



County of Champaign, Illinois

Popular Annual Financial Report

Fiscal Year Ended December 31, 2015



JOHN FARNEY

Champaign County Auditor



CHAMPAIGN COUNTY, ILLINOIS

POPULAR ANNUAL FINANCIAL REPORT

For Fiscal Year ended December 31, 2015

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OFFICE OF THE AUDITOR
CHAMPAIGN COUNTY, ILLINOIS

TO THE RESIDENTS OF CHAMPAIGN COUNTY:

The Champaign County Auditor's Office is proud to present its Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2015. This report provides a user friendly summary of the county's revenue, expenditures and financial condition. The report also includes supplemental information on local economic conditions, awards and accomplishments by Champaign County government, as well as additional information to help citizens of Champaign County become engaged with their county government. My goal for this report is to communicate Champaign County's financial positions in a format that can be utilized by anyone with an interest in County government.

The information in this report is derived from Champaign County's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2015. That highly detailed financial report, which was audited by CliftonLarsonAllen, LLP, received an unmodified (clean) opinion. The CAFR is prepared in conformity with Generally Accepted Accounting Principles (GAAP). The length and complexity of the CAFR (nearly 300 pages), makes it a challenging document to read and interpret. The financial schedules presented in the PAFR have been summarized from various financial statements in the CAFR. The December 31, 2015 CAFR can be located on the Champaign County Auditor's website (<http://www.co.champaign.il.us/auditor/auditor.php>) under the Annual Financial Statements link. Past PAFRs, CAFRs, Quarterly and Monthly reports are also available at that site.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Champaign County for its Popular Annual Financial Report for the thirteen months ended December 31, 2014. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

This report is for your use in understanding the operations of Champaign County government and is not intended to replace the CAFR. Please feel free to ask questions or share comments. We welcome suggestions for topics to address in future editions of the PAFR. You may contact the County Auditor's Office at 217-384-3763 or via email at auditor@co.champaign.il.us.

It is my honor to serve as your County Auditor. It is my goal to provide meaningful, timely, and useful reports, and as such, to promote education about county government affairs through transparency and accountability. It is my sincere desire that this report helps to accomplish that goal.

Respectfully,

JOHN FARNEY
CHAMPAIGN COUNTY AUDITOR
September 4, 2016



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**County of Champaign
Illinois**

For its Annual
Financial Report
for the Thirteen Months Ended

December 31, 2014

Executive Director/CEO

Profile of Champaign County, Illinois

Incorporated in 1833, Champaign County is located about 135 miles south of Chicago, at the crossroads of Interstates 57, 72, and 74 in the heart of East Central Illinois. The County is nearly 1,000 square miles in area, with a population of 208,861 (2015 estimate) who live in two cities, 24 incorporated villages, and on rural home sites.

The economic base of Champaign County is comprised largely of education, agriculture, and medicine. Champaign County is home to the University of Illinois, and enjoys the benefits of both urban and rural life, with abundant cultural and athletic events, ranging from performing arts and museums to Big Ten Sports. Champaign County is a regional medical center with two large clinic/hospital complexes. Over 90% of Champaign County's land is farmed. The principal crops are corn and soybeans.

The County operates under the County Board form of government. There are 22 County Board members, 2 from each of 11 districts. The board members elect a chairman for a two-year term from among the members. There is an appointed county administrator with the responsibility of service to the board. In addition to the County Board, the citizens of Champaign County elect an Auditor, Clerk of the Circuit Court, Coroner, County Clerk, Recorder of Deeds, Treasurer, Sheriff, State's Attorney and Regional Superintendent of Schools. The Regional Superintendent of Schools is a component unit of the State of Illinois, and as such, their financial information is not contained in this report.

Illinois law determines the functions and services of county government. The largest portion of the County's governmental expenditures are for the administration of justice and public safety, including the State's Attorney, Public Defender, Circuit Clerk, Circuit Court, Court Services (adult and juvenile probation and juvenile detention center), and the Sheriff's functions (road patrol and the county correctional center). Other functions mandated by state statute include the construction and maintenance of county highways and bridges, the maintenance of the property tax system, voter registration and the election system, vital records such as birth, marriage, and death certificates, and the recording of deeds and other real estate records.

The County also operates a nursing home, funded primarily by patient fees and Medicare/Medicaid reimbursements. Voters approved special property taxes in 1972 to fund mental health services, in 1995 to fund a Cooperative Extension Service, in 1996 to fund public health services for all county residents, in 2002 to fund social security and retirement contributions for Nursing Home employees, and in 2004 to fund services for the developmentally disabled.

The Champaign County Board created the Regional Planning Commission (RPC) in 1966 under state-enabling legislation allowing counties to create planning commissions for the welfare of County residents. Over the past decades, the RPC has expanded its scope beyond land use planning, and has been involved extensively in community development and economic development, distribution of federal community services block grant funds, housing programs, weatherization and energy assistance programs, job and police training, transportation planning, senior and social services. In 1994, RPC began the operation of the Champaign County Head Start pre-school program.

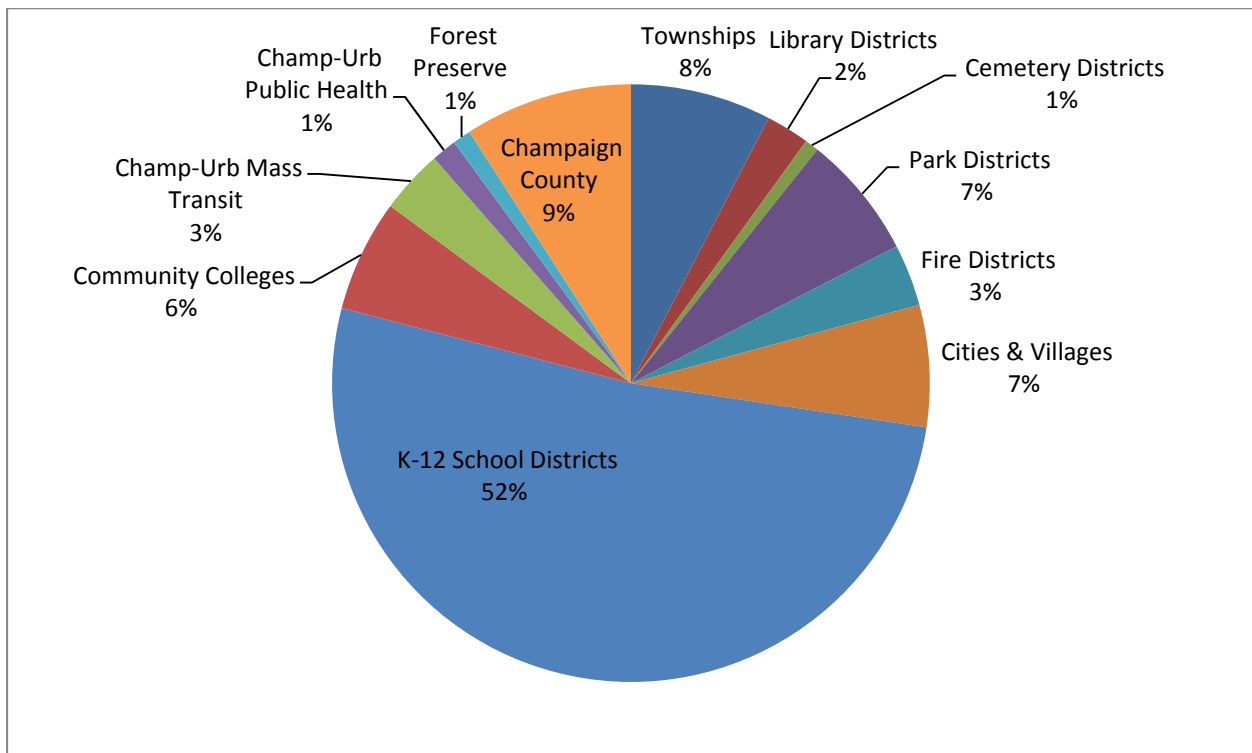
Champaign County has over 1,000 employees, and provides a wide variety of services to county residents. For more detailed information, please visit www.co.champaign.il.us.

Property Taxes – Where does your money go?

Where do your property tax dollars go? It's a great question that many citizens do not typically ask. The Champaign County Treasurer issues tax bills annually. The Treasurer also serves as County Collector and is responsible for collecting property tax payments. However, only a small portion of your property tax payment goes to pay for County services – only 9%. The vast majority of property taxes are remitted to other governments that serve the people of Champaign County – school districts, mass transit districts, public health districts and so on. There are 185 taxing districts that serve some portion of Champaign County. Depending on the location of a real estate parcel, property taxes for that parcel will be collected for a combination of separate taxing districts.

The following chart presents the breakdown by government type for an average Champaign County tax bill. The chart is for illustrative purposes only and is based on an average of all tax bills in Champaign County. As noted earlier, each real estate parcel pays property taxes to a varying combination of taxing districts, based on location. Actual amounts collected and distributed to individual districts may vary.

Property Taxes – Breakdown by Governmental Type



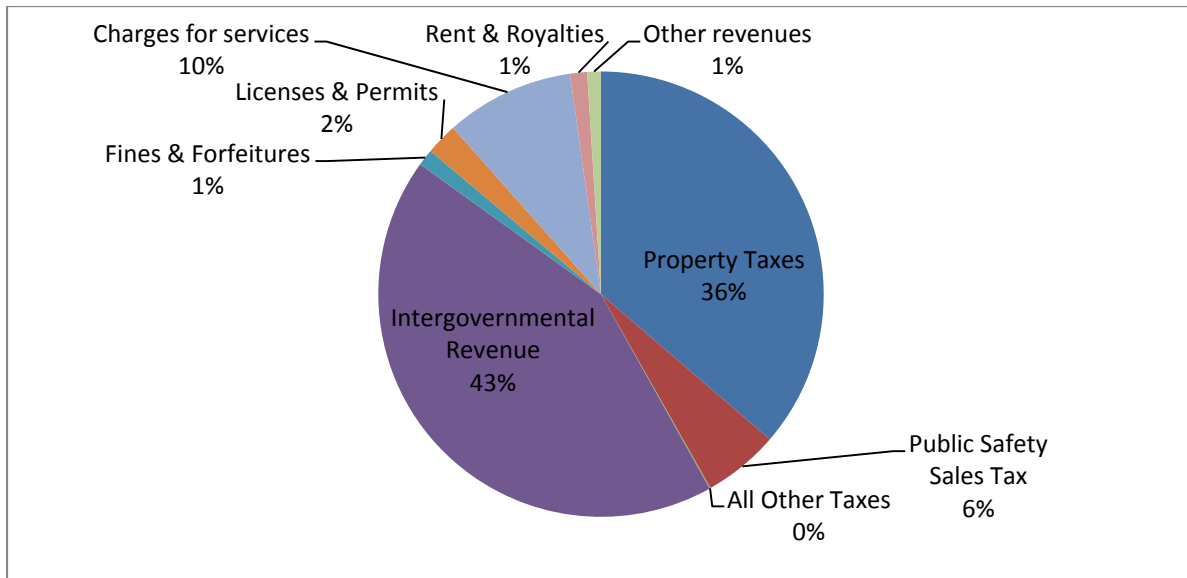
As shown in the chart above, in FY2015 the largest component of a typical tax bill in Champaign County goes to K-12 School Districts at 52%. In FY2014, the K-12 School District component of a tax bill averaged 48%.

This PAFR presents an overview of Champaign County's financial data only. The other governmental districts shown above are separate legal entities and operate independent of Champaign County. Please consult those district's financial reports for detailed information.

Revenues – Where does the money come from?

Champaign County receives its funding from a variety of sources, with intergovernmental revenue being the largest source of funding, due mainly to Federal and State Grant money, as well as the County's share of state collected sales taxes. Property taxes account for nearly one quarter of the County's yearly revenue. The charts below reflect Governmental Funds only.

	General Corporate	Other Funds	Total All Funds	% of Total
Revenues:				
Property Taxes	\$10,566,380	\$20,395,118	\$30,961,498	36.30%
Public Safety Sales Tax	0	4,696,902	4,696,902	5.51%
All Other Taxes	62,443	0	62,443	0.07%
Intergovernmental Revenue	16,366,185	20,329,888	36,696,073	43.03%
Fines & Forfeitures	953,946	73,208	1,027,154	1.20%
Licenses & Permits	1,548,926	428,740	1,977,666	2.32%
Charges for services	4,226,739	3,733,088	7,959,827	9.33%
Rent & Royalties	1,051,147	3,600	1,054,747	1.24%
Other revenues	268,366	577,633	845,999	0.99%
Total Revenues	\$35,044,132	\$50,238,177	\$85,282,309	100.00%

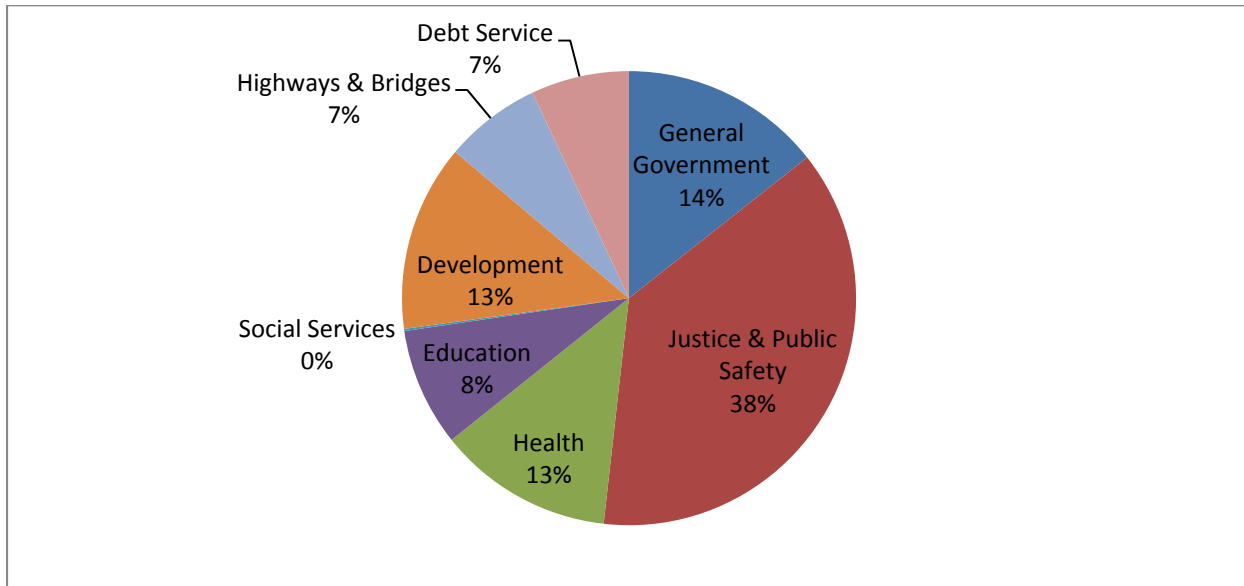


Property taxes represent a tax on all real estate within the County. The **Public Safety Sales Tax** is a ¼% sales tax enacted by Champaign County voters to fund public safety facilities and activities. **All other taxes** includes interest received on delinquent taxes, mobile home taxes, and county hotel/motel tax. **Intergovernmental revenue** includes sales taxes collected by the state, reimbursements and grant funds. **Charges for services** represents fees paid by individuals, businesses or other governments who use, purchase, or directly benefit from goods or services provided by the county. This also includes fees collected by the Circuit Clerk. **Fines and Forfeitures** include funds collected through the criminal justice system. Finally, **all other revenue** includes rent, interest, gifts/donations, and interfund transfers.

Expenditures – Where does the money go?

As was the case in Fiscal Year 2014, Champaign County’s largest expenditure among governmental activities during the Fiscal Year ended December 31, 2015 was on Justice and Public Safety, an expense of over \$38 million. Budgeted expenditures for FY2015 were lowered in comparison to FY2014, which was a 13 month budget. Overall, expenditures were under budget in FY2015 by \$1.2 million.

	General Corporate	Other Funds	Total All Funds	% of Total
Expenditures:				
General Government	\$9,468,619	\$2,305,542	\$11,774,161	14.36%
Justice & Public Safety	23,436,330	7,231,337	30,667,667	37.42%
Health	0	10,241,261	10,241,261	12.49%
Education	0	6,890,208	6,890,208	8.41%
Social Services	129,150	0	129,150	0.16%
Development	439,559	10,465,803	10,905,362	13.31%
Highways & Bridges	0	5,626,652	5,626,652	6.86%
Debt Service	551,755	5,178,164	5,729,919	6.99%
Total Expenditures	\$34,025,413	\$47,938,967	\$81,964,380	100.00%



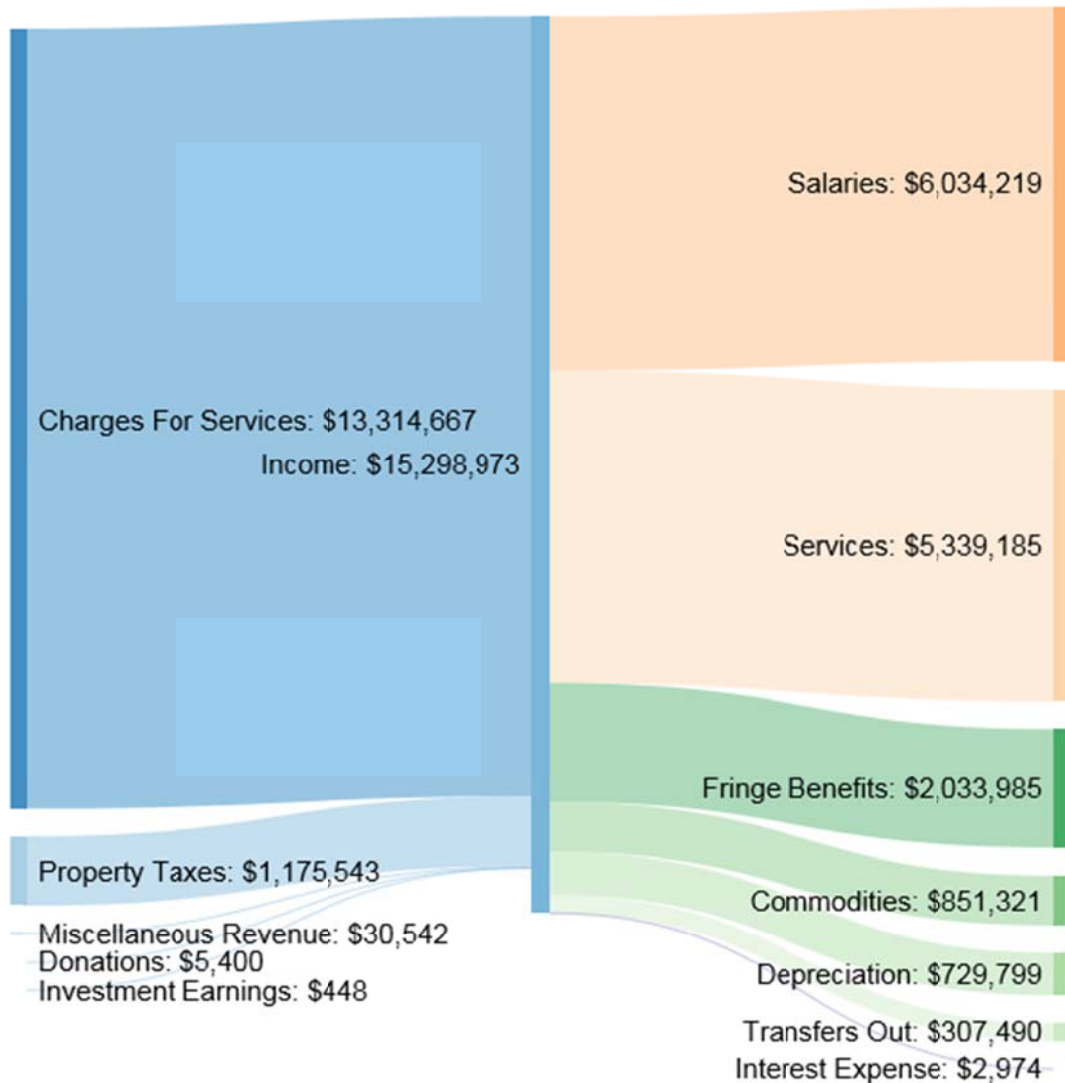
General Government expenditures include funds to operate administrative offices such as the Administrative Services Division, Auditor, County Clerk, Treasurer, and Recorder of Deeds. **Justice & Public Safety** includes funds to operate offices of the Sheriff, State’s Attorney, Coroner, Circuit Clerk, and Probation & Court Services. **Health** includes funds associated with the Mental Health & Developmental Disabilities Boards. **Development** includes funds associated with the Champaign County Regional Planning Commission. **Education** expenses are mainly related to the Head Start program, operated by the Regional Planning Commission. **Highways & Bridges** funds are entirely associated with the operation of the County Highway Department. **Debt service** expenditures include debt on public buildings.

Enterprise Fund – Champaign County Nursing Home

Champaign County maintains one enterprise fund for the Champaign County Nursing Home. Enterprise funds are created to account for County operations that are financed and operated in a manner similar to a private business. The vast majority, over 90%, of the revenues in the enterprise fund are charges for services provided to residents of the home. Champaign County also collects a property tax to assist with the operation of Champaign County Nursing Home. This accounts for approximately 8% of the fund's revenue.

A vast majority of the expenses attributed to the enterprise fund are personnel expenses, including salary and fringe benefits. Commodities include the cost of supplies to help with the health and comfort of home residents, including pharmacy expenses (\$219,561). Services include licensing fees, contract nursing wages and fees paid to rehabilitation companies that work with individuals at Champaign County Nursing Home in addition to normal service related expenses (utilities, engineering, fleet maintenance).

The following diagram shows inflow and outflow for the Enterprise Fund (Actual GAAP Basis).



Statement of Net Position

Champaign County's Net Position as of December 31, 2015

	Governmental Activities	Business Type Activities	Total Primary Government
Current and other assets	\$78,501,826	\$6,205,367	\$84,707,193
Capital assets	71,818,191	18,918,498	90,736,689
Total assets	150,320,017	25,123,865	175,443,882
Deferred Outflow of Resources			
Deferred Amount related to Bond Refunding	734,237	0	734,237
Deferred Amount related to Pension Liability	12,452,015	1,844,213	14,296,228
Total Deferred Inflow of Resources	13,186,252	1,844,213	15,030,465
Current and other liabilities	4,875,066	3,304,319	8,179,385
Long-term liabilities	65,597,758	3,531,411	69,129,169
Total liabilities	70,472,824	6,835,730	77,308,554
Deferred Inflow of Resources			
Subsequent Years Property Taxes	30,259,384	1,195,322	31,454,706
Total Deferred Inflow of Resources	30,259,384	1,195,322	31,454,706
Net Position:			
Invested in Capital Assets, Net of Related Debt	45,880,763	18,918,498	64,799,261
Restricted for:			
Capital Projects, Net of Related Debt	0	0	0
Debt Service	1,886,199	0	1,886,199
Justice & Public Safety	4,476,987	0	4,476,987
Health & Education	7,740,175	0	7,740,175
Development & General Government	8,765,789	0	8,765,789
Highways & Bridges	7,927,535	0	7,927,535
Insurance & Fringe Benefits	2,030,215	0	2,030,215
Unrestricted (Deficit)	(15,933,602)	18,528	(15,915,074)
Total Net Position	62,774,061	18,937,026	81,711,087

Business Type activities is the Champaign County Nursing Home.

Current and other assets are assets that a company can reasonably expect to convert to cash, sell, or consume within one year. **Capital assets** are the County's long-term investments in infrastructure (buildings, highways, bridges) and other assets used by Champaign County to provide services to citizens. These assets are not available for future spending.

Current and other liabilities includes debt that can be paid off in one year or less. This debt includes accounts payable, accrued interest, claims payable and unearned revenue. **Long term liabilities** include outstanding bond debt and long term portions of post-employment benefits.

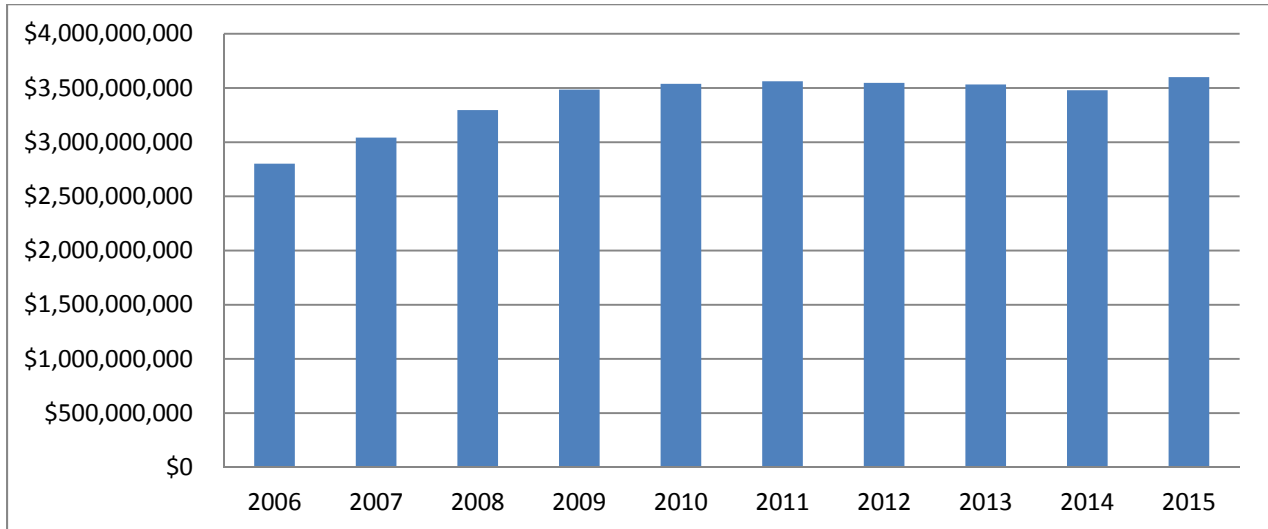
Net investment in capital assets, represents Champaign County's investments in capital assets less any related outstanding debt used to acquire those assets. Other sources are needed to repay the debt as capital assets themselves cannot be used to settle these liabilities.

Restricted assets represents resources that are subject to external restrictions, for the reason listed in the statement above. **Unrestricted net assets** represents the accessible resources to the County in order to provide services to the citizens of Champaign County if no additional revenue or resources were available.

Economic Outlook

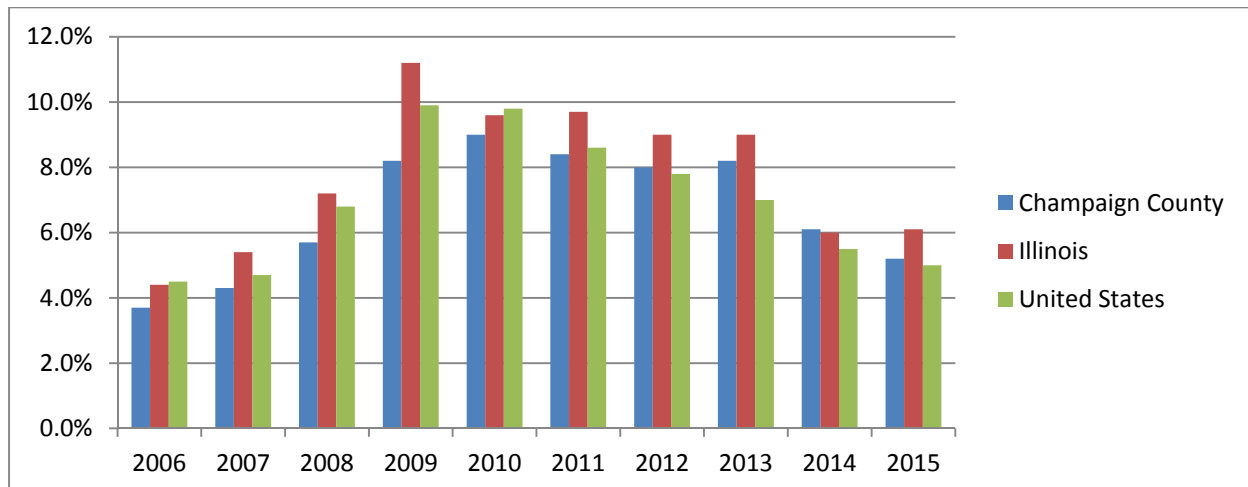
The economic base of Champaign County is comprised largely of education, farming, and medicine. Home to the University of Illinois, the County enjoys the benefits of both urban and rural life, with abundant cultural and athletic events ranging from performing arts and museums to Big Ten Sports. Champaign County is a regional medical center with two large clinic/hospital complexes. Nearly 90% of Champaign County's land is farmed. The principal crops are corn and soybeans.

ASSESSED PROPERTY VALUE



Assessed value of taxable property in Champaign County saw a slight increase over the last three years, from a low of \$3,479,591,533 in 2014 to today's value of \$3,600,615,388. Property in Champaign County is assessed at 33.3% of fair market value.

UNEMPLOYMENT RATE



Traditionally, Champaign County's Unemployment Rate has remained lower than state and national levels, thanks mostly to the employment stability offered by the University of Illinois. During the fiscal year ended December 31, 2015, Champaign County's rate dropped more than 1%, slightly higher than the national rate, but lower than the state rate.

Champaign County Fast Facts

Champaign County's estimated population of 208,861 is a nearly 30,000 person increase since 2000, making the County one of Illinois' fastest growing populations.

There are over 616,000 acres of farmland in production in Champaign County.

While agricultural production occupies much of the land within Champaign County, the County's largest employer is the University of Illinois, with over 44,000 students and over 24,000 employees. Other large employers in Champaign County include Carle Foundation Hospital and Clinic (5,534 employees), the Champaign School District (1,888 employees), Kraft Foods (1,419 employees) and Parkland College (1,301 employees).

Champaign County Government operates 24 elected offices and departments, employing 1036 people, including over 200 at Champaign County Nursing Home.

Champaign County Nursing Home, a property tax supported skilled nursing facility located on the County complex in Urbana, has provided compassionate long-term, rehabilitative, adult day care and memory care services for over 100 years.

The largest property taxpayer in Champaign County is Campus Property Management, a residential rental property developer with an assessed valuation of \$24,388,720 – about .6% of the County's total value. Market Place Mall in north Champaign is a close second at \$23,508,390. The total assessed valuation of properties in Champaign County is just over \$4 billion.

Not including drainage districts, there are 184 taxing districts within Champaign County. This total includes 24 cities and villages, 30 townships, 24 school districts, 25 fire districts, 6 library districts, 4 park districts, and 1 cemetery district. There are 326 drainage districts within the county that assess a benefit assessment to properties rather than a property tax to fund services.

The averaged tax rate for Champaign County in 2015 was 9.4952 per \$100 of assessed valuation. Over half of that amount goes to K-12 school districts (4.9070). Champaign County government's portion of the tax bill is .8636.

Within Champaign County's portion of the property tax bill, money supports general government functions (administration, law enforcement, criminal justice system, election services, planning and zoning functions), mental health and developmental disability services (through the Champaign County Mental Health and Developmental Disabilities Boards), highway and bridge services, cooperative extension services, Champaign County Nursing Home operations and bonding, and employee retirement (through the Illinois Municipal Retirement Fund and Social Security).

Champaign County Government was awarded \$13,157,187 in awards to administer programming on behalf of the Federal Government. This total includes over \$5 million in funding to the Champaign County Regional Planning Commission (CCRPC) for Early Childhood Education (Head Start) programs, over \$2 million for low-income home energy assistance, and over \$1.5 million for workforce development programming.

Champaign County Government Accomplishments

The Champaign County Auditor's Office handled nearly 97,000 accounting transactions for Fiscal Year ended December 31, 2015. Additionally the office issued over 17,500 Accounts Payable checks. Electronic Bill Payment was also instituted during the 4th Quarter of 2015, reducing mailing costs and paper usage.

Champaign County, through its County Board Office, was presented with the Government Finance Officer's Association's Distinguished Budget Presentation Award for 2015.

The Champaign County Treasurer's Office, County Clerk's Office and Supervisor of Assessments Office, along with the County Information Technology Department worked diligently to once again have property tax bills issued by May 1, an accomplishment achieved by less than 10% of Illinois Counties.

In 2015, the Champaign County Treasurer issued 73,643 property tax bills.

The Champaign County Coroner's Office investigated 1,761 deaths in 2015, a record for that office. The office also conducted 121 autopsies and issued 843 cremation permits.

The Champaign County Recorder of Deeds Office recorded 24,290 documents in 2015.

The Champaign County Sheriff answered 32,403 calls for service in FY2015. The office issued 1,672 traffic citations, served 9,607 civil process papers, and booked 6,050 jail book-ins through the year.

During 2015, the Champaign County State's Attorney filed 1,823 felony cases and 1,340 misdemeanor cases.

Champaign County Animal Control registered 17,382 animals during 2015. The department also impounded 1,478 animals during the year.

The Champaign County Planning and Zoning Department processed 169 zoning use permit applications in 2015.

Champaign County Nursing Home had an annual daily census of 187 patients.

During 2015, Champaign County received a Sunny Award from the Sunshine Review in recognition of having one of the most transparent government websites in the nation. Of the more than 7,000 websites reviewed by the organization, Champaign County ranked in the top 1 percent.

Champaign County Elected Officials

County Wide Elected Officials

	Term Expires
Auditor	
John Farney	December 2016
Circuit Clerk	
Katie Blakeman	December 2016
Coroner	
Duane Northrup	December 2016
County Clerk	
Gordy Hulten	December 2018
Recorder of Deeds	
Barbara Frasca	December 2016
Sheriff	
Daniel Walsh	December 2018
State's Attorney	
Julia Rietz	December 2016
Regional Superintendent of Education (Champaign & Ford Counties)	
Jane Quinlan	December 2018
Treasurer	
Daniel Welch	December 2018

Champaign County Board Members

District	Term Expires	District	Term Expires
District 1		District 6	
Gary Maxwell	December 2018	Pattsi Petrie (Chair)	December 2018
John Jay	December 2016	Josh Hartke	December 2016
District 2		District 7	
Jack Anderson	December 2018	C. Pius Weibel	December 2018
Dianne Michaels	December 2016	Rachel Schwartz	December 2016
District 3		District 8	
Aaron Esry	December 2018	Sam Shore	December 2018
Stan Harper	December 2016	Geraldo Rosales	December 2016
District 4		District 9	
Jim McGuire	December 2018	Shanna Jo Harrison	December 2018
Jon Schroeder	December 2016	Astrid Berkson	December 2016
District 5		District 10	
Max Mitchell	December 2018	Christopher Alix	December 2018
Jeff Kibler	Resigned September 2015	James Quisenberry	December 2016
Jon Rector	December 2016		
	District 11		
	Lorraine Cowart	December 2018	
	Lloyd Carter	December 2016	

Champaign County Contact Information

Administrative Services/County Board, 1776 E. Washington St., Urbana, IL 61802	217-384-3776
Animal Control, 210 S. Art Bartell Rd., Urbana, IL 61802	217-384-3798
Auditor, 1776 E. Washington St., Urbana, IL 61802	217-384-3763
Board of Review, 1776 E. Washington St., Urbana, IL 61802	217-384-3758
Children’s Advocacy Center, 201 W. Kenyon Rd., Champaign, IL 61820	217-384-1266
Circuit Clerk, 101 E. Main St., 1 st Floor, Urbana, IL 61801	217-384-3725
Circuit Court, 101 E. Main St. Urbana, IL 61801	217-384-3707
Coroner, 202 S. Art Bartell Rd., Urbana, IL 61802	217-384-3888
County Assessment Office, 1776 E. Washington St., Urbana, IL 61802	217-384-3760
County Clerk, 1776 E. Washington St., Urbana, IL 61802	217-384-3720
Developmental Disabilities Board, 1776 E. Washington St., Urbana, IL 61802	217-367-5703
Emergency Management Agency, 1905 E. Main St., Urbana, IL 61802	217-384-3826
GIS Consortium, 1776 E. Washington St., Urbana, IL 61802	217-819-3555
Highway Department, 1605 E. Main St., Urbana, IL 61802	217-384-3800
Juvenile Detention Center, 400 S. Art Bartell Rd., Urbana, IL 61802	217-384-3780
Mental Health Board, 1776 E. Washington St., Urbana, IL 61802	217-367-5703
Nursing Home, 500 S. Art Bartell Rd., Urbana, IL 61802	217-384-3784
Planning & Zoning Department, 1776 E. Washington St., Urbana, IL 61802	217-384-3708
Probation & Court Services, 101 E. Main St., 3 rd Floor, Urbana, IL 61801	217-384-3753
Public Defender, 101 E. Main St., 3 rd Floor, Urbana, IL 61801	217-384-3714
Recorder of Deeds, 1776 E. Washington St., Urbana, IL 61802	217-384-3774
Regional Planning Commission, 1776 E. Washington St., Urbana, IL 61802	217-328-3313
Sheriff, 204 E. Main St., Urbana, IL 61802	217-384-1204
State’s Attorney, 101 E. Main St., 2 nd Floor, Urbana, IL 61801	217-384-3733
Treasurer, 1776 E. Washington St., Urbana, IL 61802	217-384-3743
Veterans’ Assistance Commission, 1776 E. Washington St., Urbana, IL 61802	217-819-3556

County Website (All offices/departments):

www.co.champaign.il.us

Circuit Clerk Website (Court Documents):

www.cccircuitclerk.com

County Clerk Website (Vital Records, Elections, County Board):

www.champaigncountyclerk.com