

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

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

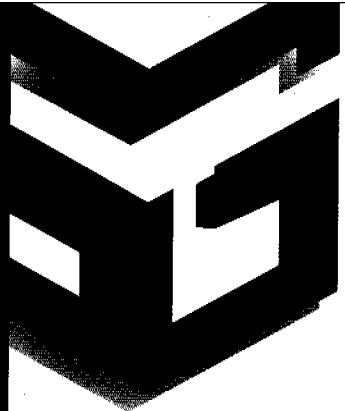
For the Year Ended
November 30, 2004

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS
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SYCAMORE, ILLINOIS
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ILLINOIS CPA SOCIETY

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 basic financial statements of the DeKalb County Public Building Commission, Sycamore, Illinois, a component unit of DeKalb County, Illinois, as of and for the year ended November 30, 2004. These basic financial statements are the responsibility of the DeKalb County Public Building Commission's management. Our responsibility is to express an opinion 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 opinion.

As discussed in Note 1a, the basic financial statements present only the DeKalb County Public Building Commission and are not intended to present fairly the financial position, results of operations and cash flows of DeKalb County, Illinois, in conformity with accounting principles generally accepted in the United States of America.

The DeKalb County Public Building Commission has not presented a Management's Discussion and Analysis as required supplementary information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the DeKalb County Public Building Commission, as of November 30, 2004, and the results of its operations and cash flows of its proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary financial information, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the DeKalb County Public Building Commission. 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 taken as a whole.

Aurora, Illinois
February 24, 2005

A handwritten signature in cursive script, appearing to read "Arthur Sauter", followed by the date "2/24/05".

GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF NET ASSETS

November 30, 2004

| | Primary Government | | |
|---|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Cash and investments | \$ 1,965,552 | \$ 328,919 | \$ 2,294,471 |
| Receivables, net of allowance, where applicable | | | |
| Accounts | 2,800 | - | 2,800 |
| Leases | - | 8,955,000 | 8,955,000 |
| Restricted assets | | | |
| Cash with paying agent | - | 767,032 | 767,032 |
| Capital assets not being depreciated | 2,989,521 | - | 2,989,521 |
| Capital assets being depreciated (net of accumulated depreciation) | 23,226,473 | - | 23,226,473 |
| Total assets | 28,184,346 | 10,050,951 | 38,235,297 |
| LIABILITIES | | | |
| Accounts payable | 12,465 | 300 | 12,765 |
| Accrued interest payable | - | 237,032 | 237,032 |
| Deferred revenue | - | 249,311 | 249,311 |
| Noncurrent liabilities | | | |
| Due within one year | - | 530,000 | 530,000 |
| Due in more than one year | - | 8,955,000 | 8,955,000 |
| Total liabilities | 12,465 | 9,971,643 | 9,984,108 |
| NET ASSETS | | | |
| Investment in capital assets, net of related debt | 26,215,994 | - | 26,215,994 |
| Unrestricted | 1,955,887 | 79,308 | 2,035,195 |
| TOTAL NET ASSETS | \$ 28,171,881 | \$ 79,308 | \$ 28,251,189 |

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended November 30, 2004

| FUNCTIONS/PROGRAMS | Program Revenues | | | |
|---------------------------------|---------------------|-------------------------|---------------------|-------------------|
| | Expenses | Charges for Services | Operating Grants | Capital Grants |
| PRIMARY GOVERNMENT | | | | |
| Governmental activities | | | | |
| Administration | \$ 45,204 | \$ - | \$ - | \$ - |
| Maintenance | 2,300,778 | 1,491,000 | - | - |
| Total governmental activities | 2,345,982 | 1,491,000 | - | - |
| Business-type activities | | | | |
| Sinking Fund | 474,964 | 500,931 | - | - |
| Total business-type activities | 474,964 | 500,931 | - | - |
| TOTAL PRIMARY GOVERNMENT | \$ 2,820,946 | \$ 1,991,931 | \$ - | \$ - |

| | Net (Expense) Revenue and Change in Net Assets | | |
|--------------------------------|---|-----------------------------|---------------|
| | Primary Government | | |
| | Governmental Activities | Business-Type Activities | Total |
| | \$ (45,204) | \$ - | \$ (45,204) |
| | (809,778) | - | (809,778) |
| | (854,982) | - | (854,982) |
| | - | 25,967 | 25,967 |
| | - | 25,967 | 25,967 |
| | (854,982) | 25,967 | (829,015) |
| General revenues | | | |
| Investment income | 68,063 | 4,493 | 72,556 |
| Contributions | 169,175 | - | 169,175 |
| Transfers in (out) | 25,000 | (25,000) | - |
| Total | 262,238 | (20,507) | 241,731 |
| CHANGE IN NET ASSETS | (592,744) | 5,460 | (587,284) |
| NET ASSETS, DECEMBER 1 | 28,764,625 | 73,848 | 28,838,473 |
| NET ASSETS, NOVEMBER 30 | \$ 28,171,881 | \$ 79,308 | \$ 28,251,189 |

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

November 30, 2004

| | General | Capital Improvements | Operating Lease | Replacement and Renewal | Replacement and Renewal Health | Other Governmental | Total |
|--|-------------------|----------------------|-----------------|-------------------------|--------------------------------|--------------------|---------------------|
| ASSETS | | | | | | | |
| Cash and investments | \$ 100,630 | \$ 1,500,000 | \$ - | \$ 251,261 | \$ 85,581 | \$ 28,080 | \$ 1,965,552 |
| Accounts receivable | - | - | - | 2,800 | - | - | 2,800 |
| Due from other funds | 828 | - | - | - | 192,294 | - | 193,122 |
| TOTAL ASSETS | \$ 101,458 | \$ 1,500,000 | \$ - | \$ 254,061 | \$ 277,875 | \$ 28,080 | \$ 2,161,474 |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ 1,209 | \$ - | \$ - | \$ 11,256 | \$ - | \$ - | \$ 12,465 |
| Due to other funds | - | - | - | 193,122 | - | - | 193,122 |
| Total liabilities | 1,209 | - | - | 204,378 | - | - | 205,587 |
| FUND BALANCES | | | | | | | |
| Unreserved | | | | | | | |
| Designated for future capital projects | - | 1,500,000 | - | - | - | - | 1,500,000 |
| Undesignated - general | 100,249 | - | - | - | - | - | 100,249 |
| Undesignated - capital projects | - | - | - | 49,683 | 277,875 | 28,080 | 355,638 |
| Total fund balances | 100,249 | 1,500,000 | - | 49,683 | 277,875 | 28,080 | 1,955,887 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 101,458 | \$ 1,500,000 | \$ - | \$ 254,061 | \$ 277,875 | \$ 28,080 | \$ 2,161,474 |

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

November 30, 2004

| | |
|---|----------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 1,955,887 |
| 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>26,215,994</u> |
| NET ASSETS OF GOVERNMENTAL ACTIVITIES | <u>\$ 28,171,881</u> |

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
 SYCAMORE, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES

For the Year Ended November 30, 2004

| | General | Capital Improvements | Operating Lease | Replacement and Renewal | Replacement and Renewal Health | Other Governmental | Total |
|--|------------|----------------------|-----------------|-------------------------|--------------------------------|--------------------|--------------|
| REVENUES | | | | | | | |
| Investment income | \$ 8,162 | \$ - | \$ - | \$ 59,640 | \$ - | \$ 261 | \$ 68,063 |
| Contributions from County | - | - | - | 170,000 | 100,000 | - | 270,000 |
| Rental income | - | - | 1,241,000 | - | - | - | 1,241,000 |
| Total revenues | 8,162 | - | 1,241,000 | 229,640 | 100,000 | 261 | 1,579,063 |
| EXPENDITURES | | | | | | | |
| Current | | | | | | | |
| Administration | 45,204 | - | - | - | - | - | 45,204 |
| Maintenance | - | - | 1,241,000 | - | - | - | 1,241,000 |
| Capital outlay | - | - | - | 352,244 | 14,419 | 7,673 | 374,336 |
| Total expenditures | 45,204 | - | 1,241,000 | 352,244 | 14,419 | 7,673 | 1,660,540 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (37,042) | - | - | (122,604) | 85,581 | (7,412) | (81,477) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 25,000 | - | - | - | 192,294 | - | 217,294 |
| Transfers (out) | - | - | - | (192,294) | - | - | (192,294) |
| Total other financing sources (uses) | 25,000 | - | - | (192,294) | 192,294 | - | 25,000 |
| NET CHANGE IN FUND BALANCE | (12,042) | - | - | (314,898) | 277,875 | (7,412) | (56,477) |
| FUND BALANCES, DECEMBER 1 | 112,291 | 1,500,000 | - | 364,581 | - | 35,492 | 2,012,364 |
| FUND BALANCES, NOVEMBER 30 | \$ 100,249 | \$ 1,500,000 | \$ - | \$ 49,683 | \$ 277,875 | \$ 28,080 | \$ 1,955,887 |

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 November 30, 2004

| | |
|---|---------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (56,477) |
| Amounts reported for governmental activities in the statement activities are different because: | |
| Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the statement of activities | 136,186 |
| Governmental fund do not record donated capital assets, however, they are capitalized and recognized as contribution revenue on the statement of activities | 149,175 |
| 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>(821,628)</u> |
| CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES | <u>\$ (592,744)</u> |

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

STATEMENT OF NET ASSETS
PROPRIETARY FUND

November 30, 2004

| | <u>Business- Type Activities Sinking Fund</u> |
|-------------------------------|---|
| CURRENT ASSETS | |
| Cash and investments | \$ 328,919 |
| Cash with paying agent | <u>767,032</u> |
| Total current assets | 1,095,951 |
| NONCURRENT ASSETS | |
| Receivables | |
| Leases | <u>8,955,000</u> |
| Total assets | <u>10,050,951</u> |
| CURRENT LIABILITIES | |
| Accounts payable | 300 |
| Deferred revenue | 249,311 |
| Interest payable | 237,032 |
| Revenue bonds payable | <u>530,000</u> |
| Total current liabilities | 1,016,643 |
| NONCURRENT LIABILITIES | |
| Revenue bonds payable | <u>8,955,000</u> |
| Total liabilities | <u>9,971,643</u> |
| NET ASSETS | |
| Unrestricted | <u>79,308</u> |
| TOTAL NET ASSETS | <u><u>\$ 79,308</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 November 30, 2004

| | <u>Business- Type Activities</u> <u>Sinking Fund</u> |
|--|---|
| OPERATING REVENUES | |
| Rental from DeKalb County | \$ 500,931 |
| OPERATING EXPENSES | |
| Administration | |
| Commercial services | <u>900</u> |
| OPERATING INCOME | <u>500,031</u> |
| NONOPERATING REVENUES (EXPENSES) | |
| Investment income | 4,493 |
| Interest expense | <u>(474,064)</u> |
| Total nonoperating revenues (expenses) | <u>(469,571)</u> |
| INCOME BEFORE TRANSFERS | 30,460 |
| TRANSFER (OUT) | <u>(25,000)</u> |
| CHANGE IN NET ASSETS | 5,460 |
| NET ASSETS, DECEMBER 1 | <u>73,848</u> |
| NET ASSETS, NOVEMBER 30 | <u><u>\$ 79,308</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 November 30, 2004

| | |
|---|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Rental receipts from DeKalb County | \$ 1,017,257 |
| Payments to suppliers | <u>(600)</u> |
| Net cash from operating activities | <u>1,016,657</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 | (505,000) |
| Interest paid on revenue bonds | <u>(486,184)</u> |
| Net cash from capital and related financing activities | <u>(991,184)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest on investments | <u>4,493</u> |
| Net cash from investing activities | <u>4,493</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 4,966 |
| CASH AND CASH EQUIVALENTS, DECEMBER 1 | <u>1,090,985</u> |
| CASH AND CASH EQUIVALENTS, NOVEMBER 30 | <u>\$ 1,095,951</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES | |
| Operating income | \$ 500,031 |
| Adjustments to reconcile operating income to net cash from operating activities | |
| Changes in assets and liabilities | |
| Leases receivable | 530,000 |
| Accounts payable | 300 |
| Unearned rental income | <u>(13,674)</u> |
| NET CASH FROM OPERATING ACTIVITIES | <u>\$ 1,016,657</u> |

See accompanying notes to financial statements.

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

November 30, 2004

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 principles, these financial statements present all funds of the PBC. There are no component units included. A component unit is a legally separate organization for which a primary government is financially accountable. 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)

Proprietary 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 proprietary 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 non-fiduciary activities of the PBC. The effect of material inter-fund activity has been eliminated from these statements. Governmental activities, which normally are supported by 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 enterprise funds, if any, 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 Operating Lease Fund is used to account lease payments paid by the County to the PBC.

The Renewal and Replacement Fund is used to account for operation and maintenance funds paid by the County 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 PBC also reports the following major proprietary funds:

The Sinking Fund is used to account for the lease payment from the County and the related payments on the 1997 lease revenue 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.

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. However, debt service expenditures are recorded only when payment is due.

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)

The PBC reports deferred revenue on its financial statements. Deferred 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. Deferred 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 deferred 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 type 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. Non-negotiable certificates of deposit and all other investments are reported at cost.

Cash with Paying Agent

Cash with paying agent represents funds on deposit with the PBC's paying agent for bond principal and interest payments due December 1.

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 fund" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current 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 types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts, as well as issuance costs 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 amortized over the term of the related debt.

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

j. Fund Equity/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.

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.

Permitted Deposits and Investments - Statutes authorize the PBC to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Deposits

At year-end the carrying amount of the PBC's deposits totaled \$2,294,471 and the bank balances totaled \$2,315,931. The bank balances can be categorized as follows:

| | <u>Bank Balances</u> |
|--|----------------------------|
| Category 1 Deposits covered by federal depository insurance or by collateral held by the PBC, or its agent, in the PBC's name. | \$ 2,315,931 |
| Category 2 Deposits covered by collateral held by the pledging financial institution's trust department, or by its agent, in the PBC's name. | - |
| Category 3 Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the PBC's name, and deposits which are uninsured and uncollateralized. | - |
| TOTAL DEPOSITS | <u><u>\$ 2,315,931</u></u> |

b. Investments

The PBC's investments are categorized to give an indication of the level of custodial credit risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the PBC or its agent in the PBC's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the PBC's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the PBC's name, and uninsured, unregistered investments held by the counterparty in the PBC's name.

At year end, the PBC's investment balances were as follows:

| | <u>Total</u> | <u>Fair Value</u> |
|--------------------------|--------------------------|--------------------------|
| * Cash with paying agent | \$ 767,032 | \$ 767,032 |
| TOTAL INVESTMENTS | <u><u>\$ 767,032</u></u> | <u><u>\$ 767,032</u></u> |

* (Not subject to risk categorization)

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

3. CAPITAL ASSETS

Capital asset activity for the year ended November 30, 2004, was as follows:

| | Beginning Balance, Restated | Increases | Decreases | Ending Balance |
|---|-----------------------------------|---------------------|-------------|---------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 2,840,346 | \$ 149,175 | \$ - | \$ 2,989,521 |
| Total capital assets not being depreciated | <u>2,840,346</u> | <u>149,175</u> | <u>-</u> | <u>2,989,521</u> |
| Capital assets being depreciated | | | | |
| Land improvements | 660,777 | - | - | 660,777 |
| Buildings | 26,079,198 | - | - | 26,079,198 |
| Building improvements | 4,536,649 | 136,186 | - | 4,672,835 |
| Total capital assets being depreciated | <u>31,276,624</u> | <u>136,186</u> | <u>-</u> | <u>31,412,810</u> |
| Less accumulated depreciation for | | | | |
| Land improvements | 254,028 | - | - | 254,028 |
| Buildings and improvements | 7,110,681 | 821,628 | - | 7,932,309 |
| Total accumulated depreciation | <u>7,364,709</u> | <u>821,628</u> | <u>-</u> | <u>8,186,337</u> |
| Total capital assets being depreciated, net | <u>23,911,915</u> | <u>(685,442)</u> | <u>-</u> | <u>23,226,473</u> |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$26,752,261</u> | <u>\$ (536,267)</u> | <u>\$ -</u> | <u>\$26,215,994</u> |

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

| | |
|---|-------------------|
| GOVERNMENTAL ACTIVITIES | |
| Maintenance | <u>\$ 821,628</u> |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | <u>\$ 821,628</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 DeKalb County (the County) which requires the following annual rentals due from DeKalb County on November 1 of the year indicated.

| <u>Year</u> | |
|-------------|---------------------|
| 2005 | \$ 1,334,000 |
| 2006 | <u>1,374,000</u> |
| TOTAL | <u>\$ 2,708,000</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.

b. Operating Lease - Transportation Facility

During 2000, the PBC entered into an operating lease for the construction of a new transportation facility with DeKalb County which requires the following annual rentals due from the County on November 1 of the year indicated.

| <u>Year</u> | |
|-------------|-------------------------|
| 2005 | \$ 208,000 |
| 2006 | 208,000 |
| 2007 | 208,000 |
| 2008 | 208,000 |
| 2009 | 208,000 |
| 2010 | <u>203,353</u> |
| TOTAL | <u>\$ 1,243,353</u> |

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 the Capital Improvement Reserve Fund. Within 180 days of the completion of the project, all moneys remaining shall be transferred to the Surplus Fund.

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

4. LEASES RECEIVABLE (Continued)

c. 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.

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.

Lease rentals receivable from the County are as follows:

| Fiscal Year | Lease Payments |
|----------------------------|-------------------|
| 2005 | \$ 1,020,183 |
| 2006 | 1,017,703 |
| 2007 | 1,018,903 |
| 2008 | 1,018,663 |
| 2009 | 1,016,646 |
| 2010 | 1,017,358 |
| 2011 | 1,020,858 |
| 2012 | 1,022,161 |
| 2013 | 1,025,816 |
| 2014 | 1,026,870 |
| 2015 | 1,030,140 |
| 2016 | 1,030,480 |
| | <hr/> |
| Total lease payments | 12,265,781 |
| Less interest and expenses | 3,310,781 |
| | <hr/> |
| NET LEASE RECEIVABLE | \$ 8,955,000 |

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

4. LEASES RECEIVABLE (Continued)

c. Financing Lease (Continued)

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 commission.

5. REVENUE BONDS PAYABLE

On December 10, 1997, the PBC issued \$11,800,000 of Lease Revenue Bonds, dated December 1, 1997, to finance the construction of a new county nursing home and health department facilities. The bonds are due serially in annual installments ranging from \$425,000 - \$980,000 each December 1, beginning December 1, 1999 maturing December 1, 2016. Interest is payable semi-annually, each June 1 and December 1 at rates ranging from 4.75% - 5.20%. The bonds are secured by a lease with the County (see Note 4c). Debt service to maturity is as follows:

| Fiscal Year | Principal* | Interest | Total |
|----------------|---------------------|---------------------|----------------------|
| 2005 | \$ 560,000 | \$ 448,624 | \$ 1,008,624 |
| 2006 | 585,000 | 421,743 | 1,006,743 |
| 2007 | 615,000 | 393,664 | 1,008,664 |
| 2008 | 645,000 | 364,143 | 1,009,143 |
| 2009 | 675,000 | 333,184 | 1,008,184 |
| 2010 | 710,000 | 300,109 | 1,010,109 |
| 2011 | 750,000 | 264,609 | 1,014,609 |
| 2012 | 790,000 | 227,109 | 1,017,109 |
| 2013 | 835,000 | 187,214 | 1,022,214 |
| 2014 | 880,000 | 144,420 | 1,024,420 |
| 2015 | 930,000 | 99,320 | 1,029,320 |
| 2016 | 980,000 | 50,960 | 1,030,960 |
| TOTAL | \$ 8,955,000 | \$ 3,235,099 | \$ 12,190,099 |

* Excludes principal payment due December 1, 2004 of \$530,000 which is reported as cash with paying agent and bonds payable at November 30, 2004.

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

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.

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 November 30, 2004

| | Original Budget | Final Budget | Actual |
|--|--------------------|--------------------|-------------------|
| REVENUES | | | |
| Investment income | \$ - | \$ 9,000 | \$ 8,162 |
| Total revenues | - | 9,000 | 8,162 |
| EXPENDITURES | | | |
| Current | | | |
| Administration | | | |
| Salaries | 21,000 | 21,000 | 26,294 |
| Part-time | 5,000 | 5,000 | 3,699 |
| Overtime | 100 | 100 | 416 |
| Social security | 3,000 | 3,000 | 2,325 |
| Illinois municipal retirement | 500 | 500 | 283 |
| Unemployment | 300 | 300 | 180 |
| Workers compensation | 100 | 100 | - |
| Office furniture | 500 | 500 | - |
| Computer equipment | 2,000 | 2,000 | - |
| Specialized equipment | 1,000 | 1,000 | - |
| Miscellaneous | 1,500 | 1,500 | 30 |
| Schools of instruction | 600 | 600 | 169 |
| Travel | 1,000 | 1,000 | 1,644 |
| Mileage | 200 | 200 | 50 |
| Public notices | 200 | 200 | - |
| Maintenance | 1,000 | 1,000 | - |
| Telephone | 2,000 | 2,000 | 1,655 |
| Professional fees | 1,000 | 1,000 | - |
| Commercial services | 1,000 | 1,000 | 75 |
| Property insurance | 600 | 600 | 150 |
| Surety bonds | - | - | 200 |
| Audit fees | 6,000 | 6,000 | 7,729 |
| Supplies | 1,000 | 1,000 | 232 |
| Postage | 200 | 200 | 73 |
| Copies | 200 | 200 | - |
| Total expenditures | 50,000 | 50,000 | 45,204 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (50,000) | (41,000) | (37,042) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 25,000 | 25,000 | 25,000 |
| NET CHANGE IN FUND BALANCE | <u>\$ (25,000)</u> | <u>\$ (16,000)</u> | (12,042) |
| FUND BALANCE, DECEMBER 1 | | | 112,291 |
| FUND BALANCE, NOVEMBER 30 | | | <u>\$ 100,249</u> |

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

November 30, 2004

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 appropriated budget is adopted for the General Fund. The annual appropriation lapses at fiscal year end.

The Public Building Commission prepares an operating budget which summarizes the appropriation units, and recommends the proposed appropriations. Public hearings on the proposed appropriations are conducted. The appropriations are legally enacted through passage of an ordinance. The budget may be amended by the Board of Commissioners. Expenditures may not legally exceed budgeted appropriations at the line-item level. During the period, supplementary appropriations 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

OPERATING LEASE FUND

For the Year Ended November 30, 2004

| | <u>Budget</u> | <u>Actual</u> |
|----------------------------|------------------|------------------|
| REVENUES | | |
| Rental from DeKalb County | \$ 1,241,000 | \$ 1,241,000 |
| Total revenues | <u>1,241,000</u> | <u>1,241,000</u> |
| EXPENDITURES | | |
| Maintenance | | |
| Maintenance contract | <u>1,241,000</u> | <u>1,241,000</u> |
| Total expenditures | <u>1,241,000</u> | <u>1,241,000</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | - |
| FUND BALANCE, DECEMBER 1 | | <u>-</u> |
| FUND BALANCE, NOVEMBER 30 | | <u>\$ -</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 FUND

For the Year Ended November 30, 2004

| | <u>Final Budget</u> | <u>Actual</u> |
|--|-------------------------|------------------|
| REVENUES | | |
| Investment income | \$ 74,000 | \$ 59,640 |
| Contributions from DeKalb County Sycamore Campus | <u>170,000</u> | <u>170,000</u> |
| Total revenues | <u>244,000</u> | <u>229,640</u> |
| EXPENDITURES | | |
| Capital outlay | | |
| Sycamore campus | | |
| Public safety building updates | 15,000 | 13,527 |
| Fire alarm updates | 60,000 | 61,944 |
| Site preparation | 5,000 | - |
| Landscaping | 20,000 | 21,529 |
| Sidewalk and step repair | 10,000 | 8,255 |
| Courthouse reconfiguration | 35,000 | 23,394 |
| Storage reconfiguration | 50,000 | 61,279 |
| Inside painting | 20,000 | 11,495 |
| Parking lot construction | - | 14,907 |
| HVAC upgrade | 25,000 | 22,088 |
| HVAC condenser - courthouse | 70,000 | 66,773 |
| Stained glass windows | 35,000 | 31,688 |
| Windows | 10,000 | 14,000 |
| Emergency power source | - | 1,365 |
| Total expenditures | <u>355,000</u> | <u>352,244</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(111,000)</u> | <u>(122,604)</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers (out) | <u>-</u> | <u>(192,294)</u> |
| Total other financing sources (uses) | <u>-</u> | <u>(192,294)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (111,000)</u> | <u>(314,898)</u> |
| FUND BALANCE, DECEMBER 1 | | <u>364,581</u> |
| FUND BALANCE, NOVEMBER 30 | | <u>\$ 49,683</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 November 30, 2004

| | Final Budget | Actual |
|--|-----------------|------------|
| REVENUES | | |
| Investment income | \$ 2,000 | \$ - |
| Contributions from DeKalb County Health Facility Campus | 100,000 | 100,000 |
| Total revenues | 102,000 | 100,000 |
| EXPENDITURES | | |
| Capital outlay | | |
| Health facility | | |
| Landscaping | 5,000 | - |
| Windows | - | 3,331 |
| Security system | 5,000 | 562 |
| Nature trail | 30,000 | 10,526 |
| Total expenditures | 40,000 | 14,419 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 62,000 | 85,581 |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers in | - | 192,294 |
| NET CHANGE IN FUND BALANCE | \$ 62,000 | 277,875 |
| FUND BALANCE, DECEMBER 1 | | - |
| FUND BALANCE, NOVEMBER 30 | | \$ 277,875 |

(See independent auditor's report.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

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

LEGISLATIVE CENTER FUND

For the Year Ended November 30, 2004

| | Final Budget | Actual |
|----------------------------|-----------------|------------------------|
| REVENUES | | |
| Investment income | \$ 200 | \$ 261 |
| Grant revenue | 40,000 | - |
| | <hr/> | <hr/> |
| Total revenues | 40,200 | 261 |
| | <hr/> | <hr/> |
| EXPENDITURES | | |
| Capital outlay | 40,000 | 7,673 |
| | <hr/> | <hr/> |
| Total expenditures | 40,000 | 7,673 |
| | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | <u>\$ 200</u> | (7,412) |
| FUND BALANCE, DECEMBER 1 | | <hr/> 35,492 |
| FUND BALANCE, NOVEMBER 30 | | <hr/> <u>\$ 28,080</u> |

(See independent auditor's report.)

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

For the Year Ended November 30, 2004

| | Balances December 1 | Additions and Transfers | Retirements and Transfers | Balances November 30 |
|------------------------------------|------------------------|----------------------------|------------------------------|-------------------------|
| ADMINISTRATION CENTER | | | | |
| Land | \$ 39,473 | \$ - | \$ - | \$ 39,473 |
| Building | 1,268,193 | - | - | 1,268,193 |
| Building improvements | 351,575 | 14,000 | - | 365,575 |
| Total Administration Center | 1,659,241 | 14,000 | - | 1,673,241 |
| GOVERNMENT CENTER | | | | |
| Land | 1,949,069 | 149,175 | - | 2,098,244 |
| Land improvements | 557,304 | - | - | 557,304 |
| Total Government Center | 2,506,373 | 149,175 | - | 2,655,548 |
| MAINTENANCE GARAGE | | | | |
| Land | 56,980 | - | - | 56,980 |
| Land improvements | 21,812 | - | - | 21,812 |
| Building | 92,626 | - | - | 92,626 |
| Total Maintenance Garage | 171,418 | - | - | 171,418 |
| LEGISLATIVE CENTER | | | | |
| Buildings | 2,887,699 | - | - | 2,887,699 |
| Total Legislative Center | 2,887,699 | - | - | 2,887,699 |
| COURTHOUSE | | | | |
| Land | 40 | - | - | 40 |
| Land improvements | 81,660 | - | - | 81,660 |
| Building | 168,975 | - | - | 168,975 |
| Building improvements | 3,269,029 | 48,079 | - | 3,317,108 |
| Total Courthouse | 3,519,704 | 48,079 | - | 3,567,783 |
| PUBLIC SAFETY CENTER | | | | |
| Land | 301,500 | - | - | 301,500 |
| Building | 2,931,566 | - | - | 2,931,566 |
| Building improvements | 916,046 | 74,107 | - | 990,153 |
| Total Public Safety Center | 4,149,112 | 74,107 | - | 4,223,219 |

(This schedule is continued on the following page.)

DEKALB COUNTY PUBLIC BUILDING COMMISSION
SYCAMORE, ILLINOIS

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (Continued)

For the Year Ended November 30, 2004

| | Balances December 1 | Additions and Transfers | Retirements and Transfers | Balances November 30 |
|---|------------------------|----------------------------|------------------------------|-------------------------|
| HIGHWAY DEPARTMENT | | | | |
| Land | \$ 684 | \$ - | \$ - | \$ 684 |
| Building | 2,236,816 | - | - | 2,236,816 |
| 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 |
| Buildings | 4,266,887 | - | - | 4,266,887 |
| Total Public Health Department and Community Facility | 4,755,702 | - | - | 4,755,702 |
| 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 |
| TOTAL CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS | \$ 34,116,970 | \$ 285,361 | \$ - | \$ 34,402,331 |

(See independent auditor's report.)