HENRY COUNTY, ILLINOIS

FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT

November 30, 2008

HENRY COUNTY, ILLINOIS
November 30, 2008

TABLE OF CONTENTS

	PAGE
FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT DISCUSSION AND ANALYSIS	3-13
FINANCIAL STATEMENTS	
Statement 1 - Statement of Net Assets	14
2 - Statement of Activities	15
3 - Balance Sheet - Governmental Funds	16
3 - Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	17
4 - Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
4 - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Proprietary Funds	
5 - Statement of Net Assets	20
6 - Statement of Revenues, Expenses, and Changes in Fund Net Assets	21
7 - Statement of Cash Flows	22-23
Agency Funds	
8 - Statement of Fiduciary Assets and Liabilities	24
Notes to Financial Statements	25-47

(Continued)

TABLE OF CONTENTS

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Governmental Funds	
Exhibit 1 - General Fund	48-54
2 - County Highway Fund	55
3 - Illinois Municipal Retirement Fund	56
4 - FICA Fund	57
5 - Tort Judge and Liability Insurance Fund	58
6 - County Health Fund	59
7 - Notes to the Required Supplementary Information - Budget Comparisons	60
8 - Required Supplementary Information on Pension Plan Funding Progress	61
OTHER SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds	
Exhibit 9 - Combining Balance Sheet	62-66
10 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	67-71
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Exhibit 11 - Federal Aid Matching Fund	72
12 - County Joint Bridge Fund	73
13 - Motor Fuel Tax Fund	74
14 - Mentally Deficient Persons Fund	75
15 - 708 Mental Health Fund	76
16 - Veterans' Assistance Commission Fund	77

(Continued)

TABLE OF CONTENTS

PAGE

Nonmajor Governmental Funds

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual: (Continued)

Exhibit 17 - Extension Fund 78

18 - State's Attorney Forfeited Drug Fund 79

19 - Animal Control Fund 80

20 - Vital Records Automation Fund 81

21 - Court Security System Fund 82

22 - Probation Service Fees Fund 83

23 - Treasurer Automation Fund 84

24 - Sheriff's Drug Fund 85

25 - Law Library Fund 86

26 - Circuit Clerk Court Automation Fund 87

27 - Recorder Automation Fund 88

28 - Court Document Storage Fund 89

29 - Orion Law Enforcement Fund 90

30 - Cambridge Law Enforcement Fund 91

31 - Sheriff's Crime Lab Fund 92

32 - Capital Building Fund 93

33 - Waste Management Fund 94

34 - Solid Soil Survey Fund 95

35 - DUI Equipment Fund 96

(Continued)

TABLE OF CONTENTS

	PAGE
Nonmajor Governmental Funds (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Exhibit 36 - Elderly Services Fund	97
37 - Camera Account	98
38 - Coroner Equipment Grant	99
39 - Election Assistance Grant	100
40 - Federal Forfeited Drug Fund	101
41 - Henry County Police Vehicle	102
Agency Funds	
Exhibit 42 - Combining Statement of Changes in Assets and Liabilities	103
SINGLE AUDIT SECTION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	104-106
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	107
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	108-109
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	110-111
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	112-116
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	117
CORRECTIVE ACTION PLAN	118

CARPENTIER
MITCHELL · GODDARD
& COMPANY · LLC
CERTIFIED PUBLIC ACCOUNTANTS

4915 - 21st Avenue A. • Moline, Illinois 61265
Ph. (309) 762-3626 • Fax (309) 762-4465

INDEPENDENT AUDITORS' REPORT

Members of the County Board
Henry County, Illinois

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2009, on our consideration of Henry County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 3 through 13, budgetary comparison information on pages 48 through 60, and Illinois Municipal Retirement Fund information on page 61, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Henry County, Illinois, basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Henry County, Illinois. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Carpentier, Mitchell, Goddard & Company, L.L.C.

Moline, Illinois
June 5, 2009

Henry County, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the County of Henry's financial performance provides an overview of the County's financial activities for the fiscal year ended November 30, 2008. The MD&A should be read in conjunction with the accompanying notes to those financial statements. *All amounts are expressed in actual dollars.*

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded the liabilities at the close of the FY2008 by $92,112,174 (net assets). Of this amount, $2,141,839 is restricted for specific purposes. As required by GASB 34, net assets also reflect $71,642,972 that is invested in capital assets net of related debt. With the presentation of the investment in capital assets, unrestricted net assets becomes $18,327,363.

- In contrast to the government-wide statements, the fund statements report a combined fund balance at year-end of $18,638,614 currently government fund totals only; of which $16,496,775 or 88.5% represents unreserved fund balances.

- The general fund unreserved fund balance of $4,865,514 equals 50.3% of total general fund expenditures. The County's budgetary fund balance target is 25%.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The Government-wide financial statements. *The government-wide financial statements* are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the County as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Increases or decreases in net assets contrasted with budgetary decisions should serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net assets changed during the most recent fiscal year using full accrual basis of accounting. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxed and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety, education, judiciary, highways and streets, health and recreation and culture.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike the government-wide financial statements, however governmental funds financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County maintains the General Fund, 5 individual major governmental funds (excluding fiduciary funds), 37 special nonmajor revenue funds, and 1 nonmajor debt service fund. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, County Highway Fund, Illinois Municipal Retirement Fund, FICA Fund, Tort Judge and Liability Insurance Fund and County Health Fund, which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget as a management control device during the year for the General Fund and for certain Special Revenue Funds. A budgetary comparison schedule has been provided for the General Fund and other major special revenue funds to demonstrate compliance with the budget.

Proprietary funds. *Proprietary funds* provide the same type of information as the government-wide financial statements, only in more detail. The Internal Service Fund is used to report activities that provide services for other programs and activities- such as the County's self-insurance program. Because these services predominantly benefit governmental rather than business-type functions, the Internal Service Fund is reported with *governmental activities* in the government-wide financial statements.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning general fund and major special revenue budgetary schedules and schedules of funding progress for defined benefit retirement plans.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Henry County, assets exceeded liabilities by $92,112,174 at the close of the most recent fiscal year.

Of the County's total assets of $103,683,003 the largest components are: 1) cash and investment of $18,059,418 or 17.4%, 2) receivables, which largely represent the deferred taxes for FY2009 of $10,049,435 or 9.7%, and 3) capital assets net of accumulated depreciation of $75,495,775 or 72.8%. The receivables are offset by deferred revenue since the FY2008 tax revenue is not recognized until FY2009 even though the levy takes place in FY2008. Capital assets are non-liquid assets and cannot be utilized to satisfy County obligations. Out of the total liabilities of $11,570,829, $8,085,860 are current liabilities.

The County's net assets for fiscal year ended November 30, 2008 are summarized as follows:

	Governmental Activities	Business Type Activities	Total
Current and other assets	$25,751,164	2,436,064	28,187,228
Capital assets (net of depreciation)	$72,078,275	3,417,500	75,495,775
Total assets	$97,829,439	5,853,564	103,683,003
Current and other liabilities	$ 7,669,591	416,269	8,085,860
Long-term liabilities	$ 3,484,969	----------	3,484,969
Total liabilities	$11,154,560	416,269	11,570,829
Net assets:			
Invested in capital assets, net of related debt	$68,241,372	3,401,600	71,642,972
Restricted	$ 2,141,839	----------	2,141,839
Unrestricted	$16,291,668	2,035,695	18,327,363
Total net assets	$86,674,879	5,437,295	92,112,174

For comparative purposes, the County's net assets for fiscal year ended November 30, 2007 are summarized as follows:

	Governmental Activities	Business Type Activities	Total
Current and other assets	$25,231,380	2,331,872	27,563,252
Capital assets (net of depreciation)	$73,232,338	3,348,903	76,581,241
Total assets	$98,463,718	5,680,775	104,144,493
Current and other liabilities	$ 7,599,042	211,738	7,810,780
Long-term liabilities	$ 3,821,347	----------	3,821,347
Total liabilities	$11,420,389	211,738	11,632,127
Net assets:			
Invested in capital assets, net of related debt	$69,090,896	3,348,903	72,439,799
Restricted	$ 2,421,571	----------	2,421,571
Unrestricted	$15,530,862	2,120,134	17,650,996
Total net assets	$87,043,329	5,469,037	92,512,366

About 2.3% or $2,141,839 of the County's net assets for fiscal year ended November 30, 2008 represents *restricted net assets* which are resources that are subject to external restrictions on how they may be used. Restrictions include statutory requirements, bond covenants, and granting conditions. A significant portion ($71,642,972) of the County's net assets reflects its *investment in capital assets* (e.g., land, buildings, infrastructure, machinery and equipment) net of related debt. Unrestricted net assets ($18,327,363) may be used to meet the County's ongoing obligations to citizens and creditors.

Governmental activities decreased the County's net assets by $445,005. The key components of this decrease are the following:

- An increase of Public Safety Expenses of approximately $285,000.
- A decrease of Charges for Services of approximately $590,000.
- A decrease of Grants and Contributions of approximately $192,000.

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds on page 19 further details changes in net assets.

Program revenues and expenses for fiscal year ended November 30, 2008 are presented net of interfund eliminations.

Henry County's Changes in Net Assets

	Governmental Activities 2008	Business-Type Activities 2008	Total
Revenues:			
Program revenues:			
Charges for services	$ 7,750,205	4,185,273	11,935,478
Operating grants and contributions	$ 3,861,882	----------	3,861,882
Capital grants and contributions	$ 403,418	----------	403,418
General revenues:			
Property taxes	$ 6,308,783	----------	6,308,783
Other taxes	$ 4,476,153	----------	4,476,153
Unrestricted investments earnings	$ 622,736	46,081	668,817
Gain (loss) on sale of capital assets	$ 27,500	< 1,357>	26,143
Total revenues	$23,450,677	4,229,997	27,680,674

	Governmental Activities 2008	Business-Type Activities 2008	Total
Expenses:			
General government	$ 4,847,215	----------	4,847,215
Public safety	$ 5,277,779	----------	5,277,779
Education	$ 800,560	----------	800,560
Judiciary	$ 2,417,126	----------	2,417,126
Highways and streets	$ 5,365,528	----------	5,365,528
Health	$ 4,481,506	----------	4,481,506
Interest on long-term debt	$ 166,680	----------	166,680
Nursing home	$ ----------	4,715,332	4,715,332
Other	$ ----------	9,140	9,140
Total expenses	$ 23,356,394	4,724,472	28,080,866
Increase <decrease> in net assets before transfers	$ 94,283	<494,475>	<400,192>
Transfers	$ <462,733>	462,733	----------
Change in net assets	$ <368,450>	< 31,742>	<400,192>
Net assets – beginning	$87,043,329	5,469,037	92,512,366
Net assets – ending	$86,674,879	5,437,295	92,112,174

For comparative purposes, program revenues and expenses for fiscal year ended November 30, 2007 are presented net of interfund eliminations.

Henry County's Changes in Net Assets

	Governmental Activities 2007	Business-Type Activities 2007	Total
Revenues:			
Program revenues:			
Charges for services	$ 8,337,597	4,250,920	12,588,517
Operating grants and contributions	$ 3,320,368	----------	3,320,368
Capital grants and contributions	$ 667,542	----------	667,542

	Governmental Activities 2007	Business-Type Activities 2007	Total
General revenues:			
Property taxes	$ 5,929,466	----------	5,929,466
Other taxes	$ 4,427,120	----------	4,427,120
Unrestricted investments earnings	$ 796,802	61,488	858,290
Gain on sale of capital assets	$ 23,795	3,856	27,651
Total revenues	$23,502,690	4,316,264	27,818,954
Expenses:			
General government	$ 4,360,334	----------	4,360,334
Public safety	$ 4,992,974	----------	4,992,974
Education	$ 674,909	----------	674,909
Judiciary	$ 2,343,422	----------	2,343,422
Highways and streets	$ 5,533,975	----------	5,533,975
Health	$ 4,382,604	----------	4,382,604
Interest on long-term debt	$ 177,981	----------	177,981
Nursing home	$----------	4,394,817	4,394,817
Other	$----------	16,454	16,454
Total expenses	$22,466,199	4,411,271	26,877,470
Increase <decrease> in net assets before transfers	$ 1,036,491	< 95,007>	941,484
Transfers	$ <481,002>	481,002	----------
Change in net assets	$ 555,489	385,995	941,484
Net assets – beginning (restated)	$86,487,840	5,083,042	91,570,882
Net assets – ending	$87,043,329	5,469,037	92,512,366

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- Program revenues of $12,015,505 equaled 51.4% of government expenses of $23,356,394. As expected, general revenues ($11,435,172) provided the required support and coverage for expenses.
- Approximately 23% of expenses are Highways and Streets ($5,365,528) while this category provided about 8% of total revenues of $23,450,677.
- Approximately 23% of the expenses are Public Safety ($5,277,779) while this category provided about 10% of total revenues.

- Approximately 19% of expenses are Health ($4,481,506) while this category provided about 18% of total revenues.

- General government expenses are $4,847,215 at 21%. General government provided about 8% of total revenues.

- Grant revenues and contributions comprised about 18% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting and budget controls have been the framework of the County's strong fiscal management and accountability. The County has maintained a AAA bond rating since 1996.

Governmental funds. The general government functions are reported in the General, Special Revenue, and Debt Service Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $18,638,614, an increase of $625,506 in comparison with the prior year. Approximately $16,496,775 or 88.5% of the fund balance represents *unreserved fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was $4,865,514. As a measure of the general fund's liquidity, we compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 50.3% of total fund expenditures. General budgetary targets for reserves are 25% of expenditures which compare favorably to GFOA recommended reserves for small counties.

The fund balance of the County's general fund decreased by $8,083 during the current fiscal year.

The County Highway Fund has a fund balance of $3,861,953, a decrease of $5,273 as compared with the prior year.

The Illinois Municipal Retirement Fund has a fund balance of $264,977, an increase of $88,755 as compared with the prior year.

The FICA Fund has a fund balance of $270,072, an increase of $51,031 as compared with the prior year.

The TORT Judge and Liability Insurance Fund has a fund balance of $1,447,132, an increase of $248,233 as compared with the prior year.

The County Health Fund has a fund balance of $2,095,038, an increase of $339,362 as compared with the prior year.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Governmental Funds – Revenues Classified by Source

Revenues by Source	FY2008	FY 2007	Increase <Decrease>	Percent Increase <Decrease>
Taxes	$ 9,751,398	9,193,600	557,798	6.1%
Fines and fees	$ 1,382,976	1,263,241	119,735	9.5%
Intergovernmental revenues	$ 5,010,857	4,483,354	527,503	11.8%
Charges for services	$ 6,270,596	6,943,753	<673,157>	<9.7%>
Investments	$ 622,736	796,802	<174,066>	<21.8%>
Miscellaneous	$ 96,633	130,603	<33,970>	<26.0%>
Total	$23,135,196	22,811,353	323,843	1.4%

Overall, total revenues increased 1.4%.

The following table presents expenditures by function compared to prior year amounts.

Expenditures by Function – Governmental Funds

Expenditures by Function	FY 2008	FY 2007	Increase <Decrease>	Percent of Change
General Government	$ 4,609,039	4,155,729	453,310	10.9%
Public Safety	$ 4,916,953	4,662,720	254,233	5.5%
Education	$ 792,215	676,176	116,039	17.2%
Judiciary	$ 2,320,275	2,272,598	47,677	2.1%
Highways and streets	$ 3,719,309	4,110,040	<390,731>	<9.5%>
Health	$ 4,354,158	4,300,210	53,948	1.3%
Capital expenditures	$ 875,824	479,702	396,122	82.6%
Debt service-principal	$ 395,149	368,066	27,083	7.4%
Debt service-interest	$ 164,410	174,594	<10,184>	<5.8%>
Total	$22,147,332	21,199,835	947,497	4.5%

Overall, total expenditures increased 4.5%, Education expenditures increased 17.2%, along with Capital expenditures increasing by 82.6%.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget for the General Fund can be summarized as follows:

- The total original revenue budget of $9,661,771 increased to actual receipts of $10,138,826 (an increase of $477,055).
- The total original expenditure budget of $9,364,137 increased to $9,737,374 (an increase of $373,237).
- The total original budget for net transfers out of $568,416 increased to $593,975 (an increase of $25,559) to transfer funds to the Capital Building Fund.

During the year, actual revenues were more than budgetary revenues and actual expenditures were less than final budgetary expenditures. The budgeted transfers out are for transfers to special revenue funds.

DEBT ADMINISTRATION AND CAPITAL ASSETS

Long-term debt. The County's bond rating is "AAA" from Standard & Poor's.

The following represents the activity of the long-term debt of the County for FY2008.

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
Alternate revenue bonds	$ 4,150,000	----------	(360,000)	3,790,000
Issuance discounts	$(39,970)	----------	7,267	(32,703)
Installment contract	$ 89,030	72,875	(35,149)	126,756
Total	$4,199,060	72,875	(387,882)	3,884,053

(More detailed information about the County's long-term liabilities is presented in Note 8 to the financial statements.)

Capital assets. The capital assets of the County are those assets (land, buildings, improvements, infrastructure, and vehicles & equipment), which are used in the performance of the County's functions. At November 30, 2008, net capital assets of the governmental activities totaled $72,078,275. Depreciation on capital assets is recognized in the Government-wide financial statements. Annual depreciation totaled $2,622,451.

County's Capital Assets

	Cost	Accumulated Depreciation	Net Capital Assets
Governmental Activities:			
Land	$ 399,987	N/A	399,987
Buildings and improvements	$21,117,173	12,451,776	8,665,397
Vehicles and equipment	$ 7,660,638	5,606,570	2,054,068
Infrastructure	$67,398,968	6,440,145	60,958,823
Total	$96,576,766	24,498,491	72,078,275
Business-type Activities:			
Land and land improvements	$ 1,028,720	N/A	1,028,720
Buildings	$ 5,500,580	3,371,358	2,129,222
Equipment	$ 1,294,647	1,035,089	259,558
Total	$ 7,823,947	4,406,447	3,417,500

The annual depreciation totaled $294,870 for Business-type activities.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The annual budget is developed to provide efficient, effective, and economic uses of the County's resources, as well as, a means to accomplish the highest priority objectives. Through the budget, the County Board sets the direction of the County, allocates its resources and establishes its priorities.

In considering the County budget for FY2009, the County Board and management considered the following factors:

- Health care and personnel costs, which make up a significant portion of the County's operating costs, continue to rise.
- A major courthouse roof/clock tower renovation project continues to be considered, with an initial estimated cost of $2.5M.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report, or need any additional financial information, contact the appropriate financial office (County Clerk, County Treasurer or County Board Office) at 307 W. Center Street, Cambridge, Illinois 61238 or visit the County's web site at www.henrycty.com.

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

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Emergency Telephone System Board
ASSETS				
Cash and cash equivalents	$10,658,997	$ 1,050,421	$ 11,709,418	$ 206,506
Certificates of deposit	5,550,000	800,000	6,350,000	500,000
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	1,260,462	574,766	1,835,228	148,829
Property tax	6,478,573	- - -	6,478,573	- - -
Due from cities and townships	201,925	- - -	201,925	- - -
Other taxes	797,042	- - -	797,042	- - -
Loans	724,947	- - -	724,947	- - -
Accrued interest	- - -	11,720	11,720	1,043
Internal balances	32,068	(32,068)	- - -	- - -
Inventories	- - -	25,471	25,471	- - -
Prepaid items	- - -	5,754	5,754	- - -
Deferred charges	47,150	- - -	47,150	- - -
Capital assets:				
Land and land improvements	399,987	1,028,720	1,428,707	- - -
Other capital assets, net of depreciation	71,678,288	2,388,780	74,067,068	313,917
Total assets	$97,829,439	$ 5,853,564	$103,683,003	$ 1,170,295
LIABILITIES				
Accounts payable and other current liabilities	$ 722,837	$ 416,269	$ 1,139,106	$ 23,291
Accrued interest payable	69,097	- - -	69,097	- - -
Deferred revenue	6,478,573	- - -	6,478,573	- - -
Noncurrent liabilities:				
Due within one year	399,084	- - -	399,084	- - -
Due in more than one year	3,484,969	- - -	3,484,969	- - -
Total liabilities	$11,154,560	$ 416,269	$ 11,570,829	$ 23,291
NET ASSETS				
Invested in capital assets, net of related debt	$68,241,372	$ 3,401,600	$ 71,642,972	$ 313,917
Restricted for:				
Maintenance of roadways	957,214	- - -	957,214	- - -
Loans	1,092,663	- - -	1,092,663	- - -
Drug enforcement	89,520	- - -	89,520	- - -
Debt service	2,442	- - -	2,442	- - -
Unrestricted	16,291,668	2,035,695	18,327,363	833,087
Total net assets	$86,674,879	$ 5,437,295	$ 92,112,174	$ 1,147,004

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

HENRY COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2008

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 4,847,215	$ 1,465,832	$ 424,710	$ 30,000
Public safety	5,277,779	2,404,007	12,275	3,396
Education	800,560	31,736	680,689	- - -
Judiciary	2,417,126	579,702	450,063	- - -
Highways and streets	5,365,528	1,499,984	- - -	284,585
Health	4,481,506	1,768,944	2,294,145	85,437
Interest on long-term debt	166,680	- - -	- - -	- - -
Total governmental activities	$23,356,394	$ 7,750,205	$ 3,861,882	$ 403,418
Business-Type activities:				
Nursing home	$ 4,715,332	$ 4,116,277	$ - - -	$ - - -
Other	9,140	68,996	- - -	- - -
Total business-type activities	$ 4,724,472	$ 4,185,273	$ - - -	$ - - -
Total primary government	$28,080,866	$11,935,478	$ 3,861,882	$ 403,418
Component Unit:				
Emergency Telephone Systems Board	$ 493,075	$ 592,808	$ - - -	$ - - -
General revenues:				
Property taxes				
Tax increment				
Replacement taxes				
Sales taxes				
State income taxes				
Other taxes				
Motor Fuel taxes				
Unrestricted investment earnings				
Gain (loss) on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
NET ASSETS, Beginning (restated)				
NET ASSETS, Ending				

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Emergency Telephone Systems Board
($ 2,926,673)	$ - - -	($ 2,926,673)	$ - - -
(2,858,101)	- - -	(2,858,101)	- - -
(88,135)	- - -	(88,135)	- - -
(1,387,361)	- - -	(1,387,361)	- - -
(3,580,959)	- - -	(3,580,959)	- - -
(332,980)	- - -	(332,980)	- - -
(166,680)	- - -	(166,680)	- - -
($11,340,889)	$ - - -	($11,340,889)	$ - - -
$ - - -	($ 599,055)	($ 599,055)	$ - - -
- - -	59,856	59,856	- - -
$ - - -	($ 539,199)	($ 539,199)	$ - - -
($11,340,889)	($ 539,199)	($11,880,088)	$ - - -
$ - - -	$ - - -	$ - - -	$ 99,733
$ 6,308,783	$ - - -	$ 6,308,783	$ - - -
4,348	- - -	4,348	- - -
409,046	- - -	409,046	- - -
1,572,894	- - -	1,572,894	- - -
1,432,550	- - -	1,432,550	- - -
23,777	- - -	23,777	- - -
1,033,538	- - -	1,033,538	- - -
622,736	46,081	668,817	21,199
27,500	(1,357)	26,143	- - -
(462,733)	462,733	- - -	- - -
$10,972,439	$ 507,457	$11,479,896	$ 21,199
($ 368,450)	($ 31,742)	($ 400,192)	$ 120,932
87,043,329	5,469,037	92,512,366	1,026,072
$86,674,879	$ 5,437,295	$92,112,174	$ 1,147,004

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

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

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund
ASSETS			
Cash and cash equivalents	$ 1,831,660	$ 1,179,839	$ 335,800
Certificates of deposit	2,000,000	2,500,000	- - -
Receivables:			
Accounts	413,064	7,087	- - -
Property tax	1,946,997	670,000	795,887
Due from cities and townships	- - -	201,925	- - -
Other taxes	709,250	- - -	8,422
Loans	- - -	- - -	- - -
Due from other funds	254,042	- - -	- - -
Total assets	$ 7,155,013	$ 4,558,851	$ 1,140,109
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 71,003	$ 7,556	$ - - -
Accrued expenses	271,499	19,342	- - -
Deferred property tax revenue	1,946,997	670,000	795,887
Due to other funds	- - -	- - -	79,245
Total liabilities	$ 2,289,499	$ 696,898	$ 875,132
FUND BALANCES			
Reserved for:			
Maintenance of roadways	$ - - -	$ - - -	$ - - -
Loans	- - -	- - -	- - -
Drug enforcement	- - -	- - -	- - -
Debt service	- - -	- - -	- - -
Unreserved reported in:			
General fund	4,865,514	- - -	- - -
Special revenue funds	- - -	3,861,953	264,977
Total fund balances	$ 4,865,514	$ 3,861,953	$ 264,977
Total liabilities and fund balances	$ 7,155,013	$ 4,558,851	$ 1,140,109

FICA Fund	Tort Judge and Liability Insurance Fund	County Health Fund	Other Governmental Funds	Total Governmental Funds
$ 329,045	$ 1,434,780	$ 899,324	$ 4,590,813	$10,601,261
- - -	- - -	500,000	550,000	5,550,000
- - -	- - -	797,085	43,226	1,260,462
677,821	1,167,948	180,000	1,039,920	6,478,573
- - -	- - -	- - -	- - -	201,925
7,168	12,352	- - -	59,850	797,042
- - -	- - -	- - -	724,947	724,947
- - -	- - -	- - -	- - -	254,042
$ 1,014,034	$ 2,615,080	$ 2,376,409	$ 7,008,756	$25,868,252
$ - - -	$ - - -	$ 27,568	$ 17,661	$ 123,788
- - -	- - -	73,803	8,591	373,235
677,821	1,167,948	180,000	1,039,920	6,478,573
66,141	- - -	- - -	108,656	254,042
$ 743,962	$ 1,167,948	$ 281,371	$ 1,174,828	$ 7,229,638
$ - - -	$ - - -	$ - - -	$ 957,214	$ 957,214
- - -	- - -	- - -	1,092,663	1,092,663
- - -	- - -	- - -	89,520	89,520
- - -	- - -	- - -	2,442	2,442
- - -	- - -	- - -	- - -	4,865,514
270,072	1,447,132	2,095,038	3,692,089	11,631,261
$ 270,072	$ 1,447,132	$ 2,095,038	$ 5,833,928	$18,638,614
$ 1,014,034	$ 2,615,080	$ 2,376,409	$ 7,008,756	$25,868,252

(Continued)

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

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance – governmental funds	$ 18,638,614
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	72,078,275
The internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	(136,010)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(3,906,000)
Net assets of governmental activities	$ 86,674,879

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

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

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund
REVENUES			
Taxes:			
Property	$ 1,817,703	$ 627,477	$ 861,154
Tax increment	- - -	- - -	- - -
Replacement	131,445	45,320	60,927
Sales	1,572,894	- - -	- - -
State income	1,432,550	- - -	- - -
Other	23,777	- - -	- - -
Fines and fees	1,115,349	- - -	- - -
Intergovernmental	1,619,358	- - -	- - -
Charges for services	2,143,746	1,444,440	- - -
Investment income	282,004	136,082	9,833
Miscellaneous	- - -	7,502	- - -
Total revenues	$10,138,826	$ 2,260,821	$ 931,914
EXPENDITURES			
Current:			
General government	$ 2,715,675	$ - - -	$ 85,950
Public safety	3,854,463	- - -	480,022
Education	683,347	- - -	50,015
Judiciary	2,091,821	- - -	113,632
Highways and streets	- - -	1,835,017	39,781
Health	- - -	- - -	123,547
Capital expenditures	315,838	450,577	- - -
Debt service:			
Principal	10,169	- - -	- - -
Interest	1,981	- - -	- - -
Total expenditures	$ 9,673,294	$ 2,285,594	$ 892,947
Excess (deficiency) of revenues over expenditures	$ 465,532	($ 24,773)	$ 38,967
OTHER FINANCING SOURCES (USES)			
Transfers in	$ - - -	$ - - -	$ 224,304
Transfers out	(546,490)	(8,000)	(174,516)
Capital lease	72,875	- - -	- - -
Sale of capital assets	- - -	27,500	- - -
Total other financing sources (uses)	($ 473,615)	$ 19,500	$ 49,788
Net change in fund balances	($ 8,083)	($ 5,273)	$ 88,755
FUND BALANCES - Beginning	4,873,597	3,867,226	176,222
FUND BALANCES - Ending	$ 4,865,514	$ 3,861,953	$ 264,977

FICA Fund	Tort Judge and Liability Insurance Fund	County Health Fund	Other Governmental Funds	Total Governmental Funds
$ 697,730	$ 1,143,679	$ 179,488	$ 981,552	$ 6,308,783
- - -	- - -	- - -	4,348	4,348
49,707	82,116	- - -	39,531	409,046
- - -	- - -	- - -	- - -	1,572,894
- - -	- - -	- - -	- - -	1,432,550
- - -	- - -	- - -	- - -	23,777
- - -	- - -	- - -	267,627	1,382,976
- - -	- - -	2,294,145	1,097,354	5,010,857
- - -	- - -	1,763,634	918,776	6,270,596
9,237	22,977	42,697	119,906	622,736
- - -	- - -	5,310	83,821	96,633
$ 756,674	$ 1,248,772	$ 4,285,274	$ 3,512,915	$23,135,196
$ 92,455	$ 888,861	$ - - -	$ 826,098	$ 4,609,039
231,136	- - -	- - -	351,332	4,916,953
41,754	- - -	- - -	17,099	792,215
114,822	- - -	- - -	- - -	2,320,275
70,086	- - -	- - -	1,774,425	3,719,309
195,347	- - -	3,595,663	439,601	4,354,158
- - -	- - -	27,702	81,707	875,824
- - -	- - -	- - -	384,980	395,149
- - -	- - -	- - -	162,429	164,410
$ 745,600	$ 888,861	$ 3,623,365	$ 4,037,671	$22,147,332
$ 11,074	$ 359,911	$ 661,909	($ 524,756)	$ 987,864
$ 240,927	$ - - -	$ - - -	$ 1,027,309	$ 1,492,540
(200,970)	(111,678)	(322,547)	(591,072)	(1,955,273)
- - -	- - -	- - -	- - -	72,875
- - -	- - -	- - -	- - -	27,500
$ 39,957	($ 111,678)	($ 322,547)	$ 436,237	($ 362,358)
$ 51,031	$ 248,233	$ 339,362	($ 88,519)	$ 625,506
219,041	1,198,899	1,755,676	5,922,447	18,013,108
$ 270,072	$ 1,447,132	$ 2,095,038	$ 5,833,928	$18,638,614

(Continued)

HENRY COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2008

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	625,506
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(	1,442,044)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		287,981
The issuance of long-term debt (e.g., leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		322,274
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(	12,737)
The internal service fund is used by management to charge the costs of insurance to individual funds. The net loss of certain activities of the internal service fund is reported with governmental activities.	(	149,430)
Change in net assets of governmental activities	($	368,450)

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

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

	Business-Type Activities Enterprise Funds			
ASSETS	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Governmental Activities-Internal Service Fund
Current assets:				
Cash and cash equivalents	$ 953,170	$ 97,251	$ 1,050,421	$ 57,736
Certificates of deposit	800,000	- - -	800,000	- - -
Accounts receivable (net, where applicable, of allowance for uncollectibles)	574,766	- - -	574,766	- - -
Accrued interest	11,720	- - -	11,720	- - -
Inventories	25,471	- - -	25,471	- - -
Prepaid items	5,754	- - -	5,754	- - -
Total current assets	$ 2,370,881	$ 97,251	$ 2,468,132	$ 57,736
Noncurrent assets:				
Capital assets:				
Land and land improvements	$ 228,720	$ 800,000	$ 1,028,720	$ - - -
Buildings and equipment	6,795,227	- - -	6,795,227	- - -
Less accumulated depreciation	(4,406,447)	- - -	(4,406,447)	- - -
Total capital assets (net of accumulated depreciation)	$ 2,617,500	$ 800,000	$ 3,417,500	$ - - -
Total assets	$ 4,988,381	$ 897,251	$ 5,885,632	$ 57,736
LIABILITIES				
Current liabilities:				
Accounts payable	$ 247,260	$ - - -	$ 247,260	$ 225,814
Accrued payroll	154,056	- - -	154,056	- - -
Other accrued liabilities	14,953	- - -	14,953	- - -
Total current liabilities	$ 416,269	$ - - -	$ 416,269	$ 225,814
NET ASSETS				
Invested in capital assets	$ 2,601,600	$ 800,000	$ 3,401,600	$ - - -
Unrestricted	1,970,512	97,251	2,067,763	(168,078)
Total net assets	$ 4,572,112	$ 897,251	$ 5,469,363	($ 168,078)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(32,068)	
Net assets of business-type activities			$ 5,437,295	

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

HENRY COUNTY, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
For the Year Ended November 30, 2008

	Business-Type Activities Enterprise Funds			
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Governmental Activities-Internal Service Fund
OPERATING REVENUES				
Charges for services	$ 3,960,391	$ - - -	$ 3,960,391	$ 2,157,660
Rental income	- - -	68,199	68,199	- - -
Other	155,886	797	156,683	145,511
Total operating revenues	$ 4,116,277	$ 68,996	$ 4,185,273	$ 2,303,171
OPERATING EXPENSES				
General services	$ 1,209,855	$ 9,140	$ 1,218,995	$ - - -
Health care	2,643,337	- - -	2,643,337	- - -
Administration and claims	527,279	- - -	527,279	2,495,783
Depreciation	294,870	- - -	294,870	- - -
Total operating expenses	$ 4,675,341	$ 9,140	$ 4,684,481	$ 2,495,783
OPERATING INCOME (LOSS)	($ 559,064)	$ 59,856	($ 499,208)	($ 192,612)
NONOPERATING REVENUE				
Investment income	$ 46,081	$ - - -	$ 46,081	$ 3,192
Loss on disposal of capital assets	(1,357)	- - -	(1,357)	- - -
Total nonoperating revenue	$ 44,724	$ - - -	$ 44,724	$ 3,192
Income (loss) before transfers	($ 514,340)	$ 59,856	($ 454,484)	($ 189,420)
TRANSFERS IN	487,164	- - -	487,164	- - -
TRANSFERS OUT	(24,431)	- - -	(24,431)	- - -
CHANGES IN NET ASSETS	($ 51,607)	$ 59,856	$ 8,249	($ 189,420)
TOTAL NET ASSETS - Beginning	4,623,719	837,395		21,342
TOTAL NET ASSETS - Ending	$ 4,572,112	$ 897,251		($ 168,078)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			(39,991)	
Change in net assets of business-type activities			($ 31,742)	

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

HENRY COUNTY, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended November 30, 2008

	Business-Type Activities Enterprise Funds			
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 4,098,615	$ 95,194	$ 4,193,809	$ - - -
Receipts from interfund services provided	- - -	- - -	- - -	2,157,660
Other receipts	155,886	- - -	155,886	145,511
Payments to suppliers	(1,143,939)	(9,140)	(1,153,079)	(2,485,905)
Payments to employees	(2,739,664)	- - -	(2,739,664)	- - -
Payments for interfund services used	(310,968)	- - -	(310,968)	- - -
Net cash provided (used) by operating activities	$ 59,930	$ 86,054	$ 145,984	($ 182,734)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	$ 487,164	$ - - -	$ 487,164	$ - - -
Transfers to other funds	(24,431)	- - -	(24,431)	- - -
Net cash provided by noncapital financing activities	$ 462,733	$ - - -	$ 462,733	$ - - -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	($ 348,924)	$ - - -	($ 348,924)	$ - - -
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	$ 50,988	$ - - -	$ 50,988	$ 3,192
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 224,727	$ 86,054	$ 310,781	($ 179,542)
CASH AND CASH EQUIVALENTS - Beginning	728,443	11,197	739,640	237,278
CASH AND CASH EQUIVALENTS - Ending	$ 953,170	$ 97,251	$ 1,050,421	$ 57,736

(Continued)

HENRY COUNTY, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended November 30, 2008

	Business-Type Activities Enterprise Funds			
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	($ 559,064)	$ 59,856	($ 499,208)	($ 192,612)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	294,870	- - -	294,870	- - -
(Increase) decrease in				
Accounts receivables	138,224	26,198	164,422	- - -
Inventories	2,708	- - -	2,708	- - -
Prepaid items	(5,439)	- - -	(5,439)	- - -
Increase (decrease) in				
Accounts payable	200,163	- - -	200,163	9,878
Accrued expenses	(11,532)	- - -	(11,532)	- - -
Net cash provided (used) by operating activities	$ 59,930	$ 86,054	$ 145,984	($ 182,734)

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

HENRY COUNTY, ILLINOIS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
November 30, 2008

	Total Agency Funds
ASSETS	
Cash and cash equivalents	$ 2,377,131
Accounts receivable	90,925
Total assets	$ 2,468,056
LIABILITIES	
Due to others	$ 2,468,056

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

NOTE 1 - NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS -

Henry County is a governmental entity located in Northwestern Illinois and has a population of approximately 51,100. Revenues are substantially generated as a result of taxes assessed and allocated to Henry County (examples would be property taxes, sales taxes, income taxes, and motor fuel taxes) and charges for services performed for constituents of the County. Henry County revenues are therefore primarily dependent on the economy within its territorial boundaries. Industry within the County is primarily agriculture, manufacturing, and retail. The County operates under an elected Council-Manager form of government. The County's major operations include maintaining a nursing home, courthouse, law enforcement, highway and bridge construction and maintenance, and general administrative services.

The accounting policies of Henry County, Illinois, conform to U.S. generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant of such policies:

FINANCIAL REPORTING ENTITY -

For financial reporting purposes, Henry County, Illinois, is a primary government in that it is a county with a separately elected governing body - one that is elected by the citizens in a general, popular election and is fiscally independent of other units of government.

The County has developed criteria to determine whether other entities are component units of the County. Component units are legally separate organizations for which the elected officials of Henry County are financially accountable. Henry County would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, Henry County (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on Henry County, the County is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

NOTE 1 - (Continued)

Based on the foregoing criteria, the following organization is included in Henry County's annual report.

EMERGENCY TELEPHONE SYSTEM BOARD OF HENRY COUNTY -

The component unit column in the government-wide statements include the financial data of the County's component unit, the Emergency Telephone System Board. It is reported in a separate column to emphasize that it is legally separate from the County. The Henry County Board Chairman with the advice and consent of the Henry County Board appoints board members (not to exceed 11 members) to the Emergency Telephone System Board of Henry County. The members of the Emergency Telephone System Board of Henry County are then responsible for planning the 911 emergency system, receiving monies imposed under an established surcharge and authorizing disbursements. The geographic area served by the Emergency Telephone System Board of Henry County is the same as Henry County. The treasurer of Henry County maintains the funds and invests or disburses them at the direction of the Emergency Telephone System Board of Henry County.

Separate financial statements are not prepared for the Emergency Telephone System Board.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS -

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual

NOTE 1 - (Continued)

governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except sales taxes, which use a 90 day period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

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

The County Highway Fund accounts for materials and services necessary to maintain the highways and streets of the County.

The Illinois Municipal Retirement Fund accounts for expenditures related to IMRF with revenue generated by taxation.

The FICA Fund accounts for expenditures related to employer's share of FICA payments with revenue generated by taxation.

The Tort Judge and Liability Insurance Fund accounts for insurance expenditures with revenue generated by taxation.

The County Health Fund accounts for services related to the County's Health Department.

NOTE 1 - (Continued)

The County reports the following major proprietary fund:

The Hillcrest Nursing Home Fund accounts for the revenue and expenses related to the operations of the County nursing home.

Additionally, the County reports the following fund types:

The Internal Service Fund accounts for coverage of insurance for County employees.

The County's Agency Funds account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the nursing home fund and of the County's internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1 - (Continued)

CASH AND INVESTMENTS -

Cash and Cash Equivalents -

For purposes of cash flows, the County considered all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments -

Investments are accounted for at fair value.

INTERFUND 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 "due to/from other funds" (i.e., the current interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

INVENTORIES -

Inventories are valued at cost, which approximates market, using the first-in/first out (FIFO) method. The costs of governmental fund-type inventories, if any, are recorded as expenditures when consumed rather than when purchased.

PREPAID ITEMS -

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items.

CAPITAL ASSETS -

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 for capital assets and $50,000 for infrastructure (amounts not rounded) and an estimated useful life in excess of two years. 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.

NOTE 1 - (Continued)

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.

Property, plant, and equipment of the primary government, as well as the component unit are depreciated using the straight line method over the following estimated useful lives:

Type of Asset	Life in Years
Buildings	50
Building improvements	25
Infrastructure	20-75
Equipment and vehicles	3-10

PROPERTY TAXES -

Property taxes become liens on individual properties as of January 1 in the year of the tax levy. Property taxes are levied on May 1 based on the assessed value of property as listed for the previous year. Assessed values are an approximation of market value. Statutory due dates for collection of the taxes are June 1 and September 1 of the following years.

Since the 2008 tax levy is budgeted for fiscal year 2009, the revenue from this tax levy is deferred.

COMPENSATED ABSENCES -

Employees of Hillcrest Nursing Home are allowed to accrue unpaid vacation, sick pay, compensatory, and holiday time and other County employees are allowed to accrue compensatory time. These amounts payable are recorded as liabilities in the Hillcrest Nursing Home Enterprise Fund and the General Fund, respectively. A liability has not been recorded for unused vacation, sick pay, and holiday time for other County employees as this time does not accumulate and vest.

NOTE 1 - (Continued)

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 statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges 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.

FUND EQUITY -

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.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS -

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $3,906,000 difference are as follows:

NOTE 2 - (Continued)

Bonds payable	$ 3,790,000
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(47,150)
Less: Issuance discount (to be amortized as interest expense)	(32,703)
Accrued interest payable	69,097
Capital lease payable	126,756
	$ 3,906,000

EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES -

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $1,442,044 difference are as follows:

Capital expenditures	$ 1,180,407
Depreciation expense	(2,622,451)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 1,442,044

Another element of that reconciliation states that "the issuance of long-term debt (e.g., leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $322,274 difference are as follows:

Debt incurred:	
Capital lease financing	($ 72,875)
Principal repayments:	
General obligation debt	395,149
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 322,274

NOTE 2 - (Continued)

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $12,737 difference are as follows:

Accrued interest	($ 4,998)
Amortization of issuance costs	10,468
Amortization of bond discounts	7,267
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 12,737

NOTE 3 - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budget and Appropriations -

The County adopts an annual budget and appropriation ordinance in accordance with Chapter 55 of the Illinois Compiled Statutes. The budget covers the fiscal year ending November 30 and is available for public inspection at least fifteen days prior to final adoption. All appropriations cease with the close of the fiscal year. The budgets are prepared for County funds on a basis consistent with U.S. generally accepted accounting principles.

Once the County budget has been adopted, no further appropriations shall be made during the year except in the event of an immediate emergency at which time the County Board, by a two-thirds vote, may make appropriations in excess of those authorized in the budget. Adjustments may be made to the budget during the year, but the form of the budget may not be changed. The ultimate level of control is the fund, but is carried down to department and line item.

NOTE 4 - DEPOSITS AND INVESTMENTS

As of November 30, 2008, the County had the following investments:

Investment Type	Fair Value
County Funds:	
Old National Trust	$ 2,442
Illinois Funds	1,357,885
Total	$1,360,327
Component Unit - Emergency Telephone System Board:	
Illinois Funds	$ 85,063

NOTE 4 - (Continued)

Interest rate risk. The highest interest rate available will always be the objective of the investment policy combined with safety of principal, which is left to the discretion of the Henry County Treasurer.

Credit risk. The investment and deposit of County monies is governed by the provisions of the Illinois Compiled Statutes. In accordance with these provisions, all County monies must be invested in one or more of the following:

a. Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits constituting direct obligations of any bank as shall have been selected and designated under the terms of the Illinois Compiled Statutes and as shall have complied with the requirements thereof;

b. Shares or other forms of securities legally issuable by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States, provided such shares or securities are insured by the Federal Savings and Loan Insurance Corporation;

c. Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

d. Short-term discount obligations of the Federal National Mortgage Association.

During the year ended November 30, 2008, the County complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made.

Concentration of credit risk. In accordance with its investment policy, the Henry County Treasurer will have the sole responsibility to select which financial institutions will be depositories for County funds. The Henry County Treasurer will take into consideration security, size, location, condition, service, fees, and the community relations involvement of the financial institutions when choosing a financial institution. At no time will the Henry County investments exceed 65% of the financial institution's capital and surplus.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned. It shall be the discretion of the Henry County Treasurer to determine whether or not collateral will be required of financial institutions receiving funds from the Henry County Treasurer.

NOTE 4 - (Continued)

At all times the Henry County Treasurer will require that deposits in excess of 35% of the capital and surplus of a financial institution will be collateralized. The Henry County Treasurer may request collateral for any part of deposits in financial institutions when the Henry County Treasurer determines it to be in the best interests of safeguarding the funds on deposit.

As of November 30, 2008, the carrying amount of the County's deposits with financial institutions totaled $19,076,222 with the bank balances totaling $20,148,598. The bank balances of $20,148,598 are entirely insured or collateralized with securities held by the County or its agent in the County's name. As of the same date, the Emergency Telephone System Board, a discretely presented component unit, had deposits totaling $621,443 with the same bank balance, which is entirely insured or collateralized with securities held by the County or its agent in the County's name.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of November 30, 2008, there was no investment custodial risk for the County.

NOTE 5 - RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Receivables:	General Fund	County Highway Fund	Illinois Municipal Retirement Fund
Accounts	$ 413,064	$ 7,087	$ - - -
Property tax	1,946,997	670,000	795,887
Due from cities and townships	- - -	201,925	- - -
Other taxes	709,250	- - -	8,422
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	$ 3,069,311	$ 879,012	$ 804,309
Less: allowance for uncollectibles	- - -	- - -	- - -
Net total receivables	$ 3,069,311	$ 879,012	$ 804,309

NOTE 5 - (Continued)

Receivables:	FICA Fund	Tort Judge and Liability Insurance Fund	County Health Fund
Accounts	$ - - -	$ - - -	$ 797,085
Property tax	677,821	1,167,948	180,000
Due from cities and townships	- - -	- - -	- - -
Other taxes	7,168	12,352	- - -
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	$ 684,989	$ 1,180,300	$ 977,085
Less: allowance for uncollectibles	- - -	- - -	- - -
Net total receivables	$ 684,989	$ 1,180,300	$ 977,085

Receivables:	Hillcrest Nursing Home Fund	Nonmajor and Other Funds	Total
Accounts	$ 594,766	$ 134,151	$ 1,946,153
Property tax	- - -	1,039,920	6,478,573
Due from cities and townships	- - -	- - -	201,925
Other taxes	- - -	59,850	797,042
Loans	- - -	724,947	724,947
Accrued interest	11,720	- - -	11,720
Gross receivables	$ 606,486	$ 1,958,868	$10,160,360
Less: allowance for uncollectibles	20,000	- - -	20,000
Net total receivables	$ 586,486	$ 1,958,868	$10,140,360

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, unavailable property tax receivable reported in the governmental funds was $6,478,573.

NOTE 6 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended November 30, 2008:

Primary Government:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 399,987	$ - - -	$ - - -	$ 399,987
Capital assets, being depreciated:				
Buildings	$21,038,503	$ 78,670	$ - - -	$21,117,173
Vehicles and equipment	7,190,795	800,550	330,707	7,660,638
Infrastructure	66,809,800	589,168	- - -	67,398,968
Total capital assets being depreciated	$95,039,098	$ 1,468,388	$ 330,707	$96,176,779
Less accumulated depreciation for:				
Buildings	$12,131,787	$ 319,989	$ - - -	$12,451,776
Vehicles and equipment	5,324,701	612,576	330,707	5,606,570
Infrastructure	4,750,259	1,689,886	- - -	6,440,145
Total accumulated depreciation	$22,206,747	$ 2,622,451	$ 330,707	$24,498,491
Total capital assets, being depreciated, net	$72,832,351	($ 1,154,063)	$ - - -	$71,678,288
Governmental activities capital assets, net	$73,232,338	($ 1,154,063)	$ - - -	$72,078,275

NOTE 6 - (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 801,000	$ - - -	$ - - -	$ 801,000
Land improvements	- - -	227,720	- - -	227,720
Total capital assets, not being depreciated	$ 801,000	$ 227,720	$ - - -	$ 1,028,720
Capital assets, being depreciated:				
Buildings	$ 5,459,617	$ 46,047	$ 5,084	$ 5,500,580
Equipment	1,203,588	91,059	- - -	1,294,647
Total capital assets being depreciated	$ 6,663,205	$ 137,106	$ 5,084	$ 6,795,227
Less accumulated depreciation for:				
Buildings	$ 3,123,082	$ 252,001	$ 3,725	$ 3,371,358
Equipment	992,220	42,869	- - -	1,035,089
Total accumulated depreciation	$ 4,115,302	$ 294,870	$ 3,725	$ 4,406,447
Total capital assets, being depreciated, net	$ 2,547,903	($ 157,764)	$ 1,359	$ 2,388,780
Business-type activities capital assets, net	$ 3,348,903	$ 69,956	$ 1,359	$ 3,417,500

NOTE 6 - (Continued)

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

Governmental activities:	
General government	$ 209,127
Public safety	314,448
Judiciary	73,815
Highways and streets	1,936,780
Health	88,281
Total depreciation expense - governmental activities	$ 2,622,451
Business-type activities:	
Hillcrest Nursing Home Fund	$ 294,870

DISCRETELY PRESENTED COMPONENT UNIT -

Activity for the Emergency Telephone System Board for the year ended November 30, 2008, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	$ 1,041,305	$ 123,290	$ - - -	$ 1,164,595
Less accumulated depreciation for equipment	760,763	89,915	- - -	850,678
Emergency Telephone System Board capital assets, net	$ 280,542	$ 33,375	$ - - -	$ 313,917

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of November 30, 2008, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Illinois Municipal Retirement Fund	$ 79,245
	FICA Fund	66,141
	Nonmajor Governmental Funds	108,656
		$ 254,042

NOTE 7 - (Continued)

The composition of interfund transfers as of November 30, 2008 is as follows:

	Transfer In:	
Transfer Out:	Illinois Municipal Retirement Fund	FICA Fund
General Fund	$ - - -	$ - - -
County Highway Fund	8,000	- - -
Illinois Municipal Retirement Fund	- - -	- - -
FICA Fund	- - -	- - -
Tort Judge and Liability Insurance Fund	- - -	- - -
County Health Fund	129,171	193,376
Nonmajor Governmental	62,702	47,551
Hillcrest Nursing Home Fund	24,431	- - -
Total	$ 224,304	$ 240,927

	Transfer In:		
Transfer Out:	Nonmajor Governmental	Hillcrest Nursing Home Fund	Total
General Fund	$ 546,490	$ - - -	$ 546,490
County Highway Fund	- - -	- - -	8,000
Illinois Municipal Retirement Fund	- - -	174,516	174,516
FICA Fund	- - -	200,970	200,970
Tort Judge and Liability Insurance Fund	- - -	111,678	111,678
County Health Fund	- - -	- - -	322,547
Nonmajor Governmental	480,819	- - -	591,072
Hillcrest Nursing Home Fund	- - -	- - -	24,431
Total	$ 1,027,309	$ 487,164	$ 1,979,704

NOTE 8 – LONG-TERM DEBT

Municipal Program Revenue Refunding Bonds, Series 2002 totaling $2,825,000 remain outstanding from the original issue of $4,270,000 dated June 15, 2002. It is the intent of the County to service this debt from general revenues.

Principal is due annually on December 15, and interest is due semi-annually on June 15 and December 15. The annual debt service requirements are as follows:

For the Year Ending November 30	Interest Rate	Principal	Interest	Total
2009	3.45%	$ 270,000	$ 110,802	$ 380,802
2010	3.70	275,000	101,058	376,058
2011	3.85	290,000	90,387	380,387
2012	4.00	300,000	78,805	378,805
2013	4.10	310,000	66,450	376,450
2014	4.20	325,000	53,270	378,270
2015	4.30	340,000	39,135	379,135
2016	4.40	350,000	24,125	374,125
2017	4.50	365,000	8,213	373,213
		$ 2,825,000	$ 572,245	$ 3,397,245

General obligation alternate revenue refunding bonds totaling $965,000 remain outstanding from the original issue of $1,230,000 dated November 18, 2004. It is the intent of the County to service this debt from general revenues.

Principal is due annually on December 15, and interest is due semi-annually on June 15 and December 15. The annual debt service requirements are as follows:

For the Year Ending November 30	Interest Rate	Principal	Interest	Total
2009	2.85%	$ 95,000	$ 33,944	$ 128,944
2010	3.15	95,000	31,094	126,094
2011	3.40	100,000	27,897	127,897
2012	3.55	100,000	24,423	124,423
2013	3.70	105,000	20,705	125,705
2014	3.85	110,000	16,645	126,645

NOTE 8 - (Continued)

For the Year Ending November 30	Interest Rate	Principal	Interest	Total
2015	3.95	115,000	12,256	127,256
2016	4.05	120,000	7,555	127,555
2017	4.10	125,000	2,562	127,562
		$ 965,000	$ 177,081	$ 1,142,081

The County has entered into two lease agreements as lessee for financing the acquisition of computer equipment and a phone system. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception.

The following is an analysis of the fixed assets leased under the capital leases as of November 30, 2008:

	Computer Equipment	Phone System	Total
Cost	$ 128,169	$ 72,875	$ 201,044
Less: Accumulated depreciation	70,493	7,808	78,301
Total	$ 57,676	$ 65,067	$ 122,743

The future minimum lease obligations and the net present value of these minimum lease payments as of November 30, 2008 were as follows:

Year Ending November 30	
2009	$ 47,400
2010	47,400
2011	24,000
2012	16,200
2013	4,050
Total minimum lease payments	$ 139,050
Less: Amount representing interest	12,294
Present value of minimum lease payments	$ 126,756

NOTE 8 - (Continued)

Long-term liability activity for the year ended November 30, 2008 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General Obligation bonds	$4,150,000	$ - - -	($ 360,000)	$3,790,000	$ 365,000
Less deferred amounts:					
For issuance discounts	(39,970)	- - -	7,267	(32,703)	(6,692)
Total bonds payable	$4,110,030	$ - - -	($ 352,733)	$3,757,297	$ 358,308
Capital lease	89,030	72,875	(35,149)	126,756	40,776
Governmental activity long-term liabilities	$4,199,060	$ 72,875	($ 387,882)	$3,884,053	$ 399,084

NOTE 9 - DEFINED BENEFIT PENSION PLANS

Plan Description -

Henry County's defined benefit pension plans for Regular, Sheriff's Law Enforcement Personnel (SLEP), and Bureau/Henry/Stark ROE #28 employees provide retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Henry County's plans are affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained on-line at www.imrf.org.

Funding Policy -

As set by statute, Henry County's Regular, SLEP, and Bureau/Henry/Stark ROE #28 plan members are required to contribute 4.50, 7.50 and 4.50 percent, respectively, of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar year 2007 were 7.68,

NOTE 9 - (Continued)

15.01, and 9.56 percent, respectively, of annual covered payroll. Henry County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost -

For 2007, Henry County's annual pension costs of $568,910, $424,279, and $37,757, for Regular, SLEP, and Bureau/Henry/Stark ROE #28 plan, respectively, were equal to Henry County's required and actual contributions.

Three-Year Trend Information -

Regular Members:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$ 568,910	100%	$ - - -
12/31/06	612,344	100%	- - -
12/31/05	546,926	100%	- - -

SLEP Members:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$ 424,279	100%	$ - - -
12/31/06	404,288	100%	- - -
12/31/05	366,408	100%	- - -

Bureau/Henry/Stark ROE #28 Members:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/07	$ 37,757	100%	$ - - -
12/31/06	29,108	100%	- - -
12/31/05	11,019	100%	- - -

NOTE 9 - (Continued)

The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2005, included (a) 7.5% investment rate of return (net of administrative and direct investment expense), (b) projected salary increases of 4.0% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of Henry County's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. Henry County's Regular plan's overfunded and Henry County's SLEP and Bureau/Henry/Stark ROE #28 plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 25 years.

Funded Status and Funding Progress -

Regular members:

As of December 31, 2007, the most recent actuarial valuation date, the Regular plan was 105.41 percent funded. The actuarial accrued liability for benefits was $23,189,425 and the actuarial value of assets was $24,444,095, resulting in an overfunded actuarial accrued liability (UAAL) of $1,254,670. The covered payroll (annual payroll of active employees covered by the plan) was $7,407,683 and since the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

SLEP members:

As of December 31, 2007, the most recent actuarial valuation date, the SLEP plan was 85.01 percent funded. The actuarial accrued liability for benefits was $9,689,038 and the actuarial value of assets was $8,236,553, resulting in an underfunded actuarial accrued liability (UAAL) of $1,452,485. The covered payroll (annual payroll of active employees covered by the plan) was $2,826,641 and the ratio of the UAAL to the covered payroll was 51 percent.

Bureau/Henry/Stark ROE #28 members:

As of December 31, 2007, the most recent actuarial valuation date, the Bureau/Henry/Stark ROE #28 plan was 92.00 percent funded. The actuarial accrued liability for benefits was $410,594 and the actuarial value of assets was $377,749, resulting in an underfunded actuarial accrued liability (UAAL) of $32,845. The covered payroll (annual payroll of active employees covered by the plan) was $394,951 and the ratio of the UAAL to the covered payroll was 8 percent.

NOTE 9 - (Continued)

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

NOTE 10 - RISK MANAGEMENT

The County is exposed to risk of loss related to health care claims. The County's current health care insurance covers claims over $40,000 per individual. The County is required to pay all of the qualifying health care claims under $40,000 out of resources provided by the employees and various funds.

An outside insurance company administers the health care plan and reports monthly the activity of the plan and amount needed to pay claims and establish a reserve for catastrophe losses.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs, and other economic and social factors. Changes in the balances of claims payable during the years ended November 30, 2007 and 2008 are as follows:

	Health Insurance	
	2006-2007	2007-2008
Unpaid claims, beginning of year	$ 236,024	$ 215,936
Incurred claims (including IBNRs)	2,478,119	2,495,783
Claim payments	(2,498,207)	(2,485,905)
Unpaid claims, end of year	$ 215,936	$ 225,814

NOTE 11 - DEFERRED COMPENSATION

During the year ended November 30, 1991, the board adopted by resolution to participate in the National Association of Counties Deferred Compensation Program. This deferred compensation plan is authorized by Internal Revenue Code Section 457 and is applicable to all County employees. The plan offers employees the opportunity to defer a portion of their salaries and the related liability for income taxes. The assets of the deferred compensation plan are held in trust for the benefit of the employees. Accordingly, the assets are not reported in these financial statements. The County has no liability for losses under the plan.

NOTE 12 - CONTINGENT LIABILITY

Litigation -

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Grants -

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered a part of the basic financial statements. Such information includes:

Budgetary Comparison Schedules for the following:

- General Fund
- County Highway Fund
- Illinois Municipal Retirement Fund
- FICA Fund
- Tort Judge and Liability Insurance Fund
- County Health Fund

Notes to the Required Supplementary Information

Schedules of Funding Progress - Defined Benefit Retirement Plans

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines			
Traffic	$ 500,000	$ 500,000	$ 452,247
Criminal	500,000	500,000	594,530
Total fines	$ 1,000,000	$ 1,000,000	$ 1,046,777
Fees			
Licenses and permits - building and zoning	$ 53,350	$ 53,350	$ 68,572
Taxes			
Property - corporate	$ 1,827,320	$ 1,827,320	$ 1,817,703
Sales	168,000	168,000	247,050
Sales ¼ supplement	1,040,000	1,040,000	1,101,110
Use	194,000	194,000	224,734
State income	1,425,000	1,425,000	1,432,550
State inheritance tax	20,000	20,000	23,777
State corporate replacement taxes	150,000	150,000	131,445
Total taxes	$ 4,824,320	$ 4,824,320	$ 4,978,369
Intergovernmental Revenue			
State reimbursements	$ 446,187	$ 446,187	$ 468,625
Illinois State Board of Education Grant	492,965	492,965	605,172
Stark County ROE	10,701	10,701	10,701
Bureau County ROE	64,816	64,816	64,816
Aid to Dependent Children	4,000	4,000	- - -
Illinois Emergency Management Agency	6,000	6,000	6,884
Transportation Grant	91,332	91,332	441,160
State Aid Victim Witness Coordination	22,000	22,000	22,000
Federal Medicaid reimbursements-Juvenile	2,500	2,500	- - -
Total intergovernmental revenue	$ 1,140,501	$ 1,140,501	$ 1,619,358

(Continued)

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES - (Continued)			
Charges for Services			
State's attorney	$ 24,000	$ 24,000	$ 36,714
County clerk and recorder	513,700	513,700	440,464
Circuit clerk	470,000	470,000	486,138
Sheriff	130,000	130,000	133,608
Sheriff reimbursements	56,000	56,000	75,150
Sheriff's business plan			
House prisoners	787,030	787,030	639,133
Other	87,000	87,000	63,614
Other	259,870	259,870	268,925
Total charges for services	$ 2,327,600	$ 2,327,600	$ 2,143,746
Investment Income			
Investment	$ 215,000	$ 215,000	$ 162,920
Collector	101,000	101,000	119,084
Total investment income	$ 316,000	$ 316,000	$ 282,004
Total revenues	$ 9,661,771	$ 9,661,771	$10,138,826

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES			
County Board			
Personal services	$ 154,873	$ 169,799	$ 156,803
Supplies	425	425	409
Other services and charges	24,910	26,080	24,409
Total county board	$ 180,208	$ 196,304	$ 181,621
County Buildings			
Personal services	$ 85,929	$ 86,834	$ 87,504
Supplies	7,000	7,900	4,299
Other services and charges	393,886	406,106	380,975
Equipment	500	500	72,875
Debt service - principal	- - -	- - -	10,169
Debt service - interest	- - -	- - -	1,981
Total county buildings	$ 487,315	$ 501,340	$ 557,803
County Clerk and Recorder			
Personal services	$ 274,067	$ 274,067	$ 244,833
Supplies	5,000	5,000	2,861
Other services and charges	154,720	154,720	152,583
Equipment	5,300	5,300	5,278
Total county clerk and recorder	$ 439,087	$ 439,087	$ 405,555
County Treasurer			
Personal services	$ 128,391	$ 128,395	$ 128,258
Supplies	17,000	15,996	14,131
Other services and charges	14,650	15,650	13,824
Total county treasurer	$ 160,041	$ 160,041	$ 156,213
Supervisor of Assessments			
Personal services	$ 192,243	$ 184,968	$ 179,613
Supplies	4,100	4,100	3,714
Other services and charges	33,900	41,175	42,838
Equipment	7,400	7,400	7,395
Total supervisor of assessments	$ 237,643	$ 237,643	$ 233,560

(Continued)

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Microfilm			
Personal services	$ 7,920	$ 7,920	$ 6,499
Supplies	250	250	42
Equipment	250	250	- - -
Total microfilm	$ 8,420	$ 8,420	$ 6,541
Regional Office Education			
Personal services	$ 490,000	$ 627,700	$ 617,825
Supplies	3,000	- - -	- - -
Other services and charges	79,500	71,907	58,047
Equipment	8,000	7,475	7,475
Total regional office education	$ 580,500	$ 707,082	$ 683,347
Information Services			
Personal services	$ 100,939	$ 100,939	$ 92,502
Supplies	13,460	13,460	13,195
Other services and charges	15,885	15,885	13,860
Total information services	$ 130,284	$ 130,284	$ 119,557
Voter Registration/Elections			
Personal services	$ 103,495	$ 103,495	$ 104,417
Supplies	40,705	63,611	63,611
Other services and charges	162,892	192,563	196,789
Total voter registration/elections	$ 307,092	$ 359,669	$ 364,817
General Financial Services			
Personal services	$ 5,525	$ 5,565	$ 7,406
Supplies	7,500	12,000	11,615
Other services and charges	133,740	134,280	132,155
Computer automation	153,623	155,623	112,837
Contingency	80,000	16,074	6,536
Vehicles	- - -	- - -	85,437
Other	91,332	213,652	355,723
Total general financial services	$ 471,720	$ 537,194	$ 711,709

(Continued)

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Zoning			
Personal services	$ 86,828	$ 89,081	$ 89,206
Supplies	- - -	- - -	5,966
Other services and charges	6,588	6,424	5,947
Total zoning	$ 93,416	$ 95,505	$ 101,119
Sheriff			
Personal services	$ 2,732,915	$ 2,736,515	$ 2,732,978
Supplies	312,378	307,402	303,026
Other services and charges	172,748	180,034	182,037
Contingency	2,500	700	568
Automobile and equipment	76,803	116,866	120,653
Total sheriff	$ 3,297,344	$ 3,341,517	$ 3,339,262
Circuit Court			
Personal services	$ 423,980	$ 423,980	$ 391,167
Supplies	9,500	9,500	7,875
Other services and charges	70,750	70,750	84,187
Equipment	1,000	1,000	928
Total circuit court	$ 505,230	$ 505,230	$ 484,157
Rural Revolving Loan Department			
Personal services	$ 16,000	$ 16,000	$ 14,295
Supplies	500	500	327
Other services and charges	6,200	5,300	2,912
Total rural revolving loan department	$ 22,700	$ 21,800	$ 17,534
Court Services			
Personal services	$ 657,117	$ 657,117	$ 633,237
Supplies	2,500	2,500	2,496
Other services and charges	133,710	133,710	70,938
Total court services	$ 793,327	$ 793,327	$ 706,671

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
State's Attorney			
Personal services	$ 537,507	$ 545,192	$ 526,507
Supplies	5,000	5,000	3,592
Other services and charges	38,000	37,885	33,553
Equipment	- - -	115	115
Total state's attorney	$ 580,507	$ 588,192	$ 563,767
Coroner			
Personal services	$ 39,450	$ 39,450	$ 36,341
Supplies	1,082	1,082	762
Other services and charges	29,625	29,625	19,890
Equipment	1,000	1,000	853
Total coroner	$ 71,157	$ 71,157	$ 57,846
Jury Commission			
Personal services	$ 8,681	$ 8,972	$ 8,972
Supplies	500	500	462
Other services and charges	2,839	2,490	2,400
Total jury commission	$ 12,020	$ 11,962	$ 11,834
ESDA			
Personal services	$ 11,136	$ 11,136	$ 11,263
Supplies	100	100	47
Other services and charges	1,340	1,340	1,233
Total emergency services and disaster agency	$ 12,576	$ 12,576	$ 12,543
Sheriff's Business Plan			
Personal services	$ 517,597	$ 528,797	$ 496,548
Supplies	105,293	106,993	105,340
Other services and charges	30,656	17,756	10,281
Automobile and equipment	26,000	26,000	20,277
Total sheriff's business plan	$ 679,546	$ 679,546	$ 632,446

HENRY COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Public Defender			
Personal services	$ 172,242	$ 179,565	$ 175,258
Supplies	3,300	3,455	1,818
Other services and charges	118,462	156,478	148,316
Total public defender	$ 294,004	$ 339,498	$ 325,392
Total expenditures	$ 9,364,137	$ 9,737,374	$ 9,673,294
Excess (deficiency) of revenues over expenditures	$ 297,634	($ 75,603)	$ 465,532
OTHER FINANCING SOURCES (USES)			
Transfers out	($ 568,416)	($ 593,975)	($ 546,490)
Capital leases	- - -	- - -	72,875
Sale of capital assets	2,000	2,000	- - -
Total other financing sources (uses)	($ 566,416)	($ 591,975)	($ 473,615)
Net change in fund balances	($ 268,782)	($ 667,578)	($ 8,083)
FUND BALANCE - Beginning			4,873,597
FUND BALANCE - Ending			$ 4,865,514

HENRY COUNTY, ILLINOIS
COUNTY HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 630,000	$ 630,000	$ 627,477
Replacement	30,400	30,400	45,320
Intergovernmental	255,000	255,000	- - -
Charges for services	1,000,000	1,000,000	1,444,440
Investment income	120,000	120,000	136,082
Miscellaneous	15,400	15,400	7,502
Total revenues	$ 2,050,800	$ 2,050,800	$ 2,260,821
EXPENDITURES			
Salaries and wages:			
Staff salaries - regular	$ 824,780	$ 784,780	$ 779,249
Longevity pay	- - -	- - -	7,760
Part time salaries	32,000	30,000	29,205
Overtime	34,000	39,000	40,645
Insurance	73,368	73,368	70,623
Engineering supplies	8,000	8,000	9,343
Contractual service	2,000	2,000	180
Telephone	3,000	3,000	2,861
GIS Grant expenditures	5,000	5,000	- - -
Maintenance of roads:			
Materials and supplies	785,000	945,000	811,566
Other maintenance expense	84,000	99,000	100,997
Substance abuse testing	1,200	1,200	648
Equipment	550,000	425,000	432,517
Total expenditures	$ 2,402,348	$ 2,415,348	$ 2,285,594
Deficiency of revenues over expenditures	($ 351,548)	($ 364,548)	($ 24,773)
OTHER FINANCING SOURCES (USES)			
Transfers out	($ 8,000)	($ 8,000)	($ 8,000)
Sale of capital assets	- - -	- - -	27,500
Total other financing sources (uses)	($ 8,000)	($ 8,000)	$ 19,500
Net change in fund balances	($ 359,548)	($ 372,548)	($ 5,273)
FUND BALANCE - Beginning			3,867,226
FUND BALANCE - Ending			$ 3,861,953

HENRY COUNTY, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 810,285	$ 810,285	$ 861,154
Replacement	68,000	68,000	60,927
Investment income	6,000	6,000	9,833
Total revenues	$ 884,285	$ 884,285	$ 931,914
EXPENDITURES			
Current:			
Employer's IMRF	961,336	976,406	892,947
Excess (deficiency) of revenues over expenditures	($ 77,051)	($ 92,121)	$ 38,967
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 267,262	$ 267,262	$ 224,304
Transfers out	- - -	- - -	(174,516)
Total other financing sources (uses)	$ 267,262	$ 267,262	$ 49,788
Net change in fund balances	$ 190,211	$ 175,141	$ 88,755
FUND BALANCE - Beginning			176,222
FUND BALANCE - Ending			$ 264,977

HENRY COUNTY, ILLINOIS
FICA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 653,279	$ 653,279	$ 697,730
Replacement	54,400	54,400	49,707
Investment income	5,000	5,000	9,237
Total revenues	$ 712,679	$ 712,679	$ 756,674
EXPENDITURES			
Current:			
Employer's FICA	735,962	746,450	745,600
Excess (deficiency) of revenues over expenditures	($ 23,283)	($ 33,771)	$ 11,074
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 269,416	$ 269,416	$ 240,927
Transfers out	- - -	- - -	(200,970)
Total other financing sources (uses)	$ 269,416	$ 269,416	$ 39,957
Net change in fund balances	$ 246,133	$ 235,645	$ 51,031
FUND BALANCE - Beginning			219,041
FUND BALANCE - Ending			$ 270,072

HENRY COUNTY, ILLINOIS
TORT JUDGE AND LIABILITY INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 1,100,037	$ 1,100,037	$ 1,143,679
Replacement	87,000	87,000	82,116
Investment income	15,000	15,000	22,977
Miscellaneous	81,750	81,750	- - -
Total revenues	$ 1,283,787	$ 1,283,787	$ 1,248,772
EXPENDITURES			
Current:			
Unemployment insurance	$ 35,000	$ 35,000	$ 21,844
Workers compensation	386,833	386,833	265,052
Property/casualty insurance	339,900	339,900	219,451
Insurance deductible/claims	32,000	32,000	24,517
Health care plan	475,054	475,054	357,997
Total expenditures	$ 1,268,787	$ 1,268,787	$ 888,861
Excess of revenues over expenditures	$ 15,000	$ 15,000	$ 359,911
OTHER FINANCING SOURCES (USES)			
Transfers out	- - -	- - -	(111,678)
Net change in fund balances	$ 15,000	$ 15,000	$ 248,233
FUND BALANCE - Beginning			1,198,899
FUND BALANCE - Ending			$ 1,447,132

HENRY COUNTY, ILLINOIS
COUNTY HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 180,000	$ 180,000	$ 179,488
Intergovernmental:			
Illinois Department of Health	921,043	921,043	1,259,479
Illinois Department of Aging	1,021,000	1,021,000	879,961
Illinois Department of Public Aid	58,100	58,100	154,705
Charges for service:			
Health department fees	959,260	959,260	1,186,475
Medicare	815,000	815,000	577,159
Investment income	50,000	50,000	42,697
Miscellaneous	900	900	5,310
Total revenues	$ 4,005,303	$ 4,005,303	$ 4,285,274
EXPENDITURES			
Current:			
Health staff salaries	$ 2,739,307	$ 2,739,307	$ 2,655,087
Life and health insurance	173,280	173,280	160,212
Commodities	231,600	231,600	210,497
Contractual service	94,670	94,670	110,609
Personal service	154,655	154,655	115,661
Travel expense	92,425	92,425	74,616
Meeting expense	30,045	30,045	33,604
Clinic expense	60,950	60,950	123,589
Insurance	54,181	54,181	45,609
Contingencies	11,400	11,400	7,769
Building utilities and maintenance	51,050	51,050	58,410
Capital expenditures	119,950	119,950	27,702
Total expenditures	$ 3,813,513	$ 3,813,513	$ 3,623,365
Excess of revenues over expenditures	$ 191,790	$ 191,790	$ 661,909
OTHER FINANCING SOURCES (USES)			
Transfers out	(346,886)	(346,886)	(322,547)
Net change in fund balances	($ 155,096)	($ 155,096)	$ 339,362
FUND BALANCE - Beginning			1,755,676
FUND BALANCE - Ending			$ 2,095,038

HENRY COUNTY, ILLINOIS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION -
BUDGET COMPARISONS
November 30, 2008

I. BUDGETARY BASIS

The budgets are prepared for County funds on a basis consistent with U.S. generally accepted accounting principles. All appropriations cease with the close of the fiscal year.

II. BUDGETARY INFORMATION

The County adopts an annual budget and appropriation ordinance in accordance with Chapter 55 of the Illinois Compiled Statutes. The budget covers the fiscal year ending November 30 and is available for public inspection at least fifteen days prior to final adoption.

Once the County budget has been adopted, no further appropriations shall be made during the year except in the event of an immediate emergency at which time the County Board, by a two-thirds vote, may make appropriations in excess of those authorized in the budget. The amounts reflected in the financial statements represent the original budget and the final amended budget. The ultimate level of control is the fund, but is carried down to department and line item.

III. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Expenditures exceeded appropriations in the following major funds:

	Amount Over Budget
Illinois Municipal Retirement Fund	$ 91,057
FICA Fund	200,120

HENRY COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION PLAN FUNDING PROGRESS
November 30, 2008

IMRF - Regular members:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$24,444,095	$23,189,425	($1,254,670)	105.41%	$7,407,683	0.00%
12/31/06	22,480,239	21,521,219	(959,020)	104.46	7,307,208	0.00
12/31/05	20,496,079	19,593,573	(902,506)	104.61	7,196,396	0.00

IMRF - SLEP members:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$ 8,236,553	$ 9,689,038	$1,452,485	85.01%	$2,826,641	51.39%
12/31/06	6,988,394	8,675,332	1,686,938	80.55	2,658,042	63.47
12/31/05	6,845,744	7,889,906	1,044,162	86.77	2,546,414	41.01

IMRF - Bureau/Henry/Stark ROE #28 members:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$ 377,749	$ 410,594	$ 32,845	92.00%	$ 394,951	8.32%
12/31/06	303,745	331,384	27,639	91.66	297,630	9.29
12/31/05	246,186	262,316	16,130	93.85	264,885	6.09

OTHER SUPPLEMENTARY INFORMATION

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

		Special Revenue Funds	
	Totals	Federal Aid Matching Fund	County Joint Bridge Fund
ASSETS			
Cash and cash equivalents	$ 4,590,813	$ 173,122	$ 440,702
Certificates of deposit	550,000	- - -	250,000
Receivables:			
Accounts	43,226	- - -	- - -
Property tax	1,039,920	215,000	266,000
Other taxes	59,850	2,274	2,811
Loans	724,947	- - -	- - -
Total assets	$ 7,008,756	$ 390,396	$ 959,513
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 17,661	$ - - -	$ 11,485
Accrued liabilities	8,591	- - -	- - -
Deferred property tax revenue	1,039,920	215,000	266,000
Due to other funds	108,656	- - -	- - -
Total liabilities	$ 1,174,828	$ 215,000	$ 277,485
FUND BALANCES			
Reserved for:			
Maintenance of roadways	$ 957,214	$ - - -	$ - - -
Loans	1,092,663	- - -	- - -
Drug enforcement	89,520	- - -	- - -
Debt service	2,442	- - -	- - -
Unreserved	3,692,089	175,396	682,028
Total fund balances	$ 5,833,928	$ 175,396	$ 682,028
Total liabilities and fund balances	$ 7,008,756	$ 390,396	$ 959,513

Special Revenue Funds				
Motor Fuel Tax Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
$ 605,442	$ 2	$ 167,342	$ 32,029	$ 1
300,000	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
- - -	101,628	339,900	51,253	66,139
53,690	1,075	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
$ 959,132	$ 102,705	$ 507,242	$ 83,282	$ 66,140
$ 1,918	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -
- - -	101,628	339,900	51,253	66,139
- - -	- - -	- - -	- - -	- - -
$ 1,918	$ 101,628	$ 339,900	$ 51,253	$ 66,139
$ 957,214	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
- - -	1,077	167,342	32,029	1
$ 957,214	$ 1,077	$ 167,342	$ 32,029	$ 1
$ 959,132	$ 102,705	$ 507,242	$ 83,282	$ 66,140

(Continued)

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

	Special Revenue Funds		
	State's Attorney Forfeited Drug Fund	Animal Control Fund	Vital Records Automation Fund
ASSETS			
Cash and cash equivalents	$ 36,681	$ 14,161	$ 10,507
Certificates of deposit	- - -	- - -	- - -
Receivables:			
Accounts	- - -	- - -	- - -
Property tax	- - -	- - -	- - -
Other taxes	- - -	- - -	- - -
Loans	- - -	- - -	- - -
Total assets	$ 36,681	$ 14,161	$ 10,507
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ - - -	$ - - -	$ - - -
Accrued liabilities	- - -	972	103
Deferred property tax revenue	- - -	- - -	- - -
Due to other funds	- - -	- - -	- - -
Total liabilities	$ - - -	$ 972	$ 103
FUND BALANCES			
Reserved for:			
Maintenance of roadways	$ - - -	$ - - -	$ - - -
Loans	- - -	- - -	- - -
Drug enforcement	- - -	- - -	- - -
Debt service	- - -	- - -	- - -
Unreserved	36,681	13,189	10,404
Total fund balances	$ 36,681	$ 13,189	$ 10,404
Total liabilities and fund balances	$ 36,681	$ 14,161	$ 10,507

Special Revenue Funds					
Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
$ 33,728	$ 707,193	$ 58,773	$ 68,094	$ - - -	$ 17,579
- - -	- - -	- - -	- - -	- - -	- - -
6,072	11,462	6	- - -	2,002	12,789
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 39,800	$ 718,655	$ 58,779	$ 68,094	$ 2,002	$ 30,368
$ - - -	$ 1,131	$ - - -	$ - - -	$ 1,490	$ - - -
1,094	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	94,277	- - -
$ 1,094	$ 1,131	$ - - -	$ - - -	$ 95,767	$ - - -
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
38,706	717,524	58,779	68,094	(93,765)	30,368
$ 38,706	$ 717,524	$ 58,779	$ 68,094	($ 93,765)	$ 30,368
$ 39,800	$ 718,655	$ 58,779	$ 68,094	$ 2,002	$ 30,368

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

	Special Revenue Funds			
	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Orion Law Enforcement Fund
ASSETS				
Cash and cash equivalents	$ 288,586	$ 138,808	$ 297,080	$ - - -
Certificates of deposit	- - -	- - -	- - -	- - -
Receivables:				
Accounts	5,451	- - -	5,444	- - -
Property tax	- - -	- - -	- - -	- - -
Other taxes	- - -	- - -	- - -	- - -
Loans	- - -	- - -	- - -	- - -
Total assets	$ 294,037	$ 138,808	$ 302,524	$ - - -
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ - - -	$ 57	$ - - -	$ 1,580
Accrued liabilities	414	- - -	601	2,561
Deferred property tax revenue	- - -	- - -	- - -	- - -
Due to other funds	- - -	- - -	- - -	10,364
Total liabilities	$ 414	$ 57	$ 601	$ 14,505
FUND BALANCES				
Reserved for:				
Maintenance of roadways	$ - - -	$ - - -	$ - - -	$ - - -
Loans	- - -	- - -	- - -	- - -
Drug enforcement	- - -	- - -	- - -	- - -
Debt service	- - -	- - -	- - -	- - -
Unreserved	293,623	138,751	301,923	(14,505)
Total fund balances	$ 293,623	$ 138,751	$ 301,923	($ 14,505)
Total liabilities and fund balances	$ 294,037	$ 138,808	$ 302,524	$ - - -

Special Revenue Funds					
Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Waste Management Fund	Solid Soil Survey Fund
$ 369,609	$ - - -	$ 34,635	$ 784,653	$ 1,073	$ 121,900
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
724,947	- - -	- - -	- - -	- - -	- - -
$ 1,094,556	$ - - -	$ 34,635	$ 784,653	$ 1,073	$ 121,900
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	777	- - -	- - -	- - -	2,069
- - -	- - -	- - -	- - -	- - -	- - -
1,893	1,261	- - -	- - -	- - -	- - -
$ 1,893	$ 2,038	$ - - -	$ - - -	$ - - -	$ 2,069
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
1,092,663	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	(2,038)	34,635	784,653	1,073	119,831
$ 1,092,663	($ 2,038)	$ 34,635	$ 784,653	$ 1,073	$ 119,831
$ 1,094,556	$ - - -	$ 34,635	$ 784,653	$ 1,073	$ 121,900

(Continued)

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

	Special Revenue Funds		
	DUI Equipment Fund	Elderly Services Fund	Camera Account
ASSETS			
Cash and cash equivalents	$ 20,280	$ 9,354	$ 3,199
Certificates of deposit	- - -	- - -	- - -
Receivables:			
Accounts	- - -	- - -	- - -
Property tax	- - -	- - -	- - -
Other taxes	- - -	- - -	- - -
Loans	- - -	- - -	- - -
Total assets	$ 20,280	$ 9,354	$ 3,199
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ - - -	$ - - -	$ - - -
Accrued liabilities	- - -	- - -	- - -
Deferred property tax revenue	- - -	- - -	- - -
Due to other funds	- - -	- - -	- - -
Total liabilities	$ - - -	$ - - -	$ - - -
FUND BALANCES			
Reserved for:			
Maintenance of roadways	$ - - -	$ - - -	$ - - -
Loans	- - -	- - -	- - -
Drug enforcement	- - -	- - -	- - -
Debt service	- - -	- - -	- - -
Unreserved	20,280	9,354	3,199
Total fund balances	$ 20,280	$ 9,354	$ 3,199
Total liabilities and fund balances	$ 20,280	$ 9,354	$ 3,199

Special Revenue Funds					
Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coord Aerial Photo Programs	Federal Forfeited Drug Fund
$ 45,823	$ 1,545	$ 5,000	$ 1,244	$ 11	$ 89,520
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 45,823	$ 1,545	$ 5,000	$ 1,244	$ 11	$ 89,520
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	89,520
- - -	- - -	- - -	- - -	- - -	- - -
45,823	1,545	5,000	1,244	11	- - -
$ 45,823	$ 1,545	$ 5,000	$ 1,244	$ 11	$ 89,520
$ 45,823	$ 1,545	$ 5,000	$ 1,244	$ 11	$ 89,520

(Continued)

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

	Special Revenue Funds		
	Police Vehicle Fund	Organized Crime Drug Fund	Debt Service Fund
ASSETS			
Cash and cash equivalents	$ 10,695	$ - - -	$ 2,442
Certificates of deposit	- - -	- - -	- - -
Receivables:			
Accounts	- - -	- - -	- - -
Property tax	- - -	- - -	- - -
Other taxes	- - -	- - -	- - -
Loans	- - -	- - -	- - -
Total assets	$ 10,695	$ - - -	$ 2,442
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ - - -	$ - - -	$ - - -
Accrued liabilities	- - -	- - -	- - -
Deferred property tax revenue	- - -	- - -	- - -
Due to other funds	- - -	861	- - -
Total liabilities	$ - - -	$ 861	$ - - -
FUND BALANCES			
Reserved for:			
Maintenance of roadways	$ - - -	$ - - -	$ - - -
Loans	- - -	- - -	- - -
Drug enforcement	- - -	- - -	- - -
Debt service	- - -	- - -	2,442
Unreserved	10,695	(861)	- - -
Total fund balances	$ 10,695	($ 861)	$ 2,442
Total liabilities and fund balances	$ 10,695	$ - - -	$ 2,442

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

		Special Revenue Funds	
	Totals	Federal Aid Matching Fund	County Joint Bridge Fund
REVENUES			
Taxes:			
Property	$ 981,552	$ 202,431	$ 249,034
Tax increment	4,348	- - -	- - -
Replacement	39,531	14,601	17,986
Fines and fees	267,627	- - -	- - -
Intergovernmental	1,097,354	- - -	- - -
Charges for services	918,776	- - -	- - -
Investment income	119,906	1,728	16,802
Miscellaneous	83,821	- - -	- - -
Total revenues	$ 3,512,915	$ 218,760	$ 283,822
EXPENDITURES			
Current:			
General government	$ 826,098	$ - - -	$ - - -
Public Safety	351,332	- - -	- - -
Education	17,099	- - -	- - -
Highways and streets	1,774,425	99,452	337,027
Health	439,601	- - -	- - -
Capital expenditures	81,707	- - -	- - -
Debt service:			
Principal	384,980	- - -	- - -
Interest	162,429	- - -	- - -
Total expenditures	$ 4,037,671	$ 99,452	$ 337,027
Excess (deficiency) of revenues over expenditures	($ 524,756)	$ 119,308	($ 53,205)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 1,027,309	$ - - -	$ - - -
Transfers out	(591,072)	- - -	- - -
Total other financing sources (uses)	$ 436,237	$ - - -	$ - - -
Net change in fund balances	($ 88,519)	$ 119,308	($ 53,205)
FUND BALANCES - Beginning	5,922,447	56,088	735,233
FUND BALANCES - Ending	$ 5,833,928	$ 175,396	$ 682,028

Special Revenue Funds				
Motor Fuel Tax Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
$ - - -	$ 96,695	$ 324,873	$ 45,216	$ 63,303
- - -	- - -	- - -	- - -	- - -
- - -	6,944	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
1,033,538	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
32,427	226	3,987	669	114
48,042	- - -	- - -	- - -	- - -
$ 1,114,007	$ 103,865	$ 328,860	$ 45,885	$ 63,417
$ - - -	$ - - -	$ - - -	$ 44,473	$ 63,416
- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
1,337,946	- - -	- - -	- - -	- - -
- - -	109,553	330,048	- - -	- - -
- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -
$ 1,337,946	$ 109,553	$ 330,048	$ 44,473	$ 63,416
($ 223,939)	($ 5,688)	($ 1,188)	$ 1,412	$ 1
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
($ 223,939)	($ 5,688)	($ 1,188)	$ 1,412	$ 1
1,181,153	6,765	168,530	30,617	- - -
$ 957,214	$ 1,077	$ 167,342	$ 32,029	$ 1

(Continued)

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

	Special Revenue Funds		
	State's Attorney Forfeited Drug Fund	Animal Control Fund	Vital Records Automation Fund
REVENUES			
Taxes:			
Property	$ - - -	$ - - -	$ - - -
Tax increment	- - -	- - -	- - -
Replacement	- - -	- - -	- - -
Fines and fees	- - -	76,073	- - -
Intergovernmental	- - -	- - -	- - -
Charges for services	- - -	- - -	8,141
Investment income	1,249	- - -	422
Miscellaneous	13,703	- - -	- - -
Total revenues	$ 14,952	$ 76,073	$ 8,563
EXPENDITURES			
Current:			
General government	$ - - -	$ - - -	$ 6,484
Public Safety	19,358	67,193	- - -
Education	- - -	- - -	- - -
Highways and streets	- - -	- - -	- - -
Health	- - -	- - -	- - -
Capital expenditures	- - -	17,345	- - -
Debt service:			
Principal	- - -	- - -	4,303
Interest	- - -	- - -	897
Total expenditures	$ 19,358	$ 84,538	$ 11,684
Excess (deficiency) of revenues over expenditures	($ 4,406)	($ 8,465)	($ 3,121)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ - - -	$ - - -	$ - - -
Transfers out	- - -	- - -	(226)
Total other financing sources (uses)	$ - - -	$ - - -	($ 226)
Net change in fund balances	($ 4,406)	($ 8,465)	($ 3,347)
FUND BALANCES - Beginning	41,087	21,654	13,751
FUND BALANCES - Ending	$ 36,681	$ 13,189	$ 10,404

Special Revenue Funds					
Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	10,593	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
84,417	207,722	11,405	- - -	31,736	41,385
1,302	- - -	1,475	1,994	- - -	273
- - -	- - -	- - -	- - -	- - -	- - -
$ 85,719	$ 207,722	$ 12,880	$ 12,587	$ 31,736	$ 41,658
$ 81,217	$ 157,217	$ 312	$ - - -	$ - - -	$ 31,270
- - -	- - -	- - -	8,963	- - -	- - -
- - -	- - -	- - -	- - -	17,099	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	15,416	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 81,217	$ 172,633	$ 312	$ 8,963	$ 17,099	$ 31,270
$ 4,502	$ 35,089	$ 12,568	$ 3,624	$ 14,637	$ 10,388
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
(13,586)	- - -	- - -	- - -	- - -	- - -
($ 13,586)	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
($ 9,084)	$ 35,089	$ 12,568	$ 3,624	$ 14,637	$ 10,388
47,790	682,435	46,211	64,470	(108,402)	19,980
$ 38,706	$ 717,524	$ 58,779	$ 68,094	($ 93,765)	$ 30,368

(Continued)

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

	Special Revenue Funds			
	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Orion Law Enforcement Fund
REVENUES				
Taxes:				
Property	$ - - -	$ - - -	$ - - -	$ - - -
Tax increment	- - -	- - -	- - -	- - -
Replacement	- - -	- - -	- - -	- - -
Fines and fees	- - -	- - -	- - -	- - -
Intergovernmental	- - -	- - -	- - -	- - -
Charges for services	77,541	123,698	75,923	199,327
Investment income	7,827	3,766	8,132	- - -
Miscellaneous	- - -	- - -	- - -	221
Total revenues	$ 85,368	$ 127,464	$ 84,055	$ 199,548
EXPENDITURES				
Current:				
General government	$ 44,941	$ 89,745	$ 45,138	$ - - -
Public Safety	- - -	- - -	- - -	184,859
Education	- - -	- - -	- - -	- - -
Highways and streets	- - -	- - -	- - -	- - -
Health	- - -	- - -	- - -	- - -
Capital expenditures	- - -	- - -	- - -	- - -
Debt service:				
Principal	- - -	20,677	- - -	- - -
Interest	- - -	5,323	- - -	- - -
Total expenditures	$ 44,941	$ 115,745	$ 45,138	$ 184,859
Excess (deficiency) of revenues over expenditures	$ 40,427	$ 11,719	$ 38,917	$ 14,689
OTHER FINANCING SOURCES (USES)				
Transfers in	$ - - -	$ - - -	$ - - -	$ - - -
Transfers out	(3,277)	- - -	(4,055)	(29,379)
Total other financing sources (uses)	($ 3,277)	$ - - -	($ 4,055)	($ 29,379)
Net change in fund balances	$ 37,150	$ 11,719	$ 34,862	($ 14,690)
FUND BALANCES - Beginning	256,473	127,032	267,061	185
FUND BALANCES - Ending	$ 293,623	$ 138,751	$ 301,923	($ 14,505)

Special Revenue Funds					
Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Waste Management Fund	Solid Soil Survey Fund
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	4,348	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	3,900	- - -	- - -	160,973
- - -	- - -	- - -	30,000	- - -	- - -
- - -	55,070	- - -	- - -	- - -	- - -
32,589	- - -	961	- - -	31	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 32,589	$ 55,070	$ 4,861	$ 34,348	$ 31	$ 160,973
$ 70,038	$ - - -	$ - - -	$ 38,608	$ - - -	$ 131,513
- - -	46,654	1,005	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	26,900	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 70,038	$ 46,654	$ 1,005	$ 65,508	$ - - -	$ 131,513
($ 37,449)	$ 8,416	$ 3,856	($ 31,160)	$ 31	$ 29,460
$ - - -	$ - - -	$ - - -	$ 511,100	$ - - -	$ - - -
- - -	(8,806)	- - -	(516,209)	- - -	(15,534)
$ - - -	($ 8,806)	$ - - -	($ 5,109)	$ - - -	($ 15,534)
($ 37,449)	($ 390)	$ 3,856	($ 36,269)	$ 31	$ 13,926
1,130,112	(1,648)	30,779	820,922	1,042	105,905
$ 1,092,663	($ 2,038)	$ 34,635	$ 784,653	$ 1,073	$ 119,831

(Continued)

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

	Special Revenue Funds		
	DUI Equipment Fund	Elderly Services Fund	Camera Account
REVENUES			
Taxes:			
Property	$ - - -	$ - - -	$ - - -
Tax increment	- - -	- - -	- - -
Replacement	- - -	- - -	- - -
Fines and fees	7,512	- - -	- - -
Intergovernmental	- - -	- - -	- - -
Charges for services	- - -	- - -	- - -
Investment income	561	260	93
Miscellaneous	- - -	1,257	- - -
Total revenues	$ 8,073	$ 1,517	$ 93
EXPENDITURES			
Current:			
General government	$ - - -	$ 185	$ - - -
Public Safety	4,000	- - -	- - -
Education	- - -	- - -	- - -
Highways and streets	- - -	- - -	- - -
Health	- - -	- - -	- - -
Capital expenditures	- - -	- - -	- - -
Debt service:			
Principal	- - -	- - -	- - -
Interest	- - -	- - -	- - -
Total expenditures	$ 4,000	$ 185	$ - - -
Excess (deficiency) of revenues over expenditures	$ 4,073	$ 1,332	$ 93
OTHER FINANCING SOURCES (USES)			
Transfers in	$ - - -	$ - - -	$ - - -
Transfers out	- - -	- - -	- - -
Total other financing sources (uses)	$ - - -	$ - - -	$ - - -
Net change in fund balances	$ 4,073	$ 1,332	$ 93
FUND BALANCES - Beginning	16,207	8,022	3,106
FUND BALANCES - Ending	$ 20,280	$ 9,354	$ 3,199

Special Revenue Funds					
Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coord Aerial Photo Program	Federal Forfeited Drug Fund
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	21,541	- - -	12,275
- - -	1,565	- - -	- - -	- - -	- - -
392	52	- - -	32	1	2,112
20,598	- - -	- - -	- - -	- - -	- - -
$ 20,990	$ 1,617	$ - - -	$ 21,573	$ 1	$ 14,387
$ - - -	$ - - -	$ - - -	$ 21,541	$ - - -	$ - - -
5,933	730	- - -	- - -	- - -	10,930
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	22,046
- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -
$ 5,933	$ 730	$ - - -	$ 21,541	$ - - -	$ 32,976
$ 15,057	$ 887	$ - - -	$ 32	$ 1	($ 18,589)
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
- - -	- - -	- - -	- - -	- - -	- - -
$ - - -	$ - - -	$ - - -	$ - - -	$ - - -	$ - - -
$ 15,057	$ 887	$ - - -	$ 32	$ 1	($ 18,589)
30,766	658	5,000	1,212	10	108,109
$ 45,823	$ 1,545	$ 5,000	$ 1,244	$ 11	$ 89,520

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

	Special Revenue Funds		
	Police Vehicle Fund	Organized Crime Drug Fund	Debt Service Fund
REVENUES			
Taxes:			
Property	$ - - -	$ - - -	$ - - -
Tax increment	- - -	- - -	- - -
Replacement	- - -	- - -	- - -
Fines and fees	8,576	- - -	- - -
Intergovernmental	- - -	- - -	- - -
Charges for services	- - -	846	- - -
Investment income	184	- - -	245
Miscellaneous	- - -	- - -	- - -
Total revenues	$ 8,760	$ 846	$ 245
EXPENDITURES			
Current:			
General government	$ - - -	$ - - -	$ - - -
Public Safety	- - -	1,707	- - -
Education	- - -	- - -	- - -
Highways and streets	- - -	- - -	- - -
Health	- - -	- - -	- - -
Capital expenditures	- - -	- - -	- - -
Debt service:			
Principal	- - -	- - -	360,000
Interest	- - -	- - -	156,209
Total expenditures	$ - - -	$ 1,707	$ 516,209
Excess (deficiency) of revenues over expenditures	$ 8,760	($ 861)	($ 515,964)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ - - -	$ - - -	$ 516,209
Transfers out	- - -	- - -	- - -
Total other financing sources (uses)	$ - - -	$ - - -	$ 516,209
Net change in fund balances	$ 8,760	($ 861)	$ 245
FUND BALANCES - Beginning	1,935	- - -	2,197
FUND BALANCES - Ending	$ 10,695	($ 861)	$ 2,442

HENRY COUNTY, ILLINOIS
FEDERAL AID MATCHING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 203,150	$ 203,150	$ 202,431
Replacement	9,000	9,000	14,601
Investment income	500	500	1,728
Total revenues	$ 212,650	$ 212,650	$ 218,760
EXPENDITURES			
Current:			
Engineering	$ 5,000	$ 5,000	$ - - -
Highway construction	170,000	170,000	99,452
Total expenditures	$ 175,000	$ 175,000	$ 99,452
Excess of revenues over expenditures	$ 37,650	$ 37,650	$ 119,308
FUND BALANCE - Beginning			56,088
FUND BALANCE - Ending			$ 175,396

HENRY COUNTY, ILLINOIS
COUNTY JOINT BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 250,250	$ 250,250	$ 249,034
Replacement	15,000	15,000	17,986
Charges for services	100,000	100,000	- - -
Investment income	15,000	15,000	16,802
Total revenues	$ 380,250	$ 380,250	$ 283,822
EXPENDITURES			
Current:			
Bridge construction	$ 370,000	$ 370,000	$ 331,467
Engineering expense	25,000	25,000	5,560
Total expenditures	$ 395,000	$ 395,000	$ 337,027
Excess (deficiency) of revenues over expenditures	($ 14,750)	($ 14,750)	($ 53,205)
FUND BALANCE - Beginning			735,233
FUND BALANCE - Ending			$ 682,028

HENRY COUNTY, ILLINOIS
MOTOR FUEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Intergovernmental	$ 1,150,000	$ 1,150,000	$ 1,033,538
Investment income	50,000	50,000	32,427
Miscellaneous	48,042	48,042	48,042
Total revenues	$ 1,248,042	$ 1,248,042	$ 1,114,007
EXPENDITURES			
Current:			
Salaries	$ 96,084	$ 96,084	$ 96,084
Insurance	36,000	36,000	32,786
IMRF reimbursement	24,717	24,717	27,280
Construction and maintenance	1,307,500	1,307,500	1,181,796
Total expenditures	$ 1,464,301	$ 1,464,301	$ 1,337,946
Deficiency of revenues over expenditures	($ 216,259)	($ 216,259)	($ 223,939)
FUND BALANCE - Beginning			1,181,153
FUND BALANCE - Ending			$ 957,214

HENRY COUNTY, ILLINOIS
MENTALLY DEFICIENT PERSONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 96,810	$ 96,810	$ 96,695
Replacement	4,200	4,200	6,944
Investment income	80	80	226
Total revenues	$ 101,090	$ 101,090	$ 103,865
EXPENDITURES			
Current:			
Mental health	100,960	100,960	109,553
Excess (deficiency) of revenues over expenditures	$ 130	$ 130	($ 5,688)
FUND BALANCE - Beginning			6,765
FUND BALANCE - Ending			$ 1,077

HENRY COUNTY, ILLINOIS
708 MENTAL HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 326,148	$ 326,148	$ 324,873
Investment income	3,900	3,900	3,987
Total revenues	$ 330,048	$ 330,048	$ 328,860
EXPENDITURES			
Current:			
Mental health	330,048	330,048	330,048
Excess (deficiency) of revenues over expenditures	$ - - -	$ - - -	($ 1,188)
FUND BALANCE - Beginning			168,530
FUND BALANCE - Ending			$ 167,342

HENRY COUNTY, ILLINOIS
VETERANS' ASSISTANCE COMMISSION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 45,296	$ 45,296	$ 45,216
Investment income	- - -	- - -	669
Total revenues	$ 45,296	$ 45,296	$ 45,885
EXPENDITURES			
Current:			
Supplies	$ 350	$ 350	$ 320
Contractual service	17,742	17,742	17,292
Other service and charges	27,204	29,064	26,861
Total expenditures	$ 45,296	$ 47,156	$ 44,473
Excess (deficiency) of revenues over expenditures	$ - - -	($ 1,860)	$ 1,412
FUND BALANCE - Beginning			30,617
FUND BALANCE - Ending			$ 32,029

HENRY COUNTY, ILLINOIS
EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 63,035	$ 63,035	$ 63,303
Investment income	100	100	114
Total revenues	$ 63,135	$ 63,135	$ 63,417
EXPENDITURES			
Current:			
Extension	62,990	62,990	63,416
Excess of revenues over expenditures	$ 145	$ 145	$ 1
FUND BALANCE - Beginning			- - -
FUND BALANCE - Ending			$ 1

HENRY COUNTY, ILLINOIS
STATE'S ATTORNEY FORFEITED DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 1,100	$ 1,100	$ 1,249
Miscellaneous:			
Seizures/drugs	100,000	100,000	13,703
Total revenues	$ 101,100	$ 101,100	$ 14,952
EXPENDITURES			
Current - education:			
Office supplies	$ 2,000	$ 2,000	$ 3,159
Other service and charges	10,400	10,400	1,619
Equipment	20,000	20,000	14,580
Total expenditures	$ 32,400	$ 32,400	$ 19,358
Excess (deficiency) of revenues over expenditures	$ 68,700	$ 68,700	($ 4,406)
FUND BALANCE - Beginning			41,087
FUND BALANCE - Ending			$ 36,681

HENRY COUNTY, ILLINOIS
ANIMAL CONTROL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 68,500	$ 68,500	$ 76,073
EXPENDITURES			
Current - public safety:			
Officer salary	$ 31,879	$ 31,694	$ 31,710
Staff salaries	17,326	10,876	10,827
Life and health insurance	9,114	6,844	6,676
Office supplies	6,000	4,700	4,316
Uniforms	900	900	896
Contractual service	150	150	150
Travel and meeting	4,500	5,825	5,908
Education and training	500	225	225
Fuel and power	1,800	1,655	1,709
Water	250	200	186
Telephone	2,000	2,000	1,887
Postage	2,500	2,372	2,371
Dues	500	90	90
Maintenance	500	38	38
Laboratory expense	200	- - -	- - -
Dead animal claims	750	- - -	- - -
Animal disposal	1,200	145	145
Computer automation	4,950	- - -	- - -
Other service and charges	100	60	59
Capital:			
Building improvement	- - -	17,345	17,345
Total expenditures	$ 85,119	$ 85,119	$ 84,538
Deficiency of revenues over expenditures	($ 16,619)	($ 16,619)	($ 8,465)
FUND BALANCE - Beginning			21,654
FUND BALANCE - Ending			$ 13,189

HENRY COUNTY, ILLINOIS
VITAL RECORDS AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 6,750	$ 6,750	$ 8,141
Investment income	400	400	422
Total revenues	$ 7,150	$ 7,150	$ 8,563
EXPENDITURES			
Current - general government:			
Part time salaries	$ 3,000	$ 3,000	$ 2,964
Office supplies	500	704	704
Contractual service	5,946	5,946	746
Maintenance	500	296	- - -
Death certificate surcharge	- - -	- - -	522
Marriage state surcharge	- - -	- - -	830
Equipment	1,000	1,000	718
Debt service:			
Principal	- - -	- - -	4,303
Interest	- - -	- - -	897
Total expenditures	$ 10,946	$ 10,946	$ 11,684
Deficiency of revenues over expenditures	($ 3,796)	($ 3,796)	($ 3,121)
OTHER FINANCING SOURCES (USES)			
Transfers out	(230)	(230)	(226)
Net change in fund balances	($ 4,026)	($ 4,026)	($ 3,347)
FUND BALANCE - Beginning			13,751
FUND BALANCE - Ending			$ 10,404

HENRY COUNTY, ILLINOIS
COURT SECURITY SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 90,000	$ 90,000	$ 84,417
Investment income	1,800	1,800	1,302
Total revenues	$ 91,800	$ 91,800	$ 85,719
EXPENDITURES			
Current - general government:			
Staff salaries	$ 39,777	$ 39,777	$ 39,775
Part time salaries	20,800	33,300	30,762
Overtime	13,264	4,438	2,919
Life and health insurance	4,557	4,707	4,600
Uniforms	600	1,005	1,055
Education and training	2,000	1,300	1,278
Equipment	1,000	830	828
Total expenditures	$ 81,998	$ 85,357	$ 81,217
Excess of revenues over expenditures	$ 9,802	$ 6,443	$ 4,502
OTHER FINANCING SOURCES (USES)			
Transfers out	(14,231)	(14,231)	(13,586)
Net change in fund balances	($ 4,429)	($ 7,788)	($ 9,084)
FUND BALANCE - Beginning			47,790
FUND BALANCE - Ending			$ 38,706

HENRY COUNTY, ILLINOIS
PROBATION SERVICE FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Substance abuse testing	$ 20,000	$ 20,000	$ 19,929
Probation service fees	150,000	150,000	186,814
Electronic monitoring	4,000	4,000	465
Reimbursements	1,350	1,350	514
Total revenues	$ 175,350	$ 175,350	$ 207,722
EXPENDITURES			
Current - general government:			
Document preservation	$ 25,000	$ 25,000	$ 24,431
Fuel expense	3,000	3,400	3,287
Education and training	7,500	7,500	2,999
Public relation/education	2,500	500	81
Other programs	6,000	6,000	5,264
Postage	2,000	2,300	2,110
Dues	510	510	510
Service contracts	6,000	6,000	5,277
Maintenance	3,000	4,000	3,034
Juvenile psychological	1,300	1,300	- - -
Substance abuse testing	15,000	15,000	8,360
Sex offender evaluations	2,000	2,000	1,375
DNA collection fee	500	500	200
Equipment	4,500	4,800	3,785
Reimbursements	78,500	78,500	56,850
Delinquency diversion program	10,200	10,200	- - -
Computer automation	55,000	55,000	55,070
Total expenditures	$ 222,510	$ 222,510	$ 172,633
Excess (deficiency) of revenues over expenditures	($ 47,160)	($ 47,160)	$ 35,089
FUND BALANCE - Beginning			682,435
FUND BALANCE - Ending			$ 717,524

HENRY COUNTY, ILLINOIS
TREASURER AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 9,000	$ 9,000	$ 11,405
Investment income	1,000	1,000	1,475
Total revenues	$ 10,000	$ 10,000	$ 12,880
EXPENDITURES			
Current - general government:			
Part time salaries and employer's FICA	$ 3,230	$ 3,230	$ 89
Equipment	3,500	3,500	- - -
Contingencies	1,500	1,500	223
Total expenditures	$ 8,230	$ 8,230	$ 312
Excess of revenues over expenditures	$ 1,770	$ 1,770	$ 12,568
FUND BALANCE - Beginning			46,211
FUND BALANCE - Ending			$ 58,779

HENRY COUNTY, ILLINOIS
SHERIFF'S DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees:			
Street value fines	$ 8,000	$ 8,000	$ 10,593
Investment income	2,100	2,100	1,994
Total revenues	$ 10,100	$ 10,100	$ 12,587
EXPENDITURES			
Current - public safety:			
Contingencies	5,000	5,000	8,963
Excess of revenues over expenditures	$ 5,100	$ 5,100	$ 3,624
FUND BALANCE - Beginning			64,470
FUND BALANCE - Ending			$ 68,094

HENRY COUNTY, ILLINOIS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Reimbursements	$ 5,580	$ 5,580	$ 5,580
Law library fees	24,000	24,000	26,156
Total revenues	$ 29,580	$ 29,580	$ 31,736
EXPENDITURES			
Current - education:			
Law books and subscriptions	$ 5,000	$ 5,000	$ 7,300
Computer automation	10,660	10,660	9,799
Total expenditures	$ 15,660	$ 15,660	$ 17,099
Excess of revenues over expenditures	$ 13,920	$ 13,920	$ 14,637
FUND BALANCE - Beginning			(108,402)
FUND BALANCE - Ending			($ 93,765)

HENRY COUNTY, ILLINOIS
CIRCUIT CLERK COURT AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 65,000	$ 65,000	$ 77,541
Investment income	7,000	7,000	7,827
Total revenues	$ 72,000	$ 72,000	$ 85,368
EXPENDITURES			
Current - general government:			
Staff salaries	$ 21,508	$ 21,508	$ 21,517
Life and health insurance	4,557	4,557	4,557
Office supplies	10,000	10,000	4,472
Travel and meeting	1,000	1,000	371
Telephone	1,620	1,620	267
Maintenance	15,000	15,000	10,963
Equipment	25,000	25,000	2,794
Total expenditures	$ 78,685	$ 78,685	$ 44,941
Excess (deficiency) of revenues over expenditures	($ 6,685)	($ 6,685)	$ 40,427
OTHER FINANCING SOURCES (USES)			
Transfers out	(3,201)	(3,201)	(3,277)
Net change in fund balances	($ 9,886)	($ 9,886)	$ 37,150
FUND BALANCE - Beginning			256,473
FUND BALANCE - Ending			$ 293,623

HENRY COUNTY, ILLINOIS
RECORDER AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 40,000	$ 40,000	$ 45,109
Rural housing fund	90,180	90,180	78,589
Investment income	3,500	3,500	3,766
Total revenues	$ 133,680	$ 133,680	$ 127,464
EXPENDITURES			
Current - general government:			
Office supplies	$ 1,000	$ 1,000	$ 508
Contractual service	30,426	30,426	4,262
Maintenance	4,500	4,500	4,407
Rural housing surcharge payment	90,180	90,180	80,568
Equipment	1,000	1,000	- - -
Debt service:			
Principal	- - -	- - -	20,677
Interest	- - -	- - -	5,323
Total expenditures	$ 127,106	$ 127,106	$ 115,745
Excess of revenues over expenditures	$ 6,574	$ 6,574	$ 11,719
FUND BALANCE - Beginning			127,032
FUND BALANCE - Ending			$ 138,751

HENRY COUNTY, ILLINOIS
COURT DOCUMENT STORAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Court document storage fee	$ 65,000	$ 65,000	$ 75,923
Investment income	7,000	7,000	8,132
Total revenues	$ 72,000	$ 72,000	$ 84,055
EXPENDITURES			
Staff salaries	$ 23,296	$ 23,296	$ 23,289
Part time salaries and overtime	8,250	8,250	6,631
Life and health insurance	4,557	4,557	4,557
Office supplies	5,000	5,000	6,011
Travel and meeting	1,000	1,000	845
Service contracts	15,000	15,000	786
Equipment	25,000	25,000	3,019
Total expenditures	$ 82,103	$ 82,103	$ 45,138
Excess (deficiency) of revenues over expenditures	($ 10,103)	($ 10,103)	$ 38,917
OTHER FINANCING SOURCES (USES)			
Transfers out	(4,172)	(4,172)	(4,055)
Net change in fund balances	($ 14,275)	($ 14,275)	$ 34,862
FUND BALANCE - Beginning			267,061
FUND BALANCE - Ending			$ 301,923

HENRY COUNTY, ILLINOIS
ORION LAW ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 206,408	$ 206,408	$ 199,327
Miscellaneous	- - -	- - -	221
Total revenues	$ 206,408	$ 206,408	$ 199,548
EXPENDITURES			
Current - public safety:			
Staff salaries	$ 123,236	$ 123,236	$ 130,540
Part time salaries	5,000	5,000	4,689
Overtime	2,500	2,500	2,436
Straight time	1,500	1,500	- - -
Life and health insurance	13,671	13,671	13,668
Unemployment insurance	800	800	1,011
Re-insurance reimbursement	2,500	2,500	2,623
Workers compensation	6,000	6,000	5,995
Office supplies	500	500	386
Uniforms	1,800	1,800	1,032
Education and training	2,000	2,000	225
Telephone	2,000	2,000	2,738
Service contracts	2,048	2,048	264
Maintenance	8,000	8,000	15,962
Administrative fees	800	800	800
Insurance	2,100	2,100	2,100
Equipment	1,000	1,000	390
Contingencies	250	250	- - -
Total expenditures	$ 175,705	$ 175,705	$ 184,859
Excess of revenues over expenditures	$ 30,703	$ 30,703	$ 14,689
OTHER FINANCING SOURCES (USES)			
Transfers out	(30,703)	(30,703)	(29,379)
Net change in fund balances	$ - - -	$ - - -	($ 14,690)
FUND BALANCE - Beginning			185
FUND BALANCE - Ending			($ 14,505)

HENRY COUNTY, ILLINOIS
CAMBRIDGE LAW ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 64,026	$ 64,026	$ 55,070
EXPENDITURES			
Current - public safety:			
Staff salaries	$ 43,025	$ 43,025	$ 39,832
Overtime	3,000	3,000	751
Straight time	2,000	2,000	1,514
Life and health insurance	4,557	4,557	4,557
Total expenditures	$ 52,582	$ 52,582	$ 46,654
Excess of revenues over expenditures	$ 11,444	$ 11,444	$ 8,416
OTHER FINANCING SOURCES (USES)			
Transfers out	(11,444)	(11,444)	(8,806)
Net change in fund balances	$ - - -	$ - - -	($ 390)
FUND BALANCE - Beginning			(1,648)
FUND BALANCE - Ending			($ 2,038)

HENRY COUNTY, ILLINOIS
SHERIFF'S CRIME LAB FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 6,100	$ 6,100	$ 3,900
Investment income	1,000	1,000	961
Total revenues	$ 7,100	$ 7,100	$ 4,861
EXPENDITURES			
Current - public safety:			
Equipment	5,000	5,000	1,005
Excess of revenues over expenditures	$ 2,100	$ 2,100	$ 3,856
FUND BALANCE - Beginning			30,779
FUND BALANCE - Ending			$ 34,635

HENRY COUNTY, ILLINOIS
CAPITAL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Tax increment	$ - - -	$ - - -	$ 4,348
Intergovernmental	- - -	- - -	30,000
Total revenues	$ - - -	$ - - -	$ 34,348
EXPENDITURES			
Capital improvement	315,162	315,162	65,508
Deficiency of revenues over expenditures	($ 315,162)	($ 315,162)	($ 31,160)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 511,100	$ 511,100	$ 511,100
Transfers out	(517,420)	(517,420)	(516,209)
Total other financing sources (uses)	($ 6,320)	($ 6,320)	($ 5,109)
Net change in fund balances	($ 321,482)	($ 321,482)	($ 36,269)
FUND BALANCE - Beginning			820,922
FUND BALANCE - Ending			$ 784,653

HENRY COUNTY, ILLINOIS
WASTE MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 26	$ 26	$ 31
EXPENDITURES			
Current - general government:			
Contingencies	- - -	- - -	- - -
Excess of revenues over expenditures	$ 26	$ 26	$ 31
FUND BALANCE - Beginning			1,042
FUND BALANCE - Ending			$ 1,073

HENRY COUNTY, ILLINOIS
SOLID SOIL SURVEY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fees	$ 170,000	$ 170,000	$ 160,973
EXPENDITURES			
Current - general government:			
Staff salaries	$ 95,350	$ 95,350	$ 94,768
Part time salaries	12,245	12,245	12,209
Life and health insurance	11,625	11,625	11,641
Office supplies	1,000	1,000	260
Education and training	1,000	1,000	804
Postage	125	125	115
Maintenance	1,000	1,000	- - -
Computer system support	11,500	11,500	9,900
Computer automation	9,000	9,000	1,816
Total expenditures	$ 142,845	$ 142,845	$ 131,513
Excess of revenues over expenditures	$ 27,155	$ 27,155	$ 29,460
OTHER FINANCING SOURCES (USES)			
Transfers out	(16,395)	(16,395)	(15,534)
Net change in fund balances	$ 10,760	$ 10,760	$ 13,926
FUND BALANCE - Beginning			105,905
FUND BALANCE - Ending			$ 119,831

HENRY COUNTY, ILLINOIS
DUI EQUIPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fees	$ 9,000	$ 9,000	$ 7,512
Investment income	800	800	561
Total revenues	$ 9,800	$ 9,800	$ 8,073
EXPENDITURES			
Current - public safety:			
Equipment	5,000	5,000	4,000
Excess of revenues over expenditures	$ 4,800	$ 4,800	$ 4,073
FUND BALANCE - Beginning			16,207
FUND BALANCE - Ending			$ 20,280

HENRY COUNTY, ILLINOIS
ELDERLY SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ - - -	$ - - -	$ 260
Miscellaneous	300	300	1,257
Total revenues	$ 300	$ 300	$ 1,517
EXPENDITURES			
Office supplies and contingencies	$ 200	$ 200	$ 185
Excess of revenues over expenditures	$ 100	$ 100	$ 1,332
FUND BALANCE - Beginning			8,022
FUND BALANCE - Ending			$ 9,354

HENRY COUNTY, ILLINOIS
CAMERA ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 100	$ 100	$ 93
Miscellaneous	- - -	- - -	- - -
Total revenues	$ 100	$ 100	$ 93
EXPENDITURES			
Office supplies	$ 1,000	$ 1,000	$ - - -
Publication notices	50	50	- - -
Total expenditures	$ 1,050	$ 1,050	$ - - -
Excess (deficiency) of revenues over expenditures	($ 950)	($ 950)	$ 93
FUND BALANCE - Beginning			3,106
FUND BALANCE - Ending			$ 3,199

HENRY COUNTY, ILLINOIS
CORONER EQUIPMENT GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ - - -	$ - - -	$ 1,565
Investment income	32	32	52
Total revenues	$ 32	$ 32	$ 1,617
EXPENDITURES			
Equipment	- - -	- - -	730
Excess of revenues over expenditures	$ 32	$ 32	$ 887
FUND BALANCE - Beginning			658
FUND BALANCE - Ending			$ 1,545

HENRY COUNTY, ILLINOIS
ELECTION ASSISTANCE GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ - - -	$ - - -	$ 32
Election assistance	91,359	91,359	21,541
Total revenues	$ 91,359	$ 91,359	$ 21,573
EXPENDITURES			
Equipment	91,359	91,359	21,541
Excess of revenues over expenditures	$ - - -	$ - - -	$ 32
FUND BALANCE - Beginning			1,212
FUND BALANCE - Ending			$ 1,244

HENRY COUNTY, ILLINOIS
FEDERAL FORFEITED DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Intergovernmental	$ - - -	$ - - -	$ 12,275
Investment income	- - -	- - -	2,112
Total revenues	$ - - -	$ - - -	$ 14,387
EXPENDITURES			
Education and training	$ 800	$ 800	$ 7,703
Equipment	24,043	24,043	25,273
Total expenditures	$ 24,843	$ 24,843	$ 32,976
Deficiency of revenues over expenditures	($ 24,843)	($ 24,843)	($ 18,589)
FUND BALANCE - Beginning			108,109
FUND BALANCE - Ending			$ 89,520

HENRY COUNTY, ILLINOIS
HENRY COUNTY POLICE VEHICLE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended November 30, 2008

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 5,703	$ 5,703	$ 8,576
Investment income	- - -	- - -	184
Total revenues	$ 5,703	$ 5,703	$ 8,760
EXPENDITURES			
Equipment	5,703	5,703	- - -
Excess of revenues over expenditures	$ - - -	$ - - -	$ 8,760
FUND BALANCE - Beginning			1,935
FUND BALANCE - Ending			$ 10,695

HENRY COUNTY, ILLINOIS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
For the Year Ended November 30, 2008

	Balances December 1, 2007	Additions	Deductions	Balances November 30, 2008
ASSETS				
Cash and cash equivalents:				
County Collector's Fund	$ 312,057	$57,258,442	$57,252,703	$ 317,796
Drainage District Funds	528,037	403,622	461,601	470,058
Inheritance Tax Fund	- - -	532,260	401,760	130,500
Trust Fund to Heirs	27,190	- - -	12,724	14,466
State's Attorney's Office Trust Fund	33,574	121,095	115,013	39,656
Delinquent Tax Program	1,555	89	748	896
Unclaimed bail deposits	10,372	- - -	- - -	10,372
County Clerk	180,084	1,014,289	1,102,110	92,263
Circuit Clerk	511,582	4,902,771	4,693,126	721,227
Prisoner Commissary	38,752	216,899	207,999	47,652
Sheriff's Special Account	(390)	52,575	52,175	10
Township Bridges	152,920	342,332	287,416	207,836
Township Motor Fuel Tax	427,001	1,438,517	1,541,119	324,399
Total cash and cash equivalents	$ 2,222,734	$66,282,891	$66,128,494	$ 2,377,131
Accounts receivable:				
Township Motor Fuel Tax	115,801	90,925	115,801	90,925
Total assets	$ 2,338,535	$66,373,816	$66,244,295	$ 2,468,056
LIABILITIES				
Due to others:				
County Collector's Fund	$ 312,057	$57,258,442	$57,252,703	$ 317,796
Drainage District Funds	528,037	403,622	461,601	470,058
Inheritance Tax Fund	- - -	532,260	401,760	130,500
Trust Fund to Heirs	27,190	- - -	12,724	14,466
State's Attorney's Office Trust Fund	33,574	121,095	115,013	39,656
Delinquent Tax Program	1,555	89	748	896
Unclaimed bail deposits	10,372	- - -	- - -	10,372
County Clerk	180,084	1,014,289	1,102,110	92,263
Circuit Clerk	511,582	4,902,771	4,693,126	721,227
Prisoner Commissary	38,752	216,899	207,999	47,652
Sheriff's Special Account	(390)	52,575	52,175	10
Township Bridges	152,920	342,332	287,416	207,836
Township Motor Fuel Tax	542,802	1,529,442	1,656,920	415,324
Total funds due to others	$ 2,338,535	$66,373,816	$66,244,295	$ 2,468,056

HENRY COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2008

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
Passed-through Illinois Department of Human Services			
Women-Infants-Children	10.557*	82700440A	$ 172,400
Women-Infants-Children - vouchers	10.557*	82700440A	266,849
Passed-through Illinois Department of Public Health			
Summer Food Inspection	10.559	0634825019000100	200
Total U.S. Department of Agriculture			$ 439,449
U.S. Department of Commerce			
Economic Adjustment Assistance - Revolving Loan Funds	11.307*	06-39-02319-01	$ 833,835
U.S. Department of Justice			
Direct Programs:			
Federal Equitable Sharing Agreement	16.000	IL037013A	$ 32,975
U.S. Department of Transportation			
Passed-through Illinois Department of Transportation			
Federal Transit - Capital Investment Grants	20.500	IL180024	$ 85,437
Public Transportation for Non-Urbanized Areas - Section 18	20.509	RPT-08-008	70,833
		RPT-09-008	62,752
Total U.S. Department of Transportation			$ 219,022

* Major Program

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2008

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Environmental Protection Agency			
Passed-through Illinois Department of Public Health			
Performance Partnership Grants	66.605	063482501900	$ 938
U.S. Elections Assistance Commission			
Passed-through Illinois State Board of Elections			
Help America Vote Act - Phase II	90.401		$ 21,541
U.S. Department of Health and Human Services			
Passed-through Illinois Department of Public Health			
Immunization	93.268	001187	$ 169,700
Bioterrorism Preparedness	93.069	0634827019000200	69,294
Passed-through Illinois Department of Human Services			
Title X	93.217	82592440C	65,619
Temporary Assistance for Needy Families	93.558	82001490C	104,194
Title XX	93.667	824084400	34,570
Maternal & Child Health	93.994	828724400	4,500
Passed-through Illinois Department of Healthcare and Family Services			
Child Support Enforcement	93.563	88KCC000036	10,963
Medicaid	93.778		25,470
Passed-through Western Illinois Area Agency on Aging			
Respite Care III-B	93.052	R-20020805507003	5,766

* Major Program

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2008

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Health and Human Services (Cont'd)			
Passed-through Rock Island County Health Department			
IBCCP	93.283	4.2002 4.2003	40,779
Total U.S. Department of Health and Human Services			$ 530,855
Department of Homeland Security			
Passed-through Illinois Emergency Management Agency			
Emergency Management Performance Grants	97.042	EMA 130	$ 6,884
Total Federal Financial Services			$ 2,085,499

HENRY COUNTY, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2008

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Henry County, Illinois and is presented on the accrual basis of accounting. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other governmental agencies is included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUBRECIPIENTS

Henry County, Illinois provided federal awards to subrecipients as follows:

Program Title	Federal CFDA #	Amount Provided
Public Transportation for Non-Urbanized Areas - Section 18	20.509	$ 133,585

NOTE 3 - WIC VOUCHERS

Non-monetary assistance is reported in the schedule at the fair market value of food vouchers disbursed.

NOTE 4 - INSURANCE AND LOAN GUARANTEES

Henry County, Illinois had no insurance in effect, relating to federal funds, for the year ending November 30, 2008.

Henry County, Illinois had no loans or loan guarantees, relating to federal funds, outstanding at November 30, 2008.

CARPENTIER
MITCHELL·GODDARD
& COMPANY·LLC
CERTIFIED PUBLIC ACCOUNTANTS
4915 - 21st Avenue A. • Moline, Illinois 61265
Ph. (309) 762-3626 • Fax (309) 762-4465

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Members of the County Board
Henry County, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Henry County, Illinois, as of and for the year ended November 30, 2008, which collectively comprise Henry County's basic financial statements and have issued our report thereon dated June 5, 2009. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Henry County, Illinois' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Henry County, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Henry County, Illinois' internal control over financial reporting.

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

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

generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Henry County, Illinois' financial statements that is more than inconsequential will not be prevented or detected by Henry County, Illinois' internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. Findings 2008-1, 2008-2, 2008-3 and 2008-4.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Henry County, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We also noted certain other matters that we reported to management of Henry County, Illinois in a separate letter dated June 5, 2009.

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

This report is intended solely for the information and use of management, members of the County board, County officials, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Carpentier, Mitchell, Goddard, & Company, L.L.C.

Moline, Illinois
June 5, 2009

CARPENTIER
MITCHELL·GODDARD
& COMPANY·LLC
CERTIFIED PUBLIC ACCOUNTANTS

4915 - 21st Avenue A. • Moline, Illinois 61265
Ph. (309) 762-3626 • Fax (309) 762-4465

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

Members of the County Board
Henry County, Illinois

Compliance

We have audited the compliance of Henry County, Illinois with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2008. Henry County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Henry County's management. Our responsibility is to express an opinion on Henry County's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Henry County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Henry County's compliance with those requirements.

In our opinion, Henry County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended November 30, 2008.

Internal Control Over Compliance

The management of Henry County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws,

regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Henry County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Henry County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, members of the County board, County officials, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Carpentier, Mitchell, Goddard & Company, L.L.C.

Moline, Illinois
June 5, 2009

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2008

I. Summary of Independent Auditors' Results

A. Type of Report Issued on the Financial Statements

The Independent Auditors' Report on the financial statements of Henry County, Illinois as of and for the year ended November 30, 2008, was an unqualified opinion.

B. Significant Deficiency in Internal Control Disclosed by the Audit of the Financial Statements

Significant deficiencies disclosed during the audit of the financial statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards for the year ended November 30, 2008.

C. Noncompliance Material to the Financial Statements

The audit disclosed no instances of noncompliance which are material to the financial statements of Henry County, Illinois as of and for the year ended November 30, 2008.

D. Significant Deficiency in Internal Control Over Major Programs

The audit of compliance of Henry County, Illinois for the year ended November 30, 2008 disclosed no matters involving the internal control over major programs that are considered to be material weaknesses.

E. Type of Report Issued on Compliance for Major Programs

The Independent Auditors' Report on compliance with requirements applicable to each major federal program for the year ended November 30, 2008, was an unqualified opinion.

F. Findings Relating to the Major Programs

As indicated in Section II below, the audit disclosed no findings relating to the major programs.

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2008

G. Major Programs

CFDA Number	Name of Federal Program	Amount Expended
10.557	Women - Infants - Children	$ 439,249
11.307	Economic Adjustment Assistance - Revolving Loan Funds	$ 833,835

H. Threshold for Distinguishing Between Type A or Type B Programs

The threshold for distinguishing between Type A or Type B programs was $300,000 for the year ended November 30, 2008.

I. Low-Risk Auditee Qualification

Henry County, Illinois did qualify as a low-risk auditee under applicable provisions of OMB Circular No. A-133, for the year ended November 30, 2008.

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with U.S. Generally Accepted Government Auditing Standards

A. Significant Deficiencies

2008-1 - Financial Statement Preparation

Condition: Henry County, Illinois engages Carpentier, Mitchell, Goddard & Company, LLC to assist in preparing its financial statements and accompanying disclosures.

Criteria: Elected officials and management share responsibility for Henry County's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

Cause: Henry County's personnel do not have sufficient financial reporting and disclosure knowledge.

Effect: Henry County personnel are unable to perform a review of Henry County's financial statements and related disclosures to provide a high level of assurance that any potential material omissions or other errors would be identified and corrected.

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2008

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with U.S. Generally Accepted Government Auditing Standards

A. Significant Deficiencies - Cont'd

2008-1 - Financial Statement Preparation

Recommendation: To establish proper internal control over the preparation of its financial statements, including disclosures, Henry County should design and implement a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of applicable generally accepted accounting principles and knowledge of Henry County's activities and operations.

Response and corrective action plan: We agree with the recommendation. However, at this time our current software is unable to generate financial statements and related notes.

2008-2 - Segregation of Duties - Drainage District Accounts

Condition: One person currently enters the invoices into the accounting system, prepares the checks, stamps the authorized signature, mails out the checks, and prepares the bank reconciliation.

Criteria: Elected officials and management share responsibility for Henry County's internal control system which includes proper segregation of duties.

Cause: Due to the small number of staff in the respective department, the County isn't able to fully achieve an ideal segregation of duties.

Effect: Without proper segregation of duties, there is the possibility that errors or irregularities may occur and not be detected on a timely basis.

Recommendation 1: To establish proper segregation of duties, we recommend that signature stamps be used on a limited basis. If signature stamps must be used, they should be under the direct control of the authorized signer and/or someone outside the respective department.

Recommendation 2: After the checks are signed, they should not be returned to the person who prepared them and has access to the accounting system. The checks should be given to an employee who doesn't have access to the accounting system to mail.

Recommendation 3: There should be a review of the bank reconciliation after it is prepared by an unassociated individual.

Response and corrective action plan: We concur with the recommendations, and they will be implemented during the year ending November 30, 2009.

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2008

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with U.S. Generally Accepted Government Auditing Standards

A. Significant Deficiencies - Cont'd

2008-3 - Segregation of Duties - E911 Accounts

Condition: One person currently enters the invoices into the accounting system, prepares the checks, stamps the authorized signature, mails out the checks, and prepares the bank reconciliation.

Criteria: Elected officials and management share responsibility for Henry County's internal control system which includes proper segregation of duties.

Cause: Due to the small number of staff in the respective department, the County isn't able to fully achieve an ideal segregation of duties.

Effect: Without proper segregation of duties, there is the possibility that errors or irregularities may occur and not be detected on a timely basis.

Recommendation 1: To establish proper segregation of duties, we recommend that signature stamps be used on a limited basis. If signature stamps must be used, they should be under the direct control of the authorized signer and/or someone outside the respective department.

Recommendation 2: After the checks are signed, they should not be returned to the person who prepared them and has access to the accounting system. The checks should be given to an employee who doesn't have access to the accounting system to mail.

Recommendation 3: There should be a review of the bank reconciliation after it is prepared by an unassociated individual.

Response and corrective action plan: We concur with the recommendations, and they will be implemented during the year ending November 30, 2009.

2008-4 - Segregation of Duties - Circuit Clerk

Condition: There are several people in the Circuit Clerk's office that are able to prepare checks and have access to a signature stamp of the authorized signer.

Criteria: Elected officials and management share responsibility for Henry County's internal control system which includes proper segregation of duties.

Cause: Access to signature stamp of authorized signer.

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2008

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with U.S. Generally Accepted Government Auditing Standards

A. Significant Deficiencies – Cont'd

2008-4 - Segregation of Duties – Circuit Clerk

Effect: Without proper segregation of duties and control of the signature stamp, there is the possibility that an unauthorized check could be prepared, and mailed.

Recommendation: Since all individuals in the Circuit Clerk office need access to the signature stamp to perform their duties, we recommend that an unassociated person who doesn't have access to check preparation or the signature stamp, perform a review of the checks written on a daily basis.

Response and corrective action plan: We concur with the recommendation, and it will be implemented during the year ending November 30, 2009.

B. Compliance Findings

The audit disclosed no instances of noncompliance which are material to the basic financial statements.

III. Findings and Questioned Costs for Federal Awards

None

HENRY COUNTY, ILLINOIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended November 30, 2008

Number	Comment	Status	Corrective Action or Other Explanation
2007-1	Financial statement preparation	Uncorrected	At this time current software is unable to generate financial statements and related notes.

HENRY COUNTY, ILLINOIS
CORRECTIVE ACTION PLAN
For the Year Ended November 30, 2008

Current Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
2008-1	Financial statement preparation	See corrective action plan at 2008-1	- - -	Colleen Gillaspie County Administrator
2008-2	Lack of segregation of duties - Drainage District Accounts	See corrective action plan at 2008-2	11/30/09	Richard C. VerHeecke County Treasurer
2008-3	Lack of segregation of duties - E-911 Accounts	See corrective action plan at 2008-3	11/30/09	Richard C. VerHeecke County Treasurer
2008-4	Lack of segregation of duties - Circuit Clerk	See corrective action plan at 2008-4	11/30/09	Debra J. Doss Circuit Clerk