003
Debt limit	\$ 41,670,588	39,852,743	37,683,433	38,297,585	36,155,646
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 41,670,588	39,852,743	37,683,433	38,297,585	36,155,646
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value (2006 tax year)	1,449,411,746
Debt limit (2.875% of assessed value)	41,670,588
Debt outstanding applicable to limit: NONE	-
Total net debt applicable to limit	-
Total legal debt margin	\$ 41,670,588

Illinois Compiled Statutes, 50 ILCS 405/1, provides that no county having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness

Additionally, the limitation "... shall not apply to any indebtedness of any county for the purpose of building a county court house, jail, and other necessary county buildings..." Reference: Illinois Compiled Statutes - 50 ILCS 405/1.10.

2002	2001	2000	1999	1998
34,700,151	32,333,586	33,657,479	37,001,205	29,884,364
-	-	-	-	-
34,700,151	32,333,586	33,657,479	37,001,205	29,884,364
0.00%	0.00%	0.00%	0.00%	0.00%

MACON COUNTY, ILLINOIS

RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year Ended November 30,	Governmental Activities			Total	Estimated Actual Value	Percentage of General Bonded Debt to Estimated Actual Value
	Capital Leases	General Obligation Debt	Contractual Obligations			
1998	\$ 9,923,624	424,784		10,348,408	3,903,953,944	0.27%
1999	9,540,836	297,413		9,838,249	3,559,712,345	0.28%
2000	8,787,712	273,438		9,061,150	3,652,868,301	0.25%
2001	8,380,084	219,896		8,599,980	3,615,885,295	0.24%
2002	7,950,000	162,357		8,112,357	3,772,763,163	0.22%
2003	7,569,651	1,260,875	53,752	8,884,278	3,996,269,718	0.22%
2004	7,140,800	1,396,302	18,498	8,555,600	3,967,526,703	0.22%
2005		1,173,325		1,173,325	4,158,547,086	0.03%
2006		1,118,371		1,118,371	4,348,235,238	0.03%
2007		1,052,002		1,052,002	4,575,651,843	0.02%

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the schedule of demographic and economic statistics for personal income data.

Population estimates for 2001-2007 are based on the 2000 census per the U.S. Census Bureau.

During 2005, the capital lease applicable to the County buildings was re-negotiated with the Decatur Public Building Commission. It was determined at that time that the lease was an operating lease and no longer a capital lease obligation. Additional details of this agreement can be found in Note 15 to the current financial statements.

Percentage of Personal Income (1)	Population	General Bonded Debt Per Capita
0.45%	117,643	87.96
0.42%	118,051	83.34
0.29%	114,706	78.99
0.27%	114,706	74.97
0.26%	112,391	72.18
0.28%	111,175	79.91
0.28%	110,502	77.42
0.05%	110,167	10.65
0.04%	109,309	10.23
0.04%	108,732	9.68

COUNTY OF MACON, ILLINOIS

DIRECT AND OVERLAPPING DEBT

November 30, 2007

Governmental Unit	Total Debt Outstanding	Percentage Applicable to County	Debt Applicable to County
Direct Debt:			
County	\$ 1,052,002	100.0%	<u>1,052,002</u>
Overlapping Debt:			
City of Decatur	47,078,372	100.0%	47,078,372
Decatur Park District	8,648,662	100.0%	8,648,662
Decatur School District #61	17,301,767	100.0%	17,301,767
Argenta School District	11,797,336	99.8%	11,773,741
Meridian School District #15	339,350	95.5%	324,079
Mt. Zion School District #3	6,074,574	97.8%	5,940,933
Public Building Commission	10,551,888	100.0%	10,551,888
Richland Community College	2,795,331	73.5%	2,054,568
Sangamon Valley School District #9	184,595	58.2%	107,434
Warrensburg School District #11	398,985	93.4%	372,652
Conservation District		100.0%	
Decatur Sanitary District		100.0%	
Maroa-Forsyth School District #2	4,206,428	98.8%	4,155,951
Village of Mt. Zion	109,440	100.0%	<u>109,440</u>
Total overlapping debt			<u>108,419,487</u>
Total debt applicable to County			<u><u>\$ 109,471,489</u></u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering Macon County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

MACON COUNTY, ILLINOIS

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

Year	Popluation (1)	Personal Per Capita Income (1)	Personal Income (in thousands)	Median Age (1)	School Enrollment (2)	Unemployment Rates (3)		
						County	State	United States
1998	117,643	19,408	2,283,215	37.7	18,948	5.5	4.4	4.0
1999	118,051	20,067	2,368,929	38.4	18,742	5.2	4.1	4.0
2000	114,706	27,336	3,129,506	38.0	17,870	5.0	4.4	4.0
2001	114,706	27,336	3,135,603	38.0	17,959	6.3	5.4	4.8
2002	112,391	28,094	3,157,489	38.0	19,874	8.2	6.5	5.8
2003	111,175	28,094	3,123,350	38.0	19,759	7.4	6.7	6.0
2004	110,502	28,094	3,104,443	38.0	19,006	6.7	6.2	5.5
2005	110,167	23,330	2,570,196	38.0	18,589	6.1	5.7	5.1
2006	109,309	23,330	2,550,179	39.3	18,575	5.3	4.6	4.6
2007	108,732	22,512	2,447,775	39.3	18,303	5.7	5.0	4.6

(1) U.S. Census Bureau, last census was 2000

(2) Macon-Piatt Regional Office of Education

(3) Illinois Department of Employment Security, U.S. Department of Labor



MACON COUNTY, ILLINOIS

PRINCIPAL EMPLOYERS IN THE COUNTY  
CURRENT YEAR AND NINE YEARS AGO

Employer	2007		
	Employees	Rank	Percentage of Total County Employment
Caterpillar Inc.	4100	1	7.76%
Archer Daniels Midland Co.	4000	2	7.57%
Decatur Memorial Hospital	2266	3	4.29%
Decatur Public School District	1500	4	2.84%
Ameren/IL Power Company	1250	5	2.36%
St. Mary's Hospital	1100	6	2.08%
Mueller Company	737	7	1.39%
Tate and Lyle North America	700	8	1.32%
Millikin University	600	9	1.14%
Norfolk Southern Corp.	600	10	1.14%
Star Tek	600	11	1.14%
Bridgestone/Firestone Inc.			
Wagner Castings			
Total	<u>17,453</u>		<u>33.03%</u>
Total County Employment			<u>52,860</u>

Includes 10 largest employers

Source: The Economic Development Corporation of Decatur and Macon County

1998

<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
2500	2	4.52%
3100	1	5.61%
1700	5	3.08%
2261	3	4.09%
1420	6	2.57%
1123	7	2.03%
670		1.21%
725	8	1.31%
590		1.07%
700	10	1.27%
1850	4	3.35%
700	9	1.27%
<u>17,339</u>		<u>31.38%</u>
		<u>55,276</u>

MACON COUNTY, ILLINOIS

FULL-TIME EQUIVALENT COUNTY GOVERNMENT  
 EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS

	2007	2006	2005	2004	2003	2002	2001
Function/Program							
General government:							
Management services	21	19	22	23	19	23	22
Finance	20	19	19	18	19	19	14
Other	28	27	27	27	29	19	28
Public safety:							
Officers	51	50	49	46	46	47	47
Civilians	146	145	149	140	140	169	188
Judiciary	102	106	106	96	96	98	104
Public Health	113	120	121	113	113	112	97
Transportation	25	27	27	25	25	25	32
Total	506	513	520	488	487	512	532

Source: Macon County Payroll Records

<u>2000</u>	<u>1999</u>	<u>1998</u>
22	23	21
20	21	21
29	28	26
48	49	50
189	167	158
105	98	101
102	109	83
31	32	35
<u>546</u>	<u>527</u>	<u>495</u>

MACON COUNTY, ILLINOIS

OPERATING INDICATORS BY FUNCTION  
LAST TWO FISCAL YEARS

Function	2007	2006
General government:		
Accounts payable checks issued	5,985	6,684
Payroll checks and Direct Deposits issued	15,442	15,063
Public safety:		
Jail Bookings	6,206	5,638
Year end inmate population	265	259
Traffic violations	5,500	5,023
Calls for service	20,245	21,871
Health:		
Dental Clinic - Patients seen	12,976	13,775
Women, Infants & Children Program- active clients	3,267	3,084
TB Skin Tests administered	2,982	2,849
Influenza Immunizations	5,254	5,354
Judicial:		
Juvenile Probation Caseload	302	243
Adult Probation Caseload	954	815
Divorce Cases Filed	570	620
Small Claims Filed	3,168	2,668
Highway:		
Lane miles of road resurfaced	2	14
Chip and seal general road maintenance	34	16
New signs installed	750	800
Bridges Rebuilt	4	5
Roadside culverts installed	100	100
Planning and Zoning:		
Residential Construction Building Permits	190	142
Commercial Construction Building Permits	18	17

Source: Various County departments

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

MACON COUNTY, ILLINOIS

CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TWO FISCAL YEARS

	2007	2006
Function/Program		
General Government:		
Land area (square miles)	581	581
Animal Control vehicles	5	4
Solid Waste Recycling Boxes	6	0
Solid Waste Recycling Trailers	5	4
Public Safety:		
Sheriff - marked vehicles	20	17
Sheriff - unmarked vehicles	7	5
Probation - vehicles	11	10
Emergency Management - vehicles	4	4
Highway:		
Miles of streets or roads	250	250
Bridges	63	63

Source: Various County departments

Notes: Fiscal year 2006 was the initial year of presenting this information. Ten years of data have not yet been completed.

**FEDERAL AWARDS - COMPLIANCE SECTION**

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>Major Programs</b>				
<b>U.S. Department of Labor:</b>				
Passed Through Illinois Department of Commerce and Economic Opportunity:				
WIA Youth, Adult, Dislocated Worker	17.258	06-681019	1,591,000	(91,033)
WIA Administration-Workforce Investment Board	17.258	05-631019	50,000	(7,478)
WIA 10% Private Sector Based Training	17.258	05-674001	350,000	14,371
WIA Youth, Adult, Dislocated Worker	17.258	05-681019	111,638	122,297
WIA TAA Training	17.258	06-661019	54,427	(5,196)
WIA Statewide Administration	17.258	06-632019	17,881	
WIA 10% Statewide Activities Incentive	17.258	05-672019	14,489	
WIA 10% Statewide Activities Incentive	17.258	06-672019	19,766	
WIA Youth, Adult, Dislocated Worker	17.258	07-681019	1,598,165	
WIA Administration-Workforce Investment Board	17.258	06-631019	50,000	
WIA TAA Training	17.258			
WIA TAA Training	17.258	06-661119	78,929	
				32,961
WIA Youth, Adult, Dislocated Worker	17.259	06-681019	1,591,000	
WIA Administration-Workforce Investment Board	17.259	05-631019	50,000	
WIA 10% Private Sector Based Training	17.259	05-674001	350,000	
WIA Youth, Adult, Dislocated Worker	17.259	05-681019	111,638	
WIA TAA Training	17.259	06-661019	54,427	
WIA Statewide Administration	17.259	06-632019	17,881	
WIA 10% Statewide Activities Incentive	17.259	05-672019	14,489	
WIA 10% Statewide Activities Incentive	17.259	06-672019	19,766	
WIA Youth, Adult, Dislocated Worker	17.259	07-681019	1,598,165	
WIA Administration-Workforce Investment Board	17.259	06-631019	50,000	
WIA TAA Training	17.259			
WIA TAA Training	17.259	06-661119	78,929	
				-
WIA Youth, Adult, Dislocated Worker	17.260	06-681019	1,591,000	
WIA Administration-Workforce Investment Board	17.260	05-631019	50,000	
WIA 10% Private Sector Based Training	17.260	05-674001	350,000	
WIA Youth, Adult, Dislocated Worker	17.260	05-681019	111,638	

(Continued)



<u>Receipts/ Revenue Recognized</u>	<u>Federal Expenditures</u>	<u>Deferred Revenue at 11/30/07</u>
322,920	260,564	(28,677)
10,472	2,994	
51,609	65,980	
(84,785)	37,512	
7,688	2,492	
4,828	4,828	
3,912	3,912	
2,025	2,025	
159,500	193,683	(34,183)
5,940	9,176	(3,236)
	4,695	(4,695)
	21,311	(21,311)
<hr/>		
484,109	609,172	(92,102)
<hr/>		
346,840	279,865	66,975
3,327	3,327	
73,311	73,311	
41,680	41,680	
2,677	2,677	
5,364	5,364	
4,347	4,347	
2,250	2,250	
176,000	213,719	(37,719)
6,380	10,196	(3,816)
	5,042	(5,042)
	22,889	(22,889)
<hr/>		
662,176	664,667	(2,491)
<hr/>		
526,240	424,623	101,617
4,769	4,769	
105,080	105,080	
59,742	59,742	

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>Major Programs, continued</b>				
<b>U.S. Department of Labor, continued:</b>				
Passed Through Illinois Department of Commerce and Economic Opportunity, continued:				
WIA TAA Training	17.260	06-661019	54,427	
WIA Statewide Administration	17.260	06-632019	17,881	
WIA 10% Statewide Activities Incentive	17.260	05-672019	14,489	
WIA 10% Statewide Activities Incentive	17.260	06-672019	19,766	
WIA Youth, Adult, Dislocated Worker	17.260	07-681019	1,598,165	
WIA Administration-Workforce Investment Board	17.260	06-631019	50,000	
WIA TAA Training	17.260			
WIA TAA Training	17.260	06-661119	78,929	
				<u>-</u>
<b>Total U.S. Department of Labor</b>				<u>32,961</u>
<b>U.S. Department of Agriculture:</b>				
Passed through Illinois Department of Human Services:				
Supplemental Nutrition Program for Women, Infants and Children	10.557	11G7322000	416,900	(36,846)
Birth to Five Assurance Network	10.557	11G7322000	80,000	4,930
Supplemental Nutrition Program for Women, Infants and Children	10.557	11G8322000	456,300	
Birth to Five Assurance Network	10.557	11G8322000	80,000	
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	240000115	Non-cash Instruments	
<b>Total U.S. Department of Agriculture</b>				<u>(31,916)</u>
<b>U.S. Department of Health and Human Services</b>				
Passed Through Illinois Department of Public Health:				
Illinois Immunization Program - Immunization Action	93.268	75180250	12,656	
Childhood Immunization Grants	93.268	65180339	13,271	
Childhood Immunization Grants	93.268	000399	Non-cash	71,793
<b>Total U.S. Department of Health and Human Services</b>				<u>71,793</u>

(Continued)

Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/07
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4,062	4,062	
7,689	7,689	
6,230	6,230	
3,225	3,225	
214,500	260,470	(45,970)
9,680	14,614	(4,934)
	7,650	(7,650)
	34,728	(34,728)

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941,217	932,882	8,335
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2,087,502	2,206,721	(86,258)
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242,400	205,554	
39,800	44,730	
151,600	202,814	(51,214)
33,400	33,744	(344)

892,961	892,961	
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1,360,161	1,379,803	(51,558)
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20,638	20,638	
13,271	13,271	
412,988	348,958	135,823

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446,897	382,867	135,823
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MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
 Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>Non major Programs</b>				
<b>U.S. Department of Agriculture:</b>				
Passed Through Illinois Department of Public Health:				
Summer Food Inspection Program	10.559		N/A	<u>                    </u>
WIC Farmers Market-admin	10.572	11G8322000	N/A	<u>                    -</u>
<b>Total U.S. Department of Agriculture</b>				<u>                    -</u>
<b>U.S. Department of Transportation:</b>				
Passed through Illinois Department of Transportation:				
Highway Planning and Construction - Feasibility Study-Decatur Beltway	20.205	P-95-042-99	1,200,000	<u>          (126,305)</u>
Highway Safety Project	20.601	AL8-0058-073	86,567	<u>                    -</u>
Passed through Illinois Emergency Management Agency:				
Hazardous Materials Emergency Preparedness Grant Program	20.703	707HMEPMACN	12,500	
Hazardous Materials Emergency Preparedness Grant Program	20.703	808HMEPMACN	15,985	<u>                    </u>
<b>Total U.S. Department of Transportation</b>				<u>                    (126,305)</u>
<b>U.S. Department of Justice:</b>				
<b>Office on Violence Against Women:</b>				
Computer Tracking Project Grant	16.590	2004-WE-AX-0071	299,992	<u>          (102,338)</u>
<b>Bureau of Justice Assistance:</b>				
State Criminal Alien Assistance Program	16.606	2007-AP-BX-0571	4,312	
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0353	11,105	<u>                    </u>
Passed through City of Decatur:				<u>                    -</u>
Justice Assistance Grant-Disparate Jurisdiction	16.592	2005F4967-IL-DJ	21,587	<u>          11,095</u>

(Continued)

Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/07
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3,975	3,975	
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1,000	1,000	-
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4,975	4,975	-
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126,305	203,514	(203,514)
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20,042	20,042	-
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12,500	12,500	
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	5,468	(5,468)
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12,500	17,968	(5,468)
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158,847	241,524	(208,982)
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152,446	50,108	-
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4,312	4,312	
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11,105	11,105	
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15,417	15,417	-
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21,587	32,682	-
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MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>U.S. Department of Justice:</b>				
<b>Bureau of Justice Assistance, continued:</b>				
Passed through Illinois Criminal Justice Information Authority:				
Curfew Violation Grant	16.523	503012	30,281	(19,132)
Curfew Violation Grant	16.523	504012	50,170	
				<u>(19,132)</u>
Hidden Victims Prosecutor Based Services	16.575	204707		
Hidden Victims	16.575	205159	18,350	3,304
Hidden Victims Prosecutor Based Services	16.575	206159	15,975	
				<u>3,304</u>
Defense Services	16.738	405028	135,637	-
Local Drug Prosecution Support Grant	16.579	404025	47,000	
Passed through Illinois Department of Human Services:				
Juvenile Justice Planning	16.540	11G7731000	74,934	
<b>Juvenile Justice and Delinquency Prevention:</b>				
Passed through National Children's Alliance:				
Child Advocacy Program Support	16.543	236-PS06	10,000	
Child Advocacy Program Support	16.543	236-PS07	10,000	
				<u>-</u>
<b>Total U.S. Department of Justice</b>				<u>(107,071)</u>
<b>U.S. Department of Health and Human Services:</b>				
Passed through Illinois Department of Healthcare and Family Services:				
Medical Assistance Program	93.778		N/A	
Title IV D, Child Support Enforcement	93.563	76KSAO00008	327,800	2,118
Title IV D, Child Support Enforcement	93.563	88KSAO00008	327,800	
Title IV D, Child Support Enforcement	93.563	75KCC000054	56,676	
Title IV D, Child Support Enforcement	93.563	88KCC000054	56,676	
				<u>2,118</u>

(Continued)

Receipts/ Revenue Recognized	Federal Expenditures	Deferred Revenue at 11/30/07
	(19,132)	
32,203	32,203	
32,203	13,071	-
1,511	1,511	
	3,304	
15,975	15,975	
17,486	20,790	-
47,250	47,250	-
36,033		36,033
43,934	43,934	
4,370	4,370	
3,998	3,998	
8,368	8,368	-
374,724	231,620	36,033
224,286	224,286	
151,385	153,503	
78,372	78,372	
2,180	2,180	
20,038	20,038	
251,975	254,093	-

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>U.S. Department of Health and Human Services, continued:</b>				
Passed through Illinois Department of Human Services:				
Maternal Child Health	93.994	11G7322000	17,000	<u>          </u>
Title XX Block Grant-TPS	93.667	11G7322000	3,880	
Title XX Block Grant-FCM	93.667	11G7322000	10,000	<u>          </u>
				<u>          </u>
Child Care Services	93.575	11G7322000	40,000	7,992
Child Care Services	93.575	11G8322000	40,000	<u>          </u>
				<u>          </u>
				7,992
Healthy Families	93.558	11G7322000	163,680	(21,712)
Healthy Families	93.558	11G8322000	165,000	<u>          </u>
				<u>          </u>
				(21,712)
Passed Through Illinois Department of Public Health:				
Bioterrorism Preparedness	93.069	87181056	116,360	<u>          </u>
Bioterrorism Preparedness - Pandemic flu	93.283	77181151	37,441	
Bioterrorism Preparedness	93.283	77181053	84,722	(2,097)
				<u>          </u>
				(2,097)
Passed Through East Central Illinois Area Agency on Aging:				
Title III B Health Screening	93.044	06-07		

(Continued)



<u>Receipts/ Revenue Recognized</u>	<u>Federal Expenditures</u>	<u>Deferred Revenue at 11/30/07</u>
17,000	17,000	
3,880	3,880	
10,000	10,000	
13,880	13,880	-
9,831	17,823	
24,577	24,321	256
34,408	42,144	256
87,312	65,600	
56,304	70,979	(14,675)
143,616	136,579	(14,675)
10,167	10,167	
25,289	25,289	
77,662	75,565	
102,951	100,854	-
32,265	32,265	

MACON COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
 Year ended November 30, 2007

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grant Number	Program or Award Amount	Deferred Revenue at 11/30/06
<b>U.S. Department of Health and Human Services, continued:</b>				
Passed Through East Central Illinois Area Agency on Aging:				
Aging and Disability Resource Center Initiative	93.048	06-07		
Administration on Aging Evidence Based Grant	93.048	06-07		
				-
Title III E Caregiver Services	93.052	06-07		
<b>Total U.S. Department of Health and Human Services</b>				(13,699)
<b>Environmental Protection Agency:</b>				
Passed Through Illinois Department of Public Health:				
Potable Water Supply Program	66.605		N/A	
<b>Department of Housing and Urban Development:</b>				
Passed Through Illinois Department of Public Health:				
Lead-Based Paint Hazard Control	14.900	65380228	13,050	
<b>U.S. Department of Homeland Security, Office of Domestic Preparedness:</b>				
Passed through Illinois Emergency Management Agency:				
Emergency Management Preparedness	97.042	600006EMA30	39,049	
Emergency Management Preparedness	97.042	700006EMA30	42,955	
				-
Public Assistance-Emergency Management Agency	97.036	115-UJLPK-00 1681		
Public Assistance-Highway	97.036	115-UY089-00 1681		
Public Assistance-Health	97.036	115-03E67-00 1681		
Public Assistance-Sheriff	97.036	115-UBHE0-00 1681		
				-
<b>Total U.S. Department of Homeland Security</b>				-
<b>Total Expenditures of Federal Awards</b>				\$ (174,237)

<u>Receipts/ Revenue Recognized</u>	<u>Federal Expenditures</u>	<u>Deferred Revenue at 11/30/07</u>
139,950	143,587	(3,637)
10,099	10,099	
<u>150,049</u>	<u>153,686</u>	<u>(3,637)</u>
<u>34,265</u>	<u>34,265</u>	<u>-</u>
<u>1,014,862</u>	<u>1,019,219</u>	<u>(18,056)</u>
<u>1,275</u>	<u>1,275</u>	
<u>4,080</u>	<u>4,080</u>	
31,925	31,925	
7,125	7,125	
<u>39,050</u>	<u>39,050</u>	<u>-</u>
16,846	16,846	
53,029	55,150	(2,121)
5,135	5,135	
2,218	2,218	
<u>77,228</u>	<u>79,349</u>	<u>(2,121)</u>
<u>116,278</u>	<u>118,399</u>	<u>(2,121)</u>
<u>5,569,601</u>	<u>5,590,483</u>	<u>(195,119)</u>

**MACON COUNTY, ILLINOIS**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year ended November 30, 2007**

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**Note 1 - Single Audit Reporting Entity**

The County includes expenditures in its Schedule of Expenditures of Federal Awards for all federal programs administered by the same funds, agencies, boards, and commissions included in the County's reporting entity used for its basic financial statements, except for the component unit, Macon County Mental Health Board, for which a separate single audit is conducted.

**Note 2 - Basis of Accounting**

The Schedule of Expenditures of Federal Awards has been presented on the accrual basis of accounting. Accordingly, expenditures are recorded when incurred rather than when paid.

As an agent of the Illinois Department of Human Services, the County is required to determine eligibility and initiate the payment process from the State of Illinois' Special Supplemental Nutrition Program for Women, Infants and Children (WIC). The noncash expenditures of \$ 892,961 reported under CFDA No. 10.557, WIC, represent the dollar value retail WIC Food Instruments redemptions for WIC benefits issued by the County. This value represents the amount of WIC benefits redeemed, net of rebates issued by the County on behalf of individuals determined to be eligible. The Illinois Department of Human Services only issues statements of non-cash transactions for the State fiscal year ending June 30, 2007. The amount included in the Schedule represents the State fiscal year non-cash transaction figures.

The noncash expenditures of \$ 348,958 reported under CFDA No. 93.268, Illinois Immunization Program, represent the value of vaccine doses received from the Illinois Department of Public Health. The cost per dose is based on the State's highest cost per dose found in inventory receipt records. The value of the remaining vaccine doses on hand as of November 30, 2007 is \$ 135,823.

**Note 3 - Categorization of Expenditures**

The Schedule of Expenditures of Federal Awards reflects federal expenditures for all individual grants which were active during the year. The categorization of expenditures by program included in the schedule is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year.

MACON COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
Year ended November 30, 2007

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Note 4 - Subrecipients

Of the federal expenditures presented in the schedule, Macon County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
WIA Youth, Adult, Dislocated Worker	WIA Cluster # 17.258, 17.259 and 17.260	\$ 336,963
Juvenile Justice Planning	# 16.540	43,934



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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Macon County Board  
Macon County, Illinois  
Decatur, Illinois

### Compliance

We have audited the compliance of Macon County, Illinois with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2007. Macon County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Macon County, Illinois' management. Our responsibility is to express an opinion on Macon County, Illinois' compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Macon County, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Macon County, Illinois' compliance with those requirements.

In our opinion, Macon County, Illinois complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended November 30, 2007.

### Internal Control over Compliance

The management of Macon County, Illinois is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Macon County, Illinois' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Macon County, Illinois' internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by Macon County, Illinois' internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Macon County, Illinois' internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the organization, 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.

*May. Coagne & King, P.C.*

May 15, 2008

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
November 30, 2007

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SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?      yes   X   no

Significant deficiencies identified not  
considered to be material weaknesses?   X   yes      none reported

Noncompliance material to financial statements  
noted?      yes   X   no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?      yes   X   no

Significant deficiencies identified not  
considered to be material weaknesses?      yes   X   none reported

Type of auditors' report issued on compliance  
for major programs: Unqualified

Any audit findings disclosed that are required to  
be reported in accordance with Circular A-133,  
Section 510(a)?   X   yes      no

Identification of major programs:  
CFDA #17.258, 17.259 and 17.260, Workforce  
Investment Act Cluster  
CFDA# 10.557 Supplemental Nutrition Program  
for Women, Infants and Children  
93.268 Childhood Immunization Grants

Dollar threshold used to distinguish  
between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   yes      no



MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
November 30, 2007

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SECTION II - FINANCIAL STATEMENT FINDINGS

*07-1 Significant Audit Adjustments*

Criteria: Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles (GAAP).

Condition: During our audit, we identified and proposed five adjustments (which were approved and posted by management) that were significant, either individually or in the aggregate, to the County's Financial Statements. These adjustments included corrections for cash, accounts receivable and accounts payable.

Cause: Internal controls did not detect all adjustments necessary to properly record year-end balances.

Effect: As a result the following areas were initially misstated:

- Cash in the Health Fund was understated approximately \$ 80,000.
- Accounts receivable in the Health Fund were understated by approximately \$ 155,000.
- Accounts receivable in the Federal Aid Matching Fund were understated by approximately \$ 175,000.
- Accounts receivable in the Workforce Investment Solutions Fund were understated by approximately \$ 86,000.
- Accounts receivable in the Sheriff Grant Fund were understated by approximately \$ 52,000.
- Accounts payable in the Federal Aid Matching Fund were understated by approximately \$ 384,000.
- Accounts payable in the Workforce Investment Solutions Fund were understated approximately \$ 64,000.

Recommendation: We recommend that the County take steps to insure that all year end adjustments are identified and properly made for financial reporting purposes.

County's Response: The accounts payable adjustment was made in order to record the full amount payable for a construction project that had been completed by year end, of which only a portion had been recorded. The budget had been overspent, but instead of amending the budget to reflect the additional expenditure, the accrual was not recorded. When the project was let, the budget should have been encumbered so that management could have been more attune to the budget variance in order to amend the budget prior to year end.

The Health Department has numerous grants all of which have varying reporting periods that do not coincide with the County's fiscal year. Grant reports are prepared by the grant administrator or their designee at the Health Department. It has been practice to record grant-related accruals based on the grant period, not on the County's fiscal year. The Auditor will develop a process with the Health Department to insure that grant reports are received to serve as the basis for accruals. In the current system, the Auditor does not have the detail necessary to determine grant accounts receivable, as all expenditures are recorded in total. The Health Department keeps the detail of expenditures by grant.

The accounts receivable adjustments primarily resulted from the reconciliation of the various grant reports to the general ledger. While steps have been taken to provide accurate, timely financial reports to grant administrators, the entire reconciliation process is incomplete. The final phase of this process consists of communicating the reconciled amounts back to the Auditor's Office for recording in the accounting records. The County will instill the importance of this communication throughout all departments in order to implement the above recommendation immediately.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
November 30, 2007

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SECTION II - FINANCIAL STATEMENT FINDINGS, continued

*07-2 Preparation of Grant Reports*

Criteria: Grant reports submitted to grantor agencies should be supported by the actual books and records of the County.

Condition: As noted in prior years, several departments maintain their own accounting records as well as those maintained by the Auditor's office and the Health Department accounting office. When grant reports are prepared from the individual department's records, they cannot be easily reconciled to the County-wide accounting records from which the financial statements are prepared.

Context: During our review of numerous grant reports, there were limited instances where we had difficulty reconciling the amounts reported and claimed as expenditures to the accounting records. There were noted instances of estimated budget amounts being reported instead of actual costs, estimated overhead or rent being reported that had not been allocated in the accounting records, and estimated benefit costs being reported but not charged to the grant in the accounting records.

Effect: As a result, the grant reports for programs administered by the following County departments were not reconcilable to the accounting records:

- Health Department
- Emergency Management Agency
- Sheriff's Department

While none of the discrepancies were individually material to the financial statements, they represent a significant deficiency in internal control that has the potential to subject the financial records to misstatements.

Recommendation: We recommend that the County Auditor's office and the Health Department accounting office be the primary sources of all accounting records from which grant reports are prepared. The County has spent a substantial amount of money installing and implementing the current accounting software and related accounting procedures, and it should be used as the primary source of accounting information.

When individual departments prepare grant reports, the reports should be prepared from or compared with and reconciled to the County-wide accounting records maintained by the County Auditor's office or the Health Department accounting office. The reconciliation would have to be done for a set time frame (i.e., last day of each month, last day of each quarter, etc.) and any discrepancies settled at once.

County's Response: The County Auditor's office and the Health Department accounting office will continue providing accounting information to each department or program director, and will assist in reconciling the reports prepared by those offices as recommended and requested by officeholders and/or finance committee. Each grantee department is being encouraged to submit all reports to the Auditor's Office concurrently with submissions to grantor agencies. The Auditor provides detailed ledgers to a number of departments at their request to facilitate reconciliation at the department level. At their request, the Auditor performs a regular formal reconciliation with the State's Attorney and Probation departments, and is available to do the same for any department requesting such reconciliation.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

November 30, 2007

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SECTION II - FINANCIAL STATEMENT FINDINGS, continued

*07-3 Segregation of Duties*

Criteria: Segregation of Duties relates to the assignment of different people to authorize transactions, record transactions, and maintain custody of assets.

Condition: During the fiscal year, it was discovered that the payroll clerk had fraudulently diverted approximately \$ 50,000 to her own account, which also led to an overstatement of payroll expense due to the misappropriation of assets.

Context: Internal controls over the payroll function were not adequately implemented to prevent one person from perpetrating and concealing a fraud.

Effect: Without adequate segregation of duties, independent review and approval of the final payroll register or related withholding transactions was not adequate to detect fraud committed by a trusted employee. Additionally, department heads questioning the payroll registers containing the improper disbursements were directed to the payroll clerk who was able to conceal the deceit.

Recommendation: The County should separate the tasks affecting employee changes or terminations from the task of entering time and wage data, and maintain an effective reconciliation procedure that systematically compares assets (in this case, employees and cash) with the accounting records.

County's Response: Our internal controls detected the fraud, and we moved to immediately implement corrective action when the fraud was discovered. The employee perpetrating the fraud was immediately turned over to law enforcement and ultimately was convicted. A rigorous examination of payroll transactions was performed by internal staff and external consultants to determine the effect, and an adjustment was made to remove the fraudulent expenditures from the payroll accounts. Additional steps which were implemented include adequate segregation of duties. The process includes a separation between the following procedures:

- authorization and input of new employees into the system;
- entering approved changes, including wage changes, general ledger account changes and terminations, to employees' files in the system;
- printing payroll and related deductions checks, or creating the direct deposit report;
- matching department provided time sheets to issued paychecks on a 100% basis by an employee outside of the payroll function;
- additional reporting to departments monthly of payroll detail and establishment of procedures to involve several individuals in investigation of questions;
- preparing quarterly payroll tax filings and reconciling to the general ledger.

An effective internal control system is one that is ever-changing and necessitates implementing new procedures and "checks and balances" to deter and detect errors and irregularities. An occurrence such as this is one that indicated that a change is required to current policies and procedures and we moved swiftly to make such changes.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
November 30, 2007

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SECTION II - FINANCIAL STATEMENT FINDINGS, continued

*07-4 Source of Grant Funding Not Identified*

Criteria: The County is responsible for identifying all Federal awards received and expended and the Federal programs under which they were received.

Condition: As noted in previous years, we were unable to determine if all federal source revenue and related expenditures were identified and included in the Schedule of Expenditures of Federal Awards. It is the responsibility of the County to monitor all direct or indirect federal monies received and spent by all departments and divisions within the County.

Context: During our audit, we noted that the County does not identify federal source funds within the chart of accounts. The current process of dealing with grants is decentralized and each department obtaining grants is responsible for their particular grant, as well as reporting and monitoring those grants.

Effect: Several grants were identified during the audit as being federal source funds passed through other state or local agencies. Because the funds were not received directly from a federal department, the funding was considered to be state or local funds. However, the County was a subrecipient of the award. A subrecipient is a non-Federal entity that expends Federal awards received from a pass-through entity or directly from a Federal awarding agency to carry out a Federal program.

Recommendation: We recommend that all revenue sources be communicated to the County Auditor's office by all departments and identified as federal, state or local source funds, and subsequently noted in the chart of accounts. This identification is usually noted in the original grant agreement, or in other correspondence or communications with grantors.

County's Response: New grant related accounts are not opened until grant documents are received by the County Auditor either from the department or from the County Board. Grant documents are reviewed to identify the source of funds; revenue account numbers are set to distinguish federal from state funds. In addition, we have modified the information contained in our Accounts Receivable system to capture CFDA numbers as we learn about them from any source. Generally, new grants require a revision to the County Budget; it will be recommended to the Finance Committee that action on budgets not be taken until the source of funds has been identified. We will also solicit additional information from funders about the ultimate source of grant funding as some of the problem seems to be with grants which have passed through several hands but retain their federal original source.

MACON COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

November 30, 2007

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SECTION II - FINANCIAL STATEMENT FINDINGS, continued

*07-5 Initiation, Approval and Review*

Criteria: The accounting records should reflect the activity of all funds, departments, boards and agencies that are not legally separate from the County.

Condition: A few bank accounts exist throughout the County that are not being accounted for in the County-wide general ledger on a regular basis. These accounts appear to have been initially set up with donations or other outside revenue sources that were not handled in the customary manner. These transactions have not been subjected to normal approval procedures and are not recorded in the County's financial records. The primary record of transactions is the bank account and related reconciliation to the checkbook. While it appears that bank reconciliations are prepared each month, no formal review is noted.

Context: During our audit, as in the past, we noted that accounts existed, primarily at the Sheriff's Department related to jail inmate transactions and drug enforcement operations, which recorded deposits and vendor payments that did not go through the established procedures.

Effect: The activity in these accounts was not reflected in the accounting system and, therefore, not in the management reports used by the Board. The activity in these bank accounts mainly stems from drug-related arrests and confiscations, and jail commissary sales and purchases. While most vendor payments receive supervisory approval, monthly reconciliations are prepared, but not reviewed. A supervisory review is the final step in the reconciliation process. This is when outstanding items can be reviewed for appropriateness, accuracy can be verified, and follow up can be suggested or supervised. The activity was accumulated and ultimately recorded in the financial statements.

Recommendation: We recommend that all transactions affecting the County's programs and departments be accounted for and reported in the County's financial records. Additionally, the County should establish procedures for all County funds that include proper reconciliation and supervisory approval of those reconciliations.

County's Response: It will be recommended to the Finance Committee that a review of these accounts be undertaken to set a policy for accounting for these accounts, including required notification when new bank accounts are opened, and to determine the most effective means of supervisory review of bank reconciliations.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

**MACON COUNTY, ILLINOIS**

**SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS**  
**November 30, 2007**

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None

**INFORMATION REQUIRED BY THE ILLINOIS  
DEPARTMENT OF COMMERCE AND ECONOMIC  
OPPORTUNITY FOR WORKFORCE INVESTMENT ACT FUNDS**

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH  
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - COMPLETED  
BY NOVEMBER 30, 2007

Year ended November 30, 2007 and  
Cumulative from Beginning of Grant

	Budget	Current Year	Cumulative
<u>WIA TAA Training, Grant Number 06-661019</u>			
Revenue:			
Grant funds	\$ 154,427	9,231	154,427
Expenditures:			
Administrative	15,443		
Training	138,984	9,231	154,427
Total expenditures	154,427	9,231	154,427
<u>WIA TAA Training, Grant Number 06-661119</u>			
Revenue:			
Grant funds	78,929	78,928	78,928
Expenditures:			
Training	78,929	78,928	78,928
<u>WIA Title I, Grant Number 05-681019</u>			
Revenue:			
Grant funds	1,470,638	138,935	1,470,638
Expenditures:			
Administrative	147,062	38,322	147,062
Youth - in school	232,264	12,223	176,303
Youth - out of school	197,855	55,204	253,816
Adult	372,247	(4,948)	372,247
Dislocated workers	521,210	38,134	521,210
Total expenditures	1,470,638	138,935	1,470,638
<u>WIA 10% Statewide Activities, Grant Number 06-632019</u>			
Revenue:			
Grant funds	17,881	17,881	17,881
Expenditures:			
High speed internet	\$ 17,881	17,881	17,881

(Continued)



MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH  
ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - COMPLETED  
BY NOVEMBER 30, 2007 (Continued)

Year ended November 30, 2007 and  
Cumulative from Beginning of Grant

	Budget	Current Year	Cumulative
<u>WIA 10% Statewide Activities Training, Grant Number 05-672019</u>			
Revenue:			
Grant funds	\$ 14,489	14,489	14,489
Expenditures:			
Incentive funds	14,489	14,489	14,489
<u>WIA 10% Private Sector Based Training, Grant Number 05-674001</u>			
Revenue:			
Grant funds	350,000	244,371	350,000
Expenditures:			
Administration	35,000	13,028	35,000
Other	34,800		34,800
Adult training	69,000	49,554	59,208
Adult supportive services	15,000		
Dislocated worker training	11,700	13,956	17,693
Dislocated worker supportive services	3,000		
Youth	100,000	86,713	86,713
Incumbent worker	81,500	81,120	116,586
Total expenditures	350,000	244,371	350,000
<u>WIA Board Grant, Grant Number 05-631019</u>			
Revenue:			
Grant funds	50,000	11,090	43,568
Expenditures:			
Salaries	28,658	7,208	31,893
Fringe	5,855	1,692	7,181
Travel	8,000	1,595	2,743
Contractual	3,487		
Marketing	1,500	128	128
Other supplies	2,500	467	1,623
Total expenditures	\$ 50,000	11,090	43,568

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH  
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC  
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2007

Year ended November 30, 2007 and  
 Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA TAA Training, Grant Number 06-672019</u>			
Revenue:			
Grant funds	\$ 19,766	7,500	7,500
Expenditures:			
Incentive funds	19,766	7,499	7,499
Excess of revenue over expenditures	-	1	1
Fund balance, beginning of year			-
Fund balance, end of year			1
<u>WIA Title I, Grant Number 06-681019</u>			
Revenue:			
Grant funds	1,768,439	1,526,085	965,052
Expenditures:			
Administrative	176,843	142,053	87,813
Youth - in school	120,000	79,540	3,802
Youth - out of school	329,241	289,419	240,752
Adult	369,154	359,396	209,714
Dislocated workers	773,201	655,677	422,971
Total expenditures	1,768,439	1,526,085	965,052
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

(Continued)

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH  
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC  
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2007 (Continued)  
 Year ended November 30, 2007 and  
 Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA Title I, Grant Number 07-681019</u>			
Revenue:			
Grant funds	\$ 1,598,165	667,872	667,872
Expenditures:			
Administration	159,815	48,011	48,011
Youth in school	140,000	70,459	70,459
Youth out of school	340,902	43,912	43,912
Adult	397,674	129,836	129,836
Dislocated worker	559,774	375,654	375,654
Total expenditures	1,598,165	667,872	667,872
Excess of revenue over expenditures	-	-	-
Fund balance, beginning of year			-
Fund balance, end of year			-
<u>WIA Board Grant, Grant Number 06-631019</u>			
Revenue:			
Grant funds	50,000	33,986	33,986
Expenditures:			
Salaries	29,371	22,916	22,916
Fringe	6,152	5,021	5,021
Contractual	11,977	3,549	3,549
Other supplies	2,500	2,500	2,500
Total expenditures	50,000	33,986	33,986
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

(Continued)

MACON COUNTY, ILLINOIS

WORKFORCE INVESTMENT SOLUTIONS  
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND  
 BALANCE - BUDGET AND ACTUAL, PROGRAMS PASSED THROUGH  
 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC  
 OPPORTUNITY - NOT COMPLETED BY NOVEMBER 30, 2007 (Continued)  
 Year ended November 30, 2007 and  
 Cumulative from Beginning of Grant

	Budget	Cumulative	Current Year
<u>WIA CSSI Central Region Grant, Grant Number 06-674201</u>			
Revenue:			
Grant funds	\$ 125,000	17,387	17,387
Expenditures:			
Administration	25,000	17,387	17,387
Other	15,000		
Adult training	3,000		
Adult supportive services	33,000		
Dislocated worker training	13,000		
Incumbent worker	36,000		
Total expenditures	125,000	17,387	17,387
Excess of revenue over expenditures	\$ -	-	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -