

WARREN COUNTY, ILLINOIS

MONMOUTH, ILLINOIS

ANNUAL FINANCIAL REPORT

November 30, 2010

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INDEPENDENT AUDITOR'S REPORT

To the County Board
Warren County, Illinois
Monmouth, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Warren County, Illinois, as of and for the year ended November 30, 2010, 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 opinion.

As more fully described in Note P to the financial statements, the County did not adopt the provisions of Governmental Accounting Standards Board No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* during the year ended November 30, 2010. This statement requires a systematic, accrual basis measurement and recognition of other postemployment benefit (OPEB) expense over a period that approximates employees' years of service. The Statement also requires the information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The effects of that departure on the financial statements are not reasonably determinable.

In our opinion, except for the effects of the information discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Warren County, Illinois, as of November 30, 2010, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information on pages 3 through 12 and 38 through 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Warren County, Illinois' financial statements as a whole. The combining nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Wipfli LLP

Sterling, Illinois
February 11, 2011

**MANAGEMENT DISCUSSION
AND ANALYSIS
(Unaudited)**

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS
For the years ended November 30, 2010 and 2009

Warren County, Illinois' (the "County") management discussion and analysis (MD&A) is generally intended to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the County's financial activities, (3) identify changes in the County's financial position (its ability to meet future financial demands and conditions), (4) identify any material deviations from the governmental unit's financial plan (approved budget), and (5) identify individual fund issues or concerns.

The MD&A is provided at the beginning of the report to provide an overview of the County's financial position at November 30, 2010 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and other supplementary information.

FINANCIAL HIGHLIGHTS FOR FY2010

- The County's assets exceeded its liabilities at the close of the fiscal year by \$10.8 million (net assets). Of this amount \$2.3 million (unrestricted net assets) may be used to meet the County's ongoing obligations.
- The County's total net assets decreased by \$0.2 million during fiscal year 2010 as reported in the statement of activities.
- The County's major revenue consisted of \$2.3 million in property tax distributions and \$1.7 million in charges for services.
- At the close of fiscal year 2010, the County's governmental funds reported combined ending fund balances of \$5.8 million, an increase of \$0.2 million in comparison to the prior year.
- At the end of fiscal year 2010, the unreserved fund balance in the General Fund was \$0.4 million, which is 13.9% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This document serves as an introduction to the County's basic financial statements. There are three components to the basic financial statements – government wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary and other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

These statements are designed to provide readers with a broad overview of Warren County's finances, in a manner similar to private-sector business, using the economic resources measurement focus and the accrual basis of accounting.

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. Over time, increases or decreases in net assets may serve as a useful indicator of improvements or deterioration of the financial position of the County.

The statement of activities presents information that shows how the County's net assets changed during the most recent fiscal year. 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 years.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL STATEMENTS (continued)

These statements highlight the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Warren County include general control and administration, public safety, judiciary and court related, public health, public welfare, transportation, and corrections. There are no business-type activities accounted for by the County.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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. Warren County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund 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 a government's near-term financing requirements. The County's Governmental Funds during the reporting period use the modified accrual basis of accounting and activities are converted to the accrual basis of accounting for reporting purposes.

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 county's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Warren County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for major funds, (the General Fund, the County Highway Fund, and the Special Bridge Fund). All other non-major governmental funds are combined and presented in one column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 15 and 17 of this report.

Fiduciary Funds. The County also maintains a number of fiduciary funds in the form of agency funds, which are used to account for resources - almost exclusively cash and investments - held by the County for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds. The fiduciary fund financial statement can be found on page 19 of this report.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL STATEMENTS (continued)

Notes to the Financial Statements

These provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 20 – 37 of this report.

Required Supplementary Information

This information addresses the County's budgetary comparison schedules of major funds, and the IMRF (Illinois Municipal Retirement Fund), Schedule of Funding Progress, and SLEP (Sheriff's Law Enforcement Personnel) Schedule of Funding Progress. The County adopts an annual appropriated budget for its General Fund, Special Revenue Funds, and Permanent Fund. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. The IMRF and SLEP pension schedules have been provided to present the County's progress in funding its obligation to provide pension benefits to County employees through the IMRF system. Required supplementary information can be found on pages 38 - 42 of this report.

Combining Fund Statements and Schedules

This information as discussed earlier in connection with non-major governmental funds is presented immediately following the required supplementary information on pensions. Combining fund statements and other schedules can be found on pages 43 through 50 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously addressed, net assets may serve over time as a useful indicator of a government's financial position. To that end, Warren County's assets exceeded its liabilities by \$10.8 million for FY2010.

The following table represents a condensed Statement of Net Assets of the County for governmental activities as of November 30, 2010 and 2009.

Net Assets (in millions)		
Governmental Activities		
November 30		
	2010	2009
Current assets	\$6.0	\$8.3
Noncurrent assets	5.0	5.2
Total assets	11.0	13.5
Current liabilities	0.2	2.5
Long term liabilities	0.0	0.0
Total liabilities	0.2	2.5
Net assets		
Invested in capital assets, net of debt	5.0	5.2
Restricted	3.5	3.4
Unrestricted	2.3	2.4
Total net assets	\$10.8	\$11.0

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

A portion of the County's net assets are reflected in its investments in capital assets (i.e., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services. Therefore these assets are not available for future spending. Although the County's investments in its capital assets are reported net of available debt, it is important to note that under this consideration the resources required to repay this type of debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the County's net assets changed during the fiscal years.

Changes in Net Assets (in millions)
Governmental Activities
For the year ended November 30

	2010	2009
Revenues:		
Program revenues:		
Charge for services	\$1.7	\$1.8
Operating grants and contributions	0.8	0.6
Capital grants and contributions	0.0	0.2
General revenue:		
Local property taxes	2.3	2.2
State income taxes	0.4	0.5
Sales taxes	0.6	0.6
Motor fuel taxes	0.4	0.4
Replacement taxes	0.2	0.2
Other taxes	0.0	0.0
Unrestricted investment earnings	0.1	0.0
Miscellaneous	0.2	0.1
Total revenues	6.7	6.6
Expenses:		
General control and administration	1.8	1.8
Public safety	1.1	1.2
Judiciary and court related	1.0	0.8
Public health	0.3	0.2
Public welfare	0.5	0.4
Transportation	1.8	1.4
Corrections	0.4	0.7
Total expenses	6.9	6.5
Change in net assets	(0.2)	0.1
Net assets beginning of year	11.0	10.9
Net assets, ending	\$10.8	\$11.0

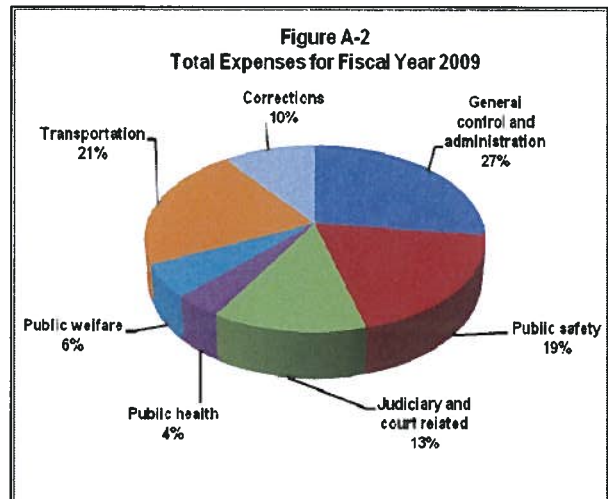
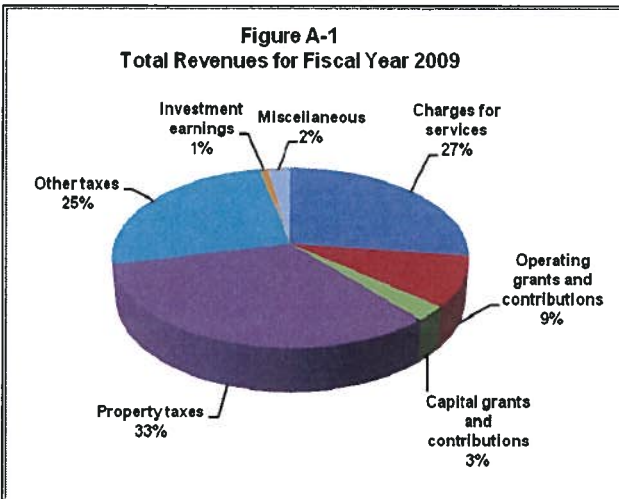
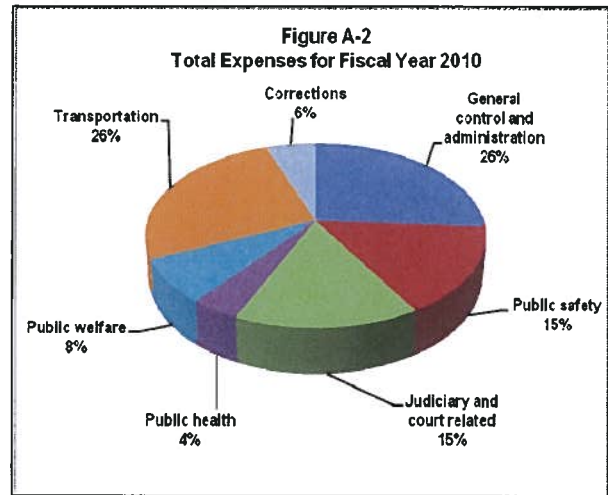
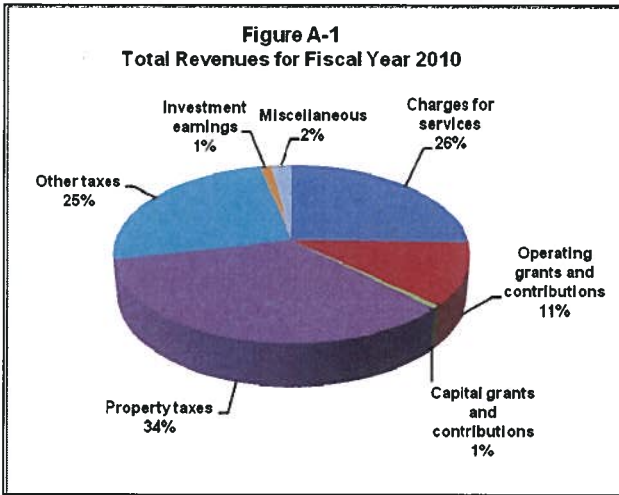
WARREN COUNTY, ILLINOIS MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The County's 2010 total revenues (Figure A-1) come from a variety of sources including 34% from property taxes and 25% from other types of tax. Another 26% comes from fees charged for services and much of the remainder is operating grants and contributions.

The County's 2010 expenses (Figure A-2) cover a range of services, with about 26% related to general control and administration. Another 26% is devoted to roads and bridges along with 15% towards public safety.



Net assets decreased \$0.2 million over the previous year.

For the fiscal year ended November 30, 2010 revenues from governmental activities totaled \$6.7 million. Tax revenues (\$3.9 million, or 59%) represent the largest source.

Charges for services in 2010, accounts for \$1.7 million (25%) of the governmental activities revenue. These are mainly derived from fees and fines collected from the various departments within the County.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)
For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

In the following table, we have presented the cost of each of the County's functions as well as the net cost (total cost less revenues generated by the activities) for each. Net costs help to show what functions are being covered by direct revenue and those that are covered by the net revenue of others.

For the year ended November 30, 2010

	Total cost of service (in millions)	Net cost of service (in millions)
General control and administration	\$1.8	\$1.3
Public safety	1.1	0.6
Judiciary and court related	1.0	0.3
Public health	0.3	0.0
Public welfare	0.5	0.5
Transportation	1.8	1.3
Corrections	0.4	0.4
Total governmental activities	\$6.9	\$4.4

For the year ended November 30, 2009

	Total cost of service (in millions)	Net cost of service (in millions)
General control and administration	\$1.8	\$1.1
Public safety	1.2	0.8
Judiciary and court related	0.8	0.1
Public health	0.2	0.1
Public welfare	0.4	0.4
Transportation	1.4	0.9
Corrections	0.7	0.6
Total governmental activities	\$6.5	\$4.0

For the fiscal year ended November 30, 2010 expenditures for governmental activities totaled \$6.9 million. General and administrative expenditures accounted for \$1.8 or 26% of the governmental activities total. These expenditures are used for the operations of departments conducting such functions as administrative and financial functions, elections, document recording and retrieval, and assessment of property.

Public Safety (15% of the total) accounted for \$1.1 million in expenditures during 2010. The highest percentage of public safety is directly tied to the operations of the Sheriff's Department. The emergency service function is also part of this activity group.

Judiciary and Court related expenditures totaled \$1.0 million (15%) in 2010. Expenditures relating to the circuit court, public defender, court services, and the State's Attorney relate to this function.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Health Department expenditures represented \$0.3 million (4%) of the total governmental expenditures activity.

Public welfare totaled \$0.5 million (8%) in 2010. Expenditures relating to the veteran's assistance, ambulance service, and mental health relate to this function.

Transportation accounted for \$1.8 million (26%) of the total governmental activities expenditures in 2010. Various funds established for the County Highway Department account for these expenditures.

Corrections (6% of the total) accounted for \$0.4 million in expenditures during 2010. Expenditures relating to the jail, housing inmates, and probation services.

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

Warren County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental 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 financing requirements. In particular, unreserved fund balances 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 \$5.8 million, an increase of \$0.2 million in comparison with the previous fiscal year.

The general fund is the primary operating fund of the County. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$0.4 million. As a measure of the general fund's liquidity, it may be useful to compare the unreserved fund balance to total fund expenditures. Unreserved fund balance represents 13.9% of total general fund expenditures.

The fund balance of the General Fund increased by \$72 thousand before transfers during the current fiscal year.

Budgetary Highlights

The County's budget is prepared according to Illinois law and is based on accounting for certain transactions on a modified accrual basis of accounting. A budget to actual schedule is provided as required supplementary information for the General Fund and major special revenue funds.

General Fund Budgetary Variances

Revenues

The most significant revenue sources for all funds during fiscal year 2010 continue to be property taxes and intergovernmental sources. Intergovernmental revenues on page 38 for 2010 were \$1,460,558 compared with budgeted amount of \$1,613,400. This variance is mostly related to income tax revenue. The decline in income tax revenue is the result of the State of Illinois paying slower. The County anticipates to receive the revenues but not within 60 days after year-end.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS (continued)

General Fund Budgetary Variances (continued)

Expenditures

Personnel Services remains the highest expenditure in County operations. Government service requires people to provide both services and information to the citizens it supports. It is a sizeable expenditure; however, it is also a long-term investment. Benefit payments remain a significant portion of the total personnel services costs. Pension, FICA and Health Insurance rates have all affected the total cost of personnel services. Corrections expenditures on page 38 for 2010 were \$321,484 compared with budgeted amount of \$386,500. The positive variance is a result of the County reducing payroll expenditures in the jail and the cost of prisoner dieting.

Special Bridge Fund Budgetary Variances

Revenues

Property taxes on page 40 for 2010 were \$0 compared with budgeted amount of \$100,000. This variance is due to the County not levying property taxes for Special Bridge in 2010. The County decided to use fund balance reserves for one year.

The following is the analysis of expenditures for the year for the General Fund and other major Governmental Funds of the County.

- From a government-wide perspective, fund expenditures increased \$0.2 million in 2010 compared with 2009.
- Within the General Fund, the functions which reflected the largest portion of total expenditures within the General Fund are General Control and Administration and Judiciary and Court Related. The General Fund function which reflected the largest percentage increase over 2009 was Judiciary and Court Related.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

Warren County's investment in capital assets for its governmental activities at year end totaled \$5.0 million (net of accumulated depreciation). This investment in capital assets includes, land, buildings and improvements, equipment, vehicles, and highway infrastructure such as roads and bridges. There were \$0.1 million of capital asset additions recorded during the year and \$0.3 million of depreciation charges were expensed on the total capital assets. The County has not retroactively stated infrastructure assets acquired prior to December 31, 2003. More detailed information can be found in footnote (C) of the financial statements.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY (continued)

Capital Assets (continued)

Major capital asset events during the fiscal year included the following:

- Elevator project = \$32,170
- 3 Squad Cars = \$62,516

Net Book Value of Capital Assets at November 30 (in millions)		
	2010	2009
Land and other nondepreciable assets	\$0.3	\$0.3
Buildings and improvements	0.7	0.7
Office furniture and equipment	0.3	0.3
Vehicles	0.2	0.2
Infrastructure	3.5	3.7
Total	\$5.0	\$5.2

ECONOMIC FACTORS AND CURRENT ISSUES

Unemployment was 6.1% in December 2008 and 8.6% in December 2009 and 7.6% in December 2010 for the County.

County population in 1990 was 18,735 and was estimated in 2008 at 17,541 per the U.S. Census Bureau.

County developments in 2010 included commercial construction at Farmland and other properties in Monmouth plus some new homes throughout the County. Future developments projected in 2011 and beyond include additional construction at Farmland and Monmouth area, additional homes and possibility 2 housing developments in the Monmouth area. Wind turbine site and construction is a real possibility in the near future also.

We have no report of any major closures.

Concern over the shared revenue trends from the State of Illinois for sales tax, income tax and motor fuel tax continue to complicate funding of vital services. Discussions continue on possible cost-savings ideas and ways to increase revenues.

Higher fuel prices and other uncontrollable costs will have a huge impact on future expenses. Current union negotiations could significantly impact future years' wage costs. Health insurance renewal costs and costs of other services are also a concern.

WARREN COUNTY, ILLINOIS
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the years ended November 30, 2010 and 2009

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and potential creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Kathy L. Tate
County Treasurer
Warren County, Illinois
100 West Broadway
Monmouth, IL 61462
Phone number (309) 734-8536

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BASIC FINANCIAL STATEMENTS

WARREN COUNTY, ILLINOIS
STATEMENT OF NET ASSETS

November 30, 2010

ASSETS	Governmental Activities
Cash	\$3,223,079
Deposits	1,998,940
Investments	213,761
Inventory	0
Property taxes receivable	0
Accounts receivable	163,710
Due from State of Illinois	406,899
Total current assets	6,006,389
Capital assets:	
Land and other nondepreciable capital assets	251,902
Depreciable capital assets, net of accumulated depreciation	4,766,895
Total assets	11,025,186
LIABILITIES	
Current liabilities:	
Accounts payable and accrued payroll	174,992
Accrued compensated absences	44,209
Deferred property taxes	0
Total current liabilities	219,201
NET ASSETS	
Invested in capital assets, net of related debt	5,018,797
Restricted for:	
Transportation	1,223,441
Employee benefits	679,727
Public safety	438,811
Public health	202,874
Public welfare	210,829
Other	270,812
Nonexpendable permanent fund	490,072
Unrestricted	2,270,622
Total net assets	\$10,805,985

See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the year ended November 30, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
General control and administration	\$1,788,336	\$458,917	\$30,701	\$0	(\$1,298,718)
Public safety	1,052,167	390,704	46,765	40,000	(574,698)
Judiciary and court related	1,042,734	476,131	226,938	0	(339,665)
Public health	276,212	64,097	171,458	0	(40,657)
Public welfare	527,248	0	0	0	(527,248)
Transportation	1,788,156	270,905	276,908	0	(1,240,343)
Corrections	380,245	35,009	0	0	(345,236)
Total governmental activities	\$6,855,098	\$1,695,763	\$752,770	\$40,000	(4,366,565)

General revenues:

Taxes:

Property taxes	2,284,285
Income taxes	416,886
Sales and use taxes	625,279
Motor fuel tax allotments	449,773
Replacement taxes	178,009
Other	5,175
Interest income	76,546
Other general revenues	150,857
Total general revenues	4,186,810
 Change in net assets	 (179,755)
 Net assets - beginning of year	 10,985,740
 Net assets - ending	 \$10,805,985

See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
November 30, 2010

ASSETS	General	County Highway	Special Bridge	Other Governmental Funds	Total Governmental Funds
Cash on hand	\$80	\$0	\$0	\$300	\$380
Cash in banks	84,446	158,438	0	2,979,815	3,222,699
Deposits	0	0	678,662	1,320,278	1,998,940
Investments	102	0	0	213,659	213,761
Inventory	0	0	0	0	0
Property taxes receivable	0	0	0	0	0
Accounts receivable	55,894	10,284	0	97,532	163,710
Due from State of Illinois	382,314	0	0	24,585	406,899
Prepaid expenses	0	0	0	0	0
Due from other funds	742	0	0	0	742
Total assets	\$523,578	\$168,722	\$678,662	\$4,636,169	\$6,007,131
LIABILITIES AND EQUITY					
Liabilities:					
Accounts payable	\$60,622	\$19,772	\$5,630	\$57,694	\$143,718
Accrued payroll	9,631	1,717	0	19,926	31,274
Accrued compensated absences	5,751	1,363	0	2,886	10,000
Deferred revenue	0	0	0	0	0
Deferred property taxes	0	0	0	0	0
Due to other funds	0	0	0	742	742
Total liabilities	76,004	22,852	5,630	81,248	185,734
Equity					
Fund balances:					
Reserved for:					
Inventory and prepaid expenses	0	0	0	0	0
Permanent fund				490,072	490,072
Unreserved for:					
General fund	447,574				447,574
Special revenue funds		145,870	673,032	4,064,849	4,883,751
Total equity	447,574	145,870	673,032	4,554,921	5,821,397
Total liabilities and equity	\$523,578	\$168,722	\$678,662	\$4,636,169	\$6,007,131

See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
For the year ended November 30, 2010

Total fund balances - governmental funds	\$5,821,397
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$6,433,830 and the accumulated depreciation of \$1,415,033.	5,018,797
Because the focus of governmental funds is not short-term financing, some assets will not be available to pay for current period expenditures. Those assets are offset by deferred revenues in the funds.	0
Compensated absences are not due and payable from current resources and therefore are not reported in the governmental funds.	<u>(34,209)</u>
Total net assets - governmental activities	<u><u>\$10,805,985</u></u>

See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended November 30, 2010

	General	County Highway	Special Bridge	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$645,425	\$234,966	\$0	\$1,403,894	\$2,284,285
Intergovernmental revenue	1,677,532	0	0	996,091	2,673,623
Licenses and permits	15,972	0	0	0	15,972
Fees and fines	756,609	258,168	10,716	550,728	1,576,221
Hotel taxes	0	0	0	1,157	1,157
Rents	41,033	0	0	0	41,033
Penalties and costs	61,380	0	0	0	61,380
Revenue from use of money and property	26,502	1,667	8,708	39,669	76,546
Other revenue	74,809	2,393	0	78,587	155,789
Total revenues	3,299,262	497,194	19,424	3,070,126	6,886,006
Expenditures:					
Current:					
General control and administration	1,289,332	0	0	441,975	1,731,307
Public safety	614,787	0	0	390,147	1,004,934
Judiciary and court related	920,139	0	0	120,102	1,040,241
Public health	0	0	0	268,542	268,542
Public welfare	0	0	0	527,248	527,248
Transportation	0	514,782	84,977	995,941	1,595,700
Corrections	321,269	0	0	58,993	380,262
Debt service:					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Capital outlay	81,266	0	0	32,170	113,436
Total expenditures	3,226,793	514,782	84,977	2,835,118	6,661,670
Excess (deficiency) of revenues over expenditures	72,469	(17,588)	(65,553)	235,008	224,336
Other financing sources and (uses):					
Transfers in	18	0	0	37,737	37,755
Transfers out	(37,737)	0	0	(18)	(37,755)
Net change in fund balance	34,750	(17,588)	(65,553)	272,727	224,336
Fund balances, beginning of year	412,824	163,458	738,585	4,282,194	5,597,061
Fund balances, end of year	\$447,574	\$145,870	\$673,032	\$4,554,921	\$5,821,397

See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the year ended November 30, 2010

Net change in fund balance - Governmental funds	\$224,336
Amounts reported for governmental activities in the statement of activities are different because:	
Revenues that do not provide current financial resources are not reported as revenues in the governmental funds. This change represents the increase in the deferred revenue that occurred during the year.	(205,731)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. Donated capital assets are only reported in the statement of activities. This is the amount by which depreciation expense of \$298,322 exceeds capitalized fixed assets of \$113,436 in the period.	(184,886)
The net effect of various transactions involving capital assets (i.e., disposals and sales) is to decrease net assets	(16,848)
Vacation and compensated pay for employees is expensed in the statement of activities. However, since these amounts will not be paid from current resources, this expense is not recorded in the governmental funds. This is the amount by which vacation and compensated pay increased over the prior period.	<u>3,374</u>
Change in net assets of governmental activities	<u><u>(\$179,755)</u></u>

WARREN COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS

November 30, 2010

ASSETS

Cash in banks	\$1,649,255
Investments	118,678
Accounts receivable	916
Due from State of Illinois	87,120
<hr/>	
Total assets	\$1,855,969

LIABILITIES

Accounts payable	\$88,648
Agency funds due to others	1,767,321
<hr/>	
Total liabilities	\$1,855,969

NET ASSETS

Unrestricted	\$0
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See Notes to Financial Statements.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
November 30, 2010

(A) Summary of Significant Accounting Policies:

The accounting policies of the County of Warren, Illinois (County) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

1) Nature of operations:

The County provides many functions and services to citizens, including law enforcement, health and social services, judicial, correctional, transportation, and general administrative services.

2) Reporting entity:

Generally accepted accounting principles require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The County has the statutory authority to adopt its own budget, to levy taxes and to issue bonded debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease or mortgage property in its own name. Based on these criteria, the County is considered a primary government and there are no other organizations or agencies whose financial statements should be combined and presented with these financial statements.

3) Government-wide and Fund Financial Statements:

Government-wide Financial Statements: The government wide Statement of Net Assets and the Statement of Activities report the overall financial activity of the County. The financial activities of the County consist of governmental activities, which are primarily supported by taxes, intergovernmental revenues, and charges for services.

The Statement of Net Assets presents the County's non-fiduciary assets and liabilities with the difference reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. As of November 30, 2010, there was no other debt outstanding attributable to those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

3) Government-wide and Fund Financial Statements (continued):

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

It is the County's policy to first apply restricted resources when an expenditure/expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The Statement of Activities demonstrates the degree to which the direct expense of a given function (i.e. general control and administration, public safety, etc.) is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the County's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. The County has the following major governmental funds and all remaining governmental funds are aggregated and reported as nonmajor governmental funds.

General Fund – This fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Department and accounted for in the general fund include general control and administration, public safety, judiciary and court related, and corrections expenditures.

County Highway Fund – This fund is used to operate the County Highway Department, including, but not limited to salaries, supplies, and purchase of machinery and equipment.

Special Bridge Fund – This fund is used for County Bridge maintenance.

Additionally, the County administers fiduciary (agency) funds for assets held by the County in a fiduciary capacity.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

4) Measurement focus, basis of accounting and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the County has a legal claim to the resources. Grants, entitlements, state shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Governmental fund financial statements are reported using the modified accrual basis method of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become 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 generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The County has elected to take exception to this assumption for revenue remitted by the State. Due to the State being late with payments, the County considers those amounts applicable to the current fiscal year to be available as it is vouchered by the State and will be paid after the 60 day period.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

5) Investments:

Investments are reported at fair value. A portion of the County's investments are in the Illinois Funds Money Market Fund, which is an external investment pool which is not SEC registered. The Illinois Funds Money Market Fund is regulated by the State Treasurer's Office. The fair value of the position in the external investment pool is the same as the value of the pool shares.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

6) Inventory:

Inventories are stated at cost, using the first-in, first-out method. Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used. At November 30, 2010, the County had no significant deed stamp inventory.

7) Capital Assets:

Capital assets, which include land, buildings and improvements, equipment, vehicles, and infrastructure, are reported in the applicable governmental activities columns in the government-wide financial statements. The County defines capital assets as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated assets are stated at estimated fair market value as of the date of acquisition. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except land and construction in progress which are not depreciated, are being depreciated using the straight line method.

Assets which are acquired and held for the County's use are stated at historical cost. The cost of the capital asset includes the acquisition price plus the expenditures necessary to place the asset in its intended location and condition for use. Donated or contributed capital assets are recorded at their fair market value as of the date the asset is acquired, or for infrastructure, the estimated cost of construction.

The County defines capital assets as assets with an initial individual cost of more than amount listed below and an estimated useful life in excess of one year. Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the statement of net assets and is provided on the straight-line basis over the estimated useful lives:

Buildings	\$25,000	40 years
Building improvements	25,000	20 years
Vehicles	5,000	5 years
Office furniture and equipment	5,000	5-7 years
Intangibles	5,000	3-7 years
Infrastructure	100,000	10-20 years

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities, if any.

8) Deferred Revenue:

The County had no deferred revenue as of November 30, 2010 as the 2010 property tax levy was passed after fiscal year-end.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

9) **Compensated Absences:**

Governmental Accounting Standards Board principles require employers to accrue a liability for future vacation and compensated leave benefits which meet certain conditions. The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated vacation leave and compensatory time off balances for County employees. No liability is reported for unpaid accumulated sick leave as this is not paid out at termination of employment.

In the fund financial statements, the County also recognizes a short term liability for the portion of compensated absences that will be paid from available funds within 60 days after year end.

10) **Fund Equity:**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances, if any, represent tentative plans for future use of financial resources.

11) **Accounting Estimates:**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

12) **Interfund Transactions:**

The County has the following types of transactions between funds:

Loans – amounts provided with a requirement for repayment. In the fund financial statements, interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

13) **Budgets and Budgetary Accounting:**

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

13) Budgets and Budgetary Accounting (continued):

- a) The Finance Committee of the County Board requests and receives from the County Officers proposed operating budgets for the fiscal year commencing the following December 1. The Finance Committee reviews and investigates budget requests and prepares a tentative operating budget including both proposed expenditures and the means of financing them.
- b) Prior to December 1, the budget is legally adopted by the County Board. The budget was adopted on November 18, 2009.
- c) After the adoption of the budget, no further appropriations can be made except for 1) transfers from one appropriation to another in the same fund, providing the total amount appropriated for the fund has not changed, and 2) appropriations in excess of those authorized by the budget in order to meet an immediate emergency. Both of these exceptions must be approved by a two-thirds majority of the Board. Unused appropriations lapse at the end of the fiscal year.
- d) Formal budgetary integration is used as a management control device during the year for the General, Special Revenue Funds, and Permanent Fund.
- e) Budgets are prepared for all governmental funds except the Federal Grant Fund, State Grant Fund, DUI Equipment Fund, Special Equipment Fund, Vehicle Fund, Drug Enforcement Fund, Electronic Monitoring Fund, Court Security Fund, Tourism Promotion Fund, and 911 Fund. Budgets are not prepared for Agency funds except for the IDPA-Kids Fund, Township Motor Fuel Tax Fund, Township Bridge Fund, Inheritance Tax Fund, Trust Fund, Indemnity Fund, and Escrow Fund. Budgets are prepared on the cash basis of accounting which is an other comprehensive basis of accounting.

14) Property taxes:

The County's property tax is levied each year on all taxable real property located in the County. The 2009 property tax levy is recorded as revenue by the County in accordance with the applicable measurement focus and basis of accounting for fiscal year 2010. The County must file its tax levy by the last Tuesday of December each year. The 2009 levy was approved on November 18, 2009. The 2010 levy was approved on December 1, 2010.

The township assessors are responsible for assessment of all taxable real property within the County. The County Clerk computes the annual tax of each parcel of real property and prepares tax books used by the County Collector as a basis for issuing tax bills to all taxpayers in the County.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(A) Summary of Significant Accounting Policies (continued):

14) Property taxes (continued):

Property taxes are collected by the County Treasurer, who remits to the units their respective share of the collections. Taxes levied in 2009 became due and payable in two installments, generally in June 2010 and September 2010. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

(B) Cash and Investments:

Deposit accounts at year-end consisted of demand deposit accounts, money market checking and savings accounts, and certificates of deposit. Investment accounts at year-end consisted of a public treasurer's investment pool and a money market mutual fund.

Permitted investments are outlined in Chapter 30 Act 235 Section 2 of the Illinois Compiled Statutes. Section 2 also contains eleven provisions regarding repurchase agreements.

Cash and investments as of November 30, 2010 are classified in the financial statements as follows:

	Statement of Net Assets	Statement of Fiduciary Net Assets-	Total
Cash on hand and in banks	\$3,223,079	\$1,649,255	\$4,872,334
Deposits	1,998,940	0	1,998,940
Investments	213,761	118,678	332,439
Total	\$5,435,780	\$1,767,933	\$7,203,713

Cash and investments as of November 30, 2010 consist of the following:

	Carrying Amount
Cash on hand	\$380
Deposits with financial institutions	6,870,894
Investments	332,439
	\$7,203,713

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(B) Cash and Investments (continued):

Deposits:

Concentration of credit risk:

At year-end the carrying amount of the County's deposits totaled \$6,870,894 and the bank balances totaled \$8,278,864. All deposits are covered by federal depository insurance, or by collateral held by the County's agent, in the County's name.

Investments:

As of November 30, 2010, the County's investments were as follows:

	Carrying Amount	Market Value
Illinois Funds	\$332,439	\$332,439

The calculation of realized gains is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investment reported in the prior year. There was no increase in the fair value of investments during 2010.

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. The County has no specific policy on the interest rate risk at year-end.

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:

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13-24 Months	25-60 Months	
External investment pool	\$332,439	\$0	\$0	\$332,439

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(B) Cash and Investments (continued):

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. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the County's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

<u>Investment Type</u>	<u>Total as of November 30, 2010</u>	<u>AAAm</u>	<u>Aa</u>	<u>Unrated</u>
External investment pool	\$332,439	\$332,439	\$0	\$0

Concentration of Credit Risk:

The County has no investments, other than a money market mutual fund and an external investment pool that are exempted from this requirement, in any one issuer that represent 5% or more of total County investments.

Custodial Credit Risk:

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

As of November 30, 2010 there are no investments with custodial credit risk.

Foreign Currency Risk:

The County has no foreign currency risk for investments at year end.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(C) Capital Assets:

The governmental activities capital asset activity for the year ended November 30, 2010 is as follows:

Governmental activities:	Balance 12/1/2009	Increases	Decreases and Transfers	Balance 11/30/2010
Capital assets, not being depreciated:				
Land	\$233,152	\$0	\$0	\$233,152
Work in progress	58,591	18,750	(58,951)	18,750
Total capital assets, not being depreciated:	292,103	18,750	(58,951)	251,902
Capital assets, being depreciated:				
Buildings and improvements	851,202	32,170	58,951	942,323
Office furniture and equipment	672,496	0	0	672,496
Vehicles	524,285	62,516	(90,392)	496,409
Infrastructure	4,070,700	0	0	4,070,700
Total capital assets, being depreciated:	6,118,683	94,686	(31,441)	6,181,928
Accumulated depreciation:				
Buildings and improvements	(182,185)	(25,078)	0	(207,263)
Office furniture and equipment	(336,572)	(68,785)	0	(405,357)
Vehicles	(269,696)	(55,356)	73,544	(251,508)
Infrastructure	(401,802)	(149,103)	0	(550,905)
Total accumulated depreciation	(1,190,255)	(298,322)	73,544	(1,415,033)
Total capital assets, being depreciated, net	4,928,428	(203,636)	42,103	4,766,895
Governmental activities capital assets, net	\$5,220,531	(\$184,886)	(\$16,848)	\$5,018,797

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General control and administration	\$59,738
Public safety	36,118
Judiciary and court related	4,949
Public health	5,247
Transportation	192,270
Total depreciation expense, governmental activities	\$298,322

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(D) Legal Debt Margin:

The following schedule illustrates the legal debt margin of the County as of November 30, 2010.

	<u>2009 Tax Year</u>
Assessed valuation	\$235,973,144
Statutory debt limitation (2.875% of assessed valuation)	\$6,784,228
Bonded debt - November 30, 2010	0
Available debt margin	\$6,784,228

(E) Operating Leases:

The County leases software under an operating lease agreement which expire in 2012. Total rental expense paid during fiscal year 2010 was \$23,754. The following is a schedule of future minimum lease payments under operating leases at November 30, 2010:

<u>Fiscal Year Ended</u> <u>November 30,</u>	<u>Operating</u> <u>Leases</u>
2011	\$23,754
2012	23,754
Total minimum lease payments	\$47,508

(F) Deferred Compensation Plan:

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue code Section 457. The plan, available to all eligible County employees, permits them to defer a portion of their salary until future years. Payments to the plan are made by County employees only. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

It is the opinion of the County that it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(G) Pension and Retirement Systems:

Illinois Municipal Retirement Fund:

Plan Description. The County's defined benefit pension plan for Regular and Sheriff's Law Enforcement Personnel employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement (IMRF), an agent multiple- employer plan. Benefit provision are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

Non-Sheriff's Law Enforcement Personnel (Non-SLEP):

Funding Policy. As set by statute, the Regular plan members are required to contribute 4.50 percent 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 County's contribution rate for calendar year 2009 was 9.55 percent of annual covered payroll. The 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 the statute.

Annual Pension Cost. For fiscal year ending December 31, 2009, the County's annual pension cost of \$120,386 for the Regular plan was equal to the County's required and actual contributions.

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
12/31/09	\$120,386	100%	\$0
12/31/08	120,903	100%	0
12/31/07	130,985	100%	0

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary 4.00% 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 the County's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The County's Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 23 years.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(G) Pension and Retirement Systems (continued):

Illinois Municipal Retirement Fund (continued):

Non-Sheriff's Law Enforcement Personnel (Non-SLEP) (continued):

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 76.33 percent funded. The actuarial accrued liability for benefits was \$5,171,189 and the actuarial value of assets was \$3,947,018, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,224,171. The covered payroll (annual payroll of active employees covered by the plan) was \$1,260,588 and the ratio of the UAAL to the covered payroll was 97 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of the 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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.

Sheriff's Law Enforcement Personnel (SLEP)

Funding Policy. As set by statute, the Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 percent 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 rate for calendar year 2009 was 12.46 percent of annual covered payroll. The 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 the statute.

Annual Pension Cost. For fiscal year ending December 31, 2009, the County's annual pension cost of \$93,900 for the Sheriff's Law Enforcement Personnel plan was equal to the County's required and actual contributions.

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
12/31/09	\$93,900	100%	\$0
12/31/08	90,727	100%	0
12/31/07	87,341	100%	0

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(G) Pension and Retirement Systems (continued):

Illinois Municipal Retirement Fund (continued):

Sheriff's Law Enforcement Personnel (SLEP) (continued):

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary 4.00% 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 the County's Sheriff Law Enforcement Personnel plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor between the actuarial and market value of assets. The County's Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 23 years.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 67.79 percent funded. The actuarial accrued liability for benefits was \$1,357,621 and the actuarial value of assets was \$920,399, resulting in an underfunded actuarial accrued liability (UAAL) of \$437,222. The covered payroll (annual payroll of active employees covered by the plan) was \$753,615 and the ratio of the UAAL to the covered payroll was 58 percent. In conjunction with the December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect of the 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(H) Other Required Individual Fund Disclosures:

Generally accepted accounting principles require disclosure of certain information concerning individual funds including:

- 1) Individual fund interfund receivable and payable balances. Balances at November 30, 2010 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	\$742

The outstanding balances between funds result from negative comingled cash within the Federal Grant Fund.

- 2) Excess of expenditures over budgeted amounts in individual funds:

<u>Fund</u>	<u>Amount</u>
Tort Liability Fund	\$4,362
Animal Control Fund	\$2,046
Court Automation	\$11,147
County Clerk Document Conversion Fund	\$1,111
Workman's Compensation Fund	\$28,370
Law Library Fund	\$5,000
Probation Service Fee Fund	\$10,000
Prisoner Medical Fund	\$12,080
Highway Matching Tax Fund	\$210,411
Mental Health Fund	\$58,000
Federal Grant Fund	\$235,185
Special Equipment Fund	\$29,265
Vehicle Fund	\$5,695
Drug Enforcement Fund	\$996
Electronic Monitoring Fund	\$5,830
Tourism Promotion Fund	\$225
911 Fund	\$190,706

- 3) Interfund transfers during the year were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Major funds -		
General Fund	\$18	\$37,737
Non-major funds	37,737	18
	<u>\$37,755</u>	<u>\$37,755</u>

Transfers were made to transfer interest income to General Fund and for the creation of new funds, such as State Grant Fund, Court Security Fund, and Tourism Promotion Fund.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(H) Other Required Individual Fund Disclosures (continued):

4) As of November 30, 2010, the Federal Grant Fund had a deficit fund balance of \$742. The County is expecting to be reimbursed from a federal grant in fiscal year 2011 to regain a positive fund balance.

(I) Budget Amendments:

The budget amendments were approved at the September 2010 Board of Health meeting.

	Increase (Decrease)
Health Department Fund:	
Revenues:	
Grants	\$52,800
Immunization fees	(13,500)
Miscellaneous income	(6,000)
Expenditures:	
Salaries and benefits	19,000
Travel	(3,000)
Supplies and equipment	(5,000)
Purchased services	9,000

(J) Risk Management:

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In order to protect against such risks of loss, the County purchases insurance coverage. The maximum deductible in effect through these policies as of November 30, 2010 was \$1,000 for general liability and \$2,500 for law enforcement. During the year ended November 30, 2010, there were no significant reductions in coverage. Also, there have been no settlements which have exceeded insurance coverage in the past three years.

For risks of loss related to injuries to employees, the County purchases coverage through the Illinois Counties Risk Management Pool. Potentially the County could be assessed additional premiums for its share of any losses of the pool. Historically, the County has not been assessed any additional premiums.

(K) Contingent Liabilities:

The County is periodically involved in various lawsuits. It is the opinion of the State's Attorney that as of November 30, 2010, there are no matters that will have a material adverse effect on the financial condition of the County.

(L) Contingency:

The County is in the process of negotiating with one of its unions related to County employees. The previous collection bargaining agreement expired November 30, 2009. However, the respective County employees are currently working under the old contract. At this time, management cannot determine the liability, if any.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)
November 30, 2010

(M) Commitments:

The County entered into an agreement with Galesburg Hospital Ambulance Service for providing ambulance services within the boundaries of the County. The term of the agreement is for the period of December 1, 2006 through November 30, 2011. The annual fee for the first two years of the agreement is \$126,000, \$132,300 commencing the third year of the agreement and good faith negotiations on the amount for year four and five of the agreement. The County paid \$132,300 under the agreement for the year ended November 30, 2010.

The County entered into an agreement with the City of Monmouth for dispatching services for the period May 1, 2006 through April 30, 2007 that continues every year thereafter unless it is terminated by one of the parties. The agreement calls for a monthly payment of \$10,398, which is automatically increased annually by a percentage equal to the dispatchers' rate of pay increase. The County paid the City of Monmouth \$146,455 for dispatching services in fiscal year ending November 30, 2010.

(N) Lease Agreements:

The County entered an agreement with Red Rock Financial, LLC for a land lease and wind easement. This lease shall extend from October 20, 2007 through October 20, 2047. The lessee is to pay the County \$1,000 a year until the installation of wind turbine(s). Once the wind turbine(s) are installed the lessee is to pay the County the greater of 3% of gross revenues from the sale of electricity generated by the wind turbine(s) or a minimum of \$2,500 per mega watt. Annual lease payments totaled \$1,000 in the year ending November 30, 2010.

The County entered an agreement with LPT Farms by Lawrence K. Thompson and Patrick J. Thompson to lease farm property owned by the County. This lease shall extend from March 1, 2008 through February 28, 2011. The lessee is to pay the County \$41,033 a year in two installments. The County received \$41,033 in rent payments during fiscal year 2010.

(O) New Reporting Standards:

In March 2009, the Governmental Accounting Standards Board (GASB) issued Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." The County is required to implement this standard for the fiscal year ending November 30, 2011. The County has not yet determined the full impact that adoption of GASB Statement 54 will have on the financial statements.

In December 2009, the Governmental Accounting Standards Board (GASB) issued Statement 57 "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans." This Statement amends certain provision of Statement 43 and 45. The County is required to implement this standard for fiscal year ending November 30, 2012. The County has not yet determined the full impact that the adoption of GASB Statement 57 will have on the financial statements.

WARREN COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

November 30, 2010

(O) New Reporting Standards (continued):

In June 2010, the Governmental Accounting Standards Board (GASB) issued Statement 59 "Financial Instruments Omnibus." The County is required to implement this standard for the fiscal year ending November 30, 2011. The County has not yet determined the full impact that adoption of GASB Statement 59 will have on the financial statements.

In December 2010, the Governmental Accounting Standards Board (GASB) issued Statement 61 "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34." The County is required to implement this standard for the fiscal year ending November 30, 2013. The County has not yet determined the full impact that adoption of GASB Statement 61 will have on the financial statements.

In December 2010, the Governmental Accounting Standards Board (GASB) issued Statement 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The County is required to implement this standard for the fiscal year ending November 30, 2013. The County has not yet determined the full impact that adoption of GASB Statement 62 will have on the financial statements.

(P) Other Postemployment Benefits:

In July 2004, the Governmental Accounting Standards Board issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires a systematic, accrual basis measurement and recognition of other postemployment benefit (OPEB) expense over a period that approximates employees' years of service. The Statement also requires the information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The County elected to not adopt the new standards related to other postemployment benefits.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

WARREN COUNTY, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended November 30, 2010

	<u>Budgeted Amounts</u>	<u>(Budgetary Basis)</u>	<u>Variance with Final Budget</u>
	<u>Original and Final</u>	<u>Actual</u>	
Revenues:			
Property taxes	\$605,500	\$645,425	\$39,925
Intergovernmental revenue	1,613,400	1,460,558	(152,842)
Licenses and permits	10,000	15,972	5,972
Fees and fines	779,560	745,558	(34,002)
Hotel taxes	0	0	0
Rents	41,033	41,033	0
Penalties and costs	60,000	61,380	1,380
Revenue from use of money and property	6,000	26,502	20,502
Other revenue	47,000	73,572	26,572
Total revenues	3,162,493	3,070,000	(92,493)
Expenditures:			
Current:			
General control and administration	1,286,785	1,288,306	(1,521)
Public safety	615,040	608,718	6,322
Judiciary and court related	938,456	920,061	18,395
Corrections	386,500	321,484	65,016
Capital outlay	84,000	81,266	2,734
Total expenditures	3,310,781	3,219,835	90,946
Excess (deficiency) of revenues over expenditures	(148,288)	(149,835)	(1,547)
Other financing sources and (uses):			
Transfers in	310,000	18	(309,982)
Transfers out	(343,400)	(37,737)	(305,663)
Net change in fund balance	<u>(\$181,688)</u>	<u>(187,554)</u>	<u>(\$5,866)</u>
Fund balance, beginning of year		<u>412,824</u>	
Fund balance, end of year		225,270	
Adjustments from budgetary basis to generally accepted accounting principles basis - Accrual basis adjustments		<u>222,304</u>	
Fund balance generally accepted accounting principles		<u><u>\$447,574</u></u>	

See Notes to Required Supplementary Information.

WARREN COUNTY, ILLINOIS
SPECIAL REVENUE FUND
COUNTY HIGHWAY FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended November 30, 2010

	<u>Budgeted Amounts</u> Original and Final	(Budgetary Basis) Actual	Variance with Final Budget
Revenues:			
Property taxes	\$225,890	\$234,966	\$9,076
Fees and fines	264,000	247,884	(16,116)
Revenue from use of money and property	3,000	1,667	(1,333)
Other revenue	2,000	2,393	393
Total revenues	494,890	486,910	(7,980)
Expenditures -			
Current -			
Transportation	500,885	498,139	2,746
Total expenditures	500,885	498,139	2,746
Excess (deficiency) of revenues over expenditures	(5,995)	(11,229)	(5,234)
Other financing sources and (uses):			
Transfers in	0	0	0
Transfers out	0	0	0
Net change in fund balance	(\$5,995)	(11,229)	(\$5,234)
Fund balance, beginning of year		163,458	
Fund balance, end of year		152,229	
Adjustments from budgetary basis to generally accepted accounting principles basis			
Accrual basis adjustments		(6,359)	
Fund balance generally accepted accounting principles		\$145,870	

See Notes to Required Supplementary Information.

WARREN COUNTY, ILLINOIS
SPECIAL REVENUE FUND
SPECIAL BRIDGE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
REQUIRED SUPPLEMENTARY INFORMATION
For the year ended November 30, 2010

	<u>Budgeted Amounts</u> Original and Final	(Budgetary Basis) Actual	Variance with Final Budget
Revenues:			
Property taxes	\$100,000	\$0	(\$100,000)
Fees and fines	10,000	10,716	716
Revenue from use of money and property	25,000	8,708	(16,292)
Total revenues	135,000	19,424	(115,576)
Expenditures -			
Current -			
Transportation	84,000	79,870	4,130
Total expenditures	84,000	79,870	4,130
Excess (deficiency) of revenues over expenditures	51,000	(60,446)	(111,446)
Other financing sources and (uses):			
Transfers in	0	0	0
Transfers out	(3,000)	0	(3,000)
Net change in fund balance	\$48,000	(60,446)	(\$108,446)
Fund balance, beginning of year		738,585	
Fund balance, end of year		678,139	
Adjustments from budgetary basis to generally accepted accounting principles basis			
Accrual basis adjustments		(5,107)	
Fund balance generally accepted accounting principles		\$673,032	

See Notes to Required Supplementary Information.

WARREN COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF IMRF FUNDING PROGRESS
November 30, 2010

Non-Sheriff's Law Enforcement Personnel (Non-SLEP):

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)	UALL as a Percentage of Covered Payroll ((b-a)/c)
12/31/09	\$3,947,018	\$5,171,189	\$1,224,171	76.33%	\$1,260,588	97.11%
12/31/08	3,704,581	4,914,344	1,209,763	75.38%	1,212,664	99.76%
12/31/07	4,732,619	4,967,616	234,997	95.27%	1,165,345	20.17%

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$3,799,047. On a market basis, the funded ratio would be 73.47%.

Sheriff's Law Enforcement Personnel (SLEP):

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)	UALL as a Percentage of Covered Payroll ((b-a)/c)
12/31/09	\$920,399	\$1,357,621	\$437,222	67.79%	\$753,615	58.02%
12/31/08	1,155,649	1,463,366	307,717	78.97%	695,757	44.23%
12/31/07	1,294,229	1,230,517	(63,712)	105.18%	657,689	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$858,815. On a market basis, the funded ratio would be 63.26%.

WARREN COUNTY, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
November 30, 2010

(A) Basis of Accounting:

Annual budgets are adopted for all governmental funds using the cash basis which is an other comprehensive basis of accounting.

(B) Excess of Disbursements Over Appropriations:

The major funds did not have an excess of disbursements over appropriations.

OTHER SUPPLEMENTARY INFORMATION

**WARREN COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

November 30, 2010

ASSETS	Total Nonmajor Governmental	Special Revenue Funds	
		Geographic Information System	County Motor Fuel Tax
Cash on hand	\$300	\$0	\$0
Cash in banks	2,979,815	101,211	0
Deposits	1,320,278	0	79,136
Investments	213,659	0	92,294
Inventory	0	0	0
Property taxes receivable	0	0	0
Accounts receivable	97,532	4,527	42,465
Due from State of Illinois	24,585	0	24,585
Prepaid expenses	0	0	0
Total assets	\$4,636,169	\$105,738	\$238,480
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$57,694	\$721	\$1,629
Accrued payroll	19,926	175	9,646
Accrued compensated absences	2,886	0	0
Deferred revenue	0	0	0
Deferred property taxes	0	0	0
Due to other funds	742	0	0
Total liabilities	81,248	896	11,275
Fund balances (deficit):			
Reserved for inventory and prepaid expenses	0		
Reserved for permanent fund	490,072		
Unreserved for special revenue funds	4,064,849	104,842	227,205
Total fund balances	4,554,921	104,842	227,205
Total liabilities and fund balances	\$4,636,169	\$105,738	\$238,480

Illinois Municipal Retirement	Extension Education	County Treasurer Automation	Animal Control	Maintenance & Child Support	Circuit Clerk Operating Administration	911	STD Testing
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
265,087	0	54,773	49,918	199,588	12,219	135,726	777
0	0	0	0	0	0	201,799	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	2,465	1,968	0	16,503	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$265,087	\$0	\$54,773	\$52,383	\$201,556	\$12,219	\$354,028	\$777

\$0	\$0	\$0	\$10,646	\$866	\$0	\$14,405	\$0
1,435	0	0	0	192	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,435	0	0	10,646	1,058	0	14,405	0

263,652	0	54,773	41,737	200,498	12,219	339,623	777
263,652	0	54,773	41,737	200,498	12,219	339,623	777
\$265,087	\$0	\$54,773	\$52,383	\$201,556	\$12,219	\$354,028	\$777

WARREN COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)

November 30, 2010

ASSETS	Special Revenue Funds			
	County Offices	Court Document Storage	Vital Records	Veterans Assistance
Cash on hand	\$0	\$0	\$0	\$0
Cash in banks	0	279,039	17,324	80,895
Deposits	285,277	0	0	0
Investments	0	0	0	0
Inventory	0	0	0	0
Property taxes receivable	0	0	0	0
Accounts receivable	0	1,776	0	0
Due from State of Illinois	0	0	0	0
Prepaid expenses	0	0	0	0
Total assets	\$285,277	\$280,815	\$17,324	\$80,895
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$3,339
Accrued payroll	0	0	0	0
Accrued compensated absences	0	0	0	0
Deferred revenue	0	0	0	0
Deferred property taxes	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	0	0	3,339
Fund balances (deficit):				
Reserved for inventory and prepaid expenses				
Reserved for permanent fund				
Unreserved for special revenue funds	285,277	280,815	17,324	77,556
Total fund balance	285,277	280,815	17,324	77,556
Total liabilities and fund balances	\$285,277	\$280,815	\$17,324	\$80,895

Civil Defense Disaster Relief	Ambulance Service	Court Automation	County Clerk Document Conversion	Tort Liability	Worker's Compensation	Social Security
\$0	\$0	\$0	\$0	\$0	\$0	\$0
4,031	110,213	0	27,578	268,713	124,694	272,316
0	0	297,582	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	1,745	1,685	2,841	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
\$4,031	\$110,213	\$299,327	\$29,263	\$271,554	\$124,694	\$272,316

\$0	\$11,025	\$0	\$1,186	\$0	\$9,271	\$0
0	0	0	0	0	0	2,060
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	11,025	0	1,186	0	9,271	2,060

4,031	99,188	299,327	28,077	271,554	115,423	270,256
4,031	99,188	299,327	28,077	271,554	115,423	270,256
\$4,031	\$110,213	\$299,327	\$29,263	\$271,554	\$124,694	\$272,316

**WARREN COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)**

November 30, 2010

ASSETS	Special Revenue Funds		
	Unemployment Security	Sheriff's State D.E.A.	Sheriff's Federal D.E.A.
Cash on hand	\$0	\$0	\$0
Cash in banks	30,396	5,766	1,854
Deposits	0	0	0
Investments	0	0	0
Inventory	0	0	0
Property taxes receivable	0	0	0
Accounts receivable	0	0	0
Due from State of Illinois	0	0	0
Prepaid expenses	0	0	0
Total assets	\$30,396	\$5,766	\$1,854
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$0	\$0	\$0
Accrued payroll	0	0	0
Accrued compensated absences	0	0	0
Deferred revenue	0	0	0
Deferred property taxes	0	0	0
Due to other funds	0	0	0
Total liabilities	0	0	0
Fund balances (deficit):			
Reserved for inventory and prepaid expenses			
Reserved for permanent fund			
Unreserved for special revenue funds	30,396	5,766	1,854
Total fund balance	30,396	5,766	1,854
Total liabilities and fund balances	\$30,396	\$5,766	\$1,854

State's Attorney Drug Forfeiture	Law Library	Probation Services	Prisoner Medical	Court System Maintenance	Children's Waiting Room	Federal Grants	Health Department
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300
3,781	0	122,173	65,118	199,077	13,043	0	179,192
0	0	0	0	0	0	0	32,032
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	2,209	0	1,368	0	0	12,892
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$3,781	\$0	\$124,382	\$65,118	\$200,445	\$13,043	\$0	\$224,416

\$0	\$0	\$0	\$773	\$0	\$600	\$0	\$2,367
0	0	0	0	0	0	0	6,418
0	0	0	0	0	0	0	2,886
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	742	0
0	0	0	773	0	600	742	11,671

3,781	0	124,382	64,345	200,445	12,443	(742)	212,745
3,781	0	124,382	64,345	200,445	12,443	(742)	212,745
\$3,781	\$0	\$124,382	\$65,118	\$200,445	\$13,043	\$0	\$224,416

WARREN COUNTY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)

November 30, 2010

ASSETS	Special Revenue Funds			
	Mental Health	Highway Matching Tax	DUI Equipment	Special Equipment
Cash on hand	\$0	\$0	\$0	\$0
Cash in banks	133,273	0	5,595	18,627
Deposits	0	181,996	0	0
Investments	0	0	0	0
Inventory	0	0	0	0
Property taxes receivable	0	0	0	0
Accounts receivable	0	0	0	0
Due from State of Illinois	0	0	0	0
Prepaid expenses	0	0	0	0
Total assets	\$133,273	\$181,996	\$5,595	\$18,627
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$0	\$0	\$0	\$0
Accrued payroll	0	0	0	0
Accrued compensated absences	0	0	0	0
Deferred revenue	0	0	0	0
Deferred property taxes	0	0	0	0
Due to other funds	0	0	0	0
Total liabilities	0	0	0	0
Fund balances (deficit):				
Reserved for inventory and prepaid expenses				
Reserved for permanent fund				
Unreserved for special revenue funds	133,273	181,996	5,595	18,627
Total fund balance	133,273	181,996	5,595	18,627
Total liabilities and fund balances	\$133,273	\$181,996	\$5,595	\$18,627

							Permanent Fund
Vehicle Fund	Drug Enforcement	Electronic Monitoring	Coroner Fees	State Grants	Court Security	Tourism Promotion	Working Cash
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13,477	2,317	8,450	400	5,052	36,066	5,805	126,251
0	0	0	0	0	0	0	242,456
0	0	0	0	0	0	0	121,365
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	1,547	3,541	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$13,477	\$2,317	\$8,450	\$400	\$6,599	\$39,607	\$5,805	\$490,072

\$0	\$0	\$0	\$0	\$0	\$866	\$0	\$0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	866	0	0

							490,072
13,477	2,317	8,450	400	6,599	38,741	5,805	
13,477	2,317	8,450	400	6,599	38,741	5,805	490,072
\$13,477	\$2,317	\$8,450	\$400	\$6,599	\$39,607	\$5,805	\$490,072

WARREN COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended November 30, 2010

	Total Nonmajor Governmental	Special Revenue Funds	
		Geographic Information System	County Motor Fuel Tax
Revenues:			
Property taxes	\$1,403,894	\$0	\$0
Intergovernmental revenue	996,091	0	492,238
Licenses and permits	0	0	0
Fee and fines	550,728	51,411	0
Hotel taxes	1,157	0	0
Rents	0	0	0
Penalties and costs	0	0	0
Revenue from use of money and property	39,669	1,076	608
Other revenue	78,587	0	0
Total revenues	3,070,126	52,487	492,846
Expenditures:			
Current:			
General control and administration	441,975	30,682	0
Public safety	390,147	0	0
Judiciary and court related	120,102	0	0
Public health	268,542	0	0
Public welfare	527,248	0	0
Transportation	995,941	0	384,973
Corrections	58,993	0	0
Debt service:			
Principal	0	0	0
Interest	0	0	0
Capital outlay	32,170	0	0
Total expenditures	2,835,118	30,682	384,973
Excess (deficiency) of revenues over expenditures	235,008	21,805	107,873
Other financing sources and (uses):			
Transfers in	37,737	0	0
Transfers out	(18)	0	0
Net change in fund balance	272,727	21,805	107,873
Fund balances (deficit), beginning of year	4,282,194	83,037	119,332
Fund balances (deficit), end of year	\$4,554,921	\$104,842	\$227,205

Illinois Municipal Retirement	Extension Education	County Treasurer Automation	Animal Control	Maintenance & Child Support	Circuit Clerk Operating Administration	911	STD Testing
\$305,249	\$65,830	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	1,968	0	37,707	0
0	0	0	0	0	0	0	0
0	0	4,763	57,737	7,283	3,148	162,733	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,834	0	627	575	2,343	127	5,404	9
1,089	0	0	0	0	0	496	0
308,172	65,830	5,390	58,312	11,594	3,275	206,340	9
42,113	65,830	1,603	0	0	0	0	0
55,388	0	0	65,683	0	0	188,447	0
45,867	0	0	0	1,058	0	0	0
18,584	0	0	0	0	0	0	0
880	0	0	0	0	0	0	0
49,902	0	0	0	0	0	0	0
21,879	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
234,613	65,830	1,603	65,683	1,058	0	188,447	0
73,559	0	3,787	(7,371)	10,536	3,275	17,893	9
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
73,559	0	3,787	(7,371)	10,536	3,275	17,893	9
190,093	0	50,986	49,108	189,962	8,944	321,730	768
\$263,652	\$0	\$54,773	\$41,737	\$200,498	\$12,219	\$339,623	\$777

WARREN COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUE AND EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)

For the year ended November 30, 2010

	Special Revenue Funds			
	County Offices	Court Document Storage	Vital Records	Veterans Assistance
Revenues:				
Property taxes	\$0	\$0	\$0	\$62,676
Intergovernmental revenue	0	0	0	0
Licenses and permits	0	0	0	0
Fees and fines	0	27,221	3,017	0
Hotel taxes	0	0	0	0
Rents	0	0	0	0
Penalties and costs	0	0	0	0
Revenue from use of money and property	2,626	3,189	207	772
Other revenue	6,279	0	0	0
Total revenues	8,905	30,410	3,224	63,448
Expenditures:				
Current:				
General control and administration	1,049	0	3,297	0
Public safety	0	0	0	0
Judiciary and court related	0	1,005	0	0
Public health	0	0	0	0
Public welfare	0	0	0	52,440
Transportation	0	0	0	0
Corrections	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	32,170	0	0	0
Total expenditures	33,219	1,005	3,297	52,440
Excess (deficiency) of revenues over expenditures	(24,314)	29,405	(73)	11,008
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net change in fund balance	(24,314)	29,405	(73)	11,008
Fund balances (deficit), beginning of year	309,591	251,410	17,397	66,548
Fund balances (deficit), end of year	\$285,277	\$280,815	\$17,324	\$77,556

Civil Defense Disaster Relief	Ambulance Service	Court Automation	County Clerk Document Conversion	Tort Liability	Worker's Compensation	Social Security
\$0	\$139,651	\$0	\$0	\$118,275	\$85,224	\$190,279
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	26,883	19,195	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,113	3,621	300	2,138	1,428	2,508
0	0	0	0	7,443	794	1,957
0	140,764	30,504	19,495	127,856	87,446	194,744
0	0	0	15,640	129,362	113,682	28,876
0	0	0	0	0	0	37,977
0	0	21,963	0	0	0	31,449
0	0	0	0	0	0	12,742
0	143,325	0	0	0	0	603
0	0	0	0	0	0	34,216
0	0	0	0	0	0	15,002
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	143,325	21,963	15,640	129,362	113,682	160,865
0	(2,561)	8,541	3,855	(1,506)	(26,236)	33,879
0	0	0	0	0	0	0
(18)	0	0	0	0	0	0
(18)	(2,561)	8,541	3,855	(1,506)	(26,236)	33,879
4,049	101,749	290,786	24,222	273,060	141,659	236,377
\$4,031	\$99,188	\$299,327	\$28,077	\$271,554	\$115,423	\$270,256

WARREN COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUE AND EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)

For the year ended November 30, 2010

	Special Revenue Funds		
	Unemployment Security	Sheriff's State D.E.A.	Sheriff's Federal D.E.A.
Revenues:			
Property taxes	\$0	\$0	\$0
Intergovernmental revenue	0	0	0
Licenses and permits	0	0	0
Fee and fines	0	0	0
Hotel taxes	0	0	0
Rents	0	0	0
Penalties and costs	0	0	0
Revenue from use of money and property	429	69	18
Other revenue	0	0	0
Total revenues	429	69	18
Expenditures:			
Current:			
General control and administration	8,874	0	0
Public safety	0	0	0
Judiciary and court related	0	0	0
Public health	0	0	0
Public welfare	0	0	0
Transportation	0	0	0
Corrections	0	0	0
Debt service:			
Principal	0	0	0
Interest	0	0	0
Capital outlay	0	0	0
Total expenditures	8,874	0	0
Excess (deficiency) of revenues over expenditures	(8,445)	69	18
Other financing sources and (uses):			
Transfers in	0	0	0
Transfers out	0	0	0
Net change in fund balance	(8,445)	69	18
Fund balances (deficit), beginning of year	38,841	5,697	1,836
Fund balances (deficit), end of year	\$30,396	\$5,766	\$1,854

State's Attorney Drug Forfeiture	Law Library	Probation Services	Prisoner Medical	Court System Maintenance	Children's Waiting Room	Federal Grants	Health Department
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,554
0	0	0	0	0	0	234,443	228,188
0	0	0	0	0	0	0	0
761	7,580	24,818	6,070	20,989	1,632	0	64,097
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
39	0	0	872	2,255	146	0	0
0	0	0	0	0	0	0	11,893
800	7,580	24,818	6,942	23,244	1,778	234,443	311,732
0	0	0	0	0	0	742	0
0	0	0	0	0	0	0	0
0	8,160	10,000	0	0	600	0	0
0	0	0	0	0	0	0	237,216
0	0	0	0	0	0	0	0
0	0	0	0	0	0	234,443	0
0	0	0	22,112	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	8,160	10,000	22,112	0	600	235,185	237,216
800	(580)	14,818	(15,170)	23,244	1,178	(742)	74,516
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
800	(580)	14,818	(15,170)	23,244	1,178	(742)	74,516
2,981	580	109,564	79,515	177,201	11,265	0	138,229
\$3,781	\$0	\$124,382	\$64,345	\$200,445	\$12,443	(\$742)	\$212,745

WARREN COUNTY, ILLINOIS
COMBINING STATEMENT OF REVENUE AND EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(CONTINUED)

For the year ended November 30, 2010

	Special Revenue Funds			
	Mental Health	Highway Matching Tax	DUI Equipment	Special Equipment
Revenues:				
Property taxes	\$271,063	\$117,960	\$0	\$0
Intergovernmental revenue	0	0	0	0
Licenses and permits	0	0	0	0
Fees and fines	0	0	2,167	33,856
Hotel taxes	0	0	0	0
Rents	0	0	0	0
Penalties and costs	0	0	0	0
Revenue from use of money and property	156	3,138	0	0
Other revenue	0	48,636	0	0
Total revenues	271,219	169,734	2,167	33,856
Expenditures:				
Current:				
General control and administration	0	0	0	0
Public safety	0	0	0	29,265
Judiciary and court related	0	0	0	0
Public health	0	0	0	0
Public welfare	330,000	0	0	0
Transportation	0	292,407	0	0
Corrections	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Capital outlay	0	0	0	0
Total expenditures	330,000	292,407	0	29,265
Excess (deficiency) of revenues over expenditures	(58,781)	(122,673)	2,167	4,591
Other financing sources and (uses):				
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Net change in fund balance	(58,781)	(122,673)	2,167	4,591
Fund balances (deficit), beginning of year	192,054	304,669	3,428	14,036
Fund balances (deficit), end of year	\$133,273	\$181,996	\$5,595	\$18,627

							Permanent Fund
Vehicle Fund	Drug Enforcement	Electronic Monitoring	Coroner Fees	State Grants	Court Security	Tourism Promotion	Working Cash
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,133
0	0	0	0	1,547	0	0	0
0	0	0	0	0	0	0	0
3,579	666	8,833	400	0	11,759	0	130
0	0	0	0	0	0	1,157	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	3	0	0	6	14	16	2,003
0	0	0	0	0	0	0	0
3,579	669	8,833	400	1,553	11,773	1,173	42,266
0	0	0	0	0	0	225	0
5,695	996	5,830	0	0	866	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
5,695	996	5,830	0	0	866	225	0
(2,116)	(327)	3,003	400	1,553	10,907	948	42,266
0	0	0	0	5,046	27,834	4,857	0
0	0	0	0	0	0	0	0
(2,116)	(327)	3,003	400	6,599	38,741	5,805	42,266
15,593	2,644	5,447	0	0	0	0	447,806
\$13,477	\$2,317	\$8,450	\$400	\$6,599	\$38,741	\$5,805	\$490,072