

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
(A Component Unit of DeKalb County, Illinois)

ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2010



Certified Public Accountants & Business Advisors

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets.....	3
Statement of Activities	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets.....	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	9
Proprietary Fund	
Statement of Net Assets.....	10
Statement of Revenues, Expenses and Changes in Fund Net Assets	11
Statement of Cash Flows	12
Notes to Financial Statements	13-25

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)	
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	26
Notes to Required Supplementary Information.....	27
SUPPLEMENTARY FINANCIAL INFORMATION	
MAJOR GOVERNMENTAL FUNDS	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Renewal and Replacement Sycamore Campus Fund	28
Renewal and Replacement Community Outreach Building Fund.....	29
Renewal and Replacement Health Fund.....	30
Renewal and Replacement Public Safety Fund	31
Community Outreach Building Fund	32
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS	
Schedule of Changes by Function and Activity.....	33



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman
Members of the Board of Commissioners
DeKalb County Public Building Commission
Sycamore, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the DeKalb County Public Building Commission (the PBC), Sycamore, Illinois, a component unit of DeKalb County, Illinois, as of and for the year ended December 31, 2010, which collectively comprise the PBC's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the PBC's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the DeKalb County Public Building Commission, Sycamore, Illinois, as of December 31, 2010, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The PBC has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the PBC's basic financial statements taken as a whole. The supplementary financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary financial information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Aurora, Illinois
March 18, 2011

A handwritten signature in black ink, appearing to read "Bill 22P".

GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2010

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments	\$ 2,943,623	\$ 316,294	\$ 3,259,917
Receivables, net of allowance, where applicable			
Leases	-	5,035,000	5,035,000
Unamortized bond issuance costs	-	49,653	49,653
Unamortized loss on refunding	-	20,000	20,000
Capital assets not being depreciated	493,284	-	493,284
Capital assets being depreciated (net of accumulated depreciation)	19,455,815	-	19,455,815
Total assets	22,892,722	5,420,947	28,313,669
LIABILITIES			
Accounts payable	12,921	-	12,921
Accrued interest payable	-	16,976	16,976
Unearned revenue	-	109,880	109,880
Advance from DeKalb County	50,000	-	50,000
Noncurrent liabilities			
Due within one year	-	760,000	760,000
Due in more than one year	-	4,381,470	4,381,470
Total liabilities	62,921	5,268,326	5,331,247
NET ASSETS			
Invested in capital assets, net of related debt	19,949,099	-	19,949,099
Unrestricted	2,880,702	152,621	3,033,323
TOTAL NET ASSETS	\$ 22,829,801	\$ 152,621	\$ 22,982,422

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
PRIMARY GOVERNMENT			
Governmental Activities			
Administration	\$ 739,237	\$ -	\$ -
Interest	62,250	-	-
Total governmental activities	801,487	-	-
Business-Type Activities			
Sinking Fund	222,936	270,546	-
Total business-type activities	222,936	270,546	-
TOTAL PRIMARY GOVERNMENT	\$ 1,024,423	\$ 270,546	\$ -

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (739,237)	\$ -	\$ (739,237)
	(62,250)	-	(62,250)
	(801,487)	-	(801,487)
	-	47,610	47,610
	-	47,610	47,610
	(801,487)	47,610	(753,877)
General Revenues			
Investment income	79,331	1,474	80,805
Contributions from County	925,462	-	925,462
Transfers in (out)	25,000	(25,000)	-
Total	1,029,793	(23,526)	1,006,267
CHANGE IN NET ASSETS	228,306	24,084	252,390
NET ASSETS, JANUARY 1, 2010	22,601,495	128,537	22,730,032
NET ASSETS, DECEMBER 31, 2010	\$ 22,829,801	\$ 152,621	\$ 22,982,422

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2010

	General	Capital Improvements	Renewal and Replacement Sycamore Campus	Renewal and Replacement Community Outreach Building	Renewal and Replacement Health	Renewal and Replacement Public Safety	Community Outreach Building	Total
ASSETS								
Cash and investments	\$ 7,284	\$ 546,210	\$ 614,765	\$ 100,026	\$ 1,400,728	\$ 237,255	\$ 37,355	\$ 2,943,623
Advances to other funds	-	957,250	-	-	-	-	-	957,250
TOTAL ASSETS	\$ 7,284	\$ 1,503,460	\$ 614,765	\$ 100,026	\$ 1,400,728	\$ 237,255	\$ 37,355	\$ 3,900,873
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 1,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,288	\$ 12,921
Due to DeKalb County	-	-	-	-	-	-	50,000	50,000
Advance from other funds	-	-	-	-	-	-	957,250	957,250
Total liabilities	1,633	-	-	-	-	-	1,018,538	1,020,171
FUND BALANCES								
Reserved for advances to other funds	-	957,250	-	-	-	-	-	957,250
Unreserved								
Undesignated - General Fund	5,651	-	-	-	-	-	-	5,651
Undesignated - Capital Projects Funds	-	546,210	614,765	100,026	1,400,728	237,255	(981,183)	1,917,801
Total fund balances (deficit)	5,651	1,503,460	614,765	100,026	1,400,728	237,255	(981,183)	2,880,702
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,284	\$ 1,503,460	\$ 614,765	\$ 100,026	\$ 1,400,728	\$ 237,255	\$ 37,355	\$ 3,900,873

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

December 31, 2010

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,880,702
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	<u>19,949,099</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 22,829,801</u></u>

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

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

For the Year Ended December 31, 2010

	General	Capital Improvements	Renewal and Replacement Sycamore Campus	Renewal and Replacement Community Outreach Building	Renewal and Replacement Health	Renewal and Replacement Public Safety	Community Outreach Building	Total
REVENUES								
Investment income	\$ 133	\$ 62,250	\$ 4,494	\$ 26	\$ 8,579	\$ 1,470	\$ 2,379	\$ 79,331
Contributions from County	-	-	175,000	50,000	250,000	-	450,462	925,462
Total revenues	133	62,250	179,494	50,026	258,579	1,470	452,841	1,004,793
EXPENDITURES								
Current								
Administration	52,484	-	-	-	-	-	-	52,484
Debt service								
Interest	-	-	-	-	-	-	62,250	62,250
Capital outlay	-	-	1,882	-	16,268	5,710	387,560	411,420
Total expenditures	52,484	-	1,882	-	16,268	5,710	449,810	526,154
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(52,351)	62,250	177,612	50,026	242,311	(4,240)	3,031	478,639
OTHER FINANCING SOURCES (USES)								
Transfers in	30,000	-	62,250	-	-	-	-	92,250
Transfers (out)	-	(62,250)	-	-	-	-	(5,000)	(67,250)
Total other financing sources (uses)	30,000	(62,250)	62,250	-	-	-	(5,000)	25,000
NET CHANGE IN FUND BALANCES	(22,351)	-	239,862	50,026	242,311	(4,240)	(1,969)	503,639
FUND BALANCES (DEFICIT), JANUARY 1, 2010	28,002	1,503,460	374,903	50,000	1,158,417	241,495	(979,214)	2,377,063
FUND BALANCES (DEFICIT), DECEMBER 31, 2010	\$ 5,651	\$ 1,503,460	\$ 614,765	\$ 100,026	\$ 1,400,728	\$ 237,255	\$ (981,183)	\$ 2,880,702

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2010

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 503,639
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	330,274
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	<u>(605,607)</u>
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 228,306</u></u>

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF NET ASSETS
PROPRIETARY FUND

December 31, 2010

	Business- Type Activities <u>Sinking Fund</u>
CURRENT ASSETS	
Cash and cash equivalents	\$ 316,294
Lease receivable	<u>760,000</u>
Total current assets	<u>1,076,294</u>
NONCURRENT ASSETS	
Receivables	
Lease	4,275,000
Other assets	
Unamortized issuance costs	49,653
Unamortized loss on refunding	<u>20,000</u>
Total noncurrent assets	<u>4,344,653</u>
Total assets	<u>5,420,947</u>
CURRENT LIABILITIES	
Accrued interest payable	16,976
Unearned revenue	109,880
Revenue bonds payable	<u>760,000</u>
Total current liabilities	<u>886,856</u>
NONCURRENT LIABILITIES	
Revenue bonds payable	4,275,000
Unamortized bond premium	<u>106,470</u>
Total noncurrent liabilities	<u>4,381,470</u>
Total liabilities	<u>5,268,326</u>
NET ASSETS	
Unrestricted	<u>152,621</u>
TOTAL NET ASSETS	<u><u>\$ 152,621</u></u>

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUND

For the Year Ended December 31, 2010

	<u>Business- Type Activities Sinking Fund</u>
OPERATING REVENUES	
Rental from DeKalb County	<u>\$ 270,546</u>
OPERATING EXPENSES	
Administration	
Commercial services	<u>600</u>
Total operating expenses	<u>600</u>
OPERATING INCOME	<u>269,946</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	1,474
Interest expense	(228,472)
Amortization of loss on refunding	(3,333)
Amortization of bond premium	17,745
Amortization of bond issuance costs	<u>(8,276)</u>
Total nonoperating revenues (expenses)	<u>(220,862)</u>
INCOME BEFORE TRANSFERS	49,084
TRANSFER (OUT)	<u>(25,000)</u>
CHANGE IN NET ASSETS	24,084
NET ASSETS, JANUARY 1, 2010	<u>128,537</u>
NET ASSETS, DECEMBER 31, 2010	<u><u>\$ 152,621</u></u>

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended December 31, 2010

	Business- Type Activities <u>Sinking Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts from DeKalb County	\$ 989,292
Payments to suppliers	<u>(600)</u>
Net cash from operating activities	<u>988,692</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer (out)	<u>(25,000)</u>
Net cash from noncapital financing activities	<u>(25,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on revenue bonds	(730,000)
Interest paid on revenue bonds	<u>(230,723)</u>
Net cash from capital and related financing activities	<u>(960,723)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	<u>1,474</u>
Net cash from investing activities	<u>1,474</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,443
CASH AND CASH EQUIVALENTS, JANUARY 1, 2010	<u>311,851</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31, 2010	<u><u>\$ 316,294</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 269,946
Adjustments to reconcile operating income to net cash from operating activities	
Changes in assets and liabilities	
Leases receivable	730,000
Unearned revenue	<u>(11,254)</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 988,692</u></u>

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DeKalb County Public Building Commission (the PBC) is a quasi-governmental unit created by the DeKalb County Board in May 1978 under the authority of Chapter 50, Act 20 of the Illinois Compiled Statutes.

The financial statements of the PBC have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the PBC's accounting policies are described below.

a. Reporting Entity

The PBC is governed by a five-member board appointed to staggered five-year terms by the DeKalb County Board. The PBC is responsible for the construction, refurbishing and/or maintenance of county buildings for which lease agreements are executed with DeKalb County (the County). As required by generally accepted accounting principles, these financial statements present all funds of the PBC. A component unit is a legally separate organization for which a primary government is financially accountable. There are no component units included. However, the PBC is considered to be a component unit of DeKalb County, Illinois, since its sole purpose is to finance, construct and maintain certain of the County's public buildings.

b. Basis of Presentation

The accounts of the PBC are organized and operated on the basis of funds. Funds are independent fiscal and accounting entities with self-balancing sets of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. A minimum number of funds are maintained for this purpose.

The following fund categories (further defined by fund type) are used by the PBC:

Governmental Funds are used to account for the PBC's general activities. The General Fund is the primary operating fund, accounting for all financial resources not required to be accounted for in another fund. Capital Projects Funds account for the acquisition of capital assets or construction of major capital projects not financed by another fund.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Enterprise Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties (enterprise funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the PBC has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for enterprise funds.

c. Government-Wide and Fund Financial Statements

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 PBC. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes or intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The PBC reports the following major governmental funds:

The General (Corporate) Fund is the PBC's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The following capital projects funds are also major governmental funds:

The Capital Improvement Fund is used to account for funds set aside for future improvements to the County's facilities.

The Renewal and Replacement Sycamore Campus Fund is used to account for operation and maintenance funds paid by the County to the PBC.

The Renewal and Replacement Community Outreach Building Fund is used to account for operation and maintenance funds paid by the County for the Community Outreach Building to the PBC.

The Renewal and Replacement Health Fund is used to account for operation and maintenance funds paid by the Health Facility to the PBC.

The Renewal and Replacement Public Safety Fund is used to account for operation and maintenance funds paid by Public Safety to the PBC.

The Community Outreach Building Fund is used to account for the construction of a new social service building.

The PBC also reports the following major proprietary fund:

The Sinking Fund is used to account for the lease payment from the County and the related payments on the 2005 lease revenue refunding bonds.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses in the proprietary fund are directly attributable to its operation of the funds.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues. Expenditures generally are recorded when a fund liability is incurred.

The PBC reports unearned revenue on its financial statements. Unearned revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period, under the modified accrual basis of accounting, or is “measurable” but not “earned” under the accrual basis of accounting. Unearned revenues also arise when resources are received by the PBC before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the PBC has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the PBC’s proprietary fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity greater than one year at time of purchase, if any, are stated at fair value. Nonnegotiable certificates of deposit and all other investments are reported at cost.

f. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, if any, reported in the fund financial statements are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the PBC as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year, except for land improvements, where the cost must be greater than \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Buildings, building improvements and land improvements are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements	10
Land improvements	8-20

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Long-Term Obligations

In the government-wide financial statements and proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs and gain (loss) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs and the gain (loss) on refunding are reported as unamortized bond costs and unamortized loss (gain) on refunding and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

j. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the PBC's net assets are restricted as a result of enabling legislation adopted by the PBC. Invested in capital assets, net of related debt is the net cost (book value) of the capital assets, less the principal of any long-term debt outstanding that was issued to construct, purchase or otherwise acquire the capital asset.

2. DEPOSITS AND INVESTMENTS

The PBC maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the PBC's funds. The PBC operates under an investment policy that limits the PBC to make deposits/ investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, investment grade obligations of state and local governments, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, Illinois Funds and local government investment pools.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

It is the policy of the PBC to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the PBC and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the PBC’s deposits may not be returned to it. The PBC’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the PBC’s agent. All of the County’s deposits were covered by either FDIC or collateral held by an independent third party acting as the PBC’s agent at December 31, 2010.

b. Investments

In accordance with its investment policy, the PBC limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a short-term (annual) period. The investment policy limits the maximum maturity length of investments to five years. In addition, the policy does require the PBC to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations and prohibits the selling of securities prior to maturity except in limited circumstances.

The PBC limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government (U.S. Treasury obligations and U.S. agency obligations).

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the PBC will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the PBC’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the PBC’s agent separate from where the investment was purchased.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Concentration of credit risk - The PBC's investment requires diversification of the portfolio and does not permit greater than 67% of the portfolio to be invested in any one institution or investment vehicle, other than U.S. Treasury obligations.

In addition, the PBC's investment policy prohibits the investment in any type of derivative.

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 493,284	\$ -	\$ -	\$ 493,284
Total capital assets not being depreciated	493,284	-	-	493,284
Capital assets being depreciated				
Land improvements	31,553	-	-	31,553
Buildings	23,901,544	72,184	-	23,973,728
Building improvements	64,904	258,090	-	322,994
Total capital assets being depreciated	23,998,001	330,274	-	24,328,275
Less accumulated depreciation for				
Land improvements	-	1,578	-	1,578
Buildings and improvements	4,266,853	604,029	-	4,870,882
Total accumulated depreciation	4,266,853	605,607	-	4,872,460
Total capital assets being depreciated, net	19,731,148	(275,333)	-	19,455,815
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 20,224,432	\$ (275,333)	\$ -	\$ 19,949,099

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

GOVERNMENTAL ACTIVITIES	
Administration	<u>\$ 605,607</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u><u>\$ 605,607</u></u>

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LEASES RECEIVABLE

a. Operating Lease

The PBC has entered into an operating lease agreement with the County which requires the following annual rentals due from the County on November 1 of the year indicated.

<u>Year</u>	
2011	\$ 1,975,000
2012	2,100,000
2013	2,225,000
2014	2,365,000
2015	2,515,000
2016	2,670,000
2017	2,825,000
2018	3,000,000
2019	3,175,000
2020	<u>3,360,000</u>
 TOTAL	 <u>\$ 26,210,000</u>

The PBC is responsible for maintenance, operation, upkeep and safekeeping of the County Government Complex (the Complex). The County may be responsible for paying costs of operating and maintaining the Complex to the extent that rentals are not sufficient.

If at any time during the term of this lease all of the financial claims upon the PBC shall be paid in full or provision made for such payment, then this lease may, at the option of the County, be terminated by written notice to the PBC.

Revenues received from the County in the form of lease payments are to be credited to funds as follows:

1) Operating Fund

The annual rent shall be allocated first to the Operating Fund to provide for the usual and necessary costs of the PBC of operating, maintaining and managing the Complex including administrative costs and the costs of renting and maintaining office equipment.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LEASES RECEIVABLE (Continued)

a. Operating Lease (Continued)

2) Renewal and Replacement Fund

From annual rentals due on and after November 1, 1993, the PBC shall deposit into the Renewal and Replacement Fund the lesser of \$250,000 or the amount required to equal the lesser of \$1,500,000 or an amount to be determined by the County Board in a resolution. Money shall be applied to the payment of nonrecurring major repairs, renewals, replacements or maintenance items and furnishings and equipment. The aggregate amount withdrawn from this fund in any fiscal year may not exceed \$50,000 without the prior approval of the County Board. The required \$1,500,000 has been accumulated in the capital projects governmental fund.

3) Surplus Fund

After allocation of the annual rent to the Operating Fund and the Renewal and Replacement Fund, any remaining amount of the annual rent would be deposited here.

b. Financing Lease

During 1997, the PBC entered into a new financing lease with the County for construction of a new County Nursing Home/Health Department facilities, which were constructed with the proceeds of the 1997 Lease Revenue Bonds. During fiscal year 2005, the PBC issued the Series 2005 Lease Revenue Refunding Bonds to advance refund, through a crossover refunding, the 1997 Lease Revenue Bonds maturing after December 1, 2007. As part of the refunding, a new financing lease was entered into with the County.

The PBC is responsible for maintenance, operation, upkeep and safekeeping of the County Nursing Home/Health Department. The County may be responsible for paying costs of operating and maintaining the Nursing Home/Health Department to the extent that rentals are not sufficient.

If at any time during the term of this lease all of the financial claims upon the PBC shall be paid in full or provision made for such payment, then this lease may, at the option of the County, be terminated by written notice to the PBC.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. LEASES RECEIVABLE (Continued)

b. Financing Lease (Continued)

Lease rentals receivable from the County are as follows:

Fiscal Year	Lease Payments
2011	\$ 973,513
2012	972,513
2013	970,313
2014	971,813
2015	967,013
2016	969,656
	<hr/>
Total lease payments	5,824,821
Less interest and expenses	(789,821)
	<hr/>
NET LEASE RECEIVABLE	<u>\$ 5,035,000</u>

Revenues received from the County in the form of lease payments are to be credited to the lease revenue fund as follows:

Administrative Account - \$25,000 per year to be used to pay the administrative expenses of the commission.

Sinking Fund Account - sufficient amounts to pay the principal and interest on the next due date(s).

Surplus Account - any residual amounts to be used to cure deficiencies in the sinking fund account, administrative account, pay rebates, if any, fund the needs of the project and pay any other costs of the PBC.

5. LONG-TERM DEBT

	Balances January 1, 2010	Additions	Reductions	Balances December 31, 2010	Current Portion
BUSINESS-TYPE ACTIVITIES					
Public Building Commission Lease Revenue Refunding Bonds, Series 2005	\$ 5,765,000	\$ -	\$ 730,000	\$ 5,035,000	\$ 760,000
Unamortized bond premium	124,215	-	17,745	106,470	-
	<hr/>				
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 5,889,215</u>	<u>\$ -</u>	<u>\$ 747,745</u>	<u>\$ 5,141,470</u>	<u>\$ 760,000</u>

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

On June 1, 2005, the PBC issued \$7,155,000 Lease Revenue Refunding Bonds, dated June 1, 2005 to advance refund, through a crossover refunding, the 2008-2016 principal maturities of the 1997 Lease Revenue Bonds on December 1, 2007 (the crossover date) and to pay the interest on the 2005 Lease Revenue Refunding Bonds through December 1, 2007. The 2005 bonds are due serially from December 1, 2008 through December 1, 2016 in amounts ranging from \$685,000 - \$925,000. Interest is payable semiannually each June 1 and December 1 at amounts ranging from 3.50% - 4.25%.

The bonds are secured by a lease with the County (see Note 4b). Debt service to maturity is as follows:

Fiscal Year	Principal	Interest	Total
2011	\$ 760,000	\$ 203,713	\$ 963,713
2012	790,000	173,312	963,312
2013	820,000	141,712	961,712
2014	855,000	108,913	963,913
2015	885,000	74,712	959,712
2016	925,000	39,314	964,314
TOTAL	\$ 5,035,000	\$ 741,676	\$ 5,776,676

6. RISK MANAGEMENT

The PBC is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The PBC has purchased commercial insurance for surety bond coverage and is included under the liability insurance fund of the County for all other risks. There are no full-time employees of the PBC and the part-time employees are not eligible for health insurance. Therefore, no health insurance is provided and there is no potential other postemployment benefit to be reported.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES

Individual fund interfund advances receivable/payable at December 31, 2010 are as follows:

Fund	Advance From	Advance To
Community Outreach	\$ 957,250	\$ -
Capital Improvements	-	957,250
TOTAL	\$ 957,250	\$ 957,250

The purpose of significant advances from/to other funds is as follows:

- \$957,250 advanced to the Community Outreach Fund from the Capital Improvement Fund for construction of the Community Outreach Facility. The advance is being paid back with interest from rental payments from the County.

Individual fund transfers between funds at December 31, 2010 are as follows:

Fund	Transfer To	Transfer From
General	\$ 30,000	\$ -
Capital Improvements	-	62,250
Renewal and Replacement Sycamore Campus	62,250	-
Community Outreach Building	-	5,000
Sinking Fund	-	25,000
TOTAL	\$ 92,250	\$ 92,250

The purpose of significant transfers to/from other funds is as follows:

- \$30,000 transferred to the General Fund. \$5,000 from the Community Outreach Building is to reimburse the General Fund for administrative costs. \$25,000 transfer from the Sinking Fund is for administrative expenses as required by the Bond Indenture (See note 4b).
- \$62,250 transferred from the Capital Improvements Fund to the Renewal and Replacement Sycamore Campus Fund is to transfer funds to be used for future renewal and replacement projects.

REQUIRED SUPPLEMENTARY INFORMATION

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 133
Total revenues	-	-	133
EXPENDITURES			
Current			
Administration			
Salaries	25,000	30,000	37,903
Part-time	4,000	4,000	-
PHER salaries	-	-	(171)
Overtime	500	500	15
Social security	2,400	2,400	2,899
Illinois municipal retirement	500	500	495
Unemployment	300	300	94
Workers' compensation	300	300	300
Computer equipment	1,000	1,000	-
Miscellaneous	100	100	-
Schools of instruction	500	500	-
Travel	1,000	1,000	518
Mileage	100	100	-
Meeting	200	200	-
Public notices	200	200	-
Maintenance	800	800	24
Telephone	2,000	2,000	954
Professional fees	7,000	7,000	8,300
Commercial services	500	500	582
Surety bonds	500	500	275
Supplies	1,000	1,000	229
Postage	100	100	67
Total expenditures	48,000	53,000	52,484
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(48,000)	(53,000)	(52,351)
OTHER FINANCING SOURCES (USES)			
Transfers in	30,000	30,000	30,000
NET CHANGE IN FUND BALANCE	\$ (18,000)	\$ (23,000)	(22,351)
FUND BALANCE, JANUARY 1, 2010			28,002
FUND BALANCE, DECEMBER 31, 2010			<u>\$ 5,651</u>

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2010

1. BUDGETS

Formal budgetary integration is employed as a management control device. Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for all funds except the Capital Improvements Fund. The annual budget lapses at fiscal year end.

The PBC prepares an operating budget which summarizes the budget units and recommends the proposed appropriations. The appropriations are approved by the Board of Commissioners and may be amended by the Board of Commissioners. Expenditures may not exceed the budget at the fund level. During the period, no budget amendments were approved.

SUPPLEMENTARY FINANCIAL INFORMATION

MAJOR GOVERNMENTAL FUNDS

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RENEWAL AND REPLACEMENT SYCAMORE CAMPUS FUND

For the Year Ended December 31, 2010

	Final Budget	Actual
REVENUES		
Investment income	\$ 2,000	\$ 4,494
Contributions from DeKalb County Sycamore Campus	175,000	175,000
Total revenues	177,000	179,494
EXPENDITURES		
Capital outlay Sycamore campus		
Gathertorium moving dividers	-	514
Roof	10,000	-
Admin building customer counters	-	1,368
Capital contingency	25,000	-
Miscellaneous	25,000	-
Total expenditures	60,000	1,882
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	117,000	177,612
OTHER FINANCING SOURCES (USES)		
Transfers in	65,000	62,250
Total other financing sources (uses)	65,000	62,250
NET CHANGE IN FUND BALANCE	\$ 182,000	239,862
FUND BALANCE, JANUARY 1, 2010		374,903
FUND BALANCE, DECEMBER 31, 2010		\$ 614,765

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RENEWAL AND REPLACEMENT COMMUNITY OUTREACH BUILDING FUND

For the Year Ended December 31, 2010

	Final Budget	Actual
REVENUES		
Investment income	\$ -	\$ 26
Contributions from DeKalb County Community Outreach Building	-	50,000
	-	50,026
Total revenues	-	50,026
EXPENDITURES		
None	-	-
Total expenditures	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	50,026
FUND BALANCE, JANUARY 1, 2010		<u>50,000</u>
FUND BALANCE, DECEMBER 31, 2010		<u>\$ 100,026</u>

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RENEWAL AND REPLACEMENT HEALTH FUND

For the Year Ended December 31, 2010

	Final Budget	Actual
REVENUES		
Investment income	\$ 25,000	\$ 8,579
Contributions from DeKalb County		
Health facility campus	250,000	250,000
Total revenues	275,000	258,579
EXPENDITURES		
Capital outlay		
Health facility		
Landscaping	10,000	-
Concrete replacement and repair	10,000	6,026
Roof	-	8,979
Hot water reconfiguration	40,000	1,263
Capital contingency	20,000	-
Total expenditures	80,000	16,268
NET CHANGE IN FUND BALANCE	\$ 195,000	242,311
FUND BALANCE, JANUARY 1, 2010		1,158,417
FUND BALANCE, DECEMBER 31, 2010		\$ 1,400,728

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RENEWAL AND REPLACEMENT PUBLIC SAFETY FUND

For the Year Ended December 31, 2010

	Final Budget	Actual
REVENUES		
Investment income	\$ 3,000	\$ 1,470
Total revenues	<u>3,000</u>	<u>1,470</u>
EXPENDITURES		
Capital outlay		
Public safety building		
Fencing and repair	13,000	-
Food pantry	-	5,710
Capital contingency	<u>12,000</u>	<u>-</u>
Total expenditures	<u>25,000</u>	<u>5,710</u>
NET CHANGE IN FUND BALANCE	<u>\$ (22,000)</u>	(4,240)
FUND BALANCE, JANUARY 1, 2010		<u>241,495</u>
FUND BALANCE, DECEMBER 31, 2010		<u>\$ 237,255</u>

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY OUTREACH FUND

For the Year Ended December 31, 2010

	Final Budget	Actual
REVENUES		
Investment income	\$ -	\$ 2,379
Contribution from DeKalb County		
Health facility campus	400,000	450,462
Total revenues	400,000	452,841
EXPENDITURES		
Debt service		
Interest	63,000	62,250
Capital outlay		
Community outreach building	160,000	122,646
Office furniture and equipment	5,000	3,657
Specialized equipment	7,000	-
Storage systems	215,000	258,090
Evidence room	-	1,360
Professional services	5,000	1,807
Total expenditures	455,000	449,810
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(55,000)	3,031
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(5,000)	(5,000)
Total other financing sources (uses)	(5,000)	(5,000)
NET CHANGE IN FUND BALANCE	\$ (60,000)	(1,969)
FUND BALANCE (DEFICIT), JANUARY 1, 2010		(979,214)
FUND BALANCE (DEFICIT), DECEMBER 31, 2010		\$ (981,183)

(See independent auditor's report.)

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

For the Year Ended December 31, 2010

	Balances January 1, 2010	Additions and Transfers	Retirements and Transfers	Balances December 31, 2010
HIGHWAY DEPARTMENT				
Land	\$ 684	\$ -	\$ -	\$ 684
Building	2,197,569	-	-	2,197,569
Building improvements	39,247	-	-	39,247
Total highway department	2,237,500	-	-	2,237,500
NURSING AND REHAB CENTER				
Land	3,785	-	-	3,785
Building	11,869,467	-	-	11,869,467
Total nursing and rehab center	11,873,252	-	-	11,873,252
PUBLIC HEALTH DEPARTMENT AND COMMUNITY FACILITY				
Land	488,815	-	-	488,815
Land improvements	31,553	-	-	31,553
Buildings	4,266,887	-	-	4,266,887
Building improvements	25,657	-	-	25,657
Total public health department and community facility	4,812,912	-	-	4,812,912
HEALTH FACILITY STORAGE AND GARAGE				
Building - garage	156,969	-	-	156,969
Building - storage	200,000	-	-	200,000
Total health facility storage and garage	356,969	-	-	356,969
COMMUNITY OUTREACH CENTER				
Building	5,210,652	330,274	-	5,540,926
Total community outreach center	5,210,652	330,274	-	5,540,926
TOTAL CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS	\$ 24,491,285	\$ 330,274	\$ -	\$ 24,821,559

(See independent auditor's report.)