BOONE COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

November 30, 2008

BOONE COUNTY, ILLINOIS
COUNTY BOARD MEMBERS AND
ELECTED OFFICIALS
Fiscal year ending November 30, 2008

BOARD MEMBERS

Catherine Ward, Chairman	Kenneth Freeman
Dave Taylor, Vice Chairman	Karl Johnson
Bradley Rightnowar	Ann Lane
Fred Genrich	Peggy Malone
Marshall Newhouse	Michelle Courier
Dana LaPier	Theresa Glass

ELECTED OFFICIALS

Circuit Clerk	Nora Ohlsen
Coroner	Rebecca Wigget
County Clerk	Pamela McCullough
Sheriff	Duane Wirth
State's Attorney	James Hursh
Treasurer	Curtis Newport

BOONE COUNTY, ILLINOIS

TABLE OF CONTENTS

	Page Number
INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL STATEMENTS AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	1 - 2
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	3 - 4
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	5 - 6
MANAGEMENT DISCUSSION AND ANALYSIS	7 - 16
BASIC FINANCIAL STATEMENTS:	
Statement of Net Assets	17
Statement of Activities	18
Balance Sheet - Governmental Funds	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21

BOONE COUNTY, ILLINOIS

TABLE OF CONTENTS

	Page Numbers
BASIC FINANCIAL STATEMENTS (CONTINUED)	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Assets – Proprietary Funds	23
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	24
Statement of Cash Flows - Proprietary Funds	25 - 26
Statement of Fiduciary Net Assets – Fiduciary Funds	27
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	28
Notes to Financial Statements	29 - 47
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress	48
Schedule of Revenues and Expenditures Compared with Budget:	
General Fund	49 - 70
Special Revenue Funds:	
County Bridge	71
County Matching Fund	72
County Motor Fuel Tax Fund	73
Retirement Fund	74

BOONE COUNTY, ILLINOIS

TABLE OF CONTENTS

	Page Numbers
OTHER SUPPLEMENTARY INFORMATION	
Non-major Governmental Funds:	
Combining Balance Sheet	75 - 77
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	78 - 80
Internal Service Funds:	
Schedule of Fund Operations:	
Schedule of Operating Revenues and Operating Expenses:	
Employee Health Insurance Fund	81
Private-Purpose Trust Funds:	
Combining Schedule of Fiduciary Net Assets	82
Combining Schedule of Changes in Fiduciary Net Assets	83
Assessed Valuations, Tax Rates, Extensions, and Collections	84
Annual Federal Financial Compliance Section:	
Schedule of Expenditures of Federal Awards	85 - 86
Notes to Schedule of Federal Awards	87
Schedule of Findings and Questioned Costs	88 – 91
Corrective Action Plan	92 - 93
Summary Schedule of Prior Audit Findings	94

Lindgren Callihan VanOsdol

LCV

INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL STATEMENTS AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Honorable Chairman and Members
of the County Board
Boone County, Illinois
Belvidere, Illinois

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Boone County, Illinois as of and for the year ended November 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Boone County, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Boone County, Illinois as of November 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Lindgren, Callihan, Van Osdol & Co., Ltd.
Certified Public Accountants & Consultants
328 West Stephenson Street
P.O. Box 567
Freeport, Illinois 61032
ph 815.233.1512
fax 815.233.1487
www.lcvcpa.com
Dixon, Illinois
Mendota, Illinois
Rockford, Illinois
Sterling, Illinois

In accordance with Government Auditing Standards, we have also issued our report dated July 14, 2009, on our consideration of Boone County, Illinois' internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis that precedes the basic financial statements as well as the Schedule of Funding Progress for the Illinois Municipal Retirement Fund listed in the table of contents on page 48 and the Schedules of Revenues and Expenditures Compared with Budget on pages 49 through 74 both of which are listed in the table of contents as required supplementary information, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Boone County, Illinois taken as a whole. The schedules listed in the table of contents as "Other Supplementary Information" are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. 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 not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements.

Lindgren, Cullinan, Van Osdol & Co. Ltd.

Freeport, Illinois
July 14, 2009

Lindgren Callihan VanOsdol

LCV

INDEPENDENT AUDITOR'S 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

The Honorable Chairman and Members
of the County Board
Boone County, Illinois
Belvidere, Illinois

We have audited the financial statements of Boone County, Illinois as of and for the year ended November 30, 2008, and have issued our report thereon dated July 14, 2009. 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 the Boone County, Illinois' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or

Lindgren, Callihan, Van Osdol & Co., Ltd.
Certified Public Accountants & Consultants
328 West Stephenson Street
P.O. Box 567
Freeport, Illinois 61032
ph 815.233.1512
fax 815.233.1487
www.lcvcpa.com
Dixon, Illinois
Mendota, Illinois
Rockford, Illinois
Sterling, Illinois

report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. See item 2008-II-01 and 2008-II-02.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boone County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as item 2008-III-01.

We noted certain matters that we reported to management of the Boone County, Illinois in a separate letter dated July 14, 2009.

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

This report is intended solely for the information and use of the County Board, management, the State of Illinois, the General Assembly, and the Governor of the State of Illinois and is not intended to be and should not be used by anyone other than these specified parties.

Lindgren, Callihan, Van Dodol & Co. Ltd.

Freeport, Illinois
July 14, 2009

Lindgren Callihan VanOsdol

LCV

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

The Honorable Chairman and Members
of the County Board
Boone County, Illinois
Belvidere, Illinois

Compliance

We have audited the compliance of Boone County, Illinois with the types of compliance requirements described in 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, 2008. Boone County Illinois' major federal programs are identified in the schedule of federal awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Boone County, Illinois' management. Our responsibility is to express an opinion on compliance based on our audit.

We conducted our audit 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 Boone 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 on Boone County, Illinois' compliance with those requirements.

In our opinion, Boone 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, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2008-III-01.

Lindgren, Callihan, Van Osdol & Co., Ltd.
Certified Public Accountants & Consultants
328 West Stephenson Street
P.O. Box 567
Freeport, Illinois 61032
ph 815.233.1512
fax 815.233.1487
www.lcvcpa.com
Dixon, Illinois
Mendota, Illinois
Rockford, Illinois
Sterling, Illinois

Internal Control Over Compliance

The management of Boone County, Illinois is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Boone 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, 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 the County's internal control over compliance.

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

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2008-III-01 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

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

This report is intended solely for the information and use of the management of Boone County, Illinois, others within the County 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.

Lindgren, Callihan, Von Oesdot & Co. Ltd.

Freeport, Illinois
July 14, 2009

BOONE COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS
November 30, 2008

As the Administrator responsible for preparing the budget for Boone County, Illinois, I offer the readers of the County's financial statements this narrative overview and analysis of the financial activities of Boone County, Illinois for the year ended November 30, 2008.

The MD&A is provided at the beginning of the report to provide an overview of the County's financial position at November 30, 2008 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the financial statements, notes to the financial statements, and required and other supplementary information.

The County adopted the Fiscal Year 2008 annual budget on November 14, 2007 for December 1, 2007 - November 30, 2008.

Using This Financial Report

The financial section of this annual report consists of four parts - Independent Auditor's Reports (pages 1 - 6), required supplementary information which includes the MD&A (this section), the basic financial statements (pages 17 - 47), and other supplementary information. The basic financial statements include two kinds of statements that present different views of the County: 1) Government-wide financial statements and 2) fund financial statements.

Government - Wide Financial Statements

The first two statements are government-wide financial statements that provide both short term and long term information about the County's overall financial status, similar to a private sector business. In the government-wide financial statements, the County's activities are shown in one category - governmental activities. The County's basic services are general government, public safety, public works, health sanitation & welfare, and judiciary & court related. These activities are largely financed with property taxes and state revenues.

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. To assess the overall health of the County you need to consider additional non-financial factors such as the condition of the County's buildings and facilities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's funds - not the County as a whole. Funds are specific segregations of cash and accounting devices the County uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the County is properly using certain revenues.

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

The County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and the changes in fund balances for all these funds. Six of these funds are considered major funds of the County. More detail of the individual revenues and expenditures for these funds is presented in the supplementary section of this report.

The County adopts annual budgets for a majority of the governmental funds. A budgetary comparison statement has been provided for the major governmental funds only, which is in compliance with GASB Statement No. 34.

Another category of funds are proprietary funds. Proprietary funds are business enterprise funds and accounting practices must reflect the true revenue and expenditure status of each proprietary fund. Items such as depreciation and intangible expenses must be presented to give the reader a true picture of the fund if it were to stand alone as its own business enterprise.

The last category of funds are Fiduciary Funds. The County is the trustee, or fiduciary, for assets that belong to others or are designated to be used for a specific purpose with the principal left intact. The County is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These activities are excluded from the government-wide financial statements because the County cannot use these assets to finance its operations.

Condensed Financial Information

Net assets are summarized in the table below.

Condensed Statement of Net Assets as of November 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Assets:						
Current Assets	$21,322,271	$20,942,463	$ 657,979	$ 666,992	$21,980,250	$21,609,455
Non-current Assets	19,586,672	19,639,309	599,660	603,764	20,186,332	20,243,073
Total Assets	40,908,943	40,581,772	1,257,639	1,270,756	42,166,582	41,852,528
Liabilities:						
Current Liabilities	1,624,747	1,731,469	9,156	31,043	1,633,903	1,762,512
Non-current Liabilities	6,166,617	6,758,029	650,000	1,000,000	6,816,617	7,758,029
Total liabilities	7,791,364	8,489,498	659,156	1,031,043	8,450,520	9,520,541
Net Assets:						
Investments in capital assets, net of debt	12,598,612	12,108,505	599,660	603,764	13,198,272	12,712,269
Restricted	-	-	125,450	121,378	125,450	121,378
Unrestricted	20,518,967	19,983,769	(126,627)	(485,429)	20,392,340	19,498,340
Total net assets	$33,117,579	$32,092,274	$ 598,483	$ 239,713	$33,716,062	$32,331,987

Current assets consist of cash, investments, receivables, and inventory.

The County's largest asset group is its capital assets. This includes land and land improvements, infrastructure, buildings, and equipment.

Current liabilities consist primarily of accounts payable, accrued expenses, and current portions of long-term debt.

The long-term portion of a general obligation bond and notes payable and an accrual for post closure costs constitute the County's long-term liabilities.

The County's net assets consist of capital assets net of related debt, and unrestricted net assets.

Condensed Financial Information (Continued)

Revenues, expenses, and changes in net assets are summarized in the table below.

Condensed Statement of Activities
For Fiscal Years Ending November 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program:						
Charges for services	$ 3,710,045	$ 3,746,453	$ 89,164	$154,128	$ 3,799,209	$ 3,900,581
Operating grants & Contributions	4,031,533	4,916,438	75,000	-	4,106,533	4,916,438
General:						
Property & other taxes	14,778,233	14,768,019	-	-	14,778,233	14,768,019
Other	546,009	2,158,537	19,789	50,596	565,798	2,209,133
Total revenue received	$23,065,820	$25,589,447	$183,953	$204,724	$23,249,773	$25,794,171
Expenses:						
General government	$ 8,070,226	$ 8,759,228	$ -	$ -	$ 8,070,226	$ 8,759,228
Public safety	5,607,198	4,809,316	-	-	5,607,198	4,809,316
Public works	2,794,330	2,972,381	-	-	2,794,330	2,972,381
Health, sanitation, & Welfare	1,175,060	1,154,840	-	-	1,175,060	1,154,840
Judiciary & court related	4,113,635	4,717,579	-	-	4,113,635	4,717,579
Interest on long-term debt	276,328	298,028	-	-	276,328	298,028
Nursing Center	-	-	22,876	22,936	22,876	22,936
Recycling compost		-	(589)	32,000	(589)	32,000
Landfill closing	-	-	(197,104)	86,108	(197,104)	86,108
Total expenditures Disbursed	$22,036,777	$22,711,372	$(174,817)	$141,044	$21,861,960	$22,852,416
Change in net assets	$ 1,029,043	$ 2,878,075	$ 358,770	$ 63,680	$ 1,387,475	$ 2,941,755

Major sources of operating revenues for the County include: Property and state taxes, state/federal grants, charges for services, & fines and fees.

Analysis of General Fund Revenue History

Although this audit is for Fiscal Year 2008, events going back to Fiscal Year 2003 should be explained due to their subsequent impact on future budgets.

The Fiscal Year 2002-2004 Recession Impact

The General Fund has experienced permanent decline/removal of certain revenue sources in Fiscal Year 2003 which it has continuously received in prior years. Those include: 1) loss of child support from the State of Illinois to State's Attorney's ($50,000), 2) reduction in reimbursements from the State for probation officer's salaries ($40,000), 3) annexation of existing unincorporated homes by villages ($30,000), 4) elimination of the State Photo Tax to local governments ($30,000), and the Federal COPS grant ($50,000). These permanent losses in revenues total $200,000 annually.

Legal changes, such as the Illinois Supreme Court decision of People Who Care Appellant v Tax Objectors, Appellees has changed the financial ability of counties to finance injunctive remedies. For certain legal matters in which litigation is the best option for the taxpayers or land owners, General Funds must be used instead of Tort Immunity Funds. This in turn places a greater burden on all respective General Funds to finance certain matters under litigation whereas in the past Tort Immunity Funds could be used. Information about Fiscal Year 2003 and the structural changes on the revenue side is essential to understand the deficit experienced in Fiscal Year 2004, and the "structural" changes in General Fund Revenues which in turn affected subsequent fiscal years.

The recession of 2002-2004 resulted in a decrease of State Income Tax revenues to the County. This combined with a dramatic increase in health insurance claims and additional staffing needs in the jail led to the first adopted deficit budget in Fiscal Year 2004. As a way to reduce the impact of the upcoming deficit, the County Board decided to use Public Safety Tax revenues to pay for jail operations.

At the July 9, 2003 regular County Board meeting, the Board discussed and decided to use Public Safety Sales Tax revenues in excess of amounts needed to pay outstanding Series 1999 bonds for operational expenses related to public safety in general, and the jail specifically. Since then, Public Safety Tax revenues have been used to fund the Corrections operating budget and debt payments. The half-cent public safety sales tax approved by the voters on April 13, 1999 was projected to generate $750,000 annually, and actual annual revenues were $1,668,718 in Fiscal Year 2008.

Jail Staffing and the Public Safety Sales Tax

In anticipation of receiving approximately twenty-five (25) federal detainees, a contract was negotiated with the U. S. Marshals Service in December, 2002 with an agreed per diem of $65.00 per day. The County Board voted on January 8, 2003, to approve the addition of ten (10) Corrections Officers (increasing from 26 to 36 the total staff) to accommodate the housing of Federal and non- Boone County detainees. Assurances were given to management by the U. S. Marshals Service that an average count of twenty-five (25) detainees each day was realistic, and they could probably send more. In July, 2003, the County was ready to accept additional detainees,

Analysis of General Fund Revenue History (Continued)

however the U. S. Marshals had only an average daily count of ten (10) to send Boone County. Commitments made by the U. S. Marshals to other counties to house federal detainees, the opening of a new facility in Dupage County, and an inexplicable decline in federal crime prevented Boone County from averaging twenty-five (25) federal detainees for the remainder of the fiscal year. However, this revenue source has proven to be very beneficial to the County over time with the importation of detainees from Dekalb, Lake, and Kane Counties.

Commitments were made during the 1999 referendum that the current Public Safety Sales Tax would be repealed by the County Board when the bonds are paid in 2018. Although no Board can obligate a future Board, the commitment has remained to eliminate this tax when the bonds are paid. Because the bonds are Alternate Bonds, the Board is required to annually abate a property tax which would be used to pay the bonds. The property tax may be imposed above tax caps, but it cannot be imposed if the Sales Tax generates enough revenue to pay the bonds. This is a mute point each year because the Public Safety Sales Sax generates more than enough to pay the bonds, however, the abatement resolution states . . . " whereas the bond payments will be satisfied in the year 2018, and at such time the County Board hereby pledges to repeal the Public Safety Sales Tax . . . ". This has been adopted each year since 2000.

Special Census 2005

Completed in 2005, the special census proved to be an excellent decision with total Boone County population at 48,229, and unincorporated population (which State Income and Photo Processing Tax is based upon) growing from 17,635 to 19,244 persons. After a mistake was discovered by the County Administrator in the State's disbursement formula used to allocate funds to Boone County, the annualized revenue gain from the Income Tax was $189,005 (see "factors or conditions impacting future periods"). Had this never been caught the County would have lost revenue every year into the future.

Fiscal Year 2008

Regarding Fiscal Year 2008, revenues with transfers were $13,702,038 or $185,671 under budget. This was due to Property Taxes and Sales Taxes performing under budget.

Interfund Transfers

Annually the General Fund supports other funds with transfers. Employee Health Insurance, City/County Planning, City/County Landfill #2, and Animal Control are major transfers that occur from the General Fund to other funds in order to maintain those programs. The General Fund also receives transfers from other funds annually as a way to offset the cost paid by the General Fund to support certain program functions. On occasion transfers occur for the purpose of moving a reserve or "fund balance" from one fund to another. In Fiscal Year 2006, $1.5 million was moved (transferred) from the Space Acquisition Fund back to the General Fund where most of it originated. Although there was much discussion as to whether this transfer was necessary, it ultimately was approved by the County Board as a way to increase the General Fund balance from $2.0 million (approximately two months'

Interfund Transfers (Continued)

reserves) to $3.5 million (approximately three months' reserves), per recommendation of auditors. The County has been advised by auditors and financial analysts to maintain at least three months' reserves in the General Fund, and this transfer clearly documented this recommendation being implemented. Also, it was recognized that reserves accumulated in the Space Acquisition Fund (approximately $2.0 million) would be insufficient to entirely finance a courthouse expansion. Cash and investment reserves should not be confused with total "fund balance equity" in the General Fund. Fund balance equity is a much higher number because it takes into account accrued revenues and other "non-liquid" assets.

A one-time transfer of $575,985 was budgeted in Fiscal Year 2008 from the General Fund to the Space Acquisition Fund for a build-out of vacant County property for office use.

Analysis of General Fund Expenditures

Regarding Fiscal Year 2008, expenditures with one-time transfers were $14,014,082 or $312,044 over revenues. If the one-time transfer of $575,985 is removed, expenditures were $13,438,097 or revenue over expense of $263,941. This revenue over expense will remain in the General Fund.

Although a $263,941 surplus looks healthy, it was due to labor contracts in the Sheriff's and Corrections' contracts remaining unsettled. Settlement of those contracts will result in retroactive pay of approximately $200,000 being paid in FY 2009 for a true expense incurred in FY2008.

Summary and Analysis of the General Fund Performance

Total revenues were $13,702,038 when all transfers are included. Total expenditures were $14,014,082. However, $575,985 was a one-time transfer. When this is removed, the baseline revenue over expense is $263,941. After union retroactive pay is reduced, the true revenue over expense is approximately $65,000. This is almost identical to Fiscal Year 2007 and represents a very disturbing trend of minimal revenue over expense in the General Fund.

Management's Analysis of the County's Overall Financial Position and Results of Operations

As noted previously, this fiscal year's financial statements differ greatly from those issued in previous years because of the new GASB 34 rules, which include the fixed assets in the reports. GASB Statement No. 34 affects the County's reporting model, but not the day-to-day operations or the budgeting process of the County.

Capital Assets/Long Term Debt

See Note M for information on capital assets. In Fiscal Year 2005 the interest rate trends were constantly monitored, and on March 8, 2005, the County Board approved a Series 2005 Bond refunding of the Series 1999 Jail Bond debt which will result in savings of $300,356. Savings were "front-loaded" and most of the $300,356 will be realized within three years. Moody's maintained the

Capital Assets/Long Term Debt (Continued)

County's bond rating at "A-1", adding "Moody's believes the county's financial operations are healthy, characterized by sizable reserves and steps taken to control costs."

Alternate Bonds were sold on November 12, 2008 for the courthouse/Logan Avenue expansion/remodel and the best bid was received from the Bank of Montreal with a true interest rate of 4.55% over twenty (20) years. Financing of this space plan is also intended to be funded by the sale of 38 acres of County owned land on Route 76. The County's "A-1" rating was maintained. Future bond payments must originate from the General Fund.

Bonds were structured as "Series A" of $4,295,000 and a Series "B" bond of $700,000. The intent of having two separate bonds is to allow the County to pay "Series "B" principal before maturity if the project is under budget.

Factors or Conditions Impacting Future Periods

On the revenue side, the State Income Tax which was in a state of decline due to the Illinois economic climate continued to recover in 2008. Total revenues were $1,821,714. This combined with the Special Census resulted in that all important revenue source exceeding budget by $30,515. After an error was discovered by the County Administrator in the disbursement formula used by the State Department of Revenue, the Income Tax receipts began to increase after the Special Census in 2005. The State paid Boone County $47,251.44 in back payments as a result of their error and the impact of using the correct 2005 population numbers by the State Department of Revenue resulted in approximately $189,005 in annualized revenue gain to the County due to the Special Census. This revenue gain would have been lost year after year had the error gone undetected. None of these positive developments should cause lack of monitoring of this all-important source of revenue to the County. From a revenue amount of $1,237,387 in Fiscal Year 2000, revenues had actually declined to $1,099,691 in Fiscal Year 2003. This decline was unprecedented in county financial history and State Income Tax receipts have historically grown on an incremental basis year after year. The deficit of 2004 is in large part due to this major change in funds received by the County from the Income Tax during that time period. A future recession, if one occurs, will likely result in this revenue source declining again. However, for the current time this revenue source is strong and outperforming budget.

Looking forward, economic trends were all negative at the close of Fiscal Year 2008. The crisis in the sub-prime mortgage sector led to a market crash, federal bailouts of Fannie Mae and Freddie Mac, Federal Reserve Board intervention to stabilize money markets and the Troubled Asset Relief Program (TARP). How this will affect the national economy and in turn the Illinois economy could not be determined. No improvement in auto sales is predicted, thus the countywide 1/4 cent Sales Tax will remain flat. The housing slowdown will cause less growth in property taxes from first-time taxation of new property. The State of Illinois budget deficit is not balanced, and as experience shows local governments may share the pain (much like Fiscal Year 2003 revenue take-aways) before this matter is resolved.

Factors or Conditions Impacting Future Periods (Continued)

Much economic data collected in early FY 2008 confirmed this analysis:

- "The economy entered 2008 on a weak note, continuing the trend that developed in the final months of 2007 . . . "
  (Commission on Government Forecasting and Accountability, January 2008 Report)
- In a Wall Street Journal article "The U S has finally slid into recession, according to the majority of economists . . . "
  (The Wall Street Journal, March 13, 2008)
- In a Reuters article economist Martin Feldstein was quoted "The United States is in a recession that could be substantially more severe than recent ones."
  (Yahoo Finance Pay, March 14, 2008)

All of this data and the trends entering Fiscal Year 2008 had a disturbing similarity to budget conditions in 2002-2004. The County adopted the first General Fund deficit budget in Fiscal Year 2004 and some revenue declines never really recovered.

On the expenditure side, the staff levels in the new jail facility were maintained at 36 Corrections Officers. A consultant's study recommended between 30 and 36 Corrections Officers. Only the continued importation of non-Boone County detainees will provide revenue to maintain those staff levels. The jail expansion plan adopted in 1998 called for doubling existing corrections staff from 12 to 24 by opening day (which was April, 2002), and this was achieved with a balanced budget. However, after actually operating the jail it was believed that staffing of the 33-36 range was in fact necessary. The original business plan for the new jail facility assumed revenues from the importation of non-Boone County detainees, and this must continue as a stable source of revenue to properly staff the jail. Whether or not revenues from these sources can be budgeted in future years remains unknown.

Employee health insurance claims expenses continue to rise dramatically. Actual hard dollar expenditures for claims rose from $430,229 in Fiscal Year 2000 to $1,632,955 in Fiscal Year 2006. No end is in sight to these escalating claims or the pressure it will place on the General Fund. In a potentially cost-saving move, the County was able to transition to a fully-insured product on August 1, 2007. Although the cost-savings was estimated at $41,607, the real savings should be the difference between fully-insured premium expenses $1,931,847 and potential self-insured expenses $2,290,446. This must be monitored each year and fully-insured premium increases may force the County back to a self-insured plan at a later date. Throughout 2007 and 2008 the fully insured product served to hold down costs to approximately 6% increase per year.

In a major positive development regarding Belvidere/Boone County Landfill #2, a tentative agreement was reached between the County and Illinois EPA officials in March, 2004. The agreement calls for the City of Belvidere and Boone County to install additional methane extraction wells, and a leachate extraction system to remediate the organic and inorganic impacts to the groundwater. This remediation was completed in 2005. Illinois EPA officials were very pleased calling the settlement "fantastic" and

Factors or Conditions Impacting Future Periods (Continued)

"wonderful". The impact of this settlement is to substantially lessen General Fund expenses for Landfill #2 over time. Had no agreement been reached those expenses would be rising substantially.

By far the largest single potential event affecting future periods is the proposed Space Plan for County departments. Since 2003 court judges in the 17th Circuit have kept County officials aware of the need to add courtrooms given the growth in Boone County. This has led to a multitude of alternatives under investigation including a remodel/addition to the courthouse complex or a relocation of non-court departments to property owned by the County on Logan Avenue, Belvidere. An accompanying problem of space and operational needs in the County/City of Belvidere Public Safety Building and E-911 Center led the Board to place a referendum proposal to the voters at the February 5, 2008 primary for an increase in the Public Safety Sales Tax from one-half cent to one full cent. Only two months were available to organize a campaign and with state law prohibiting active involvement in referendums for elected or appointed officials, the effort failed 30% yes - 70% no in the February election. A follow-up attempt at the November 2008 General Election met with a similar outcome. Only a small portion of the project was dedicated to the courthouse expansion in the February referendum.

The County faces financing a courthouse project from the General Fund as we know it presently. Referendum dollars and new revenues cannot be assumed from any source to finance a courthouse remodel/relocation of various departments. The FY 2008 adopted budget assumed some type of project occurring with a portion of revenues originating from cash balances (General Fund: $627,599; Public Safety Tax: $269,375; Law Library: $25,000; and Court Security: $100,000). An additional $400,000 is anticipated for Fiscal Year 2009 to complete the purchase of land on Logan Avenue to make this plan happen. Any future bond payments must be affordable within the General Fund as we know it.

Finally, a collective bargaining impasse with the Fraternal Order of Police representing the Sheriff's Deputy Unit proceeded to interest arbitration on October 1, 2008. In accordance with Illinois law, Deputies cannot strike and labor disputes are resolved by independent arbitrators. A decision was made by Arbitrator Edward Benn in March, 2009. The County's position for wages was adopted by the Arbitrator (3.5%, 3.0%, 3.0% plus steps) and the Fraternal Order of Police's position was adopted with health insurance. The contract duration is December 1, 2007 - November 30, 2010.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers and customers with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, please call Kenneth A. Terrinoni, County Administrator, 601 North Main Street, Suite 201, Belvidere, IL 61008.

BOONE COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
November 30, 2008

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 6,072,361	$ 51,374	$ 6,123,735
Investments	13,288,000	599,001	13,887,001
Receivables, net of a -0- allowance for doubtful accounts	1,844,369	7,604	1,851,973
Inventory	117,879	-	117,879
Prepaid interest	540,769	-	540,769
Capital Assets (Net of accumulated depreciation):			
Land	695,289	22,352	717,641
Infrastructure	7,131,684	-	7,131,684
Buildings	9,681,365	577,253	10,258,618
Equipment	1,537,565	55	1,537,620
Total Assets	40,909,281	1,257,639	42,166,920
LIABILITIES			
Current liabilities:			
Accounts payable	517,990	9,156	527,146
Accrued payroll	424,127	-	424,127
Deferred revenue	89,901	-	89,901
Current portion of long-term debt	592,729	-	592,729
Total current liabilities	1,624,747	9,156	1,633,903
Noncurrent liabilities:			
Note payable	44,562	-	44,562
Bonds payable	5,810,000	-	5,810,000
Deferred gain on bond refunding	229,231	-	229,231
Estimated liability for post-closure care costs	-	650,000	650,000
Compensated absences	82,824	-	82,824
Total noncurrent liabilities	6,166,617	650,000	6,816,617
Total liabilities	7,791,364	659,156	8,450,520
NET ASSETS			
Invested in capital assets, net of related debt	12,598,612	599,660	13,198,272
Restricted	-	125,450	125,450
Unrestricted	20,519,305	(126,627)	20,392,678
Total net assets	$ 33,117,917	$ 598,483	$ 33,716,400

See Notes to Financial Statements.

BASIC FINANCIAL STATEMENTS

BOONE COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the year ended November 30, 2008

		Program Revenue		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 8,070,226	$ 1,163,978	$ 1,325,218	$ -
Public safety	5,607,198	570,687	961,623	-
Public works	2,794,330	-	685,547	-
Health, welfare, and sanitation	1,175,060	387,248	574,194	-
Judicial & court related	4,113,635	1,588,132	484,951	-
Interest	276,328	-	-	-
Total governmental activities	22,036,777	3,710,045	4,031,533	-
Business-type activities:				
Nursing center	22,876	89,164	-	-
Recycling compost	(589)	-	-	-
Landfill closing	(197,104)	-	75,000	-
Total business-type activities	$ (174,817)	$ 89,164	$ 75,000	$ -

General revenues:
Taxes:
Property taxes
State taxes
Other
Unrestricted investment earnings
Miscellaneous
Total general revenues
Transfers
Change in net assets
Net assets - beginning
Net assets - ending

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
$ (5,581,030)	$ -	$ (5,581,030)
(4,074,888)	-	(4,074,888)
(2,108,783)	-	(2,108,783)
(213,618)	-	(213,618)
(2,040,552)	-	(2,040,552)
(276,328)	-	(276,328)
(14,295,199)	-	(14,295,199)
-	66,288	66,288
-	589	589
-	272,104	272,104
-	338,981	338,981
7,813,358	-	7,813,358
6,590,379	-	6,590,379
374,496	-	374,496
485,364	19,705	505,069
60,645	84	60,729
15,324,242	19,789	15,344,031
-	-	-
1,029,043	358,770	1,387,813
32,088,874	239,713	32,328,587
$ 33,117,917	$ 598,483	$ 33,716,400

BOONE COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2008

	General Fund	County Bridge	Matching
ASSETS			
Cash and cash equivalents	$ 1,764,865	$ 77,509	$ 72,281
Investments	2,000,000	2,086,000	2,581,000
Accounts receivable	1,340,437	-	-
Inventory	117,879	-	-
Total assets	$ 5,223,181	$ 2,163,509	$ 2,653,281
LIABILITIES			
Vouchers payable	$ 187,146	$ 42,435	$ -
Accrued payroll	364,269	-	-
Deferred revenue	-	-	-
Compensated absences	50,268	-	-
Total liabilities	601,683	42,435	-
FUND BALANCE			
Unreserved, reported in:			
General funds	4,621,498	-	-
Special revenue funds	-	2,121,074	2,653,281
Debt service	-	-	-
Capital projects funds	-	-	-
Total fund balances	4,621,498	2,121,074	2,653,281
Total liabilities and fund balances	$ 5,223,181	$ 2,163,509	$ 2,653,281

See Notes to Financial Statements.

County Motor Fuel Tax	Retirement	Other Governmental Funds	Total Governmental Funds
$ 78,861	$ 266,274	$ 3,362,193	$ 5,621,983
2,432,000	1,050,000	3,139,000	13,288,000
71,305	4,489	383,940	1,800,171
-	-	-	117,879
$ 2,582,166	$ 1,320,763	$ 6,885,133	$ 20,828,033
$ 127,053	$ -	$ 159,289	$ 515,923
3,422	-	56,436	424,127
-	-	89,901	89,901
-	-	32,556	82,824
130,475	-	338,182	1,112,775
-	-	-	4,621,498
2,451,691	1,320,763	5,964,398	14,511,207
-	-	633,026	633,026
-	-	(50,473)	(50,473)
2,451,691	1,320,763	6,546,951	19,715,258
$ 2,582,166	$ 1,320,763	$ 6,885,133	$ 20,828,033

BOONE COUNTY, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
November 30, 2008

Total fund balances - governmental funds	$ 19,715,258
Amounts reported for governmental activities in the statement of net assets are different because:	
Some receivables were not received within 60 days therefore they are not recorded as revenue in the funds.	40,000
Prepaid interest in governmental activities is not financial resources and therefore are not reported as assets in governmental funds. This is the amount of prepaid interest included in the statement of net assets.	540,769
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is $31,736,024 and the accumulated depreciation is $12,690,121.	19,045,903
Internal services funds are used to charge the costs in insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	452,509
Long-term liabilities, including bonds payable and deferred gain are not due and payable in the current period and therefore are not reported in the funds.	(6,676,522)
Total net assets - governmental activities	$ 33,117,917

See Notes to Financial Statements.

THIS PAGE IS LEFT BLANK INTENTIONALLY

BOONE COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended November 30, 2008

	General Fund	County Bridge	Matching
Revenues:			
Taxes	$ 7,760,699	$ 594,589	$ 594,589
Fees, licenses, permits, and fines	2,027,566	-	-
Intergovernmental revenue	1,692,590	72,108	-
Sale of goods and services	-	-	-
Other revenue	783,626	51,047	67,150
Total revenues	12,264,481	717,744	661,739
Expenditures:			
General government	2,777,573	-	-
Public safety	3,808,284	-	-
Judiciary and court related	5,398,445	-	-
Highways and streets	-	190,404	287,218
Health and welfare	-	-	-
Debt service	-	-	-
Total expenditures	11,984,302	190,404	287,218
Excess (deficiency) of revenues over expenditures	280,179	527,340	374,521
Other financing sources (uses):			
Transfers in	1,437,557	-	-
Transfers out	(2,029,780)	-	-
Total other financing sources (uses)	(592,223)	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(312,044)	527,340	374,521
Fund balances - beginning	4,933,542	1,593,734	2,278,760
Fund balances - ending	$ 4,621,498	$ 2,121,074	$ 2,653,281

See Notes to Financial Statements.

County Motor Fuel Tax	Retirement	Other Governmental Funds	Total Governmental Funds
$ -	$ 1,837,307	$ 3,073,694	$ 13,860,878
-	-	1,188,358	3,215,924
1,017,086	-	874,322	3,656,106
-	-	455,511	455,511
66,221	612,130	315,253	1,895,427
1,083,307	2,449,437	5,907,138	23,083,846
-	2,302,344	1,602,207	6,682,124
-	-	721,111	4,529,395
-	-	1,313,224	6,711,669
833,686	-	1,227,097	2,538,405
-	-	39,934	39,934
-	-	806,127	806,127
833,686	2,302,344	5,709,700	21,307,654
249,621	147,093	197,438	1,776,192
-	-	1,505,463	2,943,020
-	-	(2,276,192)	(4,305,972)
-	-	(770,729)	(1,362,952)
249,621	147,093	(573,291)	413,240
2,202,070	1,173,670	7,120,242	19,302,018
$ 2,451,691	$ 1,320,763	$ 6,546,951	$ 19,715,258

THIS PAGE IS LEFT BLANK INTENTIONALLY

BOONE 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, 2008

Net change in fund balances - governmental funds	$ 413,240
Amounts reported for governmental activities in the statement of activities are different because:	
Some receivables were not received within 60 days therefore they are not recorded as revenue in the funds.	40,000
Prepaid interest, net of deferred gain is recorded in governmental funds as expenditures. However, in the statement of net assets these amounts are recorded as an asset and a liability and allocated over the life of the bonds. This is the amount of prepaid interest, net of deferred gain expensed in the period.	(31,154)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capitalized fixed assets ($1,050,207) exceeds depreciation expense ($1,048,767) in the period.	1,440
Internal services funds are used to charge the costs in insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	29,559
Bond payments are reported in governmental funds as expenditures. However, only the interest on bonds is recorded in the statement of activities. This is the amount of bond payments in the period.	575,958
Change in net assets of governmental activities	$ 1,029,043

See Notes to Financial Statements.

BOONE COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
November 30, 2008

	Business-type activities -	
ASSETS	Landfill Closing	Maple Crest
Cash and cash equivalents	$ 14,972	$ 29,736
Investments, at cost	110,000	365,000
Accounts receivable	-	7,604
Restricted assets - cash and investments	-	125,450
Property and equipment, net of accumulated depreciation	-	599,660
Total assets	124,972	1,127,450
LIABILITIES		
Vouchers payable	9,156	-
Accrued payroll	-	-
Estimated liability for post-closure care costs	650,000	-
Total liabilities	659,156	-
NET ASSETS		
Invested in capital assets, net of related debt	-	599,660
Net assets- restricted	-	125,450
Net assets- unrestricted	(534,184)	402,340
Total net assets	$ (534,184)	$ 1,127,450

See Notes to Financial Statements.

BOONE COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year ended November 30, 2008

	Business-type activities - Enterprise Funds				Governmental Activities-
	Landfill Closing	Maple Crest	Other Non-major Enterprise	Totals	Internal Service Fund
Operating revenues:					
Sale of goods and services	$ -	$ -	$ -	$ -	$ -
Other	-	89,164	-	89,164	551,780
Total operating revenue	-	89,164	-	89,164	551,780
Operating expenses:					
Personnel	-	2,612	-	2,612	-
Commodities	-	-	3	3	-
Contractual	(197,104)	-	(592)	(197,696)	1,889,851
Depreciation	-	20,264	-	20,264	-
Total operating expenses	(197,104)	22,876	(589)	(174,817)	1,889,851
Operating income (loss)	197,104	66,288	589	263,981	(1,338,071)
No operating revenues:					
Other non operating revenues	76,449	18,323	17	94,789	4,678
Income (loss) before operating transfers	273,553	84,611	606	358,770	(1,333,393)
Operating transfers:					
Operating transfers in (out)	75,000	(75,000)	-	-	1,362,952
Net income (loss)	348,553	9,611	606	358,770	29,559
Net assets, December 1, 2007	(882,737)	1,117,839	4,611	239,713	422,950
Net assets, November 30, 2008	$ (534,184)	$ 1,127,450	$ 5,217	$ 598,483	$ 452,509

See Notes to Financial Statements.

- Enterprise Funds		Governmental Activities-
Other Non-major Enterprise	Totals	Internal Service Fund
$ 5,217	$ 49,925	$ 450,378
-	475,000	-
-	7,604	4,198
-	125,450	-
-	599,660	-
5,217	1,257,639	454,576
-	9,156	2,067
-	-	-
-	650,000	-
-	659,156	2,067
-	599,660	-
-	125,450	-
5,217	(126,627)	452,509
$ 5,217	$ 598,483	$ 452,509

BOONE COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended November 30, 2008

	Business-type activities - Enterprise Funds				Governmental Activities-
	Landfill Closing	Maple Crest	Other Non-major Enterprise	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ -	$ 81,560	$ -	$ 81,560	$ -
Receipts from interfold services provided	-	-	-	-	547,582
Payments to suppliers	(170,409)	(2,438)	(1,347)	(174,194)	(1,895,167)
Payments to employees	-	(2,612)	-	(2,612)	-
Net cash provided by (used in) operating activities	(170,409)	76,510	(1,347)	(95,246)	(1,347,585)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Purchase of property & equipment	-	(16,160)	-	(16,160)	-
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in (out)	75,000	(75,000)	-	-	1,362,952
Non-operating revenue	76,449	-	-	76,449	-
Net cash provided by (used in) non-capital financing activities	151,449	(75,000)	-	76,449	1,362,952
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in investments	(110,000)	15,000	-	(95,000)	-
Interest received	-	14,251	17	14,268	4,678
Net cash provided by (used in) investing activities	(110,000)	29,251	17	(80,732)	4,678
Net increase (decrease) in cash	(128,960)	14,601	(1,330)	(115,689)	20,045
Beginning cash	143,932	15,135	6,547	165,614	430,333
Ending cash	$ 14,972	$ 29,736	$ 5,217	$ 49,925	$ 450,378

See Notes to Financial Statements.

BOONE COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
Year ended November 30, 2008

	Business-type activities- Enterprise Funds				Governmental Activities-
	Landfill Closing	Maple Crest	Other Non-major Enterprise	Total	Internal Service Fund
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	$ 197,104	$ 66,288	$ 589	$ 263,981	$ (1,338,071)
Adjustments needed to reconcile to net cash provided by (used in) operations:					
Depreciation	-	20,264	-	20,264	-
Change in current assets and liabilities net of purchased amounts:					
(Increase) decrease in accounts receivable	-	(7,604)	-	(7,604)	(4,198)
Increase (decrease) in vouchers payable	(17,513)	(2,438)	(984)	(20,935)	(5,316)
Increase (decrease) in accrued payroll	-	-	(952)	(952)	-
Increase (decrease) in estimated liability for landfill post closure care costs	(350,000)	-	-	(350,000)	-
Net cash provided by (used in) operating activities	$(170,409)	$ 76,510	$ (1,347)	$ (95,246)	$ (1,347,585)

See Notes to Financial Statements.

BOONE COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
November 30, 2008

	Private-Purpose Trust Funds	Agency
ASSETS		
Cash	$ 165,573	$ 1,776,142
Investments, at cost	492,500	17,000
Due from other governmental units	40,962	-
Due from others	-	-
Total assets	699,035	1,793,142
LIABILITIES		
Vouchers payable	1,798	-
Due to others	22,554	1,793,142
Total liabilities	24,352	1,793,142
NET ASSETS		
Held in trust for other purposes	$ 674,683	$ -

See Notes to Financial Statements.

BOONE COUNTY, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year ended November 30, 2008

	Private-Purpose Trust Funds
Additions:	
Fees	$ 121,210
Intergovernmental revenue	588,648
Sale of goods and services	79,136
Other revenue	90,438
Total additions	879,432
Deductions:	
Commodities	63,179
Contractual	134,596
Capital outlay	1,158,203
Other	44,337
Total deductions	1,400,315
Change in net assets	(520,883)
Net assets, December 1, 2007	1,195,566
Net assets, November 30, 2008	$ 674,683

See Notes to Financial Statements

A. Summary of Significant Accounting Policies:

REPORTING ENTITY

Boone County, Illinois was incorporated on March 4, 1837, under the provisions of the State of Illinois. The County operates under a Chairman/Board form of government and provides services to the public such as public safety and judicial system, health and social services, road construction and maintenance, building and planning, maintenance and operation of nursing home facilities, and general administrative services.

The accounting policies of the County conform to generally accepted principles as applicable to governmental units. Boone County's basic financial statements include the accounts of all County operations that are controlled by or dependent on the County. Control or dependence is determined by financial interdependency, selection of governing board, designation of management, accountability for fiscal matters and ability to significantly influence operations.

In evaluating how to define the government, for financial reporting purposes, the County has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the County and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the County is able to exercise oversight responsibilities.

The County is considered to be a primary government, pursuant to GASB 14 as amended by GASB 39, since it is legally separate and fiscally independent. This report includes all of the funds and account groups of the County. It includes all activities considered to be part of (controlled by or dependent on) the County as set forth under the GAAP criteria.

A. Summary of Significant Accounting Policies (Continued):

GOVERNMENT WIDE, FUND FINANCIAL STATEMENTS AND BASIS OF ACCOUNTING

The government wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of the interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Earnings on investments, not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds. Fiduciary funds for which the County maintains a Fiduciary or Agent responsibility are not presented in the government wide financial statements.

The government wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

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. Governmental fund financial

A. Summary of Significant Accounting Policies (Continued):

GOVERNMENT WIDE, FUND FINANCIAL STATEMENTS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental Funds (Continued)

statements are reported using the modified accrual basis method of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The following is a description of the governmental funds of the County:

1. 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.

2. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a particular purpose.

3. 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.

4. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business type/proprietary funds).

Proprietary Fund

The focus of the proprietary funds 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. Proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Proprietary funds have selected to consistently not follow Financial Accounting Standards Board pronouncements issued subsequent to November 30, 1989 as permitted under Governmental Standards Board Statement No. 20.

A. Summary of Significant Accounting Policies (Continued):

GOVERNMENT WIDE, FUND FINANCIAL STATEMENTS AND BASIS OF ACCOUNTING (CONTINUED)

Proprietary Fund (Continued)

A proprietary fund is a fund in which a fee is charged to external users of goods and services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on pricing policy designed to recover similar costs.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are charges to employees for insurance coverage. Operating expenses for internal service funds include the administrative expenses and insurance premiums. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major funds:

Governmental Funds:

General Fund: The general fund is the general operating fund of the County. It is used to account for all the financial resources except those required to be accounted for in another fund.

County Bridge Fund: To account for the costs related to various bridge improvement and maintenance programs which are supported mainly by property taxes.

Matching Fund: To account for the matching of costs related to various road and bridge improvement and maintenance programs which are undertaken in conjunction with funding from the federal or state government. Financing is similar to that for the County Highway Fund.

County Motor Fuel Tax Fund: To record the receipt of the County's share of state gasoline taxes. These funds are then expended for the maintenance of roads and bridges. State of Illinois law requires separate accounting for such revenues and expenditures.

A. Summary of Significant Accounting Policies (Continued):

GOVERNMENT WIDE, FUND FINANCIAL STATEMENTS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental Funds (Continued):

Retirement: To account for the collection and payment of employee and County pension contributions to I.M.R.F and the County's portion of social security contributions made under F.I.C.A. and Medicare. Financing is provided by a specific property tax levies and state replacement taxes.

Enterprise Funds:

Maple Crest Fund: To account for costs related to maintain a Nursing Home that is being rented to a private company.

Landfill Closing Fund: To account for the costs related to post-closure care of the landfill which was closed in previous years. Funding is provided by transfers from the county general fund and cost sharing with the City of Belvidere.

FUND ACCOUNTING

The accounts of Boone County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, and revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

GOVERNMENTAL 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 requirements.

PROPRIETARY FUNDS: The County maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise funds to account for its' landfill closing, recycling and nursing center lease operations. Proprietary funds provide the same information as the government-wide financial statements, only in more detail.

A. Summary of Significant Accounting Policies (Continued):

FUND ACCOUNTING (CONTINUED)

FIDUCIARY FUNDS:

Fiduciary funds are used to account for the resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

BUDGETS

The term "budget" used throughout the financial statements represents the estimated revenues and appropriations as set forth in the County's annual appropriation ordinance adopted for the fiscal year ended November 30, 2008. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets are not adopted for proprietary funds.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

a. At least 15 days prior to the enactment of the budget, the committee on Finance and Procurement submits to the County Board a proposed means of financing and expenditure appropriations for the fiscal year commencing the following December 1.

b. Normally on the last Wednesday in November, but no later than November 30, the budget is legally enacted through passage of the appropriation ordinance.

c. Budgeted amounts are as originally reported or as amended by the County Board. Individual amendments were not material in relation to the original appropriations.

d. Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for each object and purpose, but management control is exercised at budgetary line item levels.

e. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

A. Summary of Significant Accounting Policies (Continued):

CASH AND INVESTMENTS

Cash consists of demand deposits and savings accounts, both being easily accessible and with short-term duration. Investments as of November 30, 2008 consist of certificates of deposit and money market accounts in various financial institutions.

Statutes authorize the County to invest in: 1) securities guaranteed by the full faith and credit of the United States of America; 2) deposits or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; 3) short-term obligations of corporations organized in the United States which meet other restrictions as defined in Illinois Revised Statutes Chapter 35, Paragraph 902, as amended; 4) money market funds registered under the Investment Company Act of 1940; 5) short-term discount obligations of the Federal National Mortgage Association; 6) shares or other forms of securities legally issuable by savings and loan associations; 7) various share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States provided the principal office of any such credit union is located within the State of Illinois; 8) a Public Treasurer's Investment Pool created under Section 17 of "An Act to revise the law in relation to the State Treasurer", approved April 23, 1873, as amended. Bank and savings and loan investments may only be made in institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. Cash in the General Fund is made up of the following cash accounts: General Clearing, General Sweep, County Clerk-petty cash, County Clerk-Checking, Sheriff, PSB and Sheriff Special Trust.

PROPERTY TAXES

It is the County's intention that property taxes generated from the 2007 property tax levy be used to finance the operating budget of the fiscal year ending November 30, 2008. Therefore, property tax receipts represent the receipts primarily generated by the 2007 property tax levy.

The 2007 levy was passed by the Board on November 14, 2007. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments in June and September. The County receives significant distributions of tax receipts within one month of these due dates.

A. Summary of Significant Accounting Policies (Continued):

PROPERTY TAXES (CONTINUED)

The amounts of taxes levied for the 2008 tax levy are:

General Fund	$3,549,032
Special Revenue Funds:	
IMRF	1,300,699
Social Security	721,000
Extension Education	193,200
Senior Citizens	225,000
Other Special Revenue	2,820,644
	$8,809,575

FUND EQUITY

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

INVENTORY

Inventories of revenue stamps in the General Fund are carried at cost, based on the first-in, first-out method.

COMPENSATED ABSENCES

Regular full-time and regular part-time employees accrue and receive vested rights in vacation time according to their years of continuous service. Additionally, accumulated vacation time which is not subject to forfeiture will be paid to employees upon separation from Boone County's service. As a result, these compensated absences have been accrued in the respective fund from which the related salary is being paid and will be recognized as expenditures as they are earned.

Earned sick days can accumulate to a maximum of 450 hours, and at the end of each calendar year, employees may receive one hour's pay for every five sick hours over the 450 hours accumulated. Except in cases of retirement, disability or lay-off, payment is only made for illness.

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.

B. Long-Term Debt:

Note Payable

On October 9, 2007, the County borrowed $128,249 to finance 50 radios in the Sheriff's office. The note is payable in 3 annual payments of $46,472 with an interest rate of 4.229%. Payments are due every October 9 with final payment on October 9, 2010.

Year Ending November 30,	Principal	Interest
2009	$42,729	$3,743
2010	44,562	1,911
Total	$87,291	$5,654

2005 Series

On June 9, 1999, Boone County issued $9,300,000 of General Obligation Bonds to be used for the expansion of the County Jail. These bonds were partially refunded on March 8, 2005 with Series 2005 Refunding Bonds. On March 8, 2005, Boone County issued $6,895,000 of General Obligation Refunding Bonds to refund a portion of the 1999 Series bonds that were used for the expansion of the County Jail. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The bonds begin to mature on December 1, 2008 and bear interest rates from 3.375% to 3.800%. Interest payments are due annually to the paying agent beginning June 1, 2005. Payments to bondholder are due annually beginning December 1, 2008.

Amounts required to be paid for the retirement of 2005 Series General Obligation Refunding Bonds are as follows:

Fiscal year ending November 30,	Annual Debt Service	
	Principal	Interest
2009	$ 550,000	$ 226,618
2010	565,000	207,917
2011	585,000	188,708
2012	600,000	168,525
2013	620,000	147,825
2014 – 2018	3,440,000	393,609
	$6,360,000	$1,333,202

B. Long-Term Debt (Continued):

2005 Series (Continued)

The following is a summary of changes in long-term liability for the year ended November 30, 2008:

	Balance December 1, 2007	Additions	Deletions	Balance November 30, 2008
Note Payable	$ 128,249	$ -	$ 40,958	$ 87,291
Bonds Payable	6,895,000	-	535,000	6,360,000
Total	$7,023,249	$ -	$575,958	$6,447,291

The County is subject to a debt limitation of 2.875% of its assessed valuation of $1,298,112,848. As of November 30, 2008 the County had $37,233,453 of remaining legal debt margin.

Subsequent to year end on December 15, 2008, the County issued $4,995,000 in Alternate Revenue Bonds with will be used for the courthouse/Logan Avenue expansion/remodel. These bonds will be repaid at an interest rate of 4.55% over twenty years with General Funds. The Bonds were structured as "Series A" of $4,295,000 and a "Series B" bond of $700,000 which will enable the County to pay the "Series B" principal before maturity if the project is under budget.

C. Debt Defeasance:

In a prior year, the County defeased a portion of the 1999 General Obligation bond issue by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the County's financial statements. The gain from the defeasance has been recognized in the government-wide financial statements as a deferred gain and is being amortized over the life of the new bonds. There was an additional amount financed to retire the bonds with this amount being recorded as prepaid interest. As of November 30, 2008, the amount of defeased debt outstanding but removed from the County's financial statements amounted to $6,020,000.

D. Pension Plan

PLAN DESCRIPTION

The County's defined benefit pension plan for Regular employees (all County employees not included in the following two groups), Sheriff's Law Enforcement Personnel (SLEP) and Elected County Officials (ECO), provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The County's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

FUNDING POLICY

As set by statute, the County's Regular plan members are required to contribute 4.5 percent, (7.5 percent for SLEP and ECO members) of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's contribution rate for calendar year 2007 was 9.54 percent (19.04 percent for SLEP and 50.09 percent for ECO) of annual covered payroll. 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 2007, the County's **annual pension cost** of $636,251 for the Regular plan, ($391,886 for SLEP plan, and $167,943 for ECO plan) was equal to the County's required and actual contributions.

Three-Year Trend Information for the Regular Plan

Regular:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$636,251	100%	$0
12/31/06	605,492	100%	0
12/31/05	511,868	100%	0

D. Pension Plan (Continued)

Three-Year Trend Information for the SLEP Plan

SLEP:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$391,886	100%	$0
12/31/06	349,384	100%	0
12/31/05	289,892	100%	0

Three-Year Trend Information for the ECO Plan

ECO:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$167,943	100%	$0
12/31/06	191,396	100%	0
12/31/05	164,231	100%	0

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% 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 .4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The County's Regular, SLEP and ECO 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, 2007, was 25 years.

FUNDED STATUS AND FUNDING PROGRESS

As of December 31, 2007, the most recent actuarial valuation date, the Regular plan was 94.09 percent funded, (64.84 percent funded for SLEP, and 0.00 percent funded for ECO). The actuarial accrued liability for benefits was $17,665,584 for Regular, ($7,813,186 for SLEP, $1,888,373 for ECO), and the actuarial value of assets was $16,622,092, resulting in an

D. Pension Plan (Continued)

FUNDED STATUS AND FUNDING PROGRESS (CONTINUED)

overfunded actuarial accrued liability (UAAL) of $1,043,492, ($5,066,210 for SLEP, resulting in an underfunded actuarial accrued liability (UAAL) of $2,746,976, and $150,549 for ECO, resulting in an underfunded actuarial accrued liability (UAAL) of $2,038,922). The covered payroll (annual payroll of active employees covered by the Regular plan) was $6,669,298 and the ratio of the UAAL to the covered payroll was 16 percent. For SLEP members, the covered payroll (annual payroll of active employees covered by the plan) was $2,058,223 and the ratio of the UAAL to the covered payroll was 133 percent. For ECO members, the covered payroll (annual payroll of active employees covered by the plan) was $335,282 and the ratio of the UAAL to the covered payroll was 608 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.

E. Excess of Expenditures/Expenses Over Appropriations:

Funds for which actual expenditures/expenses exceeded appropriations for the year are as follows:

	Expenditures/Expenses	
Fund	Budget	Actual
County Highway	$ 756,370	$ 1,313,224
County Bridge	$ 172,000	$ 190,404
County Matching	$ 772,450	$ 833,686

F. Deposits and Investments:

Deposits. At year-end, the carrying amount of the County's deposits in checking, money market accounts, savings accounts and certificates of deposit was $22,461,951 and the bank balance was $24,719,322. Of the bank balance, $24,716,415 was covered by Federal Depository Insurance or by collateral held by pledging bank's trust department or by its agent in the County's name and $2,907 was uninsured.

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits might not be recovered. As of November 30, 2008, $2,907 of the County's balance was exposed to custodial credit risk and was uninsured and uncollateralized.

F. Deposits and Investments (Continued):

For financial statement purposes, the County shows certificates of deposits and money market accounts as temporary cash investments.

Investments. For purposes of this note disclosure only, the County did not have any investments as of November 30, 2008.

G. Restricted Assets:

The Nursing Center (an enterprise fund) has $125,450 in restricted cash and investments. The monies have been received through donations and bequests. These funds have been committed to future capital additions of the Nursing Center.

H. Cost Sharing with City of Belvidere:

The City of Belvidere and the County of Boone formed the Belvidere-Boone County Public Building Corporation, a nonprofit corporation, for the purpose of constructing and leasing a public safety facility to the City and County. The lease has since been paid and the commission dissolved.

The County's share of the cost of the Public Safety Building (50%) has been included in Fixed Assets.

The County and City negotiated a new ten (10) year agreement in 2000. Personnel costs are divided 55% by the County and 45% by the City. The personnel costs of the public safety facility changed to 50% by the County and 50% by the City on July 1, 2005, and all other expenses of the public safety facility are shared 50%-50% as well.

The County and City have also shared the costs of the Building and Planning Department, the landfill closing and continued maintenance of the closed landfill on a 50% - 50% basis.

I. Risk Management:

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to handle such risks of loss, the County purchases commercial insurance coverage. The amounts of settlements have not exceeded insurance coverage for any of the past three years.

J. Deficit Fund Balances/Retained Earnings:

The Landfill Closing Fund, an Enterprise Fund, had deficit retained earnings of $534,184 at November 30, 2008.

K. Nursing Center Lease:

During 1999, the County entered into an agreement to lease Maplecrest Nursing Center to an outside party. The lease commenced in February 1999 and has a term of five years, at which point it was renewed for an additional fifteen-year term. The County will receive rent in the following amounts: $91,249 for the year beginning February 2008, $94,899 for the year beginning February 2009 and 4% increases each year until 2028. The Nursing Center will continue to be used and occupied as a skilled and/or intermediate care nursing home, with the lessee adopting the County's admission policy. Upon termination of the lease, the County will retain ownership of the Nursing Center and all related fixed assets. The County recognized lease revenue of $89,164 for the year ended November 30, 2008.

L. Estimated Liability for Postclosure Care Costs:

The Belvidere/Boone County Landfill #2 ceased accepting solid waste in September of 1992. State and Federal laws and regulations require that Boone County, Illinois place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill for at least 15 years. As of November 30, 2008, the landfill had been covered and post-closure care was continued. The county must meet certain groundwater parameters for inorganic compounds before it can discontinue monitoring the site. The County has petitioned the Illinois EPA and the Pollution Control Board for an "Adjusted Standard" in the currently in-place groundwater monitoring parameters. This petition was withdrawn by the County due to an agreement reached with the Illinois EPA in March, 2004. The agreement involves installing additional methane gas wells and a leachate extraction system at the landfill. This is considered remedial action. Pursuant to GASB Statement 18, a liability is recognized in the current year based on the future postclosure care costs that will be incurred subsequent to the balance sheet date. The liability has been calculated assuming the petition for an "Adjusted Standard" will be approved and an additional 10 years past the minimum 15 year requirement will be needed to monitor the site. The County's share of the estimated liability for landfill postclosure care costs has a balance of $650,000 as of November 30, 2008, which is based on 100% usage (filled) of the landfill. The estimated total current liability of the landfill postclosure care is based on the amount that would be paid if all equipment, facilities and services required to monitor and maintain the landfill were acquired as of November 30, 2008. However, the actual cost of postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

M. Property, Plant and Equipment:

PROPERTY, PLANT AND EQUIPMENT

Capital assets, which include buildings, land improvements, construction in progress and equipment are reported in the government-wide financial statements. The County defines capital assets as assets with an initial individual cost of more than $1,000 to $10,000 depending on the asset type, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated assets are stated at estimated fair market value as of the date of acquisition. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except construction in progress, are being depreciated using the straight line method over the following useful lives:

Buildings & Improvements	40 years
Equipment & Vehicles	5 years

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

The governmental activities capital asset activity for the year ended November 30, 2008 is as follows:

	Balance December 1, 2007	Additions	Deletions	Balance November 30, 2008
Cost:				
Land	$ 695,289	$ -	$ -	$ 695,289
Infrastructure	9,470,352	-	-	9,470,352
Buildings and improvements	14,114,974	50,545	-	14,165,519
Equipment and vehicles	8,939,922	999,661	2,534,719	7,404,864
	$33,220,537	$1,050,206	$2,534,719	$31,736,024

M. Property, Plant and Equipment (Continued):

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Balance December 1, 2007	Additions	Deletions	Balance November 30, 2008
Accumulated Depreciation:				
Infrastructure	$ 2,131,049	$207,619	$ -	$ 2,338,668
Buildings and improvements	4,131,174	352,980	-	4,484,154
Equipment and vehicles	7,913,851	488,167	2,534,719	5,867,299
	$14,176,074	$1,048,766	$2,534,719	$12,690,121
Total Capital Assets, Net:				
Land	$ 695,289	$ -	$ -	$ 695,289
Infrastructure	7,339,303	(207,619)	-	7,131,684
Buildings and improvements	9,983,800	(302,435)	-	9,681,365
Equipment and vehicles	1,026,071	511,494	-	1,537,565
	$19,044,463	$ 1,440	$ -	$19,045,903

M. Property, Plant and Equipment (Continued):

The business-type activities capital asset activity for the year ended November 30, 2008 is as follows:

	Balance December 1, 2007	Additions	Deletions	Balance November 30, 2008
Cost:				
Land and improvements	$ 75,621	$ -	$ -	$ 75,621
Buildings and improvements	1,729,689	16,500	-	1,746,189
Equipment and vehicles	653,305	-	340	652,965
	$2,458,615	$16,500	$ 340	$ 2,474,775
Accumulated Depreciation:				
Land and improvements	$ 50,595	$ 2,674	$ -	$ 53,269
Buildings and improvements	1,151,380	17,556	-	1,168,936
Equipment and vehicles	652,876	34	-	652,910
	$1,854,851	$20,264	$ -	$ 1,875,115
Total Capital Assets, Net:				
Land and improvements	$ 25,026	$(2,674)	$ -	$ 22,352
Buildings and improvements	578,309	(1,056)	-	577,253
Equipment and vehicles	429	(34)	340	55
	$603,764	$(3,764)	$ 340	$599,660

M. Property, Plant and Equipment (Continued):

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

Governmental activities:	
General government	$ 168,243
Public safety	581,810
Public works	275,748
Health, sanitation, and welfare	22,966
Total depreciation expense, governmental activities	$ 1,048,767
Business-type activities:	
Nursing Center	$ 20,264

N. Transfers:

Fund	Transfers in	Transfers out
Major funds:		
General Fund	$ 1,437,557	$2,029,780
Maplecrest	-	75,000
Landfill Closing	75,000	-
Non-major funds	2,868,415	2,276,192
	$4,380,972	$4,380,972

Transfers were for budgeted capital outlays, subsidizing nonmajor funds or for providing administrative support for nonmajor funds. $575,985 was transferred from the General Fund to the Space Acquisition Fund, a Non-major fund, during the year. The amount was used for demolition costs that will be partially refunded to the General Fund through the 2008 General Obligation Bond issue in Fiscal Year 2009.

O. Schedule of Tort Expenditures:

Boone County had the following tort expenditures for the year ended November 30, 2008:

Insurance	$468,586
Security and safety related	58,708
Total tort expenditures	$527,294

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

BOONE COUNTY, ILLINOIS
Year ended November 30, 2008

Required Supplementary Information
Schedule of Funding Progress

Regular:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$16,622,092	$17,665,584	$1,043,492	94.09%	$6,669,298	15.65%
12/31/06	15,775,673	17,013,178	1,237,505	92.73%	6,116,082	20.23%
12/31/05	14,156,320	15,169,175	1,012,855	93.32%	5,521,774	18.34%

SLEP:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$5,066,210	$7,813,186	$2,746,976	64.84%	$2,058,223	133.46%
12/31/06	5,014,733	7,527,475	2,512,742	66.62%	1,907,117	131.76%
12/31/05	4,819,629	6,830,310	2,010,681	70.56%	1,743,184	115.35%

ECO:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$(150,549)	$1,888,373	$2,038,922	0.00%	$335,282	608.12%
12/31/06	59,067	1,957,512	1,898,445	3.02%	365,678	519.16%
12/31/05	(157,539)	1,913,868	2,071,407	0.00%	414,097	500.22%

BOONE COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Taxes:			
Property taxes	$ 3,345,864	$ 3,217,689	$ (128,175)
State income tax	1,791,199	1,821,714	30,515
State sales tax	1,971,574	1,852,277	(119,297)
Replacement tax	535,427	541,996	6,569
Inheritance tax	16,076	43,115	27,039
Use tax	248,531	283,908	35,377
Total taxes	7,908,671	7,760,699	(147,972)
Fees, licenses, permits, and fines:			
County clerk fees	76,333	9,650	(66,683)
County sheriff fees	136,344	189,475	53,131
State's attorney fees	18,083	14,520	(3,563)
Court security fees	57,000	57,000	-
County coroner fees	706	10,093	9,387
County recorder	227,589	161,157	(66,432)
Licenses and permits	30,237	33,029	2,792
Criminal fines	182,111	229,288	47,177
Traffic fines	591,805	540,758	(51,047)
Cable franchise fees	45,930	47,473	1,543
Circuit court fees	644,104	687,167	43,063
Counsel fees	2,226	6,939	4,713
Finance court	61,697	41,017	(20,680)
Total fees, licenses, permits, and fines	2,074,165	2,027,566	(46,599)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF REVENUES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues (continued):			
Intergovernmental revenue:			
State of Illinois salary reimbursements	392,813	436,565	43,752
County sheriff reimbursements	538,097	774,860	236,763
Public Safety Building operations - city	519,091	425,488	(93,603)
Treasurer reimbursement	12,370	20,292	7,922
HAVA grant	-	35,385	35,385
Total intergovernmental revenues	1,462,371	1,692,590	230,219
Other:			
Interest:			
Interest on property taxes	19,619	13,354	(6,265)
Investments	144,450	102,784	(41,666)
Work release	32,121	39,389	7,268
Revenue stamps	448,496	240,423	(208,073)
Child support reimbursement	-	17,000	17,000
Neglected children	-	968	968
Miscellaneous	191,849	195,555	3,706
Penalties	153,627	164,208	10,581
County farm	9,945	9,945	-
Total other revenue	1,000,107	783,626	(216,481)
Total revenues	$ 12,445,314	$ 12,264,481	$ (180,833)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures:			
General Government:			
Courthouse Expense			
Personnel:			
Salaries - other full time	$ 139,096	$ 138,849	$ (247)
Salaries - overtime	2,700	4,621	1,921
Total personnel	141,796	143,470	1,674
Commodities:			
Maintenance supplies	9,148	7,934	(1,214)
Gas and oil	1,390	1,298	(92)
Uniforms	2,300	2,300	-
Total commodities	12,838	11,532	(1,306)
Contractual:			
Utilities	295,125	312,937	17,812
Equipment rental	250	79	(171)
Telephone	82,400	101,606	19,206
Waste disposal	1,210	1,291	81
Maintenance - equipment	9,265	22,282	13,017
Maintenance - grounds	7,318	4,130	(3,188)
Total contractual	395,568	442,325	46,757
Capital outlay:			
Equipment	1,650	956	(694)
Total courthouse expense	551,852	598,283	46,431

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
County Board Expense			
Personnel:			
Chairman	10,500	10,500	-
Contractual:			
Travel	9,680	4,139	(5,541)
Insurance, bonds	1,000	569	(431)
Per diem	66,600	57,800	(8,800)
Publications	715	229	(486)
Dues and memberships	2,200	2,133	(67)
Other professional services	18,500	18,844	344
Total contractual	98,695	83,714	(14,981)
Total county board expense	109,195	94,214	(14,981)
Zoning			
Contractual:			
Travel	300	614	314
Advertising and publishing	100	100	-
Training and conference	100	100	-
Per diem	2,000	1,960	(40)
Total zoning expense	2,500	2,774	274
County Farm			
Contractual:			
Taxes	1,500	1,500	-
Total county farm expense	1,500	1,500	-

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
County Treasurer			
Personnel:			
Salaries - department head	61,947	61,948	1
Salaries - deputies	85,628	91,840	6,212
Salaries - overtime	550	156	(394)
Total personnel	148,125	153,944	5,819
Commodities:			
Office supplies	1,000	1,166	166
Books, periodicals, and manuals	400	78	(322)
Total commodities	1,400	1,244	(156)
Contractual:			
Travel	700	825	125
Advertising and publishing	12,700	11,802	(898)
Training and conferences	500	235	(265)
Postage	250	68	(182)
Maintenance equipment	600	439	(161)
Dues and memberships	520	505	(15)
Total contractual	15,270	13,874	(1,396)
Capital outlay:			
Office equipment	750	421	(329)
Total county treasurer expense	165,545	169,483	3,938

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
County Clerk and Recorder			
Personnel:			
Salaries - department head	67,971	67,971	-
Salaries - deputies	191,410	191,412	2
Total personnel	259,381	259,383	2
Commodities:			
Office supplies	18,000	10,826	(7,174)
Revenue stamps	400,000	140,700	(259,300)
Total commodities	418,000	151,526	(266,474)
Contractual:			
Travel	550	145	(405)
Printing, duplicating and binding	5,300	2,641	(2,659)
Postage	13,000	10,564	(2,436)
Office equipment repair	5,100	5,017	(83)
Dues and memberships	350	350	-
Data processing	27,500	25,938	(1,562)
Rental office equipment	12,000	4,823	(7,177)
Miscellaneous fees (register births and deaths)	250	247	(3)
Total contractual	64,050	49,725	(14,325)
Total county clerk and recorder	741,431	460,634	(280,797)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
Administrative Services			
Personnel:			
Salaries - department head	102,586	102,586	-
Salaries - secretary	32,634	34,378	1,744
Salaries - admin assistant	62,031	60,294	(1,737)
Total personnel	197,251	197,258	7
Commodities:			
Stationery and supplies	9,300	8,726	(574)
Books, periodicals and manuals	400	59	(341)
Total commodities	9,700	8,785	(915)
Contractual:			
Travel	2,564	2,571	7
Postage	12,750	21,906	9,156
Training and conferences	1,825	805	(1,020)
Publishing and advertising	2,500	2,661	161
Maintenance - equipment	6,351	7,657	1,306
Dues and memberships	2,000	1,680	(320)
Total contractual	27,990	37,280	9,290
Total administrative expense	234,941	243,323	8,382
Superintendent of Educational Service Region			
Other:			
Intergovernmental education service	102,371	101,614	(757)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
Supervisor of Assessments			
Personnel:			
Salaries - department	63,106	63,106	-
Salaries - clerks	189,996	177,952	(12,044)
Total personnel	253,102	241,058	(12,044)
Commodities:			
Office supplies	2,560	2,277	(283)
Total commodities	2,560	2,277	(283)
Contractual:			
Equipment maintenance	2,255	3,604	1,349
Travel	2,457	1,673	(784)
Mapping maintenance	57,500	36,098	(21,402)
Training and conference	10,300	11,984	1,684
Advertising and publishing	28,300	30,228	1,928
Postage	11,450	9,189	(2,261)
Dues and memberships	1,025	769	(256)
Other professional services	13,200	19,138	5,938
Total contractual	126,487	112,683	(13,804)
Capital outlay:			
Equipment	11,775	15,679	3,904
Total supervisor of assessments	393,924	371,697	(22,227)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
Board of Review			
Personnel:			
Salaries-board members	19,513	19,513	-
Commodities:			
Office supplies	200	177	(23)
Contractual:			
Travel	1,924	1,461	(463)
Advertising and publishing	2,950	667	(2,283)
Other professional services	12,800	21,350	8,550
Training and conference	2,940	1,579	(1,361)
Dues	135	75	(60)
Total contractual	20,749	25,132	4,383
Total board of review expense	40,462	44,822	4,360
Election Expense			
Personnel:			
Salaries-clerks	2,500	4,319	1,819
Commodities:			
Printing paper and supplies	210,000	213,894	3,894
Capital outlay			
Office equipment	10,000	1,462	(8,538)
Other:			
Voter registration	22,000	20,673	(1,327)
Total election expense	244,500	240,348	(4,152)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
General Government (Continued):			
Other Professional Services and Capital			
Contractual:			
Phone system	-	80,990	80,990
GIS upgrade	50,000	17,731	(32,269)
Accounting software	-	25,908	25,908
Other professional services	-	1,902	1,902
Total other professional services	50,000	126,531	76,531
Information Technology			
Contractual:			
Computer replacement	8,000	6,262	(1,738)
Computer maintenance	11,500	10,226	(1,274)
License fees	64,410	48,522	(15,888)
Telephone	4,300	3,913	(387)
Professional services	31,100	31,885	785
Office equipment	13,100	12,558	(542)
Miscellaneous	100	1,849	1,749
Total information technology	132,510	115,215	(17,295)
Contingencies	30,000	32,621	2,621
Miscellaneous			
Annual audit	32,000	32,000	-
Growth Dimensions	50,000	50,000	-
CASA	42,000	42,000	-
Soil and Water Dist	30,000	30,000	-
Historical preservation	1,250	1,250	-
Compensated absence expense	-	19,264	19,264
Total miscellaneous	155,250	174,514	19,264
Total general government	2,955,981	2,777,573	(178,408)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Public Safety			
County Coroner			
Personnel:			
Salaries - coroner	38,245	38,245	-
Salaries - deputy	20,094	21,115	1,021
Salaries - secretary	23,957	23,966	9
Total personnel	82,296	83,326	1,030
Commodities:			
Office supplies	1,600	1,277	(323)
Medical supplies	1,500	1,412	(88)
Morgue supplies	2,500	4,663	2,163
Total commodities	5,600	7,352	1,752
Contractual:			
Travel	1,400	2,377	977
Postage	600	462	(138)
Training and conferences	2,000	2,890	890
Lab fees	3,000	5,805	2,805
Dues and memberships	300	300	-
Other professional services	25,000	26,498	1,498
Telephone	1,500	1,652	152
Total contractual	33,800	39,984	6,184
Other:			
Coroner inquiry - jury per diem	1,729	648	(1,081)
Capital outlay:			
Equipment	2,400	1,383	(1,017)
Total county coroner	125,825	132,693	6,868

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Public Safety (Continued):			
Emergency Service and Disaster Assistance			
Personnel:			
Salaries - director	43,160	43,888	728
Salaries - overtime	2,500	8,281	5,781
Salaries - aide	4,366	2,421	(1,945)
Total personnel	50,026	54,590	4,564
Commodities:			
Gas and oil	8,250	5,296	(2,954)
Total commodities	8,250	5,296	(2,954)
Contractual:			
Postage	878	171	(707)
Equipment maintenance	8,594	7,372	(1,222)
Telephone	1,500	1,049	(451)
Training and conferences	8,330	2,415	(5,915)
Dues and memberships	455	450	(5)
Total contractual	19,757	11,457	(8,300)
Capital outlay:			
Machinery and equipment	5,000	3,655	(1,345)
Total emergency service and disaster assistance	83,033	74,998	(8,035)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Public Safety (Continued):			
Sheriff's Department			
Personnel:			
Salaries - sheriff	98,201	98,364	163
Salaries - deputies	2,279,701	2,223,750	(55,951)
Salaries - overtime	75,000	221,853	146,853
Total personnel	2,452,902	2,543,967	91,065
Commodities:			
Office supplies - sheriff	12,000	12,660	660
Books, periodicals, and manuals	1,177	902	(275)
Gasoline and oil	125,000	154,337	29,337
Clothing - uniforms	52,325	53,312	987
Advertising	5,000	2,864	(2,136)
Total commodities	195,502	224,075	28,573
Contractual:			
Postage	2,816	3,128	312
Travel expense	8,000	10,671	2,671
Training and conferences	58,750	71,005	12,255
Other professional services	26,250	9,841	(16,409)
Dues	1,905	1,130	(775)
DARE program	7,000	3,164	(3,836)
Maintenance - vehicles	60,120	63,765	3,645
Maintenance - equipment	64,885	66,774	1,889
K-9 unit	4,000	3,597	(403)
Firing range	5,000	7,990	2,990
Total contractual	238,726	241,065	2,339

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Public Safety (Continued):			
Sheriff's Department (Continued):			
Capital outlay:			
Equipment - sheriff	110,800	95,709	(15,091)
Equipment - patrol	183,000	182,990	(10)
Total capital outlay	293,800	278,699	(15,101)
Total sheriff's department	3,180,930	3,287,806	106,876
Public Defender			
Personnel:			
Salaries - public defender	130,215	144,370	14,155
Salaries - asst. public defender	92,529	92,530	1
Salaries - secretary	49,242	48,177	(1,065)
Salaries - Intern	1,200	1,280	80
Total personnel	273,186	286,357	13,171
Contractual:			
Training & conferences	1,500	1,380	(120)
Maintenance	1,320	359	(961)
Equipment	1,115	710	(405)
Total contractual	3,935	2,449	(1,486)
Commodities:			
Office supplies	24,219	23,981	(238)
Total public defender	301,340	312,787	11,447
Total public safety	3,691,128	3,808,284	117,156

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related:			
State's Attorney			
Personnel:			
Salaries - department head	154,987	162,707	7,720
Salaries - assistants	282,555	278,236	(4,319)
Salaries - secretaries	127,842	107,359	(20,483)
Salaries - summer intern	100,900	103,417	2,517
Total personnel	666,284	651,719	(14,565)
Commodities:			
Office supplies	8,400	7,393	(1,007)
Books, periodicals, and manuals	7,000	7,083	83
Total commodities	15,400	14,476	(924)
Contractual:			
Appellate service	13,000	13,000	-
Travel	2,000	1,478	(522)
Training and conferences	5,000	3,480	(1,520)
Office equipment maintenance	200	35	(165)
Dues and memberships	3,600	1,736	(1,864)
Postage	3,300	2,858	(442)
Other professional service	2,300	251	(2,049)
Total contractual	29,400	22,838	(6,562)
Capital outlay:			
Office equipment	7,200	3,620	(3,580)
Total state's attorney	718,284	692,653	(25,631)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
Circuit Clerk			
Personnel:			
Salaries - circuit clerk	54,636	54,637	1
Salaries - clerks	367,161	363,645	(3,516)
Salaries - non-union	101,445	105,539	4,094
Salaries - overtime	2,000	2,410	410
Total personnel	525,242	526,231	989
Commodities:			
Office supplies	23,507	18,983	(4,524)
Contractual:			
Maintenance - equipment	1,800	1,378	(422)
Travel	1,685	583	(1,102)
Training and conferences	2,260	1,182	(1,078)
Postage	13,775	12,700	(1,075)
Printing and reproduction	6,700	10,260	3,560
Dues	670	670	-
Total contractual	26,890	26,773	(117)
Capital outlay:			
Equipment	7,354	5,241	(2,113)
Total circuit clerk	582,993	577,228	(5,765)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
Probation			
Personnel:			
Salaries - officers	197,119	197,119	-
Salaries - supervisors	74,438	74,437	(1)
Salaries - legal secretary	28,174	28,178	4
Total personnel	299,731	299,734	3
Commodities:			
Office supplies	4,000	3,945	(55)
Books, periodicals and manuals	250	146	(104)
Total commodities	4,250	4,091	(159)
Contractual:			
Equipment maintenance	1,300	1,285	(15)
Travel	2,600	1,826	(774)
Printing, duplicating and binding	1,000	998	(2)
Postage	2,000	2,000	-
Dues	240	240	-
Other professional services	3,500	50	(3,450)
Total contractual	10,640	6,399	(4,241)
Other:			
Juvenile placement	200,000	182,942	(17,058)
Capital outlay:			
Equipment	500	404	(96)
Total probation	515,121	493,570	(21,551)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
Judicial			
Personnel:			
Salaries - judges	1,521	1,593	72
Salaries - intern	2,000	2,878	878
Salaries - assistant	14,284	14,279	(5)
Total personnel	17,805	18,750	945
Commodities:			
Office supplies	2,299	2,544	245
Publications	7,000	6,464	(536)
Total commodities	9,299	9,008	(291)
Contractual:			
Equipment maintenance	390	119	(271)
Travel	500	230	(270)
Total contractual	890	349	(541)
Capital outlay:			
Equipment	6,751	5,212	(1,539)
Total judicial expense	34,745	33,319	(1,426)
County Corrections			
Personnel:			
Salaries - union	1,639,980	1,553,346	(86,634)
Salaries - non-union	77,013	80,968	3,955
Salaries - overtime	66,500	124,171	57,671
Total personnel	1,783,493	1,758,485	(25,008)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
County Corrections (Continued):			
Commodities:			
Office supplies	8,050	8,677	627
Office materials - work release	325	227	(98)
Gas & oil	2,300	1,192	(1,108)
Maintenance supplies	33,321	34,634	1,313
Food	223,035	221,539	(1,496)
Uniforms	36,750	28,994	(7,756)
Jail supplies	-	-	-
Total commodities	303,781	295,263	(8,518)
Contractual:			
Maintenance	9,520	9,802	282
Maintenance - equipment	32,941	34,217	1,276
Waste Disposal	3,400	2,712	(688)
Insurance and bonds	500	478	(22)
Training and conferences	37,687	28,091	(9,596)
Postage	205	126	(79)
Printing and reproduction	6,200	3,574	(2,626)
Dues	1,050	1,895	845
Other professional services	179,125	177,024	(2,101)
Total contractual	270,628	257,919	(12,709)
Capital outlay:			
Machinery and equipment	24,536	21,612	(2,924)
Total county corrections	2,382,438	2,333,279	(49,159)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
County Public Safety Building			
Personnel:			
Salaries - regular	780,792	806,648	25,856
Salaries - overtime	19,000	33,541	14,541
Total personnel	799,792	840,189	40,397
Commodities:			
Office supplies	14,000	14,026	26
Maintenance	8,800	8,229	(571)
Gas and oil	1,280	1,043	(237)
Uniforms	12,000	11,994	(6)
Total commodities	36,080	35,292	(788)
Contractual:			
Maintenance	3,500	2,406	(1,094)
Maintenance - other equipment	85,510	77,785	(7,725)
Waste disposal	2,250	2,441	191
Utilities	20,000	13,047	(6,953)
Training and conferences	5,980	2,774	(3,206)
Postage	1,000	985	(15)
Other professional services	16,500	-	(16,500)
Snow removal	2,250	3,060	810
Dues	200	95	(105)
Equipment rental	7,000	5,807	(1,193)
Total contractual	144,190	108,400	(35,790)
Capital outlay:			
Machinery and equipment	29,243	25,992	(3,251)
Total county public safety building	1,009,305	1,009,873	568

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF EXPENDITURES COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Judiciary and Court Related (Continued):			
Jurors and Other Legal Services			
Contractual:			
Legal service/rotation	29,035	58,741	29,706
Legal service/contract	40,849	39,156	(1,693)
Interpreter wages	30,000	27,640	(2,360)
Other professional services	35,000	34,870	(130)
Court reporter services	15,000	21,649	6,649
Grand jury per diem	8,000	3,526	(4,474)
Petit jury per diem	50,000	32,936	(17,064)
Meals and lodging	1,184	1,004	(180)
Witness fees	19,796	13,959	(5,837)
Court admin services	27,000	22,500	(4,500)
Total contractual	255,864	255,981	117
Commodities:			
Office supplies	2,000	739	(1,261)
Publications	7,688	1,803	(5,885)
Total commodities	9,688	2,542	(7,146)
Total jurors and other legal services	265,552	258,523	(7,029)
Total judiciary and court related	5,508,438	5,398,445	(109,993)
Total expenditures	$ 12,155,547	$ 11,984,302	$ (171,245)

BOONE COUNTY, ILLINOIS
GENERAL FUND (CONTINUED)
SCHEDULE OF OTHER FINANCING SOURCES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued):			
Other financing sources (uses):			
Operating transfers in:			
Office automation	$ 223,000	$ 190,000	$ (33,000)
COPS Grant	-	28,093	28,093
Special Census	-	69	69
Probation	80,000	80,000	-
Jail construction	850,000	904,895	54,895
General liability	159,500	159,500	-
Maplecrest	75,000	75,000	-
Total operating transfers in	$ 1,387,500	$ 1,437,557	$ 50,057
Operating transfers (out):			
Planning	$ (103,000)	$ (123,000)	$ (20,000)
Landfill closing	(75,000)	(75,000)	-
Building	(15,000)	(17,500)	(2,500)
Animal control	(15,000)	(15,000)	-
Space acquisition	(627,599)	(575,985)	51,614
Citizen's Corp	(1,847)	(23,295)	(21,448)
Employee's Health Insurance	(1,200,000)	(1,200,000)	-
Total operating transfers out	$ (2,037,446)	$ (2,029,780)	$ 7,666

BOONE COUNTY, ILLINOIS
SPECIAL REVENUE FUND
COUNTY BRIDGE
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Taxes:			
Property taxes	$ 620,000	$ 594,589	$ (25,411)
Intergovernmental:			
Reimbursements	10,000	72,108	62,108
Other revenue:			
Interest on investments	40,000	51,047	11,047
Total revenues	$ 670,000	$ 717,744	$ 47,744
Expenditures:			
Highways & Streets:			
Bridges and culverts	$ 172,000	$ 190,404	$ 18,404

BOONE COUNTY, ILLINOIS
SPECIAL REVENUE FUND
COUNTY MATCHING
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Taxes:			
Property taxes	$ 620,000	$ 594,589	$ (25,411)
Other revenue:			
Interest on investments	60,000	67,150	7,150
Total revenues	$ 680,000	$ 661,739	$ (18,261)
Expenditures:			
Highways & Streets:			
Construction	$ 315,000	$ 287,218	$ (27,782)

BOONE COUNTY, ILLINOIS
SPECIAL REVENUE FUND
COUNTY MOTOR FUEL TAX
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Intergovernmental revenue:			
Allotments	$ 750,000	$ 705,674	$ (44,326)
State grants	192,000	196,920	4,920
Federal grants	-	-	-
Township income	45,000	114,492	69,492
Total intergovernmental	987,000	1,017,086	30,086
Other revenue:			
Interest on investments	60,000	66,221	6,221
Total other revenue	60,000	66,221	6,221
Total revenues	$ 1,047,000	$ 1,083,307	$ 36,307
Expenditures:			
Highways & Streets:			
Salaries - regular	$ 89,450	$ 88,888	$ (562)
Maintenance - construction	683,000	744,798	61,798
Total expenditures	$ 772,450	$ 833,686	$ 61,236

BOONE COUNTY, ILLINOIS
SPECIAL REVENUE FUND
RETIREMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
Year ended November 30, 2008

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Taxes:			
Property taxes-FICA	$ 625,332	$ 626,855	$ 1,523
Property taxes-IMRF	1,206,338	1,210,452	4,114
Total taxes	1,831,670	1,837,307	5,637
Other:			
Employee withholding	1,192,230	543,919	(648,311)
Interest on investments	36,351	21,645	(14,706)
City of Belvidere	59,216	44,837	(14,379)
Miscellaneous	134,445	1,729	(132,716)
Total other revenue	1,422,242	612,130	(810,112)
Total revenue	$ 2,628,580	$ 1,822,582	$ (805,998)
Expenditures:			
Personnel:			
FICA contributions - employee	$ 746,450	$ 56,539	$ (689,911)
FICA contributions - employer	711,450	625,120	(86,330)
IMRF contributions - employee	480,780	483,945	3,165
IMRF contributions - employer	1,308,233	1,115,630	(192,603)
Reg. Supt. Of School	7,000	21,110	14,110
Total expenditures	$ 3,253,913	$ 2,302,344	$ (951,569)

THIS PAGE IS LEFT BLANK INTENTIONALLY

OTHER SUPPLEMENTARY INFORMATION

BOONE COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2008

	Total Nonmajor Governmental Funds	Special		
		Liability Insurance	County Highway	County Health Department
ASSETS				
Cash	$ 3,362,193	$ 474,839	$ 103,634	$ 169,806
Investments, at cost	3,139,000	1,320,000	1,149,000	390,000
Accounts receivable	383,940	-	6,414	41,175
Total assets	$ 6,885,133	$ 1,794,839	$ 1,259,048	$ 600,981
LIABILITIES				
Accounts payable	$ 159,289	$ -	$ 44,258	$ 33,865
Accrued payroll	56,436	-	10,277	26,021
Deferred revenue	89,901	-	-	4,000
Accrued compensated absences	32,556	-	-	21,595
Total liabilities	338,182	-	54,535	85,481
FUND BALANCE				
Fund balances:				
Unreserved, undesignated	6,546,951	1,794,839	1,204,513	515,500
Total fund balance	6,546,951	1,794,839	1,204,513	515,500
Total liabilities and fund balances	$ 6,885,133	$ 1,794,839	$ 1,259,048	$ 600,981

Revenue				
Animal Control	Building	Planning	Capital	Office Automation
$ 2,550	$ 3,361	$ 31,760	$ 652	$ 422,336
-	-	-	-	30,000
3,275	-	-	-	27,670
$ 5,825	$ 3,361	$ 31,760	$ 652	$ 480,006
$ 1,692	$ -	$ -	$ -	$ -
5,648	6,667	6,756	-	-
-	-	-	-	-
2,957	3,708	4,296	-	-
10,297	10,375	11,052	-	-
(4,472)	(7,014)	20,708	652	480,006
(4,472)	(7,014)	20,708	652	480,006
$ 5,825	$ 3,361	$ 31,760	$ 652	$ 480,006

BOONE COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
November 30, 2008

	Special		
	Probation Services	DUI Equipment	911
ASSETS			
Cash	$ 158,329	$ 9,243	$ 541,600
Investments, at cost	-	-	-
Accounts receivable	4,028	-	-
Total assets	$ 162,357	$ 9,243	$ 541,600
LIABILITIES			
Accounts payable	$ -	$ -	$ -
Accrued payroll	-	-	-
Deferred revenue	-	-	-
Accrued compensated absences	-	-	-
Total liabilities	-	-	-
FUND BALANCE			
Fund balances:			
Unreserved, undesignated	162,357	9,243	541,600
Total fund balance	162,357	9,243	541,600
Total liabilities and fund balances	$ 162,357	$ 9,243	$ 541,600

Revenue				
Crime Prevention	COPS Grant	Document Storage	Sale in Error	Impact Fee
$ 19,633	$ 672	$ 418,909	$ 6,872	$ 35,266
-	-	-	-	-
-	-	8,376	-	-
$ 19,633	$ 672	$ 427,285	$ 6,872	$ 35,266
$ -	$ -	$ -	$ -	$ -
-	-	1,067	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,067	-	-
19,633	672	426,218	6,872	35,266
19,633	672	426,218	6,872	35,266
$ 19,633	$ 672	$ 427,285	$ 6,872	$ 35,266

BOONE COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
November 30, 2008

	Special		
	County Maintenance	Federal Forfeited Funds	Space Acquisition Fund
ASSETS			
Cash	$ 35	$ 36,926	$ 442,786
Investments, at cost	-	-	-
Accounts receivable	-	-	-
Total assets	$ 35	$ 36,926	$ 442,786
LIABILITIES			
Accounts payable	$ -	$ -	$ 28,929
Accrued payroll	-	-	-
Deferred revenue	-	-	-
Accrued compensated absences	-	-	-
Total liabilities	-	-	28,929
FUND BALANCE			
Fund balances:			
Unreserved, undesignated	35	36,926	413,857
Total fund balance	35	36,926	413,857
Total liabilities and fund balances	$ 35	$ 36,926	$ 442,786

Revenue				Debt Service	Capital Projects
Regional Communication Fee	Special Census	Homeland Security	Public Safety	Jail Construction	Jail Construction
$ 13,491	$ -	$ 494	$ -	$ 383,026	$ 85,973
-	-	-	-	250,000	-
-	-	-	293,002	-	-
$ 13,491	$ -	$ 494	$ 293,002	$ 633,026	$ 85,973
$ -	$ -	$ -	$ -	$ -	$ 50,545
-	-	-	-	-	-
-	-	-	-	-	85,901
-	-	-	-	-	-
-	-	-	-	-	136,446
13,491	-	494	293,002	633,026	(50,473)
13,491	-	494	293,002	633,026	(50,473)
$ 13,491	$ -	$ 494	$ 293,002	$ 633,026	$ 85,973

BOONE COUNTY, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
Year ended November 30, 2008

	Total Non-major Governmental	Special Liability Insurance	Special County Highway	Special County Health Department
Revenues:				
Taxes	$ 3,073,694	$ 522,026	$ 630,300	$ 252,650
Fees	1,188,358	-	-	106,459
Intergovernmental revenue	874,322	-	226,642	563,950
Sale of goods and service	455,511	-	-	98,683
Other revenue	315,253	79,918	38,039	41,054
Total revenues	5,907,138	601,944	894,981	1,062,796
Expenditures:				
General government	1,602,207	527,294	-	-
Public safety	721,111	-	-	-
Highways and streets	1,313,224	-	1,313,224	-
Health and welfare	1,227,097	-	-	1,038,906
Judicial and court related	39,934	-	-	-
Debt service	806,127	-	-	-
Total expenditures	5,709,700	527,294	1,313,224	1,038,906
Excess (deficiency) of revenues over (under) expenditures	197,438	74,650	(418,243)	23,890
Other financing sources (uses):				
Operating transfers in	1,505,463	-	-	-
Operating transfers out	(2,276,192)	(159,500)	-	(103,332)
Total other financing sources (uses)	(770,729)	(159,500)	-	(103,332)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(573,291)	(84,850)	(418,243)	(79,442)
Fund balance December 1, 2007	7,120,242	1,879,689	1,622,756	594,942
Fund balance November 30, 2008	$ 6,546,951	$ 1,794,839	$ 1,204,513	$ 515,500

Revenue				
Animal Control	Building	Planning	Capital	Office Automation
$ -	$ -	$ -	$ -	$ -
171,904	157,616	165,876	-	329,504
-	-	-	-	-
-	-	-	-	-
21,094	325	447	11	20,140
192,998	157,941	166,323	11	349,644
-	198,945	238,039	-	83,156
-	-	-	-	25,695
-	-	-	-	-
188,191	-	-	-	-
-	-	-	-	-
-	-	-	-	-
188,191	198,945	238,039	-	108,851
4,807	(41,004)	(71,716)	11	240,793
15,000	17,500	123,000	-	23,295
(27,842)	-	(31,778)	-	(190,000)
(12,842)	17,500	91,222	-	(166,705)
(8,035)	(23,504)	19,506	11	74,088
3,563	16,490	1,202	641	405,918
$ (4,472)	$ (7,014)	$ 20,708	$ 652	$ 480,006

BOONE COUNTY, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
Year ended November 30, 2008

	Special		
	Probation Services	DUI Equipment	911
Revenues:			
Taxes	$ -	$ -	$ -
Fees	72,626	9,803	-
Intergovernmental revenue	-	-	-
Sale of goods and service	-	-	356,828
Other revenue	4,761	22	17,312
Total revenues	77,387	9,825	374,140
Expenditures:			
General government	-	-	-
Public safety	56,672	9,649	469,199
Highways and streets	-	-	-
Health and welfare	-	-	-
Judicial and court related	-	-	-
Debt service	-	-	-
Total expenditures	56,672	9,649	469,199
Excess (deficiency) of revenues over (under) expenditures	20,715	176	(95,059)
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	(80,000)	-	-
Total other financing sources (uses)	(80,000)	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(59,285)	176	(95,059)
Fund balance December 1, 2007	221,642	9,067	636,659
Fund balance November 30, 2008	$ 162,357	$ 9,243	$ 541,600

Revenue				
Crime Prevention	COPS Grant	Document Storage	Sale in Error	Impact Fee
$ -	$ -	$ -	$ -	$ -
-	-	123,980	-	38,840
-	14,029	-	-	-
-	-	-	-	-
12,639	22,228	4,336	21	399
12,639	36,257	128,316	21	39,239
-	-	-	-	105,494
19,260	127,193	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	39,934	-	-
-	-	-	-	-
19,260	127,193	39,934	-	105,494
(6,621)	(90,936)	88,382	21	(66,255)
-	-	-	-	-
-	(28,093)	-	-	-
-	(28,093)	-	-	-
(6,621)	(119,029)	88,382	21	(66,255)
26,254	119,701	337,836	6,851	101,521
$ 19,633	$ 672	$ 426,218	$ 6,872	$ 35,266

BOONE COUNTY, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
Year ended November 30, 2008

	Special		
	County Maintenance	Federal Forfeited Funds	Space Acquisition Fund
Revenues:			
Taxes	$ -	$ -	$ -
Fees	-	-	-
Intergovernmental revenue	-	19,701	50,000
Sale of goods and service	-	-	-
Other revenue	-	309	15,205
Total revenues	-	20,010	65,205
Expenditures:			
General government	-	-	398,719
Public safety	-	12,637	-
Highways and streets	-	-	-
Health and welfare	-	-	-
Judicial and court related	-	-	-
Debt service	-	-	-
Total expenditures	-	12,637	398,719
Excess (deficiency) of revenues over (under) expenditures	-	7,373	(333,514)
Other financing sources (uses):			
Operating transfers in	-	-	575,985
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	575,985
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	7,373	242,471
Fund balance December 1, 2007	35	29,553	171,386
Fund balance November 30, 2008	$ 35	$ 36,926	$ 413,857

Revenue				Debt Service	Capital Projects
Regional Communication Fee	Special Census	Homeland Security	Public Safety	Jail Construction	Jail Construction
$ -	$ -	$ -	$ 1,668,718	$ -	$ -
11,750	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
46	-	(1)	-	36,948	-
11,796	-	(1)	1,668,718	36,948	-
-	-	-	-	-	50,560
806	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	806,127	-
806	-	-	-	806,127	50,560
10,990	-	(1)	1,668,718	(769,179)	(50,560)
-	-	-	-	750,683	-
-	(69)	-	(1,375,716)	-	(279,862)
-	(69)	-	(1,375,716)	750,683	(279,862)
10,990	(69)	(1)	293,002	(18,496)	(330,422)
2,501	69	495	-	651,522	279,949
$ 13,491	$ -	$ 494	$ 293,002	$ 633,026	$ (50,473)

THIS PAGE IS LEFT BLANK INTENTIONALLY

BOONE COUNTY, ILLINOIS
INTERNAL SERVICE FUND
EMPLOYEE HEALTH INSURANCE
Year ended November 30, 2008

Operating revenues:		
Other operating revenues:		
Employee contributions	$	450,804
Non-employee contributions		42,919
Refunds - voids		11,876
City of Belvidere - reimbursement		46,181
Total operating revenues	$	551,780
Operating expenses:		
Contractual:		
Life insurance	$	7,008
Health insurance premiums		1,750,287
Claims		113,816
Administration		18,740
Total operating expenses	$	1,889,851
Nonoperating revenues:		
Other nonoperating revenue:		
Interest on investments	$	4,678
Operating transfers:		
Transfers in	$	1,362,952

BOONE COUNTY, ILLINOIS
COMBINING SCHEDULE OF FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
November 30, 2008

		General	Judiciary and Court Related		
	Total Private-Purpose Trust	Tax Sale Indemnity	Marriage Fund	Law Library	Maintenance and Child Support
ASSETS					
Cash	$ 165,573	$ 6,042	$ 1,372	$ 4,214	$ 4,753
Investments, at cost	492,500	240,000	-	82,000	-
Due from other governmental units	40,962	-	-	1,680	-
Due from others	-	-	-	-	-
Total assets	699,035	246,042	1,372	87,894	4,753
LIABILITIES					
Vouchers payable	1,798	-	-	1,798	-
Due to others	22,554	-	-	-	-
Total liabilities	24,352	-	-	1,798	-
NET ASSETS					
Held in trust for other purposes	$ 674,683	$ 246,042	$ 1,372	$ 86,096	$ 4,753

	Highways and Streets		Other		
Jail Commissary and Prisoner	Township Motor Fuel	Township Bridge	Trust Unclaimed Monies	IDOT Grant	Security
$ 38,452	$ 55,605	$ 1,652	$ 942	$ -	$ 52,541
-	59,000	-	11,500	-	100,000
-	34,317	-	-	-	4,965
-	-	-	-	-	-
38,452	148,922	1,652	12,442	-	157,506
-	-	-	-	-	-
22,554	-	-	-	-	-
22,554	-	-	-	-	-
$ 15,898	$ 148,922	$ 1,652	$ 12,442	$ -	$ 157,506

BOONE COUNTY, ILLINOIS
COMBINING SCHEDULE OF CHANGES IN
FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
Year ended November 30, 2008

	Total Private-Purpose Trust	General	Judiciary and Court Related		
		Tax Sale Indemnity	Marriage Fund	Law Library	Maintenance and Child Support
Additions:					
Fees	$ 121,210	$ 10,240	$ 1,250	$ 21,790	$ 14,663
Intergovernmental revenue	588,648	-	-	-	-
Sale of goods and services	79,136	-	-	-	-
Other	90,438	8,240	11	3,917	4,144
Total additions	879,432	18,480	1,261	25,707	18,807
Deductions:					
General government	63,179	-	-	-	-
Public safety	134,596	-	-	-	-
Highways and streets	1,158,203	-	-	-	-
Judicial and court related	44,337	-	3,974	23,363	17,000
Total deductions	1,400,315	-	3,974	23,363	17,000
Change in Net Assets	(520,883)	18,480	(2,713)	2,344	1,807
Net assets December 1, 2007	1,195,566	227,562	4,085	83,752	2,946
Net assets November 30, 2008	$ 674,683	$ 246,042	$ 1,372	$ 86,096	$ 4,753

	Highways and Streets		Other		
Jail Commissary and Prisoner	Township Motor Fuel	Township Bridge	Trust Unclaimed Monies	IDOT Grant	Security
$ -	$ -	$ -	$ -	$ -	$ 73,267
-	525,469	-	-	63,179	-
79,136	-	-	-	-	-
-	19,737	49,072	374	-	4,943
79,136	545,206	49,072	374	63,179	78,210
-	-	-	-	63,179	-
74,164	-	-	-	-	60,432
-	991,783	166,420	-	-	-
-	-	-	-	-	-
74,164	991,783	166,420	-	63,179	60,432
4,972	(446,577)	(117,348)	374	-	17,778
10,926	595,499	119,000	12,068	-	139,728
$ 15,898	$ 148,922	$ 1,652	$ 12,442	$ -	$ 157,506

BOONE COUNTY, ILLINOIS
ASSESSED VALUATIONS, TAX RATES,
EXTENSIONS, AND COLLECTIONS

	TAX YEAR 2007		TAX YEAR 2006		TAX YEAR 2005	
Assessed valuations	$1,189,000,000		$1,179,722,624		$1,028,264,214	
	Rate	Amount	Rate	Amount	Rate	Amount
Property tax rates and extensions:						
County General	0.27000	$ 3,212,899	0.27000	$ 2,899,878	0.26360	$ 2,468,717
County Highway	0.05300	630,678	0.05130	550,974	0.05880	550,682
County Bridge	0.05000	594,979	0.04970	533,790	0.04880	457,029
County Matching	0.05000	594,979	0.04970	533,790	0.04880	457,029
Illinois Municipal Retirement	0.10140	1,206,618	0.09690	1,040,729	0.10270	961,821
Liability Insurance	0.04390	522,392	0.06320	678,783	0.08160	764,212
County Health Department	0.02120	252,271	0.02910	312,541	0.03080	229,451
Keen-Age Center	0.01860	221,332	0.02050	220,175	0.02020	189,180
Social security	0.05260	625,918	0.05540	595,009	0.05790	542,254
Cooperative Extension	0.01530	182,064	0.01420	152,512	0.01440	134,861
	0.67600	$ 8,044,130	0.70000	$ 7,518,181	0.72760	$ 6,755,236
Property tax collection: *						
County General		$ 3,217,689		$ 2,897,593		$ 2,481,050
County Highway		630,300		549,384		552,882
County Bridge		594,589		531,684		459,552
County Matching		594,589		531,507		459,729
Illinois Municipal Retirement		1,210,452		1,036,896		967,749
Liability Insurance		522,026		675,906		768,033
County Health Department		252,650		312,180		289,102
Keen-Age Center		221,665		219,394		189,606
Social security		626,855		592,837		545,582
Cooperative Extension		182,334		151,971		135,164
		$ 8,053,149		$ 7,499,352		$ 6,848,449
Percentage collected		100.11%		99.75%		101.38%

* including back taxes & mobile home

ANNUAL FEDERAL FINANCIAL-COMPLIANCE SECTION

BOONE COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended November 30, 2008

Federal Grantor/Pass-Through Grantor/Program Title:	CFDA* Number	Federal Grant Number	Revenue	Expenditures
U.S Department of Health and Human Services:				
Passed through Illinois Department of Human Services:				
Title X Family Planning	93.217	11G8044000	$ 6,300	$ 6,300
		11G9044000	16,300	16,300
Abstinence Education	93.235	11G8044000	17,950	17,950
		11G9044000	12,000	12,000
Maternal Child Health	93.994	11G8044000	2,800	2,800
Title XX Family Planning	93.667	11G8044000	16,400	16,400
Passed through Illinois Department of Public Health:				
Public Health Programs	93.268	063-48230-4900-0020	1,000	1,000
Bioterrorism Preparedness	93.268	063-48270-1900-0200	11,454	11,454
Bioterrorism Preparedness	93.069	063-48270-1900-0200	48,119	48,119
Immunization Program	93.268	000997	83,099	83,099
Passed though Illinois Department of Healthcare and Family Services:				
Medicaid Assistance	93.778	2008	32,540	32,540
Child Support Enforcement	93.563	2008	8,991	8,991
U.S. Department of Justice:				
Passed through Illinois Emergency Management Agency:				
COPS Grant	16.710		14,029	14,029

BOONE COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the year ended November 30, 2008

Federal Grantor/Pass-Through Grantor/Program Title:	CFDA* Number	Federal Grant Number	Revenue	Expenditures
U.S. Department of Transportation:				
Passed through Illinois Department of Transportation:				
Section 5311 Transportation Grant	20.509	RPT-06-001	63,179	63,179
Highway Planning & Construction	20.205		40,000	40,000
U.S. Department of Agriculture				
Passed through Illinois Department of Human Services:				
WIC Administration	10.557	11G8044000	87,100	87,100
		11G9044000	66,000	66,000
WIC Non cash	10.557	11G8044000	284,858	284,858
WIC/Farmer's Market	10.572	11G9044000	1,000	1,000
U.S. Department of Homeland Security				
Citizen's Corp. Grant	97.010		2,997	2,997
U.S. Department of Commerce				
Passed through McHenry County:				
Public Safety Interoperable Communications	11.555		121,470	121,470
U.S. Environmental Protection Agency				
Passed through Illinois Department of Public Health				
Expense to Implement Federal Award	66.605	063-48250-1200-0000	863	863
Total Federal Grant Activity			$938,449	$938,449

* Catalog of Federal Domestic Assistance Number.
See Notes to Schedule of Federal Awards.

BOONE COUNTY, ILLINOIS
NOTES TO SCHEDULE OF FEDERAL AWARDS
For the year ended November 30, 2008

Note A Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Boone 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 State and Local Governments, and Non-Profit Organizations.

Note B Subrecipients

For the year ended November 30, 2008, the County disbursed $63,179 in federal funds of the Section 5311 Transportation Grant to the Boone County Council on Aging as subrecipient.

Note C Nonmonetary Assistance

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Nonmonetary assistance for the year ended November 30, 2008 included $284,858 in the WIC program and $83,099 in the Immunization program.

BOONE COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended November 30, 2008

Section I – Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued:	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ yes	_X_ no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_X_ yes	____none reported
Noncompliance material to financial statements noted?	____ yes	_X_ no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	___ yes	_X_ no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_X_ yes	____ none reported
Type of auditor's report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_X_ yes	____ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

Dollar threshold used to distinguish between type A and type B programs:	$_300,000	
Auditee qualified as low-risk auditee?	_X_ yes	_____ no

Section II – Financial Statement Findings

Finding 2008-II-01

Condition – There is inadequate control over the functions of processing and recording the financial transactions of the County due to the inadequate segregation of duties stemming from limited personnel.

Effects – Many of the accounting functions are performed by the same individuals.

Cause – The County has a limited number of staff to allow for adequate segregation of duties.

Recommendation – It does not appear to be economically feasible to hire additional personnel to help segregate the accounting functions. However, the Board's close supervision and review of accounting information appears to be the most economical and appropriate manner to help prevent and detect errors and irregularities in the County's accounting and financial reporting.

Management response – The County's management and County Board's close supervision and review of accounting information is the most economical and appropriate manner to help prevent and detect errors and irregularities in the county's accounting and financial reporting.

Finding 2008-II-02

Condition – The financial statements and significant accrual adjustments are prepared by the external auditors.

Effects – The County relies on the external auditors to adjust the financial statements to reflect accrual accounting and prepare the financial statements with footnote disclosures.

Cause – Due to the complexity of several of the footnote disclosures, management does not currently possess the expertise to accurately prepare the financial statements and related disclosures for accuracy and completeness in accordance with the accounting principles generally accepted in the United States of America.

Recommendation – It does not appear to be economically feasible to hire additional personnel to help prepare the financial statements and required footnote disclosures in accordance with accounting principles generally accepted in the United States of America. However, the County's management and County Board's close review of financial statements and required footnotes prepared by the external auditors appears to be the most economical and appropriate manner to help ensure complete and proper financial reporting.

Section II – Financial Statement Findings (continued)

Finding 2008-II-02 (continued)

Management response – The County's management and County Board's close review of financial statements and required footnotes prepared by the external auditors appears to be the most economical and appropriate manner to help ensure complete and proper financial reporting.

Section III – Federal Award Findings and Questioned Costs

Item 2008-III-01:

Significant Deficiency in Administering Federal Awards

Criteria:

In accordance with OMB Circular A-133, section .300(b), the auditee (Boone County) is responsible for maintaining internal control over Federal programs that provide reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

OMB Circular A-133, section .310(b), indicates the auditee shall prepare financial statements that the auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements.

Condition:

The County does not have a complete system in place for identifying federal financial assistance to enable management to identify all federal programs and complete the Schedule of Expenditures of Federal Awards. In addition, each Department separately manages individual County grants, without administrative oversight from the Administrator's Office or other designated individual.

Questioned Costs:

None

Section III – Federal Award Findings and Questioned Costs (Continued)

Significant Deficiency in Administering Federal Awards (Continued)

Effect:

The lack of a complete system to administer Federal awards indicates a deficiency in the design and operation of internal control that could result in violations of laws, regulations, provisions of contract or grant agreements, fraud or abuse having a direct and material effect on the financial statements or the audit objectives of the Federal grants.

Cause:

The County designates responsibility for its Federal grants to the Administrator or Head of each department, without management oversight of the County's grants as a whole.

Recommendation:

We recommend the County establish a centralized grant identification system with the Auditor's office by obtaining the requisite information from the various departments for the grants it administers. This identification system should include, at a minimum, information necessary to prepare the Schedule of Expenditures of Federal Awards and accompanying notes as indicated in OMB A-133, section .310.

We also recommend the County Administrator's Office oversee administration of the County's Federal grants to ensure proper compliance with regulations and grant agreements.

Management Response:

The county plans to establish a centralized grant identified system with the administrator's office by obtaining the requisite information from the various departments for the grants it administers.

* * * * *

BOONE COUNTY, ILLINOIS
CORRECTIVE ACTION PLAN
For the year ended November 30, 2008

Finding No: 2008-II-01

Condition:

There is inadequate control over the functions of processing and recording the financial transaction of the County due to the inadequate segregation of duties stemming from limited personnel.

Plan:

The County Board of Boone County, Illinois is aware that this condition exists and will closely supervise and review all accounting information and results on a regular basis.

Anticipated Date of Completion:

No anticipated date at this time.

Name of Contact Person:

Ken Terrinoni, Boone County Administrator

Finding No: 2008-II-02

Condition:

The financial statements and significant accrual adjustments are prepared by the external auditors.

Plan:

Since it does not appear to be economically feasible to hire additional personnel, corrective action is limited. When this condition exists, the management and County Board of Boone County relies on the expertise of the external auditors.

Anticipated Date of Completion:

No anticipated date at this time.

Name of Contact Person:

Ken Terrinoni, Boone County Administrator

BOONE COUNTY, ILLINOIS
CORRECTIVE ACTION PLAN (CONTINUED)
For the year ended November 30, 2008

Finding No: 2008-III-01

Condition:

The County does not have a complete system in place for identifying federal financial assistance to enable management to identify all federal programs and complete the Schedule of Expenditures of Federal Awards. In addition, each Department separately manages individual County grants, without administrative oversight from the Administrator's Office or other designated individual.

Plan:

The County will establish a centralized grant identification system with the Administrator's office by obtaining the requisite information from the various departments for the grants it administers. This identification system will include, at a minimum, information necessary to prepare the Schedule of Expenditures of Federal Awards and accompanying notes as indicated in OMB A-133, section .310.

The County Administrator's Office will establish a process to oversee administration of the County's Federal grants to ensure proper compliance with regulations and grant agreements

Anticipated Date of Completion:

November 30, 2009

Name of Contact Person:

Ken Terrinoni, Boone County Administrator

BOONE COUNTY, ILLINOIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended November 30, 2008

ALL MAJOR PROGRAMS

Finding 2007-1: Segregation of Duties

Condition: An adequate segregation of duties did not exist such that no one individual could carry a transaction through from its inception to its completion.

Recommendation: It would not have been practical to set up procedures to detect all instances of noncompliance with controls that did exist, nor is it always practical to establish complete segregation of duties. We also recognized that ultimate controls could not be implemented with the number of employees at that time, but believed that strong supervision and review by the County Board would compensate for some of the weaknesses that existed. We recommended that the Board be regularly and actively involved with management.

Current Status: Due to the size and resources of the County, increasing the number of employees is not practical. The County compensated for some of the weaknesses by following the above recommendation that the Board be regularly and actively involved with management. However, the possibility that one individual could carry a transaction through from its inception to its completion still exists.