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To the Board of the Danville
Public Building Commission

In planning and performing our audit of the general purpose financial statements of the Danville Public Building Commission, for the year ended October 31, 1998, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure. However, we noted certain matters involving the internal control structure and its operations we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Danville Public Building Commission's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

The reportable conditions are:

1. Due to the limited number of personnel, there is a lack of segregation of duties in the accounting functions.

This report is intended solely for the information and use of the Board and Management. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Fox & Crowder Ltd.

December 16, 1998

DANVILLE PUBLIC BUILDING COMMISSION
Danville, Illinois

GENERAL PURPOSE FINANCIAL STATEMENTS

October 31, 1998

Fox
&
Crowder Ltd.
CERTIFIED PUBLIC
ACCOUNTANTS
& CONSULTANTS

DANVILLE PUBLIC BUILDING COMMISSION
Danville, Illinois

GENERAL PURPOSE FINANCIAL STATEMENTS

October 31, 1998

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Danville Public Building Commission
Danville, Illinois

We have audited the accompanying general purpose financial statements of the Danville Public Building Commission as of and for the year ended October 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Danville Public Building Commission's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Danville Public Building Commission as of October 31, 1998, and the results of its operations, and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Danville Public Building Commission. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the general purpose financial statements taken as a whole.

Fox & Crowder Ltd.

Danville, Illinois
December 16, 1998

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 October 31, 1998

	<u>Proprietary Fund Type Internal Service</u>	<u>Fiduciary Fund Type Trust and Agency</u>	<u>Total Memorandum Only</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	1,159,767	6,725	1,166,492
Restricted cash and cash equivalents	3,166,035	-	3,166,035
Investments in deferred compensation	-	91,115	91,115
Accrued interest receivable	24,566	-	24,566
Due from other funds	3,544	-	3,544
Prepaid expenses	129,595	-	129,595
Due from other governments	<u>4,541</u>	<u>-</u>	<u>4,541</u>
Total current assets	<u>4,488,048</u>	<u>97,840</u>	<u>4,585,888</u>
PROPERTY AND EQUIPMENT			
Property and equipment, net of accumulated depreciation	<u>3,873,478</u>	<u>-</u>	<u>3,873,478</u>
OTHER ASSETS			
Lease receivable	4,045,073	-	4,045,073
Unamortized certificates of participation cost	<u>158,091</u>	<u>-</u>	<u>158,091</u>
Total other assets	<u>4,203,164</u>	<u>-</u>	<u>4,203,164</u>
TOTAL ASSETS	<u><u>12,564,690</u></u>	<u><u>97,840</u></u>	<u><u>12,662,530</u></u>

See accompanying notes.

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 October 31, 1998

	<u>Proprietary Fund Type</u> Internal Service	<u>Fiduciary Fund Type</u> Trust and Agency	<u>Total Memorandum Only</u>
LIABILITIES AND RETAINED EARNINGS			
CURRENT LIABILITIES			
Accounts payable	158,267	-	158,267
Interest payable	51,998	-	51,998
Accrued expenses	25,687	-	25,687
Certificates of participation payable	650,000	-	650,000
Due to other funds	3,544	-	3,544
Due to other governments:			
City	304,070	-	304,070
Vermilion County	510,418	-	510,418
Deferred revenue	<u>80,306</u>	<u>-</u>	<u>80,306</u>
Total current liabilities	<u>1,784,290</u>	<u>-</u>	<u>1,784,290</u>
LONG-TERM LIABILITIES			
Due to other government units	1,539,040	-	1,539,040
Certificates of participation payable	3,090,000	-	3,090,000
Unamortized premium on certificates of participation	59,105	-	59,105
Due to others	<u>-</u>	<u>97,840</u>	<u>97,840</u>
Total long-term liabilities	<u>4,688,145</u>	<u>97,840</u>	<u>4,785,985</u>
Total liabilities	<u>6,472,435</u>	<u>97,840</u>	<u>6,570,275</u>
RETAINED EARNINGS (DEFICIT)			
Reserved for Fire Dispatch	(646)	-	(646)
Reserved for Burglar Alarm	68,341	-	68,341
Reserved for Municipal Building	1,852	-	1,852
Reserved for Capital Improvements	1,768,765	-	1,768,765
Reserved for Maintenance	380,465	-	380,465
Investment in property and equipment	<u>3,873,478</u>	<u>-</u>	<u>3,873,478</u>
Total retained earnings	<u>6,092,255</u>	<u>-</u>	<u>6,092,255</u>
TOTAL LIABILITIES AND RETAINED EARNINGS	<u>12,564,690</u>	<u>97,840</u>	<u>12,662,530</u>

See accompanying notes.

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED
 EARNINGS - ALL PROPRIETARY FUND TYPES
 Year Ended October 31, 1998

	Proprietary Fund Type <u>Internal Service</u>	<u>Totals</u> Memorandum Only
OPERATING REVENUES		
Rent	3,611,964	3,611,964
Salary reimbursement	17,983	17,983
Interest on capital lease	308,465	308,465
Interest on investments and deposits	338,164	338,164
Fees	4,347	4,347
Miscellaneous	839	839
State revenue	<u>14,699</u>	<u>14,699</u>
Total operating revenues	<u>4,296,461</u>	<u>4,296,461</u>
OPERATING EXPENSES		
Administrative	84,347	84,347
Operations and maintenance	1,256,068	1,256,068
Communications	610,644	610,644
Assigned personnel and dietary	1,216,521	1,216,521
Depreciation	<u>263,883</u>	<u>263,883</u>
Total operating expenses	<u>3,431,463</u>	<u>3,431,463</u>
INCOME FROM OPERATIONS	<u>864,998</u>	<u>864,998</u>
NON-OPERATING REVENUES (EXPENSES)		
Amortization of certificates of participation:		
Premium	22,475	22,475
Issuance cost	(26,407)	(26,407)
Interest expense	(276,833)	(276,833)
Excess earnings due to government units	<u>(508,440)</u>	<u>(508,440)</u>
Total non-operating expenses	<u>(789,205)</u>	<u>(789,205)</u>
NET INCOME	75,793	75,793
RETAINED EARNINGS - BEGINNING OF YEAR	<u>6,016,462</u>	<u>6,016,462</u>
RETAINED EARNINGS - END OF YEAR	<u><u>6,092,255</u></u>	<u><u>6,092,255</u></u>

See accompanying notes.

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES
 Year Ended October 31, 1998

	<u>Proprietary Fund Type</u>	<u>Totals</u>
	<u>Internal Service</u>	<u>Memorandum Only</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	75,793	75,793
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	263,883	263,883
Amortization of certificates of participation:		
Premiums	(22,475)	(22,475)
Issuance cost	26,407	26,407
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	8,041	8,041
(Increase) decrease in due from other governments	(4,541)	(4,541)
(Increase) decrease in prepaid expenses	30,547	30,547
(Increase) decrease in due form other funds	(3,366)	(3,366)
Increase (decrease) in accounts payable	25,098	25,098
Increase (decrease) in accrued expenses	2,542	2,542
Increase (decrease) in due to other governments	(567,413)	(567,413)
Increase (decrease) in due to other funds	3,366	3,366
Increase (decrease) in interest payable	(8,937)	(8,937)
Increase (decrease) in deferred revenue	<u>(10,800)</u>	<u>(10,800)</u>
Net cash provided by operating activities	<u>(181,855)</u>	<u>(181,855)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(94,719)	(94,719)
Principal paid on certificates of participation	(625,000)	(625,000)
Interest paid on certificates of participation	<u>(276,833)</u>	<u>(276,833)</u>
Net cash used in capital and related financing activities	<u>(996,552)</u>	<u>(996,552)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from capital lease agreements	972,212	972,212
Interest on investments and deposits	<u>81,066</u>	<u>81,066</u>
Net cash provided by investing activities	<u>1,053,278</u>	<u>1,053,278</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(125,129)	(125,129)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>4,450,931</u>	<u>4,450,931</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>4,325,802</u>	<u>4,325,802</u>
CASH AND CASH EQUIVALENTS RESTRICTED CASH	1,159,767	1,159,767
	<u>3,166,035</u>	<u>3,166,035</u>
	<u>4,325,802</u>	<u>4,325,802</u>

See accompanying notes.

DANVILLE PUBLIC BUILDING COMMISSION
NOTES TO COMBINED FINANCIAL STATEMENTS
October 31, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Danville Public Building Commission, a municipal corporation, was organized under the provisions of the "Public Building Commission Act of the State of Illinois", approved July 5, 1955, as amended, and was incorporated for the purpose of exercising the powers and authority prescribed by the provisions of said "Public Building Commission Act of the State of Illinois" to enable the erecting, equipping, and providing of modern public buildings to house various branches, departments, and agencies of government in the County Seat of Vermilion County, Illinois.

Reporting Entity - The Commission's reporting entity includes the Commission's governing board and all related organizations for which the Commission is financially accountable.

The Commission is not aware of any entity which would be financially accountable for the Commission to the extent that the Commission would be considered a component unit of the entity. The Commission is to be disclosed as a joint venture in the general purpose financial statements of the following entities:

Vermilion County, Illinois
City of Danville, Illinois
Danville Community Consolidated School District 118

A joint venture presentation is a footnote disclosure of each entity's share of the Commission's assets, liabilities, and retained earnings.

Fund Accounting - Governmental agencies use fund and account groups to report on their financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types". Presently, the Commission has two categories of funds, the proprietary (internal service fund) and the fiduciary (agency fund).

DANVILLE PUBLIC BUILDING COMMISSION
NOTES TO COMBINED FINANCIAL STATEMENTS
October 31, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fund Accounting (cont.) - Proprietary Funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. Proprietary Fund equity is segregated into contributed capital and retained earnings.

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to governments, on a cost-reimbursement basis.

Fiduciary Fund types are used to account for assets held by the Commission in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Budget - In accordance with their intergovernmental agreement, the Board shall approve an annual operating budget.

Fixed Assets and Long-Term Liabilities - The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Building	50 years
Improvements	40 years
Equipment	10 years

DANVILLE PUBLIC BUILDING COMMISSION
NOTES TO COMBINED FINANCIAL STATEMENTS
October 31, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Basis of Accounting - Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Cash and Cash Equivalents - Cash and cash equivalents include all liquid investments with a maturity of three months or less when purchased.

Excess Earnings - The Commission records all revenues over expenses associated with their direct financing leases, as non-operating expenses and a liability to other governmental units. The lease agreements require all excess earnings to be refunded at the end of the lease term.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Total Columns - Total columns on the combined financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with generally accepted principles. Neither is such data comparable to a consolidation.

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 2 - CASH AND CASH EQUIVALENTS

Statutes authorize the Commission to make deposits and invest in obligations of the U.S. Treasury and U.S. Agencies, obligations of the U.S., states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool.

Cash and Cash Equivalents - Cash balances available for investment by the majority of Commission funds are maintained in individual bank and pooled investment accounts to improve investment opportunities. Income from pooled investment accounts is allocated to the participating funds on percentage of pool ownership basis.

Deposits - The following table categorizes deposits according to levels of risk.

<u>Category #1</u>	<u>Category #2</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
16,101	-	16,101	5,802

Cash Equivalents - The following table categorizes the cash equivalents according to levels of risk.

	<u>Category #1</u>	<u>Category #2</u>	<u>Category #3</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Certificates of deposit	100,000	4,220,000	-	4,320,000	4,320,000

Category #1 includes deposits and cash equivalents that are insured by the FDIC or registered or for which the securities are held by the Commission or its agent in the Commission's name.

Category #2 includes deposits and cash equivalents for which securities are held by the pledging financial institution or its trust department but not in the Commission's name.

Category #3 includes uninsured and uncollateralized deposits and cash equivalents.

Restricted cash and cash equivalents - The various certificates of participation ordinances require the Commission to retain certain amounts of the annual rent charges for restricted purposes. As of October 31, 1998, restricted cash and cash equivalent balances are:

	<u>High School Construction Fund</u>	<u>Courthouse Renovation Fund</u>	<u>Public Safety Building Fund</u>	<u>Total</u>
Capital improvement	-	-	1,755,835	1,755,835
Maintenance	-	-	302,665	302,665
Bond reserve	323,801	508,539	-	832,340
Surplus revenue	<u>52,003</u>	<u>223,192</u>	-	<u>275,195</u>
Total restricted	<u>375,804</u>	<u>731,731</u>	<u>2,058,500</u>	<u>3,166,035</u>

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO FINANCIAL STATEMENTS
 October 31, 1998

NOTE 3 - CHANGES IN PROPERTY AND EQUIPMENT

	Balance 10/31/97	Additions	Balance 10/31/98	Accumulated Depreciation	Net 10/31/98
<u>Public Safety Building</u>					
Land	558,575	-	558,575	-	558,575
Building	6,286,028	86,699	6,372,727	3,465,708	2,907,019
Equipment	1,747,878	6,105	1,753,983	1,350,991	402,992
Furniture and fixtures	141,507	1,915	143,422	138,530	4,892
TOTAL	<u>8,733,988</u>	<u>94,719</u>	<u>8,828,707</u>	<u>4,955,229</u>	<u>3,873,478</u>

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 4 - LEASE AGREEMENT

Courthouse Renovation Fund - The Commission entered into a lease agreement with the County of Vermilion, wherein the Commission has renovated the existing Vermilion County Courthouse and Annex and is leasing it to Vermilion County for a period beginning on December 1, 1987 and ending on December 31, 2002.

At the end of the lease, the title to the site will revert back to the County.

At the end of the lease, all assets remaining in the fund will be transferred to the County. As of October 31, 1998, the liability due to the County for excess revenues from this lease totaled \$958,965.

High School Renovation Lease - The Commission has entered into a lease agreement with Danville Community Consolidated School District 118 beginning on September 28, 1988 and ending on May 1, 2003. Lease payments are due on May 1 and November 1 of each year.

During the construction phase of the agreement, all costs associated with the renovation were accounted for in the High School Construction Fund.

At the end of the lease, all assets remaining in the fund will be transferred to the School District. As of October 31, 1998, the liability due to the School District for excess revenues from this lease totaled \$580,075.

Future lease payments to be received including principal and interest, under the lease agreements are as follows:

	<u>High School Renovation</u>	<u>Courthouse Renovation</u>
1999	475,612	500,000
2000	477,050	500,000
2001	476,500	500,000
2002	473,750	500,000
2003	<u>493,750</u>	<u>-</u>
	<u>2,396,662</u>	<u>2,000,000</u>

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 4 - LEASE AGREEMENT (cont.)

The Building Commission's net investment in the direct financing leases is as follows:

	<u>High School Renovation</u>	<u>Courthouse Renovation Fund</u>	<u>Total</u>
Total lease payments	7,075,300	8,000,000	15,075,300
Estimated executory costs	<u>(140,000)</u>	<u>(160,000)</u>	<u>(300,000)</u>
Total lease payments net of executory cost	6,935,300	7,840,000	14,775,300
Earned interest to date	(2,484,411)	(2,880,388)	(5,364,799)
Unearned interest	<u>(283,115)</u>	<u>(268,445)</u>	<u>(551,560)</u>
Net investment in direct financing lease	4,167,774	4,691,167	8,858,941
Principal payments received to date	<u>(2,194,227)</u>	<u>(2,619,641)</u>	<u>(4,813,868)</u>
TOTAL	<u><u>1,973,547</u></u>	<u><u>2,071,526</u></u>	<u><u>4,045,073</u></u>

Future minimum lease payments receivable under the lease agreements for the next five years and thereafter are:

1999	343,286	363,692	706,978
2000	365,855	386,387	752,242
2001	389,306	416,378	805,684
2002	412,632	437,409	850,041
2003	462,468	467,660	930,128
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u><u>1,973,547</u></u>	<u><u>2,071,526</u></u>	<u><u>4,045,073</u></u>

Public Safety Building Lease - A lease agreement was entered into on November 1, 1997, with the City of Danville and County of Vermilion where the Commission agreed to lease the Public Safety Building to the City and County for their joint use. This agreement includes the operations of a Joint Communications Center whose costs will be divided and apportioned equally between the County and the City. The agreement provides also for the salaries and fringe benefits of "leased" employees whose costs shall be apportioned solely to the County.

Lease payments are due as follows:

	<u>Public Safety Building</u>		<u>Total</u>
	<u>County</u>	<u>City</u>	
November 1, 1998	2,755,396	865,371	3,620,767
November 1, 1999	2,810,505	882,678	3,693,183
November 1, 2000	<u>2,866,731</u>	<u>900,332</u>	<u>3,767,063</u>
Total	<u><u>8,432,632</u></u>	<u><u>2,648,381</u></u>	<u><u>11,081,013</u></u>

DANVILLE PUBLIC BUILDING COMMISSION
NOTES TO COMBINED FINANCIAL STATEMENTS
October 31, 1998

NOTE 4 - LEASE AGREEMENT (cont.)

If, in any year, the accrual receipts are in excess of expenditures in the communication center, assigned personnel, or lease funds, the Commission shall either refund the excess to the City and County or the City and County may abate their respective tax levies by the excess. If, in any year the net rental receipts are insufficient in these funds, the Commission shall consult with the City and County and provide essential services that can be had by use of such available funds. For the year ended October 31, 1998, net rental receipts were in excess of funds required. Accordingly, refunds of the excess will be made as follows:

City of Danville, Illinois	304,070
County of Vermilion, Illinois	<u>510,418</u>
TOTAL	<u>814,488</u>

In regards to the capital improvements and maintenance funds, the following provisions are used to determine the amount of excess rental receipts to be refunded:

Maintenance Fund - Rental receipts are to be set aside up to a minimum of \$200,000. These funds are to provide for maintaining repairing or replacing machinery, and other improvements upon the premises.

Capital Improvements Fund - Rental receipts are set aside for the purpose of making either capital improvements or repairs to the premises. Excess rental receipts may be refunded in accordance with the provisions for authorizing expenditures however, the refund may not exceed \$100,000 a year. The County and City must approve joint and identical resolutions in order for the Commission to have authority to authorize expenditures from this fund.

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 5 - LONG-TERM DEBT

General Obligation Certificates of Participation - The Commission issued general obligation certificates of participation in the related leases to provide funds for advance refunding of revenue bonds. The revenue bonds were used for the acquisition and construction of major capital facilities for the participating governmental entities. The general obligation certificates of participation are specific obligations and pledge the full value of the related lease agreement. These certificates are issued as eleven year serial certificates, with various amounts of principal maturing each year. General obligation certificates of participation currently outstanding are as follows:

Vermilion County Building General Obligation certificates of participation outstanding, net of unamortized premium and issuance cost (amortized on the straight-line basis over the life of the obligation) of \$30,988 and \$77,122, respectively, at October 31, 1998, are as follows:

Indebtedness:
 Original Issue: \$3,415,000
 Certificates: \$5,000 denomination, each dated November 1, 1991.
 Interest paid December and June 1.

	<u>Principal</u>	<u>Rate on Coupons</u>
01/01/99	325,000	6.70
01/01/00	350,000	6.80
01/01/01	375,000	6.80
01/01/02	425,000	6.80
01/01/03	<u>365,000</u>	6.80
Payable October 31, 1998	<u>1,840,000</u>	

Danville School Building General Obligation certificates of participation outstanding net of unamortized premium and issuance cost of \$28,217 and \$80,969, respectively, at October 31, 1997 are as follows:

Indebtedness:
 Original Issue: \$3,475,000
 Certificates: \$5,000 denomination, each dated November 1, 1991.
 Interest paid November 1 and May 1.

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 5 - LONG-TERM DEBT (cont.)

	<u>Principal</u>	<u>Rate on Coupons</u>
06/01/99	325,000	6.80
06/01/00	350,000	6.90
06/01/01	375,000	7.00
06/01/02	400,000	7.10
06/01/03	<u>450,000</u>	6.50
Payable October 31, 1998	<u>1,900,000</u>	

	<u>Balance 10/31/97</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 10/31/98</u>
Vermilion County General Obligation Certificates of Participation	2,165,000	-	325,000	1,840,000
Danville School Building General Obligation Certif- icates of Particip- ation	<u>2,200,000</u>	<u>-</u>	<u>300,000</u>	<u>1,900,000</u>
TOTAL	<u>4,365,000</u>	<u>-</u>	<u>625,000</u>	<u>3,740,000</u>

SUMMARY OF CERTIFICATES OF PARTICIPATION

	<u>Current Portion</u>	<u>Long-term Portion</u>	<u>Total</u>
Vermilion County Building General Obligation Cert- ificates of Participation	325,000	1,515,000	1,840,000
Danville School Building General Obligation Cert- ificates of Participation	<u>325,000</u>	<u>1,575,000</u>	<u>1,900,000</u>
	<u>650,000</u>	<u>3,090,000</u>	<u>3,740,000</u>

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 6 - ILLINOIS MUNICIPAL RETIREMENT FUND

DEFINED BENEFIT PENSION PLAN

The Danville Public Building Commission's (Employer's) Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes that benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by State Statute. The employer is required to contribute at an actuarially determined rate. The employer rate for calendar year 1997 was 1.37% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

For December 31, 1997 the Employer's annual pension cost of \$11,614 was equal to the employer's required and actual contributions. The required contribution was determined as part of the December 31, 1995 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 0.4% to 11.6% per year, and (c) 3% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 4.25%. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 1997 was 5 years.

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/97	11,614	100%	\$0
12/31/96	26,074	100%	0
12/31/95	35,171	100%	0
12/31/94	56,386	100%	0
12/31/93	64,401	100%	0
12/31/92	85,342	100%	0

DANVILLE PUBLIC BUILDING COMMISSION
 NOTES TO COMBINED FINANCIAL STATEMENTS
 October 31, 1998

NOTE 6 - ILLINOIS MUNICIPAL RETIREMENT FUND (cont.)

DEFINED BENEFIT PENSION PLAN (cont.)

REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/97	2,459,736	2,076,326	(393,410)	118.95%	844,576	0.00%
12/31/96	2,142,325	1,780,059	{362,266}	120.35%	827,173	0.00%
12/31/95	1,946,133	1,689,028	{257,105}	115.22%	843,425	0.00%
12/31/94	1,655,867	1,430,494	{225,373}	115.75%	804,360	0.00%
12/31/93	1,439,011	1,246,030	{192,981}	115.49%	781,560	0.00%
12/31/92	1,195,376	1,127,117	{68,259}	106.06%	744,698	0.00%

Digest of Changes - Assumptions: The actuarial assumptions used to determine the actuarial accrued liability for 1996 were changed due to the 1993 - 1995 experience study.

The principal changes were:

- Fewer members are expected to take refunds.
- More SLEP members are expected to retire.
- The inflation salary assumption was lowered to 4.00% from 4.25%.
- Expected salary increases due to longevity were increased.

The following information is not required by GASB Statement Number 27. It was informational to our employers.

Employer assets: IMRF distributed investment income to all employer reserves in the amount of \$773 million in 1997, \$925 million in 1996 and \$1,153 million in 1995. Each employer's proportional share is based on employer assets and the present value of their former employees' benefit.

DANVILLE PUBLIC BUILDING COMMISSION
NOTES TO COMBINED FINANCIAL STATEMENTS
October 31, 1998

NOTE 7 - DEFERRED COMPENSATION PLAN

During fiscal 1993 the Commission adopted a deferred compensation plan under Section 457 of the Internal Revenue Code. This Plan allows employees to defer part of their compensation. The Commission is not required to make any contributions into the Plan. Contributions by participants are administered by a third-party agent and held in trust. They are not available to the general creditors of the Commission. At September 30, 1998, Commission employees had \$91,115 invested.

NOTE 8 - OTHER RELATED PARTY ACTIVITY

Construction Management Agreements - The Commission has entered into several construction management agreements with related government entities. As part of these agreements, the Commission furnishes two of its employees to act as Construction Manager and Project Director for certain construction projects. In consideration of this, the related entities reimburse the Commission for the cost of those employees' compensation. During fiscal year ended October 31, 1998, the Commission was involved in the following construction management agreement:

Public Library - The Commission received \$4,240 in reimbursement from the Danville Public Library for salaries. The Danville Public Building Commission paid for work performed at the Library.

911 Contract - The Commission entered into an intergovernmental agreement with Vermilion County Emergency Telephone System Board (ETSB), a governmental agency, for the operation of 911 Emergency Telephone System. The Commission operates and maintains a Joint Communication Center and ETSB planned, established, and maintains the 911 Emergency Telephone System. The intergovernmental agreement was set up to coordinate the efforts of the two entities, allocate resources and personnel, and provide for the proper function of both systems as required by state statutes. The Commission appointed one of its employees to act as the Communication Director. ETSB also appointed that individual as the 911 Director, therefore, ETSB reimburses the Commission for a portion of his employment costs. In fiscal year 1998, \$13,743 of employment costs was reimbursed to the Commission.

The agreement also calls for the cost of capital expenditures that are necessary for both operations to be split by the Commission and ETSB. Title to the equipment or facilities rests with the Commission.

ETSB also paid the Commission rent of \$62,193 annually for their usage of space in the Public Safety Building.

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINING BALANCE SHEET
 October 31, 1998

SCHEDULE 1

	PROPRIETARY FUNDS			Total
	INTERNAL SERVICE	Courthouse Renovation Fund	Public Safety Building Fund	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	117,656	2,250	1,039,861	1,159,767
Restricted cash and cash equivalents	375,804	731,731	2,058,500	3,166,035
Accrued interest receivable	2,185	3,811	18,570	24,566
Due from other funds	-	-	3,544	3,544
Prepaid expenses	65,075	-	64,520	129,595
Due from other governments	-	-	4,541	4,541
Total current assets	560,720	737,792	3,189,536	4,488,048
PROPERTY AND EQUIPMENT				
Property and equipment, net of accumulated depreciation	-	-	3,873,478	3,873,478
OTHER ASSETS				
Lease receivable	1,973,547	2,071,526	-	4,045,073
Unamortized certificates of participation cost	80,969	77,122	-	158,091
Total other assets	2,054,516	2,148,648	-	4,203,164
TOTAL ASSETS	2,615,236	2,886,440	7,063,014	12,564,690

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINING BALANCE SHEET
 October 31, 1998

SCHEDULE 1

	PROPRIETARY FUNDS				Total
	High School Construction Fund	Courthouse Renovation Fund	INTERNAL SERVICE	Public Safety Building Fund	
LIABILITIES AND RETAINED EARNINGS					
CURRENT LIABILITIES					
Accounts payable	26,460	1,223	130,584	158,267	
Interest payable	-	51,998	-	51,998	
Accrued expenses	-	-	25,687	25,687	
Certificates of participation payable	325,000	325,000	-	650,000	
Due to other funds	178	3,366	-	3,544	
Due to other governments:					
City	-	-	304,070	304,070	
Vermilion County	-	-	510,418	510,418	
Deferred revenue	80,306	-	-	80,306	
Total current liabilities	431,944	381,587	970,759	1,784,290	
LONG-TERM LIABILITIES					
Due to other government units	580,075	958,965	-	1,539,040	
Certificates of participation payable	1,575,000	1,515,000	-	3,090,000	
Unamortized premium on certificates of participation	28,217	30,888	-	59,105	
Total long-term liabilities	2,183,292	2,504,853	-	4,688,145	
Total liabilities	2,615,236	2,886,440	970,759	6,472,435	
RETAINED EARNINGS					
Reserved for High School Construction	-	-	-	-	
Reserved for Courthouse Renovation	-	-	-	-	
Reserved for Fire Dispatch	-	-	(646)	(646)	
Reserved for Burglar Alarm	-	-	68,341	68,341	
Reserved for 911	-	-	-	-	
Reserved for Municipal Building	-	-	1,852	1,852	
Reserved for Capital Improvements	-	-	1,768,765	1,768,765	
Reserved for Maintenance	-	-	380,465	380,465	
Investment in property and equipment	-	-	3,873,478	3,873,478	
Total retained earnings (deficit)	-	-	6,092,255	6,092,255	
TOTAL LIABILITIES AND RETAINED EARNINGS	2,615,236	2,886,440	7,063,014	12,564,690	

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 Year Ended October 31, 1998

	PROPRIETARY FUNDS				Total
	High School Construction Fund	Courthouse Renovation Fund	Public Safety Building Fund	INTERNAL SERVICE	
OPERATING REVENUES					
Rent	-	-	3,611,964		3,611,964
Salary reimbursement	-	-	17,983		17,983
Interest on capital lease	151,575	156,890	-		308,465
Interest on investments and deposits	30,696	50,370	257,098		338,164
Fees	-	-	4,347		4,347
Miscellaneous	-	-	4,839		4,839
State revenue	-	-	14,699		14,699
Total operating revenues	<u>182,271</u>	<u>207,260</u>	<u>3,906,930</u>		<u>4,296,461</u>
OPERATING EXPENSES					
Administrative	-	-	84,347		84,347
Operating and maintenance	151,043	284,285	820,740		1,256,068
Communications	-	-	610,644		610,644
Assigned personnel and dietary	-	-	1,216,521		1,216,521
Management agreements	-	-	-		-
Depreciation	-	-	263,883		263,883
Total operating expenses	<u>151,043</u>	<u>284,285</u>	<u>2,996,135</u>		<u>3,431,463</u>
INCOME (LOSS) FROM OPERATIONS	<u>31,228</u>	<u>(77,025)</u>	<u>910,795</u>		<u>864,998</u>
NON-OPERATING REVENUES (EXPENSES)					
Amortization of certificates of participation:					
Premium	11,094	11,381	-		22,475
Issuance cost	(12,785)	(13,622)	-		(26,407)
Interest expense	(150,250)	(126,583)	-		(276,833)
Excess (earnings) deficit due to (from) government units	<u>120,713</u>	<u>205,849</u>	<u>(835,002)</u>		<u>(508,440)</u>
Total non-operating expenses	<u>(31,228)</u>	<u>77,025</u>	<u>(835,002)</u>		<u>(789,205)</u>
NET INCOME	-	-	75,793		75,793
RETAINED EARNINGS (ACCUMULATED DEFICIT), BEGINNING OF YEAR	-	-	6,016,462		6,016,462
RETAINED EARNINGS (ACCUMULATED DEFICIT), END OF YEAR	-	-	6,092,255		6,092,255

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINING STATEMENT OF CASH FLOWS
 Year Ended October 31, 1998

SCHEDULE 3

	PROPRIETARY FUNDS				Total
	High School Construction Fund	Courthouse Renovation Fund	INTERNAL SERVICE	Public Safety Building Fund	
-	-	-	75,793	75,793	75,793
-	-	-	263,883	263,883	263,883
(11,094) 12,785	(11,381) 13,622	-	-	-	(22,475) 26,407
(103)	2,032	6,112	8,041	8,041	8,041
-	-	(4,541)	(4,541)	(4,541)	(4,541)
10,050	-	20,497	30,547	30,547	30,547
-	-	(3,366)	(3,366)	(3,366)	(3,366)
26,460	260	(1,622)	25,098	25,098	25,098
-	-	2,542	2,542	2,542	2,542
(152,735)	(286,526)	(128,152)	(567,413)	(567,413)	(567,413)
-	3,366	-	3,366	3,366	3,366
-	(8,937)	-	(8,937)	(8,937)	(8,937)
(10,800)	-	-	(10,800)	(10,800)	(10,800)
(125,437)	(287,564)	231,146	(181,855)	(181,855)	(181,855)

CASH FLOWS FROM OPERATIONS

Net income
 Adjustments to reconcile net income to cash provided by operating activities:
 Depreciation
 Amortization of certificates of participation:
 Premiums
 Issuance cost
 Changes in operating assets and liabilities:
 (Increase) decrease in receivables
 (Increase) decrease in due from other governments
 (Increase) decrease in prepaid expenses
 (Increase) decrease in due from other funds
 Increase (decrease) in account payable
 Increase (decrease) in accrued expenses
 Increase (decrease) in due to other governments
 Increase in due to other funds
 (Decrease) in interest payable
 Increase (decrease) in deferred revenue

Net cash provided by (used in) operating activities

DANVILLE PUBLIC BUILDING COMMISSION
 COMBINING STATEMENT OF CASH FLOWS (cont.)
 Year Ended October 31, 1998

SCHEDULE 3

	PROPRIETARY FUNDS			Total
	High School Construction Fund	Courthouse Rencovation Fund	Public Safety Building Fund	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	-	(94,719)	(94,719)
Principal paid on certificates of participation	(300,000)	(325,000)	-	(625,000)
Interest paid on certificates of participation	(150,250)	(126,583)	-	(276,833)
Net cash used in capital and related financing activities	(450,250)	(451,583)	(94,719)	(996,552)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from capital lease agreements	472,212	500,000	-	972,212
Interest on investments and deposits	30,696	50,370	-	81,066
Net cash provided by investing activities	502,908	550,370	-	1,053,278
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(72,779)	(188,777)	136,427	(125,129)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	566,239	922,758	2,961,934	4,450,931
CASH AND CASH EQUIVALENTS, END OF YEAR	493,460	733,981	3,098,361	4,325,802
CASH AND CASH EQUIVALENTS RESTRICTED CASH	117,656	2,250	1,039,861	1,159,767
	375,804	731,731	2,058,500	3,166,035
	493,460	733,981	3,098,361	4,325,802

DANVILLE PUBLIC BUILDING COMMISSION
STATEMENT OF EXPENSES COMPARED TO BUDGET -
PUBLIC SAFETY BUILDING FUND - LEASE ACCOUNT
Year Ended October 31, 1998

SCHEDULE 4

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ADMINISTRATIVE			
Salaries	59,739	58,036	1,703
Payroll taxes	8,257	4,957	3,300
Employee insurance	9,124	6,503	2,621
Office supplies	3,500	2,794	706
Maintenance-office equipment	1,000	713	287
Audit	2,000	1,594	406
Legal	12,000	4,864	7,136
Travel	4,500	3,175	1,325
Miscellaneous	<u>1,500</u>	<u>1,711</u>	<u>(211)</u>
TOTAL ADMINISTRATIVE	<u>101,620</u>	<u>84,347</u>	<u>17,273</u>
OPERATIONS AND MAINTENANCE			
Salaries	291,600	289,978	1,622
Payroll taxes	40,700	25,050	15,650
Employee insurance	37,000	33,696	3,304
Insurance	58,000	57,250	750
Utilities	257,300	230,960	26,340
Janitorial supplies	20,000	19,628	372
Maintenance supplies	31,500	22,692	8,808
Maintenance service - equipment	25,000	26,984	(1,984)
Maintenance service - building and grounds	12,000	9,910	2,090
Equipment - rentals	750	841	(91)
Equipment - contractual service	63,500	49,893	13,607
Physical exams	500	180	320
Snow removal	2,000	200	1,800
Miscellaneous	3,400	2,856	544
Uniforms	2,000	1,404	596
Professional services	28,000	36,959	(8,959)
Travel	<u>1,000</u>	<u>828</u>	<u>172</u>
TOTAL OPERATIONS AND MAINTENANCE	<u>874,250</u>	<u>809,309</u>	<u>64,941</u>

DANVILLE PUBLIC BUILDING COMMISSION
 STATEMENT OF EXPENSES COMPARED TO BUDGET -
 PUBLIC SAFETY BUILDING FUND - LEASE ACCOUNT
 Year Ended October 31, 1998

SCHEDULE 4

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
COMMUNICATIONS			
Salaries	548,600	508,915	39,685
Payroll taxes	76,300	44,164	32,136
Employee insurance	59,000	49,278	9,722
Telephone	3,000	1,761	1,239
Maintenance service - equipment	3,000	2,291	709
Office supplies	3,000	1,947	1,053
Travel	1,000	522	478
Miscellaneous	<u>2,000</u>	<u>1,766</u>	<u>234</u>
TOTAL COMMUNICATIONS	<u>695,900</u>	<u>610,644</u>	<u>85,256</u>
ASSIGNED PERSONNEL AND DIETARY			
Personnel cost - County	1,079,279	1,080,476	(1,197)
Dietary services - County	133,207	134,033	(826)
Training/correctional officers	<u>6,805</u>	<u>2,012</u>	<u>4,793</u>
TOTAL ASSIGNED PERSONNEL AND DIETARY	<u>1,219,291</u>	<u>1,216,521</u>	<u>2,770</u>

DANVILLE PUBLIC BUILDING COMMISSION
 STATEMENT OF CHANGES IN RESERVED ACCOUNTS - PUBLIC SAFETY BUILDING FUND
 Year Ended October 31, 1998

SCHEDULE 5

	Communication Center	Assigned Personnel	Lease	Fire Dispatch	Burglar Alarm	911
OPERATING REVENUES						
Rent	695,900	1,219,291	1,484,580	-	-	62,193
Salary reimbursement	-	-	-	-	-	13,743
Interest	-	-	148,574	-	-	-
Fees	-	-	-	-	4,347	-
Miscellaneous	-	-	799	-	-	-
State revenue	-	-	14,699	-	-	-
Total operating revenues	695,900	1,219,291	1,648,652	-	4,347	75,936
OPERATING EXPENSES						
Administrative	-	-	84,347	-	-	-
Operations and maintenance	-	-	809,309	-	812	-
Communications	610,644	-	-	-	-	-
Assigned personnel and dietary	-	1,216,521	-	-	-	-
Management agreements	-	-	-	-	-	-
Equipment	-	-	8,020	-	-	-
Depreciation	-	-	-	-	-	-
Total operating expenses	610,644	1,216,521	901,676	-	812	-
INCOME (LOSS) FROM OPERATIONS						
	85,256	2,770	746,976	-	3,535	75,936
NON-OPERATING INCOME (EXPENSES)						
Excess (deficit) earnings due to (from) governmental units	(85,256)	(2,770)	(746,976)	-	-	-
Excess earnings due to maintenance	-	-	-	-	-	(75,936)
Excess earnings due from 911	-	-	-	-	-	-
NET INCOME (LOSS)						
	-	-	-	-	3,535	-
RETAINED EARNINGS, BEGINNING OF YEAR						
	-	-	-	(646)	64,806	-
RETAINED EARNINGS (ACCUMULATED DEFICIT), END OF YEAR						
	-	-	-	(646)	68,341	-

DANVILLE PUBLIC BUILDING COMMISSION
 STATEMENT OF CHANGES IN RESERVED ACCOUNTS - PUBLIC SAFETY BUILDING FUND
 Year Ended October 31, 1998

SCHEDULE 5

	Management Agreements	Capital Improvements	Maint.	Total	Eliminating Entries	Total
OPERATING REVENUES						
Rent	-	100,000	50,000	3,611,964	-	3,611,964
Salary reimbursement	4,240	-	-	17,983	-	17,983
Interest	-	94,070	14,454	257,098	-	257,098
Fees	-	-	-	4,347	-	4,347
Miscellaneous	40	-	-	4,839	-	4,839
State revenue	-	-	-	14,699	-	14,699
Total operating revenues	4,280	194,070	64,454	3,906,930	-	3,906,930
OPERATING EXPENSES						
Administrative	-	-	-	84,347	-	84,347
Operations and maintenance	-	5,200	5,419	820,740	-	820,740
Communications	-	-	-	610,644	-	610,644
Assigned personnel and dietary	-	-	-	1,216,521	-	1,216,521
Management agreements	-	(5,070)	91,769	94,719	(94,719)	-
Equipment	-	-	-	-	263,883	263,883
Depreciation	-	-	-	-	-	-
Total operating expenses	-	130	97,188	2,826,971	169,164	2,996,135
INCOME (LOSS) FROM OPERATIONS	4,280	193,940	(32,734)	1,079,959	(169,164)	910,795
NON-OPERATING EXPENSES						
Excess earnings due to governmental units	-	-	-	(835,002)	-	(835,002)
Excess earnings due to maintenance	-	-	-	(75,936)	75,936	-
Excess earnings due from 911	-	-	75,936	75,936	(75,936)	-
NET INCOME (LOSS)	4,280	193,940	43,202	244,957	(169,164)	75,793
RETAINED EARNINGS, BEGINNING OF YEAR	(2,428)	1,574,825	337,263	1,973,820	-	1,973,820
RETAINED EARNINGS, (ACCUMULATED DEFICIT), END OF YEAR	1,852	1,768,765	380,465	2,218,777	(169,164)	2,049,613