HENRY COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended November 30, 2011

HENRY COUNTY, ILLINOIS
November 30, 2011

TABLE OF CONTENTS

	PAGE
FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT DISCUSSION AND ANALYSIS	3-12
FINANCIAL STATEMENTS	
Statement 1 – Statement of Net Assets	13
2 – Statement of Activities	14
3 – Balance Sheet – Governmental Funds	15
3 – Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	16
4 – Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	17
4 – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Proprietary Funds	
5 – Statement of Net Assets	19
6 – Statement of Revenues, Expenses, and Changes in Fund Net Assets	20
7 – Statement of Cash Flows	21-22
Agency Funds	
8 – Statement of Fiduciary Assets and Liabilities	23
Notes to Financial Statements	24-51

(Continued)

HENRY COUNTY, ILLINOIS
November 30, 2011

TABLE OF CONTENTS

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Governmental Funds	
Exhibit 1 - General Fund	52-58
2 - County Highway Fund	59
3 - Illinois Municipal Retirement Fund	60
4 - FICA Fund	61
5 - Tort Judge and Liability Insurance Fund	62
6 - County Health Fund	63
7 - Notes to the Required Supplementary Information - Budget Comparisons	64
8 - Required Supplementary Information on Pension and Other Post Employment Benefit Plan Funding Progress	65-66
OTHER SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds	
Exhibit 9 - Combining Balance Sheet	67-71
10 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72-76
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Exhibit 11 - Federal Aid Matching Fund	77
12 - County Joint Bridge Fund	78
13 - Motor Fuel Tax Fund	79
14 - Mentally Deficient Persons Fund	80
15 - 708 Mental Health Fund	81
16 - Veterans' Assistance Commission Fund	82

(Continued)

HENRY COUNTY, ILLINOIS
November 30, 2011

TABLE OF CONTENTS

	PAGE
Nonmajor Governmental Funds (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Exhibit 17 – Extension Fund	83
18 – State's Attorney Forfeited Drug Fund	84
19 – Animal Control Fund	85
20 – Vital Records Automation Fund	86
21 – Court Security System Fund	87
22 – Probation Service Fees Fund	88
23 – Treasurer Automation Fund	89
24 – Sheriff's Drug Fund	90
25 – Law Library Fund	91
26 – Circuit Clerk Court Automation Fund	92
27 – Recorder Automation Fund	93
28 – Court Document Storage Fund	94
29 – Orion Law Enforcement Fund	95
30 – Cambridge Law Enforcement Fund	96
31 – Sheriff's Crime Lab Fund	97
32 – Capital Building Fund	98
33 – Solid Waste Management Fund	99
34 – Soil Survey Fund	100
35 – DUI Equipment Fund	101
36 – Elderly Services Fund	102

(Continued)

HENRY COUNTY, ILLINOIS
November 30, 2011

TABLE OF CONTENTS

	PAGE
Nonmajor Governmental Funds (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Exhibit 37 – Camera Account	103
38 – Coroner Equipment Grant	104
39 – Property/Building Fund	105
40 – Election Assistance Grant Fund	106
41 – Federal Forfeited Drug Fund	107
42 – Henry County Police Vehicle	108
43 – Organized Crime Drug Fund	109
44 – County Pet Population	110
45 – Sheriff Off-Duty Work Fund	111
Agency Funds	
Exhibit 46 – Combining Statement of Changes in Assets and Liabilities	112
SINGLE AUDIT SECTION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	113-114
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	115-116
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*	117-118
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	119-120
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	121-122
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	123
CORRECTIVE ACTION PLAN	124

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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, 2011, 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, 2011, 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 12, 2012, 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 52 through 64, and Pension Plans and Other Post Employment Plan Schedules of Funding Progress on pages 65 through 66, 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 12, 2012

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, 2011. 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 FY2011 by $92,643,805 (net assets). Of this amount, $12,981,023 is restricted for specific purposes. As required by GASB 34, net assets also reflect $69,611,390 that is invested in capital assets net of related debt. With the presentation of the investment in capital assets, unrestricted net assets becomes $10,051,392.

- In contrast to the government-wide statements, the fund statements report a combined fund balance at year-end of $19,226,404 currently government fund totals only; of which $4,997,827 or 26.0% represents unassigned fund balances.

- The general fund unassigned fund balance of $5,063,683 equals 51.8% 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), 42 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 $92,643,805 at the close of the most recent fiscal year.

Of the County's total assets of $104,629,525 the largest components are: 1) cash and investment of $20,449,357 or 19.5%, 2) receivables, which largely represent the deferred taxes for FY2012 of $11,752,041 or 11.2%, and 3) capital assets net of accumulated depreciation of $72,371,530 or 69.2%. The receivables are offset by deferred revenue since the FY2011 tax revenue is not recognized until FY2012 even though the levy takes place in FY2011. Capital assets are non-liquid assets and cannot be utilized to satisfy County obligations. Out of the total liabilities of $11,985,720, $9,292,593 are current liabilities.

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
Total assets	$ 97,796,475	$ 6,833,050	$ 104,629,525
Current and other liabilities	$ 8,867,370	$ 425,223	$ 9,292,593
Long-term liabilities	2,688,633	4,494	2,693,127
Total liabilities	$ 11,556,003	$ 429,717	$ 11,985,720
Net assets:			
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
Total net assets	$ 86,240,472	$ 6,403,333	$ 92,643,805

For comparative purposes, the County's net assets for fiscal year ended November 30, 2010 are summarized as follows:

	Governmental Activities	Business Type Activities	Total
Current and other assets	$ 26,273,607	$ 2,811,513	$ 29,085,120
Capital assets (net of depreciation)	70,682,149	3,296,423	73,978,572
Total assets	$ 96,955,756	$ 6,107,936	$ 103,063,692
Current and other liabilities	$ 8,610,556	$ 409,465	$ 9,020,021
Long-term liabilities	2,874,617	2,503	2,877,120
Total liabilities	$ 11,485,173	$ 411,968	$ 11,897,141
Net assets:			
Invested in capital assets, net of related debt	$ 67,616,778	$ 3,296,423	$ 70,913,201
Restricted	2,362,248	- - -	2,362,248
Unrestricted	15,491,557	2,399,545	17,891,102
Total net assets	$ 85,470,583	$ 5,695,968	$ 91,166,551

About 14% or $12,981,023 of the County's net assets for fiscal year ended November 30, 2011 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 ($69,611,390) 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 ($10,051,392) may be used to meet the County's ongoing obligations to citizens and creditors.

Governmental activities increased the County's net assets by $769,889. The key components of this increase are the following:

- An increase of Fees of approximately $1,565,000.
- An increase of property taxes of approximately $275,000.
- An increase of accrued expenses of approximately $185,000 due to the recording of retroactive salary payable as of November 30, 2011.
- A decrease of Motor Fuel taxes of approximately $555,000 due to the onetime receipt in 2010.
- A decrease of investment earnings of approximately $60,000.

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, 2011 are presented net of interfund eliminations.

Henry County's Changes in Net Assets

	Governmental Activities 2011	Business-Type Activities 2011	Total
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
Total revenues	$ 25,114,869	$ 5,110,459	$30,225,328
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
Total expenses	$ 23,817,496	$ 4,930,578	$28,748,074
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	$ 86,240,472	$ 6,403,333	$92,643,805

For comparative purposes, program revenues and expenses for fiscal year ended November 30, 2010 are presented net of interfund eliminations.

Henry County's Changes in Net Assets

	Governmental Activities 2010	Business-Type Activities 2010	Total
Revenues:			
Program revenues:			
Charges for services	$ 7,576,881	$ 4,394,931	$11,971,812
Operating grants and contributions	4,207,406	- - -	4,207,406
Capital grants and contributions	450,168	- - -	450,168
General revenues:			
Property taxes	6,820,722	- - -	6,820,722
Other taxes	4,755,210	- - -	4,755,210
Unrestricted investments earnings	354,051	28,088	382,139
Gain on sale of capital assets	5,300	- - -	5,300
Total revenues	$ 24,169,738	$ 4,423,019	$28,592,757
Expenses:			
General government	$ 4,730,582	$ - - -	$4,730,582
Public safety	5,158,949	- - -	5,158,949
Education	773,128	- - -	773,128
Judiciary	2,388,508	- - -	2,388,508
Highways and streets	5,538,108	- - -	5,538,108
Health	4,722,375	- - -	4,722,375
Interest on long-term debt	109,395	- - -	109,395
Nursing home	- - -	4,861,722	4,861,722
Other	- - -	4,821	4,821
Total expenses	$ 23,421,045	$ 4,866,543	$28,287,588
Increase (decrease) in net assets before transfers	$ 748,693	$ (443,524)	$ 305,169
Transfers	(469,289)	469,289	- - -
Change in net assets	$ 279,404	$ 25,765	$ 305,169
Net assets – beginning	85,191,179	5,670,203	90,861,382
Net assets – ending	$ 85,470,583	$ 5,695,968	$91,166,551

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

- Program revenues of $13,527,650 equaled 56.8% of government expenses of $23,817,496. As expected, general revenues ($11,587,219) provided the required support and coverage for expenses.

- Approximately 24% of expenses are Highways and Streets ($5,776,579), which includes $2,046,997 in non-cash depreciation expenses, while this category provided about 8% of total revenues of $25,114,869.

- Approximately 22% of the expenses are Public Safety ($5,274,972) while this category provided about 10% of total revenues.

- Approximately 20% of expenses are Health ($4,724,542) while this category provided about 15% of total revenues.

- General government expenses are $4,713,528 at 20%. General government provided about 15% of total revenues.

- Grant revenues and contributions comprised about 17% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

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 $19,226,404, an increase of $1,655,767 in comparison with the prior year. Approximately $4,997,827 or 26.0% 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 $5,063,683. As a measure of the general fund's liquidity, we compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 51.8% 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 $559,981 during the current fiscal year.

The County Highway Fund has a fund balance of $1,947,805, an increase of $125,767 as compared with the prior year.

The Illinois Municipal Retirement Fund has a fund balance of $592,773, an increase of $165,892 as compared with the prior year.

The FICA Fund has a fund balance of $256,155, a decrease of $8,138 as compared with the prior year.

The TORT Judge and Liability Insurance Fund has a fund balance of $2,277,275, an increase of $321,330 as compared with the prior year.

The County Health Fund has a fund balance of $1,630,958, a decrease of $368,569 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 2011	FY 2010	Increase (Decrease)	Percent Increase (Decrease)
Taxes	$ 10,073,354	$ 9,803,149	$ 270,205	2.8%
Fines and fees	2,573,708	1,534,194	1,039,514	67.8%
Intergovernmental revenues	5,450,782	6,076,026	(625,244)	(10.3%)
Charges for services	6,473,998	5,948,827	525,171	8.8%
Investments	296,539	354,051	(57,512)	(16.2%)
Miscellaneous	100,555	145,145	(44,590)	(30.7%)
Total	$ 24,968,936	$ 23,861,392	$1,107,544	4.6%

Overall, total revenues increased 4.6%.

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

Expenditures by Function – Governmental Funds

Expenditures by Function	FY 2011	FY 2010	Increase (Decrease)	Percent of Change
General Government	$ 4,445,875	$ 4,500,114	$ (54,239)	(1.2%)
Public Safety	5,092,928	4,886,931	205,997	4.2%
Education	911,540	791,028	120,512	15.2%
Judiciary	2,366,378	2,334,630	31,748	1.4%
Highways and streets	3,878,097	3,722,224	155,873	4.2%
Health	4,791,856	4,633,552	158,304	3.4%
Capital expenditures	877,840	679,896	197,944	29.1%
Debt service-principal	460,089	418,588	41,501	9.9%
Debt service-interest	88,324	89,927	(1,603)	(1.8%)
Total	$ 22,912,927	$ 22,056,890	$ 856,037	3.9%

Overall, total expenditures increased 3.9%.

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 $9,889,369 increased to actual revenues of $11,324,424 (an increase of $1,435,055).
- The total original expenditure budget of $9,698,334 increased to $9,766,311 (an increase of $67,977).
- The total original budget for net transfers out of $577,740 increased to $1,003,532 (an increase of $425,792) 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.

The following represents the activity of the long-term debt of the County for FY2011.

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Alternate revenue bonds	$3,125,000	$ - - -	$ (420,000)	$ 2,705,000
Issuance discounts	(27,875)	- - -	7,209	(20,666)
Deferred charge on refunding	(46,118)	- - -	11,830	(34,288)
Installment contract	47,392	127,242	(40,089)	134,545
Vacation	- - -	75,804	- - -	75,804
Net pension obligation/ net other post employment benefit obligation	204,900	114,057	(49,375)	269,582
Total	$3,303,299	$ 317,103	$ (490,425)	$ 3,129,977
Business Activities:				
Net other post employment benefit obligation	$ 2,503	$ 16,705	$ (14,714)	$ 4,494

(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, 2011, net capital assets of the governmental activities totaled $69,052,959. Depreciation on capital assets is recognized in the Government-wide financial statements. Annual depreciation totaled $2,751,342.

County's Capital Assets

	Cost	Accumulated Depreciation	Net Capital Assets
Governmental Activities:			
Land	$ 542,452	N/A	$ 542,452
Buildings and improvements	22,813,125	$ 13,320,423	9,492,702
Vehicles and equipment	9,043,504	6,860,859	2,182,645
Infrastructure	68,382,584	11,547,424	56,835,160
Total	$ 100,781,665	$ 31,728,706	$ 69,052,959
Business-type Activities:			
Land, land improvements, & construction in progress	$ 1,328,821	N/A	$ 1,328,821
Buildings	5,889,206	$ 4,109,335	1,779,871
Equipment	1,379,862	1,169,983	209,879
Total	$ 8,597,889	$ 5,279,318	$ 3,318,571

The annual depreciation totaled $277,512 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 FY2012, the County Board and management considered the following factors:

- Personnel costs, including unknown retroactive pay due to contractual increases, and IMRF costs, which make up a significant portion of the County's operating costs, continue to rise.
- State revenues are unstable plus likely decreasing and various fees of office are projected to remain stagnant or decrease.
- Various major courthouse renovation projects will begin, at an estimated cost of $600,000, with additional repairs still being reviewed for an additional cost of approximately $1 M.

REQUEST FOR INFORMATION

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

HENRY COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
November 30, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Emergency Telephone System Board
ASSETS				
Cash and cash equivalents	$ 16,862,150	$ 1,363,993	$ 18,226,143	$ 339,440
Investments	1,506,515	716,699	2,223,214	511,721
Receivables (net, where applicable, of allowances for uncollectibles)				
Accounts	1,989,524	1,080,577	3,070,101	77,939
Property tax	7,051,037	-	7,051,037	-
Due from cities & townships	204,424	-	204,424	-
Other taxes	913,172	-	913,172	-
Loans	512,498	-	512,498	-
Accrued interest	-	809	809	423
Internal balances	(320,255)	320,255	-	-
Inventories	-	26,662	26,662	-
Prepaid items	-	5,484	5,484	45,223
Deferred charges	24,451	-	24,451	-
Capital assets:				
Not depreciated	542,452	1,328,821	1,871,273	-
Depreciated, net of accumulated depreciation	68,510,507	1,989,750	70,500,257	305,376
Total assets	$ 97,796,475	$ 6,833,050	$ 104,629,525	$ 1,280,122
LIABILITIES				
Accounts payable and other current liabilities	$ 1,339,563	$ 425,223	$ 1,764,786	$ 10,389
Accrued interest payable	35,426	-	35,426	-
Deferred revenue	7,051,037	-	7,051,037	-
Noncurrent liabilities:				
Due within one year	441,344	-	441,344	-
Due in more than one year	2,688,633	4,494	2,693,127	-
Total liabilities	$ 11,556,003	$ 429,717	$ 11,985,720	$ 10,389
NET ASSETS				
Invested in capital assets, net of related debt	$ 66,292,819	$ 3,318,571	$ 69,611,390	$ 305,376
Restricted for:				
Maintenance of roadways	4,653,986	-	4,653,986	-
Loans	1,080,872	-	1,080,872	-
Drug enforcement	169,322	-	169,322	-
Debt service	4,210	-	4,210	-
Health	1,801,541	-	1,801,541	-
Other purposes	5,271,092	-	5,271,092	-
Unrestricted	6,966,630	3,084,762	10,051,392	964,357
Total net assets	$ 86,240,472	$ 6,403,333	$ 92,643,805	$ 1,269,733

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

HENRY COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2011

		Program Revenues		
FUNCTION/PROGRAMS	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
Governmental activities:				
General government	$ 4,713,528	$ 2,725,381	$ 659,284	$ 272,068
Public safety	5,274,972	2,313,024	128,335	-
Education	879,343	34,256	703,293	-
Judiciary	2,344,706	532,537	535,985	-
Highways and streets	5,776,579	1,821,278	-	154,124
Health	4,724,542	1,716,786	1,931,299	-
Interest on long-term debt	103,826	-	-	-
Total governmental activities	$ 23,817,496	$ 9,143,262	$ 3,958,196	$ 426,192
Business-Type activities:				
Nursing home	$ 4,925,348	$ 5,008,381	$ -	$ -
Other	5,230	82,999	-	-
Total business-type activities	$ 4,930,578	$ 5,091,380	$ -	$ -
Total primary government	$ 28,748,074	$ 14,234,642	$ 3,958,196	$ 426,192
Component Unit:				
Emergency Telephone Systems Board	$ 411,118	$ 484,712	$ -	$ -

General revenues:
- Property taxes
- Tax increment
- Replacement taxes
- Sales taxes
- State income taxes
- Other taxes
- Motor Fuel taxes
- Unrestricted investment earnings

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
$ (1,056,795)	$ -	$ (1,056,795)	$ -
(2,833,613)	-	(2,833,613)	-
(141,794)	-	(141,794)	-
(1,276,184)	-	(1,276,184)	-
(3,801,177)	-	(3,801,177)	-
(1,076,457)	-	(1,076,457)	-
(103,826)	-	(103,826)	-
$ (10,289,846)	$ -	$ (10,289,846)	$ -
$ -	$ 83,033	$ 83,033	$ -
-	77,769	77,769	-
$ -	$ 160,802	$ 160,802	$ -
$ (10,289,846)	$ 160,802	$ (10,129,044)	$ -
$ -	$ -	$ -	$ 73,594
$ 7,099,377	$ -	$ 7,099,377	$ -
7,396	-	7,396	-
354,445	-	354,445	-
1,440,567	-	1,440,567	-
1,169,116	-	1,169,116	-
2,453	-	2,453	-
1,217,326	-	1,217,326	-
296,539	19,079	315,618	7,608
(527,484)	527,484	-	-
$ 11,059,735	$ 546,563	$ 11,606,298	$ 7,608
$ 769,889	$ 707,365	$ 1,477,254	$ 81,202
85,470,583	5,695,968	91,166,551	1,188,531
$ 86,240,472	$ 6,403,333	$ 92,643,805	$ 1,269,733

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

HENRY COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2011

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund	FICA Fund
ASSETS				
Cash and cash equivalents	$ 3,186,417	$ 1,687,813	$ 660,389	$ 315,792
Investments	801,820	-	-	-
Receivables:				
Accounts	767,820	160,000	-	-
Property tax	2,056,400	720,000	1,222,401	702,448
Due from cities and townships	-	204,424	-	-
Other taxes	793,079	6,843	11,629	6,504
Loans	-	-	-	-
Due from other funds	215,409	-	-	-
Total assets	$ 7,820,945	$ 2,779,080	$ 1,894,419	$ 1,024,744
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 239,524	$ 89,129	$ -	$ -
Accrued expenses	461,338	22,146	-	-
Deferred property tax revenue	2,056,400	720,000	1,222,401	702,448
Due to other funds	-	-	79,245	66,141
Total liabilities	$ 2,757,262	$ 831,275	$ 1,301,646	$ 768,589
FUND BALANCES				
Restricted for:				
Maintenance of roadways	$ -	$ 1,947,805	$ -	$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	-	592,773	256,155
Committed to capital building	-	-	-	-
Unassigned	5,063,683	-	-	-
Total fund balances	$ 5,063,683	$ 1,947,805	$ 592,773	$ 256,155
Total liabilities & fund balances	$ 7,820,945	$ 2,779,080	$ 1,894,419	$ 1,024,744

Tort Judge and Liability Insurance Fund	County Health Fund	Other Governmental Funds	Total Governmental Funds
$ 2,265,189	$ 688,502	$ 6,449,186	$ 15,253,288
-	200,000	504,695	1,506,515
-	893,342	168,362	1,989,524
1,076,999	190,000	1,082,789	7,051,037
-	-	-	204,424
12,086	-	83,031	913,172
-	-	512,498	512,498
-	-	-	215,409
$ 3,354,274	$ 1,971,844	$ 8,800,561	$ 27,645,867
$ -	$ 48,129	$ 158,519	$ 535,301
-	102,757	31,475	617,716
1,076,999	190,000	1,082,789	7,051,037
-	-	70,023	215,409
$ 1,076,999	$ 340,886	$ 1,342,806	$ 8,419,463
$ -	$ -	$ 2,706,181	$ 4,653,986
-	-	1,080,872	1,080,872
-	-	169,322	169,322
-	-	4,210	4,210
-	1,630,958	170,583	1,801,541
2,277,275	-	2,144,889	5,271,092
-	-	1,247,554	1,247,554
-	-	(65,856)	4,997,827
$ 2,277,275	$ 1,630,958	$ 7,457,755	$ 19,226,404
$ 3,354,274	$ 1,971,844	$ 8,800,561	$ 27,645,867

(Continued)

HENRY COUNTY, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
November 30, 2011

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

Total fund balance - governmental funds	$ 19,226,404
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	69,052,959
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.	1,102,061
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(3,140,952)
Net assets of governmental activities	$ 86,240,472

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, 2011

	General Fund	County Highway Fund	Illinois Municipal Retirement Fund	FICA Fund
REVENUES				
Taxes:				
Property	$ 2,018,132	$ 704,109	$ 1,196,685	$ 669,727
Tax increment	-	-	-	-
Replacement	111,544	38,705	65,785	36,791
Sales	1,440,567	-	-	-
State income	1,169,116	-	-	-
Other	2,453	-	-	-
Fines and fees	2,280,699	-	-	-
Intergovernmental	2,067,749	8,190	-	-
Charges for services	2,046,534	1,639,467	-	-
Investment income	187,630	12,093	5,939	3,226
Miscellaneous	-	3,125	-	-
Total revenues	$ 11,324,424	$ 2,405,689	$ 1,268,409	$ 709,744
EXPENDITURES				
Current:				
General government	$ 2,574,001	$ -	$ 106,291	$ 89,147
Public safety	3,894,688	-	516,282	224,740
Education	801,155	-	45,554	41,951
Judiciary	2,106,405	-	141,610	118,363
Highways and streets	-	2,076,244	41,680	65,174
Health	-	-	326,440	209,757
Capital expenditures	373,862	203,678	-	-
Debt service:				
Principal	14,978	-	-	-
Interest	1,222	-	-	-
Total expenditures	$ 9,766,311	$ 2,279,922	$ 1,177,857	$ 749,132
Excess (deficiency) of revenues over (under) expenditures	$ 1,558,113	$ 125,767	$ 90,552	$ (39,388)
OTHER FINANCING SOURCES (USES)				
Transfers in	$ 5,400	$ -	$ 280,457	$ 252,363
Transfers out	(1,003,532)	-	(205,117)	(221,113)
Capital lease	-	-	-	-
Total other financing sources (uses)	$ (998,132)	$ -	$ 75,340	$ 31,250
Net change in fund balances	$ 559,981	$ 125,767	$ 165,892	$ (8,138)
FUND BALANCES - Beginning	4,503,702	1,822,038	426,881	264,293
FUND BALANCES - Ending	$ 5,063,683	$ 1,947,805	$ 592,773	$ 256,155

Tort Judge and Liability Insurance Fund	County Health Fund	Other Governmental Funds	Total Governmental Funds
$ 1,243,775	$ 189,852	$ 1,077,097	$ 7,099,377
-	-	7,396	7,396
68,371	-	33,249	354,445
-	-	-	1,440,567
-	-	-	1,169,116
-	-	-	2,453
-	-	293,009	2,573,708
-	1,931,299	1,443,544	5,450,782
-	1,712,456	1,075,541	6,473,998
18,398	8,750	60,503	296,539
-	4,330	93,100	100,555
$ 1,330,544	$ 3,846,687	$ 4,083,439	$ 24,968,936
$ 880,083	$ -	$ 796,353	$ 4,445,875
-	-	457,218	5,092,928
-	-	22,880	911,540
-	-	-	2,366,378
-	-	1,694,999	3,878,097
-	3,793,657	462,002	4,791,856
-	19,783	280,517	877,840
-	-	445,111	460,089
-	-	87,102	88,324
$ 880,083	$ 3,813,440	$ 4,246,182	$ 22,912,927
$ 450,461	$ 33,247	$ (162,743)	$ 2,056,009
$ -	$ -	$ 1,486,757	$ 2,024,977
(129,131)	(401,816)	(591,752)	(2,552,461)
-	-	127,242	127,242
$ (129,131)	$ (401,816)	$ 1,022,247	$ (400,242)
$ 321,330	$ (368,569)	$ 859,504	$ 1,655,767
1,955,945	1,999,527	6,598,251	17,570,637
$ 2,277,275	$ 1,630,958	$ 7,457,755	$ 19,226,404

(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, 2011

Amounts reported for governmental activities in the statements of activities are different because:	
Net change in fund balance - total governmental funds	$ 1,655,767
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.	(1,775,124)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	145,934
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.	332,847
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.	(99,882)
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.	575,029
Changes in NPO and NOPEBO are reported only in the statement of activities	(64,682)
Change in net assets of governmental activities	$ 769,889

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

HENRY COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
November 30, 2011

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,090,185	$ 273,808	$ 1,363,993	$ 1,608,862
Investments	716,699	-	716,699	-
Accounts receivable (net, where applicable, of allowance for uncollectibles)	1,080,577	-	1,080,577	-
Accrued interest	809	-	809	-
Inventories	26,662	-	26,662	-
Prepaid items	5,484	-	5,484	-
Total current assets	$ 2,920,416	$ 273,808	$ 3,194,224	$ 1,608,862
Noncurrent assets:				
Capital assets:				
Land and land improvements	$ 279,195	$ 800,000	$ 1,079,195	$ -
Construction in progress	249,626	-	249,626	-
Buildings and equipment	7,269,068	-	7,269,068	-
Less accumulated depreciation	(5,279,318)	-	(5,279,318)	-
Total capital assets (net of accumulated depreciation)	$ 2,518,571	$ 800,000	$ 3,318,571	$ -
Total assets	$ 5,438,987	$ 1,073,808	$ 6,512,795	$ 1,608,862
LIABILITIES				
Current liabilities:				
Accounts payable	$ 219,610	$ -	$ 219,610	$ 186,546
Accrued payroll	189,680	-	189,680	-
Other accrued liabilities	15,933	-	15,933	-
Total current liabilities	$ 425,223	$ -	$ 425,223	$ 186,546
Noncurrent liabilities:				
Other postemployment benefit obligation	4,494	-	4,494	-
Total liabilities	$ 429,717	$ -	$ 429,717	$ 186,546
NET ASSETS				
Invested in capital assets	$ 2,518,571	$ 800,000	$ 3,318,571	$ -
Unrestricted	2,490,699	273,808	2,764,507	1,422,316
Total net assets	$ 5,009,270	$ 1,073,808	$ 6,083,078	$ 1,422,316
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			320,255	
Net assets of business-type activities			$ 6,403,333	

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, 2011

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Internal Service Fund
OPERATING REVENUES				
Charges for service	$ 4,576,973	$ -	$ 4,576,973	$ 2,639,337
Rental income	-	82,994	82,994	-
Other	431,408	5	431,413	431,610
Total operating revenues	$ 5,008,381	$ 82,999	$ 5,091,380	$ 3,070,947
OPERATING EXPENSES				
General services	$ 1,241,847	$ 5,230	$ 1,247,077	$ -
Health care	3,088,739	-	3,088,739	-
Administration and claims	483,188	-	483,188	2,338,360
Depreciation	277,512	-	277,512	-
Total operating expenses	$ 5,091,286	$ 5,230	$ 5,096,516	$ 2,338,360
OPERATING INCOME (LOSS)	$ (82,905)	$ 77,769	$ (5,136)	$ 732,587
NONOPERATING REVENUE				
Investment income	19,079	-	19,079	8,380
Income (loss) before transfers	$ (63,826)	$ 77,769	$ 13,943	$ 740,967
TRANSFERS IN	555,360	-	555,360	-
TRANSFERS OUT	(27,876)	-	(27,876)	-
CHANGES IN NET ASSETS	$ 463,658	$ 77,769	$ 541,427	$ 740,967
TOTAL NET ASSETS - Beginning	4,545,612	996,039		681,349
TOTAL NET ASSETS - Ending	$ 5,009,270	$ 1,073,808		$ 1,422,316
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			165,938	
Change in net assets of business-type activities			$ 707,365	

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, 2011

	Business-type Activities Enterprise Funds			Governmental Activities
	Hillcrest Nursing Home Fund	Nonmajor Enterprise Fund	Total Business-Type Activities	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 3,843,371	$ 82,999	$ 3,926,370	$ -
Receipts from interfund services provided	-	-	-	2,639,337
Other receipts	431,408	-	431,408	431,610
Payments to suppliers	(1,021,327)	(5,230)	(1,026,557)	(2,371,457)
Payments to employees	(3,400,790)	-	(3,400,790)	-
Payments for interfund services used	(375,220)	-	(375,220)	-
Net cash provided (used) by operating activities	$ (522,558)	$ 77,769	$ (444,789)	$ 699,490
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	$ 555,360	$ -	$ 555,360	$ -
Transfers to other funds	(27,876)	-	(27,876)	-
Net cash provided by noncapital financing activities	$ 527,484	$ -	$ 527,484	$ -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	$ (299,660)	$ -	$ (299,660)	$ -
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	$ 19,015	$ -	$ 19,015	$ 8,380
Sale of investments	109,667	-	109,667	-
Net cash provided by investing activities	$ 128,682	$ -	$ 128,682	$ 8,380
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ (166,052)	$ 77,769	$ (88,283)	$ 707,870
CASH AND CASH EQUIVALENTS - Beginning	1,256,237	196,039	1,452,276	900,992
CASH AND CASH EQUIVALENTS - Ending	$ 1,090,185	$ 273,808	$ 1,363,993	$ 1,608,862

(Continued)

HENRY COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended November 30, 2011

	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)	$ (82,905)	$ 77,769	$ (5,136)	$ 732,587
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	277,512	-	277,512	-
(Increase) decrease in:				
Accounts receivables	(733,602)	-	(733,602)	-
Inventories	(2,957)	-	(2,957)	-
Prepaid items	1,645	-	1,645	-
Increase (decrease) in:				
Accounts payable	16,195	-	16,195	(33,097)
Accrued expenses	1,554	-	1,554	-
Net cash provided (used) by operating activities	$ (522,558)	$ 77,769	$ (444,789)	$ 699,490

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

HENRY COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
November 30, 2011

	Total Agency Funds
ASSETS	
Cash and cash equivalents	$ 2,170,806
Investments	153,885
Accounts receivable	119,534
Total assets	$ 2,444,225
LIABILITIES	
Due to others	$ 2,444,225

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

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

NATURE OF OPERATIONS -

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

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

FINANCIAL REPORTING ENTITY -

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

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

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

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

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.

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."

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 2011 tax levy is budgeted for fiscal year 2012, the revenue from this tax levy is deferred.

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.

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 $3,140,952 difference are as follows:

Bonds payable	$ 2,705,000
Less: Deferred charge on refunding (to be amortized as interest expense)	(34,288)
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(24,451)
Less: Issuance discount (to be amortized as interest expense)	(20,666)
Accrued interest payable	35,426
Capital lease payable	134,545
Accrued vcation	75,804
Net pension obligation and other post employment benefit obligation	269,582
	$ 3,140,952

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 $1,775,124 difference are as follows:

Capital expenditures	$ 976,218
Depreciation expense	(2,751,342)
Net adjustment to decrease *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities*	$(1,775,124)

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 $332,847 difference are as follows:

Debt incurred:	
Issuance of capital lease	$ (127,242)
Principal repayments:	
General obligation debt	460,089
Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 332,847

NOTE 2 - (Continued)

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this $99,882 difference are as follows:

Accrued interest	$ 3,538
Accrued vacation	(75,804)
Amortization of deferred charge on refunding	(11,830)
Amortization of issuance costs	(8,577)
Amortization of bond discounts	(7,209)
Net adjustment to decrease *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities*	$ (99,882)

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, 2011.

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.

NOTE 5 – CASH AND INVESTMENTS

Cash and investments as of November 30, 2011 are classified in the accompanying financial statements as follows:

Statement of net assets:	
County Funds:	
Cash and cash equivalents	$18,226,143
Investments	2,223,214
Fiduciary Funds:	
Cash and cash equivalents	2,170,806
Investments	153,885
Component Unit - Emergency Telephone System Board:	
Cash and cash equivalents	339,440
Investments	511,721
Total cash and investments	$23,625,209

Cash and investments as of November 30, 2011 consist of the following:

Cash on hand	$ 4,354
Deposits with financial institutions	20,732,035
Investments	2,888,820
Total cash and investments	$23,625,209

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.

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

		Fiduciary Funds	Component Unit		Investment Maturities (in years)
Investment Type	Other Funds	Agency	Emergency Telephone System Board	Total	Less than 1
Certificates of deposit	$1,900,000	$ 71,246	$ 500,000	$2,471,246	$ 2,471,246
Illinois Funds	323,214	82,639	11,721	417,574	417,574
Total	$2,223,214	$153,885	$ 511,721	$2,888,820	$ 2,888,820

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;

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, 2011, 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.

NOTE 5 – (Continued)

Investment Type	Other Funds	Fiduciary Funds: Agency	Component Unit: Emergency Telephone System Board	Total	Rating as of Year End: AAAm	Rating as of Year End: NR
Certificates of deposit	$1,900,000	$ 71,246	$500,000	$2,471,246	$ - - -	$2,471,246
Illinois Funds	323,214	82,639	11,721	417,574	417,574	- - -
Total	$2,223,214	$153,885	$511,721	$2,888,820	$417,574	$2,471,246

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, 2011, the carrying amount of the County's deposits including certificates of deposit with financial institutions totaled $22,363,841 with the bank balances totaling $23,261,197. Bank balances of $23,234,450 are entirely insured or collateralized with securities held by the County or its agent in the County's name, with the remaining $26,747 uninsured. As of the same date, the Emergency Telephone System Board, a discretely presented component unit, had deposits and certificates of deposit totaling $839,440 with the bank balances totaling $836,912. Bank balances of $250,000 are insured by the Federal Deposit Insurance Corporation, with the remaining $586,912 uninsured.

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, 2011, 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:

Receivables:	General Fund	County Highway Fund	Illinois Municipal Retirement Fund
Accounts	$ 767,820	$ 160,000	$ - - -
Property tax	2,056,400	720,000	1,222,401
Due from cities and townships	- - -	204,424	- - -
Other taxes	793,079	6,843	11,629
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	$ 3,617,299	$1,091,267	$1,234,030
Less: allowance for uncollectables	- - -	- - -	- - -
Net total receivables	$ 3,617,299	$1,091,267	$1,234,030

NOTE 6 – (Continued)

Receivables:	FICA Fund	Tort Judge and Liability Insurance Fund	County Health Fund
Accounts	$ - - -	$ - - -	$ 943,342
Property tax	702,448	1,076,999	190,000
Due from cities and townships	- - -	- - -	- - -
Other taxes	6,504	12,086	- - -
Loans	- - -	- - -	- - -
Accrued interest	- - -	- - -	- - -
Gross receivables	$ 708,952	$ 1,089,085	$ 1,133,342
Less: allowance for uncollectibles	- - -	- - -	50,000
Net total receivables	$ 708,952	$ 1,089,085	$ 1,083,342

Receivables:	Hillcrest Nursing Home Fund	Nonmajor and Other Funds	Total
Accounts	$ 1,100,577	$ 287,896	$ 3,259,635
Property tax	- - -	1,082,789	7,051,037
Due from cities and townships	- - -	- - -	204,424
Other taxes	- - -	83,031	913,172
Loans	- - -	512,498	512,498
Accrued interest	809	- - -	809
Gross receivables	$ 1,101,386	$ 1,966,214	$ 11,941,575
Less: allowance for uncollectibles	20,000	- - -	70,000
Net total receivables	$ 1,081,386	$ 1,966,214	$ 11,871,575

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 $7,051,037.

NOTE 7 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended November 30, 2011:

Primary Government:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 542,452	$ - - -	$ - - -	$ 542,452
Capital assets, being depreciated:				
Buildings	$ 22,796,155	$ 16,970	$ - - -	$ 22,813,125
Vehicles and equipment	8,305,125	860,870	122,491	9,043,504
Infrastructure	68,138,272	244,312	- - -	68,382,584
Total capital assets being depreciated	$ 99,239,552	$ 1,122,152	$ 122,491	$100,239,213
Less accumulated depreciation for:				
Buildings	$ 12,922,213	$ 398,210	$ - - -	$ 13,320,423
Vehicles and equipment	6,342,632	640,718	122,491	6,860,859
Infrastructure	9,835,010	1,712,414	- - -	11,547,424
Total accumulated depreciation	$ 29,099,855	$ 2,751,342	$ 122,491	$ 31,728,706
Total capital assets, being depreciated, net	$ 70,139,697	$ (1,629,190)	$ - - -	$ 68,510,507
Governmental activities capital assets, net	$ 70,682,149	$ (1,629,190)	$ - - -	$ 69,052,959

NOTE 7 - (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 801,000	$ - - -	$ - - -	$ 801,000
Land improvements	278,195	- - -	- - -	278,195
Construction in progress	9,618	240,008	- - -	249,626
Total capital assets, not being depreciated	$ 1,088,813	$ 240,008	$ - - -	$ 1,328,821
Capital assets, being depreciated:				
Buildings	$ 5,831,963	$ 57,243	$ - - -	$ 5,889,206
Equipment	1,377,453	2,409	- - -	1,379,862
Total capital assets being depreciated	$ 7,209,416	$ 59,652	$ - - -	$ 7,269,068
Less accumulated depreciation for:				
Buildings	$ 3,876,817	$ 232,518	$ - - -	$ 4,109,335
Equipment	1,124,989	44,994	- - -	1,169,983
Total accumulated depreciation	$ 5,001,806	$ 277,512	$ - - -	$ 5,279,318
Total capital assets, being depreciated, net	$ 2,207,610	$ (217,860)	$ - - -	$ 1,989,750
Business-type activities capital assets, net	$ 3,296,423	$ 22,148	$ - - -	$ 3,318,571

NOTE 7 – (Continued)

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

Governmental activities:	
General government	$ 210,024
Public safety	331,833
Judiciary	69,099
Highways and streets	2,046,997
Health	93,389
Total depreciation expense – governmental activities	$ 2,751,342
Business-type activities:	
Hillcrest Nursing Home Fund	$ 277,512

DISCRETELY PRESENTED COMPONENT UNIT –

Activity for the Emergency Telephone System Board for the year ended November 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	$ 1,392,967	$ 36,492	$ - - -	$1,429,459
Less accumulated depreciation for equipment	1,051,351	72,732	- - -	1,124,083
Emergency Telephone System Board capital assets, net	$ 341,616	$ (36,240)	$ - - -	$ 305,376

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of November 30, 2011, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Illinois Municipal Retirement Fund	$ 79,245
	FICA Fund	66,141
	Nonmajor Governmental Funds	70,023
		$ 215,409

NOTE 8 – (Continued)

The composition of interfund transfers as of November 30, 2011 is as follows:

	Transfer In:		
Transfer Out:	General Fund	Illinois Municipal Retirement Fund	FICA Fund
General Fund	$ - - -	$ 3,800	$ 14,128
Ilinois Municipal Retirement Fund	- - -	1	- - -
FICA Fund	- - -	- - -	- - -
Tort Judge and Liability Insurance Fund	- - -	- - -	- - -
County Health Fund	- - -	194,982	206,834
Nonmajor Governmental	5,400	53,798	31,401
Hillcrest Nursing Home Fund	- - -	27,876	- - -
Total	$ 5,400	$ 280,457	$ 252,363

	Transfer In:		
Transfer Out:	Nonmajor Govern-mental	Hillcrest Nursing Home Fund	Total
General Fund	$ 985,604	$ - - -	$ 1,003,532
Illinois Municipal Retirement Fund	- - -	205,116	205,117
FICA Fund	- - -	221,113	221,113
Tort Judge and Liability Insurance Fund	- - -	129,131	129,131
County Health Fund	- - -	- - -	401,816
Nonmajor Governmental	501,153	- - -	591,752
Hillcrest Nursing Home Fund	- - -	- - -	27,876
Total	$ 1,486,757	$ 555,360	$ 2,580,337

NOTE 9 – LONG-TERM DEBT

General obligation alternate revenue refunding bonds, Series 2009 totaling $2,030,000 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
2012	1.80%	$ 320,000	$ 48,215	$ 368,215
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
		$ 2,030,000	$ 172,022	$ 2,202,022

General obligation alternate revenue refunding bonds totaling $675,000 remain outstanding from the original issue of $1,230,000 dated November 18, 2004. It is the intent of the County to service this debt from general revenues.

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

For the Year Ending November 30	Interest Rate	Principal	Interest	Total
2012	3.55%	$ 100,000	$ 24,423	$ 124,423
2013	3.70	105,000	20,705	125,705
2014	3.85	110,000	16,645	126,645
2015	3.95	115,000	12,256	127,256
2016	4.05	120,000	7,555	127,555
2017	4.10	125,000	2,562	127,562
		$ 675,000	$ 84,146	$ 759,146

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, 2011:

	Computer Equipment	Phone System	Total
Cost	$ 127,242	$ 72,875	$ 200,117
Less: Accumulated depreciation	14,845	39,040	53,885
Total	$ 112,397	$ 33,835	$ 146,232

The future minimum lease obligations and the net present value of these minimum lease payments as of November 30, 2011 were as follows:

Year Ending November 30	
2012	$ 47,160
2013	35,010
2014	30,960
2015	30,960
2016	12,900
Total minimum lease payments	$ 156,990
Less: Amount representing interest	22,445
Present value of minimum lease payments	$ 134,545

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.

NOTE 9 – (Continued)

Long-term liability activity for the year ended November 30, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General Obligation bonds	$ 3,125,000	$ - - -	$ (420,000)	$ 2,705,000	$ 420,000
Less deferred amounts:					
For issuance discounts	(27,875)	- - -	7,209	(20,666)	(6,375)
For refunding	(46,118)	- - -	11,830	(34,288)	(10,516)
Total bonds payable	$ 3,051,007	$ - - -	$ (400,961)	$ 2,650,046	$ 403,109
Capital lease	47,392	127,242	(40,089)	134,545	38,235
Vacation accrual	- - -	75,804	- - -	75,804	- - -
Net pension obligation/ NOPEBO	204,900	114,057	(49,375)	269,582	- - -
Governmental activity long-term liabilities	$ 3,303,299	$ 317,103	$ (490,425)	$ 3,129,977	$ 441,344
Business-type activities:					
NOPEBO	$ 2,503	$ 16,705	$ (14,714)	$ 4,494	$ - - -

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 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.

NOTE 10 – (Continued)

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 2010 were 8.48, 16.73, and 10.02 percent, respectively, of annual covered payroll. The employer annual required contribution rates for calendar year 2010 were 10.58, 18.15, and 10.02 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, 2010, the employer's actual contributions for pension cost for the Regular were $679,650. Its required contribution for calendar year 2010 was $847,959. For calendar year ended December 31, 2010, the employer's actual contributions for pension cost for the Sheriff's Law Enforcement Personnel were $488,540. Its required contribution for calendar year 2010 was $530,006. The required contribution for calendar year 2010 was $47,518 for Bureau/Henry/Stark ROE #28 plan.

Three-Year Trend Information -

Regular Members:

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	$ 847,959	80%	$ 168,309
12/31/09	564,512	100%	- - -
12/31/08	574,026	100%	- - -

SLEP Members:

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	$ 530,006	92%	$ 41,466
12/31/09	450,695	100%	- - -
12/31/08	477,978	100%	- - -

Bureau/Henry/Stark ROE #28 Members:

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	$ 47,518	100%	$ - - -
12/31/09	42,452	100%	- - -
12/31/08	49,463	100%	- - -

NOTE 10 – (Continued)

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, 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, SLEP and Bureau/Henry/Stark ROE #28 plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress –

Regular members:

As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 78.83 percent funded. The actuarial accrued liability for benefits was $23,991,165 and the actuarial value of assets was $18,911,380, resulting in an underfunded actuarial accrued liability (UAAL) of $5,079,785. The covered payroll (annual payroll of active employees covered by the plan) was $8,014,737 and the ratio of the UAAL to the covered payroll was 63%.

SLEP members:

As of December 31, 2010, the most recent actuarial valuation date, the SLEP plan was 68.76 percent funded. The actuarial accrued liability for benefits was $11,264,227 and the actuarial value of assets was $7,744,858, resulting in an underfunded actuarial accrued liability (UAAL) of $3,519,369. The covered payroll (annual payroll of active employees covered by the plan) was $2,920,144 and the ratio of the UAAL to the covered payroll was 121 percent.

Bureau/Henry/Stark ROE #28 members:

As of December 31, 2010, the most recent actuarial valuation date, the Bureau/Henry/Stark ROE #28 plan was 93.68 percent funded. The actuarial accrued liability for benefits was $462,778 and the actuarial value of assets was $433,552, resulting in an underfunded actuarial accrued liability (UAAL) of $29,226. The covered payroll (annual payroll of active employees covered by the plan) was $474,232 and the ratio of the UAAL to the covered payroll was 6 percent.

NOTE 10 – (Continued)

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets 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 2011 for employer Regular and SLEP contributions is 9.33% and 18.31%, respectively. The annual required contribution (ARC) rate for 2011 for employer Regular and SLEP contributions is 11.43% and 19.04%, 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 $188,549 and $62,922 for Regular and SLEP plans respectively, and has been recorded as a liability for the financial statements ended November 30, 2011.

NOTE 11 – SUBSEQUENT EVENTS

The County evaluated its November 30, 2011 financial statements for subsequent events through June 12, 2012, 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 inpatient and outpatient medical services; mental, nervous and substance abuse care; and

NOTE 12 – (Continued)

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, 2011, membership consisted of:

Retirees and beneficiaries currently receiving benefits	22
Terminated employees entitled to benefits but not yet receiving them	0
Active employees	276
Total	298
Participating employers	1

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, 2011, 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, 2009, 2010 and 2011 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
11/30/09	N/A	N/A	N/A	N/A
11/30/10	$76,362	$64,089	83.9%	$12,273
11/30/11	74,421	64,089	86.1	22,605

NOTE 12 – (Continued)

The net OPEB obligation (NOPEBO) as of November 30, 2011 was calculated as follows:

Annual required contribution	$ 74,216
Interest on net OPEB obligation	614
Adjustment to annual required obligation	(409)
Annual OPEB cost	$ 74,421
Contributions made	64,089
Increase in net OPEB obligation	$ 10,332
Net OPEB obligation, beginning of year	12,273
Net OPEB obligation, end of year	$ 22,605

Funded status and funding progress. The funded status of the plan as of November 30, 2011, was as follows:

Actuarial accrued liability (AAL)	$ 964,712
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 964,712
Funded ratio (Actuarial value of plan assets/AAL)	0%
Covered payroll (Active plan members)	$ 10,332,840
UAAL as a percentage of covered payroll	9.34%

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, 2011 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included 5.0% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 8.0% reduced by 25% 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, 2011 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, 2010 and 2011 are as follows:

	Health Insurance	
	2009-2010	2010-2011
Unpaid claims, beginning of year	$ 242,261	$ 219,643
Incurred claims (including IBNRs)	2,516,289	2,338,359
Claim payments	(2,538,907)	(2,371,456)
Unpaid claims, end of year	$ 219,643	$ 186,546

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.

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines			
Traffic	$ 500,000	$ 500,000	$ 376,246
Criminal	500,000	500,000	679,206
Total fines	$ 1,000,000	$ 1,000,000	$ 1,055,452
Fees			
Licenses and permits - building and zoning	$ 53,350	$ 53,350	$ 78,509
Turbine fees	-	-	133,000
Windtower Building permit fees	-	-	1,013,738
Total fees	$ 53,350	$ 53,350	$ 1,225,247
Taxes			
Property - corporate	$ 2,032,785	$ 2,032,785	$ 2,018,132
Sales	232,099	232,099	244,835
Sales 1/4 supplement	920,004	920,004	974,759
Use	178,646	178,646	220,973
State income	1,218,125	1,218,125	1,169,116
State inheritance tax	20,000	20,000	2,453
State corporate replacement taxes	130,632	130,632	111,544
Total taxes	$ 4,732,291	$ 4,732,291	$ 4,741,812
Intergovernmental Revenue			
State reimbursements	$ 484,792	$ 484,792	$ 580,015
Illinois State Board of Education Grant	698,711	698,711	626,108
Stark County ROE	11,849	11,849	11,849
Bureau County ROE	65,336	65,336	65,336
Illinois Emergency Management Agency	5,168	5,168	3,496
Transportation Grant	571,814	571,814	760,915
State Aid Victim Witness Coordination	20,900	20,900	20,030
Federal Medicaid reimbursements - Juvenile	1,400	1,400	-
Total intergovernmental revenue	$ 1,859,970	$ 1,859,970	$ 2,067,749

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES - (continued)			
Charges for Services			
State's attorney	$ 28,000	$ 28,000	$ 32,735
County clerk and recorder	378,700	378,700	391,226
Circuit clerk	500,000	500,000	451,780
Sheriff	114,000	114,000	130,067
Sheriff reimbursements	47,450	47,450	47,452
Sheriff's business plan			
House prisoners	595,406	595,406	552,326
Other	34,000	34,000	13,832
Other	365,202	365,202	427,116
Total charges for services	$ 2,062,758	$ 2,062,758	$ 2,046,534
Investment income			
Investment	$ 74,000	$ 74,000	$ 51,516
Collector	107,000	107,000	136,114
Total investment income	$ 181,000	$ 181,000	$ 187,630
Total revenues	$ 9,889,369	$ 9,889,369	$ 11,324,424

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES			
County Board			
Personnel services	$ 152,403	$ 154,403	$ 134,954
Supplies	425	425	357
Other services and charges	24,022	24,022	17,826
Total county board	$ 176,850	$ 178,850	$ 153,137
County Buildings			
Personnel services	$ 88,232	$ 89,232	$ 88,491
Supplies	6,500	6,500	3,548
Other services and charges	398,029	398,029	308,218
Equipment	500	500	-
Debt service - principal	-	-	14,978
Debt service - interest	-	-	1,222
Total county buildings	$ 493,261	$ 494,261	$ 416,457
County Clerk and Recorder			
Personnel services	$ 280,560	$ 281,560	$ 249,223
Supplies	3,200	3,200	3,309
Other services and charges	128,841	128,841	125,723
Equipment	5,000	5,000	4,086
Total county clerk and recorder	$ 417,601	$ 418,601	$ 382,341
County Treasurer			
Personnel services	$ 131,922	$ 131,922	$ 132,184
Supplies	16,200	16,200	13,740
Other services and charges	10,420	10,420	8,560
Total county treasurer	$ 158,542	$ 158,542	$ 154,484
Supervisor of Assessments			
Personnel services	$ 202,795	$ 202,795	$ 202,329
Supplies	2,800	2,800	2,140
Other services and charges	23,575	23,575	29,271
Total supervisor of assessments	$ 229,170	$ 229,170	$ 233,740

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Microfilm			
Personnel services	$ 8,280	$ 8,280	$ 4,983
Supplies	125	125	24
Equipment	125	125	-
Total microfilm	$ 8,530	$ 8,530	$ 5,007
Regional Office Education			
Personnel services	$ 671,915	$ 663,505	$ 621,716
Supplies	3,000	3,000	49,966
Other services and charges	79,500	89,500	142,441
Equipment	8,100	8,100	9,378
Total regional office education	$ 762,515	$ 764,105	$ 823,501
Information Services			
Personnel services	$ 108,281	$ 110,281	$ 105,523
Supplies	11,150	11,150	9,674
Other services and charges	9,880	9,880	6,210
Total information services	$ 129,311	$ 131,311	$ 121,407
Voter Registration/Elections			
Personnel services	$ 108,184	$ 108,184	$ 106,781
Supplies	29,560	29,560	23,125
Other services and charges	94,151	94,151	84,061
Total voter registration/elections	$ 231,895	$ 231,895	$ 213,967
General Financial Services			
Personnel services	$ 2,100	$ 2,100	$ 1,997
Supplies	10,000	10,000	8,685
Other services and charges	117,189	124,689	116,822
Computer automation	121,041	171,081	153,958
Contingency	190,000	190,000	7,046
Vehicles	-	-	261,816
Other	571,814	571,814	499,099
Total general financial services	$ 1,012,144	$ 1,069,684	$ 1,049,423

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Zoning			
Personnel services	$ 75,643	$ 81,209	$ 77,238
Supplies	100	100	106
Other services and charges	6,775	6,775	7,857
Total zoning	$ 82,518	$ 88,084	$ 85,201
Sheriff			
Personnel services	$ 2,717,078	$ 2,721,078	$ 2,873,629
Supplies	329,021	329,021	278,415
Other services and charges	152,100	152,100	178,744
Contingency	600	600	87
Automobile and equipment	7,800	135,958	60,078
Total sheriff	$ 3,206,599	$ 3,338,757	$ 3,390,953
Circuit Court			
Personnel services	$ 391,253	$ 391,253	$ 392,979
Supplies	8,000	8,000	6,110
Other services and charges	67,850	67,850	59,445
Equipment	-	-	-
Total circuit court	$ 467,103	$ 467,103	$ 458,534
Rural Revolving Loan Department			
Personnel services	$ 16,250	$ 16,250	$ 8,154
Supplies	600	600	74
Other services and charges	3,400	3,400	369
Total rural revolving loan department	$ 20,250	$ 20,250	$ 8,597
Court Services			
Personnel services	$ 707,188	$ 721,188	$ 721,257
Supplies	500	500	-
Other services and charges	65,413	65,413	55,572
Total court services	$ 773,101	$ 787,101	$ 776,829

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
State's Attorney			
Personnel services	$ 547,473	$ 555,473	$ 512,821
Supplies	5,000	5,000	3,352
Other services and charges	36,500	36,500	34,856
Total state's attorney	$ 588,973	$ 596,973	$ 551,029
Coroner			
Personnel services	$ 43,106	$ 43,106	$ 40,182
Supplies	800	800	570
Other services and charges	26,075	26,075	24,973
Equipment	1,000	1,000	617
Total coroner	$ 70,981	$ 70,981	$ 66,342
Jury Commission			
Personnel services	$ 9,901	$ 9,901	$ 9,842
Supplies	500	500	457
Other services and charges	3,500	3,500	3,500
Total jury commission	$ 13,901	$ 13,901	$ 13,799
Emergency Management Agency			
Personnel services	$ 7,956	$ 7,956	$ 7,354
Supplies	100	100	5
Other services and charges	1,670	1,670	1,158
Total emergency services and disaster agency	$ 9,726	$ 9,726	$ 8,517
Sheriff's Business Plan			
Personnel services	$ 424,051	$ 424,051	$ 444,685
Supplies	107,691	107,691	94,103
Other services and charges	3,900	3,900	8,044
Automobile and equipment	-	-	-
Total sheriff's business plan	$ 535,642	$ 535,642	$ 546,832

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
EXPENDITURES - (Continued)			
Public Defender			
Personnel services	$ 185,279	$ 185,279	$ 183,455
Supplies	2,300	2,300	2,271
Other services and charges	122,142	122,142	120,488
Total public defender	$ 309,721	$ 309,721	$ 306,214
Total expenditures	$ 9,698,334	$ 9,923,188	$ 9,766,311
Excess (deficiency) of revenues over (under) expenditures	$ 191,035	$ (33,819)	$ 1,558,113
OTHER FINANCING SOURCES (USES)			
Transfers in	$ -	$ -	$ 5,400
Transfers out	(577,740)	(584,147)	(1,003,532)
Sale of capital assets	1,000	1,000	-
Total other financing sources (uses)	$ (576,740)	$ (583,147)	$ (998,132)
Net change in fund balances	$ (385,705)	$ (616,966)	$ 559,981
FUND BALANCE - Beginning			4,503,702
FUND BALANCE - Ending			$ 5,063,683

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COUNTY HIGHWAY FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 705,000	$ 705,000	$ 704,109
Replacement	42,000	42,000	38,705
Intergovernmental	250,000	250,000	8,190
Charges for services	1,165,000	1,165,000	1,639,467
Investment income	20,000	20,000	12,093
Miscellaneous	10,000	10,000	3,125
Total revenues	$ 2,192,000	$ 2,192,000	$ 2,405,689
EXPENDITURES			
Salaries and wages:			
Staff salaries - regular	$ 784,000	$ 784,000	$ 710,719
Longevity pay	9,750	9,750	7,460
Part time salaries	34,000	34,000	25,246
Overtime	42,000	42,000	35,987
Insurance	90,536	90,536	81,478
Engineering supplies	9,000	9,000	7,557
Contractual service	5,000	5,000	2,860
Telephone	3,000	3,000	3,098
Maintenance of roads:			
Materials and supplies	950,000	950,000	905,649
Other maintenance expense	91,000	91,000	93,996
Windfarm expenditures	-	-	172,830
Substance abuse testing	1,200	1,200	617
Administrative services	8,000	8,000	8,000
Equipment	275,000	275,000	224,425
Total expenditures	$ 2,302,486	$ 2,302,486	$ 2,279,922
Excess (deficiency) of revenues over (under) expenditures	$ (110,486)	$ (110,486)	$ 125,767
FUND BALANCE – Beginning			1,822,038
FUND BALANCE – Ending			$ 1,947,805

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 948,422	$ 948,422	$ 1,196,685
Replacement	53,422	53,422	65,785
Investment income	5,000	5,000	5,939
Total revenues	$ 1,006,844	$ 1,006,844	$ 1,268,409
EXPENDITURES			
Current:			
Employer's IMRF	1,111,735	1,115,466	1,177,857
Excess (deficiency) of revenues over (under) expenditures	$ (104,891)	$ (108,622)	$ 90,552
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 423,924	$ 423,924	$ 280,457
Transfers out	-	-	(205,117)
Total other financing sources (uses)	$ 423,924	$ 423,924	$ 75,340
Net change in fund balances	$ 319,033	$ 315,302	$ 165,892
FUND BALANCE – Beginning			426,881
FUND BALANCE – Ending			$ 592,773

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FICA FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 670,180	$ 670,180	$ 669,727
Replacement	45,465	45,465	36,791
Investment income	4,200	4,200	3,226
Total revenues	$ 719,845	$ 719,845	$ 709,744
EXPENDITURES			
Current:			
Employer's FICA	754,737	757,414	749,132
Excess (deficiency) of revenues over (under) expenditures	$ (34,892)	$ (37,569)	$ (39,388)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 290,470	$ 290,470	$ 252,363
Transfers out	-	-	(221,113)
Total other financing sources (uses)	$ 290,470	$ 290,470	$ 31,250
Net change in fund balances	$ 255,578	$ 252,901	$ (8,138)
FUND BALANCE – Beginning			264,293
FUND BALANCE – Ending			$ 256,155

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 1,246,418	$ 1,246,418	$ 1,243,775
Replacement	78,388	78,388	68,371
Investment income	15,000	15,000	18,398
Miscellaneous	80,950	80,950	-
Total revenues	$ 1,420,756	$ 1,420,756	$ 1,330,544
EXPENDITURES			
Current:			
Unemployment insurance	$ 200,000	$ 200,000	$ 57,650
Workers compensation	358,929	358,929	227,595
Property/casualty insurance	349,292	349,292	176,118
Insurance deductible/claims	32,000	32,000	24,217
Health care plan	430,535	430,535	394,503
Total expenditures	$ 1,370,756	$ 1,370,756	$ 880,083
Excess of revenues over expenditures	$ 50,000	$ 50,000	$ 450,461
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(129,131)
Net change in fund balances	$ 50,000	$ 50,000	$ 321,330
FUND BALANCE – Beginning			1,955,945
FUND BALANCE – Ending			$ 2,277,275

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COUNTY HEALTH FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 190,000	$ 190,000	$ 189,852
Intergovernmental:			
Illinois Department of Health	937,273	937,273	576,213
Illinois Department of Aging	1,156,880	1,156,880	1,201,448
Illinois Department of Public Aid	147,000	147,000	153,638
Charges for service:			
Health department fees Public Aid	1,029,800	1,029,800	1,149,095
Medicare	675,000	675,000	563,361
Investment income	15,000	15,000	8,750
Miscellaneous	900	900	4,330
Total revenues	$ 4,151,853	$ 4,151,853	$ 3,846,687
EXPENDITURES			
Health staff salaries	$ 2,782,563	$ 2,782,563	$ 2,825,170
Life and health insurance	227,994	227,994	202,665
Commodities	212,300	212,300	219,284
Contractual service	114,300	114,300	123,010
Personal service	202,840	202,840	180,821
Travel expense	65,500	65,500	63,215
Meeting expense	32,889	32,889	20,273
Clinic expense	118,000	118,000	58,087
Insurance	62,580	62,580	50,512
Contingencies	12,000	12,000	1,779
Office equipment	20,000	20,000	23,115
Building	47,000	47,000	45,509
Total expenditures	$ 3,897,966	$ 3,897,966	$ 3,813,440
Excess of revenues over expenditures	$ 253,887	$ 253,887	$ 33,247
OTHER FINANCING SOURCES (USES)			
Transfers out	$ (467,442)	$ (467,442)	$ (401,816)
Total other financing sources (uses)	$ (467,442)	$ (467,442)	$ (401,816)
Net change in fund balances	$ (213,555)	$ (213,555)	$ (368,569)
FUND BALANCE – Beginning			1,999,527
FUND BALANCE – Ending			$ 1,630,958

HENRY COUNTY, ILLINOIS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - BUDGET COMPARISONS
November 30, 2011

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
General Fund	$ 262,508
Illinois Municipal Retirement Fund	267,508
FICA Fund	212,831

HENRY COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION AND OTHER POST EMPLOYMENT
BENEFIT PLAN FUNDING PROGRESS
November 30, 2011

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)
12/31/10	$ 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
12/31/08	19,742,413	22,560,311	2,817,898	87.51	7,572,905	37.21

On a market value basis the actuarial value of assets as of December 31, 2010 is $20,390,214. On a market basis, the funded ratio would be 84.99%.

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)
12/31/10	$ 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
12/31/08	7,269,998	10,171,388	2,901,390	71.47	2,954,127	98.21

On a market value basis the actuarial value of assets as of December 31, 2010 is $8,296,497. On a market basis, the funded ratio would be 73.65%.

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)
12/31/10	$ 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
12/31/08	369,562	424,909	55,347	86.97	485,409	11.40

On a market value basis the actuarial value of assets as of December 31, 2010 is $458,117. On a market basis, the funded ratio would be 98.99%.

(Continued)

HENRY COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION ON
PENSION AND OTHER POST EMPLOYMENT
BENEFIT PLAN FUNDING PROGRESS
November 30, 2011

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 (OAAL) Percentage of Covered Payroll ((b-a)/c)
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
11/30/09	N/A	N/A	N/A	N/A	N/A	N/A

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

N/A- Information is not available.

OTHER SUPPLEMENTARY INFORMATION

HENRY COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2011

	Totals	Special Federal Aid Matching Fund	Special County Joint Bridge Fund
ASSETS			
Cash and cash equivalents	$ 6,449,186	$ 308,098	$ 815,654
Investments	504,695	-	250,000
Receivables:			
Accounts	168,362	-	98,943
Property tax	1,082,789	230,000	280,000
Other taxes	83,031	2,187	2,732
Loans	512,498	-	-
Total assets	$ 8,800,561	$ 540,285	$ 1,447,329
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 158,519	$ 81,085	$ 64,302
Accrued liabilities	31,475	-	-
Deferred property tax revenue	1,082,789	230,000	280,000
Due to other funds	70,023	-	-
Total liabilities	$ 1,342,806	$ 311,085	$ 344,302
FUND BALANCES			
Restricted for:			
Maintenance of roadways	$ 2,706,181	$ 229,200	$ 1,103,027
Loans	1,080,872	-	-
Drug enforcement	169,322	-	-
Debt service	4,210	-	-
Health	170,583	-	-
Other purposes	2,144,889	-	-
Committed to capital building	1,247,554	-	-
Unassigned	(65,856)	-	-
Total fund balances	$ 7,457,755	$ 229,200	$ 1,103,027
Total liabilities and fund balances	$ 8,800,561	$ 540,285	$ 1,447,329

Revenue Funds

Motor Fuel Tax Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
$ 1,042,107	$ 1	$ 169,622	$ 38,484	$ -
254,695	-	-	-	-
-	-	-	-	-
-	99,767	350,092	53,791	69,139
77,152	960	-	-	-
-	-	-	-	-
$ 1,373,954	$ 100,728	$ 519,714	$ 92,275	$ 69,139
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	99,767	350,092	53,791	69,139
-	-	-	-	-
$ -	$ 99,767	$ 350,092	$ 53,791	$ 69,139
$ 1,373,954	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	961	169,622	-	-
-	-	-	38,484	-
-	-	-	-	-
-	-	-	-	-
$ 1,373,954	$ 961	$ 169,622	$ 38,484	$ -
$ 1,373,954	$ 100,728	$ 519,714	$ 92,275	$ 69,139

(Continued)

HENRY COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2011

	State's Attorney Forfeited Drug Fund	Circuit Clerk Op/Admin Fund	Animal Control Fund	Special Vital Records Automation Fund
ASSETS				
Cash and cash equivalents	$ 42,378	$ 34,672	$ 37,959	$ 12,206
Investments	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	$ 42,378	$ 34,672	$ 37,959	$ 12,206
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	1,559	-
Deferred property tax revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	$ -	$ -	$ 1,559	$ -
FUND BALANCES				
Restricted for:				
Maintenance of roadways	$ -	$ -	$ -	$ -
Loans	-	-	-	-
Drug enforcement	42,378	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	34,672	36,400	12,206
Committed to capital building	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	$ 42,378	$ 34,672	$ 36,400	$ 12,206
Total liabilities and fund balances	$ 42,378	$ 34,672	$ 37,959	$ 12,206

Revenue Funds

Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
$ 36,984	$ 832,237	$ 52,567	$ 57,662	$ -	$ 58,767
-	-	-	-	-	-
7,013	11,693	-	-	1,443	19,614
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 43,997	$ 843,930	$ 52,567	$ 57,662	$ 1,443	$ 78,381
$ -	$ 1,909	$ -	$ -	$ -	$ -
4,978	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	54,033	-
$ 4,978	$ 1,909	$ -	$ -	$ 54,033	$ -
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	57,662	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,019	842,021	52,567	-	-	78,381
-	-	-	-	-	-
-	-	-	-	(52,590)	-
$ 39,019	$ 842,021	$ 52,567	$ 57,662	$ (52,590)	$ 78,381
$ 43,997	$ 843,930	$ 52,567	$ 57,662	$ 1,443	$ 78,381

HENRY COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2011

	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Special Orion Law Enforcement Fund
ASSETS				
Cash and cash equivalents	$ 232,931	$ 135,589	$ 381,811	$ 19,340
Investments	-	-	-	-
Receivables:				
Accounts	4,831	-	4,880	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	$ 237,762	$ 135,589	$ 386,691	$ 19,340
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ 6,993	$ -	$ -
Accrued liabilities	2,175	-	420	13,623
Deferred property tax revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	$ 2,175	$ 6,993	$ 420	$ 13,623
FUND BALANCES				
Restricted for:				
Maintenance of roadways	$ -	$ -	$ -	$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	235,587	128,596	386,271	5,717
Committed to capital building	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	$ 235,587	$ 128,596	$ 386,271	$ 5,717
Total liabilities and fund balances	$ 237,762	$ 135,589	$ 386,691	$ 19,340

Revenue Funds

Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Solid Waste Management Fund	Soil Survey Fund
$ 569,193	$ -	$ 42,873	$ 1,232,302	$ 12,111	$ 65,600
-	-	-	-	-	-
-	-	-	10,252	1,756	-
-	-	-	-	-	-
-	-	-	-	-	-
512,498	-	-	-	-	-
$ 1,081,691	$ -	$ 42,873	$ 1,242,554	$ 13,867	$ 65,600
$ -	$ -	$ -	$ -	$ 3,572	$ -
-	4,098	-	-	-	3,698
-	-	-	-	-	-
819	3,928	-	-	-	-
$ 819	$ 8,026	$ -	$ -	$ 3,572	$ 3,698
$ -	$ -	$ -	$ -	$ -	$ -
1,080,872	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	42,873	-	10,295	61,902
-	-	-	1,242,554	-	-
-	(8,026)	-	-	-	-
$ 1,080,872	$ (8,026)	$ 42,873	$ 1,242,554	$ 10,295	$ 61,902
$ 1,081,691	$ -	$ 42,873	$ 1,242,554	$ 13,867	$ 65,600

HENRY COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2011

	TICP Grant Fund	DUI Equipment Fund	Elderly Services Fund	Special Camera Account
ASSETS				
Cash and cash equivalents	$ -	$ 27,490	$ 7,839	$ 2,733
Investments	-	-	-	-
Receivables:				
Accounts	4,541	1,060	-	-
Property tax	-	-	-	-
Other taxes	-	-	-	-
Loans	-	-	-	-
Total assets	$ 4,541	$ 28,550	$ 7,839	$ 2,733
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 658	$ -	$ -	$ -
Accrued liabilities	-	-	-	-
Deferred property tax revenue	-	-	-	-
Due to other funds	3,883	-	-	-
Total liabilities	$ 4,541	$ -	$ -	$ -
FUND BALANCES				
Restricted for:				
Maintenance of roadways	$ -	$ -	$ -	$ -
Loans	-	-	-	-
Drug enforcement	-	-	-	-
Debt service	-	-	-	-
Health	-	-	-	-
Other purposes	-	28,550	7,839	2,733
Committed to capital building	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	$ -	$ 28,550	$ 7,839	$ 2,733
Total liabilities and fund balances	$ 4,541	$ 28,550	$ 7,839	$ 2,733

Revenue Funds

Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coroner Fees Fund	Federal Forfeited Drug Fund
$ 59,194	$ 5,069	$ 5,000	$ 1,326	$ 8,435	$ 69,282
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 59,194	$ 5,069	$ 5,000	$ 1,326	$ 8,435	$ 69,282
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	69,282
-	-	-	-	-	-
-	-	-	-	-	-
59,194	5,069	-	1,326	8,435	-
-	-	5,000	-	-	-
-	-	-	-	-	-
$ 59,194	$ 5,069	$ 5,000	$ 1,326	$ 8,435	$ 69,282
$ 59,194	$ 5,069	$ 5,000	$ 1,326	$ 8,435	$ 69,282

HENRY COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
November 30, 2011

	Special Revenue		
	Police Vehicle Fund	Organized Crime Drug Fund	County Pet Population Fund
ASSETS			
Cash and cash equivalents	$ -	$ -	$ 2,458
Investments	-	-	-
Receivables:			
Accounts	815	1,521	-
Property tax	-	-	-
Other taxes	-	-	-
Loans	-	-	-
Total assets	$ 815	$ 1,521	$ 2,458
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ -	$ -
Accrued liabilities	-	216	-
Deferred property tax revenue	-	-	-
Due to other funds	4,780	2,580	-
Total liabilities	$ 4,780	$ 2,796	$ -
FUND BALANCES			
Restricted for:			
Maintenance of roadways	$ -	$ -	$ -
Loans	-	-	-
Drug enforcement	-	-	-
Debt service	-	-	-
Health	-	-	-
Other purposes	-	-	2,458
Committed to capital building	-	-	-
Unassigned	(3,965)	(1,275)	-
Total fund balances	$ (3,965)	$ (1,275)	$ 2,458
Total liabilities and fund balances	$ 815	$ 1,521	$ 2,458

Funds

Sheriff Off-Duty Work Fund	States Attorney Money Laundering Fund	Debt Service Fund
$ 4,189	$ 20,813	$ 4,210
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
$ 4,189	$ 20,813	$ 4,210
$ -	$ -	$ -
708	-	-
-	-	-
-	-	-
$ 708	$ -	$ -
$ -	$ -	$ -
-	-	-
-	-	-
-	-	4,210
-	-	-
3,481	20,813	-
-	-	-
-	-	-
$ 3,481	$ 20,813	$ 4,210
$ 4,189	$ 20,813	$ 4,210

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2011

		Special	
	Totals	Federal Aid Matching Fund	County Joint Bridge Fund
REVENUES			
Taxes:			
Property	$ 1,077,097	$ 225,732	$ 278,800
Tax increment	7,396	-	-
Replacement	33,249	12,370	15,454
Fines and fees	293,009	-	-
Intergovernmental	1,443,544	-	-
Charges for services	1,075,541	-	127,686
Investment income	60,503	1,877	9,877
Miscellaneous	93,100	-	-
Total revenues	$ 4,083,439	$ 239,979	$ 431,817
EXPENDITURES			
Current:			
General government	$ 796,353	$ -	$ -
Public Safety	457,218	-	-
Education	22,880	-	-
Highways and streets	1,694,999	258,861	300,694
Health	462,002	-	-
Capital expenditures	280,517	-	-
Debt service:			
Principal	445,111	-	-
Interest	87,102	-	-
Total expenditures	$ 4,246,182	$ 258,861	$ 300,694
Excess (deficiency) of revenues over (under) expenditures	$ (162,743)	$ (18,882)	$ 131,123
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 1,486,757	$ -	$ -
Transfers out	(591,752)	-	-
Capital lease	127,242	-	-
Total other financing sources (uses)	$ 1,022,247	$ -	$ -
Net change in fund balances	$ 859,504	$ (18,882)	$ 131,123
FUND BALANCES – Beginning	6,598,251	248,082	971,904
FUND BALANCES – Ending	$ 7,457,755	$ 229,200	$ 1,103,027

Revenue Funds				
Motor Fuel Tax Fund	Mentally Deficient Persons Fund	708 Mental Health Fund	Veterans' Assistance Commission Fund	Extension Fund
$ -	$ 99,413	$ 349,815	$ 53,820	$ 69,517
-	-	-	-	-
-	5,425	-	-	-
-	-	-	-	-
1,217,326	-	-	-	-
-	-	-	-	-
10,895	105	1,407	310	64
51,000	-	-	-	-
$ 1,279,221	$ 104,943	$ 351,222	$ 54,130	$ 69,581
$ -	$ -	$ -	$ 52,234	$ 73,107
-	-	-	-	-
-	-	-	-	-
1,135,444	-	-	-	-
-	111,910	350,092	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 1,135,444	$ 111,910	$ 350,092	$ 52,234	$ 73,107
$ 143,777	$ (6,967)	$ 1,130	$ 1,896	$ (3,526)
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -
$ 143,777	$ (6,967)	$ 1,130	$ 1,896	$ (3,526)
1,230,177	7,928	168,492	36,588	3,526
$ 1,373,954	$ 961	$ 169,622	$ 38,484	$ -

(Continued)

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2011

	State's Attorney Forfeited Drug Fund	Circuit Clerk Op/Admin Fund	Animal Control Fund	Special Vital Records Automation Fund
REVENUES				
Taxes:				
Property	$ -	$ -	$ -	$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	7,821	98,586	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	7,161
Investment income	448	76	-	108
Miscellaneous	23,116	-	-	-
Total revenues	$ 23,564	$ 7,897	$ 98,586	$ 7,269
EXPENDITURES				
Current:				
General government	$ -	$ 266	$ -	$ 5,417
Public Safety	25,311	-	80,043	-
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	$ 25,311	$ 266	$ 80,043	$ 5,417
Excess (deficiency) of revenues over (under) expenditures	$ (1,747)	$ 7,631	$ 18,543	$ 1,852
OTHER FINANCING SOURCES (USES)				
Transfers in	$ -	$ -	$ -	$ -
Transfers out	-	-	-	(225)
Capital lease	-	-	-	-
Total other financing sources (uses)	$ -	$ -	$ -	$ (225)
Net change in fund balances	$ (1,747)	$ 7,631	$ 18,543	$ 1,627
FUND BALANCES – Beginning	44,125	27,041	17,857	10,579
FUND BALANCES – Ending	$ 42,378	$ 34,672	$ 36,400	$ 12,206

Revenue Funds					
Court Security System Fund	Probation Service Fees Fund	Treasurer Automation Fund	Sheriff's Drug Fund	Law Library Fund	Circuit Clerk Trust Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,725	-	-
-	-	-	-	-	-
85,465	167,042	16,133	-	34,256	45,852
416	-	418	773	-	362
-	-	-	5,000	-	-
$ 85,881	$ 167,042	$ 16,551	$ 12,498	$ 34,256	$ 46,214
$ 82,403	$ 124,607	$ 329	$ -	$ -	$ 28,551
-	-	-	8,742	-	-
-	-	-	-	22,880	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	25,886	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 82,403	$ 124,607	$ 329	$ 34,628	$ 22,880	$ 28,551
$ 3,478	$ 42,435	$ 16,222	$ (22,130)	$ 11,376	$ 17,663
$ -	$ -	$ -	$ -	$ -	$ -
(14,034)	-	(25)	-	-	-
-	-	-	-	-	-
$ (14,034)	$ -	$ (25)	$ -	$ -	$ -
$ (10,556)	$ 42,435	$ 16,197	$ (22,130)	$ 11,376	$ 17,663
49,575	799,586	36,370	79,792	(63,966)	60,718
$ 39,019	$ 842,021	$ 52,567	$ 57,662	$ (52,590)	$ 78,381

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2011

	Circuit Clerk Court Automation Fund	Recorder Automation Fund	Court Document Storage Fund	Special Orion Law Enforcement Fund
REVENUES				
Taxes:				
Property	$ -	$ -	$ -	$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	59,921	116,342	60,036	235,438
Investment income	2,672	1,336	3,608	-
Miscellaneous	-	-	-	-
Total revenues	$ 62,593	$ 117,678	$ 63,644	$ 235,438
EXPENDITURES				
Current:				
General government	$ 84,939	$ 88,516	$ 23,555	$ -
Public Safety	-	-	-	203,771
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	9,466	127,242	-	-
Debt service:				
Principal	-	25,111	-	-
Interest	-	5,949	-	-
Total expenditures	$ 94,405	$ 246,818	$ 23,555	$ 203,771
Excess (deficiency) of revenues over (under) expenditures	$ (31,812)	$ (129,140)	$ 40,089	$ 31,667
OTHER FINANCING SOURCES (USES)				
Transfers in	$ -	$ -	$ -	$ -
Transfers out	(9,074)	-	(847)	(32,990)
Capital lease	-	127,242	-	-
Total other financing sources (uses)	$ (9,074)	$ 127,242	$ (847)	$ (32,990)
Net change in fund balances	$ (40,886)	$ (1,898)	$ 39,242	$ (1,323)
FUND BALANCES – Beginning	276,473	130,494	347,029	7,040
FUND BALANCES – Ending	$ 235,587	$ 128,596	$ 386,271	$ 5,717

Revenue Funds

Revolving Loan Fund	Cambridge Law Enforcement Fund	Sheriff's Crime Lab Fund	Capital Building Fund	Solid Waste Management Fund	Soil Survey Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	7,396	-	-
-	-	-	-	-	-
-	-	2,760	-	-	141,788
-	-	-	40,252	-	-
-	64,030	-	-	29,872	-
24,068	-	410	-	43	-
-	-	-	-	-	-
$ 24,068	$ 64,030	$ 3,170	$ 47,648	$ 29,915	$ 141,788
$ 22,038	$ -	$ -	$ 20,623	$ 22,786	$ 144,108
-	51,199	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	13,670	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 22,038	$ 51,199	$ -	$ 34,293	$ 22,786	$ 144,108
$ 2,030	$ 12,831	$ 3,170	$ 13,355	$ 7,129	$ (2,320)
$ -	$ -	$ -	$ 985,604	$ -	$ -
-	(10,983)	-	(501,152)	-	(17,022)
-	-	-	-	-	-
$ -	$ (10,983)	$ -	$ 484,452	$ -	$ (17,022)
$ 2,030	$ 1,848	$ 3,170	$ 497,807	$ 7,129	$ (19,342)
1,078,842	(9,874)	39,703	744,747	3,166	81,244
$ 1,080,872	$ (8,026)	$ 42,873	$ 1,242,554	$ 10,295	$ 61,902

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2011

	Special			
	TICP Grant Fund	DUI Equipment Fund	Elderly Services Fund	Camera Account
REVENUES				
Taxes:				
Property	$ -	$ -	$ -	$ -
Tax increment	-	-	-	-
Replacement	-	-	-	-
Fines and fees	-	6,042	-	-
Intergovernmental	16,783	-	-	-
Charges for services	-	-	-	-
Investment income	-	251	76	20
Miscellaneous	-	-	1,029	-
Total revenues	$ 16,783	$ 6,293	$ 1,105	$ 20
EXPENDITURES				
Current:				
General government	$ -	$ -	$ 147	$ -
Public Safety	16,783	3,076	-	484
Education	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Capital expenditures	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	$ 16,783	$ 3,076	$ 147	$ 484
Excess (deficiency) of revenues over (under) expenditures	$ -	$ 3,217	$ 958	$ (464)
OTHER FINANCING SOURCES (USES)				
Transfers in	$ -	$ -	$ -	$ -
Transfers out	-	-	-	-
Capital lease	-	-	-	-
Total other financing sources (uses)	$ -	$ -	$ -	$ -
Net change in fund balances	$ -	$ 3,217	$ 958	$ (464)
FUND BALANCES – Beginning	-	25,333	6,881	3,197
FUND BALANCES – Ending	$ -	$ 28,550	$ 7,839	$ 2,733

Revenue Funds

Sheriff Drug Enforcement Fund	Coroner Equipment Grant	Property/ Building Fund	Election Assistance Grant	Coroner Fees Fund	Federal Forfeited Drug Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	7,820	-
-	-	-	62,631	-	76,422
-	-	-	-	-	-
275	50	-	39	15	352
12,955	-	-	-	-	-
$ 13,230	$ 50	$ -	$ 62,670	$ 7,835	$ 76,774
$ -	$ -	$ -	$ 9,906	$ -	$ -
8,589	-	-	-	-	25,881
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	52,725	-	30,631
-	-	-	-	-	-
-	-	-	-	-	-
$ 8,589	$ -	$ -	$ 62,631	$ -	$ 56,512
$ 4,641	$ 50	$ -	$ 39	$ 7,835	$ 20,262
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	(5,400)	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ (5,400)	$ -	$ -
$ 4,641	$ 50	$ -	$ (5,361)	$ 7,835	$ 20,262
54,553	5,019	5,000	6,687	600	49,020
$ 59,194	$ 5,069	$ 5,000	$ 1,326	$ 8,435	$ 69,282

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended November 30, 2011

	Special Revenue		
	Police Vehicle Fund	Organized Crime Drug Fund	County Pet Population Fund
REVENUES			
Taxes:			
Property	$ -	$ -	$ -
Tax increment	-	-	-
Replacement	-	-	-
Fines and fees	8,027	-	13,440
Intergovernmental	-	2,925	-
Charges for services	-	-	-
Investment income	107	-	-
Miscellaneous	-	-	-
Total revenues	$ 8,134	$ 2,925	$ 13,440
EXPENDITURES			
Current:			
General government	$ -	$ -	$ 12,821
Public Safety	-	4,077	-
Education	-	-	-
Highways and streets	-	-	-
Health	-	-	-
Capital expenditures	20,897	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	$ 20,897	$ 4,077	$ 12,821
Excess (deficiency) of revenues over (under) expenditures	$ (12,763)	$ (1,152)	$ 619
OTHER FINANCING SOURCES (USES)			
Transfers in	$ -	$ -	$ -
Transfers out	-	-	-
Capital lease	-	-	-
Total other financing sources (uses)	$ -	$ -	$ -
Net change in fund balances	$ (12,763)	$ (1,152)	$ 619
FUND BALANCES – Beginning	8,798	(123)	1,839
FUND BALANCES – Ending	$ (3,965)	$ (1,275)	$ 2,458

Funds		
Sheriff Off-Duty Work Fund	States Attorney Money Laundering Fund	Debt Service Fund
$ -	$ -	$ -
-	-	-
-	-	-
-	-	-
6,220	20,985	-
26,307	-	-
21	23	1
-	-	-
$ 32,548	$ 21,008	$ 1
$ -	$ -	$ -
29,067	195	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	420,000
-	-	81,153
$ 29,067	$ 195	$ 501,153
$ 3,481	$ 20,813	$ (501,152)
$ -	$ -	$ 501,153
-	-	-
-	-	-
$ -	$ -	$ 501,153
$ 3,481	$ 20,813	$ 1
-	-	4,209
$ 3,481	$ 20,813	$ 4,210

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 225,900	$ 225,900	$ 225,732
Replacement	12,000	12,000	12,370
Investment income	1,500	1,500	1,877
Total revenues	$ 239,400	$ 239,400	$ 239,979
EXPENDITURES			
Current:			
Engineering	$ 3,000	$ 3,000	$ 3,449
Highway construction	235,000	235,000	255,412
Total expenditures	$ 238,000	$ 238,000	$ 258,861
Excess (deficiency) of revenues over (under) expenditures	$ 1,400	$ 1,400	$ (18,882)
FUND BALANCE – Beginning			248,082
FUND BALANCE – Ending			$ 229,200

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 278,610	$ 278,610	$ 278,800
Replacement	15,000	15,000	15,454
Charges for services	100,000	100,000	127,686
Investment income	13,000	13,000	9,877
Total revenues	$ 406,610	$ 406,610	$ 431,817
EXPENDITURES			
Current:			
Bridge construction	$ 400,000	$ 400,000	$ 297,054
Engineering expense	30,000	30,000	3,640
Total expenditures	$ 430,000	$ 430,000	$ 300,694
Excess (deficiency) of revenues over (under) expenditures	$ (23,390)	$ (23,390)	$ 131,123
FUND BALANCE – Beginning			971,904
FUND BALANCE – Ending			$ 1,103,027

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Intergovernmental	$ 1,000,000	$ 1,000,000	$ 1,217,326
Investment income	14,000	14,000	10,895
Miscellaneous	52,000	52,000	51,000
Total revenues	$ 1,066,000	$ 1,066,000	$ 1,279,221
EXPENDITURES			
Current:			
Salaries	$ 104,000	$ 104,000	$ 102,000
Insurance	44,960	44,960	42,918
IMRF reimbursement	40,521	40,521	33,566
Construction and maintenance	902,500	902,500	956,960
Total expenditures	$ 1,091,981	$ 1,091,981	$ 1,135,444
Excess (deficiency) of revenues over (under) expenditures	$ (25,981)	$ (25,981)	$ 143,777
FUND BALANCE – Beginning			1,230,177
FUND BALANCE – Ending			$ 1,373,954

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Taxes:			
Property	$ 99,230	$ 99,230	$ 99,413
Replacement	6,820	6,820	5,425
Investment income	20	20	105
Total revenues	$ 106,070	$ 106,070	$ 104,943
EXPENDITURES			
Current:			
Mental health	106,000	106,000	111,910
Excess (deficiency) of revenues over (under) expenditures	$ 70	$ 70	$ (6,967)
FUND BALANCE – Beginning			7,928
FUND BALANCE – Ending			$ 961

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 350,307	$ 350,307	$ 349,815
Investment income	1,500	1,500	1,407
Total revenues	$ 351,807	$ 351,807	$ 351,222
EXPENDITURES			
Current:			
Mental health	350,092	350,092	350,092
Excess of revenues over expenditures	$ 1,715	$ 1,715	$ 1,130
FUND BALANCE – Beginning			168,492
FUND BALANCE – Ending			$ 169,622

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 53,846	$ 53,846	$ 53,820
Investment income	250	250	310
Total revenues	$ 54,096	$ 54,096	$ 54,130
EXPENDITURES			
Current:			
Supplies	$ 350	$ 350	$ 294
Contractual service	25,296	25,296	25,317
Other service and charges	28,148	28,148	26,623
Total expenditures	$ 53,794	$ 53,794	$ 52,234
Excess of revenues over expenditures	$ 302	$ 302	$ 1,896
FUND BALANCE – Beginning			36,588
FUND BALANCE – Ending			$ 38,484

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EXTENSION FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Property taxes	$ 69,164	$ 69,164	$ 69,517
Investment income	-	-	64
Total revenues	$ 69,164	$ 69,164	$ 69,581
EXPENDITURES			
Current:			
Extension	69,139	69,139	73,107
Excess (deficiency) of revenues over (under) expenditures	$ 25	$ 25	$ (3,526)
FUND BALANCE – Beginning			3,526
FUND BALANCE – Ending			$ -

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 1,000	$ 1,000	$ 448
Miscellaneous:			
Seizures/drugs	6,000	6,000	23,116
Total revenues	$ 7,000	$ 7,000	$ 23,564
EXPENDITURES			
Current - education:			
Office supplies	$ 2,500	$ 2,500	$ 2,670
Other service and charges	10,800	10,800	4,641
Equipment	20,000	20,000	18,000
Total expenditures	$ 33,300	$ 33,300	$ 25,311
Excess (deficiency) of revenues over (under) expenditures	$ (26,300)	$ (26,300)	$ (1,747)
FUND BALANCE – Beginning			44,125
FUND BALANCE – Ending			$ 42,378

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ANIMAL CONTROL FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 86,000	$ 86,000	$ 98,586
EXPENDITURES			
Current - public safety:			
Officer salary	$ 31,887	$ 31,887	$ 32,009
Staff salaries	18,720	18,720	18,768
Longevity	40	40	40
Life and health insurance	12,318	12,318	12,318
Office supplies	4,000	4,000	3,881
Uniforms	900	900	787
Contractual service	200	200	150
Travel and meeting	3,500	3,500	3,574
Education and training	500	500	322
Fuel and power	2,500	2,500	2,085
Water	300	300	-
Telephone	1,500	1,500	1,301
Postage	2,300	2,300	2,837
Dues	100	100	120
Maintenance	200	200	174
Laboratory expense	200	200	217
Veterinary assistance	500	500	492
Dead animal claims	500	500	-
Animal disposal	300	300	369
Other service and charges	700	700	366
Building	200	200	233
Total expenditures	$ 81,365	$ 81,365	$ 80,043
Excess of revenues over expenditures	$ 4,635	$ 4,635	$ 18,543
FUND BALANCE – Beginning			17,857
FUND BALANCE – Ending			$ 36,400

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 7,050	$ 7,050	$ 7,161
Investment income	150	150	108
Total revenues	$ 7,200	$ 7,200	$ 7,269
EXPENDITURES			
Current - general government:			
Part time salaries	$ 3,000	$ 3,000	$ 2,946
Office supplies	650	650	653
Death certificate surcharge	350	350	548
Domestic violence surcharge	700	700	1,270
Equipment	400	400	-
Total expenditures	$ 5,100	$ 5,100	$ 5,417
Excess of revenues over expenditures	$ 2,100	$ 2,100	$ 1,852
OTHER FINANCING SOURCES (USES)			
Transfers out	(230)	(230)	(225)
Net change in fund balances	$ 1,870	$ 1,870	$ 1,627
FUND BALANCE – Beginning			10,579
FUND BALANCE – Ending			$ 12,206

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 94,000	$ 94,000	$ 85,465
Investment income	550	550	416
Total revenues	$ 94,550	$ 94,550	$ 85,881
EXPENDITURES			
Current - general government:			
Staff salaries	$ 42,592	$ 42,592	$ 45,872
Part time salaries	28,400	28,400	27,990
Overtime	4,000	4,000	1,963
Life and health insurance	6,159	6,159	6,159
Uniforms	600	600	257
Education and training	1,000	1,000	-
Equipment	1,000	1,000	162
Total expenditures	$ 83,751	$ 83,751	$ 82,403
Excess of revenues over expenditures	$ 10,799	$ 10,799	$ 3,478
OTHER FINANCING SOURCES (USES)			
Transfers out	(14,237)	(14,237)	(14,034)
Net change in fund balances	$ (3,438)	$ (3,438)	$ (10,556)
FUND BALANCE – Beginning			49,575
FUND BALANCE – Ending			$ 39,019

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Substance abuse testing	$ 18,000	$ 18,000	$ 15,406
Probation service fees	185,000	185,000	149,808
Electronic monitoring	2,000	2,000	-
Partner abuse intervention	-	-	460
Reimbursements	1,325	1,325	1,368
Total revenues	$ 206,325	$ 206,325	$ 167,042
EXPENDITURES			
Current - general government:			
Office supplies	$ 4,000	$ 4,000	$ 2,721
Document preservation	11,500	11,500	8,731
Travel and meeting	1,500	1,500	597
Fuel expense	5,000	5,000	4,628
Education and training	5,500	5,500	1,696
Public relation/education	2,500	2,500	757
Partner abuse intervention group	10,000	10,000	8,880
Leads 2000	5,500	5,500	5,703
Starcom lease/maintenance	1,500	1,500	-
Postage	4,500	4,500	3,344
Dues	700	700	650
Service contracts	6,360	6,360	5,608
Maintenance	4,000	4,000	5,378
Juvenile psychological	1,300	1,300	-
Substance abuse testing	10,000	10,000	8,791
Sex offender evaluations	5,600	5,600	1,913
DNA collection fee	300	300	20
Equipment	6,000	6,000	3,111
Reimbursements	53,775	53,775	20,050
Delinquency diversion program	5,000	5,000	4,337
Computer automation	40,000	40,000	37,692
Total expenditures	$ 184,535	$ 184,535	$ 124,607
Excess of revenues over expenditures	$ 21,790	$ 21,790	$ 42,435
FUND BALANCE – Beginning			799,586
FUND BALANCE – Ending			$ 842,021

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TREASURER AUTOMATION FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 9,000	$ 9,000	$ 16,133
Investment income	400	400	418
Total revenues	$ 9,400	$ 9,400	$ 16,551
EXPENDITURES			
Current - general government:			
Part time salaries	$ 3,000	$ 3,000	$ 329
Contingencies	1,500	1,500	-
Total expenditures	$ 4,500	$ 4,500	$ 329
Excess of revenues over expenditures	$ 4,900	$ 4,900	$ 16,222
OTHER FINANCING SOURCES (USES)			
Transfers out	(230)	(230)	(25)
Net change in fund balances	$ 4,670	$ 4,670	$ 16,197
FUND BALANCE – Beginning			36,370
FUND BALANCE – Ending			$ 52,567

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees:			
Street value fines	$ 7,000	$ 7,000	$ 6,725
Investment income	1,000	1,000	773
Donations	-	-	5,000
Total revenues	$ 8,000	$ 8,000	$ 12,498
EXPENDITURES			
Current - public safety:			
Contingencies	$ 5,000	$ 5,000	$ 8,742
Capital expenditures	-	-	25,886
Total expenditures	$ 5,000	$ 5,000	$ 34,628
Excess (deficiency) of revenues over (under) expenditures	$ 3,000	$ 3,000	$ (22,130)
FUND BALANCE – Beginning			79,792
FUND BALANCE – Ending			$ 57,662

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LAW LIBRARY FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Reimbursements	$ 8,143	$ 8,143	$ 12,143
Law library fees	25,000	25,000	22,113
Total revenues	$ 33,143	$ 33,143	$ 34,256
EXPENDITURES			
Current - education:			
Law books and subscriptions	$ 7,210	$ 7,210	$ 8,271
Computer automation	14,280	14,280	14,609
Total expenditures	$ 21,490	$ 21,490	$ 22,880
Excess of revenues over expenditures	$ 11,653	$ 11,653	$ 11,376
FUND BALANCE – Beginning			(63,966)
FUND BALANCE – Ending			$ (52,590)

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 70,000	$ 70,000	$ 59,921
Investment income	3,000	3,000	2,672
Total revenues	$ 73,000	$ 73,000	$ 62,593
EXPENDITURES			
Current - general government:			
Staff salaries	$ 53,373	$ 53,373	$ 53,583
Longevity pay	$ 915	$ 915	$ 981
Life and health insurance	12,318	12,318	12,318
Office supplies	10,000	10,000	2,831
Travel and meeting	1,000	1,000	280
Telephone	1,620	1,620	800
Maintenance	15,000	15,000	9,802
Equipment	25,000	25,000	13,810
Total expenditures	$ 119,226	$ 119,226	$ 94,405
Excess (deficiency) of revenues over (under) expenditures	$ (46,226)	$ (46,226)	$ (31,812)
OTHER FINANCING SOURCES (USES)			
Transfers out	(9,062)	(9,062)	(9,074)
Net change in fund balances	$ (55,288)	$ (55,288)	$ (40,886)
FUND BALANCE – Beginning			276,473
FUND BALANCE – Ending			$ 235,587

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
RECORDER AUTOMATION FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Automation fees	$ 45,000	$ 45,000	$ 41,623
Rural housing fund	85,000	85,000	74,719
Investment income	2,800	2,800	1,336
Total revenues	$ 132,800	$ 132,800	$ 117,678
EXPENDITURES			
Current - general government:			
Office supplies	$ 1,000	$ 1,000	$ 682
Contractual service	34,690	34,690	9,145
Maintenance	5,000	5,000	3,989
Rural housing surcharge payment	85,000	85,000	74,700
Equipment	500	500	-
Capital expenditures	-	-	127,242
Debt service:			
Principal	-	-	25,111
Interest	-	-	5,949
Total expenditures	$ 126,190	$ 126,190	$ 246,818
Excess (deficiency) of revenues over (under) expenditures	$ 6,610	$ 6,610	$ (129,140)
OTHER FINANCING SOURCES			
Capital lease proceeds	-	-	127,242
Net change in fund balances	$ 6,610	$ 6,610	$ (1,898)
FUND BALANCE – Beginning			130,494
FUND BALANCE – Ending			$ 128,596

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Court document storage fee	$ 70,000	$ 70,000	$ 60,036
Investment income	3,000	3,000	3,608
Total revenues	$ 73,000	$ 73,000	$ 63,644
EXPENDITURES			
Part time salaries and overtime	$ 15,000	$ 15,000	$ 11,118
Office supplies	10,000	10,000	7,749
Travel and meeting	1,000	1,000	665
Service contracts	15,000	15,000	3,168
Equipment	25,000	25,000	855
Total expenditures	$ 66,000	$ 66,000	$ 23,555
Excess of revenues over expenditures	$ 7,000	$ 7,000	$ 40,089
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,148)	(1,148)	(847)
Net change in fund balances	$ 5,852	$ 5,852	$ 39,242
FUND BALANCE – Beginning			347,029
FUND BALANCE – Ending			$ 386,271

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 240,232	$ 240,232	$ 235,438
EXPENDITURES			
Current - public safety:			
Staff salaries	$ 134,740	$ 134,740	$ 145,491
Part time salaries	4,000	4,000	546
Overtime	1,500	1,500	163
Straight time	5,132	5,132	5,334
Life and health insurance	18,477	18,477	18,477
Unemployment insurance	873	873	847
Re-insurance reimbursement	7,986	7,986	5,731
Workers compensation	9,450	9,450	9,181
Office supplies	500	500	273
Uniforms	1,800	1,800	921
Education and training	2,000	2,000	225
Telephone	2,000	2,000	2,156
Service contracts	312	312	242
Maintenance	10,000	10,000	10,779
Administrative fees	800	800	800
Insurance	2,350	2,350	2,350
Equipment	500	500	255
Contingencies	250	250	-
Total expenditures	$ 202,670	$ 202,670	$ 203,771
Excess of revenues over expenditures	$ 37,562	$ 37,562	$ 31,667
OTHER FINANCING SOURCES (USES)			
Transfers out	(37,562)	(37,562)	(32,990)
Net change in fund balances	$ -	$ -	$ (1,323)
FUND BALANCE – Beginning			7,040
FUND BALANCE – Ending			$ 5,717

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ 63,846	$ 63,846	$ 64,030
EXPENDITURES			
Current - public safety:			
Staff salaries	$ 42,697	$ 42,697	$ 43,213
Overtime	1,500	1,500	253
Straight time	1,643	1,643	1,574
Life and health insurance	6,159	6,159	6,159
Total expenditures	$ 51,999	$ 51,999	$ 51,199
Excess of revenues over expenditures	$ 11,847	$ 11,847	$ 12,831
OTHER FINANCING SOURCES (USES)			
Transfers out	(11,847)	(11,847)	(10,983)
Net change in fund balances	$ -	$ -	$ 1,848
FUND BALANCE – Beginning			(9,874)
FUND BALANCE – Ending			$ (8,026)

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 4,150	$ 4,150	$ 2,760
Investment income	500	500	410
Total revenues	$ 4,650	$ 4,650	$ 3,170
EXPENDITURES			
Current - public safety:			
Equipment	5,000	5,000	-
Excess (deficiency) of revenues over (under) expenditures	$ (350)	$ (350)	$ 3,170
FUND BALANCE – Beginning			39,703
FUND BALANCE – Ending			$ 42,873

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL BUILDING FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Tax increment	$ -	$ -	$ 7,396
Intergovernmental	30,000	30,000	40,252
Contributions and donations	25,000	25,000	-
Total revenues	$ 55,000	$ 55,000	$ 47,648
EXPENDITURES			
Current - general government:			
Improvements and fees	$ -	$ -	$ 20,623
Capital improvement	190,268	681,574	13,670
Total expenditures	$ 190,268	$ 681,574	$ 34,293
Excess (deficiency) of revenues over (under) expenditures	$ (135,268)	$ (626,574)	$ 13,355
OTHER FINANCING SOURCES (USES)			
Transfers in	$ 494,298	$ 494,298	$ 985,604
Transfers out	(502,813)	(502,813)	(501,152)
Total other financing sources (uses)	$ (8,515)	$ (8,515)	$ 484,452
Net change in fund balances	$ (143,783)	$ (635,089)	$ 497,807
FUND BALANCE – Beginning			744,747
FUND BALANCE – Ending			$ 1,242,554

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Tipping fees	$ 10,000	$ 10,000	$ 8,978
Host fees	6,500	6,500	20,894
Investment income	-	-	43
Total revenues	$ 16,500	$ 16,500	$ 29,915
EXPENDITURES			
Current - general government:			
Department head salary	$ 500	$ 500	$ 270
Contractual service	10,000	10,000	22,041
Travel and meeting	500	500	133
Dues	75	75	-
Publications	-	-	342
Total expenditures	$ 11,075	$ 11,075	$ 22,786
Excess of revenues over expenditures	$ 5,425	$ 5,425	$ 7,129
FUND BALANCE – Beginning			3,166
FUND BALANCE – Ending			$ 10,295

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SOIL SURVEY FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fees	$ 146,000	$ 146,000	$ 141,788
EXPENDITURES			
Current - general government:			
Staff salaries	$ 93,400	$ 93,400	$ 93,822
Longevity	928	928	1,040
Part time salaries	12,555	12,555	12,531
Life and health insurance	15,710	15,710	16,238
Office supplies	1,000	1,000	1,006
Education and training	1,000	1,000	50
Postage	200	200	60
Maintenance	1,000	1,000	-
Computer system support	17,000	17,000	10,900
Computer automation	10,000	10,000	8,461
Total expenditures	$ 152,793	$ 152,793	$ 144,108
Excess (deficiency) of revenues over (under) expenditures	$ (6,793)	$ (6,793)	$ (2,320)
OTHER FINANCING SOURCES (USES)			
Transfers out	(18,005)	(18,005)	(17,022)
Net change in fund balances	$ (24,798)	$ (24,798)	$ (19,342)
FUND BALANCE – Beginning			81,244
FUND BALANCE – Ending			$ 61,902

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DUI EQUIPMENT FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fees	$ 4,700	$ 4,700	$ 6,042
Investment income	420	420	251
Total revenues	$ 5,120	$ 5,120	$ 6,293
EXPENDITURES			
Current - public safety:			
Equipment	5,000	5,000	3,076
Excess of revenues over expenditures	$ 120	$ 120	$ 3,217
FUND BALANCE – Beginning			25,333
FUND BALANCE – Ending			$ 28,550

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ELDERLY SERVICES FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 200	$ 200	$ 76
Contributions and donations	100	100	1,029
Total revenues	$ 300	$ 300	$ 1,105
EXPENDITURES			
Office supplies and contingencies	600	600	147
Excess (deficiency) of revenues over (under) expenditures	$ (300)	$ (300)	$ 958
FUND BALANCE – Beginning			6,881
FUND BALANCE – Ending			$ 7,839

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAMERA ACCOUNT
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Investment income	$ 40	$ 40	$ 20
Miscellaneous	-	-	-
Total revenues	$ 40	$ 40	$ 20
EXPENDITURES			
Office supplies	$ 500	$ 500	$ 484
Publication notices	50	50	-
Total expenditures	$ 550	$ 550	$ 484
Excess (deficiency) of revenues over (under) expenditures	$ (510)	$ (510)	$ (464)
FUND BALANCE – Beginning			3,197
FUND BALANCE – Ending			$ 2,733

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CORONER EQUIPMENT GRANT
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services	$ -	$ -	$ -
Investment income	50	50	50
Total revenues	$ 50	$ 50	$ 50
EXPENDITURES			
Equipment	-	-	-
Excess of revenues over expenditures	$ 50	$ 50	$ 50
FUND BALANCE – Beginning			5,019
FUND BALANCE – Ending			$ 5,069

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PROPERTY/BUILDING FUND
For the Year Ended November 30, 2011

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

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ELECTION ASSISTANCE GRANT FUND
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Intergovernmental	$ 62,631	$ 62,631	$ 62,631
Investment income	-	-	39
Total revenues	$ 62,631	$ 62,631	$ 62,670
EXPENDITURES			
Current - general government:			
Equipment	$ -	$ -	$ 9,906
Capital expenditures	62,631	62,631	52,725
Total expenditures	$ 62,631	$ 62,631	$ 62,631
Excess of revenues over expenditures	$ -	$ -	$ 39
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(5,400)
Net change in fund balances	$ -	$ -	$ (5,361)
FUND BALANCE – Beginning			6,687
FUND BALANCE – Ending			$ 1,326

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Intergovernmental	$ -	$ -	$ 76,422
Investment income	1,000	1,000	352
Total revenues	$ 1,000	$ 1,000	$ 76,774
EXPENDITURES			
Education and training	$ 6,000	$ 6,000	$ 2,057
Equipment	24,000	24,000	54,455
Total expenditures	$ 30,000	$ 30,000	$ 56,512
Excess (deficiency) of revenues over (under) expenditures	$ (29,000)	$ (29,000)	$ 20,262
FUND BALANCE – Beginning			49,020
FUND BALANCE – Ending			$ 69,282

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 8,000	$ 8,000	$ 8,027
Investment income	300	300	107
Total revenues	$ 8,300	$ 8,300	$ 8,134
EXPENDITURES			
Equipment	3,000	3,000	20,897
Excess (deficiency) of revenues over (under) expenditures	$ 5,300	$ 5,300	$ (12,763)
FUND BALANCE – Beginning			8,798
FUND BALANCE – Ending			$ (3,965)

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Reimbursements	$ 5,000	$ 5,000	$ 2,925
EXPENDITURES			
Overtime	5,000	5,000	4,077
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	$ (1,152)
FUND BALANCE – Beginning			(123)
FUND BALANCE – Ending			$ (1,275)

HENRY COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COUNTY PET POPULATION
For the Year Ended November 30, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Fines and fees	$ 10,800	$ 10,800	$ 13,440
EXPENDITURES			
Adopted animal program reimbursements	10,800	10,800	12,821
Excess of revenues over expenditures	$ -	$ -	$ 619
FUND BALANCE – Beginning			1,839
FUND BALANCE – Ending			$ 2,458

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, 2011

	Original Budget	Final Budget	Actual Amounts
REVENUES			
Charges for services:			
Special detail reimbursement	$ 26,400	$ 26,400	$ 26,307
Intergovernmental	10,000	10,000	6,220
Investment income	-	-	21
Total revenues	$ 36,400	$ 36,400	$ 32,548
EXPENDITURES			
Current - public safety:			
Special detail pay	$ 19,200	$ 19,200	$ 19,678
Intergovernmental agreement	6,000	6,000	4,543
FICA	-	-	1,428
IMRF	-	-	3,418
Total expenditures	$ 25,200	$ 25,200	$ 29,067
Excess of revenues over expenditures	$ 11,200	$ 11,200	$ 3,481
FUND BALANCE – Beginning			-
FUND BALANCE – Ending			$ 3,481

HENRY COUNTY, ILLINOIS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended November 30, 2011

	Balances December 1, 2010	Additions	Deductions	Balances November 30, 2011
ASSETS				
Cash, cash equivalents and investments:				
County Collector's Fund	$ 332,625	$68,030,344	$68,146,010	$ 216,959
Drainage District Funds	384,702	685,208	558,963	510,947
Inheritance Tax Fund	-	134,942	134,942	-
Trust Fund to Heirs	28,676	-	-	28,676
State's Attorney's Office Trust Fund	34,769	118,255	121,282	31,742
Delinquent Tax Program	521	2,915	2,509	927
Unclaimed bail deposits	1,003	-	-	1,003
County Clerk	128,378	1,056,614	1,081,049	103,943
Circuit Clerk	897,791	4,289,371	4,310,095	877,067
Prisoner Commissary	42,509	288,265	279,324	51,450
Sheriff's Special Account	10	42,619	39,523	3,106
Township Bridges	45,195	23,070	13,769	54,496
Township Motor Fuel Tax	282,774	1,556,846	1,395,245	444,375
Total cash, cash equivalents and investments	$ 2,178,953	$76,228,449	$76,082,711	$ 2,324,691
Accounts receivable:				
Township Motor Fuel Tax	121,163	119,534	121,163	119,534
Total assets	$ 2,300,116	$76,347,983	$76,203,874	$ 2,444,225
LIABILITIES				
Due to others:				
County Collector's Fund	$ 332,625	$68,030,344	$68,146,010	$ 216,959
Drainage District Funds	384,702	685,208	558,963	510,947
Inheritance Tax Fund	-	134,942	134,942	-
Trust Fund to Heirs	28,676	-	-	28,676
State's Attorney's Office Trust Fund	34,769	118,255	121,282	31,742
Delinquent Tax Program	521	2,915	2,509	927
Unclaimed bail deposits	1,003	-	-	1,003
County Clerk	128,378	1,056,614	1,081,049	103,943
Circuit Clerk	897,791	4,289,371	4,310,095	877,067
Prisoner Commissary	42,509	288,265	279,324	51,450
Sheriff's Special Account	10	42,619	39,523	3,106
Township Bridges	45,195	23,070	13,769	54,496
Township Motor Fuel Tax	403,937	1,676,380	1,516,408	563,909
Total funds due to others	$ 2,300,116	$76,347,983	$76,203,874	$ 2,444,225

HENRY COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
Passed-through Illinois Department of Human Services			
Special Supplemental Food Program for Women-Infants-Children	10.557*	11GM233000	$ 106,200
Special Supplemental Food Program for Women-Infants-Children	10.557*	011GQ01206	68,161
Special Supplemental Food Program for Women-Infants-Children	10.557*	011GQ01608	7,067
Special Supplemental Food Program for Women-Infants-Children - noncash	10.557*	noncontract	620,085
			$ 801,513
Passed-through Illinois Department of Public Health			
Child Nutrition Cluster			
Summer Food Service Program for Children	10.559	7740	$ 700
Total Child Nutrition Cluster			$ 700
Subtotal U.S. Department of Agriculture			$ 802,213
U.S. Department of Commerce			
Direct Program:			
Economic Development Cluster			
Economic Adjustment Assistance - Revolving Loan Funds	11.307	06-39-02319-01	$ 820,522
Total Economic Development Cluster			$ 820,522
Passed-through Illinois Emergency Management Agency			
Public Safety Interoperable Communications Grant Program	11.555	05-03-022	$ 2,052
Subtotal U.S. Department of Commerce			$ 822,574
U.S. Department of Justice			
Direct Program:			
Federal Equitable Sharing Agreement	16.000	IL037013A	$ 56,512
Subtotal U.S. Department of Justice			$ 56,512
U.S. Department of Transportation			
Passed-through Illinois Department of Transportation			
Federal Transit Cluster			
Federal Transit-Capital Investment Grants	20.500	IL18X026	$ 57,748
Federal Transit-Capital Investment Grants	20.500	IL18X027	204,068
Total Federal Transit Cluster			$ 261,816
Formula Grants for Other than Urbanized Areas	20.509*	RPT-11-008	$ 26,035
Formula Grants for Other than Urbanized Areas	20.509*	RPT-12-008	95,110
ARRA-Formula Grants for Other Than Urbanized Areas	20.509*	2010921ARRA	89,008
			$ 210,153
Transit Services Programs Cluster			
Job Access Reverse Commute	20.516	1000PT10034	$ 4,139
Job Access Reverse Commute	20.516	2000PT10034	4,250
Total Transit Services Programs Cluster			$ 8,389
Subtotal U.S. Department of Transportation			$ 480,358
U.S. Environmental Protection Agency			
Passed-through Illinois Department of Public Health			
Performance Partnership Grants	66.605	063482501900	$ 1,075
Subtotal U.S. Environmental Protection Agency			$ 1,075

*Major Program

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Energy			
Passed-through BI-State Regional Commission			
ARRA-Energy Efficiency and Conservation Block Grant Program	81.128	09-451001	$ 18,443
Subtotal U.S. Department of Energy			$ 18,443
U.S. Elections Assistance Commission			
Passed-through Illinois State Board of Elections			
Help America Vote Act Requirements Payments- Phase III	90.401		$ 62,631
Subtotal U.S. Elections Assistance Commission			$ 62,631
U.S. Department of Health and Human Services			
Passed-through Illinois Department of Public Health			
Immunization Grants Cluster			
Immunization - noncash	93.268	001187	$ 168,650
Total Immunizations Grants Cluster			$ 168,650
Public Health Emergency Preparedness	93.069	07181037	$ 56,083
Public Health Emergency Preparedness	93.069	17180014	$ 52,308
			$ 108,391
Passed-through Illinois Department of Human Services			
Family Planning Services - Title X	93.217	011GQ00233	$ 45,796
Social Services Block Grant - Title XX	93.667	11GM233000	$ 21,249
Social Services Block Grant - Title XX	93.667	011GQ00233	5,928
Social Services Block Grant - Title XX	93.667	011GQ01126	4,633
			$ 31,810
Maternal and Child Health Services Block Grant to the States	93.994	828724400	$ 779
Passed-through Illinois Department of Healthcare and Family Services			
Child Support Enforcement	93.563	11KCC000036	$ 12,660
Child Support Enforcement	93.563	21KCC000036	2,861
			$ 15,521
Medicaid Cluster			
Medical Assistance Program	93.778	CHD41Q11	$ 32,635
Total Medicaid Cluster			$ 32,635
Passed-through Western Illinois Area Agency on Aging			
National Family Caregiver Support-Title III-E	93.052	R-20100805507003	$ 336
National Family Caregiver Support-Title III-E	93.052	R-20110805507003	4,571
National Family Caregiver Support-Title III-E	93.052	R-20120805507003	254
			$ 5,161
Subtotal U.S. Department of Health and Human Services			$ 408,743
Department of Homeland Security			
Passed-through Illinois Emergency Management Agency			
Disaster Grants-Public Assistance (Presidentially Declaired Disasters)	97.036	FEMA-1960-073-9907300	$ 27,708
Emergency Management Performance Grants	97.042	110EMAHENRY	$ 1,209
Emergency Management Performance Grants	97.042	211EMAHENRY	3,589
			$ 4,798
Interoperable Emergency Communications Grant Program	97.001	09IECGPHEN	$ 16,783
Subtotal Department of Homeland Security			$ 49,289
Total Federal Financial Awards			$ 2,701,838

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, 2011

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Henry County, Illinois for the year ended November 30, 2011. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other governmental agencies is included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

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
Federal Transit- Capital Investment Grants	20.500	$ 261,816
Formula Grants for Other than Urbanized Areas	20.509	121,145
ARRA-Formula Grants for Other than Urbanized Areas	20.509	89,008
Job Access Reverse Commute	20.516	8,389
Total		$ 480,358

NOTE 4 – NON-CASH TRANSACTIONS

The County received $168,650 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 $620,085 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.

NOTE 5 – INSURANCE AND LOAN GUARANTEES

Henry County, Illinois had no insurance in effect, relating to federal funds, for the year ending November 30, 2011.

Henry County, Illinois had $512,498 of loans outstanding at November 30, 2011 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, plus	$ 512,498
2. Cash and investment balance in the RLF at the end of the recipient's fiscal year, plus	569,193
3. Administrative expenses paid out of RLF income during the recipient's fiscal year; plus	12,338
4. The unpaid principal of all loans written off during the recipient's fiscal year	- - -
Total	$1,094,029
The Federal share of the RLF	75%
Total	$ 820,522

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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, 2011, which collectively comprise Henry County's basic financial statements and have issued our report thereon dated June 12, 2012. 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 a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. Finding 2011-1.

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 12, 2012.

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

This report is intended solely for the information and use of management, members of the County board, County officials, 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 12, 2012

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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's major federal programs for the year ended November 30, 2011. Henry County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Henry County's management. Our responsibility is to express an opinion on Henry County's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Henry County's compliance with those requirements.

In our opinion, Henry County complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

Management of Henry County 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's 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's 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 12, 2012

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2011

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:

CFDA Number(s)	Name of Federal Program or Cluster	Amount Expended
10.577	Special Supplemental Food Program for Women, Infants and Children	$ 181,428
10.577	Special Supplemental Food Program for Women, Infants and Children non-cash	$ 620,085
20.509	Formula Grants for Other than Urbanized Areas	$ 121,145
20.509	ARRA-Formula Grants for Other than Urbanized Areas	$ 89,008

Dollar threshold used to distinguish Between Type A and Type B programs:	$300,000			
Auditee qualified as low-risk auditee?	X	yes	_____	no

(Continued)

HENRY COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2011

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

2011-1 - 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.

B. Compliance Findings

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

III. Findings and Questioned Costs for Federal Awards

None

HENRY COUNTY, ILLINOIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended November 30, 2011

Number	Comment	Status	Corrective Action or Other Explanation
2010-1	Financial statement preparation	Uncorrected	At this time current software is unable to generate financial statements and related notes.
2010-2	Schedule of Expenditures of Federal Awards (SEFA) Preparation	Corrected	

HENRY COUNTY, ILLINOIS
CORRECTIVE ACTION PLAN
For the Year Ended November 30, 2011

Current Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
2011-1	Financial statement preparation	See corrective action plan at 2011-1	- - -	Colleen Gillaspie County Administrator