

Adams County, Illinois

Annual Financial Report
Year Ended November 30, 2009

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Adams County, Illinois

County Board

Michael K. McLaughlin, Chairman

District 1	Jerry Q. Smith Connie Sparks Richard C. Reis	District 5	Mathias R. Obert Mark Peter Rick Gengenbacher
District 2	William E. (Bill) Cole, Jr. Randall K. Reis Steve Schutte	District 6	Seldon R. Totsch John Brady John C. Hibbert, Jr.
District 3	Michael K. McLaughlin Todd W. Duesterhaus R. Kent Snider	District 7	Theresa Bockhold Robert L. Scott Lyle Nichols
District 4	John C. Johnson Joseph Wand John A. Heidbreder		

County Officials

County Clerk/Recorder
Georgia Volm

County Treasurer
Jean Reddington

Circuit Clerk
Randy E. Frese

State's Attorney
Jonathan H. Barnard

Sheriff
Brent A. Fischer

Coroner
Gary W. Hamilton

Regional Superintendent of Schools
Raymond A. Scheiter

Appointed Officials

County Engineer
Richard A. Klusmeyer

Supervisor of Assessments
Georgene Zimmerman

Emergency Management Director
John W. Simon, II

Director of Court Services
Michael A. Hancox

Public Defender
Edward K. Downey

Public Health Administrator
Nancy A. Bluhm

Animal Warden
Jennifer L. Benjamin

Youth Home Director
John Jones

Chief Probation Officer
Charles V. Otte Jr.

Ambulance and E.M.S. Director
J. Paul Davis

911 Director Quincy/Adams County
Steve Rolands

Financial Section



Independent Auditor's Report

To the Adams County Board
Adams County, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County, Illinois, as of and for the year ended November 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Adams County, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

During the course of our audit we encountered several instances where the access to necessary supporting documentation was denied or significantly delayed. We were not able to verify some aspects of our payroll testing and the documentation we did receive was not sufficient or timely so that we could complete our examination correctly. The effects of this scope limitation and necessary adjustments, if any, are not known.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to access all requested information, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Adams County, Illinois, as of November 30, 2009, and the respective changes in financial position and the respective budgetary comparison for the General fund and the remaining major funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2010, on our consideration of Adams 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 schedule of funding progress on pages 3 through 10 and 56 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Independent Auditor's Report (Concluded)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Adams County, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and statistical tables 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 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 Adams County, Illinois. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The statistical tables 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.

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

March 5, 2010
Quincy, Illinois

County of Adams

JEAN I. REDDINGTON
County Treasurer

Adams County Treasurer
507 Vermont Street
Quincy, Illinois 62301

Telephone: (217)-277-2245
www.co.adams.il.us/treasurer

Management's Discussion and Analysis

As Treasurer of Adams County, we present the following overview and analysis of the financial activities of Adams County for the fiscal year ended November 30, 2009. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The County's total net assets decreased \$2.7 million (or nearly 3.27%) over the course of this year's operations. Unrestricted net assets (those available to pay for the day-to-day operations of the County) *decreased* by \$157 thousand and net assets invested in capital assets (net of related long-term debt) *increased* by \$3.4 million.
- The assets of Adams County exceeded its liabilities at the close of the fiscal year 2009 by \$78.8 million (net assets). Of this amount, \$2.2 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- Adams County's total assets were \$89.4 million at November 30, 2009.
- As of the close of the 2009 fiscal year, Adams County governmental funds ending fund balances were \$14.3 million, compared to \$20.3 million in 2008.
- Adams County total long term debt decreased by \$235 thousand during the year.

Using this Annual Financial Report

This discussion and analysis is intended to serve as an introduction to Adams County's basic financial statements. Adams County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Reporting Adams County as a Whole. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* presents information on all of the 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 is improving or deteriorating.

The *Statement of Activities* presents information showing how Adams County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the *timing of related cash flows*. Thus, revenues and expense reported in this statement for some items that will result in cash flow in future fiscal periods (e.g., accrued interest expense).

Both of the government-wide financial statements distinguish functions of Adams County that are principally supported by taxes and intergovernmental revenues (*governmental activities*). Adams County does not operate other functions that are intended to recover all or significant portions of their costs through user fees and charges (*business-type activities*). The governmental activities of Adams County include general government, public safety, public works, judicial and courts, health, recreation and education.

The government-wide financial statements may be found on pages 15 - 16 of this report.

Management's Discussion and Analysis (Continued)

Reporting Adams County's Most Significant Funds. 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. Adams County, like other 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 two broad categories: *governmental funds and fiduciary funds*.

Governmental funds 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 fund 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 a government's near-term financing requirement.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information present 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 this comparison between *governmental funds* and *governmental activities*.

With the governmental funds, Adams County maintains three fund types: General, Special Revenue, and Debt Service. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, County Health, and Motor Fuel Tax Funds, all of which are considered to be major funds. Data from the other special revenue non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Adams County adopts an annual budget for each of its funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with their budgets.

The fund financial statements may be found on pages 17 - 41 of this report.

General Fund. The general fund is used to account for all financial resources not required to be accounted for in another fund.

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund. Capital projects funds are used to account for the accumulation of funds for large capital projects, such as construction of a new facility.

Debt Service Fund. Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Adams County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements may be found on page 41 of this report.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 42 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents combining statements and schedules which begin on page 57 of this report.

Management's Discussion and Analysis (Continued)

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Adams County, assets exceeded liabilities by \$78,791,597 at the close of the most recent fiscal year, which is a decrease over 2008. Net capital assets of Adams County at November 30, 2009 were \$72,018,971.

84% of Adams County's non-capital net assets represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$2,234,662) may be used to meet Adams County's ongoing obligations to citizens and creditors.

Table 1 provides a summary of the County's net assets for 2009 and 2008.

Table 1
Net Assets (in Thousands)

	Governmental Activities	
	2009	2008
Assets		
Current & Other Assets	\$ 17,402	\$ 22,533
Capital Assets, net	72,019	68,906
Total Assets	\$ 89,421	\$ 91,439
Liabilities		
Current & Other Liabilities	\$ 2,684	\$ 1,806
Long-Term Liabilities		
Due Within One Year	392	380
Due in More Than One Year	7,553	7,800
Total Liabilities	\$ 10,629	\$ 9,986
Net Assets		
Invested in Capital Assets, Net of Related Debt	\$ 64,466	\$ 61,106
Restricted:		
Debt Service	-	-
Capital Projects	324	4,307
Highways and Streets	5,712	6,545
Other Purposes	6,037	7,070
Jail	18	33
Unrestricted	2,235	2,392
Total Net Assets	\$ 78,792	\$ 81,453

During the year ended November 30, 2009, Net Assets decreased \$2.66 million.

Management's Discussion and Analysis (Continued)

Government-wide Financial Analysis (Continued)

Table 2 below provides a summary of the changes in net assets for 2009 and 2008.

Table 2
Changes in Net Assets (In Thousands)

	Governmental Activities	
	2009	2008
Program Revenues:		
Charges for Services	\$ 7,597	\$ 7,017
Operating Grants & Contributions	4,010	4,217
Capital Grants and Contributions	2,881	2,019
General Revenues:		
Property Taxes	7,121	7,075
Sales and Use Taxes	2,670	2,829
Income and Inheritance Taxes	2,703	3,252
Investment Earnings	465	546
Other	-	24
Total Revenues	\$ 27,447	\$ 26,979
Program Expenses:		
General Government	\$ 5,959	\$ 6,165
Public Safety	4,644	4,004
Judicial and Courts	2,872	3,036
Public Works	8,710	8,684
Health	7,288	6,657
Culture and Recreation	135	134
Education	187	186
Interest on Long-Term Debt	313	210
Total Expenses	\$ 30,108	\$ 29,076
Increase (Decrease) in Net Assets	\$ (2,661)	\$ (2,097)

Governmental Activities

The general government programs of the County represent the activities related to the governing body and other elected officials in the performance of their primary duties and subsidiary activities. These activities directly support other programs of the County and service its citizens. This represented 19.8% and 21.2% of the County's total expenses in 2009 and 2008, respectively.

For the year ended November 30, 2009, the County has considered all funds in which taxes are levied to be major reporting funds.

Under authority granted by state statute, the County is allowed to levy taxes on real estate to pay for its contribution to the Illinois Municipal Retirement Fund (IMRF) as well as its share of Social Security and Medicare taxes. As more fully described in Note 5 to the financial statements, the County is required to contribute a percentage of each covered employee's salary or wages to IMRF. The County is required to pay Social Security and Medicare taxes at a rate of 7.65% of employee salaries, subject to certain limitations in Federal payroll law. The County's contribution to IMRF and Social Security represented 7.62% and 7.53% of total expenditures for the years ended November 30, 2009 and 2008, respectively.

Management's Discussion and Analysis (Continued)

Government-wide Financial Analysis (Concluded)

Governmental Activities (Concluded)

The County levies a tax on real estate to pay for liability and workers compensation insurance. Insurance expenditures amounted to 1.52% and 1.78% of total expenditures for the years ended November 30, 2009 and 2008, respectively.

The Ambulance service provides emergency medical services throughout Adams County. The ambulance fund is supported by private, insurance and federal (Medicare and Medicaid) payments for services provided, supplemented by a tax levy on real estate. During the years ended November 30, 2009 and 2008, ambulance operating expenditures represented 9.4% and 8.3% of County-Wide expenditures, respectively.

The County's Health Department provides a variety of services designed to benefit individuals both socially and economically. In 2009, program expenditures increased approximately 5.4%, when compared to 2008, and the overall program represented 14.1% (vs. 13.6% in 2008) of expenditures for governmental activities. An increase in expenditures for salaries and benefits and expenses related to the move to the new location accounted for nearly all of the increased expenditures.

As provided by statute, the County provides tuberculosis treatment to its residents. Expenditures amounted to only .3% of county-wide expenditures in 2009 and 2008.

The Adams County Highway Department provides engineering, construction, maintenance and fiscal services to county townships and road districts, as well as infrastructure assets owned by the County itself. These services are accounted for in several funds, including County Highway, County Bridge and Federal Matching Tax. Combined, these funds accounted for 20.8% of public works expenditures in 2009 and 6.4% of overall expenditures, compared to 5.9% in 2008.

Adams County receives Motor Fuel Tax from the State of Illinois for use in constructing and maintaining streets, highways and bridges throughout the County. Motor fuel tax expenditures represented 6.2% of total public works expenditures and 1.8% of county-wide governmental activity expenses for the year ended November 30, 2009. These expenditures represented 15.5% and 2.9% of public works and total expenditures in 2008.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of 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 the County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$14.3 million. This amount constitutes unreserved fund balance, which is available for spending for its citizens. While the bulk of the governmental fund balances are not reserved in the governmental fund statements, they lead to restricted net assets on the Statement of Net Assets due to their being restricted for use for a particular purpose mandated by the source of the resources such as the state or federal governments or a tax levy.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved and total fund balance of the general fund was \$2.6 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance and total fund balance represents approximately 21.1% and 21.1%, respectively, of the total general fund expenditures and other financing uses (roughly 11 weeks' expenditures).

Management's Discussion and Analysis (Continued)

Financial Analysis of the County's Funds (Concluded)

The fund balance of the County's general fund decreased in size from 2008 with expenditures exceeding revenues by \$210 thousand. The key factor in this decrease was the increase in public safety expenditures in the general fund this year.

General Fund Budgetary Highlights

For the fiscal year ending November 30, 2009, actual expenditures on a budgetary basis were \$13,188,128 compared to the budget amount of \$14,959,787. The \$1,771,659 positive variance was mainly due to spending less in the County Administration, Emergency Management Services, Maintenance Services, Circuit Clerk and transfers to other funds.

The County's actual revenues on a budgetary basis were \$15,453,565 as compared to the budget amount of \$16,385,265. This resulted in a negative variance of \$931,700. Much of this variance is due to income taxes of \$1,651,546 compared to the budget amount of \$2,011,000 for a negative variance of \$359,454 and grants and reimbursements of \$2,213,560 compared to the budget amount of \$2,570,352 for a negative variance of \$356,792.

CAPITAL ASSET AND DEBT

Capital Assets

At the end of the fiscal year, the County had \$123,504,368 invested in its funds for land, buildings, automobiles, furniture/fixtures/equipment and roads/bridges. This amount represents an increase of \$8,236,839 or 7.1%. \$4,238,764 of this increase was the construction and furnishings for the new Health Department building and \$2,825,394 was for roads and bridges.

Table 3
Capital Assets & Infrastructure

	Balance 11/30/2008	Additions	Retirements	Balance 11/30/2009
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 612,633	\$ 57,000	\$ -	\$ 669,633
Capital Assets being depreciated:				
Buildings	\$ 15,235,606	\$ 4,343,998	\$ -	\$ 19,579,604
Roads and bridges	92,230,330	2,825,394	-	95,055,724
Automotive	3,834,447	429,418	-	4,263,865
Furniture, fixtures and equipment	3,354,513	581,029	-	3,935,542
	<u>\$ 114,654,896</u>	<u>\$ 8,179,839</u>	<u>\$ -</u>	<u>\$ 122,834,735</u>
Less Accumulated Depreciation:				
Buildings	\$ (5,596,331)	\$ (325,308)	\$ -	\$ (5,921,639)
Roads and bridges	(35,986,325)	(4,137,519)	-	(40,123,844)
Automotive	(2,572,680)	(313,676)	-	(2,886,356)
Furniture, fixtures and equipment	(2,205,879)	(347,679)	-	(2,553,558)
	<u>\$ (46,361,215)</u>	<u>\$ (5,124,182)</u>	<u>\$ -</u>	<u>\$ (51,485,397)</u>
Governmental Capital Assets, Net	<u>\$ 68,906,314</u>	<u>\$ 3,112,657</u>	<u>\$ -</u>	<u>\$ 72,018,971</u>

Management's Discussion and Analysis (Continued)

Debt

At year-end, the County had \$7,945,033 in long-term obligations. During the year, the County entered into a loan agreement with the City of Quincy for highway department expenditures of \$183,200. The County made principal payments on its debt of \$418,167, and interest payments totaling \$363,035 for the year ended November 30, 2009.

Table 4
Outstanding Debt

\$8,180,000 General Obligation Bonds, Series 2008, Dated September 25, 2008, due in annual installments ranging from \$300,000 to \$575,000 through 2028, with interest from 3.250% to 4.375%, payable February 15 and August 15.	<u>\$ 7,800,000</u>
\$183,200 City of Quincy, Illinois loan, Dated June 29, 2009, due in monthly installments of \$7,633.33 each with final payment due June 29, 2011, with 0% interest.	<u>\$ 145,033</u>

Economic Factors and Next Year's Budgets and Rates

All of these factors were considered in preparing Adams County's Government budget for the 2009-2010 fiscal year.

On November 10, 2009, the Adams County Board approved the 2009-2010 budget. The General Fund's anticipated revenue budget is \$12,246,000 million, a 5.3% decrease or \$685,000. The revenue structure of the General Fund is diversified so that the operation of the County is not overly dependent on any one source. Real estate tax revenue projected at \$2,580,000 is 21% of the revenue budget. The total anticipated income from State shared revenues; Sales, State Use, Income, Retailers' Occupational, and Personal Property Tax revenues, is \$5,051,000 or 41%. Budgeted earnings from the various County offices and other fund transfers were calculated on trends during FY2008/09. Salary reimbursements from the State are falling further behind, between three and nine months in arrears. As of November 30, income tax payments are three months behind or approximately \$350,000.

The General Fund's projected expenses are \$13,266,303, reflecting a decrease of \$475,167 or 3.3% less than FY2008/09. This budget includes a 3.2% salary increase for most employees. The General Fund's capital expense budget was cut from \$400,000 last year to \$210,910. The majority of the capital expenses will fund 5 new sheriff vehicles, an animal control truck and the new Emergency Management Agency Tower. The General Fund reflects a budget deficit of \$1,020,416; however, the deficit will be offset by the yearend surplus balance as well as Bond Repayment funds pledged but not spent in FY2009/10.

Management's Discussion and Analysis (Concluded)

Economic Factors and Next Year's Budgets and Rates (Concluded)

In the 2009 payable in 2010 real estate tax cycle, total property assessments increased by 4.2% compared to 6.3% last year. On December 15, 2009 the Adams County Board approved the 2009 property tax levy to be collected in 2010. The new levy will increase tax collections by \$320,678 for a total of \$8,229,283. The County General Fund revenue increase to \$2,581,274 represents the maximum .27 increase allowable. The Finance Committee reported that this will ensure the stability of the County in the event of revenue shortfalls in any County funds. F.I.C.A increased by \$74,150 or 9.2%. IMRF increased by \$117,948 or 9% to include salary increases and to offset a loss of earnings during the market downturn. Liability Insurance increased by \$193,458 or 6.6%. County Highway, Bridge and Matching funds increased \$39,777, \$19,866, and \$19,886, respectively. Health and TB Treatment increased a total of \$69,843. Developmentally Disabled remains at \$682,000 for the 2nd year of a two year agreement of support for Transitions of Western Illinois. Co-op Extension remains unchanged while Ambulance was reduced \$410,000 from \$500,000 to \$90,000. Ambulance revenue has increased and expenses decreased with the new Intermedix billing system. The Adams County Board lowered the 2009 County tax rate to \$0.8608 per \$100 of equalized assessed valuation (EAV). This is the fifth consecutive year that the County Board has lowered their tax rate.

A highlight of the new year is the completion of the Health Department's new 25,000 square foot facility. The Ambulance Department will move forward with their proposal to add a sixth ambulance, with the majority of expenses recovered from ambulance user fees. Union contracts are up for renewal. Discussions continue on plans for a new jail.

The economy and the financial markets are on the verge of recovery, but it will be a very long, slow process. The outcome may be a potentially different landscape from what we have seen with economic recovery in the past. Significant economic challenges remain. Investment interest rates are likely to remain low. Considering the financial crisis of the State of Illinois, the County's share of State revenues, as well as the salary reimbursements, are unpredictable. The finance committee will continue to monitor closely the revenue shortfalls and take necessary action to adjust the spending if necessary.

Requests for Information

This financial report is designed to provide a general overview of Adams County's finances for all those with an interest in the Government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Adams County Treasurer's Office, 507 Vermont St., Quincy, IL 62301, (217) 277-2245. Or contact us via e-mail at jreddington@adams.co.il.us. Audit reports are available in the County Clerk's Office (217) 277-2150.

**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**

To the Adams County Board
Adams County, Illinois

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Adams County, Illinois, as of and for the year ended November 30, 2009, which collectively comprise Adams County, Illinois' basic financial statements and have issued our report thereon dated March 5, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Adams 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 Adams County, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Adams County, Illinois' internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We identified deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. [Findings 2009-01 through 2009-03] We identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. [Findings 2009-04 and 2009-05]. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Adams County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as finding 2009-03.

**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*
(Concluded)**

We noted certain matters that we reported to management of Adams County, Illinois, in a separate letter dated March 5, 2010.

Adams 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 Adams County, Illinois' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the finance committee, management, the Adams 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.

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

March 5, 2010
Quincy, Illinois

**Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control
over Compliance in Accordance With OMB Circular A-133**

To the Adams County Board
Adams County, Illinois

Compliance

We have audited the compliance of Adams 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, 2009. Adams 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 Adams County, Illinois' management. Our responsibility is to express an opinion on Adams County, Illinois' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Adams 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 Adams County, Illinois' compliance with those requirements.

In our opinion, Adams 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, 2009.

Internal Control over Compliance

The management of Adams County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Adams County's internal control over compliance with the 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Adams County, Illinois' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

**Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control
over Compliance in Accordance With OMB Circular A-133 (Concluded)**

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

March 5, 2010
Quincy, Illinois

Wade Stables P.C.
Wade Stables P.C.
Certified Public Accountants

Adams County, Illinois

Statement of Net Assets

November 30, 2009

Assets

Cash and cash equivalents		\$	15,310,355
Taxes receivable			-
Other receivables			2,000,061
Inventory			91,934
Capital assets, net of accumulated depreciation, where applicable:			
Land	\$	669,633	
Buildings and improvements		13,657,964	
Infrastructure		54,931,880	
Automotive		1,377,510	
Furniture, fixtures and equipment		1,381,984	
Total capital assets, net (Note 5)			<u>72,018,971</u>
Total Assets		\$	<u>89,421,321</u>

Liabilities

Accounts payable		\$	779,200
Salaries and benefits payable			697,630
Accrued interest payable			88,177
Deferred revenues			147,052
Held in trust of others			972,632
Bonds payable			
Portion due within one year			391,600
Portion due after one year			7,553,433
Total Liabilities		\$	<u>10,629,724</u>

Net Assets

Invested in capital assets, net of related debt		\$	64,465,538
Restricted for jail			17,755
Restricted for capital projects			323,829
Restricted for debt service			-
Restricted for streets and highways			5,712,308
Restricted for other purposes			6,037,505
Unrestricted			2,234,662
Total Net Assets		\$	<u>78,791,597</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Statement of Activities
For the Year Ended November 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total (Governmental Activities)
Governmental Activities:					
General government	\$ 5,958,939	\$ 1,042,422	\$ 112,349	\$ 17,472	\$ (4,786,696)
Public safety	4,643,449	199,129	181,667	646,178	(3,616,475)
Judicial and courts	2,872,446	2,060,949	1,263,246	-	451,749
Public works	8,709,543	633,844	154,467	2,217,015	(5,704,217)
Health	7,288,299	3,638,310	2,298,490	-	(1,351,499)
Culture and recreation	135,186	22,541	-	-	(112,645)
Education	187,338	-	-	-	(187,338)
Interest on long-term debt	312,814	-	-	-	(312,814)
Total Governmental Activities	\$ 30,108,014	\$ 7,597,195	\$ 4,010,219	\$ 2,880,665	\$ (15,619,935)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes					\$ 2,388,828
Property taxes, levied for special purposes					4,731,646
General sales and use taxes					2,670,275
Income and inheritance taxes					2,702,520
Investment earnings					465,287
Miscellaneous					-
Bond issuance premium					-
Transfers					
Total general revenues and transfers					<u>\$ 12,958,556</u>
Change in Net Assets					<u>\$ (2,661,379)</u>
Net Assets - December 1, 2008					<u>81,452,976</u>
Net Assets - November 30, 2009					<u><u>\$ 78,791,597</u></u>

The accompanying notes are an integral part of these financial statements.

	General Fund	IMRF and Social Security	Liability Insurance	Ambulance	Health Department	Tuberculosis Treatment
Assets						
Cash and cash equivalents	\$ 3,256,851	\$ 1,618,354	\$ 459,617	\$ 852,141	\$ 1,416,600	\$ 48,545
Taxes receivable	-	-	-	-	-	-
Other receivables	587,008	13,659	-	197,283	547,408	-
Inventory	-	-	-	-	91,934	-
Internal receivables	3,150	-	-	-	-	-
Total Assets	\$ 3,847,009	\$ 1,632,013	\$ 459,617	\$ 1,049,424	\$ 2,055,942	\$ 48,545
Liabilities						
Accounts payable	\$ 41,937	\$ 108,267	\$ 805	\$ 28,713	\$ 4,172	\$ 1,573
Salaries and benefits payable	200,463	49,574	-	96,715	218,436	-
Accrued interest payable	-	-	-	-	-	-
Internal payables	15,423	-	-	-	-	-
Held in trust of others	968,755	-	-	-	-	-
Deferred revenues	9,580	-	-	-	85,529	-
Long-term liabilities						
Payable within one year	-	-	-	-	-	-
Total Liabilities	\$ 1,236,158	\$ 157,841	\$ 805	\$ 125,428	\$ 308,137	\$ 1,573
Fund Balances/Net Assets						
<i>Fund Balances:</i>						
Reserved for jail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:						
General fund	2,610,851	-	-	-	-	-
Special revenue funds	-	1,474,172	458,812	923,996	1,747,805	46,972
Capital projects fund	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-
Total Fund Balances	\$ 2,610,851	\$ 1,474,172	\$ 458,812	\$ 923,996	\$ 1,747,805	\$ 46,972
Total Liabilities and Fund Balances	\$ 3,847,009	\$ 1,632,013	\$ 459,617	\$ 1,049,424	\$ 2,055,942	\$ 48,545

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Balance Sheet-Governmental Funds
November 30, 2009

County Highway	County Bridge	Federal Matching and CDAP Grant	Motor Fuel Tax	Capital Projects	Debt Service	Other Funds	Total
\$ 1,447,943	\$ 350,298	\$ 950,073	\$ 3,441,603	\$ 348,413	\$ 11,988	\$ 1,107,929	\$ 15,310,355
-	-	-	-	-	-	-	-
288,066	-	-	122,508	-	-	244,129	2,000,061
-	-	-	-	-	-	-	91,934
-	-	-	-	-	-	92,273	95,423
<u>\$ 1,736,009</u>	<u>\$ 350,298</u>	<u>\$ 950,073</u>	<u>\$ 3,564,111</u>	<u>\$ 348,413</u>	<u>\$ 11,988</u>	<u>\$ 1,444,331</u>	<u>\$ 17,497,773</u>
\$ 286,667	\$ 35,191	\$ 209,056	\$ 1,284	\$ 24,584	\$ -	\$ 36,951	\$ 779,200
132,442	-	-	-	-	-	-	697,630
-	-	-	-	-	88,177	-	88,177
-	-	80,000	-	-	-	-	95,423
-	-	-	-	-	-	3,877	972,632
51,943	-	-	-	-	-	-	147,052
91,600	-	-	-	-	300,000	-	391,600
<u>\$ 562,652</u>	<u>\$ 35,191</u>	<u>\$ 289,056</u>	<u>\$ 1,284</u>	<u>\$ 24,584</u>	<u>\$ 388,177</u>	<u>\$ 40,828</u>	<u>\$ 3,171,714</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,755	\$ 17,755
-	-	-	-	-	-	-	2,610,851
1,173,357	315,107	661,017	3,562,827	-	-	1,385,748	11,749,813
-	-	-	-	323,829	-	-	323,829
-	-	-	-	-	(376,189)	-	(376,189)
<u>\$ 1,173,357</u>	<u>\$ 315,107</u>	<u>\$ 661,017</u>	<u>\$ 3,562,827</u>	<u>\$ 323,829</u>	<u>\$ (376,189)</u>	<u>\$ 1,403,503</u>	<u>\$ 14,326,059</u>
<u>\$ 1,736,009</u>	<u>\$ 350,298</u>	<u>\$ 950,073</u>	<u>\$ 3,564,111</u>	<u>\$ 348,413</u>	<u>\$ 11,988</u>	<u>\$ 1,444,331</u>	<u>\$ 17,497,773</u>

Adams County, Illinois
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
November 30, 2009

Total Governmental Fund Balances	\$ 14,326,059
Amounts reported for Governmental Activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	72,018,971
Bonds payable are not due in the current period, and are not reported in the funds.	<u>(7,553,433)</u>
Net Assets of Governmental Activities	<u><u>\$ 78,791,597</u></u>

	General Fund	IMRF and Social Security	Liability Insurance	Ambulance	Health Department	Tuberculosis Treatment
Revenues						
Property taxes	\$ 2,388,828	\$ 1,941,596	\$ 381,425	\$ 500,725	\$ 50,088	\$ 74,175
Sales and use taxes	2,670,275	-	-	-	-	-
Licenses and permits	50,103	-	-	-	-	-
Fees and fines	1,886,420	-	-	-	-	-
Charges for services	609,480	-	-	2,324,475	1,290,781	-
Intergovernmental	4,578,796	238,044	-	-	2,381,967	-
Miscellaneous	101,873	-	-	4,654	18,400	-
Investment earnings	260,310	1,396	274	15,305	16,545	53
Total Revenues	<u>\$ 12,546,085</u>	<u>\$ 2,181,036</u>	<u>\$ 381,699</u>	<u>\$ 2,845,159</u>	<u>\$ 3,757,781</u>	<u>\$ 74,228</u>
Expenditures						
<i>Current:</i>						
General government	\$ 2,853,416	\$ 2,292,918	\$ 457,356	\$ -	\$ -	\$ -
Public safety	4,418,738	-	-	-	-	-
Public works	-	-	-	-	-	-
Judicial and courts	4,070,394	-	-	-	-	-
Health and sanitation	-	-	-	2,833,726	4,233,767	83,249
Culture and recreation	135,186	-	-	-	-	-
Education	187,338	-	-	-	-	-
<i>Debt Service:</i>						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Capital Outlay</i>	733,494	-	-	165,835	165,107	-
Total Expenditures	<u>\$ 12,398,566</u>	<u>\$ 2,292,918</u>	<u>\$ 457,356</u>	<u>\$ 2,999,561</u>	<u>\$ 4,398,874</u>	<u>\$ 83,249</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 147,519</u>	<u>\$ (111,882)</u>	<u>\$ (75,657)</u>	<u>\$ (154,402)</u>	<u>\$ (641,093)</u>	<u>\$ (9,021)</u>
Other Financing Sources (Uses)						
Transfers in	\$ 305,971	\$ -	\$ -	\$ -	\$ -	\$ -
Loan proceeds	-	-	-	-	-	-
Debt Service - Principal	-	-	-	-	-	-
Transfers out	(663,036)	-	-	-	-	-
Total Other Financing Sources and Uses	<u>\$ (357,065)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in Fund Balances	<u>\$ (209,546)</u>	<u>\$ (111,882)</u>	<u>\$ (75,657)</u>	<u>\$ (154,402)</u>	<u>\$ (641,093)</u>	<u>\$ (9,021)</u>
Fund Balances:						
December 1, 2008	2,820,397	1,586,054	534,469	1,078,398	2,388,898	55,993
November 30, 2009	<u>\$ 2,610,851</u>	<u>\$ 1,474,172</u>	<u>\$ 458,812</u>	<u>\$ 923,996</u>	<u>\$ 1,747,805</u>	<u>\$ 46,972</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended November 30, 2009

County Highway	County Bridge	Federal Matching and CDAP Grant	Motor Fuel Tax	Capital Projects	Debt Service	Other Funds	Total
\$ 917,535	\$ 408,719	\$ 457,383	\$ -	\$ -	\$ -	\$ -	\$ 7,120,474
-	-	-	-	-	-	-	2,670,275
-	-	-	-	-	-	21,938	72,041
-	-	-	-	-	-	689,731	2,576,151
-	-	-	-	-	-	102,782	4,327,518
735,814	-	1,432	1,479,769	-	-	177,582	9,593,404
496,558	-	-	-	-	-	-	621,485
660	294	330	53,223	101,435	2,193	13,269	465,287
<u>\$ 2,150,567</u>	<u>\$ 409,013</u>	<u>\$ 459,145</u>	<u>\$ 1,532,992</u>	<u>\$ 101,435</u>	<u>\$ 2,193</u>	<u>\$ 1,005,302</u>	<u>\$ 27,446,635</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 436	\$ 28,512	\$ 5,632,638
-	-	-	-	-	-	38,347	4,457,085
1,496,818	91,519	220,540	540,529	-	-	381,149	2,730,555
-	-	-	-	-	-	295,728	4,366,122
-	-	-	-	11,352	-	-	7,162,094
-	-	-	-	-	-	-	135,186
-	-	-	-	-	-	-	187,338
129,767	-	-	-	-	300,000	-	429,767
-	-	-	-	-	312,814	-	312,814
440,391	1,490,762	488,914	667,929	4,073,657	-	10,750	8,236,839
<u>\$ 2,066,976</u>	<u>\$ 1,582,281</u>	<u>\$ 709,454</u>	<u>\$ 1,208,458</u>	<u>\$ 4,085,009</u>	<u>\$ 613,250</u>	<u>\$ 754,486</u>	<u>\$ 33,650,438</u>
\$ 83,591	\$ (1,173,268)	\$ (250,309)	\$ 324,534	\$ (3,983,574)	\$ (611,057)	\$ 250,816	\$ (6,203,803)
\$ 52,173	\$ -	\$ -	\$ -	\$ -	\$ 663,036	\$ -	\$ 1,021,180
183,200	-	-	-	-	-	-	183,200
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(52,173)	-	-	(305,971)	(1,021,180)
<u>\$ 235,373</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (52,173)</u>	<u>\$ -</u>	<u>\$ 663,036</u>	<u>\$ (305,971)</u>	<u>\$ 183,200</u>
\$ 318,964	\$ (1,173,268)	\$ (250,309)	\$ 272,361	\$ (3,983,574)	\$ 51,979	\$ (55,155)	\$ (6,020,603)
854,393	1,488,375	911,326	3,290,466	4,307,403	(428,168)	1,458,658	20,346,662
<u>\$ 1,173,357</u>	<u>\$ 315,107</u>	<u>\$ 661,017</u>	<u>\$ 3,562,827</u>	<u>\$ 323,829</u>	<u>\$ (376,189)</u>	<u>\$ 1,403,503</u>	<u>\$ 14,326,059</u>

Adams County, Illinois
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended November 30, 2009

Net change in fund balances - total governmental funds \$ (6,020,603)

Amounts reported for *governmental activities* in the statement of activities are different because (See Note 5 Also):

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. This is the amount by which depreciation exceeded capital outlays in the current period. 3,112,657

Loan proceeds represent an advance of future amounts payable. For budgetary purposes, the proceeds are recorded as current revenues. (183,200)

Principal payments represent a retirement of amounts payable. For budgetary purposes, the retirement of principal is recorded as a current expenditure. 429,767

Change in net assets of governmental activities \$ (2,661,379)

Adams County, Illinois
 Budgetary Comparison Schedule - General Fund
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 2,445,906	\$ 2,445,906	\$ 2,445,906	\$ -
Resources (inflows):				
Property taxes	2,331,915	2,385,545	2,388,828	3,283
Sales taxes	1,925,900	1,925,900	1,866,167	(59,733)
Licenses and permits	44,500	44,500	48,903	4,403
Fees and fines				
Animal control	2,000	2,000	1,500	(500)
County Clerk fees	80,000	80,000	81,985	1,985
Circuit Clerk fees	800,000	800,000	737,035	(62,965)
County Coroner	2,000	2,000	2,297	297
County Recorder fees	575,000	575,000	545,800	(29,200)
Sheriff	95,000	95,000	105,533	10,533
State's Attorney	281,000	281,000	235,339	(45,661)
Traffic fines	335,000	335,000	278,401	(56,599)
Drug fines	5,000	5,000	3,368	(1,632)
Tax fees	140,000	140,000	267,278	127,278
Court security fees	250,000	250,000	235,944	(14,056)
Electronic monitoring fees	6,000	6,000	5,162	(838)
Other fees	400	400	280	(120)
Charges for services				
Rents	46,200	46,200	48,915	2,715
Prisoner room & board payments	47,000	47,000	56,563	9,563
Intergovernmental				
Income taxes	2,011,000	2,011,000	1,651,546	(359,454)
Personal Property Replacement Tax	799,800	799,800	713,632	(86,168)
State inheritance tax	50,000	50,000	77,212	27,212
Retailer occupational tax	578,400	578,400	515,872	(62,528)
Use tax	293,900	293,900	305,015	11,115
Grants and reimbursements	2,235,470	2,570,352	2,213,560	(356,792)
Miscellaneous	42,500	43,435	52,678	9,243
Interest received	242,000	242,000	262,875	20,875
Transfers from other funds	329,927	329,927	305,971	(23,956)
Amounts available for Appropriation	<u>\$ 15,995,818</u>	<u>\$ 16,385,265</u>	<u>\$ 15,453,565</u>	<u>\$ (931,700)</u>

Adams County, Illinois
 Budgetary Comparison Schedule - General Fund (Continued)
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Charges to appropriations (outflows)				
General Government				
<i>County Administration</i>				
Personal services and benefits	\$ 1,105,236	\$ 1,105,236	\$ 980,970	\$ 124,266
Supplies	25,500	25,500	28,754	(3,254)
Other services and charges	372,125	334,962	205,099	129,863
Capital expenditures	-	-	-	-
Total General Government	<u>\$ 1,502,861</u>	<u>\$ 1,465,698</u>	<u>\$ 1,214,823</u>	<u>\$ 250,875</u>
<i>County Treasurer</i>				
Personal services and benefits	\$ 179,603	\$ 179,603	\$ 176,459	\$ 3,144
Supplies	25,300	25,300	23,632	1,668
Other services and charges	2,814	2,814	2,059	755
	<u>\$ 207,717</u>	<u>\$ 207,717</u>	<u>\$ 202,150</u>	<u>\$ 5,567</u>
<i>County Clerk</i>				
Personal services and benefits	\$ 281,107	\$ 281,107	\$ 274,097	\$ 7,010
Supplies	15,650	15,650	14,147	1,503
Other services and charges	41,000	41,000	40,878	122
	<u>\$ 337,757</u>	<u>\$ 337,757</u>	<u>\$ 329,122</u>	<u>\$ 8,635</u>
<i>County Clerk - Elections</i>				
Personal services and benefits	\$ 91,000	\$ 91,000	\$ 74,839	\$ 16,161
Supplies	21,000	21,000	17,285	3,715
Other services and charges	159,600	177,072	115,810	61,262
Capital expenditures	-	-	-	-
	<u>\$ 271,600</u>	<u>\$ 289,072</u>	<u>\$ 207,934</u>	<u>\$ 81,138</u>
<i>Supervisor of Assessments</i>				
Personal services and benefits	\$ 140,086	\$ 141,992	\$ 141,392	\$ 600
Supplies	9,090	9,090	6,919	2,171
Other services and charges	23,460	21,554	16,315	5,239
	<u>\$ 172,636</u>	<u>\$ 172,636</u>	<u>\$ 164,626</u>	<u>\$ 8,010</u>
<i>Board of Review</i>				
Personal services and benefits	\$ 19,956	\$ 19,956	\$ 19,956	\$ -
Supplies	750	750	318	432
Other services and charges	1,800	1,800	236	1,564
	<u>\$ 22,506</u>	<u>\$ 22,506</u>	<u>\$ 20,510</u>	<u>\$ 1,996</u>
<i>County Recorder</i>				
Personal services and benefits	\$ 87,118	\$ 87,118	\$ 87,347	\$ (229)
Supplies	253,000	253,000	151,614	101,386
Other services and charges	3,600	3,600	2,952	648
	<u>\$ 343,718</u>	<u>\$ 343,718</u>	<u>\$ 241,913</u>	<u>\$ 101,805</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - General Fund (Continued)
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Computer Technology</i>				
Personal services and benefits	\$ 20,081	\$ 20,081	\$ 20,081	\$ -
Supplies	46,650	46,650	58,414	(11,764)
Other services and charges	77,500	77,500	62,982	14,518
Capital expenditures	125,000	130,000	117,005	12,995
	<u>\$ 269,231</u>	<u>\$ 274,231</u>	<u>\$ 258,482</u>	<u>\$ 15,749</u>
<i>Maintenance Department</i>				
Personal services and benefits	\$ 135,298	\$ 143,913	\$ 133,720	\$ 10,193
Supplies	32,000	32,000	28,106	3,894
Other services and charges	201,500	201,500	171,545	29,955
Capital expenditures	299,621	233,521	128,507	105,014
	<u>\$ 668,419</u>	<u>\$ 610,934</u>	<u>\$ 461,878</u>	<u>\$ 149,056</u>
<i>Public Safety</i>				
<i>County Sheriff - Law Enforcement</i>				
Personal services and benefits	\$ 1,525,383	\$ 1,619,407	\$ 1,647,684	\$ (28,277)
Supplies	169,400	169,400	151,082	18,318
Other services and charges	409,690	409,690	432,761	(23,071)
Capital expenditures	257,984	264,684	239,530	25,154
	<u>\$ 2,362,457</u>	<u>\$ 2,463,181</u>	<u>\$ 2,471,057</u>	<u>\$ (7,876)</u>
<i>County Sheriff - Jail</i>				
Personal services and benefits	\$ 871,756	\$ 884,027	\$ 884,248	\$ (221)
Supplies	206,500	206,500	206,564	(64)
Other services and charges	127,200	127,200	113,791	13,409
Capital expenditures	22,754	22,754	2,446	20,308
	<u>\$ 1,228,210</u>	<u>\$ 1,240,481</u>	<u>\$ 1,207,049</u>	<u>\$ 33,432</u>
<i>County Sheriff - Courts Legal</i>				
Personal services and benefits	\$ 284,200	\$ 259,476	\$ 274,559	\$ (15,083)
Supplies	1,600	1,600	3,060	(1,460)
Other services and charges	4,750	4,750	291	4,459
	<u>\$ 290,550</u>	<u>\$ 265,826</u>	<u>\$ 277,910</u>	<u>\$ (12,084)</u>
<i>Sheriff Merit Commission</i>				
Personal services and benefits	\$ 5,572	\$ 5,572	\$ 5,572	\$ -
Supplies	100	100	308	(208)
Other services and charges	8,800	8,800	5,173	3,627
	<u>\$ 14,472</u>	<u>\$ 14,472</u>	<u>\$ 11,053</u>	<u>\$ 3,419</u>
<i>Animal Control</i>				
Personal services and benefits	\$ 56,087	\$ 58,300	\$ 64,884	\$ (6,584)
Supplies	11,250	11,250	6,193	5,057
Other services and charges	10,800	10,800	10,908	(108)
Capital expenditures	-	-	-	-
	<u>\$ 78,137</u>	<u>\$ 80,350</u>	<u>\$ 81,985</u>	<u>\$ (1,635)</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - General Fund (Continued)
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>County Coroner</i>				
Personal services and benefits	\$ 64,524	\$ 64,524	\$ 61,074	\$ 3,450
Supplies	2,310	7,425	2,087	5,338
Other services and charges	58,650	57,950	55,498	2,452
Capital expenditures	-	-	-	-
	<u>\$ 125,484</u>	<u>\$ 129,899</u>	<u>\$ 118,659</u>	<u>\$ 11,240</u>
<i>Judicial and Courts</i>				
<i>State's Attorney</i>				
Personal services and benefits	\$ 759,541	\$ 759,541	\$ 765,714	\$ (6,173)
Supplies	25,800	25,800	27,449	(1,649)
Other services and charges	42,225	42,225	41,673	552
Capital expenditures	-	-	-	-
	<u>\$ 827,566</u>	<u>\$ 827,566</u>	<u>\$ 834,836</u>	<u>\$ (7,270)</u>
<i>Circuit Clerk</i>				
Personal services and benefits	\$ 517,102	\$ 517,102	\$ 507,402	\$ 9,700
Supplies	63,192	63,192	63,030	162
Other services and charges	141,470	141,470	5,742	135,728
	<u>\$ 721,764</u>	<u>\$ 721,764</u>	<u>\$ 576,174</u>	<u>\$ 145,590</u>
<i>Judges</i>				
Personal services and benefits	\$ 47,596	\$ 47,596	\$ 48,027	\$ (431)
Supplies	9,400	9,400	2,961	6,439
Other services and charges	26,700	26,700	23,075	3,625
Capital expenditures	-	-	-	-
	<u>\$ 83,696</u>	<u>\$ 83,696</u>	<u>\$ 74,063</u>	<u>\$ 9,633</u>
<i>Public Defender</i>				
Personal services and benefits	\$ 418,593	\$ 422,389	\$ 420,177	\$ 2,212
Supplies	10,600	10,600	10,914	(314)
Other services and charges	36,300	36,300	32,164	4,136
	<u>\$ 465,493</u>	<u>\$ 469,289</u>	<u>\$ 463,255</u>	<u>\$ 6,034</u>
<i>Jury Commission</i>				
Personal services and benefits	\$ 40,030	\$ 40,030	\$ 40,242	\$ (212)
Supplies	4,700	4,700	4,310	390
Other services and charges	30,950	30,950	25,381	5,569
	<u>\$ 75,680</u>	<u>\$ 75,680</u>	<u>\$ 69,933</u>	<u>\$ 5,747</u>
<i>Probation Department</i>				
Personal services and benefits	\$ 868,666	\$ 868,666	\$ 873,992	\$ (5,326)
Supplies	14,250	14,250	13,033	1,217
Other services and charges	4,100	4,100	3,532	568
	<u>\$ 887,016</u>	<u>\$ 887,016</u>	<u>\$ 890,557</u>	<u>\$ (3,541)</u>

Adams County, Illinois
 Budgetary Comparison Schedule - General Fund (Concluded)
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Juvenile Detention Center</i>				
Personal services and benefits	\$ 1,105,783	\$ 1,105,783	\$ 1,030,420	\$ 75,363
Supplies	61,900	61,900	53,646	8,254
Other services and charges	95,400	96,335	83,155	13,180
Capital expenditures	5,200	5,200	4,420	780
	<u>\$ 1,268,283</u>	<u>\$ 1,269,218</u>	<u>\$ 1,171,641</u>	<u>\$ 97,577</u>
<i>Emergency Management Services</i>				
Personal services and benefits	\$ 46,286	\$ 46,286	\$ 46,282	\$ 4
Supplies	3,050	2,611	2,503	108
Other services and charges	55,728	313,358	66,646	246,712
Capital expenditures	394,120	394,120	279,714	114,406
	<u>\$ 499,184</u>	<u>\$ 756,375</u>	<u>\$ 395,145</u>	<u>\$ 361,230</u>
Nondepartmental				
Payments to other entities:				
911 Board	\$ 488,691	\$ 536,691	\$ 507,283	\$ 29,408
Regional Superintendent	143,339	143,339	133,702	9,637
Transfers to other funds	1,134,120	1,134,120	663,036	471,084
Agency subsidies	136,555	136,555	139,352	(2,797)
	<u>\$ 1,902,705</u>	<u>\$ 1,950,705</u>	<u>\$ 1,443,373</u>	<u>\$ 507,332</u>
Total Charges to Appropriations	<u>\$ 14,627,142</u>	<u>\$ 14,959,787</u>	<u>\$ 13,188,128</u>	<u>\$ 1,771,659</u>
Budgetary Balance, November 30, 2009	<u><u>\$ 1,368,676</u></u>	<u><u>\$ 1,425,478</u></u>	<u><u>\$ 2,265,437</u></u>	<u><u>\$ 839,959</u></u>

Adams County, Illinois
 Budgetary Comparison Schedule - IMRF/Social Security
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance,				
December 1, 2008	\$ 1,583,448	\$ 1,583,448	\$ 1,583,448	\$ -
Resources (inflows):				
Property taxes	1,562,535	1,919,720	1,941,596	21,876
Intergovernmental				
Personal Property Replacement Tax	200,100	200,100	234,259	34,159
Grants and reimbursements	7,000	7,000	35,742	28,742
Interest received	2,200	2,200	3,132	932
Amounts available for Appropriation	<u>\$ 3,355,283</u>	<u>\$ 3,712,468</u>	<u>\$ 3,798,177</u>	<u>\$ 85,709</u>
Charges to appropriations (outflows)				
General Government				
<i>County Administration</i>				
Personal services and benefits	<u>\$ 2,307,000</u>	<u>\$ 2,307,000</u>	<u>\$ 2,179,823</u>	<u>\$ 127,177</u>
Budgetary Balance, November 30, 2009	<u><u>\$ 1,048,283</u></u>	<u><u>\$ 1,405,468</u></u>	<u><u>\$ 1,618,354</u></u>	<u><u>\$ 212,886</u></u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - Liability Insurance
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 535,624	\$ 535,624	\$ 535,624	\$ -
Resources (inflows):				
Property taxes	413,278	380,825	381,425	600
Intergovernmental				
Grants and reimbursements	10,000	10,000	-	(10,000)
Interest received	1,200	1,200	729	(471)
Amounts available for Appropriation	<u>\$ 960,102</u>	<u>\$ 927,649</u>	<u>\$ 917,778</u>	<u>\$ (9,871)</u>
Charges to appropriations (outflows)				
General Government				
<i>County Administration</i>				
Other services and charges	<u>\$ 530,032</u>	<u>\$ 530,032</u>	<u>\$ 458,161</u>	<u>\$ 71,871</u>
Budgetary Balance, November 30, 2009	<u><u>\$ 430,070</u></u>	<u><u>\$ 397,617</u></u>	<u><u>\$ 459,617</u></u>	<u><u>\$ 62,000</u></u>

Adams County, Illinois
 Budgetary Comparison Schedule - Ambulance
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 807,198	\$ 807,198	\$ 807,198	\$ -
Resources (inflows):				
Property taxes	500,000	500,000	500,725	725
Charges for services				
Special Events	13,000	9,000	19,155	10,155
Payments for services	2,072,000	2,473,963	2,442,174	(31,789)
Miscellaneous	6,000	5,000	4,654	(346)
Interest received	21,000	21,000	15,855	(5,145)
Amounts available for Appropriation	<u>\$ 3,419,198</u>	<u>\$ 3,816,161</u>	<u>\$ 3,789,761</u>	<u>\$ (26,400)</u>
Charges to appropriations (outflows)				
Health and Sanitation				
<i>Ambulance</i>				
Personal services and benefits	\$ 2,024,462	\$ 1,997,562	\$ 1,990,654	\$ 6,908
Supplies	81,500	69,200	67,620	1,580
Other services and charges	371,700	398,000	713,512	(315,512)
Capital expenditures	437,000	483,075	165,835	317,240
Total Health and Sanitation	<u>\$ 2,914,662</u>	<u>\$ 2,947,837</u>	<u>\$ 2,937,621</u>	<u>\$ 10,216</u>
Budgetary Balance, November 30, 2009	<u>\$ 504,536</u>	<u>\$ 868,324</u>	<u>\$ 852,140</u>	<u>\$ (16,184)</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - Health Department
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 1,823,990	\$ 1,823,990	\$ 1,823,990	\$ -
Resources (inflows):				
Property taxes	476,000	50,000	50,088	88
Fees and fines				
Environmental Fees	55,000	55,000	47,123	(7,877)
Births & Deaths	65,000	65,000	58,458	(6,542)
Charges for services				
Dental income	1,200,000	1,200,000	984,708	(215,292)
Immunization income	100,000	100,000	177,832	77,832
Screening Fees	30,000	30,000	46,036	16,036
Vision & Hearing	20,200	20,200	14,858	(5,342)
Intergovernmental				
Personal Property Replacement Tax	200,000	200,000	95,884	(104,116)
Grants and reimbursements	1,596,290	1,596,290	1,929,199	332,909
Miscellaneous	50,000	50,000	18,400	(31,600)
Interest received	41,000	41,000	17,069	(23,931)
Amounts available for Appropriation	<u>\$ 5,657,480</u>	<u>\$ 5,231,480</u>	<u>\$ 5,263,645</u>	<u>\$ 32,165</u>
Charges to appropriations (outflows)				
Health and Sanitation				
<i>Health Department</i>				
Personal services and benefits	\$ 2,922,530	\$ 2,966,530	\$ 2,511,261	\$ 455,269
Supplies	36,000	36,000	3,402	32,598
Other services and charges	1,400,900	1,405,900	1,185,366	220,534
Capital expenditures	64,000	181,761	147,017	34,744
Total Health and Sanitation	<u>\$ 4,423,430</u>	<u>\$ 4,590,191</u>	<u>\$ 3,847,046</u>	<u>\$ 743,145</u>
Budgetary Balance, November 30, 2009	<u>\$ 1,234,050</u>	<u>\$ 641,289</u>	<u>\$ 1,416,599</u>	<u>\$ 775,310</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - TB Treatment Board
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 55,911	\$ 55,911	\$ 55,911	\$ -
Resources (inflows):				
Property taxes	74,000	74,000	74,175	175
Interest received	100	100	135	35
Amounts available for Appropriation	<u>\$ 130,011</u>	<u>\$ 130,011</u>	<u>\$ 130,221</u>	<u>\$ 210</u>
Charges to appropriations (outflows)				
Health and Sanitation				
<i>TB Treatment Board</i>				
Personal services and benefits	\$ 77,770	\$ 77,770	\$ 73,156	\$ 4,614
Supplies	5,500	5,500	5,014	486
Other services and charges	8,300	8,300	3,507	4,793
Total Health and Sanitation	<u>\$ 91,570</u>	<u>\$ 91,570</u>	<u>\$ 81,677</u>	<u>\$ 9,893</u>
Budgetary Balance, November 30, 2009	<u><u>\$ 38,441</u></u>	<u><u>\$ 38,441</u></u>	<u><u>\$ 48,544</u></u>	<u><u>\$ 10,103</u></u>

Adams County, Illinois
 Budgetary Comparison Schedule - County Highway Department
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 886,543	\$ 886,543	\$ 886,543	\$ -
Resources (inflows):				
Property taxes	924,000	916,255	917,535	1,280
Intergovernmental				
Grants and reimbursements	301,640	1,113,840	965,891	(147,949)
Miscellaneous	50,000	350,000	351,236	1,236
Interest received	2,000	2,000	1,609	(391)
Transfers from other funds	452,173	452,173	52,173	(400,000)
Amounts available for Appropriation	<u>\$ 2,616,356</u>	<u>\$ 3,720,811</u>	<u>\$ 3,174,987</u>	<u>\$ (545,824)</u>
Charges to appropriations (outflows)				
Public Works				
<i>County Highway Department</i>				
Personal services and benefits	\$ 1,067,854	\$ 1,067,854	\$ 747,092	\$ 320,762
Supplies	395,000	395,000	230,694	164,306
Other services and charges	371,495	944,695	291,619	653,076
Capital expenditures	290,000	310,000	457,639	(147,639)
Total Public Works	<u>\$ 2,124,349</u>	<u>\$ 2,717,549</u>	<u>\$ 1,727,044</u>	<u>\$ 990,505</u>
Budgetary Balance, November 30, 2009	<u>\$ 492,007</u>	<u>\$ 1,003,262</u>	<u>\$ 1,447,943</u>	<u>\$ 444,681</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - County Bridge
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 1,544,608	\$ 1,544,608	\$ 1,544,608	\$ -
Resources (inflows):				
Property taxes	462,000	408,130	408,719	589
Miscellaneous	500	500	-	(500)
Interest received	1,000	1,000	720	(280)
Amounts available for Appropriation	<u>\$ 2,008,108</u>	<u>\$ 1,954,238</u>	<u>\$ 1,954,047</u>	<u>\$ (191)</u>
Charges to appropriations (outflows)				
Public Works				
County Bridge				
Other services and charges	\$ 300,000	\$ 300,000	\$ 188,478	\$ 111,522
Capital expenditures	1,859,853	1,859,853	1,415,271	444,582
Total Public Works	<u>\$ 2,159,853</u>	<u>\$ 2,159,853</u>	<u>\$ 1,603,749</u>	<u>\$ 556,104</u>
Budgetary Balance, November 30, 2009	<u>\$ (151,745)</u>	<u>\$ (205,615)</u>	<u>\$ 350,298</u>	<u>\$ 555,913</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - Federal Matching Tax
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 932,751	\$ 932,751	\$ 932,751	\$ -
Resources (inflows):				
Property taxes	462,000	458,130	457,383	(747)
Intergovernmental				
Grants and reimbursements	600,000	600,000	1,432	(598,568)
Miscellaneous	50,000	50,000	-	(50,000)
Interest received	1,000	1,000	805	(195)
Amounts available for Appropriation	<u>\$ 2,045,751</u>	<u>\$ 2,041,881</u>	<u>\$ 1,392,371</u>	<u>\$ (649,510)</u>
Charges to appropriations (outflows)				
Public Works				
<i>Federal Matching Tax</i>				
Personal services and benefits	\$ 113,732	\$ 113,732	\$ 82,908	\$ 30,824
Other services and charges	650,000	650,000	148,586	501,414
Capital expenditures	1,295,000	1,295,000	290,804	1,004,196
Total Public Works	<u>\$ 2,058,732</u>	<u>\$ 2,058,732</u>	<u>\$ 522,298</u>	<u>\$ 1,536,434</u>
Budgetary Balance, November 30, 2009	<u>\$ (12,981)</u>	<u>\$ (16,851)</u>	<u>\$ 870,073</u>	<u>\$ 886,924</u>

Adams County, Illinois
 Budgetary Comparison Schedule - Motor Fuel Tax Fund
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 3,246,288	\$ 3,246,288	\$ 3,246,288	\$ -
Resources (inflows):				
Intergovernmental				
Motor Fuel Tax	1,687,481	1,687,481	1,435,452	(252,029)
Miscellaneous	500	500	-	(500)
Interest received	80,000	80,000	53,223	(26,777)
Amounts available for Appropriation	<u>\$ 5,014,269</u>	<u>\$ 5,014,269</u>	<u>\$ 4,734,963</u>	<u>\$ (279,306)</u>
Charges to appropriations (outflows)				
Public Works				
<i>Streets and Highways</i>				
Personal services and benefits	\$ 826,101	\$ 826,101	\$ 454,537	\$ 371,564
Other services and charges	2,000,000	2,000,000	118,721	1,881,279
Capital expenditures	2,180,292	2,180,292	667,929	1,512,363
Total Public Works	<u>\$ 5,006,393</u>	<u>\$ 5,006,393</u>	<u>\$ 1,241,187</u>	<u>\$ 3,765,206</u>
Nondepartmental				
Transfers to other funds	52,173	52,173	52,173	-
Total Charges to Appropriations	<u>\$ 5,058,566</u>	<u>\$ 5,058,566</u>	<u>\$ 1,293,360</u>	<u>\$ 3,765,206</u>
Budgetary Balance, November 30, 2009	<u>\$ (44,297)</u>	<u>\$ (44,297)</u>	<u>\$ 3,441,603</u>	<u>\$ 3,485,900</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Budgetary Comparison Schedule - Capital Projects Fund
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 4,307,403	\$ 4,307,403	\$ 4,307,403	\$ -
Resources (inflows):				
Interest received	\$ 90,000	\$ 90,000	\$ 101,435	\$ 11,435
Transfers from other funds	-	-	-	-
Amounts available for Appropriation	<u>\$ 4,397,403</u>	<u>\$ 4,397,403</u>	<u>\$ 4,408,838</u>	<u>\$ 11,435</u>
Charges to appropriations (outflows)				
Capital Projects				
<i>General Government</i>				
Capital expenditures	\$ -	\$ 4,674,300	\$ 4,060,425	\$ 613,875
Total Charges to Appropriations	<u>\$ -</u>	<u>\$ 4,674,300</u>	<u>\$ 4,060,425</u>	<u>\$ 613,875</u>
Budgetary Balance, November 30, 2009	<u>\$ 4,397,403</u>	<u>\$ (276,897)</u>	<u>\$ 348,413</u>	<u>\$ 625,310</u>

Adams County, Illinois
 Budgetary Comparison Schedule - Debt Service Fund
 For the Year Ended November 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, December 1, 2008	\$ 10,229	\$ 10,229	\$ 10,229	\$ -
Resources (inflows):				
Interest received	\$ 5,000	\$ 5,000	\$ 2,193	\$ (2,807)
Transfers from other funds	828,795	828,795	663,036	(165,759)
Amounts available for Appropriation	<u>\$ 844,024</u>	<u>\$ 844,024</u>	<u>\$ 675,458</u>	<u>\$ (168,566)</u>
Charges to appropriations (outflows)				
Debt Service				
<i>General Government</i>				
Other services and charges	300	436	435	1
Total Debt Service	<u>\$ 300</u>	<u>\$ 436</u>	<u>\$ 435</u>	<u>\$ 1</u>
Nondepartmental				
Payments on debt:				
Principal	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Interest	363,036	363,036	363,035	1
Total Nondepartmental	<u>\$ 663,036</u>	<u>\$ 663,036</u>	<u>\$ 663,035</u>	<u>\$ 1</u>
Total Charges to Appropriations	<u>\$ 663,336</u>	<u>\$ 663,472</u>	<u>\$ 663,470</u>	<u>\$ 2</u>
Budgetary Balance, November 30, 2009	<u><u>\$ 180,688</u></u>	<u><u>\$ 180,552</u></u>	<u><u>\$ 11,988</u></u>	<u><u>\$ (168,564)</u></u>

The accompanying notes are an integral part of these financial statements.

	<u>General Fund</u>	<u>IMRF and Social Security</u>	<u>Liability Insurance</u>	<u>Ambulance</u>
Sources/Inflows of Resources				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 15,453,565	\$ 3,798,177	\$ 917,778	\$ 3,789,761
Differences - Budget to GAAP:				
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(2,445,906)	(1,583,448)	(535,624)	(807,198)
Revenues in the statement of revenues, expenditures, and changes in fund balances are reported on the cash (budgetary) basis of accounting. In the statement of activities, revenues are reported when earned. A negative amount indicates that revenues receivable at the beginning of the period exceeded the amounts due the County at the end of the period.	(155,603)	(33,693)	(455)	(137,404)
Transfers from other funds and bond proceeds are inflows of budgetary resources but are not <i>revenues</i> for financial reporting purposes.	(305,971)	-	-	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 12,546,085</u>	<u>\$ 2,181,036</u>	<u>\$ 381,699</u>	<u>\$ 2,845,159</u>
Uses/Outflows of Resources				
Actual amounts (budgetary basis) "total charges to appropriations" from budgetary comparison schedule.	\$ 13,188,128	\$ 2,179,823	\$ 458,161	\$ 2,937,621
Differences - Budget to GAAP:				
Expenditures in the statement of revenues, expenditures, and changes in fund balances are reported on the cash (budgetary) basis of accounting. In the statement of activities, expenses are reported when the liability is incurred. A negative amount indicates that expenditures payable at the end of the year exceeded the amounts due by the County to others at the beginning of the period.	(135,526)	113,095	(805)	61,940
Transfers to other funds are outflows of budgetary resources but are not <i>expenditures</i> for financial reporting purposes.	(663,036)	-	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 12,389,566</u>	<u>\$ 2,292,918</u>	<u>\$ 457,356</u>	<u>\$ 2,999,561</u>

Adams County, Illinois
 Budgetary Comparison Schedule
 Budget - to - GAAP Reconciliation
 For the Year Ended November 30, 2009

Health Department	Tuberculosis Treatment	County Highway	County Bridge	Federal Matching	Motor Fuel Tax	Capital Projects	Debt Service
\$ 5,263,645	\$ 130,221	\$ 3,174,987	\$ 1,954,047	\$ 1,392,371	\$ 4,734,963	\$ 4,408,838	\$ 675,458
(1,823,990)	(55,911)	(886,543)	(1,544,608)	(932,751)	(3,246,288)	(4,307,403)	(10,229)
318,126	(82)	(85,704)	(426)	(475)	44,317	-	-
-	-	(52,173)	-	-	-	-	(663,036)
<u>\$ 3,757,781</u>	<u>\$ 74,228</u>	<u>\$ 2,150,567</u>	<u>\$ 409,013</u>	<u>\$ 459,145</u>	<u>\$ 1,532,992</u>	<u>\$ 101,435</u>	<u>\$ 2,193</u>
\$ 3,847,046	\$ 81,677	\$ 1,727,044	\$ 1,603,749	\$ 522,298	\$ 1,293,360	\$ 4,060,425	\$ 663,470
551,828	1,572	339,932	(21,468)	187,156	(32,729)	24,584	(50,220)
-	-	-	-	-	(52,173)	-	-
<u>\$ 4,398,874</u>	<u>\$ 83,249</u>	<u>\$ 2,066,976</u>	<u>\$ 1,582,281</u>	<u>\$ 709,454</u>	<u>\$ 1,208,458</u>	<u>\$ 4,085,009</u>	<u>\$ 613,250</u>

Adams County, Illinois
Statement of Fiduciary Net Assets
November 30, 2009

	<u>Agency Funds</u>
Assets	
Cash	\$ 936,886
Investments, at cost	1,017,526
Taxes receivable	-
Due from other governments	<u>163,018</u>
Total Assets	<u><u>\$ 2,117,430</u></u>
Liabilities	
Protested and other property taxes held	\$ 106,157
Interest and fees to be distributed	1,280
Held in trust for others	1,838,762
Due to other governments	600
Due to others	<u>170,631</u>
Total Liabilities	<u><u>\$ 2,117,430</u></u>

The accompanying notes are an integral part of these financial statements.

1. Significant Accounting Policies

A. General Statement

Adams County, Illinois was formed in 1825. Adams is a county of the second class as defined under Illinois statute and operates under an elected county board form of government. The County provides the following services: public safety, corrections, judiciary, public works, public health and welfare, and economic development.

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the County has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the County has chosen not to do so. The more significant accounting policies established in GAAP and used by the County are discussed below.

B. Financial Reporting Entity

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The County holds the corporate powers of the organization
- The County appoints a voting majority of the organization's board
- The County is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the County
- There is fiscal dependency by the organization on the County

Based on the aforementioned criteria, the County has determined that the Adams County Health Department is a component unit of Adams County, Illinois. Financial information of this entity has been blended within the County's reporting entity. The University of Illinois – Adams County Cooperative Extension Service has been determined to not be a component unit of the County.

C. Basic Financial Statements – Government Wide Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the County's services are classified as governmental activities. The County does not operate any services that are classified as business-type activities.

In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The County first utilizes restricted resources to finance qualifying activities.

1. Significant Accounting Policies (Continued)

C. *Basic Financial Statements – Government Wide Statements (Concluded)*

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (general government, public safety, judicial and courts, public works, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, judicial and courts, public works, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc).

The County does not allocate indirect costs. Administrative services are included in the general government function. Administrative services provided include finance, personnel, purchasing, legal, technology management, etc.

This government-wide focus is more on the sustainability of the County as an entity and the change in the County's net assets resulting from the current year's activities.

D. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the County:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

- a. County General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- d. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The County currently has no proprietary funds.

1. Significant Accounting Policies (Continued)

D. Basic Financial Statements – Fund Financial Statements (Concluded)

Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The County's fiduciary funds are presented in the fiduciary fund financial statements and consisted of agency funds. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual:

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

F. Financial Statement Amounts

1. Cash and Cash Equivalents:

The County has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent. Additionally, each fund's equity in the County's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Investments:

Investments are stated at fair value, (quoted market price or the best available estimate). The County had no investments at November 30, 2009.

1. Significant Accounting Policies (Continued)

F. Financial Statement Amounts (Continued)

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the County's use and are carried at cost using the first-in, first-out method.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at 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. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	20 – 50 years
Automotive	5 years
Furniture, fixtures and equipment	5 – 10 years

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

6. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated Absences:

The County accrues accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. Under terms of its various employee agreements, the County has a potential long-term liability for sick leave. Various employee agreements state that upon retirement, an employee may turn in sixty (60) days of sick leave and be paid for thirty (30) days at their current wage rate. The balance of unused sick leave over the sixty (60) days may be added to the employee's retirement benefit with I.M.R.F. As of November 30, 2009, there was no way to estimate the potential liability because it is unknown how many employees seeking retirement would elect the option to be paid for the thirty (30) days of unused sick leave at their current wage rate.

Under the various employee agreements, vacation is earned on a calendar year to be used in the subsequent calendar year. As of November 30, 2009, the County had a liability for unused vacation and compensatory time totaling \$648,020 compared to \$448,381 for the year ended November 30, 2008.

1. Significant Accounting Policies (Concluded)

8. Interfund Activity:

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. 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.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Budgetary Basis of Accounting

While the County is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual.
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred.
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance.
4. Advances in and advances out are operating transactions (Budget) as opposed to balance sheets transactions.

The fiscal year of Adams County, Illinois has been established as the twelve-month period beginning on December 1. The Finance Committee submits a budget of estimated expenditures and revenues to the County Board. State law requires that the County make available for public inspection at least fifteen days prior to final action the annual budget. The budget is required to be legally adopted through passage of an ordinance prior to November 30.

The annual budget is required to contain: a) a statement of the receipts and payments and a statement of the revenues and expenditures of the fiscal year last ended; b) a statement of all moneys in the county treasury or in any funds thereof, unexpended at the termination of the fiscal year last ended, of all amounts due or accruing to the county, and of all outstanding obligations or liabilities of the county incurred in any preceding fiscal year; c) estimates of all probable income for the current fiscal year and for the ensuing fiscal year covered by the budget, specifying separately for each of those years the estimated income from taxes, fees and all other sources; d) a detailed statement showing estimates of expenditures for the current fiscal year, revised to date of such estimate, and, separately, the proposed expenditures for the ensuing fiscal year for which the budget is prepared. The estimates and proposals shall show the amounts for current expenses and capital outlay and specify the several objects and purposes of each item; e) a schedule of proposed appropriations itemized as provided for proposed expenditures included in the schedule.

At any point following the adoption of the annual budget, the County Board, by a 2/3 vote of all members constituting the board, may amend the budget for the remainder of the fiscal year (to the extent of the total amount appropriated for the fiscal year). The County Board is authorized to transfer from one appropriation of any one fund to another of the same fund, not affecting the total amount appropriated.

Budgeted amounts are as originally adopted in November, 2008. Final budgeted amounts include amendments by the County Board through November, 2009.

3. Deposits and Investments

Deposits – State statutes require that deposits be made only in banks that are insured by the Federal Deposit Insurance Corporation and credit unions that are insured by applicable law. Statutes allow, and the County follows a policy of requiring collateralization of all deposits in excess of federally insured amounts. At year-end, the carrying amount of the County’s deposits was \$17,257,128 and the respective bank balances totaled \$17,867,446. Included in the bank balances are Certificates of Deposit totaling \$8,951,080. The insured and collateral status of the bank balances, reported by category risk, were as follows:

FDIC Insured	\$ 2,015,011
Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.	<u>15,852,435</u>
	<u>\$ 17,867,446</u>

The County’s investment policy requires deposits to have FDIC insurance or collateral pledged to 110% of the uninsured balance. At November 30, 2009, the County was in compliance with this policy.

Credit Risk – State statutes and the County’s investment policy authorize and regulate the County’s investments. The County is authorized to invest in U.S. Government obligations and its agencies or instrumentalities, obligations of any state or a political subdivision of any state, money market mutual funds registered under the Investment Company Act of 1940, repurchase agreements, insured or collateralized certificates of deposit and money market funds. The County has no investment policy that would further limit its investment choices.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk – The County places no limit on the amount it may invest in any one issuer. The County had no investments during the year ended or at November 30, 2009.

4. Long-Term Debt

At November 30, 2009, long-term debt consisted of the following issues:

\$8,180,000 General Obligation Bonds, Series 2008, Dated September 25, 2008, due in annual installments ranging from \$300,000 to \$575,000 through 2028, with interest from 3.250% to 4.375%, payable February 15 and August 15.	\$ 7,800,000
\$183,200 City of Quincy, Illinois loan, Dated June 29, 2009, due in monthly installments of \$7,633.33 each with final payment due June 29, 2011, with 0% interest.	<u>145,033</u>
	<u>\$ 7,945,033</u>

4. Long-Term Debt (Concluded)

Following is a summary of general long-term debt transactions of the County for the year ended November 30, 2009:

	Balance 11/30/2008	Additions	Retirements	Balance 11/30/2009
G.O. Bonds	\$ 8,180,000	\$ -	\$ (380,000)	\$ 7,800,000
City Loan	-	183,200	(38,167)	145,033
	<u>\$ 8,180,000</u>	<u>\$ 183,200</u>	<u>\$ (418,167)</u>	<u>\$ 7,945,033</u>

The annual aggregate maturities of General Obligation bonded debt for years subsequent to November 30, 2009 are as follows:

Year Ended November 30	Principal	Interest	Total
2010	\$ 300,000	\$ 308,136	\$ 608,136
2011	300,000	298,386	598,386
2012	300,000	288,636	588,636
2013	315,000	278,643	593,643
2014	325,000	267,024	592,024
2015-2019	1,850,000	1,123,620	2,973,620
2020-2024	2,245,000	711,017	2,956,017
2025-2028	2,165,000	193,352	2,358,352
	<u>\$ 7,800,000</u>	<u>\$ 3,468,814</u>	<u>\$ 11,268,814</u>

The annual aggregate maturities of the City Loan for years subsequent to November 30, 2009 are as follows:

Year Ended November 30	Principal	Interest	Total
2010	\$ 91,600	\$ -	\$ 91,600
2011	53,433	-	53,433
	<u>\$ 145,033</u>	<u>\$ -</u>	<u>\$ 145,033</u>

The Illinois Compiled Statutes limit the outstanding amount of authorized general obligation bonds of a district to 5.75 percent of the assessed valuation of the district. The legal debt margin of the County at November 30, 2009 was:

Adjusted Assessed Valuation:	
Equalized 2008 Tax Levy Year	\$ 965,544,149
Legal Debt Limitation Percentage	5.75%
Legal Debt Limitation	<u>\$ 55,518,789</u>
Less: Bonded Indebtedness	<u>7,945,033</u>
Legal Debt Margin	<u>\$ 47,573,756</u>

5. Capital Assets

Primary government capital asset activity for the year ended November 30, 2009 was as follows:

	Balance 11/30/2008	Additions	Retirements	Balance 11/30/2009
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 612,633	\$ 57,000	\$ -	\$ 669,633
Capital Assets being depreciated:				
Buildings	\$ 15,235,606	\$ 4,343,998	\$ -	\$ 19,579,604
Roads and bridges	92,230,330	2,825,394	-	95,055,724
Automotive	3,834,447	429,418	-	4,263,865
Furniture, fixtures and equipment	3,354,513	581,029	-	3,935,542
	\$ 114,654,896	\$ 8,179,839	\$ -	\$ 122,834,735
Less Accumulated Depreciation:				
Buildings	\$ (5,596,331)	\$ (325,308)	\$ -	\$ (5,921,639)
Roads and bridges	(35,986,325)	(4,137,519)	-	(40,123,844)
Automotive	(2,572,680)	(313,676)	-	(2,886,356)
Furniture, fixtures and equipment	(2,205,879)	(347,679)	-	(2,553,558)
	\$ (46,361,215)	\$ (5,124,182)	\$ -	\$ (51,485,397)
Governmental Capital Assets, Net	\$ 68,906,314	\$ 3,112,657	\$ -	\$ 72,018,971

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 326,301
Public safety	186,364
Judicial and courts	141,891
Public works	4,343,421
Health	126,205
	\$ 5,124,182

6. Pension Plans

Plan Description:

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

6. Pension Plans (Continued)

Funding Policy:

As set by statute, Elected County Official plan members are required to contribute 7.5 percent (4.5 percent for regular employees and 7.5 percent for members participating in SLEP) of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 0.00 percent of annual covered payroll for elected county officials, 9.32 percent for regular employees and 16.65 percent for SLEP employees. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost:

For 2008, the County's annual pension cost of \$0, \$992,076 and \$230,943 for the elected county officials plan, regular plan and SLEP plan, respectively, was equal to the County's required and actual contributions.

Three-Year Trend Information for each Plan:

Elected County Officials			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2008	\$ -	100%	\$ -
12/31/2007	-	100%	-
12/31/2006	-	100%	-

Regular Employees			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2008	\$ 992,076	100%	\$ -
12/31/2007	954,497	100%	-
12/31/2006	958,068	100%	-

SLEP			
Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2008	\$ 230,943	100%	\$ -
12/31/2007	214,061	100%	-
12/31/2006	195,517	100%	-

6. Pension Plans (Concluded)

The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2005, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service (0.4% to 11.6% for regular and SLEP), attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 15% corridor (20% for regular and SLEP) between the actuarial and market value of assets. The County plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was 27 years for Elected County Officials. The remaining amortization period at December 31, 2006, was 24 years for regular employees and SLEP.

Funded Status and Funding Progress:

As of December 31, 2008, the most recent actuarial valuation date, the elected county official plan was 0 percent funded, the regular plan was 83.48 percent funded and the SLEP plan was 50.81 percent funded. For the elected county official plan, the actuarial accrued liability for benefits was \$0 and the actuarial value of assets was \$0, resulting in an overfunded actuarial accrued liability (UAAL) of \$0. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and since the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

For the regular plan, the actuarial accrued liability for benefits was \$30,047,075 and the actuarial value of assets was \$25,081,986, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,965,089. The covered payroll (annual payroll of active employees covered by the plan) was \$10,644,597 and the ratio of the UAAL to the covered payroll as 47 percent.

For the SLEP plan, the actuarial accrued liability for benefits was \$4,642,589 and the actuarial value of assets was \$2,359,110, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,283,479. The covered payroll (annual payroll of active employees covered by the plan) was \$1,387,044 and the ratio of the UAAL to the covered payroll as 165 percent.

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

7. Property Taxes

Property tax is levied prior to December 31 on the equalized assessed value listed as of the prior January 1 for all real estate located within the County. Equalized assessed value is equal to one-third of the appraised fair value of the real estate, less applicable exemptions authorized by the County Board and/or the State of Illinois. The assessed value of each property may be appealed to the Board of Review and are subject to final approval by the Illinois Department of Revenue.

Taxes are payable in two installments on July 1 and September 1 of the year following the levy, or thirty days following the mailing of real estate tax bills. Current tax collections for the year ended November 30, 2009, were 99.9% of the 2008 tax levy.

8. Expenditures Paid in Excess of Budgeted Amounts

Expenditures exceeded budgeted amounts in the following funds:

Fund Name	Expenditures Paid	Budget	Excess
<i>Special Revenue Funds:</i>			
Recorder's Equipment	\$ 62,070	\$ 61,300	\$ 770
Inmate Fund	23,274	-	23,274

In addition, the County budgeted expenditures in excess of available resources (beginning fund balance and estimated revenues) in the following funds:

Fund Name	Estimated Resources	Budgeted Charges to Appropriations	Budgeted Deficit
<i>Special Revenue Funds:</i>			
DUI Equipment	\$ 14,270	\$ 16,500	\$ (2,230)
Tax Sale Automation	39,244	43,000	(3,756)
County Bridge	1,954,238	2,159,853	(205,615)
Matching Tax	2,041,881	2,058,732	(16,851)
Motor Fuel Tax	5,014,269	5,058,566	(44,297)
Road District Revolving	226,338	258,756	(32,418)
<i>Capital Projects Funds:</i>			
Capital Projects Fund	4,397,403	4,674,300	(276,897)

9. Construction and Other Commitments

The County has significant construction commitments related to road and bridge construction projects as of November 30, 2009. All contracts are in various stages of completion.

Adams County entered into a contract with the City of Quincy, Illinois on January 12, 1988 for the creation, operation and control of an Emergency Communications System (911). 911 has been determined to be a component unit of the City of Quincy, however Adams County is responsible for paying 40% of all operating costs of the system. The City of Quincy invoices the County for their share of expenses on a monthly basis.

The County participates in a number of state and federal grant programs, which are subject to program and financial audits by the granting agencies. The County Board believes that adjustments (if any) that may arise from these audits will be insignificant to the County's operations.

10. Interfund Accounts Receivable/Payable

Interfund accounts receivable and payable at November 30, 2009 consisted of the following:

	Due From	Due To
<i>General Fund:</i>		
County Clerk/Recorder	\$ 15,423	\$ -
General	-	3,150
<i>Special Revenue Funds:</i>		
GIS Equipment	-	9,260
Recorder's GIS Equipment	-	1,060
County Recorder's Equipment	-	4,127
County Clerk's Equipment	-	976
Federal Matching	80,000	-
Economic Loan	-	80,000
Inmate fund	3,150	-
	<u>\$ 98,573</u>	<u>\$ 98,573</u>

11. Restricted Assets

Restricted assets at November 30, 2009 consisted of the following:

	Capital Projects	Special Revenue Fund	Total
Restricted for capital projects	\$ 323,829	\$ -	\$ 323,829
Restricted for jail	-	17,755	17,755
Restricted for future expenditures:			
Ambulance	-	923,996	923,996
TB Treatment	-	46,972	46,972
Employee retirement/taxes	-	1,474,172	1,474,172
Liability insurance	-	458,812	458,812
Law Library	-	11,698	11,698
IDPA expenditures	-	10,437	10,437
Court automation	-	93,806	93,806
Financing court system	-	69,342	69,342
Probation expenditures	-	69,244	69,244
Highways and bridges	-	5,758,126	5,758,126
Flood control	-	24,357	24,357
GIS expenditures	-	71,120	71,120
DUI equipment	-	9,923	9,923
Recorder's GIS equipment	-	16,841	16,841
County Recorder's equipment	-	55,898	55,898
County Clerk's equipment	-	55,509	55,509
Working cash	-	149,911	149,911
Health Department	-	1,747,805	1,747,805
Tax sale automation	-	33,791	33,791
Children and child support	-	177	177
Economic development loans	-	263,481	263,481
Drug traffic prevention	-	27,082	27,082
Animal control	-	21,938	21,938
2009 Flood	-	36,429	36,429
Restricted for collateral of bank loans made to businesses in Adams County according to terms of a federal funding program.	-	318,946	318,946
	\$ 323,829	\$ 11,767,568	\$ 11,715,208

12. Interfund Transfers

Under terms of its bond covenants, the County uses sales tax revenue as an alternative to property tax levies to retire its bonded debt. During the year ended November 30, 2009, the County transferred \$663,036 of sales tax revenue to the Debt Service Fund for retirement of principal and interest.

The County budgets for the purchase of capital assets and other expenditures through the "County General" fund. Some of these purchases and expenditures are made with funds available for such purposes in various special revenue funds. As a result, the County transfers resources from the appropriate funds to County General to complete the purchases. During the year ended November 30, 2009, the following transfers were made:

Transfer from:	Transfer to:			Totals
	General Fund	County Highway	Debt Service	
General Fund	\$ -	\$ -	\$ 663,036	\$ 663,036
Animal Control	19,124	-	-	19,124
Law Library	4,800	-	-	4,800
Reconciliation Grant	20,351	-	-	20,351
Court Automation	27,000	-	-	27,000
Court Finance	30,000	-	-	30,000
Probation	60,000	-	-	60,000
Recorder's GIS Equip	12,000	-	-	12,000
Recorder's Equipment	37,800	-	-	37,800
Drug Enforcement	3,000	-	-	3,000
Court Document	79,200	-	-	79,200
Tax Sale Automation	12,000	-	-	12,000
Maintenance Child Support	696	-	-	696
Motor Fuel Tax	-	52,173	-	52,173
	<u>\$ 305,971</u>	<u>\$ 52,173</u>	<u>\$ 663,036</u>	<u>\$ 1,021,180</u>

13. Recently Issued Accounting Pronouncements

As of November 30, 2009, the Governmental Accounting Standards Board (GASB) had issued the following statements not yet implemented by the County. The statements which might impact the County are as follows:

Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, issued June 2008 will be effective for the County beginning with its year ending November 30, 2010. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. By entering into these arrangements, governments receive and make payments based on market prices without actually entering into the related financial or commodity transactions. Derivative instruments associated with changing financial and commodity prices result in changing cash flows and fair values that can be used as effective risk management or investment tools. Derivative instruments, however, also can expose governments to significant risks and liabilities. Common types of derivative instruments used by governments include interest rate and commodity swaps, interest rate locks, options (caps, floors, and collars), swaptions, forward contracts, and futures contracts.

The County does not have any derivative instruments as of November 30, 2009, and does not usually hold derivative instruments in its normal course of government. Therefore, this Statement is not expected to have any impact on the financial statements.

Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, issued March 2009 will be effective for the County beginning with its year ending November 30, 2011. This Statement was issued to enhance the usefulness of the fund balance information by providing clearer fund balance classifications and clarifying the existing governmental fund type definitions. The initial distinction that is made in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with inventories. This Statement also provides for additional classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. Governments are required to disclose information about the processes through which constraints are imposed on amounts in the committed and assigned classifications. Governments also are required to classify and report amounts in the appropriate fund balance classifications by applying their accounting policies that determine whether restricted, committed, assigned, and unassigned amounts are considered to have been spent. Disclosure of the policies in the notes to the financial statements is required.

The impact this statement will have on the County will be minimal as this statement only addresses the fund balance section of the financial statements and the County currently already classifies its fund balances in a manner similar to the new standards.

Schedules of Funding Progress – Illinois Municipal Retirement Fund (IMRF)
Required Supplementary Information

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered P/R ((b)-(a)/(c))
IMRF						
12/31/2008	\$ 25,081,986	\$ 30,047,075	\$ 4,965,089	83.48%	\$ 10,644,597	46.64%
12/31/2007	28,121,783	29,465,067	1,343,284	95.44%	10,165,042	13.21%
12/31/2006	25,634,951	27,329,855	1,694,904	93.80%	9,599,884	17.66%
SLEP						
12/31/2008	\$ 2,359,110	\$ 4,642,589	\$ 2,283,479	50.81%	\$ 1,387,044	164.63%
12/31/2007	2,626,465	3,889,760	1,263,295	67.52%	1,293,419	97.67%
12/31/2006	3,186,078	4,105,172	919,094	77.61%	1,213,637	75.73%
ECO						
12/31/2008	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%
12/31/2007	-	-	-	0.00%	-	0.00%
12/31/2006	-	-	-	0.00%	-	0.00%

Combining Financial Statements

	<u>Inmate & Commissary</u>	<u>Animal Control</u>	<u>Law Library</u>	<u>2008 Flood</u>	<u>Child Support</u>	<u>IDPA</u>
Assets						
Cash and cash equivalents	\$ 26,726	\$ 21,938	\$ 14,893	\$ 31,246	\$ 177	\$ 10,437
Other receivables	-	-	-	5,183	-	-
Internal receivables	(3,150)	-	-	-	-	-
Total Assets	<u>\$ 23,576</u>	<u>\$ 21,938</u>	<u>\$ 14,893</u>	<u>\$ 36,429</u>	<u>\$ 177</u>	<u>\$ 10,437</u>
Liabilities						
Accounts payable	\$ 1,944	\$ -	\$ 3,195	\$ -	\$ -	\$ -
Held in trust for others	3,877	-	-	-	-	-
Total Liabilities	<u>\$ 5,821</u>	<u>\$ -</u>	<u>\$ 3,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances/Net Assets						
<i>Fund Balances:</i>						
Reserved for jail	\$ 17,755	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:						
Special revenue funds	-	21,938	11,698	36,429	177	10,437
Total Fund Balances	<u>\$ 17,755</u>	<u>\$ 21,938</u>	<u>\$ 11,698</u>	<u>\$ 36,429</u>	<u>\$ 177</u>	<u>\$ 10,437</u>
Total Liabilities and Fund Balances	<u>\$ 23,576</u>	<u>\$ 21,938</u>	<u>\$ 14,893</u>	<u>\$ 36,429</u>	<u>\$ 177</u>	<u>\$ 10,437</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
 Combining Balance Sheet
 Nonmajor Government Funds
 November 30, 2009

Court Automation	Court Finance	Probation	Road District Revolving	Flood Control	GIS	DUI Equipment
\$ 93,806	\$ 27,544	\$ 74,692	\$ 49,341	\$ 24,357	\$ 70,436	\$ 9,923
-	-	-	-	-	-	-
-	-	-	-	-	9,260	-
<u>\$ 93,806</u>	<u>\$ 27,544</u>	<u>\$ 74,692</u>	<u>\$ 49,341</u>	<u>\$ 24,357</u>	<u>\$ 79,696</u>	<u>\$ 9,923</u>
\$ -	\$ 3,515	\$ 5,448	\$ 3,523	\$ -	\$ 8,576	\$ -
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,515</u>	<u>\$ 5,448</u>	<u>\$ 3,523</u>	<u>\$ -</u>	<u>\$ 8,576</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93,806	24,029	69,244	45,818	24,357	71,120	9,923
<u>\$ 93,806</u>	<u>\$ 24,029</u>	<u>\$ 69,244</u>	<u>\$ 45,818</u>	<u>\$ 24,357</u>	<u>\$ 71,120</u>	<u>\$ 9,923</u>
<u>\$ 93,806</u>	<u>\$ 27,544</u>	<u>\$ 74,692</u>	<u>\$ 49,341</u>	<u>\$ 24,357</u>	<u>\$ 79,696</u>	<u>\$ 9,923</u>

	Recorder GIS	Recorder Equipment	County Clerk Equipment	Drug Enforcement	Drug Traffic Prevention
Assets					
Cash and cash equivalents	\$ 15,781	\$ 62,521	\$ 54,533	\$ 16,497	\$ 10,585
Other receivables	-	-	-	-	-
Internal receivables	1,060	4,127	976	-	-
Total Assets	\$ 16,841	\$ 66,648	\$ 55,509	\$ 16,497	\$ 10,585
Liabilities					
Accounts payable	\$ -	\$ 10,750	\$ -	\$ -	\$ -
Held in trust for others	-	-	-	-	-
Total Liabilities	\$ -	\$ 10,750	\$ -	\$ -	\$ -
Fund Balances/Net Assets					
<i>Fund Balances:</i>					
Reserved for jail	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	16,841	55,898	55,509	16,497	10,585
Total Fund Balances	\$ 16,841	\$ 55,898	\$ 55,509	\$ 16,497	\$ 10,585
Total Liabilities and Fund Balances	\$ 16,841	\$ 66,648	\$ 55,509	\$ 16,497	\$ 10,585

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Balance Sheet
Nonmajor Government Funds (Concluded)
November 30, 2009

Working Cash	Economic Loan	Court Document	Tax Sale Automation	Total Nonmajor
\$ 149,911	\$ 263,481	\$ 45,313	\$ 33,791	\$ 1,107,929
-	238,946	-	-	244,129
-	80,000	-	-	92,273
<u>\$ 149,911</u>	<u>\$ 582,427</u>	<u>\$ 45,313</u>	<u>\$ 33,791</u>	<u>\$ 1,444,331</u>
\$ -	\$ -	\$ -	\$ -	\$ 36,951
-	-	-	-	3,877
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,828</u>
\$ -	\$ -	\$ -	\$ -	\$ 17,755
149,911	582,427	45,313	33,791	1,385,748
<u>\$ 149,911</u>	<u>\$ 582,427</u>	<u>\$ 45,313</u>	<u>\$ 33,791</u>	<u>\$ 1,403,503</u>
<u>\$ 149,911</u>	<u>\$ 582,427</u>	<u>\$ 45,313</u>	<u>\$ 33,791</u>	<u>\$ 1,444,331</u>

	<u>Inmate & Commissary</u>	<u>Animal Control</u>	<u>Law Library</u>	<u>2008 Flood</u>	<u>Child Support</u>	<u>IDPA</u>
Revenues						
Licenses and permits	\$ -	\$ 21,938	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	49,978	-	192	-
Charges for services	8,181	-	-	-	-	3,934
Intergovernmental	-	-	-	5,183	-	17,932
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total Revenues	<u>\$ 8,181</u>	<u>\$ 21,938</u>	<u>\$ 49,978</u>	<u>\$ 5,183</u>	<u>\$ 192</u>	<u>\$ 21,866</u>
Expenditures						
<i>Current:</i>						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	23,274	-	-	-	-	-
Public works	-	-	-	-	-	-
Judicial and courts	-	-	40,303	-	-	3,093
Health and sanitation	-	-	-	-	-	-
<i>Capital Outlay</i>	-	-	-	-	-	-
Total Expenditures	<u>\$ 23,274</u>	<u>\$ -</u>	<u>\$ 40,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,093</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (15,093)</u>	<u>\$ 21,938</u>	<u>\$ 9,675</u>	<u>\$ 5,183</u>	<u>\$ 192</u>	<u>\$ 18,773</u>
Other Financing Sources (Uses)						
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	-	(19,124)	(4,800)	-	(696)	(20,351)
Total Other Financing Sources and Uses	<u>\$ -</u>	<u>\$ (19,124)</u>	<u>\$ (4,800)</u>	<u>\$ -</u>	<u>\$ (696)</u>	<u>\$ (20,351)</u>
Net change in Fund Balances	<u>\$ (15,093)</u>	<u>\$ 2,814</u>	<u>\$ 4,875</u>	<u>\$ 5,183</u>	<u>\$ (504)</u>	<u>\$ (1,578)</u>
Fund Balances:						
December 1, 2008	<u>32,848</u>	<u>19,124</u>	<u>6,823</u>	<u>31,246</u>	<u>681</u>	<u>12,015</u>
November 30, 2009	<u>\$ 17,755</u>	<u>\$ 21,938</u>	<u>\$ 11,698</u>	<u>\$ 36,429</u>	<u>\$ 177</u>	<u>\$ 10,437</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Government Funds
 For the Year Ended November 30, 2009

Court Automation	Court Finance	Probation	Road District Revolving	Flood Control	GIS	DUI Equipment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
75,888	122,131	180,772	-	-	137,286	6,078
-	-	-	-	-	-	-
-	-	-	97,741	56,726	-	-
-	-	-	1,155	-	1,180	-
<u>\$ 75,888</u>	<u>\$ 122,131</u>	<u>\$ 180,772</u>	<u>\$ 98,896</u>	<u>\$ 56,726</u>	<u>\$ 138,466</u>	<u>\$ 6,078</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	4,425
-	-	-	170,416	44,160	166,573	-
32,929	75,969	143,434	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 32,929</u>	<u>\$ 75,969</u>	<u>\$ 143,434</u>	<u>\$ 170,416</u>	<u>\$ 44,160</u>	<u>\$ 166,573</u>	<u>\$ 4,425</u>
<u>\$ 42,959</u>	<u>\$ 46,162</u>	<u>\$ 37,338</u>	<u>\$ (71,520)</u>	<u>\$ 12,566</u>	<u>\$ (28,107)</u>	<u>\$ 1,653</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27,000)	(30,000)	(60,000)	-	-	-	-
<u>\$ (27,000)</u>	<u>\$ (30,000)</u>	<u>\$ (60,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 15,959</u>	<u>\$ 16,162</u>	<u>\$ (22,662)</u>	<u>\$ (71,520)</u>	<u>\$ 12,566</u>	<u>\$ (28,107)</u>	<u>\$ 1,653</u>
77,847	7,867	91,906	117,338	11,791	99,227	8,270
<u>\$ 93,806</u>	<u>\$ 24,029</u>	<u>\$ 69,244</u>	<u>\$ 45,818</u>	<u>\$ 24,357</u>	<u>\$ 71,120</u>	<u>\$ 9,923</u>

	Recorder GIS	Recorder Equipment	County Clerk Equipment	Drug Enforcement	Drug Traffic Prevention
Revenues					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	5,055	16,212
Charges for services	15,555	54,982	20,130	-	-
Intergovernmental	-	-	-	-	-
Investment earnings	-	-	-	-	91
Total Revenues	<u>\$ 15,555</u>	<u>\$ 54,982</u>	<u>\$ 20,130</u>	<u>\$ 5,055</u>	<u>\$ 16,303</u>
Expenditures					
<i>Current:</i>					
General government	\$ -	\$ 24,270	\$ 540	\$ -	\$ -
Public safety	-	-	-	-	10,648
Public works	-	-	-	-	-
Judicial and courts	-	-	-	-	-
<i>Capital Outlay</i>	-	10,750	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 35,020</u>	<u>\$ 540</u>	<u>\$ -</u>	<u>\$ 10,648</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 15,555</u>	<u>\$ 19,962</u>	<u>\$ 19,590</u>	<u>\$ 5,055</u>	<u>\$ 5,655</u>
Other Financing Sources (Uses)					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	(12,000)	(37,800)	-	(3,000)	-
Total Other Financing Sources and Uses	<u>\$ (12,000)</u>	<u>\$ (37,800)</u>	<u>\$ -</u>	<u>\$ (3,000)</u>	<u>\$ -</u>
Net change in Fund Balances	<u>\$ 3,555</u>	<u>\$ (17,838)</u>	<u>\$ 19,590</u>	<u>\$ 2,055</u>	<u>\$ 5,655</u>
Fund Balances:					
December 1, 2008	13,286	73,736	35,919	14,442	4,930
November 30, 2009	<u>\$ 16,841</u>	<u>\$ 55,898</u>	<u>\$ 55,509</u>	<u>\$ 16,497</u>	<u>\$ 10,585</u>

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Government Funds (Concluded)
 For the Year Ended November 30, 2009

Working Cash	Economic Loan	Court Document	Tax Sale Automation	Total Nonmajor
\$ -	\$ -	\$ -	\$ -	\$ 21,938
-	-	75,307	20,832	689,731
-	-	-	-	102,782
-	-	-	-	177,582
-	-	-	-	-
-	10,843	-	-	13,269
<u>\$ -</u>	<u>\$ 10,843</u>	<u>\$ 75,307</u>	<u>\$ 20,832</u>	<u>\$ 1,005,302</u>
\$ -	\$ 418	\$ -	\$ 3,284	\$ 28,512
-	-	-	-	38,347
-	-	-	-	381,149
-	-	-	-	295,728
-	-	-	-	-
-	-	-	-	10,750
<u>\$ -</u>	<u>\$ 418</u>	<u>\$ -</u>	<u>\$ 3,284</u>	<u>\$ 754,486</u>
<u>\$ -</u>	<u>\$ 10,425</u>	<u>\$ 75,307</u>	<u>\$ 17,548</u>	<u>\$ 250,816</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	(79,200)	(12,000)	(305,971)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (79,200)</u>	<u>\$ (12,000)</u>	<u>\$ (305,971)</u>
<u>\$ -</u>	<u>\$ 10,425</u>	<u>\$ (3,893)</u>	<u>\$ 5,548</u>	<u>\$ (55,155)</u>
149,911	572,002	49,206	28,243	1,458,658
<u>\$ 149,911</u>	<u>\$ 582,427</u>	<u>\$ 45,313</u>	<u>\$ 33,791</u>	<u>\$ 1,403,503</u>

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
County Collector Tax Funds				
Assets				
Cash	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417
Total Assets	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417
Liabilities				
Protested and other property taxes held	\$ 93,625	\$ 118,964	\$ 106,432	\$ 106,157
Interest and fees to be distributed	58,801	39,722	97,243	1,280
Held in trust for others	1,601	4,677	6,278	-
Due to other governments	146,850	113,189,629	113,335,879	600
Due to others	5,295	792	3,707	2,380
Total Liabilities	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
State Inheritance Tax Fund				
Assets				
Cash	\$ -	\$ 1,438,432	\$ 1,438,432	\$ -
Total Assets	\$ -	\$ 1,438,432	\$ 1,438,432	\$ -
Liabilities				
Held in trust for others	\$ -	\$ 1,438,432	\$ 1,438,432	\$ -
Total Liabilities	\$ -	\$ 1,438,432	\$ 1,438,432	\$ -

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Motel Operators Tax				
Assets				
Cash	\$ 404	\$ 11,995	\$ 12,334	\$ 65
Total Assets	\$ 404	\$ 11,995	\$ 12,334	\$ 65
Liabilities				
Held in trust for others	\$ 404	\$ 11,995	\$ 12,334	\$ 65
Total Liabilities	\$ 404	\$ 11,995	\$ 12,334	\$ 65

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Motor Fuel Tax Township Road Districts Fund				
Assets				
Cash	\$ 10,801	\$ 1,614,196	\$ 1,573,484	\$ 51,513
Investments, at cost	1,177,909	-	160,383	1,017,526
Due from other governments	100,741	163,018	100,741	163,018
Total Assets	\$ 1,289,451	\$ 1,777,214	\$ 1,834,608	\$ 1,232,057
Liabilities				
Due to others	\$ 169,528	\$ 168,251	\$ 169,528	\$ 168,251
Due to other governments	-	-	-	-
Held in trust for others	1,119,923	1,778,491	1,834,608	1,063,806
Total Liabilities	\$ 1,289,451	\$ 1,946,742	\$ 2,004,136	\$ 1,232,057

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Township Bridge Fund				
Assets				
Cash	\$ 138,565	\$ 271,997	\$ 125,942	\$ 284,620
Investments, at cost	252,861	-	252,861	-
Total Assets	\$ 391,426	\$ 271,997	\$ 378,803	\$ 284,620
Liabilities				
Held in trust for others	\$ 391,426	\$ 271,997	\$ 378,803	\$ 284,620
Total Liabilities	\$ 391,426	\$ 271,997	\$ 378,803	\$ 284,620

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Sheriff Accounts (DARE & Calendar)				
Assets				
Cash	\$ 3,959	\$ 3,139	\$ 3,258	\$ 3,840
Total Assets	\$ 3,959	\$ 3,139	\$ 3,258	\$ 3,840
Liabilities				
Held in trust for others	\$ 3,959	\$ 3,139	\$ 3,258	\$ 3,840
Total Liabilities	\$ 3,959	\$ 3,139	\$ 3,258	\$ 3,840

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Condemnation Proceeds Fund</i>				
Assets				
Cash	\$ 4,000	\$ -	\$ -	\$ 4,000
Total Assets	\$ 4,000	\$ -	\$ -	\$ 4,000
Liabilities				
Held in trust for others	\$ 4,000	\$ -	\$ -	\$ 4,000
Total Liabilities	\$ 4,000	\$ -	\$ -	\$ 4,000

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Unclaimed Money Fund</i>				
Assets				
Cash	\$ 20,869	\$ 32,402	\$ 11,621	\$ 41,650
Total Assets	\$ 20,869	\$ 32,402	\$ 11,621	\$ 41,650
Liabilities				
Held in trust for others	\$ 20,869	\$ 32,402	\$ 11,621	\$ 41,650
Total Liabilities	\$ 20,869	\$ 32,402	\$ 11,621	\$ 41,650

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Adams County Cooperative Extension Fund</i>				
Assets				
Cash	\$ 156	\$ 134,283	\$ 134,439	\$ -
Taxes receivable	142	-	142	-
Total Assets	\$ 298	\$ 134,283	\$ 134,581	\$ -
Liabilities				
Due to others	\$ 298	\$ 134,283	\$ 134,581	\$ -
Total Liabilities	\$ 298	\$ 134,283	\$ 134,581	\$ -

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Arrestee's Medical Costs				
Assets				
Cash	\$ 2,049	\$ 12,772	\$ 9,000	\$ 5,821
Total Assets	\$ 2,049	\$ 12,772	\$ 9,000	\$ 5,821
Liabilities				
Held in trust for others	\$ 2,049	\$ 12,772	\$ 9,000	\$ 5,821
Total Liabilities	\$ 2,049	\$ 12,772	\$ 9,000	\$ 5,821

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Adams County Benevolent Fund				
Assets				
Cash	\$ 3,710	\$ 92	\$ -	\$ 3,802
Total Assets	\$ 3,710	\$ 92	\$ -	\$ 3,802
Liabilities				
Held in trust for others	\$ 3,710	\$ 92	\$ -	\$ 3,802
Total Liabilities	\$ 3,710	\$ 92	\$ -	\$ 3,802

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Adams County Developmentally Disabled				
Assets				
Cash	\$ 453	\$ 683,473	\$ 683,926	\$ -
Taxes receivable	412	-	412	-
Total Assets	\$ 865	\$ 683,473	\$ 684,338	\$ -
Liabilities				
Held in trust for others	\$ 865	\$ 683,473	\$ 684,338	\$ -
Total Liabilities	\$ 865	\$ 683,473	\$ 684,338	\$ -

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Concluded)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Medical Insurance				
Assets				
Cash	\$ 448,588	\$ 1,931,596	\$ 1,949,026	\$ 431,158
Total Assets	\$ 448,588	\$ 1,931,596	\$ 1,949,026	\$ 431,158
Liabilities				
Held in trust for others	\$ 445,438	\$ 1,931,596	\$ 1,945,876	\$ 431,158
Due to other funds	3,150	-	3,150	-
Total Liabilities	\$ 448,588	\$ 1,931,596	\$ 1,949,026	\$ 431,158
Total - All Agency Funds				
Assets				
Cash	\$ 939,726	\$ 119,488,161	\$ 119,491,001	\$ 936,886
Investments, at cost	1,430,770	-	413,244	1,017,526
Taxes receivable	554	-	554	-
Due from other governments	100,741	163,018	100,741	163,018
Total Assets	\$ 2,471,791	\$ 119,651,179	\$ 120,005,540	\$ 2,117,430
Liabilities				
Protested and held taxes	\$ 93,625	\$ 118,964	\$ 106,432	\$ 106,157
Interest and fees	58,801	39,722	97,243	1,280
Held in trust for others	1,994,244	6,169,066	6,324,548	1,838,762
Due to other governments	146,850	113,189,629	113,335,879	600
Due to others	178,271	303,326	310,966	170,631
Total Liabilities	\$ 2,471,791	\$ 119,820,707	\$ 120,175,068	\$ 2,117,430

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All County Collector Tax Agency Funds
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Trustee Payment Account				
Assets				
Cash	\$ 1,601	\$ 4,677	\$ 6,278	\$ -
Total Assets	\$ 1,601	\$ 4,677	\$ 6,278	\$ -
Liabilities				
Held in trust for others	\$ 1,601	\$ 4,677	\$ 6,278	\$ -
Total Liabilities	\$ 1,601	\$ 4,677	\$ 6,278	\$ -

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Prior Year Tax Accounts				
Assets				
Cash	\$ 203,273	\$ 51,360,672	\$ 51,562,788	\$ 1,157
Total Assets	\$ 203,273	\$ 51,360,672	\$ 51,562,788	\$ 1,157
Liabilities				
Interest and fees to be distributed	\$ 58,143	\$ 34,760	\$ 91,746	\$ 1,157
Due to other governments	145,130	51,325,912	51,471,042	-
Total Liabilities	\$ 203,273	\$ 51,360,672	\$ 51,562,788	\$ 1,157

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
2008 Tax Account				
Assets				
Cash	\$ 658	\$ 61,786,020	\$ 61,786,555	\$ 123
Total Assets	\$ 658	\$ 61,786,020	\$ 61,786,555	\$ 123
Liabilities				
Interest and fees to be distributed	\$ 658	\$ 4,892	\$ 5,427	\$ 123
Due to other governments	-	61,781,128	61,781,128	-
Total Liabilities	\$ 658	\$ 61,786,020	\$ 61,786,555	\$ 123

The accompanying notes are an integral part of these financial statements.

Statistical Section

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All County Collector Tax Agency Funds (Continued)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Tax Redemption Revolving Fund</i>				
Assets				
Cash	\$ 5,295	\$ 792	\$ 3,707	\$ 2,380
Total Assets	\$ 5,295	\$ 792	\$ 3,707	\$ 2,380
Liabilities				
Due to others	\$ 5,295	\$ 792	\$ 3,707	\$ 2,380
Total Liabilities	\$ 5,295	\$ 792	\$ 3,707	\$ 2,380

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Mobile Home Local Services Tax Account</i>				
Assets				
Cash	\$ 1,720	\$ 82,589	\$ 83,709	\$ 600
Total Assets	\$ 1,720	\$ 82,589	\$ 83,709	\$ 600
Liabilities				
Due to other governments	1,720	82,589	83,709	600
Total Liabilities	\$ 1,720	\$ 82,589	\$ 83,709	\$ 600

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
<i>Special Tax Account</i>				
Assets				
Cash	\$ 5,197	\$ 101,305	\$ 106,502	\$ -
Total Assets	\$ 5,197	\$ 101,305	\$ 106,502	\$ -
Liabilities				
Protested and other property taxes held	\$ 5,197	\$ 101,235	\$ 106,432	\$ -
Interest and fees to be distributed	-	70	70	-
Total Liabilities	\$ 5,197	\$ 101,305	\$ 106,502	\$ -

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Combining Statement of Changes in Assets and Liabilities
All County Collector Tax Agency Funds (Concluded)
Year Ended November 30, 2009

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
Tax Sale in Error				
Assets				
Cash	\$ 88,428	\$ 17,729	\$ -	\$ 106,157
Total Assets	\$ 88,428	\$ 17,729	\$ -	\$ 106,157
Liabilities				
Protested and other property taxes held	\$ 88,428	\$ 17,729	\$ -	\$ 106,157
Total Liabilities	\$ 88,428	\$ 17,729	\$ -	\$ 106,157

	Balance 12/01/2008	Additions	Deductions	Balance 11/30/2009
All County Collector Tax Agency Funds				
Assets				
Cash	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417
Total Assets	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417
Liabilities				
Protested and other property taxes held	\$ 93,625	\$ 118,964	\$ 106,432	\$ 106,157
Interest and fees to be distributed	58,801	39,722	97,243	1,280
Held in trust for others	1,601	4,677	6,278	-
Due to other governments	146,850	113,189,629	113,335,879	600
Due to others	5,295	792	3,707	2,380
Total Liabilities	\$ 306,172	\$ 113,353,784	\$ 113,549,539	\$ 110,417

The accompanying notes are an integral part of these financial statements.

Adams County, Illinois
Valuations, Tax Extensions and Collections - All Governmental Units
 Tax Levy Years 2008, 2007 and 2006

	<u>Levy Year 2006</u>	<u>Levy Year 2007</u>	<u>Levy Year 2008</u>
Equalized Assessed Valuations			
Residential	\$ 535,124,738	\$ 574,779,868	\$ 606,033,967
Farm	83,121,134	85,750,807	92,538,285
Commercial	159,326,724	166,240,377	180,849,783
Industrial	30,777,305	33,723,792	35,329,656
Total Real Estate	<u>\$ 808,349,901</u>	<u>\$ 860,494,844</u>	<u>\$ 914,751,691</u>
Railroads	2,427,467	2,722,621	3,117,697
Tax Increment Financing (TIF)	3,484,858	4,167,220	5,257,221
Total Assessed Valuations	<u>\$ 814,262,226</u>	<u>\$ 867,384,685</u>	<u>\$ 923,126,609</u>
State Equalization Factor	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>
Total Equalized Assessed Valuations	<u><u>\$ 814,262,226</u></u>	<u><u>\$ 867,384,685</u></u>	<u><u>\$ 923,126,609</u></u>
Tax Extensions			
County	\$ 7,211,621	\$ 7,558,677	\$ 7,928,464
Townships or road districts	2,790,906	2,921,546	3,144,070
Cities, villages and incorporated towns	5,032,227	5,271,218	5,573,938
School districts	37,106,886	38,167,611	40,661,944
Fire protection districts	1,167,199	1,183,508	1,293,670
Park districts	2,540,218	2,621,226	2,594,244
Library districts	460,997	488,906	511,701
Multi-township districts	45,084	45,368	46,235
Street lighting districts	4,001	7,000	13,526
Total Taxes Extended	<u><u>\$ 56,359,139</u></u>	<u><u>\$ 58,265,060</u></u>	<u><u>\$ 61,767,792</u></u>

Adams County, Illinois
Valuations, Tax Extensions and Collections - Adams County
 Tax Levy Years 2008, 2007 and 2006

	Levy Year 2006	Levy Year 2007	Levy Year 2008
Equalized Assessed Valuations			
Total Assessed Valuations	\$ 814,262,226	\$ 867,384,685	\$ 923,126,609
Tax Increment Financing (TIF)	3,484,858	4,167,220	5,257,221
Total Equalized Assessed Valuations	\$ 810,777,368	\$ 863,217,465	\$ 917,869,388
Tax Extensions by Fund			
General	\$ 1,443,508	\$ 2,330,687	\$ 2,385,634
Social Security	1,075,902	980,011	907,956
Municipal Retirement	1,265,380	598,296	1,031,043
Tort Judgment/Liability	592,678	413,309	380,916
County Highway	809,318	863,217	916,309
County Bridge	404,659	387,498	408,177
County Matching	404,659	431,609	458,200
County Health	496,301	476,582	50,024
TB Care and Treatment	74,024	74,064	74,072
Ambulance	165,074	500,062	500,055
(a) Mental Health/Developmentally Disabled	351,067	374,291	682,069
(a) Extension Education	129,076	129,051	134,000
Total Taxes Extended	\$ 7,211,646	\$ 7,558,677	\$ 7,928,455
Additional Collections:			
Back Taxes	166	1,645	1,370
Tax Auction	406	1,122	529
Payments in Lieu of Taxes	10,081	10,064	7,089
Deductions:			
Billing Adjustments	3,047	6,040	6,040
(a) Mental Health/Developmentally Disabled	(350,594)	(374,196)	(680,851)
(a) Extension Education	(128,899)	(129,017)	(133,767)
Uncollected/Forfeited Taxes	(23,480)	(20,775)	(29,191)
	\$ 6,722,373	\$ 7,053,560	\$ 7,099,674

Adams County, Illinois
Valuations, Tax Extensions and Collections - Adams County (Concluded)
 Tax Levy Years 2008, 2007 and 2006

	Levy Year 2006	Levy Year 2007	Levy Year 2008
Tax Rates by Fund (per \$100 EAV)			
General	\$ 0.17804	\$ 0.27000	\$ 0.25991
Social Security	0.13270	0.11353	0.09892
Municipal Retirement	0.15607	0.06931	0.11233
Tort Judgment/Liability	0.07310	0.04788	0.04150
County Highway	0.09982	0.10000	0.09983
County Bridge	0.04991	0.04489	0.04447
County Matching	0.04991	0.05000	0.04992
County Health	0.06121	0.05521	0.00545
TB Care and Treatment	0.00913	0.00858	0.00807
Ambulance	0.02036	0.05793	0.05448
Total County Funds Tax Rate	\$ 0.83025	\$ 0.81733	\$ 0.77488
(a) Mental Health/Developmentally Disabled	0.04330	0.04336	0.07431
(a) Extension Education	0.01592	0.01495	0.01460
Total Taxes Extended Tax Rate	\$ 0.88947	\$ 0.87564	\$ 0.86379
Tax Distributions by Fund			
General	\$ 1,441,554	\$ 2,330,101	\$ 2,381,371
Social Security	1,074,447	979,766	906,337
Illinois Municipal Retirement	1,263,668	598,149	1,029,198
Liability Insurance	591,878	413,204	380,234
County Highway	808,222	862,999	914,671
County Bridge	404,111	387,398	407,444
County Matching	404,111	431,499	457,383
County Health	495,604	476,462	49,931
Tuberculosis Treatment Board	73,927	74,049	73,943
Ambulance	164,851	499,933	499,162
	\$ 6,722,373	\$ 7,053,560	\$ 7,099,674

- (a) Adams County extends real estate taxes on behalf of the Adams County Cooperative Extension Service (Extension Education) and Transitions of Western Illinois (Mental Health/Developmentally Disabled). These agencies have been determined to not be component units of Adams County.

Adams County, Illinois
General Obligation Bonds - Debt Service Schedule
November 30, 2009

\$8,180,000 General Obligation Bonds, Series 2008

<u>Date</u>	<u>Coupon</u>	<u>Principal</u>	<u>Interest</u>	<u>Fiscal Year Total</u>
2/15/2009	3.250%	\$ 380,000	\$ 126,529	
8/15/2009		-	156,506	\$ 663,035
2/15/2010	3.250%	300,000	156,506	
8/15/2010		-	151,631	608,137
2/15/2011	3.250%	300,000	151,631	
8/15/2011		-	146,756	598,387
2/15/2012	3.250%	300,000	146,756	
8/15/2012		-	141,881	588,637
2/15/2013	3.250%	315,000	141,881	
8/15/2013		-	136,762	593,643
2/15/2014	4.000%	325,000	136,762	
8/15/2014		-	130,262	592,024
2/15/2015	4.000%	340,000	130,262	
8/15/2015		-	123,462	593,724
2/15/2016	4.000%	355,000	123,462	
8/15/2016		-	116,362	594,824
2/15/2017	4.000%	370,000	116,362	
8/15/2017		-	108,962	595,324
2/15/2018	4.000%	385,000	108,962	
8/15/2018		-	101,262	595,224
2/15/2019	4.000%	400,000	101,262	
8/15/2019		-	93,262	594,524
2/15/2020	4.000%	415,000	93,262	
8/15/2020		-	84,962	593,224
2/15/2021	4.100%	430,000	84,962	
8/15/2021		-	76,147	591,109
2/15/2022	4.100%	445,000	76,147	
8/15/2022		-	67,024	588,171
2/15/2023	4.200%	465,000	67,024	
8/15/2023		-	57,259	589,283
2/15/2024	4.200%	490,000	57,259	
8/15/2024		-	46,969	594,228
2/15/2025	4.300%	510,000	46,969	
8/15/2025		-	36,004	592,973
2/15/2026	4.300%	530,000	36,004	
8/15/2026		-	24,609	590,613
2/15/2027	4.375%	550,000	24,609	
8/15/2027		-	12,578	587,187
2/15/2028	4.375%	575,000	12,578	587,578
		<u>\$ 8,180,000</u>	<u>\$ 3,751,849</u>	<u>\$ 11,931,849</u>

Federal Compliance Section

Adams County, Illinois
Schedule of Expenditures of Federal Awards
Year Ended November 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
<i>Passed Through Illinois State Board of Education</i>			
Commodity Supplemental Food Program	10.565	00100900A2010	\$ 4,603
	10.565	00100900A2009	4,547
			<u>\$ 9,150</u>
School Breakfast Program	10.553	2010-4220-00-01001005P00	\$ 1,141
	10.553	2009-4220-00-01001005P00	6,957
			<u>\$ 8,098</u>
National School Lunch Program	10.555	2010-4210-00-01001005P00	\$ 2,218
	10.555	2009-4210-00-01001005P00	13,499
			<u>\$ 15,717</u>
Child and Adult Care Food Program	10.558	2010-4226-00-01001005P00	\$ 4,965
	10.558	2009-4226-00-01001005P00	12,313
			<u>\$ 17,278</u>
			<u>\$ 50,243</u>
<i>Total Passed Through Illinois State Board of Education</i>			
<i>Passed Through Illinois Department of Human Services</i>			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	11GL010000	\$ 125,326
	10.557	11GK010000	155,691
	10.557	376000379	838,870
			<u>M \$ 1,119,887</u>
			<u>\$ 1,119,887</u>
<i>Total Passed Through Illinois Department of Human Services</i>			
<i>Passed Through Illinois Department of Public Health</i>			
Summer Food Service Program for Children	10.559	001072	\$ 300
Total U.S. Department of Agriculture			<u>\$ 1,170,430</u>
U.S. Department of Justice			
<i>Passed Through Illinois Department of Human Services</i>			
Juvenile Justice and Delinquency Prevention	16.540	11GL010000	\$ 765
	16.540	11GK009000	598
			<u>\$ 1,363</u>
<i>Total Passed Through Illinois Department of Human Services</i>			
<i>Passed through to the West Central Illinois Task Force</i>			
Community Prosecution and Project Safe Neighborhoods	16.609	108001	\$ 8,997
Edward Byrne Memorial Justice Assistance Program	16.738	406019	\$ 88,389
	16.738	407019	44,463
			<u>\$ 132,852</u>
			<u>\$ 141,849</u>
<i>Total Passed through to the West Central Illinois Task Force</i>			
<i>Total Passed Through Illinois Criminal Justice Information Agency</i>			
Public Safety Partnership and Community Policing Grants	16.710	2008-CK-WX-0843	\$ 279,747
	16.710	2008-CK-WX-0481	274,799
			<u>M \$ 554,546</u>
Total U.S. Department of Justice			<u>\$ 697,758</u>

Adams County, Illinois
Schedule of Expenditures of Federal Awards
Year Ended November 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Transportation			
<i>Passed through Illinois Emergency Management Agency</i>			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	0224201	\$ 12,516
Total U.S. Department of Transportation			\$ 12,516
Environmental Protection Agency			
<i>Passed through Illinois Emergency Management Agency</i>			
Performance Partnership Grants	66.605	001072	\$ 375
Total Environmental Protection Agency			\$ 375
U.S. Department of Health and Human Services			
Drug-Free Communities Support Program Grants	93.276	2H79-SP12308-06	\$ 113,806
	93.276	5H79-SP012308-07	8,082
			\$ 121,888
<i>Passed Through Illinois Department of Human Services</i>			
Maternal and Child Health Services Block Grant	93.994	11GL010000	\$ 8,913
	93.994	11GK010000	29,676
			\$ 38,589
Temporary Assistance for Needy Families	93.558	11GL010000	\$ 35,763
	93.558	11GK010000	130,182
			\$ 165,945
Child Care & Development Block Grant	93.575	11GL010000	\$ 15,720
	93.575	11GK010000	16,189
			\$ 31,909
Substance Abuse & Mental Health Services	93.243	11GL010000	\$ 24,753
	93.243	11GK010000	74,923
			\$ 99,676
<i>Total Passed Through Illinois Department of Human Services</i>			\$ 336,119
<i>Passed Through Illinois Department of Public Health</i>			
Immunization Grants (Non-Cash)	93.268	001072	\$ 435,201
	93.268	Refrigeration	1,380
			\$ 436,581
Public Health Emergency Preparedness	93.069	07181001	\$ 25,070
	93.069	97181001	37,519
	93.069	07181123	32,755
	93.069	07181218	41,735
			\$ 137,079
Centers for Disease Control & Prevention	93.283	06180002	\$ 93,147
	93.283	95380197	5,000
			\$ 98,147
<i>Total Passed Through Illinois Department of Public Health</i>			\$ 671,807
<i>Passed Through Southern Illinois University School of Medicine</i>			
HIV Care Formula Grants	93.917	376000379	\$ 7,806
<i>Total Passed Through Southern Illinois University School of Medicine</i>			\$ 7,806

Adams County, Illinois
Schedule of Expenditures of Federal Awards
Year Ended November 30, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<i>Passed Through National Association of City and County Health Officials</i>			
Medical Reserve Corps Small Grant Program	93.008	MRC090187	\$ 10,000
<i>Total Passed Through National Association of City and County Health Officials</i>			<u>\$ 10,000</u>
<i>Passed Through Illinois Department of Healthcare & Family Services</i>			
Child Support Enforcement	93.563	Circuit Clerk	\$ 13,834
Medical Assistance Program	93.778		\$ 76,179
<i>Total Passed Through Illinois Department of Healthcare & Family Services</i>			<u>\$ 90,013</u>
Total U.S. Department of Health and Human Services			<u>\$ 1,237,633</u>
Department of Homeland Security			
<i>Passed Through Illinois Emergency Management Agency</i>			
Emergency Management Performance Grants	97.042	08-09	\$ 28,512
Homeland Security Grant Program	97.067	Citizen Corps	\$ 18,763
	97.067	EOC Grant	14,938
			<u>\$ 33,701</u>
Disaster Grants - Public Assistance	97.036	2008 Flood - HWY	\$ 455,252
	97.036	2008 Flood - Other	5,183
			<u>\$ 460,435</u>
Total Department of Homeland Security			<u>\$ 522,648</u>
Total Expenditures of Federal Awards			<u><u>\$ 3,641,360</u></u>

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Adams County, Illinois and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements

2. Subrecipients

Adams County, Illinois received federal awards on behalf of others. The County provided these federal awards to the following subrecipients:

Subrecipient/Program Title	Grant Number	Amount Provided
West Central Illinois Drug Task Force		
Byrne Formula Grant Program	108001	\$ 8,997
CFDA #16.738 & 16.609	406019	88,389
	407019	44,463
		\$ 141,849

3. Non-Monetary Federal Awards

Non-monetary assistance is reported in the Schedule of Expenditures of Federal Awards at the fair market value of the commodities received and disbursed. During the year ended November 30, 2009, Non-monetary federal awards were received as follows:

Program Title	CFDA #	Fair Market Value
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	\$ 838,870
Donated Food	10.550	9,150
Immunization Grants	93.268	435,201
		\$ 1,283,221

At November 30, 2009, the County had immunizations with an estimated fair market value of \$91,934 in inventory.

4. Insurance

As of and for the year ended November 30, 2009, Adams County had no federal insurance in effect.

5. Federal Loans or Loan Guarantees

As of and for the year ended November 30, 2009, Adams County had no federal loans or loan guarantees.

1. Summary of Auditors' Results

- A. The auditors' report on the financial statements of governmental activities of Adams County, Illinois was qualified due to a scope limitation.
- B. Five significant deficiencies in internal control over financial reporting disclosed during the audit of the financial statements are reported in accordance with *Government Auditing Standards*. Three deficiencies are reported as material weaknesses and four are repeat findings.
- C. One instance of noncompliance with laws and regulations are reported in accordance with *Government Auditing Standards*.
- D. No significant deficiencies were disclosed during the audit of internal control over major federal award programs of Adams County, Illinois.
- E. The auditors' report on compliance for the major federal award programs for Adams County, Illinois expresses an unqualified opinion on all major federal programs.
- F. No audit findings relative to the major federal award programs for Adams County, Illinois were noted.
- G. The programs tested as major programs included the following programs:
 - Special Supplemental Nutrition Program for Women, Infants and Children (CFDA #10.557)
 - Public Safety Partnership and Community Policing Grants (CFDA #16.710)
 - Immunizations (CFDA #93.268)
 - Disaster Grants – Public Assistance (CFDA #97.036)
- H. The threshold for distinguishing Types A and B programs was \$300,000.
- I. Adams County, Illinois qualified as a low-risk auditee.

2. Findings – Financial Statement Audit

Material Weaknesses

Finding 2009-01 – Journal Entries (Repeat Finding)

Condition:

The County Clerk's office processes payroll using a third-party vendor (ADP) and receives a journal entry to record payroll in the general ledger. During the course of our audit, we noted that a number of these journal entries were altered before being posted. An examination of a sample of journal entries from each office revealed a higher number of errors and error corrections from these journal entries. Also, we found journal entries are posted without proper documentation and approval.

Reason Improvement Needed:

All transactions, whether generated by deposit, voucher or journal entry should have adequate documentation to support the transaction. In the case of journal entries, the documentation should be either attached to the entry, or readily available to support the entry. Non-related transactions should be made as separate entries to avoid confusion and simplify reconciliation. All journal entries should be reviewed and approved by someone other than the person initiating the journal entry before being made to reduce the risk of error, whether intentional or inadvertent. Journal entries should only be posted by the County Treasurer's office as they have ultimate custody of the general ledger.

Cause of Condition:

The County utilizes a de-centralized accounting system, with the general ledger being maintained by the County Treasurer's office. The County Clerk has access to, and utilizes the information in, the payroll entry as a short-cut to posting error corrections in the general ledger. The entries generated by the County Clerk are not reviewed for accuracy or appropriateness by someone other than the Clerk before being posted.

2. Findings – Financial Statement Audit (Continued)

Material Weaknesses (Continued)

Finding 2009-01 – Journal Entries (Repeat Finding) (Concluded)

Effect of Condition:

By changing amounts in the entry generated from information provided by the County's third party payroll provider, errors and error corrections become more difficult to locate and correct. Without adequate documentation to support the non-payroll related portion of these journal entries, no determination as to whether the entries are proper and reasonable can be made by the Treasurer's office before posting.

Recommendation:

We recommend that access to journal entry posting be restricted to only the County Treasurer's office and all journal entries, payroll and adjusting, be proposed, approved by the appropriate personnel and forwarded to the Treasurer's office with supporting documentation for posting. Entries provided by ADP to properly record payroll in the various funds and accounts should be forwarded directly to the County Treasurer's office for posting. Any subsequent adjustments that need to be made should be posted separately using the process explained above. A standard form can be used for recurring journal entries that are routinely posted. These should also be approved before posting.

Costs and Benefits of Recommended Action:

Costs associated with restricting journal entry posting access to the Treasurer's office would include extra time spent by that office's personnel. However, this would be offset by reducing the time spent researching entries made with no supporting documentation. The benefits include better financial reporting, fewer error corrections as a result of proper supervision and simplification of the reconciliation process when errors do occur. Implementation of this recommendation and better communication between offices will reduce the amount of time spent researching errors and irregularities and improve productivity.

Management's Response:

Systems and software capabilities are being analyzed to remove the automatic upload to the general ledger and send the information to the Treasurer's office to post.

Finding 2009-02 – Inmate Commissary Fund (Repeat Finding)

Condition:

The Adams County Sheriff's Department maintains an "Inmate Commissary Fund" in which incarcerated individuals are allowed to purchase items that are not supplied by the jail in accordance with Section 701.250 of the Illinois County Jail Standards. The Inmates are required to deposit funds into the Inmate Fund and the purchases are deducted from the inmate's account. The Sheriff's control procedures require that the funds, collected in lock boxes, be deposited weekly and that only "commissary" type items are allowed to be purchased from the fund.

During the course of our audit, we noted that, one person is responsible for the majority of the accounting for the fund, from receiving funds, making deposits, disbursing funds, and recording and reconciling accounts. He was also included as a check signor on the account. We also noted that bank reconciliations were not prepared timely and did not reconcile to the actual balance in the checking account.

This Inmate Commissary Fund is not included with the other funds maintained in the County Treasurer's office. Even though there is a decentralized system of accounting at the County, all funds should be included in the main general ledger. Also, a budget is not adopted for this fund.

Beginning in the 2009 fiscal year, the inmate's began reimbursing the County for medical expenses they incurred during their time at the facility. These costs are covered by the County's general fund and the reimbursements were not being transferred to the General fund for these medical expenses.

2. Findings – Financial Statement Audit (Continued)

Material Weaknesses (Continued)

Finding 2009-02 – Inmate Commissary Fund (Repeat Finding) (Continued)

Reason Improvement Needed:

Segregation of Duties – Good internal control over financial reporting requires that incompatible duties be segregated to reduce the risk of error, from either mistake or fraud. Having one person receiving funds, posting accounts, reconciling accounts and disbursing funds creates an atmosphere where errors or fraud could occur and not be detected by employees during the normal course of their assigned duties.

Proper inclusion of fund in main general ledger – The County Treasurer's office is responsible for complete accounting of the County's general ledger. Because this fund consists of both fiduciary amounts (amounts belonging to the inmates) and special revenue amounts (commissions earned on sales), then this fund should be maintained with the other funds in the County Treasurer's office. Even though any remaining balance is restricted for use by the jail, this provides a complete picture of the County's financial position. Also, a budget should be adopted for the fund to better manage the fund's activity and balances.

Medical expenses reimbursements – Because the General Fund is incurring the cost of the medical expenses for the inmates, any reimbursement the County receives from that inmate's fund should be posted to the general fund as this was the fund that incurred the cost.

Cause of Condition:

In fitting with the County's de-centralized bookkeeping system, employees of the Sheriff's department are made responsible for the Inmate Fund. Typically, one person is assigned the duty of maintaining the fund from beginning to end. This individual receives little official training in the regulatory requirements of the fund under state statute or in basic accounting for funds held in a fiduciary capacity.

Effect of Condition:

Without segregation of duties, the person performing all of the duties has no protection against accusations of fraud or misstatements. Also, inadvertent mistakes are not likely to be discovered and financial reporting may not be accurate.

Since this fund is not included in the main accounting system, no reports are available for review by anyone within the County to monitor this fund. Also, the County should provide a complete set of accounting to the Board for review, regardless if the funds are restricted for a certain purpose. A budget would provide better management of this fund and allow the Sheriff's Department to plan for expenditures that fall into the restriction limitations of this fund.

The money received from the inmate for medical expenses are remaining in the inmate fund. This causes the general fund to overstate expenses for inmates since part of that expense was covered by the inmate.

Recommendation:

We recommend, subject to a review of applicable state statutes and regulations regarding such funds that:

1. Financial records of the Inmate and Commissary Fund should be recorded in the County's books and records. As required by statute, these funds should be segregated from the County's general funds. The Inmate portion of this fund represents a liability, as these are not County monies. The Commissary portion represents County monies unspent from commissary commissions that are restricted by statute for inmate expenses.
2. Duties for recording and depositing funds, as well as reconciliation of accounts should be segregated. We recommend that the Treasurer's office collect the funds from the lockbox and make the bank deposit. A summary of funds received could then be given to the person responsible for the fund for entry into the "Keefe Commissary Network" system. Reconciliation of accounts could still be performed by the Sheriff's office, with the final reconciliation approved by either the Sheriff (or his designate).

2. Findings – Financial Statement Audit (Continued)

Material Weaknesses (Continued)

Finding 2009-02 – Inmate Commissary Fund (Repeat Finding) (Concluded)

3. A budget should be included in the overall budget of the County to better manage this fund's expenditures.
4. Any reimbursements received from an inmate's fund should be transferred to the General Fund on a regular basis.

Costs and Benefits of Recommended Action:

Any costs associated with implementing these recommendations would be minimal, as no additional personnel, equipment or software is required. Benefits include compliance with state regulations, better internal control over these funds, accurate reporting of transactions and the ability to carry out fiduciary responsibilities.

Management's Response:

We accept the finding. Staff in the jail are working to better segregate duties. A budget will be developed and will be included in the next budget cycle for the County. Financial records will be made available and recorded in the County's books and records. Reimbursements are now transferred on a regular basis to the County General fund.

Finding 2009-03 – Budgeting/Excess of Approved Budgeted Amounts/Deficit Budgets (Repeat Finding)

Condition:

As described in Footnote 2 to the financial statements, the County adopts an annual budget in accordance with State law. In the case of seven funds, the County approved budgeted expenditures in excess of available estimated resources. In the case of two additional funds, the County expended funds in excess of approved budgeted amounts.

Reason Improvement Needed:

State Statutes forbid budgeting expenditures in excess of available resources (deficit budgeting) and expending funds in excess of approved budgeted amounts.

Criteria:

Neither the County Board nor anyone on its behalf shall have power, either directly or indirectly, to make any contract or do any act which adds to the county expenditures or liabilities in any year anything above the amount provided for in the annual budget for that fiscal year. (55 ILCS 5/6-1005)

Cause of Condition:

The County Board approves budgets for a variety of funds and may not always realize that a deficit has been budgeted. The general fund is the main fund and much of the focus of the budget is placed on that fund. Budget amendments are normally done for the general fund so expenditures do not exceed appropriations. The inmate fund does not have a legally adopted budget, therefore, expenditures exceeded appropriations.

2. Findings – Financial Statement Audit (Continued)

Material Weaknesses (Concluded)

**Finding 2009-03 – Budgeting/Excess of Approved Budgeted Amounts/Deficit Budgets (Repeat Finding)
 (Concluded)**

Effect of Condition:

As a result of the condition described above, the following funds had budgeted charges to appropriations in excess of estimated available resources:

Fund Name	Estimated Resources	Budgeted Charges to Appropriations	Budgeted Deficit
<i>Special Revenue Funds:</i>			
DUI Equipment	\$ 14,270	\$ 16,500	\$ (2,230)
Tax Sale Automation	39,244	43,000	(3,756)
County Bridge	1,954,238	2,159,853	(205,615)
Matching Tax	2,041,881	2,058,732	(16,851)
Motor Fuel Tax	5,014,269	5,058,566	(44,297)
Road District Revolving	226,338	258,756	(32,418)
<i>Capital Projects Funds:</i>			
Capital Projects Fund	4,397,403	4,674,300	(276,897)

The following funds had expenditures in excess of approved budgeted appropriations for the year ended November 30, 2009:

Fund Name	Expenditures Paid	Budget	Excess
<i>Special Revenue Funds:</i>			
Recorder's Equipment	\$ 62,070	\$ 61,300	\$ 770
Inmate Fund	23,274	-	23,274

While the violation of this statute does not affect the validity of any tax levy otherwise in conformity with law, any person who violates, or neglects or fails to comply with, the terms of this Statute commits a Class B misdemeanor.

Recommendation:

We recommend that the County Board make the appropriate transfers, budget amendments and supplementary budgets as required by State Statute.

Management's Response:

We accept the finding. The Department Heads as well as the Finance Committee will budget according to State Statute and make appropriate transfers, budget amendments and supplementary budgets as necessary.

2. Findings – Financial Statement Audit (Continued)

Significant Deficiencies

Finding 2009-04 Reporting and Calculation of Recorder's Fees (Repeat Finding)

Condition:

During the course of our audit, we became aware of the miscalculation of recorder income distributed to the General Fund. This resulted in an overpayment to the General Fund and erroneous reports. These calculations and reports were not reviewed by an independent party to ensure accuracy. A lack of segregation of duties was noted in this area as the County Clerk is responsible for making disbursements and reconciling the bank account as well as the reporting with no other party reviewing and approving.

This account is maintained in the County Clerk's office separately from the main accounting system. As reported earlier all accounts should be maintained in one accounting system.

Reason Improvement Needed:

Good internal control over financial reporting requires segregation of duties to ensure that misstatements are detected and corrected in a timely manner. Good internal control over financial reporting also requires that all reporting and reconciliations are reviewed and initialed by a second party before issuance. This reduces the chance for errors and miscalculations, as in this case. Reconciliations were performed to the bank statement, however, a reconciliation of the income was not performed during the year. This reconciliation would have allowed management to discover these miscalculations. This would result in accurate reporting and remittance to the respective offices or funds

By having this account reported separately, income is reported in the period after it is received since it is reported when the funds are transferred into the County's funds. Also, the County's internal controls used for its main accounting system are not applied to this account.

Cause of Condition:

The County Clerk is responsible for reporting the income received from recorder fees and remitting those fees appropriately. GIS county fees, Recorder equipment fees and GIS recorder fees collected are remitted to their respective funds, Rental housing support payments are remitted to the appropriate office. The remaining income is then transferred to the General Fund. During the year, the total income was overstated causing this remaining amount remitted to the General Fund to also be overstated. This miscalculation was due to mathematical errors and credit card payments received.

The lack of segregation of duties could result in inadvertent errors that may not be discovered without another party involved in the process. Also, allegations of fraud or impropriety are more difficult to disprove without segregation of duties.

By recognizing the income in the incorrect period, reporting is erroneous and the cash balance in this account is not reported within the General Fund regularly. This account, therefore, is not included in the financial reports with the other cash accounts and does not receive the same oversight from the County Board.

Effect of Condition:

This condition has a snowball effect if not addressed. The overpayment may continue to grow and eventually the bank account will not have a sufficient balance to remit to the respective funds or offices. Also, the income reported is misstated and can present problems when budgets are prepared if these reports are relied upon for budgeting and planning purposes.

Impropriety can occur and not be detected due to the lack of oversight in this account.

2. Findings – Financial Statement Audit (Concluded)

Significant Deficiencies (Concluded)

Finding 2009-04 Reporting and Calculation of Recorder's Fees (Concluded)

Recommendation:

We recommend that the receipts from the recorder and clerk offices be deposited in accordance with the County's receipt and revenue policy. The monies collected should be deposited daily to the Treasurer's office using the same procedures that other departments use when they receive funds. This provides the same internal control used in the normal course of business. The bank reconciliation should also be prepared in the Treasurer's office with the other bank accounts. Monthly reports should still be prepared to reconcile the cash balance with what is owed to other funds and offices. That report should be reviewed and approved by a second party. This not only provides the segregation of duties needed, but also resolves the timing issue of the revenue and the inclusion of this account in the main accounting system.

Costs and Benefits of Recommended Action:

The costs associated with reviewing the reconciliations would be personnel time added to the Treasurer's office, but this is offset by time eliminated from the Clerk's office. The benefits of accurate reporting, better cash management and accurate remittances far outweigh these costs.

Management's Response:

With the recent implementation of a new system, we have better cash reporting tools for invoicing, outstanding receivables, fees collected, and general ledger accounting (fees vs. fund accounts). The system also provided us with the ability to have the reconciliation and reporting portion of the process available only in one office, while the actual recording data is available in another office, providing a more thorough segregation of duties. In addition, we are currently tracking number of documents printed, both billable and non-billable. One office prints, and another office monitors the number of copies made vs. the income generated.

Finding 2009-05 Transfer of Funds – Medical Insurance

Condition:

During the course of our audit, we became aware of the delay of funds transferred to the Medical Insurance Fund. The County charges each department its share of medical insurance. These funds are then remitted to the third party administrator. For example, the check from the County's General Fund to cover the medical insurance for November 2009 was dated October 28, 2009, but not deposited into the Medical Insurance Fund until December 28, 2009. This check was listed in outstanding checks for the General Fund checking account, but not as deposits in transit for the Medical Insurance account.

Reason Improvement Needed:

Timely payment and deposit of transfers between funds and bank accounts is essential for the proper recording of assets, liabilities, revenues and expenditures arising from cash transactions. Failure to make transfers and deposits understates expenses and revenues in the funds affected.

Cause of Condition:

The County Clerk is responsible for remitting these funds to the Medical Insurance account. The person responsible for making the deposit was instructed to collect all payments for the month from not only within the County but from retirees and terminated employees as well. This collection sometimes resulted in a significant delay in remitting the County's portion to the Medical Insurance account.

Effect of Condition:

Financial reports presented to the Finance Committee and County Board are significantly misstated. Cash was understated in the Medical Insurance Fund by approximately \$140,000 at November 30, 2009. This can cause the Board to make erroneous decisions as to the sufficiency of the funds available in the medical insurance fund to cover expenses.

2. Findings – Financial Statement Audit (Concluded)

Significant Deficiencies (Concluded)

Finding 2009-05 Transfer of Funds – Medical Insurance (Concluded)

Recommendation:

We recommend that the County Clerk deposit all checks and cash received on a daily basis and that controls over the initiation of transfers and payment of liabilities be implemented to assure that such amounts are made in a timely manner. We further recommend that personnel responsible for initiating, recording and transferring funds be properly trained, with appropriate support, and that a system of checks and balances be implemented to segregate incompatible duties within the County Clerk's office.

Costs and Benefits of Recommended Action:

There would be no costs associated with the recommended action. Proper segregation of duties can be accomplished with the personnel currently employed within the County Clerk's office. The benefits of implementing the recommendation include better financial information available to the County Board, proper allocation of funds and interest income between departments and better cash flow in the Medical Insurance Account. In addition, separating incompatible duties and implementing checks and balances should reduce the number of errors in reporting generated by the Clerk's office and improve communication with other offices within the County.

Management's Response:

We agree with the finding. Checks are now deposited upon receipt.

3. Findings and Questioned Costs – Major Federal Award Programs Audit

There are no findings or questioned costs associated with major federal award programs required to be reported under OMB Circular A-133

Adams County, Illinois
Summary Schedule of Prior Year Findings
Year Ended November 30, 2009

There are no prior year findings and questioned costs related to federal award programs required to be reported under OMB Circular A-133.