

*HENRY COUNTY, ILLINOIS*

*ANNUAL FINANCIAL  
REPORT*

*For the Fiscal Year Ended  
November 30, 2012*

HENRY COUNTY, ILLINOIS  
November 30, 2012

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## 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, 2012, 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 opinions 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, 2012, and the respective changes in financial position, and cash flows, where applicable, 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 13, 2013, 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 considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 12, budgetary comparison information on pages 53 through 65, and Pension Plans and Other Post Employment Plan Schedules of Funding Progress on pages 66 through 67, 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 13, 2013

## 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, 2012. 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 FY2012 by \$94,842,475 (net assets). Of this amount, \$15,247,386 is restricted for specific purposes. As required by GASB 34, net assets also reflect \$69,278,001 that is invested in capital assets net of related debt. With the presentation of the investment in capital assets, unrestricted net assets becomes \$10,317,088.
- In contrast to the government-wide statements, the fund statements report a combined fund balance at year-end of \$21,582,644 currently government fund totals only; of which \$5,407,620 or 25.1% represents unassigned fund balances.
- The general fund unassigned fund balance of \$5,466,327 equals 58.6% 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, and health.

**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), 45 nonmajor special 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 \$94,842,475 at the close of the most recent fiscal year.

Of the County's total assets of \$106,492,562 the largest components are: 1) cash and investment of \$22,895,057 or 21.5%, 2) receivables, which largely represent the deferred taxes for FY2013 of \$12,052,700 or 11.3%, and 3) capital assets net of accumulated depreciation of \$71,602,395 or 67.2%. The receivables are offset by deferred revenue since the FY2012 tax revenue is not recognized until FY2013 even though the levy takes place in FY2012. Capital assets are non-liquid assets and cannot be utilized to satisfy County obligations. Out of the total liabilities of \$11,650,087, \$9,277,457 are current liabilities.

The County's net assets for fiscal year ended November 30, 2012 are summarized as follows:

	Governmental Activities	Business Type Activities	Total
Current and other assets	\$ 31,489,305	\$ 3,400,862	\$ 34,890,167
Capital assets (net of depreciation)	67,602,783	3,999,612	71,602,395
<b>Total assets</b>	<b>\$ 99,092,088</b>	<b>\$ 7,400,474</b>	<b>\$ 106,492,562</b>
Current and other liabilities	\$ 8,936,374	\$ 341,083	\$ 9,277,457
Long-term liabilities	2,366,145	6,485	2,372,630
<b>Total liabilities</b>	<b>\$ 11,302,519</b>	<b>\$ 347,568</b>	<b>\$ 11,650,087</b>
Net assets:			
Invested in capital assets, net of related debt	\$ 65,278,389	\$ 3,999,612	\$ 69,278,001
Restricted	15,247,386	-	15,247,386
Unrestricted	7,263,794	3,053,294	10,317,088
<b>Total net assets</b>	<b>\$ 87,789,569</b>	<b>\$ 7,052,906</b>	<b>\$ 94,842,475</b>

For comparative purposes, the County's net assets for fiscal year ended November 30, 2011 are summarized as follows:

	Governmental Activities	Business Type Activities	Total
Current and other assets	\$ 28,743,516	\$ 3,514,479	\$ 32,257,995
Capital assets (net of depreciation)	69,052,959	3,318,571	72,371,530
<b>Total assets</b>	<b>\$ 97,796,475</b>	<b>\$ 6,833,050</b>	<b>\$ 104,629,525</b>
Current and other liabilities	\$ 8,867,370	\$ 425,223	\$ 9,292,593
Long-term liabilities	2,688,633	4,494	2,693,127
<b>Total liabilities</b>	<b>\$ 11,556,003</b>	<b>\$ 429,717</b>	<b>\$ 11,985,720</b>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	\$ 66,292,819	\$ 3,318,571	\$ 69,611,390
Restricted	12,981,023	- - -	12,981,023
Unrestricted	6,966,630	3,084,762	10,051,392
<b>Total net assets</b>	<b>\$ 86,240,472</b>	<b>\$ 6,403,333</b>	<b>\$ 92,643,805</b>

About 16% or \$15,247,386 of the County's net assets for fiscal year ended November 30, 2012 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 (\$69,278,001) 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 (\$10,317,088) may be used to meet the County's ongoing obligations to citizens and creditors.

Governmental activities increased the County's net assets by \$1,549,097. The key components of this increase are the following:

- An increase of Fees of approximately \$835,000.
- An increase of operating grants of approximately \$985,000.

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds on page 18 further details changes in net assets.

Program revenues and expenses for fiscal year ended November 30, 2012 are presented net of interfund eliminations.

## Henry County's Changes in Net Assets

	<u>Governmental Activities 2012</u>	<u>Business-Type Activities 2012</u>	<u>Total</u>
Revenues:			
Program revenues:			
Charges for services	\$ 9,977,294	\$ 5,480,613	\$15,457,907
Operating grants and contributions	4,945,043	-	4,945,043
Capital grants and contributions	408,444	-	408,444
General revenues:			
Property taxes	7,046,208	-	7,046,208
Other taxes	4,299,320	-	4,299,320
Unrestricted investments earnings	287,186	11,793	298,979
Gain (loss) disposal of capital assets	3,102	(25,825)	(22,723)
 Total revenues	 <u>\$ 26,966,597</u>	 <u>\$ 5,466,581</u>	 <u>\$32,433,178</u>
Expenses:			
General government	\$ 4,799,861	\$ -	\$ 4,799,861
Public safety	5,483,079	-	5,483,079
Education	917,789	-	917,789
Judiciary	2,272,703	-	2,272,703
Highways and streets	6,363,243	-	6,363,243
Health	4,881,437	-	4,881,437
Interest on long-term debt	95,372	-	95,372
Nursing home	-	5,416,441	5,416,441
Other	-	4,583	4,583
 Total expenses	 <u>\$ 24,813,484</u>	 <u>\$ 5,421,024</u>	 <u>\$30,234,508</u>
Increase (decrease) in net assets before transfers	\$ 2,153,113	\$ 45,557	\$ 2,198,670
Transfers	(604,016)	604,016	-
Change in net assets	\$ 1,549,097	\$ 649,573	\$ 2,198,670
Net assets – beginning	<u>86,240,472</u>	<u>6,403,333</u>	<u>\$92,643,805</u>
Net assets – ending	<u>\$ 87,789,569</u>	<u>\$ 7,052,906</u>	<u>\$94,842,475</u>

For comparative purposes, program revenues and expenses for fiscal year ended November 30, 2011 are presented net of interfund eliminations.

### Henry County's Changes in Net Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
	2011	2011	
Revenues:			
Program revenues:			
Charges for services	\$ 9,143,262	\$ 5,091,380	\$14,234,642
Operating grants and contributions	3,958,196	-	3,958,196
Capital grants and contributions	426,192	-	426,192
General revenues:			
Property taxes	7,099,377	-	7,099,377
Other taxes	4,191,303	-	4,191,303
Unrestricted investments earnings	296,539	19,079	315,618
<b>Total revenues</b>	<b>\$ 25,114,869</b>	<b>\$ 5,110,459</b>	<b>\$30,225,328</b>
Expenses:			
General government	\$ 4,713,528	\$ -	\$ 4,713,528
Public safety	5,274,972	-	5,274,972
Education	879,343	-	879,343
Judiciary	2,344,706	-	2,344,706
Highways and streets	5,776,579	-	5,776,579
Health	4,724,542	-	4,724,542
Interest on long-term debt	103,826	-	103,826
Nursing home	-	4,925,348	4,925,348
Other	-	5,230	5,230
<b>Total expenses</b>	<b>\$ 23,817,496</b>	<b>\$ 4,930,578</b>	<b>\$28,748,074</b>
Increase (decrease) in net assets before transfers	\$ 1,297,373	\$ 179,881	\$ 1,477,254
Transfers	(527,484)	527,484	-
Change in net assets	\$ 769,889	\$ 707,365	\$ 1,477,254
Net assets – beginning	85,470,583	5,695,968	91,166,551
Net assets – ending	<b>\$ 86,240,472</b>	<b>\$ 6,403,333</b>	<b>\$92,643,805</b>

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

- Program revenues of \$15,330,781 equaled 61.8% of government expenses of \$24,813,484. As expected, general revenues (\$11,635,816) provided the required support and coverage for expenses.
- Approximately 26% of expenses are Highways and Streets (\$6,363,243), which includes \$2,043,208 in non-cash depreciation expenses, while this category provided about 14% of total revenues of \$26,966,597.
- Approximately 22% of the expenses are Public Safety (\$5,483,079) while this category provided about 9% of total revenues.
- Approximately 20% of expenses are Health (\$4,881,437) while this category provided about 17% of total revenues.
- General government expenses are \$4,799,861 at 19%. General government provided about 9% of total revenues.
- Grant revenues and contributions comprised about 20% 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.

**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, *unassigned 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 \$21,582,644, an increase of \$2,356,240 in comparison with the prior year. Approximately \$5,407,620 or 25.0% of the fund balance represents *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either restricted or committed and therefore it is not available for new spending.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,466,327. As a measure of the general fund's liquidity, we compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 58.6% 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 increased by \$402,644 during the current fiscal year.

The County Highway Fund has a fund balance of \$2,135,871, an increase of \$188,066 as compared with the prior year.

The Illinois Municipal Retirement Fund has a fund balance of \$861,053, an increase of \$268,280 as compared with the prior year.

The FICA Fund has a fund balance of \$272,269, an increase of \$16,114 as compared with the prior year.

The TORT Judge and Liability Insurance Fund has a fund balance of \$2,300,087, an increase of \$22,812 as compared with the prior year.

The County Health Fund has a fund balance of \$1,952,431, an increase of \$321,473 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	FY 2012	FY 2011	Increase (Decrease)	Percent Increase (Decrease)
Taxes	\$10,156,076	\$10,073,354	\$ 82,722	0.8%
Fines and fees	1,644,379	2,573,708	(929,329)	(36.1%)
Intergovernmental revenues	6,134,495	5,450,782	683,713	12.5%
Charges for services	8,232,285	6,473,998	1,758,287	27.2%
Investments	287,186	296,539	(9,353)	(3.2%)
Miscellaneous	100,630	100,555	75	0.1%
Total	<u>\$26,555,051</u>	<u>\$24,968,936</u>	<u>\$1,586,115</u>	<u>6.4%</u>

Overall, total revenues increased 6.4%.

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

#### Expenditures by Function – Governmental Funds

Expenditures by Function	FY 2012	FY 2011	Increase (Decrease)	Percent of Change
General Government	\$ 4,460,080	\$ 4,445,875	\$ 14,205	0.3%
Public Safety	5,255,921	5,092,928	162,993	3.2%
Education	932,297	911,540	20,757	2.3%
Judiciary	2,250,262	2,366,378	(116,116)	(4.9%)
Highways and streets	4,347,015	3,878,097	468,918	12.1%
Health	4,928,476	4,791,856	136,620	2.9%
Capital expenditures	874,800	877,840	(3,040)	(0.3%)
Debt service-principal	460,200	460,089	111	0.0%
Debt service-interest	82,178	88,324	(6,146)	(7.0%)
Total	<u>\$23,591,229</u>	<u>\$22,912,927</u>	<u>\$ 678,302</u>	<u>3.0%</u>

Overall, total expenditures increased 3.0%.

## 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 \$9,691,404 increased to actual revenues of \$10,330,843 (an increase of \$639,439).
- The total original expenditure budget of \$9,739,934 decreased to \$9,321,499 (a decrease of \$418,435).
- The total original budget for net transfers out of \$667,279 decreased to \$609,802 (a decrease of \$57,477) to transfer funds to the Capital Building Fund.

During the year, actual revenues were more than budgetary revenues and actual expenditures were less than the 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 "AA" from Standard & Poor's as of November 30, 2012.

The following represents the activity of the long-term debt of the County for FY2012.

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
Alternate revenue bonds	\$ 2,705,000	\$ 575,000	\$ (995,000)	\$ 2,285,000
Issuance discounts	(20,666)	- - -	9,052	(11,614)
Deferred charge on refunding	(34,288)	- - -	3,109	(31,179)
Installment contract Vacation	134,545 75,804	- - - - - -	(40,200) (10,317)	94,345 65,487
Net pension obligation/ net other post employment benefit obligation	<u>269,582</u>	<u>184,251</u>	<u>(49,375)</u>	<u>404,458</u>
<b>Total</b>	<u>\$ 3,129,977</u>	<u>\$ 759,251</u>	<u>\$(1,082,731)</u>	<u>\$ 2,806,497</u>
<b>Business Activities:</b>				
Net other post employment benefit obligation	<u>\$ 4,494</u>	<u>\$ 16,705</u>	<u>\$ (14,714)</u>	<u>\$ 6,485</u>

(More detailed information about the County's long-term liabilities is presented in Note 9 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, 2012, net capital assets of the governmental activities totaled \$67,602,783. Depreciation on capital assets is recognized in the Government-wide financial statements. Annual depreciation totaled \$2,733,419.

## County's Capital Assets

Governmental Activities:	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Capital Assets</u>
Land and construction in progress	\$ 552,952	N/A	\$ 552,952
Buildings and improvements	23,230,581	\$ 13,723,134	9,507,447
Vehicles and equipment	9,170,866	7,255,319	1,915,547
Infrastructure	<u>68,893,137</u>	<u>13,266,300</u>	<u>55,626,837</u>
Total	<u>\$101,847,536</u>	<u>\$ 34,244,753</u>	<u>\$ 67,602,783</u>
Business Activities:			
Land and land improvements	\$ 1,079,195	N/A	\$ 1,079,195
Buildings	6,908,237	\$ 4,196,853	2,711,384
Equipment	<u>1,116,797</u>	<u>907,764</u>	<u>209,033</u>
Total	<u>\$ 9,104,229</u>	<u>\$ 5,104,617</u>	<u>\$ 3,999,612</u>

The annual depreciation totaled \$275,189 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 FY2013, the County Board and management considered the following factors:

- Personnel and IMRF costs, which make up a significant portion of the County's operating costs, continue to rise.
- Some state revenues are being eliminated and many continue to be unstable while various fees of office are projected to remain stagnant or decrease.
- Both internal and external Courthouse renovations continue to be reviewed at an expected cost of over \$1,000,000.
- Anticipated wind tower revenues realized in FY2011 and FY2012 for wind farm construction have now concluded.

### 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](http://www.henrycty.com).

HENRY COUNTY, ILLINOIS  
STATEMENT OF NET ASSETS  
November 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Emergency Telephone System Board
<b>ASSETS</b>				
Cash and investments	\$ 20,750,550	\$ 2,144,507	\$ 22,895,057	\$ 1,018,799
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	2,334,390	816,714	3,151,104	74,354
Property tax	7,239,191	-	7,239,191	-
Due from cities & townships	118,920	-	118,920	-
Other taxes	859,326	-	859,326	-
Loans	584,548	-	584,548	-
Accrued interest	-	611	611	180
Internal balances	(409,778)	409,778	-	-
Inventories	-	28,657	28,657	-
Prepaid items	-	595	595	37,837
Deferred charges	12,158	-	12,158	-
Capital assets:				
Not depreciated	552,952	1,079,195	1,632,147	-
Depreciated, net of accumulated depreciation	67,049,831	2,920,417	69,970,248	241,917
Total assets	\$ 99,092,088	\$ 7,400,474	\$ 106,492,562	\$ 1,373,087
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 1,227,179	\$ 341,083	\$ 1,568,262	\$ 16,477
Accrued interest payable	25,652	-	25,652	-
Deferred revenue	7,243,191	-	7,243,191	-
Noncurrent liabilities:				
Due within one year	440,352	-	440,352	-
Due in more than one year	2,366,145	6,485	2,372,630	-
Total liabilities	\$ 11,302,519	\$ 347,568	\$ 11,650,087	\$ 16,477
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	\$ 65,278,389	\$ 3,999,612	\$ 69,278,001	\$ 241,917
Restricted for:				
Maintenance of roadways	6,096,786	-	6,096,786	-
Loans	1,094,650	-	1,094,650	-
Drug enforcement	256,116	-	256,116	-
Debt service	4,211	-	4,211	-
Health	2,124,209	-	2,124,209	-
Other purposes	5,671,414	-	5,671,414	-
Unrestricted	7,263,794	3,053,294	10,317,088	1,114,693
Total net assets	\$ 87,789,569	\$ 7,052,906	\$ 94,842,475	\$ 1,356,610

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended November 30, 2012

FUNCTION/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
<b>Governmental activities:</b>				
General government	\$ 4,799,861	\$ 1,887,589	\$ 529,876	\$ -
Public safety	5,483,079	2,235,561	167,251	-
Education	917,789	29,733	853,978	-
Judiciary	2,272,703	513,788	563,502	-
Highways and streets	6,363,243	3,448,017	52,668	408,444
Health	4,881,437	1,862,606	2,777,768	-
Interest on long-term debt	95,372	-	-	-
Total governmental activities	<u>\$ 24,813,484</u>	<u>\$ 9,977,294</u>	<u>\$ 4,945,043</u>	<u>\$ 408,444</u>
<b>Business-Type activities:</b>				
Nursing home	\$ 5,416,441	\$ 5,397,614	\$ -	\$ -
Other	4,583	82,999	-	-
Total business-type activities	<u>\$ 5,421,024</u>	<u>\$ 5,480,613</u>	<u>\$ -</u>	<u>\$ -</u>
Total primary government	<u>\$ 30,234,508</u>	<u>\$ 15,457,907</u>	<u>\$ 4,945,043</u>	<u>\$ 408,444</u>
<b>Component Unit:</b>				
Emergency Telephone Systems Board	<u>\$ 422,181</u>	<u>\$ 502,282</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:  
 Property taxes  
 Tax increment  
 Replacement taxes  
 Sales taxes  
 State income taxes  
 Other taxes  
 Motor Fuel taxes  
 Unrestricted investment earnings  
 Gain (loss) on disposal of capital assets  
 Transfers

Total general revenues and transfers

Change in net assets

NET ASSETS, Beginning

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
\$ (2,382,396)	\$ -	\$ (2,382,396)	\$ -
(3,080,267)	-	(3,080,267)	-
(34,078)	-	(34,078)	-
(1,195,413)	-	(1,195,413)	-
(2,454,114)	-	(2,454,114)	-
(241,063)	-	(241,063)	-
(95,372)	-	(95,372)	-
<u>\$ (9,482,703)</u>	<u>\$ -</u>	<u>\$ (9,482,703)</u>	<u>\$ -</u>
\$ -	\$ (18,827)	\$ (18,827)	\$ -
-	78,416	78,416	-
<u>\$ -</u>	<u>\$ 59,589</u>	<u>\$ 59,589</u>	<u>\$ -</u>
<u>\$ (9,482,703)</u>	<u>\$ 59,589</u>	<u>\$ (9,423,114)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,101</u>
\$ 7,046,208	\$ -	\$ 7,046,208	\$ -
8,410	-	8,410	-
342,481	-	342,481	-
1,440,597	-	1,440,597	-
1,290,509	-	1,290,509	-
27,871	-	27,871	-
1,189,452	-	1,189,452	-
287,186	11,793	298,979	6,776
3,102	(25,825)	(22,723)	-
(604,016)	604,016	-	-
<u>\$ 11,031,800</u>	<u>\$ 589,984</u>	<u>\$ 11,621,784</u>	<u>\$ 6,776</u>
\$ 1,549,097	\$ 649,573	\$ 2,198,670	\$ 86,877
<u>86,240,472</u>	<u>6,403,333</u>	<u>92,643,805</u>	<u>1,269,733</u>
<u>\$ 87,789,569</u>	<u>\$ 7,052,906</u>	<u>\$ 94,842,475</u>	<u>\$ 1,356,610</u>

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

HENRY COUNTY, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
November 30, 2012

	<u>General Fund</u>	<u>County Highway Fund</u>	<u>Illinois Municipal Retirement Fund</u>	<u>FICA Fund</u>
<b>ASSETS</b>				
Cash and investments	\$ 4,234,431	\$ 2,039,219	\$ 926,646	\$ 330,584
Receivables:				
Accounts	798,027	-	-	-
Property tax	2,103,516	720,000	1,251,287	717,258
Due from cities and townships	-	118,920	-	-
Other taxes	734,332	7,907	13,652	7,826
Loans	-	-	-	-
Due from other funds	204,810	-	-	-
	<u>\$ 8,075,116</u>	<u>\$ 2,886,046</u>	<u>\$ 2,191,585</u>	<u>\$ 1,055,668</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 172,320	\$ 3,515	\$ -	\$ -
Accrued expenses	332,953	26,660	-	-
Deferred revenue	2,103,516	720,000	1,251,287	717,258
Due to other funds	-	-	79,245	66,141
	<u>\$ 2,608,789</u>	<u>\$ 750,175</u>	<u>\$ 1,330,532</u>	<u>\$ 783,399</u>
<b>FUND BALANCES</b>				
Restricted for:				
Maintenance of roadways	\$ -	\$ 2,135,871	\$ -	\$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	-	861,053	272,269
Committed to capital building	-	-	-	-
Unassigned	5,466,327	-	-	-
	<u>\$ 5,466,327</u>	<u>\$ 2,135,871</u>	<u>\$ 861,053</u>	<u>\$ 272,269</u>
Total fund balances	<u>\$ 5,466,327</u>	<u>\$ 2,135,871</u>	<u>\$ 861,053</u>	<u>\$ 272,269</u>
Total liabilities & fund balances	<u>\$ 8,075,116</u>	<u>\$ 2,886,046</u>	<u>\$ 2,191,585</u>	<u>\$ 1,055,668</u>

<u>Tort Judge and Liability Insurance Fund</u>	<u>County Health Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,287,262	\$ 736,176	\$ 8,119,249	\$ 18,673,567
-	1,378,431	157,932	2,334,390
1,203,770	190,000	1,053,360	7,239,191
-	-	-	118,920
12,825	-	82,784	859,326
-	-	584,548	584,548
-	-	-	204,810
<u>\$ 3,503,857</u>	<u>\$ 2,304,607</u>	<u>\$ 9,997,873</u>	<u>\$ 30,014,752</u>
\$ -	\$ 41,021	\$ 265,549	\$ 482,405
-	121,155	20,934	501,702
1,203,770	190,000	1,057,360	7,243,191
-	-	59,424	204,810
<u>\$ 1,203,770</u>	<u>\$ 352,176</u>	<u>\$ 1,403,267</u>	<u>\$ 8,432,108</u>
\$ -	\$ -	\$ 3,960,915	\$ 6,096,786
-	-	1,094,650	1,094,650
-	-	256,116	256,116
-	-	4,211	4,211
-	1,952,431	171,778	2,124,209
2,300,087	-	2,238,005	5,671,414
-	-	927,638	927,638
-	-	(58,707)	5,407,620
<u>\$ 2,300,087</u>	<u>\$ 1,952,431</u>	<u>\$ 8,594,606</u>	<u>\$ 21,582,644</u>
<u>\$ 3,503,857</u>	<u>\$ 2,304,607</u>	<u>\$ 9,997,873</u>	<u>\$ 30,014,752</u>

(Continued)

HENRY COUNTY, ILLINOIS  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS  
November 30, 2012

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

Total fund balance - governmental funds	\$ 21,582,644
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	67,602,783
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	1,422,996
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,818,854)</u>
Net assets of governmental activities	<u>\$ 87,789,569</u>

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended November 30, 2012

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund	FICA Fund
<b>REVENUES</b>				
Taxes:				
Property	\$ 2,052,282	\$ 719,813	\$ 1,221,485	\$ 702,332
Tax increment	-	-	-	-
Replacement	110,608	38,609	65,754	37,901
Sales	1,440,597	-	-	-
State income	1,290,509	-	-	-
Other	27,871	-	-	-
Fines and fees	1,330,018	-	-	-
Intergovernmental	1,916,936	-	-	-
Charges for services	1,964,739	1,507,963	-	-
Investment income	197,283	9,176	5,551	2,293
Miscellaneous	-	4,073	-	-
Total revenues	<u>\$ 10,330,843</u>	<u>\$ 2,279,634</u>	<u>\$ 1,292,790</u>	<u>\$ 742,526</u>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 2,577,564	\$ -	\$ 115,378	\$ 90,039
Public safety	3,895,952	-	619,487	240,894
Education	811,761	-	52,132	46,599
Judiciary	1,986,483	-	149,255	114,524
Highways and streets	-	1,854,516	48,788	66,345
Health	-	-	213,775	231,416
Capital expenditures	33,539	237,052	-	-
Debt service:				
Principal	15,649	-	-	-
Interest	551	-	-	-
Total expenditures	<u>\$ 9,321,499</u>	<u>\$ 2,091,568</u>	<u>\$ 1,198,815</u>	<u>\$ 789,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,009,344</u>	<u>\$ 188,066</u>	<u>\$ 93,975</u>	<u>\$ (47,291)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ 395,114	\$ 280,700
Transfers out	(609,802)	-	(220,809)	(217,295)
Sale of capital assets	3,102	-	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>\$ (606,700)</u>	<u>\$ -</u>	<u>\$ 174,305</u>	<u>\$ 63,405</u>
Net change in fund balances	\$ 402,644	\$ 188,066	\$ 268,280	\$ 16,114
FUND BALANCES - Beginning	<u>5,063,683</u>	<u>1,947,805</u>	<u>592,773</u>	<u>256,155</u>
FUND BALANCES - Ending	<u>\$ 5,466,327</u>	<u>\$ 2,135,871</u>	<u>\$ 861,053</u>	<u>\$ 272,269</u>

<u>Tort Judge and Liability Insurance Fund</u>	<u>County Health Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,076,306	\$ 190,089	\$ 1,083,901	\$ 7,046,208
-	-	8,410	8,410
57,224	-	32,385	342,481
-	-	-	1,440,597
-	-	-	1,290,509
-	-	-	27,871
-	-	314,361	1,644,379
-	2,777,768	1,439,791	6,134,495
-	1,860,783	2,898,800	8,232,285
12,368	5,117	55,398	287,186
-	1,823	94,734	100,630
<u>\$ 1,145,898</u>	<u>\$ 4,835,580</u>	<u>\$ 5,927,780</u>	<u>\$ 26,555,051</u>
\$ 932,105	\$ -	\$ 744,994	\$ 4,460,080
-	-	499,588	5,255,921
-	-	21,805	932,297
-	-	-	2,250,262
-	-	2,377,366	4,347,015
-	4,027,600	455,685	4,928,476
-	47,790	556,419	874,800
-	-	444,551	460,200
-	-	81,627	82,178
<u>\$ 932,105</u>	<u>\$ 4,075,390</u>	<u>\$ 5,182,035</u>	<u>\$ 23,591,229</u>
\$ 213,793	\$ 760,190	\$ 745,745	\$ 2,963,822
\$ -	\$ -	\$ 993,994	\$ 1,669,808
(190,981)	(438,717)	(596,220)	(2,273,824)
-	-	-	3,102
-	-	575,000	575,000
-	-	(581,668)	(581,668)
<u>\$ (190,981)</u>	<u>\$ (438,717)</u>	<u>\$ 391,106</u>	<u>\$ (607,582)</u>
\$ 22,812	\$ 321,473	\$ 1,136,851	\$ 2,356,240
2,277,275	1,630,958	7,457,755	19,226,404
<u>\$ 2,300,087</u>	<u>\$ 1,952,431</u>	<u>\$ 8,594,606</u>	<u>\$ 21,582,644</u>

(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, 2012

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Amounts reported for governmental activities in  
the statements of activities are different because:

Net change in fund balance - total governmental funds	\$ 2,356,240
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.	(1,858,619)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	408,443
The issuance of long-term debt (e.g., bonds, 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	460,200
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.	(3,226)
Internal service funds are used by management to charge the costs of insurance to individual funds. The net income of certain activities of internal service funds is reported with governmental activities.	320,935
Changes in Net Pension Obligation and Net Other Post Employment Benefit Obligation are reported only in the statement of activities	<u>(134,876)</u>
Change in net assets of governmental activities	<u>\$ 1,549,097</u>

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
November 30, 2012

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business- Type Activities	Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 1,992,283	\$ 152,224	\$ 2,144,507	\$ 2,076,983
Accounts receivable (net, where applicable, of allowance for uncollectibles)	816,714	-	816,714	-
Accrued interest	611	-	611	-
Inventories	28,657	-	28,657	-
Prepaid items	595	-	595	-
Total current assets	<u>\$ 2,838,860</u>	<u>\$ 152,224</u>	<u>\$ 2,991,084</u>	<u>\$ 2,076,983</u>
Noncurrent assets:				
Capital assets:				
Land and land improvements	\$ 279,195	\$ 800,000	\$ 1,079,195	\$ -
Buildings and equipment	8,025,034	-	8,025,034	-
Less accumulated depreciation	(5,104,617)	-	(5,104,617)	-
Total capital assets (net of accumulated depreciation)	<u>\$ 3,199,612</u>	<u>\$ 800,000</u>	<u>\$ 3,999,612</u>	<u>\$ -</u>
Total assets	<u>\$ 6,038,472</u>	<u>\$ 952,224</u>	<u>\$ 6,990,696</u>	<u>\$ 2,076,983</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 140,462	\$ -	\$ 140,462	\$ 244,209
Accrued payroll	200,589	-	200,589	-
Other accrued liabilities	32	-	32	-
Total current liabilities	<u>\$ 341,083</u>	<u>\$ -</u>	<u>\$ 341,083</u>	<u>\$ 244,209</u>
Noncurrent liabilities:				
Other postemployment benefit obligation	6,485	-	6,485	-
Total liabilities	<u>\$ 347,568</u>	<u>\$ -</u>	<u>\$ 347,568</u>	<u>\$ 244,209</u>
<b>NET ASSETS</b>				
Invested in capital assets	\$ 3,199,612	\$ 800,000	\$ 3,999,612	\$ -
Unrestricted	2,491,292	152,224	2,643,516	1,832,774
Total net assets	<u>\$ 5,690,904</u>	<u>\$ 952,224</u>	<u>\$ 6,643,128</u>	<u>\$ 1,832,774</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>409,778</u>	
Net assets of business-type activities			<u>\$ 7,052,906</u>	

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
For the Year Ended November 30, 2012

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business- Type Activities	Internal Service Fund
<b>OPERATING REVENUES</b>				
Charges for service	\$ 4,917,542	\$ -	\$ 4,917,542	\$ 2,540,259
Rental income	-	82,994	82,994	-
Other	480,072	5	480,077	296,991
Total operating revenues	<u>\$ 5,397,614</u>	<u>\$ 82,999</u>	<u>\$ 5,480,613</u>	<u>\$ 2,837,250</u>
<b>OPERATING EXPENSES</b>				
General services	\$ 1,242,446	\$ 4,583	\$ 1,247,029	\$ -
Health care	3,109,119	-	3,109,119	-
Administration and claims	879,210	-	879,210	2,437,169
Depreciation	275,189	-	275,189	-
Total operating expenses	<u>\$ 5,505,964</u>	<u>\$ 4,583</u>	<u>\$ 5,510,547</u>	<u>\$ 2,437,169</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (108,350)</u>	<u>\$ 78,416</u>	<u>\$ (29,934)</u>	<u>\$ 400,081</u>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Investment income	\$ 11,793	\$ -	\$ 11,793	\$ -
Loss on disposal of assets	(25,825)	-	(25,825)	10,377
Total nonoperating revenue (expense)	<u>\$ (14,032)</u>	<u>\$ -</u>	<u>\$ (14,032)</u>	<u>\$ 10,377</u>
Income (loss) before transfers	\$ (122,382)	\$ 78,416	\$ (43,966)	\$ 410,458
TRANSFERS IN	829,086	-	829,086	-
TRANSFERS OUT	(25,070)	(200,000)	(225,070)	-
CHANGES IN NET ASSETS	\$ 681,634	\$ (121,584)	\$ 560,050	\$ 410,458
TOTAL NET ASSETS - Beginning	<u>5,009,270</u>	<u>1,073,808</u>		<u>1,422,316</u>
TOTAL NET ASSETS - Ending	<u>\$ 5,690,904</u>	<u>\$ 952,224</u>		<u>\$ 1,832,774</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>89,523</u>	
Change in net assets of business-type activities			<u>\$ 649,573</u>	

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended November 30, 2012

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business- Type Activities	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 5,181,405	\$ 82,999	\$ 5,264,404	\$ -
Receipts from interfund services provided	-	-	-	2,540,259
Other receipts	480,072	-	480,072	296,991
Payments to suppliers	(1,578,138)	(4,583)	(1,582,721)	(2,379,506)
Payments to employees	(3,374,389)	-	(3,374,389)	-
Payments for interfund services used	(357,503)	-	(357,503)	-
Net cash provided by operating activities	<u>\$ 351,447</u>	<u>\$ 78,416</u>	<u>\$ 429,863</u>	<u>\$ 457,744</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	\$ 829,086	\$ -	\$ 829,086	\$ -
Transfers to other funds	(25,070)	(200,000)	(225,070)	-
Net cash provided by noncapital financing activities	<u>\$ 804,016</u>	<u>\$ (200,000)</u>	<u>\$ 604,016</u>	<u>\$ -</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	\$ (982,055)	\$ -	\$ (982,055)	\$ -
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	\$ 11,991	\$ -	\$ 11,991	\$ 10,377
Purchase of investments	(68)	-	(68)	-
Net cash provided by investing activities	<u>\$ 11,923</u>	<u>\$ -</u>	<u>\$ 11,923</u>	<u>\$ 10,377</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	\$ 185,331	\$ (121,584)	\$ 63,747	\$ 468,121
<b>CASH AND CASH EQUIVALENTS</b>				
- Beginning	<u>1,790,185</u>	<u>273,808</u>	<u>2,063,993</u>	<u>1,608,862</u>
<b>CASH AND CASH EQUIVALENTS</b>				
- Ending	<u>\$ 1,975,516</u>	<u>\$ 152,224</u>	<u>\$ 2,127,740</u>	<u>\$ 2,076,983</u>

(Continued)

HENRY COUNTY, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended November 30, 2012

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business- Type Activities	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (108,350)	\$ 78,416	\$ (29,934)	\$ 400,081
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	275,189	-	275,189	-
(Increase) decrease in:				
Accounts receivables	263,863	-	263,863	-
Inventories	(1,995)	-	(1,995)	-
Prepaid items	4,889	-	4,889	-
Increase (decrease) in:				
Accounts payable	(79,148)	-	(79,148)	57,663
Accrued expenses	(3,001)	-	(3,001)	-
Net cash provided (used) by operating activities	<u>\$ 351,447</u>	<u>\$ 78,416</u>	<u>\$ 429,863</u>	<u>\$ 457,744</u>

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

HENRY COUNTY, ILLINOIS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
November 30, 2012

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	<u>Total Agency Funds</u>
<u>ASSETS</u>	
Cash and investments	\$ 2,471,514
Accounts receivable	<u>114,472</u>
Total assets	<u>\$ 2,585,986</u>
 <u>LIABILITIES</u>	
Due to others	<u>\$ 2,585,986</u>

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

HENRY COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
November 30, 2012

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 50,328. 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.

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

#### 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 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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

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.

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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

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.

#### 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."

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – (Continued)

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 \$2,500 for Hillcrest, \$500 for the Health Fund, \$5,000 for the remainder of the County 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.

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 2012 tax levy is budgeted for fiscal year 2013, the revenue from this tax levy is deferred.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

#### 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. Vacation pay is accrued when incurred in the government-wide-financial-statements. A liability for these amounts is not reported in governmental funds.

#### 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 BALANCE/NET ASSETS -

Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the County's board, which is considered the County's highest level of decision making authority. Formal actions include resolutions and ordinances by the County with intent to use them for a specific purpose. Any residual fund balance of the General Fund and a deficit in other funds, if any, is reported as unassigned.

The County's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the County considers committed funds to be expended first followed by assigned and then unassigned funds.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 – (Continued)

In the government-wide and proprietary fund financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt, represents the County's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset. Unrestricted net assets consists of net assets that do not meet the definition of restricted or invested in capital assets, net of related debt.

#### USE OF ESTIMATES -

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

### 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 \$2,818,854 difference are as follows:

Bonds payable	\$ 2,285,000
Less: Deferred charge on refunding (to be amortized as interest expense)	(31,179)
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(12,158)
Less: Issuance discount (to be amortized as interest expense)	(11,614)
Accrued interest payable	24,515
Capital lease payable	94,345
Accrued vacation	65,487
Net pension obligation and other post employment benefit obligation	<u>404,458</u>
Total	<u>\$2,818,854</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 – (Continued)

#### 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 \$1,858,619 difference are as follows:

Capital expenditures	\$ 874,800
Depreciation expense	<u>(2,733,419)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (1,858,619)</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, 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 \$460,200 difference are as follows:

Debt incurred:	
Issuance of general obligation bonds	\$ ( 575,000)
Principal repayments:	
General obligation debt	460,200
Payment to escrow agent for refunding	<u>575,000</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 460,200</u>

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 \$3,226 difference are as follows:

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – (Continued)

Accrued interest	\$	10,911
Accrued vacation		10,317
Amortization of deferred charge on refunding		(3,109)
Amortization of issuance costs		(12,293)
Amortization of bond discounts		<u>(9,052)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$	<u>(3,226)</u>

NOTE 3 – FUND BALANCE CLASSIFICATIONS

The County implemented the provisions of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the fiscal year ended November 30, 2011. In the governmental funds financial statements, the County first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance, as applicable.

**Committed Fund Balance.** The County reports committed fund balance in the General Fund. The County board has committed these funds through formal board action for future building maintenance.

**Assigned Fund Balance.** The County board and management have not assigned any funds at November 30, 2012.

NOTE 4 – 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – CASH AND INVESTMENTS

Cash and investments as of November 30, 2012 are classified in the accompanying financial statements as follows:

Statement of net assets:

County Funds:

Cash and cash equivalents	\$22,629,617
Investments	265,440

Fiduciary Funds:

Cash and cash equivalents	2,436,269
Investments	35,245

Component Unit - Emergency Telephone System Board:

Cash and cash equivalents	1,002,328
Investments	<u>16,471</u>

Total cash and investments	<u>\$26,385,370</u>
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Cash and investments as of November 30, 2012 consist of the following:

Cash on hand	\$ 2,028
Deposits with financial institutions	26,066,186
Investments	<u>317,156</u>

Total cash and investments	<u>\$26,385,370</u>
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## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – (Continued)

#### Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. In accordance with its investment policy, the County limits its exposure to interest rate risk by structuring the portfolio to maximize yields while maintaining safety of principal. The County shall seek to attain a market average or better rate of return throughout budgetary and economic cycles, taking into account risk, constraints, cash flow, and legal restrictions on investments.

The investments held by the County are not debt instruments and are therefore not subject to interest rate risk.

*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;

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – (Continued)

- 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.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, which is the price for which the investment could be sold.

During the year ended November 30, 2012, the County complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made.

#### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The County limits its exposure to credit risk by investing in securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. Government and investing in the Illinois Funds "AAA" rated funds. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization and the actual rating as of year end for each investment type.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – (Continued)

<u>Investment Type</u>	<u>Other Funds</u>	<u>Fiduciary Funds</u>	<u>Component Unit</u>	<u>Total</u>	<u>Rating as of Year End</u>
		<u>Agency</u>	<u>Emergency Telephone System Board</u>		<u>AAAm</u>
Illinois Funds	<u>\$ 265,440</u>	<u>\$ 35,245</u>	<u>\$ 16,471</u>	<u>\$ 317,156</u>	<u>\$ 317,156</u>

*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.

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, 2012, the carrying amount of the County's deposits including certificates of deposit with financial institutions totaled \$25,063,858 with the bank balances totaling \$26,177,307. Bank balances of \$25,960,788 are entirely insured or collateralized with securities held by the County or its agent in the County's name, with the remaining \$216,519 uninsured. As of the same date, the Emergency Telephone System Board, a discretely presented component unit, had deposits and certificates of deposit totaling \$1,002,328 with the bank balances totaling \$1,002,328. Bank balances of \$250,000 are insured by the Federal Deposit Insurance Corporation, with the remaining \$752,328 uninsured.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – (Continued)

*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, 2012, there was no investment custodial risk for the County.

NOTE 6 – 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:

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund
Receivables:			
Accounts	\$ 798,027	\$ - - -	\$ - - -
Property tax	2,103,516	720,000	1,251,287
Due from cities and townships	- - -	118,920	- - -
Other taxes	734,332	7,907	13,652
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	<u>\$ 3,635,875</u>	<u>\$ 846,827</u>	<u>\$1,264,939</u>
Less: allowance for uncollectables	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Net total receivables	<u>\$ 3,635,875</u>	<u>\$ 846,827</u>	<u>\$1,264,939</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – (Continued)

Receivables:	FICA Fund	Tort Judge and Liability Insurance Fund	County Health Fund
Accounts	\$ - - -	\$ - - -	\$1,463,431
Property tax	717,258	1,203,770	190,000
Due from cities and townships	- - -	- - -	- - -
Other taxes	7,826	12,825	- - -
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	<u>\$ 725,084</u>	<u>\$1,216,595</u>	<u>\$1,653,431</u>
Less: allowance for uncollectables	<u>- - -</u>	<u>- - -</u>	<u>85,000</u>
Net total receivables	<u>\$ 725,084</u>	<u>\$ 1,216,595</u>	<u>\$1,568,431</u>

Receivables:	Hillcrest Nursing Home Fund	Nonmajor and Other Funds	Total
Accounts	\$ 836,714	\$ 272,404	\$ 3,370,576
Property tax	- - -	1,053,360	7,239,191
Due from cities and townships	- - -	- - -	118,920
Other taxes	- - -	82,784	859,326
Loans	- - -	584,548	584,548
Accrued interest	611	- - -	611
Gross receivables	<u>\$ 837,325</u>	<u>\$ 1,993,096</u>	<u>\$12,173,172</u>
Less: allowance for uncollectables	<u>20,000</u>	<u>- - -</u>	<u>105,000</u>
Net total receivables	<u>\$ 817,325</u>	<u>\$ 1,993,096</u>	<u>\$12,068,172</u>

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 \$7,239,191 and unearned grant revenue was \$4,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended November 30, 2012:

Primary Government:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 542,452	\$ - - -	\$ - - -	\$ 542,452
Construction in progress	- - -	10,500	- - -	10,500
Total capital assets, not being depreciated	<u>\$ 542,452</u>	<u>\$ 10,500</u>	<u>\$ - - -</u>	<u>\$ 552,952</u>
Capital assets, being depreciated:				
Buildings	\$ 22,813,125	\$ 417,456	\$ - - -	\$ 23,230,581
Vehicles and equipment	9,043,504	344,734	217,372	9,170,866
Infrastructure	68,382,584	510,553	- - -	68,893,137
Total capital assets being depreciated	<u>\$100,239,213</u>	<u>\$ 1,272,743</u>	<u>\$ 217,372</u>	<u>\$101,294,584</u>
Less accumulated depreciation for:				
Buildings	\$ 13,320,423	\$ 402,711	\$ - - -	\$ 13,723,134
Vehicles and equipment	6,860,859	611,832	217,372	7,255,319
Infrastructure	11,547,424	1,718,876	- - -	13,266,300
Total accumulated depreciation	<u>\$ 31,728,706</u>	<u>\$ 2,733,419</u>	<u>\$ 217,372</u>	<u>\$ 34,244,753</u>
Total capital assets, being depreciated, net	<u>\$ 68,510,507</u>	<u>\$ (1,460,676)</u>	<u>\$ - - -</u>	<u>\$ 67,049,831</u>
Governmental activities capital assets, net	<u>\$ 69,052,959</u>	<u>\$ (1,450,176)</u>	<u>\$ - - -</u>	<u>\$ 67,602,783</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 801,000	\$ - - -	\$ - - -	\$ 801,000
Land improvements	278,195	- - -	- - -	278,195
Construction in progress	<u>249,626</u>	<u>- - -</u>	<u>249,626</u>	<u>- - -</u>
Total capital assets, not being depreciated	<u>\$ 1,328,821</u>	<u>\$ - - -</u>	<u>\$ 249,626</u>	<u>\$ 1,079,195</u>
Capital assets, being depreciated:				
Buildings	\$ 5,889,206	\$1,186,068	\$ 167,037	\$ 6,908,237
Equipment	<u>1,379,862</u>	<u>45,613</u>	<u>308,678</u>	<u>1,116,797</u>
Total capital assets, being depreciated	<u>\$ 7,269,068</u>	<u>\$1,231,681</u>	<u>\$ 475,715</u>	<u>\$ 8,025,034</u>
Less accumulated depreciation for:				
Buildings	\$ 4,109,335	\$ 232,846	\$ 145,328	\$ 4,196,853
Equipment	<u>1,169,983</u>	<u>42,343</u>	<u>304,562</u>	<u>907,764</u>
Total accumulated depreciation	<u>\$ 5,279,318</u>	<u>\$ 275,189</u>	<u>\$ 449,890</u>	<u>\$ 5,104,617</u>
Total capital assets, being depreciated, net	<u>\$ 1,989,750</u>	<u>\$ 956,492</u>	<u>\$ 25,825</u>	<u>\$ 2,920,417</u>
Business-type activities capital assets, net	<u>\$ 3,318,571</u>	<u>\$ 956,492</u>	<u>\$ 275,451</u>	<u>\$ 3,999,612</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – (Continued)

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

Governmental activities:	
General government	\$ 244,737
Public safety	324,941
Education	4,469
Judiciary	68,922
Highways and streets	2,043,208
Health	<u>47,142</u>
Total depreciation expense – governmental activities	<u>\$2,733,419</u>
Business-type activities:	
Hillcrest Nursing Home Fund	<u>\$ 275,189</u>

DISCRETELY PRESENTED COMPONENT UNIT –

Activity for the Emergency Telephone System Board for the year ended November 30, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Equipment	\$ 1,429,459	\$ - - -	\$ - - -	\$ 1,429,459
Less accumulated depreciation for equipment	<u>1,124,083</u>	<u>63,459</u>	<u>- - -</u>	<u>1,187,542</u>
Emergency Telephone System Board capital assets, net	<u>\$ 305,376</u>	<u>\$ (63,459)</u>	<u>\$ - - -</u>	<u>\$ 241,917</u>

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of November 30, 2012, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
<u>General Fund</u>	<u>Illinois Municipal Retirement Fund</u>	<u>\$ 79,245</u>
	FICA Fund	66,141
	Nonmajor Governmental Funds	<u>59,424</u>
		<u>\$ 204,810</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – (Continued)

The composition of interfund transfers as of November 30, 2012 is as follows:

Transfer Out:	Transfer In:	
	Illinois Municipal Retirement Fund	FICA Fund
General Fund	\$ 94,718	\$ 20,396
Illinois Municipal Retirement Fund	---	---
FICA Fund	---	---
Tort Judge and Liability Insurance Fund	---	---
County Health Fund	211,775	226,942
Nonmajor Governmental	63,551	33,362
Hillcrest Nursing Home Fund	25,070	---
Nonmajor Enterprise Fund	---	---
Total	<u>\$ 395,114</u>	<u>\$ 280,700</u>

Transfer Out:	Transfer In:		
	Nonmajor Governmental	Hillcrest Nursing Home Fund	Total
General Fund	\$ 494,688	\$ ---	\$ 609,802
Illinois Municipal Retirement Fund	---	220,809	220,809
FICA Fund	---	217,295	217,295
Tort Judge and Liability Insurance Fund	---	190,981	190,981
County Health Fund	---	---	438,717
Nonmajor Governmental	499,306	1	596,220
Hillcrest Nursing Home Fund	---	---	25,070
Nonmajor Enterprise Fund	---	200,000	200,000
Total	<u>\$ 993,994</u>	<u>\$ 829,086</u>	<u>\$2,498,894</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – LONG-TERM DEBT

General obligation alternate revenue refunding bonds, Series 2009 totaling \$1,710,000 remain outstanding from the original issue of \$2,635,000 dated June 25, 2009. 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
2013	2.10%	\$ 325,000	\$ 41,922	\$ 366,922
2014	2.40	335,000	34,490	369,490
2015	2.70	345,000	25,813	370,813
2016	2.90	350,000	16,080	366,080
2017	3.10	355,000	5,502	360,502
		<u>\$ 1,710,000</u>	<u>\$ 123,807</u>	<u>\$1,833,807</u>

General obligation alternate revenue refunding bonds totaling \$575,000 remain outstanding from the original issue of \$575,000 dated August 14, 2012. It is the intent of the County to service this debt from general revenues.

Principal is due annually on December 1, and interest is due semi-annually on June 1 and December 1. The annual debt service requirements are as follows:

For the Year Ending November 30	Interest Rate	Principal	Interest	Total
2013	2.70%	\$ 105,000	\$ 9,628	\$ 114,628
2014	2.70	110,000	10,300	120,300
2015	2.50	115,000	7,378	122,378
2016	2.45	120,000	4,470	124,470
2017	2.40	125,000	1,500	126,500
		<u>\$ 575,000</u>	<u>\$ 33,276</u>	<u>\$ 608,276</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

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, 2012:

	Computer Equipment	Phone System	Total
Cost	\$ 127,242	\$ 72,875	\$200,117
Less: Accumulated depreciation	<u>40,293</u>	<u>49,451</u>	<u>89,744</u>
Total	<u>\$ 86,949</u>	<u>\$ 23,424</u>	<u>\$ 110,373</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of November 30, 2012 were as follows:

Year Ending November 30	
2013	\$ 32,430
2014	30,960
2015	30,960
2016	<u>12,900</u>
Total minimum lease payments	\$ 107,250
Less: Amount representing interest	<u>12,905</u>
Present value of minimum lease payments	<u>\$ 94,345</u>

Net Other Postemployment Benefit Obligation

In fiscal year 2010, the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This pronouncement required the County to calculate and record a net other postemployment benefit obligation (NOPEBO) at November 30, 2010. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since December 1, 2009.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – (Continued)

Long-term liability activity for the year ended November 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Years</u>
Governmental activities:					
Bonds payable:					
General Obligation bonds	\$2,705,000	\$575,000	\$ (995,000)	\$2,285,000	\$ 430,000
Less deferred amounts:					
For issuance discounts	(20,666)	- - -	9,052	(11,614)	(4,373)
For refunding	(34,288)	- - -	3,109	(31,179)	(11,792)
Total bonds payable	\$2,650,046	\$575,000	\$ (982,839)	\$2,242,207	\$ 413,835
Capital lease	134,545	- - -	(40,200)	94,345	26,517
Vacation accrual	75,804	- - -	(10,317)	65,487	- - -
Net pension obligation/NOPEBO	269,582	184,251	(49,375)	404,458	- - -
Governmental activity long-term liabilities	<u>\$3,129,977</u>	<u>\$759,251</u>	<u>\$(1,082,731)</u>	<u>\$2,806,497</u>	<u>\$ 440,352</u>
Business-type activities:					
NOPEBO	<u>\$ 4,494</u>	<u>\$ 16,705</u>	<u>\$ (14,714)</u>	<u>\$ 6,485</u>	<u>\$ - - -</u>

Debt Refunding

In August 2012, the County issued General Obligation Alternate Refunding Bonds in total principal amount of \$575,000. The net proceeds of which totaled \$575,000 were deposited in an escrow fund to defease \$575,000 in 2004 General Obligation Alternate Bonds. The County reduced its total debt service payments over the life of the bonds by \$19,779.

NOTE 10 – 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

NOTES TO FINANCIAL STATEMENTS

NOTE 10 – (Continued)

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](http://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 2011 were 9.33, 18.31, and 9.34 percent, respectively, of annual covered payroll. The employer annual required contribution rates for calendar year 2011 were 11.43, 19.04, and 9.34 percent, respectively. 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 calendar year ending December 31, 2011, the employer's actual contributions for pension cost for the Regular were \$757,118. Its required contribution for calendar year 2011 was \$927,531. For calendar year ended December 31, 2011, the employer's actual contributions for pension cost for the Sheriff's Law Enforcement Personnel were \$533,888. Its required contribution for calendar year 2011 was \$555,173. The required contribution for calendar year 2011 was \$47,486 for Bureau/Henry/Stark ROE #28 plan.

Three-Year Trend Information -

Regular Members:

Calendar Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$ 927,531	82%	\$ 204,932
12/31/10	847,959	80	168,309
12/31/09	564,512	100	- - -

SLEP Members:

Calendar Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$ 555,173	96%	\$ 65,425
12/31/10	530,006	92%	41,466
12/31/09	450,695	100%	- - -

NOTES TO FINANCIAL STATEMENTS

NOTE 10 – (Continued)

Bureau/Henry/Stark ROE #28 Members:

Calendar Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$ 47,486	100%	\$ - - -
12/31/10	47,518	100	- - -
12/31/09	42,452	100	- - -

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, 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% 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 20% corridor between the actuarial and market value of assets. Henry County's Regular and SLEP plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30 year basis and 10 year basis for Bureau/Henry/Stark ROE #28.

Funded Status and Funding Progress -

Regular members:

As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 78.38 percent funded. The actuarial accrued liability for benefits was \$24,843,959 and the actuarial value of assets was \$19,472,916, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,371,043. The covered payroll (annual payroll of active employees covered by the plan) was \$8,144,878 and the ratio of the UAAL to the covered payroll was 66%.

SLEP members:

As of December 31, 2011, the most recent actuarial valuation date, the SLEP plan was 68.23 percent funded. The actuarial accrued liability for benefits was \$11,991,897 and the actuarial value of assets was \$8,182,322, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,809,575. The covered payroll (annual payroll of active employees covered by the plan) was \$2,915,826 and the ratio of the UAAL to the covered payroll was 131 percent.

Bureau/Henry/Stark ROE #28 members:

As of December 31, 2011, the most recent actuarial valuation date, the Bureau/Henry/Stark ROE #28 plan was 97.82 percent funded. The actuarial accrued liability for benefits was \$517,423 and the actuarial value of assets was \$506,147, resulting in an

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10 – (Continued)

underfunded actuarial accrued liability (UAAL) of \$11,276. The covered payroll (annual payroll of active employees covered by the plan) was \$508,419 and the ratio of the UAAL to the covered payroll was 2 percent.

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

Effective January 1, 2010, the County selected the IMRF optional phase-in rate for employer required Regular and SLEP contributions. The optional phase-in rate for 2012 for employer Regular and SLEP contributions is 10.26% and 19.43%, respectively. The annual required contribution (ARC) rate for 2012 for employer Regular and SLEP contributions is 11.88% and 19.43%, respectively. Since selecting and contributing at the lower phase-in rate for employer contributions the County has actuarially under funded its contributions to the plan when compared to the ARC. This difference, the net pension obligation (NPO), totaled \$315,130 and \$62,931 for Regular and SLEP plans respectively, and has been recorded as a liability for the financial statements ended November 30, 2012.

### NOTE 11 – SUBSEQUENT EVENTS

The County evaluated its November 30, 2012 financial statements for subsequent events through June 13, 2013, the date the financial statements were available to be issued. The County is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

### NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

#### Plan Description

In addition to providing the pension benefits described, the County provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its health care plan document and union contracts. The plan does not issue a stand-alone financial report.

#### Benefits Provided

The County provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the County's retirement plans. In order to qualify, an employee must meet both age and years of service requirements.

All health care benefits are provided through the County's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general

NOTES TO FINANCIAL STATEMENTS

NOTE 12 – (Continued)

inpatient and outpatient medical services; mental, nervous and substance abuse care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

Membership

At November 30, 2012, membership consisted of:

Retirees and beneficiaries currently receiving benefits	<u>27</u>
Terminated employees entitled to benefits but not yet receiving them	<u>0</u>
Active employees	<u>280</u>
Total	<u><u>307</u></u>
Participating employers	<u><u>1</u></u>

Funding Policy

The County determines contribution percentages between the County and employees. Retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ended November 30, 2012, the County contributed \$64,089.

Annual OPEB Costs and Net OPEB Obligation

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for November 30, 2010, 2011 and 2012 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
11/30/10	\$ 76,362	\$ 64,089	83.9%	\$ 12,273
11/30/11	74,421	64,089	86.1	22,605
11/30/12	74,366	64,089	86.2	32,882

NOTES TO FINANCIAL STATEMENTS

NOTE 12 – (Continued)

The net OPEB obligation (NOPEBO) as of November 30, 2012 was calculated as follows:

Annual required contribution	\$ 74,216
Interest on net OPEB obligation	904
Adjustment to annual required obligation	<u>(754)</u>
Annual OPEB cost	\$ 74,366
Contributions made	<u>64,089</u>
Increase in net OPEB obligation	\$ 10,277
Net OPEB obligation, beginning of year	<u>22,605</u>
Net OPEB obligation, end of year	<u>\$ 32,882</u>

Funded status and funding progress. The funded status of the plan as of November 30, 2012, was as follows:

Actuarial accrued liability (AAL)	\$ 1,140,058
Actuarial value of plan assets	- - -
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,140,058</u>
Funded ratio (Actuarial value of plan assets/AAL)	0%
Covered payroll (Active plan members)	\$ 10,757,811
UAAL as a percentage of covered payroll	10.60%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the November 30, 2012 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 4.0% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 8.0% reduced by

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12 – (Continued)

.50% each year to arrive at an ultimate healthcare cost trend rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was \$-0-. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at November 30, 2012 was 30 years.

### NOTE 13 – 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, 2011 and 2012 are as follows:

	Health Insurance	
	2010-2011	2011-2012
Unpaid claims, beginning of year	\$ 219,643	\$ 186,546
Incurred claims (including IBNRs)	2,338,359	2,437,169
Claim payments	(2,371,456)	(2,379,506)
Unpaid claims, end of year	\$ 186,546	\$ 244,209

### NOTE 14 – 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15 – 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 – Pension and Other Post Employment Benefit Plans

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND

For the Year Ended November 30, 2012

REVENUES	Original Budget	Final Budget	Actual Amounts
Fines			
Traffic	\$ 400,000	\$ 400,000	\$ 421,254
Criminal	600,000	600,000	500,423
Total fines	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 921,677</u>
Fees			
Licenses and permits - building and zoning	\$ 60,000	\$ 60,000	\$ 75,689
Turbine fees	-	-	50,000
Windtower Building permit fees	-	-	282,652
Total fees	<u>\$ 60,000</u>	<u>\$ 60,000</u>	<u>\$ 408,341</u>
Taxes			
Property - corporate	\$ 2,057,700	\$ 2,057,700	\$ 2,052,282
Sales	242,790	242,790	215,620
Sales 1/4 supplement	953,315	953,315	995,622
Use	215,068	215,068	229,355
State income	1,179,026	1,179,026	1,290,509
State inheritance tax	20,000	20,000	27,871
State corporate replacement taxes	119,392	119,392	110,608
Total taxes	<u>\$ 4,787,291</u>	<u>\$ 4,787,291</u>	<u>\$ 4,921,867</u>
Intergovernmental Revenue			
State reimbursements	\$ 526,043	\$ 526,043	\$ 598,110
Illinois State Board of Education Grant	771,350	771,350	750,335
Stark County ROE	12,211	12,211	11,849
Bureau County ROE	65,617	65,617	65,617
ROE reimbursements	-	-	26,177
Illinois Emergency Management Agency	5,168	5,168	6,437
Transportation Grant	428,000	428,000	436,851
State Aid Victim Witness Coordination	18,810	18,810	20,378
Vest Grant reimbursement	-	-	1,182
Federal Medicaid reimbursements - Juvenile	1,000	1,000	-
Total intergovernmental revenue	<u>\$ 1,828,199</u>	<u>\$ 1,828,199</u>	<u>\$ 1,916,936</u>

(Continued)

HENRY COUNTY, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
REVENUES - (continued)			
Charges for Services			
State's attorney	\$ 28,000	\$ 28,000	\$ 31,030
County clerk and recorder	398,700	398,700	415,492
Circuit clerk	500,000	500,000	430,528
Sheriff			
Fees	129,250	129,250	107,502
House prisoners reimbursements	502,414	502,414	546,800
Other reimbursements	100,700	100,700	108,596
Other	201,350	201,350	324,791
	<u>\$ 1,860,414</u>	<u>\$ 1,860,414</u>	<u>\$ 1,964,739</u>
Total charges for services			
Investment income			
Investment	\$ 49,000	\$ 49,000	\$ 45,368
Collector	106,500	106,500	151,915
	<u>\$ 155,500</u>	<u>\$ 155,500</u>	<u>\$ 197,283</u>
Total investment income			
	<u>\$ 9,691,404</u>	<u>\$ 9,691,404</u>	<u>\$ 10,330,843</u>
Total revenues			

(Continued)

HENRY COUNTY, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended November 30, 2012

EXPENDITURES	Original Budget	Final Budget	Actual Amounts
County Board			
Personnel services	\$ 153,285	\$ 153,285	\$ 136,210
Supplies	450	450	448
Other services and charges	22,067	22,067	18,811
Total county board	<u>\$ 175,802</u>	<u>\$ 175,802</u>	<u>\$ 155,469</u>
County Buildings			
Personnel services	\$ 78,310	\$ 78,310	\$ 74,825
Supplies	6,500	6,500	4,330
Other services and charges	375,317	375,317	303,900
Equipment	500	500	1,595
Debt service - principal	-	-	15,649
Debt service - interest	-	-	551
Total county buildings	<u>\$ 460,627</u>	<u>\$ 460,627</u>	<u>\$ 400,850</u>
County Clerk and Recorder			
Personnel services	\$ 254,311	\$ 254,311	\$ 255,819
Supplies	3,586	3,586	3,498
Other services and charges	138,725	138,725	119,615
Equipment	4,800	4,800	4,112
Total county clerk and recorder	<u>\$ 401,422</u>	<u>\$ 401,422</u>	<u>\$ 383,044</u>
County Treasurer			
Personnel services	\$ 131,167	\$ 131,167	\$ 130,488
Supplies	16,200	16,200	14,765
Other services and charges	8,750	8,750	7,897
Total county treasurer	<u>\$ 156,117</u>	<u>\$ 156,117</u>	<u>\$ 153,150</u>
Supervisor of Assessments			
Personnel services	\$ 203,816	\$ 203,816	\$ 196,098
Supplies	2,600	2,600	1,550
Other services and charges	20,060	20,060	16,448
Total supervisor of assessments	<u>\$ 226,476</u>	<u>\$ 226,476</u>	<u>\$ 214,096</u>

(Continued)

HENRY COUNTY, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended November 30, 2012

EXPENDITURES - (Continued)	Original Budget	Final Budget	Actual Amounts
Microfilm			
Personnel services	\$ 4,787	\$ 4,787	\$ 5,014
Supplies	125	125	-
Equipment	125	125	-
Total microfilm	<u>\$ 5,037</u>	<u>\$ 5,037</u>	<u>\$ 5,014</u>
Regional Office Education			
Personnel services	\$ 726,858	\$ 726,858	\$ 721,539
Supplies	5,000	5,000	11,187
Other services and charges	84,500	84,500	71,463
Equipment	8,000	8,000	7,572
Total regional office education	<u>\$ 824,358</u>	<u>\$ 824,358</u>	<u>\$ 811,761</u>
Information Services			
Personnel services	\$ 106,281	\$ 106,281	\$ 103,294
Supplies	11,150	11,150	6,377
Other services and charges	9,980	9,980	9,757
Computer automation	107,765	118,675	113,239
Total information services	<u>\$ 235,176</u>	<u>\$ 246,086</u>	<u>\$ 232,667</u>
Voter Registration/Elections			
Personnel services	\$ 117,976	\$ 117,976	\$ 111,824
Supplies	36,957	36,957	41,368
Other services and charges	164,725	164,725	151,521
Equipment	-	-	2,184
Total voter registration/elections	<u>\$ 319,658</u>	<u>\$ 319,658</u>	<u>\$ 306,897</u>
General Financial Services			
Personnel services	\$ 2,100	\$ 2,100	\$ 2,031
Supplies	9,750	9,750	6,065
Other services and charges	123,754	123,754	137,970
Contingency	155,000	10,572	9,143
Other	428,000	428,000	436,851
Total general financial services	<u>\$ 718,604</u>	<u>\$ 574,176</u>	<u>\$ 592,060</u>

(Continued)

HENRY COUNTY, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended November 30, 2012

EXPENDITURES - (Continued)	Original Budget	Final Budget	Actual Amounts
Zoning			
Personnel services	\$ 79,853	\$ 79,853	\$ 80,725
Supplies	100	100	54
Other services and charges	8,975	8,975	6,737
Total zoning	<u>\$ 88,928</u>	<u>\$ 88,928</u>	<u>\$ 87,516</u>
Sheriff			
Personnel services	\$ 3,321,827	\$ 3,456,474	\$ 3,295,572
Supplies	439,203	400,059	386,040
Other services and charges	143,825	197,445	191,802
Contingency	600	600	127
Automobile and equipment	6,450	22,476	22,476
Total sheriff	<u>\$ 3,911,905</u>	<u>\$ 4,077,054</u>	<u>\$ 3,896,017</u>
Circuit Court			
Personnel services	\$ 401,121	\$ 401,121	\$ 377,943
Supplies	8,000	8,000	6,050
Other services and charges	17,875	17,875	11,391
Total circuit court	<u>\$ 426,996</u>	<u>\$ 426,996</u>	<u>\$ 395,384</u>
Rural Revolving Loan Department			
Personnel services	\$ 12,885	\$ 12,885	\$ 11,115
Supplies	500	500	137
Other services and charges	3,375	5,137	3,238
Total rural revolving loan department	<u>\$ 16,760</u>	<u>\$ 18,522</u>	<u>\$ 14,490</u>
Court Services			
Personnel services	\$ 707,188	\$ 707,188	\$ 651,713
Supplies	500	500	409
Other services and charges	35,025	35,025	50
Total court services	<u>\$ 742,713</u>	<u>\$ 742,713</u>	<u>\$ 652,172</u>

(Continued)

HENRY COUNTY, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended November 30, 2012

EXPENDITURES - (Continued)	Original Budget	Final Budget	Actual Amounts
State's Attorney			
Personnel services	\$ 527,921	\$ 527,921	\$ 514,752
Supplies	5,000	5,000	4,455
Other services and charges	41,421	41,421	39,870
Total state's attorney	<u>\$ 574,342</u>	<u>\$ 574,342</u>	<u>\$ 559,077</u>
Coroner			
Personnel services	\$ 43,664	\$ 43,664	\$ 42,034
Supplies	800	800	477
Other services and charges	26,075	26,075	21,994
Equipment	1,000	1,000	638
Total coroner	<u>\$ 71,539</u>	<u>\$ 71,539</u>	<u>\$ 65,143</u>
Jury Commission			
Personnel services	\$ 10,027	\$ 10,027	\$ 9,676
Supplies	500	500	282
Other services and charges	53,500	53,500	45,335
Total jury commission	<u>\$ 64,027</u>	<u>\$ 64,027</u>	<u>\$ 55,293</u>
Emergency Management Agency			
Personnel services	\$ 7,956	\$ 14,500	\$ 13,683
Supplies	100	125	102
Other services and charges	1,670	1,855	2,025
Equipment	-	-	1,032
Total emergency services and disaster agency	<u>\$ 9,726</u>	<u>\$ 16,480</u>	<u>\$ 16,842</u>
Public Defender			
Personnel services	\$ 185,279	\$ 185,279	\$ 185,896
Supplies	2,200	2,200	1,738
Other services and charges	122,242	122,242	136,923
Total public defender	<u>\$ 309,721</u>	<u>\$ 309,721</u>	<u>\$ 324,557</u>
Total expenditures	<u>\$ 9,739,934</u>	<u>\$ 9,780,081</u>	<u>\$ 9,321,499</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (48,530)</u>	<u>\$ (88,677)</u>	<u>\$ 1,009,344</u>

(Continued)

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 GENERAL FUND

For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ -	\$ -	\$ -
Transfers out	(667,279)	(674,334)	(609,802)
Sale of capital assets	1,000	1,000	3,102
	<u>\$ (666,279)</u>	<u>\$ (673,334)</u>	<u>\$ (606,700)</u>
Total other financing sources (uses)			
Net change in fund balances	<u>\$ (714,809)</u>	<u>\$ (762,011)</u>	\$ 402,644
FUND BALANCE - Beginning			<u>5,063,683</u>
FUND BALANCE - Ending			<u>\$ 5,466,327</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COUNTY HIGHWAY FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 720,000	\$ 720,000	\$ 719,813
Replacement	42,000	42,000	38,609
Intergovernmental	250,000	250,000	-
Charges for services	1,165,000	1,165,000	1,507,963
Investment income	12,000	12,000	9,176
Miscellaneous	10,000	10,000	4,073
	<u>\$ 2,199,000</u>	<u>\$ 2,199,000</u>	<u>\$ 2,279,634</u>
<b>EXPENDITURES</b>			
Salaries and wages:			
Staff salaries - regular	\$ 760,000	\$ 760,000	\$ 730,104
Longevity pay	9,500	9,500	6,620
Part time salaries	34,000	34,000	25,575
Overtime	42,000	42,000	16,048
Insurance	86,225	86,225	88,208
Engineering supplies	9,000	9,000	8,974
Contractual service	5,000	5,000	3,815
Telephone	3,000	3,000	2,840
Maintenance of roads:			
Materials and supplies	945,000	945,000	848,277
Other maintenance expense	91,000	91,000	85,719
Windfarm expenditures	-	-	53,142
Substance abuse testing	1,200	1,200	525
Administrative services	8,000	8,000	8,000
Equipment	250,000	250,000	213,721
	<u>\$ 2,243,925</u>	<u>\$ 2,243,925</u>	<u>\$ 2,091,568</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (44,925)</u>	<u>\$ (44,925)</u>	<u>\$ 188,066</u>
FUND BALANCE – Beginning			<u>1,947,805</u>
FUND BALANCE – Ending			<u>\$ 2,135,871</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 1,222,901	\$ 1,222,901	\$ 1,221,485
Replacement	48,824	48,824	65,754
Investment income	<u>4,500</u>	<u>4,500</u>	<u>5,551</u>
Total revenues	\$ 1,276,225	\$ 1,276,225	\$ 1,292,790
 <b>EXPENDITURES</b>			
Current:			
Employer's IMRF	<u>1,269,892</u>	<u>1,276,759</u>	<u>1,198,815</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,333</u>	<u>\$ (534)</u>	<u>\$ 93,975</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ 439,589	\$ 439,589	\$ 395,114
Transfers out	<u>-</u>	<u>-</u>	<u>(220,809)</u>
Total other financing sources (uses)	\$ 439,589	\$ 439,589	\$ 174,305
Net change in fund balances	<u>\$ 445,922</u>	<u>\$ 439,055</u>	\$ 268,280
FUND BALANCE – Beginning			<u>592,773</u>
FUND BALANCE – Ending			<u>\$ 861,053</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FICA FUND

For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 702,848	\$ 702,848	\$ 702,332
Replacement	41,553	41,553	37,901
Investment income	<u>3,000</u>	<u>3,000</u>	<u>2,293</u>
Total revenues	\$ 747,401	\$ 747,401	\$ 742,526
 <b>EXPENDITURES</b>			
Current:			
Employer's FICA	<u>775,817</u>	<u>776,005</u>	<u>789,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (28,416)</u>	<u>\$ (28,604)</u>	<u>\$ (47,291)</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ 285,859	\$ 285,859	\$ 280,700
Transfers out	<u>-</u>	<u>-</u>	<u>(217,295)</u>
Total other financing sources (uses)	<u>\$ 285,859</u>	<u>\$ 285,859</u>	<u>\$ 63,405</u>
Net change in fund balances	<u><u>\$ 257,443</u></u>	<u><u>\$ 257,255</u></u>	\$ 16,114
FUND BALANCE – Beginning			<u>256,155</u>
FUND BALANCE – Ending			<u><u>\$ 272,269</u></u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 TORT JUDGE AND LIABILITY INSURANCE FUND  
 For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual Amounts
<b>REVENUES</b>			
Taxes:			
Property	\$ 1,077,749	\$ 1,077,749	\$ 1,076,306
Replacement	71,642	71,642	57,224
Investment income	16,000	16,000	12,368
Miscellaneous	69,003	69,003	-
	<u>\$ 1,234,394</u>	<u>\$ 1,234,394</u>	<u>\$ 1,145,898</u>
<b>EXPENDITURES</b>			
Current:			
Unemployment insurance	\$ 95,000	\$ 95,000	\$ 56,605
Workers compensation	343,856	343,856	304,455
Property/casualty insurance	328,244	328,244	201,319
Insurance deductible/claims	32,000	32,000	30,926
Health care plan	435,294	435,294	338,800
	<u>\$ 1,234,394</u>	<u>\$ 1,234,394</u>	<u>\$ 932,105</u>
Total expenditures			
	<u>\$ 1,234,394</u>	<u>\$ 1,234,394</u>	<u>\$ 932,105</u>
Excess of revenues over expenditures	\$ -	\$ -	\$ 213,793
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	-	(190,981)
	<u>-</u>	<u>-</u>	<u>(190,981)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,812</u>
FUND BALANCE – Beginning			<u>2,277,275</u>
FUND BALANCE – Ending			<u>\$ 2,300,087</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COUNTY HEALTH FUND

For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual Amounts
<b>REVENUES</b>			
Property taxes	\$ 190,000	\$ 190,000	\$ 190,089
Intergovernmental:			
Illinois Department of Health	659,291	659,291	820,000
Illinois Department of Aging	1,188,060	1,188,060	1,793,285
Illinois Department of Public Aid	199,250	199,250	164,483
Charges for service:			
Health department fees Public Aid	1,221,005	1,221,005	1,348,532
Medicare	650,000	650,000	512,251
Investment income	10,000	10,000	5,117
Miscellaneous	900	900	1,823
	<u>\$ 4,118,506</u>	<u>\$ 4,118,506</u>	<u>\$ 4,835,580</u>
<b>EXPENDITURES</b>			
Health staff salaries	\$ 2,663,723	\$ 2,663,723	\$ 3,084,671
Life and health insurance	203,247	203,247	210,482
Commodities	179,800	179,800	193,762
Contractual service	127,000	127,000	103,932
Personal service	153,200	153,200	133,519
Travel expense	61,898	61,898	67,531
Meeting expense	37,420	37,420	22,719
Clinic expense	78,000	78,000	74,013
Insurance	54,414	54,414	58,760
Contingencies	12,000	12,000	5,784
Office equipment	23,345	23,345	42,782
Building	76,000	76,000	77,435
	<u>\$ 3,670,047</u>	<u>\$ 3,670,047</u>	<u>\$ 4,075,390</u>
Excess of revenues over expenditures	<u>\$ 448,459</u>	<u>\$ 448,459</u>	<u>\$ 760,190</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>\$ (444,972)</u>	<u>\$ (444,972)</u>	<u>\$ (438,717)</u>
Total other financing sources (uses)	<u>\$ (444,972)</u>	<u>\$ (444,972)</u>	<u>\$ (438,717)</u>
Net change in fund balances	<u>\$ 3,487</u>	<u>\$ 3,487</u>	<u>\$ 321,473</u>
FUND BALANCE – Beginning			<u>1,630,958</u>
FUND BALANCE – Ending			<u>\$ 1,952,431</u>

HENRY COUNTY, ILLINOIS  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION -  
 BUDGET COMPARISONS  
 November 30, 2012

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	\$ 142,865
FICA Fund	231,107
County Health Fund	399,088

HENRY COUNTY, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION ON  
PENSION AND OTHER POST EMPLOYMENT  
BENEFIT PLAN FUNDING PROGRESS  
November 30, 2012

## 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)
12/31/11	\$19,472,916	\$24,843,959	\$5,371,043	78.38%	\$8,114,878	66.19%
12/31/10	18,911,380	23,991,165	5,079,785	78.83	8,014,737	63.38
12/31/09	18,837,066	23,143,181	4,306,115	81.39	7,722,464	55.76

On a market value basis the actuarial value of assets as of December 31, 2011 is \$18,388,945. On a market basis, the funded ratio would be 74.02%.

## 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)
12/31/11	\$ 8,182,322	\$11,991,897	\$ 3,809,575	68.23%	\$2,915,826	130.65%
12/31/10	7,744,858	11,264,227	3,519,369	68.76	2,920,144	120.52
12/31/09	7,866,321	11,288,845	3,422,524	69.68	2,930,394	116.79

On a market value basis the actuarial value of assets as of December 31, 2011 is \$7,768,424. On a market basis, the funded ratio would be 64.78%.

## 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)
12/31/11	\$ 506,147	\$ 517,423	\$ 11,276	97.82%	\$508,419	2.22%
12/31/10	433,552	462,778	29,226	93.68	474,232	6.16
12/31/09	426,340	467,784	38,444	91.73	446,396	8.61

On a market value basis the actuarial value of assets as of December 31, 2011 is \$486,967. On a market basis, the funded ratio would be 94.11%.

(Continued)

HENRY COUNTY, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION ON  
 PENSION AND OTHER POST EMPLOYMENT  
 BENEFIT PLAN FUNDING PROGRESS  
 November 30, 2012

Other Postemployment Benefit Plan-

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)— Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
11/30/12	\$ - - -	\$1,140,058	\$ 1,140,058	0.00%	\$10,757,811	10.60 %
11/30/11	- - -	964,712	964,712	0.00	10,332,840	9.34
11/30/10	- - -	964,712	964,712	0.00	9,114,994	10.58

The County implemented GASB Statement No. 45 for the fiscal year ended November 30, 2010.  
 Information for prior years is not available.

OTHER SUPPLEMENTARY INFORMATION

HENRY COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2012

	Totals	Federal Aid Matching Fund	Special County Joint Bridge Fund
<b>ASSETS</b>			
Cash and investments	\$ 8,119,249	\$ 546,308	\$ 1,257,194
Receivables:			
Accounts	157,932	-	87,968
Property tax	1,053,360	230,000	250,000
Other taxes	82,784	2,522	2,852
Loans	584,548	-	-
Total assets	<u>\$ 9,997,873</u>	<u>\$ 778,830</u>	<u>\$ 1,598,014</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 265,549	\$ 177,872	\$ 57,338
Accrued liabilities	20,934	-	-
Deferred revenue	1,057,360	230,000	250,000
Due to other funds	59,424	-	-
Total liabilities	<u>\$ 1,403,267</u>	<u>\$ 407,872</u>	<u>\$ 307,338</u>
<b>FUND BALANCES</b>			
Restricted for:			
Maintenance of roadways	\$ 3,960,915	\$ 370,958	\$ 1,290,676
Loans	1,094,650	-	-
Drug enforcement	256,116	-	-
Debt service	4,211	-	-
Health	171,778	-	-
Other purposes	2,238,005	-	-
Committed to capital building	927,638	-	-
Unassigned	(58,707)	-	-
Total fund balances	<u>\$ 8,594,606</u>	<u>\$ 370,958</u>	<u>\$ 1,290,676</u>
Total liabilities and fund balances	<u>\$ 9,997,873</u>	<u>\$ 778,830</u>	<u>\$ 1,598,014</u>

Revenue Funds					
Motor Fuel Tax Fund	Windtower Highway Restoration Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
\$ 1,381,506	\$ 841,457	\$ -	\$ 170,686	\$ 40,831	\$ -
-	-	-	-	-	-
-	-	99,352	350,092	54,776	69,140
76,318	-	1,092	-	-	-
-	-	-	-	-	-
<u>\$ 1,457,824</u>	<u>\$ 841,457</u>	<u>\$ 100,444</u>	<u>\$ 520,778</u>	<u>\$ 95,607</u>	<u>\$ 69,140</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	99,352	350,092	54,776	69,140
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,352</u>	<u>\$ 350,092</u>	<u>\$ 54,776</u>	<u>\$ 69,140</u>
\$ 1,457,824	\$ 841,457	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,092	170,686	-	-
-	-	-	-	40,831	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,457,824</u>	<u>\$ 841,457</u>	<u>\$ 1,092</u>	<u>\$ 170,686</u>	<u>\$ 40,831</u>	<u>\$ -</u>
<u>\$ 1,457,824</u>	<u>\$ 841,457</u>	<u>\$ 100,444</u>	<u>\$ 520,778</u>	<u>\$ 95,607</u>	<u>\$ 69,140</u>

HENRY COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2012

	Special			
	State's Attorney Forfeited Drug Fund	Circuit Clerk Op/Admin Fund	Animal Control Fund	Vital Records Automation Fund
<b>ASSETS</b>				
Cash and investments	\$ 110,061	\$ 43,589	\$ 57,800	\$ 17,380
Receivables:				
Accounts	-	-	-	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	<u>\$ 110,061</u>	<u>\$ 43,589</u>	<u>\$ 57,800</u>	<u>\$ 17,380</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 11,625	\$ -
Accrued liabilities	-	-	2,492	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,117</u>	<u>\$ -</u>
<b>FUND BALANCES</b>				
Restricted for:				
Maintenance of roadways	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-
Drug enforcement	110,061	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	43,589	43,683	17,380
Committed to capital building	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>\$ 110,061</u>	<u>\$ 43,589</u>	<u>\$ 43,683</u>	<u>\$ 17,380</u>
Total liabilities and fund balances	<u>\$ 110,061</u>	<u>\$ 43,589</u>	<u>\$ 57,800</u>	<u>\$ 17,380</u>

Revenue Funds

Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
\$ 21,162	\$ 866,369	\$ 62,191	\$ 60,142	\$ -	\$ 76,484
5,226	11,546	-	-	1,287	19,090
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 26,388</u>	<u>\$ 877,915</u>	<u>\$ 62,191</u>	<u>\$ 60,142</u>	<u>\$ 1,287</u>	<u>\$ 95,574</u>
\$ -	\$ 1,600	\$ -	\$ -	\$ -	\$ -
3,011	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	45,949	-
<u>\$ 3,011</u>	<u>\$ 1,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,949</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	60,142	-	-
-	-	-	-	-	-
23,377	876,315	62,191	-	-	95,574
-	-	-	-	-	-
-	-	-	-	(44,662)	-
<u>\$ 23,377</u>	<u>\$ 876,315</u>	<u>\$ 62,191</u>	<u>\$ 60,142</u>	<u>\$ (44,662)</u>	<u>\$ 95,574</u>
<u>\$ 26,388</u>	<u>\$ 877,915</u>	<u>\$ 62,191</u>	<u>\$ 60,142</u>	<u>\$ 1,287</u>	<u>\$ 95,574</u>

HENRY COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2012

	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Special Orion Law Enforcement Fund
<b>ASSETS</b>				
Cash and investments	\$ 184,152	\$ 128,716	\$ 373,906	\$ -
Receivables:				
Accounts	3,669	-	3,707	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	<u>\$ 187,821</u>	<u>\$ 128,716</u>	<u>\$ 377,613</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 6,228	\$ -	\$ -
Accrued liabilities	2,083	-	560	5,679
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	4,723
Total liabilities	<u>\$ 2,083</u>	<u>\$ 6,228</u>	<u>\$ 560</u>	<u>\$ 10,402</u>
<b>FUND BALANCES</b>				
Restricted for:				
Maintenance of roadways	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	185,738	122,488	377,053	-
Committed to capital building	-	-	-	-
Unassigned	-	-	-	(10,402)
Total fund balances	<u>\$ 185,738</u>	<u>\$ 122,488</u>	<u>\$ 377,053</u>	<u>\$ (10,402)</u>
Total liabilities and fund balances	<u>\$ 187,821</u>	<u>\$ 128,716</u>	<u>\$ 377,613</u>	<u>\$ -</u>

Revenue Funds

Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Solid Waste Management Fund	Soil Survey Fund
\$ 510,949	\$ -	\$ 45,840	\$ 923,775	\$ 49,107	\$ 84,107
-	-	-	-	3,328	-
-	-	-	-	-	-
-	-	-	-	-	-
584,548	-	-	-	-	-
<u>\$ 1,095,497</u>	<u>\$ -</u>	<u>\$ 45,840</u>	<u>\$ 923,775</u>	<u>\$ 52,435</u>	<u>\$ 84,107</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,328	\$ -
-	1,876	-	1,137	-	3,648
-	-	-	-	-	-
847	502	-	-	-	-
<u>\$ 847</u>	<u>\$ 2,378</u>	<u>\$ -</u>	<u>\$ 1,137</u>	<u>\$ 3,328</u>	<u>\$ 3,648</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,094,650	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	45,840	-	49,107	80,459
-	-	-	922,638	-	-
-	(2,378)	-	-	-	-
<u>\$ 1,094,650</u>	<u>\$ (2,378)</u>	<u>\$ 45,840</u>	<u>\$ 922,638</u>	<u>\$ 49,107</u>	<u>\$ 80,459</u>
<u>\$ 1,095,497</u>	<u>\$ -</u>	<u>\$ 45,840</u>	<u>\$ 923,775</u>	<u>\$ 52,435</u>	<u>\$ 84,107</u>

HENRY COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2012

	Special			
	TICP Grant Fund	DUI Equipment Fund	Community Programs Fund	Camera Account
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 30,715	\$ 7,513	\$ 2,721
Receivables:				
Accounts	3,883	1,759	-	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	<u>\$ 3,883</u>	<u>\$ 32,474</u>	<u>\$ 7,513</u>	<u>\$ 2,721</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	3,883	-	-	-
Total liabilities	<u>\$ 3,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCES</b>				
Restricted for:				
Maintenance of roadways	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	32,474	7,513	2,721
Committed to capital building	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>\$ -</u>	<u>\$ 32,474</u>	<u>\$ 7,513</u>	<u>\$ 2,721</u>
Total liabilities and fund balances	<u>\$ 3,883</u>	<u>\$ 32,474</u>	<u>\$ 7,513</u>	<u>\$ 2,721</u>

Revenue Funds

Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coroner Fees Fund	Federal Forfeited Drug Fund
\$ 60,234	\$ 9,121	\$ 5,000	\$ 1,334	\$ 15,605	\$ 25,679
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 60,234</u>	<u>\$ 9,121</u>	<u>\$ 5,000</u>	<u>\$ 1,334</u>	<u>\$ 15,605</u>	<u>\$ 25,679</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	4,000	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
60,234	-	-	-	-	25,679
-	-	-	-	-	-
-	5,121	-	1,334	15,605	-
-	-	5,000	-	-	-
-	-	-	-	-	-
<u>\$ 60,234</u>	<u>\$ 5,121</u>	<u>\$ 5,000</u>	<u>\$ 1,334</u>	<u>\$ 15,605</u>	<u>\$ 25,679</u>
<u>\$ 60,234</u>	<u>\$ 9,121</u>	<u>\$ 5,000</u>	<u>\$ 1,334</u>	<u>\$ 15,605</u>	<u>\$ 25,679</u>

HENRY COUNTY, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 November 30, 2012

	Special Revenue		
	Police Vehicle Fund	Organized Crime Drug Fund	County Pet Population Fund
<b>ASSETS</b>			
Cash and investments	\$ 3,081	\$ -	\$ 11,626
Receivables:			
Accounts	626	-	-
Property tax	-	-	-
Other taxes	-	-	-
Loans	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 3,707</u>	<u>\$ -</u>	<u>\$ 11,626</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Deferred revenue	-	-	-
Due to other funds	-	1,265	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>\$ -</u>	<u>\$ 1,265</u>	<u>\$ -</u>
<b>FUND BALANCES</b>			
Restricted for:			
Maintenance of roadways	\$ -	\$ -	\$ -
Loans	-	-	-
Drug enforcement	-	-	-
Debt service	-	-	-
Health	-	-	-
Other purposes	3,707	-	11,626
Committed to capital building	-	-	-
Unassigned	-	(1,265)	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>\$ 3,707</u>	<u>\$ (1,265)</u>	<u>\$ 11,626</u>
Total liabilities and fund balances	<u>\$ 3,707</u>	<u>\$ -</u>	<u>\$ 11,626</u>

Funds

Sheriff Off-Duty Work Fund	States Attorney Money Laundering Fund	Hazard Mitigation Plan Grant Fund	States Attorney Records Automation Fund	Debt Service Fund
\$ -	\$ 87,919	\$ -	\$ 778	\$ 4,211
8,285	-	7,558	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 8,285</u>	<u>\$ 87,919</u>	<u>\$ 7,558</u>	<u>\$ 778</u>	<u>\$ 4,211</u>
\$ -	\$ -	\$ 7,558	\$ -	\$ -
448	-	-	-	-
-	-	-	-	-
2,255	-	-	-	-
<u>\$ 2,703</u>	<u>\$ -</u>	<u>\$ 7,558</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	4,211
5,582	87,919	-	778	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 5,582</u>	<u>\$ 87,919</u>	<u>\$ -</u>	<u>\$ 778</u>	<u>\$ 4,211</u>
<u>\$ 8,285</u>	<u>\$ 87,919</u>	<u>\$ 7,558</u>	<u>\$ 778</u>	<u>\$ 4,211</u>

HENRY COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended November 30, 2012

	Totals	Special	
		Federal Aid Matching Fund	County Joint Bridge Fund
<b>REVENUES</b>			
Taxes:			
Property	\$ 1,083,901	\$ 230,310	\$ 279,718
Tax increment	8,410	-	-
Replacement	32,385	12,328	14,725
Fines and fees	314,361	-	-
Intergovernmental	1,439,791	-	-
Charges for services	2,898,800	-	91,981
Investment income	55,398	1,230	8,183
Miscellaneous	94,734	-	-
	<u>\$ 5,927,780</u>	<u>\$ 243,868</u>	<u>\$ 394,607</u>
<b>EXPENDITURES</b>			
Current:			
General government	\$ 744,994	\$ -	\$ -
Public Safety	499,588	-	-
Education	21,805	-	-
Highways and streets	2,377,366	-	206,958
Health	455,685	-	-
Capital expenditures	556,419	102,110	-
Debt service:			
Principal	444,551	-	-
Interest	81,627	-	-
	<u>\$ 5,182,035</u>	<u>\$ 102,110</u>	<u>\$ 206,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 745,745</u>	<u>\$ 141,758</u>	<u>\$ 187,649</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ 993,994	\$ -	\$ -
Transfers out	(596,220)	-	-
Refunding bonds issued	575,000	-	-
Payment to refunded bond escrow agent	(581,668)	-	-
	<u>\$ 391,106</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	<u>\$ 1,136,851</u>	<u>\$ 141,758</u>	<u>\$ 187,649</u>
FUND BALANCES – Beginning	<u>7,457,755</u>	<u>229,200</u>	<u>1,103,027</u>
FUND BALANCES – Ending	<u><u>\$ 8,594,606</u></u>	<u><u>\$ 370,958</u></u>	<u><u>\$ 1,290,676</u></u>

Revenue Funds					
Motor Fuel Tax Fund	Windtower Highway Restoration Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
\$ -	\$ -	\$ 100,330	\$ 350,405	\$ 53,966	\$ 69,172
-	-	-	-	-	-
-	-	5,332	-	-	-
-	-	-	-	-	-
1,242,120	-	-	-	-	-
-	1,844,000	-	-	-	-
8,671	944	62	751	218	37
-	-	-	-	-	-
<u>\$ 1,250,791</u>	<u>\$ 1,844,944</u>	<u>\$ 105,724</u>	<u>\$ 351,156</u>	<u>\$ 54,184</u>	<u>\$ 69,209</u>
\$ -	\$ -	\$ -	\$ -	\$ 51,837	\$ 69,209
-	-	-	-	-	-
-	-	-	-	-	-
1,166,921	1,003,487	-	-	-	-
-	-	105,593	350,092	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,166,921</u>	<u>\$ 1,003,487</u>	<u>\$ 105,593</u>	<u>\$ 350,092</u>	<u>\$ 51,837</u>	<u>\$ 69,209</u>
\$ 83,870	\$ 841,457	\$ 131	\$ 1,064	\$ 2,347	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 83,870	\$ 841,457	\$ 131	\$ 1,064	\$ 2,347	\$ -
1,373,954	-	961	169,622	38,484	-
<u>\$ 1,457,824</u>	<u>\$ 841,457</u>	<u>\$ 1,092</u>	<u>\$ 170,686</u>	<u>\$ 40,831</u>	<u>\$ -</u>

(Continued)

HENRY COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended November 30, 2012

	State's Attorney Forfeited Drug Fund	Circuit Clerk Op/Admin Fund	Animal Control Fund	Special Vital Records Automation Fund
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	9,185	98,251	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	7,062
Investment income	606	67	-	107
Miscellaneous	89,709	-	-	-
Total revenues	<u>\$ 90,315</u>	<u>\$ 9,252</u>	<u>\$ 98,251</u>	<u>\$ 7,169</u>
<b>EXPENDITURES</b>				
Current:				
General government	\$ -	\$ 335	\$ -	\$ 1,995
Public Safety	7,847	-	80,468	-
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	14,785	-	10,500	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>\$ 22,632</u>	<u>\$ 335</u>	<u>\$ 90,968</u>	<u>\$ 1,995</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 67,683</u>	<u>\$ 8,917</u>	<u>\$ 7,283</u>	<u>\$ 5,174</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	<u>\$ 67,683</u>	<u>\$ 8,917</u>	<u>\$ 7,283</u>	<u>\$ 5,174</u>
FUND BALANCES – Beginning	<u>42,378</u>	<u>34,672</u>	<u>36,400</u>	<u>12,206</u>
FUND BALANCES – Ending	<u><u>\$ 110,061</u></u>	<u><u>\$ 43,589</u></u>	<u><u>\$ 43,683</u></u>	<u><u>\$ 17,380</u></u>

Revenue Funds					
Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,855	-	-
-	-	-	-	-	-
83,713	158,428	12,168	-	29,733	44,052
210	-	404	409	-	215
-	-	-	-	-	-
<u>\$ 83,923</u>	<u>\$ 158,428</u>	<u>\$ 12,572</u>	<u>\$ 6,264</u>	<u>\$ 29,733</u>	<u>\$ 44,267</u>
\$ 83,157	\$ 115,320	\$ 2,565	\$ -	\$ -	\$ 27,074
-	-	-	3,784	-	-
-	-	-	-	21,805	-
-	-	-	-	-	-
-	8,814	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 83,157</u>	<u>\$ 124,134</u>	<u>\$ 2,565</u>	<u>\$ 3,784</u>	<u>\$ 21,805</u>	<u>\$ 27,074</u>
\$ 766	\$ 34,294	\$ 10,007	\$ 2,480	\$ 7,928	\$ 17,193
-	-	-	-	-	-
(16,408)	-	(383)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (16,408)</u>	<u>\$ -</u>	<u>\$ (383)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ (15,642)	\$ 34,294	\$ 9,624	\$ 2,480	\$ 7,928	\$ 17,193
39,019	842,021	52,567	57,662	(52,590)	78,381
<u>\$ 23,377</u>	<u>\$ 876,315</u>	<u>\$ 62,191</u>	<u>\$ 60,142</u>	<u>\$ (44,662)</u>	<u>\$ 95,574</u>

HENRY COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended November 30, 2012

	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Special Orion Law Enforcement Fund
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	59,364	123,489	59,495	229,623
Investment income	1,899	916	2,829	-
Miscellaneous	-	-	-	-
Total revenues	<u>\$ 61,263</u>	<u>\$ 124,405</u>	<u>\$ 62,324</u>	<u>\$ 229,623</u>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 89,647	\$ 96,973	\$ 41,862	\$ -
Public Safety	-	-	-	205,809
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	11,752	-	28,822	-
Debt service:				
Principal	-	24,551	-	-
Interest	-	8,989	-	-
Total expenditures	<u>\$ 101,399</u>	<u>\$ 130,513</u>	<u>\$ 70,684</u>	<u>\$ 205,809</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (40,136)</u>	<u>\$ (6,108)</u>	<u>\$ (8,360)</u>	<u>\$ 23,814</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(9,713)	-	(858)	(39,933)
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agen	-	-	-	-
Total other financing sources (uses)	<u>\$ (9,713)</u>	<u>\$ -</u>	<u>\$ (858)</u>	<u>\$ (39,933)</u>
Net change in fund balances	\$ (49,849)	\$ (6,108)	\$ (9,218)	\$ (16,119)
FUND BALANCES – Beginning	<u>235,587</u>	<u>128,596</u>	<u>386,271</u>	<u>5,717</u>
FUND BALANCES – Ending	<u>\$ 185,738</u>	<u>\$ 122,488</u>	<u>\$ 377,053</u>	<u>\$ (10,402)</u>

Revenue Funds					
Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Solid Waste Management Fund	Soil Survey Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	8,410	-	-
-	-	-	-	-	-
-	-	2,656	-	-	159,833
-	-	-	30,000	-	-
-	68,837	-	-	61,959	-
25,962	-	311	-	320	-
-	-	-	-	-	-
<u>\$ 25,962</u>	<u>\$ 68,837</u>	<u>\$ 2,967</u>	<u>\$ 38,410</u>	<u>\$ 62,279</u>	<u>\$ 159,833</u>
\$ 12,184	\$ -	\$ -	\$ 2,085	\$ 23,467	\$ 125,102
-	49,744	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	351,623	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,184</u>	<u>\$ 49,744</u>	<u>\$ -</u>	<u>\$ 353,708</u>	<u>\$ 23,467</u>	<u>\$ 125,102</u>
<u>\$ 13,778</u>	<u>\$ 19,093</u>	<u>\$ 2,967</u>	<u>\$ (315,298)</u>	<u>\$ 38,812</u>	<u>\$ 34,731</u>
\$ -	\$ -	\$ -	\$ 494,688	\$ -	\$ -
-	(13,445)	-	(499,306)	-	(16,174)
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ (13,445)</u>	<u>\$ -</u>	<u>\$ (4,618)</u>	<u>\$ -</u>	<u>\$ (16,174)</u>
\$ 13,778	\$ 5,648	\$ 2,967	\$ (319,916)	\$ 38,812	\$ 18,557
1,080,872	(8,026)	42,873	1,242,554	10,295	61,902
<u>\$ 1,094,650</u>	<u>\$ (2,378)</u>	<u>\$ 45,840</u>	<u>\$ 922,638</u>	<u>\$ 49,107</u>	<u>\$ 80,459</u>

(Continued)

HENRY COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended November 30, 2012

	Special			
	TICP Grant Fund	DUI Equipment Fund	Community Programs Fund	Camera Account
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	10,486	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	200	54	17
Miscellaneous	-	-	200	-
Total revenues	<u>\$ -</u>	<u>\$ 10,686</u>	<u>\$ 254</u>	<u>\$ 17</u>
<b>EXPENDITURES</b>				
Current:				
General government	\$ -	\$ -	\$ 580	\$ -
Public Safety	-	1,212	-	29
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	-	5,550	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ 6,762</u>	<u>\$ 580</u>	<u>\$ 29</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 3,924</u>	<u>\$ (326)</u>	<u>\$ (12)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 3,924</u>	<u>\$ (326)</u>	<u>\$ (12)</u>
FUND BALANCES – Beginning	<u>-</u>	<u>28,550</u>	<u>7,839</u>	<u>2,733</u>
FUND BALANCES – Ending	<u><u>\$ -</u></u>	<u><u>\$ 32,474</u></u>	<u><u>\$ 7,513</u></u>	<u><u>\$ 2,721</u></u>

Revenue Funds					
Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coroner Fees Fund	Federal Forfeited Drug Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	7,105	-
-	-	-	1,602	-	39,438
171	52	-	8	65	223
4,825	-	-	-	-	-
<u>\$ 4,996</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 1,610</u>	<u>\$ 7,170</u>	<u>\$ 39,661</u>
\$ -	\$ -	\$ -	\$ 1,602	\$ -	\$ -
3,956	-	-	-	-	68,479
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	14,785
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,956</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,602</u>	<u>\$ -</u>	<u>\$ 83,264</u>
<u>\$ 1,040</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 7,170</u>	<u>\$ (43,603)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,040	\$ 52	\$ -	\$ 8	\$ 7,170	\$ (43,603)
59,194	5,069	5,000	1,326	8,435	69,282
<u>\$ 60,234</u>	<u>\$ 5,121</u>	<u>\$ 5,000</u>	<u>\$ 1,334</u>	<u>\$ 15,605</u>	<u>\$ 25,679</u>

HENRY COUNTY, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended November 30, 2012

	Special Revenue		
	Police Vehicle Fund	Organized Crime Drug Fund	County Pet Population Fund
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Tax increment	-	-	-
Replacement	-	-	-
Fines and fees	7,665	-	13,325
Intergovernmental	-	3,036	-
Charges for services	-	-	-
Investment income	7	-	-
Miscellaneous	-	-	-
Total revenues	<u>\$ 7,672</u>	<u>\$ 3,036</u>	<u>\$ 13,325</u>
<b>EXPENDITURES</b>			
Current:			
General government	\$ -	\$ -	\$ -
Public Safety	-	3,026	4,157
Education	-	-	-
Highways and streets	-	-	-
Health	-	-	-
Capital expenditures	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ 3,026</u>	<u>\$ 4,157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 7,672</u>	<u>\$ 10</u>	<u>\$ 9,168</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ -	\$ -	\$ -
Transfers out	-	-	-
Refunding bonds issued	-	-	-
Payment to refunded bond escrow agent	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ 7,672	\$ 10	\$ 9,168
FUND BALANCES – Beginning	<u>(3,965)</u>	<u>(1,275)</u>	<u>2,458</u>
FUND BALANCES – Ending	<u><u>\$ 3,707</u></u>	<u><u>\$ (1,265)</u></u>	<u><u>\$ 11,626</u></u>

Funds				
Sheriff Off-Duty Work Fund	States Attorney Money Laundering Fund	Hazard Mitigation Plan Grant Fund	States Attorney Records Automation Fund	Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
6,938	79,087	37,570	-	-
24,071	-	-	825	-
8	241	-	-	1
-	-	-	-	-
<u>\$ 31,017</u>	<u>\$ 79,328</u>	<u>\$ 37,570</u>	<u>\$ 825</u>	<u>\$ 1</u>
\$ -	\$ -	\$ -	\$ -	\$ -
28,916	4,544	37,570	47	-
-	-	-	-	-
-	-	-	-	-
-	7,678	-	-	-
-	-	-	-	420,000
-	-	-	-	72,638
<u>\$ 28,916</u>	<u>\$ 12,222</u>	<u>\$ 37,570</u>	<u>\$ 47</u>	<u>\$ 492,638</u>
<u>\$ 2,101</u>	<u>\$ 67,106</u>	<u>\$ -</u>	<u>\$ 778</u>	<u>\$ (492,637)</u>
\$ -	\$ -	\$ -	\$ -	\$ 499,306
-	-	-	-	-
-	-	-	-	575,000
-	-	-	-	(581,668)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 492,638</u>
\$ 2,101	\$ 67,106	\$ -	\$ 778	\$ 1
3,481	20,813	-	-	4,210
<u>\$ 5,582</u>	<u>\$ 87,919</u>	<u>\$ -</u>	<u>\$ 778</u>	<u>\$ 4,211</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FEDERAL AID MATCHING FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 230,000	\$ 230,000	\$ 230,310
Replacement	12,000	12,000	12,328
Investment income	<u>1,000</u>	<u>1,000</u>	<u>1,230</u>
Total revenues	<u>\$ 243,000</u>	<u>\$ 243,000</u>	<u>\$ 243,868</u>
<b>EXPENDITURES</b>			
Current:			
Engineering	\$ 3,000	\$ 3,000	\$ -
Highway construction	<u>235,000</u>	<u>235,000</u>	<u>102,110</u>
Total expenditures	<u>\$ 238,000</u>	<u>\$ 238,000</u>	<u>\$ 102,110</u>
Excess of revenues over expenditures	<u>\$ 5,000</u>	<u>\$ 5,000</u>	\$ 141,758
FUND BALANCE – Beginning			<u>229,200</u>
FUND BALANCE – Ending			<u>\$ 370,958</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COUNTY JOINT BRIDGE FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 280,000	\$ 280,000	\$ 279,718
Replacement	15,000	15,000	14,725
Charges for services	100,000	100,000	91,981
Investment income	<u>12,000</u>	<u>12,000</u>	<u>8,183</u>
Total revenues	<u>\$ 407,000</u>	<u>\$ 407,000</u>	<u>\$ 394,607</u>
 <b>EXPENDITURES</b>			
Current:			
Bridge construction	\$ 400,000	\$ 400,000	\$ 163,332
Engineering expense	<u>30,000</u>	<u>30,000</u>	<u>43,626</u>
Total expenditures	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 206,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (23,000)</u>	<u>\$ (23,000)</u>	\$ 187,649
 FUND BALANCE – Beginning			 <u>1,103,027</u>
FUND BALANCE – Ending			<u><u>\$ 1,290,676</u></u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 MOTOR FUEL TAX FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Intergovernmental	\$ 1,100,000	\$ 1,100,000	\$ 1,189,452
Salary reimbursement	52,668	52,668	52,668
Investment income	10,000	10,000	8,671
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total revenues	<u>\$ 1,162,668</u>	<u>\$ 1,162,668</u>	<u>\$ 1,250,791</u>
<b>EXPENDITURES</b>			
Current:			
Salaries	\$ 105,336	\$ 105,336	\$ 105,336
Insurance	43,115	43,115	43,328
IMRF reimbursement	47,265	47,265	34,268
Construction and maintenance	1,002,500	1,002,500	983,989
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total expenditures	<u>\$ 1,198,216</u>	<u>\$ 1,198,216</u>	<u>\$ 1,166,921</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (35,548)</u>	<u>\$ (35,548)</u>	\$ 83,870
FUND BALANCE – Beginning			<u>1,373,954</u>
FUND BALANCE – Ending			<u>\$ 1,457,824</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 MENTALLY DEFICIENT PERSONS FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 99,817	\$ 99,817	\$ 100,330
Replacement	6,233	6,233	5,332
Investment income	20	20	62
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	\$ 106,070	\$ 106,070	\$ 105,724
<b>EXPENDITURES</b>			
Current:			
Mental health	<u>106,000</u>	<u>106,000</u>	<u>105,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 70</u>	<u>\$ 70</u>	\$ 131
FUND BALANCE – Beginning			<u>961</u>
FUND BALANCE – Ending			<u>\$ 1,092</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 708 MENTAL HEALTH FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
REVENUES			
Property taxes	\$ 350,307	\$ 350,307	\$ 350,405
Investment income	1,500	1,500	751
	<u>351,807</u>	<u>351,807</u>	<u>351,156</u>
Total revenues	\$ 351,807	\$ 351,807	\$ 351,156
EXPENDITURES			
Current:			
Mental health	<u>350,092</u>	<u>350,092</u>	<u>350,092</u>
Excess of revenues over expenditures	<u>\$ 1,715</u>	<u>\$ 1,715</u>	\$ 1,064
FUND BALANCE – Beginning			<u>169,622</u>
FUND BALANCE – Ending			<u>\$ 170,686</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 VETERANS' ASSISTANCE COMMISSION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Property taxes	\$ 53,821	\$ 53,821	\$ 53,966
Investment income	250	250	218
	<u>54,071</u>	<u>54,071</u>	<u>54,184</u>
Total revenues	<u>\$ 54,071</u>	<u>\$ 54,071</u>	<u>\$ 54,184</u>
<b>EXPENDITURES</b>			
Current:			
Supplies	\$ 350	\$ 350	\$ 289
Contractual service	25,296	25,296	25,296
Other service and charges	28,145	28,145	26,252
	<u>53,791</u>	<u>53,791</u>	<u>51,837</u>
Total expenditures	<u>\$ 53,791</u>	<u>\$ 53,791</u>	<u>\$ 51,837</u>
Excess of revenues over expenditures	<u>\$ 280</u>	<u>\$ 280</u>	\$ 2,347
FUND BALANCE – Beginning			<u>38,484</u>
FUND BALANCE – Ending			<u>\$ 40,831</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 EXTENSION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Property taxes	\$ 69,139	\$ 69,139	\$ 69,172
Investment income	<u>-</u>	<u>-</u>	<u>37</u>
Total revenues	\$ 69,139	\$ 69,139	\$ 69,209
<b>EXPENDITURES</b>			
Current:			
Extension	<u>69,139</u>	<u>69,139</u>	<u>69,209</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ -
FUND BALANCE – Beginning			<u>-</u>
FUND BALANCE – Ending			<u>\$ -</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 STATE'S ATTORNEY FORFEITED DRUG FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Investment income	\$ 1,000	\$ 1,000	\$ 606
Miscellaneous:			
Seizures/drugs	<u>20,000</u>	<u>20,000</u>	<u>89,709</u>
Total revenues	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 90,315</u>
 <b>EXPENDITURES</b>			
Current - education:			
Office supplies	\$ 2,500	\$ 2,500	\$ 1,015
Other service and charges	10,800	10,800	1,375
Equipment	<u>20,000</u>	<u>20,000</u>	<u>20,242</u>
Total expenditures	<u>\$ 33,300</u>	<u>\$ 33,300</u>	<u>\$ 22,632</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (12,300)</u>	<u>\$ (12,300)</u>	\$ 67,683
 FUND BALANCE – Beginning			 <u>42,378</u>
FUND BALANCE – Ending			<u>\$ 110,061</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 ANIMAL CONTROL FUND  
 For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual Amounts
<b>REVENUES</b>			
Fines and fees	\$ 86,000	\$ 86,000	\$ 98,251
 <b>EXPENDITURES</b>			
Current - public safety:			
Officer salary	\$ 31,887	\$ 31,887	\$ 32,983
Staff salaries	19,001	19,001	19,057
Longevity	60	60	60
Life and health insurance	12,318	12,318	11,547
Office supplies	4,000	4,000	3,904
Uniforms	900	900	306
Contractual service	200	200	150
Travel and meeting	3,500	3,500	4,590
Education and training	500	500	-
Fuel and power	2,500	2,500	1,669
Water	300	300	-
Telephone	1,500	1,500	1,320
Postage	2,300	2,300	2,609
Dues	100	100	120
Maintenance	200	200	805
Laboratory expense	200	200	231
Veterinary assistance	500	500	512
Dead animal claims	500	500	-
Animal disposal	300	300	98
Other service and charges	700	700	209
Building	200	32,200	10,798
Total expenditures	\$ 81,666	\$ 113,666	\$ 90,968
Excess of revenues over expenditures	\$ 4,334	\$ (27,666)	\$ 7,283
FUND BALANCE – Beginning			36,400
FUND BALANCE – Ending			\$ 43,683

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 VITAL RECORDS AUTOMATION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services	\$ 7,150	\$ 7,150	\$ 7,062
Investment income	<u>120</u>	<u>120</u>	<u>107</u>
Total revenues	<u>\$ 7,270</u>	<u>\$ 7,270</u>	<u>\$ 7,169</u>
<b>EXPENDITURES</b>			
Current - general government:			
Part time salaries	\$ 3,000	\$ 3,000	\$ -
Death certificate surcharge	450	450	630
Domestic violence surcharge	<u>1,200</u>	<u>1,200</u>	<u>1,365</u>
Total expenditures	<u>\$ 4,650</u>	<u>\$ 4,650</u>	<u>\$ 1,995</u>
Excess of revenues over expenditures	\$ 2,620	\$ 2,620	\$ 5,174
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(230)</u>	<u>(230)</u>	<u>-</u>
Net change in fund balances	<u>\$ 2,390</u>	<u>\$ 2,390</u>	\$ 5,174
FUND BALANCE – Beginning			<u>12,206</u>
FUND BALANCE – Ending			<u>\$ 17,380</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COURT SECURITY SYSTEM FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services	\$ 90,000	\$ 90,000	\$ 83,713
Investment income	500	500	210
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	\$ 90,500	\$ 90,500	\$ 83,923
<b>EXPENDITURES</b>			
Current - general government:			
Staff salaries	\$ 43,108	\$ 43,108	\$ 47,006
Part time salaries	28,400	28,400	27,976
Overtime	4,000	4,000	768
Life and health insurance	6,159	6,159	6,159
Uniforms	600	600	888
Education and training	1,000	1,000	-
Equipment	1,000	1,000	360
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	\$ 84,267	\$ 84,267	\$ 83,157
Excess of revenues over expenditures	\$ 6,233	\$ 6,233	\$ 766
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(14,849)</u>	<u>(14,849)</u>	<u>(16,408)</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Net change in fund balances	\$ <u>(8,616)</u>	\$ <u>(8,616)</u>	\$ (15,642)
FUND BALANCE – Beginning			<u>39,019</u>
FUND BALANCE – Ending			<u>\$ 23,377</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 PROBATION SERVICE FEES FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Substance abuse testing	\$ 15,000	\$ 15,000	\$ 14,678
Probation service fees	160,000	160,000	141,226
Electronic monitoring	500	500	1,185
Partner abuse intervention	500	500	364
Reimbursements	1,350	1,350	975
	<u>177,350</u>	<u>177,350</u>	<u>158,428</u>
Total revenues	\$ 177,350	\$ 177,350	\$ 158,428
<b>EXPENDITURES</b>			
Current - general government:			
Office supplies	\$ 4,000	\$ 4,000	\$ 3,141
Document preservation	11,500	11,500	7,941
Travel and meeting	1,500	1,500	734
Fuel expense	5,000	5,000	4,054
Education and training	5,500	5,500	3,875
Public relation/education	2,500	2,500	156
Partner abuse intervention group	10,000	10,000	3,385
Leads 2000	5,500	5,500	5,264
Postage	4,000	4,000	3,093
Dues	650	650	600
Service contracts	6,360	6,360	5,657
Maintenance	6,000	6,000	3,831
Juvenile psychological	1,300	1,300	-
Substance abuse testing	10,000	10,000	10,057
Sex offender evaluations	4,000	4,000	950
Medical tests	1,500	1,500	660
DNA collection fee	300	300	40
Equipment	18,500	18,500	12,953
Reimbursements	20,050	20,050	24,725
Delinquency diversion program	7,500	7,500	3,462
Computer automation	40,000	40,000	29,556
	<u>165,660</u>	<u>165,660</u>	<u>124,134</u>
Total expenditures	\$ 165,660	\$ 165,660	\$ 124,134
Excess of revenues over expenditures	<u>\$ 11,690</u>	<u>\$ 11,690</u>	<u>\$ 34,294</u>
FUND BALANCE – Beginning			<u>842,021</u>
FUND BALANCE – Ending			<u>\$ 876,315</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 TREASURER AUTOMATION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Automation fees	\$ 10,000	\$ 10,000	\$ 12,168
Investment income	300	300	404
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	<u>\$ 10,300</u>	<u>\$ 10,300</u>	<u>\$ 12,572</u>
 <b>EXPENDITURES</b>			
Current - general government:			
Staff salaries	\$ 4,326	\$ 4,326	\$ 1,859
Part time salaries	3,000	3,000	706
Contingencies	1,500	1,500	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	<u>\$ 8,826</u>	<u>\$ 8,826</u>	<u>\$ 2,565</u>
Excess of revenues over expenditures	 \$ 1,474	 \$ 1,474	 \$ 10,007
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(1,005)</u>	<u>(1,005)</u>	<u>(383)</u>
Net change in fund balances	<u>\$ 469</u>	<u>\$ 469</u>	<u>\$ 9,624</u>
 FUND BALANCE – Beginning			
			<u>52,567</u>
 FUND BALANCE – Ending			
			<u>\$ 62,191</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 SHERIFF'S DRUG FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Fines and fees:			
Street value fines	\$ 7,000	\$ 7,000	\$ 5,855
Investment income	1,000	1,000	409
	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ 6,264</u>
<b>EXPENDITURES</b>			
Current - public safety:			
Contingencies	\$ 5,700	\$ 5,700	\$ 3,784
	<u>\$ 5,700</u>	<u>\$ 5,700</u>	<u>\$ 3,784</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,300</u>	<u>\$ 2,300</u>	\$ 2,480
FUND BALANCE – Beginning			<u>57,662</u>
FUND BALANCE – Ending			<u>\$ 60,142</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 LAW LIBRARY FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Reimbursements	\$ 8,388	\$ 8,388	\$ 8,621
Law library fees	<u>25,000</u>	<u>25,000</u>	<u>21,112</u>
Total revenues	<u>\$ 33,388</u>	<u>\$ 33,388</u>	<u>\$ 29,733</u>
<b>EXPENDITURES</b>			
Current - education:			
Law books and subscriptions	\$ 7,426	\$ 7,426	\$ 4,592
Computer automation	<u>14,708</u>	<u>14,708</u>	<u>17,213</u>
Total expenditures	<u>\$ 22,134</u>	<u>\$ 22,134</u>	<u>\$ 21,805</u>
Excess of revenues over expenditures	<u>\$ 11,254</u>	<u>\$ 11,254</u>	\$ 7,928
FUND BALANCE – Beginning			<u>(52,590)</u>
FUND BALANCE – Ending			<u>\$ (44,662)</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CIRCUIT CLERK COURT AUTOMATION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Automation fees	\$ 70,000	\$ 70,000	\$ 59,364
Investment income	3,000	3,000	1,899
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	\$ 73,000	\$ 73,000	\$ 61,263
<b>EXPENDITURES</b>			
Current - general government:			
Staff salaries	\$ 54,163	\$ 54,163	\$ 55,095
Longevity pay	970	970	442
Life and health insurance	12,318	12,318	12,318
Office supplies	10,000	10,000	2,945
Travel and meeting	1,000	1,000	579
Telephone	1,620	1,620	1,358
Maintenance	15,000	15,000	12,177
Equipment	25,000	25,000	16,485
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	\$ 120,071	\$ 120,071	\$ 101,399
Excess (deficiency) of revenues over (under) expenditures	\$ (47,071)	\$ (47,071)	\$ (40,136)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(10,115)</u>	<u>(10,115)</u>	<u>(9,713)</u>
Net change in fund balances	<u>\$ (57,186)</u>	<u>\$ (57,186)</u>	\$ (49,849)
FUND BALANCE – Beginning			<u>235,587</u>
FUND BALANCE – Ending			<u>\$ 185,738</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 RECORDER AUTOMATION FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Automation fees	\$ 42,000	\$ 42,000	\$ 44,322
Rural housing fund	68,000	68,000	79,167
Investment income	1,500	1,500	916
	<u>111,500</u>	<u>111,500</u>	<u>124,405</u>
Total revenues	\$ 111,500	\$ 111,500	\$ 124,405
<b>EXPENDITURES</b>			
Current - general government:			
Office supplies	\$ 1,000	\$ 1,000	\$ 1,045
Contractual service	40,000	40,000	13,666
Maintenance	4,100	4,100	3,116
Rural housing surcharge payment	68,000	68,000	79,146
Debt service:			
Principal	-	-	24,551
Interest	-	-	8,989
	<u>113,100</u>	<u>113,100</u>	<u>130,513</u>
Total expenditures	\$ 113,100	\$ 113,100	\$ 130,513
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,600)</u>	<u>\$ (1,600)</u>	\$ (6,108)
FUND BALANCE – Beginning			<u>128,596</u>
FUND BALANCE – Ending			<u>\$ 122,488</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COURT DOCUMENT STORAGE FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Court document storage fee	\$ 70,000	\$ 70,000	\$ 59,495
Investment income	3,000	3,000	2,829
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	\$ 73,000	\$ 73,000	\$ 62,324
	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES</b>			
Part time salaries and overtime	\$ 12,000	\$ 12,000	\$ 10,438
Office supplies	10,000	10,000	2,374
Travel and meeting	1,000	1,000	1,132
Service contracts	15,000	15,000	212
Equipment	25,000	25,000	56,528
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	\$ 63,000	\$ 63,000	\$ 70,684
	<u>          </u>	<u>          </u>	<u>          </u>
Excess (deficiency) of revenues over (under) expenditures	\$ 10,000	\$ 10,000	\$ (8,360)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(918)</u>	<u>(918)</u>	<u>(858)</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Net change in fund balances	\$ 9,082	\$ 9,082	\$ (9,218)
	<u>          </u>	<u>          </u>	<u>          </u>
FUND BALANCE – Beginning			<u>386,271</u>
FUND BALANCE – Ending			<u>\$ 377,053</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 ORION LAW ENFORCEMENT FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services	\$ 239,664	\$ 239,664	\$ 229,623
<b>EXPENDITURES</b>			
Current - public safety:			
Staff salaries	\$ 136,119	\$ 136,119	\$ 148,518
Part time salaries	2,000	2,000	252
Overtime	1,500	1,500	6
Straight time	5,184	5,184	5,612
Life and health insurance	18,477	18,477	18,477
Unemployment insurance	869	869	973
Re-insurance reimbursement	7,019	7,019	5,731
Workers compensation	9,500	9,500	10,546
Office supplies	500	500	-
Uniforms	1,800	1,800	850
Education and training	1,000	1,000	241
Telephone	2,500	2,500	1,678
Service contracts	457	457	-
Maintenance	10,000	10,000	9,757
Administrative fees	800	800	800
Insurance	2,350	2,350	2,350
Equipment	500	500	18
Contingencies	250	250	-
Total expenditures	<u>\$ 200,825</u>	<u>\$ 200,825</u>	<u>\$ 205,809</u>
Excess of revenues over expenditures	\$ 38,839	\$ 38,839	\$ 23,814
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(38,839)</u>	<u>(38,839)</u>	<u>(39,933)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	\$ (16,119)
FUND BALANCE – Beginning			<u>5,717</u>
FUND BALANCE – Ending			<u>\$ (10,402)</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CAMBRIDGE LAW ENFORCEMENT FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services	\$ 59,958	\$ 59,958	\$ 68,837
<b>EXPENDITURES</b>			
Current - public safety:			
Staff salaries	\$ 39,763	\$ 39,763	\$ 44,548
Overtime	1,000	1,000	699
Straight time	1,506	1,506	694
Life and health insurance	6,159	6,159	3,803
Total expenditures	<u>\$ 48,428</u>	<u>\$ 48,428</u>	<u>\$ 49,744</u>
Excess of revenues over expenditures	\$ 11,530	\$ 11,530	\$ 19,093
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(11,530)</u>	<u>(11,530)</u>	<u>(13,445)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	\$ 5,648
FUND BALANCE – Beginning			<u>(8,026)</u>
FUND BALANCE – Ending			<u>\$ (2,378)</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 SHERIFF'S CRIME LAB FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Fines and fees	\$ 2,500	\$ 2,500	\$ 2,656
Investment income	500	500	311
Total revenues	\$ 3,000	\$ 3,000	\$ 2,967
 <b>EXPENDITURES</b>			
Current - public safety:			
Equipment	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	\$ 2,967
FUND BALANCE – Beginning			<u>42,873</u>
FUND BALANCE – Ending			<u>\$ 45,840</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CAPITAL BUILDING FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Tax increment	\$ -	\$ -	\$ 8,410
Intergovernmental	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Total revenues	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 38,410</u>
<b>EXPENDITURES</b>			
Current - general government:			
Improvements and fees	\$ -	\$ -	\$ 2,085
Capital improvement	<u>674,660</u>	<u>674,660</u>	<u>351,623</u>
Total expenditures	<u>\$ 674,660</u>	<u>\$ 674,660</u>	<u>\$ 353,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (644,660)</u>	<u>\$ (644,660)</u>	<u>\$ (315,298)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	\$ 494,688	\$ 494,688	\$ 494,688
Transfers out	<u>(494,298)</u>	<u>(494,298)</u>	<u>(499,306)</u>
Total other financing sources (uses)	<u>\$ 390</u>	<u>\$ 390</u>	<u>\$ (4,618)</u>
Net change in fund balances	<u>\$ (644,270)</u>	<u>\$ (644,270)</u>	<u>\$ (319,916)</u>
FUND BALANCE – Beginning			<u>1,242,554</u>
FUND BALANCE – Ending			<u>\$ 922,638</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 SOLID WASTE MANAGEMENT FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Tipping fees	\$ 60,000	\$ 60,000	\$ 38,552
Host fees	16,800	16,800	23,407
Investment income	70	70	320
	<u>76,870</u>	<u>76,870</u>	<u>62,279</u>
Total revenues	<u>\$ 76,870</u>	<u>\$ 76,870</u>	<u>\$ 62,279</u>
<b>EXPENDITURES</b>			
Current - general government:			
Department head salary	\$ -	\$ -	\$ 43
Contractual service	16,800	24,100	23,407
Travel and meeting	500	500	17
Publications	500	500	-
	<u>17,800</u>	<u>25,100</u>	<u>23,467</u>
Total expenditures	<u>\$ 17,800</u>	<u>\$ 25,100</u>	<u>\$ 23,467</u>
Excess of revenues over expenditures	<u>\$ 59,070</u>	<u>\$ 51,770</u>	<u>\$ 38,812</u>
 FUND BALANCE – Beginning			<u>10,295</u>
FUND BALANCE – Ending			<u>\$ 49,107</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 SOIL SURVEY FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Fees	\$ 146,000	\$ 146,000	\$ 159,833
 <b>EXPENDITURES</b>			
Current - general government:			
Staff salaries	\$ 94,805	\$ 94,805	\$ 95,498
Longevity	1,029	1,029	557
Part time salaries	12,745	12,745	2,742
Life and health insurance	15,710	15,710	12,969
Office supplies	1,000	1,000	842
Education and training	1,000	1,000	55
Postage	200	200	70
Maintenance	1,000	1,000	-
Computer system support	17,000	17,000	12,180
Computer automation	10,000	10,000	189
Total expenditures	<u>\$ 154,489</u>	<u>\$ 154,489</u>	<u>\$ 125,102</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (8,489)	\$ (8,489)	\$ 34,731
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(19,335)</u>	<u>(19,335)</u>	<u>(16,174)</u>
Net change in fund balances	<u>\$ (27,824)</u>	<u>\$ (27,824)</u>	\$ 18,557
 FUND BALANCE – Beginning			<u>61,902</u>
FUND BALANCE – Ending			<u>\$ 80,459</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 DUI EQUIPMENT FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Fees	\$ 4,700	\$ 4,700	\$ 10,486
Investment income	250	250	200
	<hr/>	<hr/>	<hr/>
Total revenues	\$ 4,950	\$ 4,950	\$ 10,686
<b>EXPENDITURES</b>			
Current - public safety:			
Equipment	5,000	5,000	6,762
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (50)</u>	<u>\$ (50)</u>	\$ 3,924
FUND BALANCE – Beginning			<hr/> 28,550
FUND BALANCE – Ending			<u>\$ 32,474</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COMMUNITY PROGRAMS FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Investment income	\$ 100	\$ 100	\$ 54
Contributions and donations	<u>100</u>	<u>100</u>	<u>200</u>
Total revenues	\$ 200	\$ 200	\$ 254
 <b>EXPENDITURES</b>			
Office supplies and contingencies	<u>600</u>	<u>600</u>	<u>580</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (400)</u>	<u>\$ (400)</u>	\$ (326)
FUND BALANCE – Beginning			<u>7,839</u>
FUND BALANCE – Ending			<u>\$ 7,513</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CAMERA ACCOUNT  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Investment income	\$ 40	\$ 40	\$ 17
Miscellaneous	-	-	-
	<u>40</u>	<u>40</u>	<u>17</u>
Total revenues	<u>\$ 40</u>	<u>\$ 40</u>	<u>\$ 17</u>
<b>EXPENDITURES</b>			
Office supplies	\$ 500	\$ 500	\$ 29
Publication notices	50	50	-
	<u>550</u>	<u>550</u>	<u>29</u>
Total expenditures	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ 29</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (510)</u>	<u>\$ (510)</u>	\$ (12)
FUND BALANCE – Beginning			<u>2,733</u>
FUND BALANCE – Ending			<u>\$ 2,721</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CORONER EQUIPMENT GRANT  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services	\$ -	\$ -	\$ -
Investment income	50	50	52
	<u>50</u>	<u>50</u>	<u>52</u>
Total revenues	\$ 50	\$ 50	\$ 52
<b>EXPENDITURES</b>			
Equipment	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ 50</u>	<u>\$ 50</u>	\$ 52
FUND BALANCE – Beginning			<u>5,069</u>
FUND BALANCE – Ending			<u>\$ 5,121</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 PROPERTY/BUILDING FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
REVENUES			
Reimbursements	\$ -	\$ -	\$ -
EXPENDITURES			
Property/Building	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	\$ -
FUND BALANCE – Beginning			<u>5,000</u>
FUND BALANCE – Ending			<u>\$ 5,000</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 CORONER'S FEES FUND  
 For the Year Ended November 30, 2012

	Original Budget	Final Budget	Actual Amounts
<b>REVENUES</b>			
Coroner's fees	\$ -	\$ -	\$ 7,105
Investment income	-	-	65
Total revenues	\$ -	\$ -	\$ 7,170
 <b>EXPENDITURES</b>			
Current - public safety:			
Office supplies	\$ 5,000	\$ 5,000	\$ -
Total expenditures	\$ 5,000	\$ 5,000	\$ -
Excess (deficiency) of revenues over (under) expenditures	\$ (5,000)	\$ (5,000)	\$ 7,170
FUND BALANCE – Beginning			8,435
FUND BALANCE – Ending			\$ 15,605

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FEDERAL FORFEITED DRUG FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Intergovernmental	\$ 6,000	\$ 6,000	\$ 39,438
Investment income	500	500	223
	<u>        </u>	<u>        </u>	<u>        </u>
Total revenues	<u>\$ 6,500</u>	<u>\$ 6,500</u>	<u>\$ 39,661</u>
<b>EXPENDITURES</b>			
Education and training	\$ 6,000	\$ 6,000	\$ 2,338
Special prosecutor	-	-	45,092
Equipment	24,000	24,000	35,834
	<u>        </u>	<u>        </u>	<u>        </u>
Total expenditures	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 83,264</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (23,500)</u>	<u>\$ (23,500)</u>	\$ (43,603)
FUND BALANCE – Beginning			<u>69,282</u>
FUND BALANCE – Ending			<u>\$ 25,679</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 HENRY COUNTY POLICE VEHICLE  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Fines and fees	\$ 8,000	\$ 8,000	\$ 7,665
Investment income	<u>120</u>	<u>120</u>	<u>7</u>
Total revenues	\$ 8,120	\$ 8,120	\$ 7,672
 <b>EXPENDITURES</b>			
Equipment	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ 2,120</u>	<u>\$ 2,120</u>	\$ 7,672
FUND BALANCE – Beginning			<u>(3,965)</u>
FUND BALANCE – Ending			<u>\$ 3,707</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 ORGANIZED CRIME DRUG FUND  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
REVENUES			
Reimbursements	\$ 5,000	\$ 5,000	\$ 3,036
EXPENDITURES			
Overtime	<u>5,000</u>	<u>5,000</u>	<u>3,026</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 10
FUND BALANCE – Beginning			<u>(1,275)</u>
FUND BALANCE – Ending			<u>\$ (1,265)</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 COUNTY PET POPULATION  
 For the Year Ended November 30, 2012

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
REVENUES			
Fines and fees	\$ 14,400	\$ 14,400	\$ 13,325
EXPENDITURES			
Adopted animal program reimbursements	<u>14,400</u>	<u>14,400</u>	<u>4,157</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 9,168
FUND BALANCE – Beginning			<u>2,458</u>
FUND BALANCE – Ending			<u>\$ 11,626</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 SHERIFF OFF-DUTY WORK FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Charges for services:			
Special detail reimbursement	\$ 29,229	\$ 29,229	\$ 24,071
Intergovernmental	7,625	7,625	6,938
Investment income	25	25	8
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	<u>\$ 36,879</u>	<u>\$ 36,879</u>	<u>\$ 31,017</u>
<b>EXPENDITURES</b>			
Current - public safety:			
Special detail pay	\$ 23,000	\$ 23,000	\$ 17,593
Intergovernmental agreement	6,000	6,000	3,474
FICA	2,219	2,219	2,234
IMRF	5,610	5,610	5,615
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	<u>\$ 36,829</u>	<u>\$ 36,829</u>	<u>\$ 28,916</u>
Excess of revenues over expenditures	<u>          50</u>	<u>          50</u>	\$ 2,101
FUND BALANCE – Beginning			<u>3,481</u>
FUND BALANCE – Ending			<u>\$ 5,582</u>

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 STATES ATTORNEY MONEY LAUNDERING FUND  
 For the Year Ended November 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
<b>REVENUES</b>			
Intergovernmental	\$ 20,985	\$ 20,985	\$ 79,087
Investment income	<u>100</u>	<u>100</u>	<u>241</u>
Total revenues	<u>\$ 21,085</u>	<u>\$ 21,085</u>	<u>\$ 79,328</u>
<b>EXPENDITURES</b>			
Education and training	\$ 12,300	\$ 12,300	\$ 2,023
Equipment	<u>2,000</u>	<u>2,000</u>	<u>10,199</u>
Total expenditures	<u>\$ 14,300</u>	<u>\$ 14,300</u>	<u>\$ 12,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,785</u>	<u>\$ 6,785</u>	\$ 67,106
FUND BALANCE – Beginning			<u>20,813</u>
FUND BALANCE – Ending			<u>\$ 87,919</u>

HENRY COUNTY, ILLINOIS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS

For the Year Ended November 30, 2012

	Balances December 1, 2011	Additions	Deductions	Balances November 30, 2012
<b>ASSETS</b>				
Cash, cash equivalents and investments:				
County Collector's Fund	\$ 216,959	\$69,148,188	\$69,163,433	\$ 201,714
Drainage District Funds	510,947	802,331	755,649	557,629
Inheritance Tax Fund	-	370,445	370,445	-
Trust Fund to Heirs	28,676	3,055	3,055	28,676
State's Attorney's Office Trust Fund	31,742	119,828	105,453	46,117
Delinquent Tax Program	927	1,450	1,249	1,128
Unclaimed bail deposits	1,003	-	1,003	-
County Clerk	103,943	1,263,013	1,264,120	102,836
Circuit Clerk	877,067	4,137,762	4,204,952	809,877
Prisoner Commissary	51,450	302,200	309,040	44,610
Sheriff's Special Account	3,106	22,660	25,756	10
Township Bridges	54,496	294,210	200,735	147,971
Township Motor Fuel Tax	444,375	1,561,464	1,474,893	530,946
	<u>2,324,691</u>	<u>78,026,606</u>	<u>77,879,783</u>	<u>2,471,514</u>
Total cash, cash equivalents and investments	\$ 2,324,691	\$78,026,606	\$77,879,783	\$ 2,471,514
Accounts receivable:				
Township Motor Fuel Tax	119,534	114,472	119,534	114,472
	<u>119,534</u>	<u>114,472</u>	<u>119,534</u>	<u>114,472</u>
Total assets	<u>\$ 2,444,225</u>	<u>\$78,141,078</u>	<u>\$77,999,317</u>	<u>\$ 2,585,986</u>
<b>LIABILITIES</b>				
Due to others:				
County Collector's Fund	\$ 216,959	\$69,148,188	\$69,163,433	\$ 201,714
Drainage District Funds	510,947	802,331	755,649	557,629
Inheritance Tax Fund	-	370,445	370,445	-
Trust Fund to Heirs	28,676	3,055	3,055	28,676
State's Attorney's Office Trust Fund	31,742	119,828	105,453	46,117
Delinquent Tax Program	927	1,450	1,249	1,128
Unclaimed bail deposits	1,003	-	1,003	-
County Clerk	103,943	1,263,013	1,264,120	102,836
Circuit Clerk	877,067	4,137,762	4,204,952	809,877
Prisoner Commissary	51,450	302,200	309,040	44,610
Sheriff's Special Account	3,106	22,660	25,756	10
Township Bridges	54,496	294,210	200,735	147,971
Township Motor Fuel Tax	563,909	1,675,936	1,594,427	645,418
	<u>2,444,225</u>	<u>78,141,078</u>	<u>77,999,317</u>	<u>2,585,986</u>
Total funds due to others	\$ 2,444,225	\$78,141,078	\$77,999,317	\$ 2,585,986

SINGLE AUDIT SECTION

HENRY COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<b>U.S. Department of Agriculture</b>			
Passed-through Illinois Department of Human Services			
Special Supplemental Food Program for Women-Infants-Children	10.557*	FCSRE01167	\$ 7,756
Special Supplemental Food Program for Women-Infants-Children	10.557*	FCSRE00886	69,607
Special Supplemental Food Program for Women-Infants-Children	10.557*	011GQ01206	95,539
Special Supplemental Food Program for Women-Infants-Children	10.557*	011GQ01608	9,933
Special Supplemental Food Program for Women-Infants-Children - noncash	10.557*	noncontract	499,390
			<u>\$ 682,225</u>
Passed-through Illinois Department of Public Health			
Child Nutrition Cluster			
Summer Food Service Program for Children	10.559	7740	\$ 800
Total Child Nutrition Cluster			<u>\$ 800</u>
Subtotal U.S. Department of Agriculture			<u>\$ 683,025</u>
<b>U.S. Department of Commerce</b>			
Direct Program:			
Economic Development Cluster			
Economic Adjustment Assistance - Revolving Loan Funds	11.307	06-39-02319-01	\$ 830,761
Subtotal U.S. Department of Commerce			<u>\$ 830,761</u>
<b>U.S. Department of Justice</b>			
Direct Program:			
Bulletproof Vest Partnership Program	16.607		\$ 1,182
Federal Equitable Sharing Agreement	16.922	IL037013A	\$ 83,264
Subtotal U.S. Department of Justice			<u>\$ 84,446</u>
<b>U.S. Department of Transportation</b>			
Passed-through Illinois Department of Transportation			
Formula Grants for Other than Urbanized Areas	20.509*	200RPT-12-008	\$ 31,748
Formula Grants for Other than Urbanized Areas	20.509*	300RPT-13-008	103,283
ARRA-Formula Grants for Other Than Urbanized Areas	20.509*	2010921ARRA	9,890
			<u>\$ 144,921</u>
Subtotal U.S. Department of Transportation			<u>\$ 144,921</u>
<b>U.S. Environmental Protection Agency</b>			
Passed-through Illinois Department of Public Health			
Performance Partnership Grants	66.605	4740	\$ 825
Subtotal U.S. Environmental Protection Agency			<u>\$ 825</u>

\*Major Program

HENRY COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<b>U.S. Department of Health and Human Services</b>			
Passed-through Illinois Department of Public Health			
Immunization Grants Cluster			
Immunization - Implement Award	93.268 *	6510	\$ 762
Immunization - noncash	93.268 *	001187	317,016
Total Immunizations Grants Cluster			<u>\$ 317,778</u>
Public Health Emergency Preparedness	93.069	27180037	<u>\$ 75,127</u>
Centers for Disease Control and Prevention- Investigations and Technical Assistance	93.283	5610	<u>\$ 121</u>
Passed-through Illinois Department of Human Services			
Family Planning Services - Title X	93.217	FCSRE01255	<u>\$ 41,629</u>
Social Services Block Grant - Title XX	93.667	FCSRE01255	\$ 12,679
Social Services Block Grant - Title XX	93.667	FCSRE01527	13,900
Social Services Block Grant - Title XX	93.667	011GQ00233	23,040
Social Services Block Grant - Title XX	93.667	011GQ01126	9,267
			<u>\$ 58,886</u>
Maternal and Child Health Services Block Grant to the States	93.994	011GQ00233	<u>\$ 1,559</u>
Passed-through Illinois Department of Healthcare and Family Services			
Child Support Enforcement	93.563	11KCC000036	\$ 1,250
Child Support Enforcement	93.563	21KCC000036	9,631
Child Support Enforcement	93.563	31KCC000036	5,634
			<u>\$ 16,515</u>
Medicaid Cluster			
Medical Assistance Program	93.778	CHD3Q12	\$ 58,995
Total Medicaid Cluster			<u>\$ 58,995</u>
Passed-through Illinois State Board of Elections			
Voting Access for Individuals with Disabilities-Grant to States	93.617	VAID IV	<u>\$ 1,602</u>
Passed-through Western Illinois Area Agency on Aging			
National Family Caregiver Support-Title III-E	93.052	R-20120805507003	\$ 6,409
National Family Caregiver Support-Title III-E	93.052	R-20130805507003	284
			<u>\$ 6,693</u>
Subtotal U.S. Department of Health and Human Services			<u>\$ 578,905</u>
<b>Department of Homeland Security</b>			
Passed-through Illinois Emergency Management Agency			
Hazard Mitigation Grant	97.039	20HM12HENRY	\$ 20,085
Hazard Mitigation Grant	97.039	30HM12HENRY	17,485
			<u>\$ 37,570</u>
Emergency Management Performance Grants	97.042	312EMAHENRY	\$ 5,135
			<u>\$ 5,135</u>
Subtotal Department of Homeland Security			<u>\$ 42,705</u>
Total Federal Financial Awards			<u>\$ 2,365,588</u>

\*Major Program

See Notes to Schedule of Expenditures of Federal Awards.

HENRY COUNTY, ILLINOIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (“the Schedule”) includes the federal grant activity of Henry County, Illinois for the year ended November 30, 2012. 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. Because the Schedule presents only a selected portion of the operations of Henry County, Illinois, it is not intended to and does not present the financial position, changes in net assets or cash flows of Henry County, Illinois.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual or accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State and Local Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue from federal awards is recognized when the County has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when they become both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

NOTE 3 – SUBRECIPIENTS

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

Program Title	Federal CFDA #	Amount Provided
Formula Grants for Other than Urbanized Areas	20.509	\$ 135,031
ARRA-Formula Grants for Other than Urbanized Areas	20.509	<u>9,890</u>
Total		<u>\$ 144,921</u>

NOTE 4 – NON-CASH TRANSACTIONS

The County received \$317,016 of immunization commodities from the U.S. Department of Health and Human Services passed through the Illinois Department of Public Health with a CFDA number of 93.268. The County also received \$499,390 from the supplemental nutrition program for women, infant and children from the U.S. Department of Agriculture passed through the Illinois Department of Human Services with a CFDA number of 10.557.

HENRY COUNTY, ILLINOIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

NOTE 5 – INSURANCE AND LOAN GUARANTEES

Henry County, Illinois had no insurance in effect, relating to federal funds, for the year ending November 30, 2012.

Henry County, Illinois had \$584,548 of loans outstanding at November 30, 2012 through the Economic Adjustment Assistance Revolving Loan Fund.

NOTE 6 – DEPARTMENT OF COMMERCE- ECONOMIC  
ADJUSTMENT ASSISTANCE

For purposes of completing the Schedule of Expenditures of Federal Awards (SEFA), each Economic Development Administration (EDA) Revolving Loan Fund Grant (RLF grant) (CFDA 11.307) should be shown as a separate line item calculated as follows:

1. Balance of RLF loans outstanding at the end of the recipient's fiscal year, <u>plus</u>	\$ 584,548
2. Cash and investment balance in the RLF at the end of the recipient's fiscal year, <u>plus</u>	510,949
3. Administrative expenses paid out of RLF income during the recipient's fiscal year; <u>plus</u>	12,184
4. The unpaid principal of all loans written off during the recipient's fiscal year	<u>    -    -</u>
Total	\$1,107,681
The Federal share of the RLF	<u>    75%</u>
Total	<u>\$ 830,761</u>



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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, 2012, which collectively comprise Henry County, Illinois' basic financial statements and have issued our report thereon dated June 13, 2013. 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

Management of Henry County, Illinois is responsible for establishing and maintaining effective 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.

*A deficiency in internal control* 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. Findings 2012-1 and 2012-2.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of Henry County, Illinois in a separate letter dated June 13, 2013.

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

This report is intended solely for the information and use of management, members of the County board, County officials, others within the entity, 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 13, 2013



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of the County Board  
Henry County, Illinois

Compliance

We have audited Henry County, Illinois' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Henry County, Illinois' major federal programs for the year ended November 30, 2012. Henry County, Illinois' 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, Illinois' management. Our responsibility is to express an opinion on Henry County, Illinois' 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 *Governmental 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, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Henry County, Illinois' compliance with those requirements.

In our opinion, Henry County, Illinois complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2012.

Internal Control Over Compliance

Management of Henry County, Illinois is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Henry County, Illinois' internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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, Illinois' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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, others within the entity, 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 13, 2013

HENRY COUNTY, ILLINOIS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 For the Year Ended November 30, 2012

I. Summary of Independent Auditors' Results

Financial Statements

Type of auditor's report issued: *unqualified*

Internal control over financial reporting:  
 Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 Significant deficiency(ies) identified that are not  
 considered to be material weaknesses?  X  yes \_\_\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

Federal Awards

Internal Control over major programs:  
 Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 Significant deficiency(ies) identified that are  
 not considered to be material weaknesses? \_\_\_\_\_ yes  X  none reported

Type of auditor's report issued on compliance  
 for major programs: *unqualified*

Any audit findings disclosed that are required to be  
 reported in accordance with Circular A-133, Section  
 .510(a)? \_\_\_\_\_ yes  X  no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount Expended</u>
10.557	Special Supplemental Food Program for Women, Infants and Children	\$ 182,835
10.557	Special Supplemental Food Program for Women, Infants and Children non-cash	\$ 499,390
20.509	Formula Grants for Other than Urbanized Areas	\$ 135,031
20.509	ARRA-Formula Grants for Other than Urbanized Areas	\$ 9,890
93.268	Immunization-Implement Award	\$ 762
93.268	Immunization-non-cash	\$ 317,016

Dollar threshold used to distinguish  
 Between Type A and Type B  
 programs: \$300,000

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

HENRY COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended November 30, 2012

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

*2012-1 - 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 does not currently require personnel to 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.

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, the financial cost to remedy this deficiency is not in our budget at this time.

*2012-2 - Preparation of Schedule of Expenditures of Federal Awards*

Condition: Henry County, Illinois engages Carpentier, Mitchell, Goddard & Company, LLC to assist in preparing its Schedule of Expenditures of Federal Awards (SEFA).

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 does not currently require personnel to have sufficient knowledge regarding the preparation of the SEFA.

Effect: Henry County personnel are unable to perform a review of Henry County's SEFA 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, 2012

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

Recommendation: To establish proper internal control over the preparation of its SEFA, Henry County should design and implement a comprehensive review procedure to ensure that the SEFA is 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 expenditures of federal awards.

Response and corrective action plan: We concur with the recommendation and it will be implemented during the year ending November 30, 2013.

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

C. Internal Control

None reported

D. Instance of Noncompliance

None reported

HENRY COUNTY, ILLINOIS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended November 30, 2012

Number	Comment	Status	Corrective Action Number Comment Status or Other Explanation
Significant Deficiency in Internal Control:			
2011-1	Financial statement preparation	Uncorrected	At this time current software is unable to generate financial statements and related notes. See 2012-1.

HENRY COUNTY, ILLINOIS  
CORRECTIVE ACTION PLAN  
For the Year Ended November 30, 2012

Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
Significant Deficiencies in Internal Control:				
2012-1	Financial statement preparation	See corrective action plan at 2012-1	- - -	Colleen Gillaspie County Administrator
2012-2	Preparation of Schedule of Expenditures of Federal Awards	See corrective action plan at 2012-2	November 30, 2013	Colleen Gillaspie County Administrator