BASIC FINANCIAL STATEMENTS

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF NET POSITION
DECEMBER 31, 2015

Exhibit I

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	$36,179,528	$366,629	$36,546,157
Investments	100,262	0	100,262
Receivables, Net of Uncollectible Amounts:			
Patient Accounts	0	3,553,516	3,553,516
Property Taxes	30,063,337	1,166,286	31,229,623
Intergovernmental	5,355,716	1,122,431	6,478,147
Program Loans--Current Portion	258,103	0	258,103
Accrued Interest	5,667	0	5,667
Other	1,612,990	828	1,613,818
Internal Balances	120,415	(120,415)	0
Inventories	0	21,112	21,112
Prepaid Items	711,116	69,720	780,836
Resident Trust Accounts	7,337	25,260	32,597
Program Loans Receivable--Long Term Portion	2,410,931	0	2,410,931
Investment in Joint Venture	1,676,424	0	1,676,424
Capital Assets Not Being Depreciated	4,087,386	0	4,087,386
Capital Assets, Net of Accumulated Depreciation	67,730,805	18,918,498	86,649,303
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
To Total Deferred Outflow of Resources	13,186,252	1,844,213	15,030,465
Total Assets & Deferred Outflow of Resources	163,506,269	26,968,078	190,474,347
LIABILITIES			
Accrued Salaries Payable	1,046,218	208,824	1,255,042
Accounts Payable	1,759,711	1,319,819	3,079,530
Accrued Interest Payable	19,504	0	19,504
Funds Held for Others	172,007	25,260	197,267
Unearned Revenue	678,555	0	678,555
Tax Anticipation Notes Payable	0	997,829	997,829
Due To Other Governments	120,729	693,950	814,679
Noncurrent Liabilities:			
Due Within One Year	4,763,154	58,637	4,821,791
Due in More Than One Year	41,087,771	447,086	41,534,857
Net Pension Liability	20,825,175	3,084,325	23,909,500
Total Liabilities	70,472,824	6,835,730	77,308,554
DEFERRED INFLOW OF RESOURCES			
Subsequent Years Property Taxes	30,063,337	1,166,286	31,229,623
Deferred Amount related to Pension Liability	196,047	29,036	225,083
Total Deferred Inflow of Resources	30,259,384	1,195,322	31,454,706
NET POSITION			
Net Investments in Capital Assets	45,880,763	18,918,498	64,799,261
Restricted for:			
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

The notes to the financial statements are an integral part of this statement.

Exhibit II

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

FUNCTIONS / PROGRAMS	Expenses	Program Revenues: Fines, Permits & Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
GOVERNMENTAL ACTIVITIES:							
General Government	$12,036,975	$4,529,535	$263,139	$0	($7,244,301)	$0	($7,244,301)
Justice & Public Safety	35,752,493	5,368,804	4,434,361	0	(25,949,328)	0	(25,949,328)
Health	9,477,523	145,142	456,331	0	(8,876,050)	0	(8,876,050)
Education	7,353,134	110,979	7,021,844	0	(220,311)	0	(220,311)
Social Services	129,150	0	0	0	(129,150)	0	(129,150)
Development	10,467,839	433,781	8,977,542	0	(1,056,516)	0	(1,056,516)
Highways & Bridges	6,511,463	132,548	3,221,102	0	(3,157,813)	0	(3,157,813)
Interest on Long-Term Debt	2,417,145	0	0	0	(2,417,145)	0	(2,417,145)
Total Governmental Activities	84,145,722	10,720,789	24,374,319	0	(49,050,614)	0	(49,050,614)
BUSINESS-TYPE ACTIVITIES:							
Nursing Home	15,652,614	13,348,143	0	0	0	(2,304,471)	(2,304,471)
Total Business-Type Activities	15,652,614	13,348,143	0	0	0	(2,304,471)	(2,304,471)
Total Government	99,798,336	24,068,932	24,374,319	0	(49,050,614)	(2,304,471)	(51,355,085)
General Revenues:							
Property Taxes					30,961,498	1,175,543	32,137,041
Public Safety Sales Taxes					4,694,293	0	4,694,293
Hotel/Motel & Auto Rental Taxes					62,443	0	62,443
Grants & Contributions Not Restricted to Specific Programs					12,034,643	0	12,034,643
Investment Earnings					68,058	488	68,546
Miscellaneous					665,223	5,400	670,623
Gain on Disposal of Capital Assets					0	0	0
Transfers					307,490	(307,490)	0
Total General Revenues and Transfers					48,793,648	873,941	49,667,589
Change in Net Position					(256,966)	(1,430,530)	(1,687,496)
Net Position - Beginning (As restated)					63,031,027	20,367,556	83,398,583
Net Position - Ending					62,774,061	18,937,026	81,711,087

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2015

	Major Funds			All Other	
		Regional	Mental	(Non-Major)	Total
	General	Planning	Health	Governmental	Governmental
ASSETS	Fund	Comm Fund	Fund	Funds	Funds
Cash	$4,988,497	$820,542	$2,487,089	$26,106,897	$34,403,025
Investments	0	0	0	100,262	100,262
Receivables, Net of Uncollectible Amounts:					
Property Taxes	10,118,869	0	4,285,533	15,658,935	30,063,337
Intergovernmental	2,764,095	340,137	0	936,152	4,040,384
Program Loans--Current Portion	0	0	0	258,103	258,103
Accrued Interest	0	0	0	5,667	5,667
Other	292,169	11,366	87	842,207	1,145,829
Due From Other Funds	495,874	227,214	128,404	1,847,294	2,698,786
Inventories	0	0	0	0	0
Prepaid Items	5,503	2,135	0	919	8,557
Resident Trust Accounts	7,337	0	0	0	7,337
Advances to Other Funds	0	12,500	0	0	12,500
Program Loans Receivable--Long Term	0	0	0	2,410,931	2,410,931
Total Assets	18,672,344	1,413,894	6,901,113	48,167,367	75,154,718
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accrued Salaries Payable	732,117	92,330	13,537	208,234	1,046,218
Accounts Payable	583,828	386,030	3,956	744,574	1,718,388
Due To Other Funds	1,648,814	133,802	9,437	2,581,366	4,373,419
Due To Other Governments	120,729	0	0	0	120,729
Funds Held for Others	21,450	0	0	65,226	86,676
Unearned Revenue	218,476	99,989	0	360,090	678,555
Advances from Other Funds	0	0	0	12,500	12,500
Total Liabilities	3,325,414	712,151	26,930	3,971,990	8,036,485
DEFERRED INFLOW OF RESOURCES					
Subsequent Years Property Taxes	10,118,869	0	4,285,533	15,658,935	30,063,337
Total Deferred Inflow of Resources	10,118,869	0	4,285,533	15,658,935	30,063,337
FUND BALANCES (DEFICITS):					
Restricted	227,265	701,743	2,588,650	28,731,257	32,248,915
Committed	0	0	0	67,084	67,084
Assigned	307,427	0	0	1,483,124	1,790,551
Unassigned	4,693,369	0	0	(1,745,023)	2,948,346
Total Fund Balances (Deficits)	5,228,061	701,743	2,588,650	28,536,442	37,054,896
Total Liabilities & Fund Balances	18,672,344	1,413,894	6,901,113	48,167,367	75,154,718

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION FOR GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2015

Fund Balances (Deficits) - Total Governmental Funds (See Exhibit III)	37,054,896
Capital assets, net of depreciation, used in governmental activities	71,818,191
Investment in Joint Ventures related to governmental activities	1,676,424
Assets and liabilities of internal service funds related to governmental activities, including estimated claims payable long term liability	568,336
Receivables for revenue accruals related to governmental activities	1,781,290
Payables for expense accruals related to governmental activities	(19,504)
Liability for compensated absences accruals related to governmental activities	(2,867,544)
Long term liabilities related to governmental activities, other than estimated claims payable from internal service funds	(38,668,821)
Net Pension Liability related to governmental activities	(20,825,175)
Net Deferred Outflows/(Inflows) related to Pension Liability	12,255,968
Net Position of Governmental Activities (See Exhibit I)	62,774,061

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Major Funds			All Other	
	General Fund	Regional Planning Comm Fund	Mental Health Fund	(Non-Major) Governmental Funds	Total Governmental Funds
REVENUES:					
Property Taxes	$10,566,380	$0	$4,299,568	$16,095,550	$30,961,498
Public Safety Sales Taxes	0	0	0	4,696,902	4,696,902
Hotel/Motel & Auto Rental Taxes	62,443	0	0	0	62,443
Intergovernmental Revenue	16,366,185	7,188,029	330,637	12,811,222	36,696,073
Fines & Forfeitures	953,946	0	0	73,208	1,027,154
Licenses & Permits	1,548,926	0	0	428,740	1,977,666
Charges for Services	4,226,739	1,081,919	0	2,651,169	7,959,827
Rents and Royalties	1,051,147	0	3,600	0	1,054,747
Interest on Program Loans	0	0	0	115,051	115,051
Investment Earnings	6,252	655	1,385	57,398	65,690
Miscellaneous	262,114	68,514	113,517	221,113	665,258
Total Revenues	35,044,132	8,339,117	4,748,707	37,150,353	85,282,309
EXPENDITURES:					
Current: General Government	9,468,619	0	0	2,305,542	11,774,161
Justice & Public Safety	23,436,330	0	0	7,231,337	30,667,667
Health	0	0	4,782,543	5,458,718	10,241,261
Education	0	0	0	6,890,208	6,890,208
Social Services	129,150	0	0	0	129,150
Development	439,559	8,502,855	0	1,962,948	10,905,362
Highways & Bridges	0	0	0	5,626,652	5,626,652
Debt Service: Principal Retirement	372,500	0	0	2,705,492	3,077,992
Interest & Fiscal Charges	179,255	0	0	2,472,672	2,651,927
Total Expenditures	34,025,413	8,502,855	4,782,543	34,653,569	81,964,380
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,018,719	(163,738)	(33,836)	2,496,784	3,317,929
OTHER FINANCING SOURCES (USES):					
Sale of Refunding Bonds	2,535,000	0	0	0	2,535,000
Payment to Refunded Bond Escrow Agent	(2,504,895)	0	0	0	(2,504,895)
Proceeds from Debenture Loan	0	0	551,250	0	551,250
Transfers In	1,053,769	391,117	100,000	1,322,049	2,866,935
Transfers Out	(998,168)	(251,931)	0	(1,309,346)	(2,559,445)
Net Other Financing Sources (Uses)	85,706	139,186	651,250	12,703	888,845
NET CHANGE IN FUND BALANCES	1,104,425	(24,552)	617,414	2,509,487	4,206,774
FUND BALANCES--Beginning of Year	4,123,636	726,295	1,971,236	26,026,955	32,848,122
FUND BALANCES--End of Year	5,228,061	701,743	2,588,650	28,536,442	37,054,896

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Net Change in Fund Balances - Total Governmental Funds (See Exhibit IV)	$4,206,774
Remove expenditures for acquisition of capital assets	2,964,561
Include revenue for capital assets acquired through gift or grant	767,746
Include gain (loss) on disposal of capital assets	(7,485)
Include depreciation expense	(5,800,104)
Include change in investment in joint ventures	(12,363)
Include the net revenue (expense) of internal service funds used to charge the costs of risk financing and employee health benefits to governmental activities	(1,414,316)
Remove revenues related to prior periods; include revenues earned but not available in the current period	(733,776)
Remove expenditures related to prior periods; include expenses incurred but not expected to be liquidated with expendable available financial resources in the current period	(113,074)
Remove debt proceeds and payment to bond refunding escrow agent	(30,105)
Remove proceeds from debenture note	(551,250)
Amortize bond premium and deferred amount on refunding against debt interest expense	205,311
Remove debt principal repayment expenditures	3,077,992
Include Expenses for Pensions	(2,816,877)
Change in Net Position of Governmental Activities (See Exhibit II)	(256,966)

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2015

Exhibit V

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
ASSETS		
CURRENT ASSETS:		
Cash	$366,629	$1,776,503
Receivables, Net of Uncollectible Amounts:		
Patient Accounts	3,553,516	0
Property Taxes	1,166,286	0
Intergovernmental	1,122,431	184
Other	828	1,019
Due From Other Funds	35,456	1,924,731
Inventories	21,112	0
Prepaid Expenses	69,720	702,559
Resident Trust Accounts	25,260	0
Total Current Assets	6,361,238	4,404,996
NONCURRENT ASSETS:		
Capital Assets:		
Buildings and Improvements	23,962,405	0
Equipment	1,599,143	0
Less Accumulated Depreciation	(6,643,050)	0
Total Noncurrent Assets	18,918,498	0
DEFERRED OUTFLOW OF RESOURCES		
Deferred amount related to Pension Liability	1,844,213	0
Total Assets and Deferred Outflows of Resources	27,123,949	4,404,996
LIABILITIES		
CURRENT LIABILITIES:		
Accrued Salaries Payable	208,824	0
Accounts Payable	1,319,819	41,323
Due To Other Funds	285,484	70
Funds Held For Others	25,260	0
Unearned Revenue	0	85,331
Compensated Absences Payable	58,637	0
Estimated Claims Payable	0	1,144,755
Tax Anticipation Notes Payable	997,829	0
Due To Other Governments	693,950	0
Total Current Liabilities	3,589,803	1,271,479
NONCURRENT LIABILITIES:		
Estimated Claims Payable	0	2,435,568
Compensated Absences Payable	234,549	0
Net Obligation for Other Post-Employment Benefits	212,537	0
Net Pension Liability	3,084,325	0
Total Noncurrent Liabilities	3,531,411	2,435,568
Total Liabilities	7,121,214	3,707,047
DEFERRED INFLOW OF RESOURCES		
Subsequent Years Property Taxes	1,166,286	0
Deferred Amount Related to Pension Liability	29,036	0
Total Deferred Inflow of Resources	1,195,322	0
NET POSITION		
Invested in Capital Assets	18,918,498	0
Unrestricted	(111,085)	697,949
TOTAL NET POSITION	18,807,413	697,949
Adjustment due to consolidation of internal service fund activities related to enterprise funds	129,613	
NET POSITION OF BUSINESS TYPE ACTIVITIES	18,937,026	

The notes to the financial statements are an integral part of this statement.

Exhibit VI

COUNTY OF CHAMPAIGN, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES:		
Charges for Services (Net of Uncollectible)	$13,314,667	$7,671,069
Miscellaneous	33,476	25,569
Total Operating Revenues	13,348,143	7,696,638
OPERATING EXPENSES:		
Salaries	6,034,219	41,327
Fringe Benefits	2,451,180	7,553,701
Commodities	851,321	41
Services	5,339,185	1,762,189
Capital Outlay	0	0
Depreciation	729,799	0
Total Operating Expenses	15,405,704	9,357,258
OPERATING INCOME (LOSS)	(2,057,561)	(1,660,620)
NON-OPERATING REVENUES (EXPENSES):		
Property Tax	1,175,543	0
Investment Earnings	488	2,368
Donations	5,400	0
Gain (Loss) on Disposal of Capital Assets	0	0
Interest Expense	(2,974)	0
Net Non-Operating Revenues (Expenses)	1,178,457	2,368
INCOME (LOSS) BEFORE TRANSFERS	(879,104)	(1,658,252)
Transfers In	0	0
Transfers Out	(307,490)	0
CHANGE IN NET POSITION	(1,186,594)	(1,658,252)
NET POSITION--Beginning of Year (As restated)	19,994,007	2,356,201
NET POSITION--End of Year	18,807,413	697,949
Adjustment due to consolidation of internal service fund activities related to enterprise funds	(243,936)	
Change in net position of business-type activities	(1,430,530)	

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts from Customers	$13,536,138	$0
Cash Receipts from Other Funds and Employees for Services	0	7,809,925
Cash Receipts for Claims Reimbursements	0	25,190
Cash Payments to Employees for Services	(6,079,952)	(41,327)
Cash Payments to Suppliers and Other Funds for Goods and Services	(8,355,523)	(7,693,451)
Cash Payments for Claims	0	(502,221)
Net Cash Provided (Used) By Operating Activities	(899,337)	(401,884)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Property Taxes Received	1,175,543	0
Gifts And Donations Received	5,400	0
Cash Received from Tax Anticipation Borrowing	997,829	0
Tax Anticipation Borrowing Repaid	(971,120)	0
Interest Paid on Tax Anticipation Borrowing	(2,974)	0
Cash Received from Intergovernmental Borrowing	0	0
Transfers/Loans Paid To Other Funds	(307,490)	0
Net Cash Provided (Used) By Non-Capital Financing Activities	897,188	0
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Cash Received from Sale of Capital Assets	0	0
Payments for Acquisition and Construction of Capital Assets	(336,897)	0
Net Cash Provided (Used) By Capital and Related Financing Activities	(336,897)	0
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Interest Received on Investments and Bank Deposits	488	2,368
Net Cash Provided (Used) By Investment Activities	488	2,368
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(338,558)	(399,516)
Cash and Cash Equivalents at Beginning of Period	705,187	2,176,019
Cash and Cash Equivalents at End of Period	366,629	1,776,503

Non-cash Investing, Capital and Financing Activities:
In fiscal yeat 2015, the Nursing Home Enterprise Fund did not receive any non-cash donations.

The notes to the financial statements are an integral part of this statement.

COUNTY OF CHAMPAIGN, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
RECONCILIATION OF OPERATING INCOME (LOSS) TO
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	($2,057,561)	($1,660,620)
Adjust For Non-Cash Revenue/Expense:		
Depreciation Expense	729,799	0
Increase (Decrease) in Estimated Claims Payable	0	1,651,222
Increase (Decrease) in Net Obligation for OPEB	21,723	0
Decrease (Increase) in Net Deferred Inflows/Outflows	(1,122,473)	0
Increase (Decrease) in Net Pension Liability	1,539,668	0
Adjust For Non-Revenue/Expense Cash Flows:		
Decrease (Increase) in Receivables	223,451	657
Decrease (Increase) in Intergovernmental Receivables	0	0
Decrease (Increase) in Due From Other Funds	(35,456)	137,820
Decrease (Increase) in Inventories	(15,347)	0
Decrease (Increase) in Prepaid Items	(59,453)	14,118
Decrease (Increase) in Salaries & Comp Absences Payable	(45,733)	0
Increase (Decrease) in Payables	(182,068)	(490,459)
Increase (Decrease) in Due To Other Govts	43,480	0
Increase (Decrease) in Due To Other Funds	60,633	(35,929)
Increase (Decrease) in Unearned Revenue	0	(17,029)
Increase (Decrease) in Unremitted Payroll Withholdings	0	(1,664)
Net Cash Provided (Used) By Operating Activities	(899,337)	(401,884)

The notes to the financial statements are an integral part of this statement.

Exhibit VIII

COUNTY OF CHAMPAIGN, ILLINOIS
FIDUCIARY FUNDS
FIDUCIARY STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash	$1,341,217	$2,462,105
Investments	0	1,275,277
Receivables:		
Other	0	0
Intergovernmental	279,886	7,404
Accrued Interest	0	0
Total Assets	1,621,103	3,744,786
LIABILITIES		
Accounts Payable	27,217	0
Due to Other Funds	0	0
Funds Held for Others	0	3,744,786
Total Liabilities	27,217	3,744,786
NET POSITION		
Held in Trust for Other Governments	1,593,886	0

The notes to the financial statements are an integral part of this statement.

Exhibit IX

COUNTY OF CHAMPAIGN, ILLINOIS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	Private Purpose Trust Funds
ADDITIONS:	
Intergovernmental Revenue	$2,831,703
Investment Earnings	5,741
Miscellaneous	0
Total Additions	2,837,444
DEDUCTIONS:	
Township Road & Bridge Maintenance	3,184,328
Total Deductions	3,184,328
CHANGE IN NET POSITION	(346,884)
NET POSITION--Beginning of Year	1,940,770
NET POSITION--End of Year	1,593,886

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Champaign, Illinois conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant policies:

A. THE ENTITY

Champaign County was incorporated February 20, 1833. Like all Illinois counties, Champaign County is responsible for maintaining the judicial system, collecting and disbursing property taxes for all local governments located within the county, maintaining county roads and conducting elections. With the exception of Cook County, no Illinois counties are home-rule units of government and, therefore, they may collect and spend money only as specified by state law.

The primary government consists of the funds and departments described on pages 11-21. Several boards and commissions appointed by the County Board are included as part of the primary government, because they are not legally separate. These are the Mental Health Board, the Developmental Disability Board, the County Public Health Board, the Nursing Home Board of Directors, the Regional Planning Commission, the Board of Review and the Zoning Board of Appeals.

A legally separate organization should be included as a component unit of the primary organization if the primary government is financially accountable for the organization. Financial accountability exists if: (1) the primary government appoints a voting majority of the organization’s governing body, and (a) it is able to impose its will on the organization, or (b) the organization provides financial benefits or imposes financial burdens on the primary government; OR (2) the organization is fiscally dependent on the primary government. There were no agencies which met the criteria for inclusion as a component unit of Champaign County.

Related organizations for which the County Board appoints a voting majority of the governing body, but for which the County is not financially accountable, are not included in the reporting entity. These include drainage districts, sanitary districts, fire protection districts, public water districts, cemetery associations, the forest preserve district, the housing authority, the mass transit district and the public aid appeals commission.

A joint venture is an organization that is jointly controlled by two or more participants, in which the participants retain an on-going financial interest or responsibility. The County is a member of the METCAD (Metropolitan Computer Aided Dispatch) joint venture with the City of Champaign, the City of Urbana and the University of Illinois. The County is also a member of the Geographic Information System (GIS) Consortium joint venture with the City of Champaign, the City of Urbana, the University of Illinois, the Village of Rantoul, the Village of Savoy and the Village of Mahomet. The County’s equity interest in METCAD and the GIS Consortium joint ventures is reported as an investment in joint ventures in the Statement of Net Position. See Note 26 on joint ventures.

A jointly governed organization for which the County does not have an on-going financial interest or responsibility is the Job Training Partnership Act Consortium of Champaign, Ford, Iroquois and Piatt Counties. Jointly governed organizations are not included in the reporting entity.

B. FUND ACCOUNTING

The accounts of the County are organized on the basis of various individual funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government monies are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent. Funds are classified into several categories and types. Governmental funds include the general fund, special revenue funds, debt service funds and capital projects funds. Proprietary funds include enterprise funds and internal service funds. Fiduciary funds include private-purpose trust funds and agency funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(1) Government-wide Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) display the financial position and results of operations for the entity Champaign County government, excluding the fiduciary funds. Both statements separately report governmental activities and business-type activities. Governmental activities are generally financed with taxes and intergovernmental revenues and are accounted for in governmental and internal service funds. Business-type activities are financed largely through user fees charged to external parties and are reported in an enterprise fund. Interfund activity is eliminated from the government-wide statements to reduce the doubling effect it creates. Allocations of overhead expenses are eliminated so that the expenses are reported only in the functions to which they were allocated. Interfund receivables and payables are reduced to just the net residual amounts due between governmental and business-type activities, which are then reported as internal balances.

The Statement of Activities reports direct expenses related to specific functions. Those expenses are then offset by the program revenues directly attributable to each function. Program revenues include charges for services, licenses and permits, fines and forfeitures, and grants and contributions. Taxes, investment income and other revenue not attributable to specific programs are reported as general revenues.

(2) Fund Financial Statements

Fund financial statements are presented for the governmental funds, the proprietary funds and the fiduciary funds. The fund statements focus on major individual funds, with non-major funds reported in aggregate.

Major governmental funds include the General Fund, which is the principal operating fund for the County; the Mental Health Fund, which uses property taxes to fund mental health agencies; and the Regional Planning Commission Fund, which uses intergovernmental grants and contracts to provide housing/home energy assistance, community services, senior services, economic development assistance, transportation planning and police training.

The major (and only) enterprise fund is the Nursing Home Fund, which is the operating fund for the County Nursing Home. Other proprietary funds include internal service funds created to provide risk financing and employee health and life insurance for other County funds, mostly related to governmental activities.

The fiduciary funds include two private-purpose trust funds, in which the County Engineer acts in a trustee capacity on behalf of townships to use state funding to maintain township roads and township bridges. These resources are not available to support the County's own programs. The fiduciary funds also include agency funds, whose purpose is to report resources, such as property taxes and circuit court fees and fines, held in a custodial capacity for external individuals, organizations and governments. Resources held for other County funds are reported in the appropriate County funds rather than the agency funds.

D. FUND BALANCE/NET POSITION REPORTING

Fund balances in governmental funds are classified according to the level of constraints on how amounts in those funds can be spent: non-spendable, restricted, committed, assigned or unassigned. Non-spendable amounts are either not in spendable form or are legally required to be kept intact. Restricted amounts may only be spent according to externally imposed constraints or legally enforceable enabling legislation. Fund Balance may be committed to a specific purpose by resolution or ordinance passed by the County Board. A

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. FUND BALANCE/NET POSITION REPORTING

commitment may only be rescinded by the same formal action of the County Board. Fund balance may also be assigned (or unassigned) to a purpose by the County Administrator or a Committee of the County Board in accordance with County Board budget policies.

When both restricted and unrestricted resources are available for the same purpose, restricted resources are used first. Within unrestricted fund balance, resources committed to a specific purpose are used first, then assigned resources, and then unassigned.

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, restricted by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

E. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense; information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF); and, additions to/deductions from IMRF's fiduciary net position, have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

F. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

(1) Government-wide Financial Statements

The measurement focus for the government-wide financial statements is the flow of economic resources, using the accrual basis method of accounting. On this basis, revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year for which the taxes are levied, generally, the year after the levy is passed. Grants are recognized as revenue when eligibility requirements are met, such as allowable costs having been incurred.

(2) Governmental Funds

The measurement focus for governmental funds is the flow of current financial resources. All governmental funds are accounted for using the modified accrual basis method of accounting.

On this basis, all material sources of revenue are recognized when they become measurable and available. "Available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For the County, this translates to 60 days after the end of the fiscal year, which corresponds with the expiration of appropriations according to County ordinance. Major sources of revenue susceptible to accrual when collectible within 60 days of year-end include property taxes, sales taxes, income taxes, personal property replacement taxes, other intergovernmental revenues, charges for services and investment interest.

Material amounts of expenditures are recognized when the liability is incurred, as long as they are due to be paid from expendable available financial resources. Thus, accumulated unpaid vacation, sick leave

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

and personal leave are only accrued when they become currently payable; and principal and interest on general long-term debt are only recognized when due.

(3) Proprietary Funds

The measurement focus for proprietary funds is the flow of economic resources. All proprietary funds are accounted for using the accrual basis method of accounting. On this basis, revenues are recognized when they are earned and expenses are recognized when a liability is incurred.

Proprietary funds operating revenues consist of charges for services and miscellaneous revenue resulting from the provision of services to users. In the enterprise fund, this means Nursing Home patient revenue, including Medicaid, Medicare and other insurance payments received for patient accounts. Operating expenses are those incurred in providing patient care. In the internal service funds, operating revenue includes interfund billings for insurance coverage and claims. Operating expenses are expenses incurred in providing the services, such as insurance premiums and claims expenses.

(4) Fiduciary Funds

The measurement focus for fiduciary funds, other than agency funds, is the flow of economic resources. All fiduciary funds, including agency funds, are accounted for using the accrual basis method of accounting. Fiduciary funds do not report revenues or expenditures, but rather report increases and decreases in net position. Since agency fund assets always equal liabilities, the net position is always zero, and, thus, changes in the fiduciary net position are not reported for agency funds.

G. INVESTMENTS AND CASH EQUIVALENTS

Under Illinois law (30 ILCS 235/2), county money may be invested in interest-bearing deposits at federally insured banks/savings and loans/credit unions, certain commercial paper, bonds issued by local governments, short term discount obligations of the Federal National Mortgage Association, securities issued by the U.S. Treasury or other federal agencies, money market mutual funds limited to U.S. Government securities, repurchase agreements involving government securities and certain other securities, and the State Treasurer's investment pool. The State Treasurer's investment pool falls under the regulatory oversight of the State of Illinois Legislature.

Deposits in banks or savings associations are valued at cost. Repurchase agreements, considered nonparticipating interest-earning investment contracts, are valued at cost. The fair value of the position in the state treasurer's investment pool is the same as the value of the pool shares. Investments in mutual funds, commercial paper, U.S. Treasury securities and other federal agency obligations are reported at fair value determined by the current share price or quoted market prices. Changes in fair value of these investments are recognized as an increase or decrease to investment income on the operating statements.

For purposes of the statement of cash flows, the proprietary funds consider short-term highly liquid investments, including time deposits at financial institutions, to be cash equivalents. Resident Trust Accounts are not considered to be cash equivalents.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. RECEIVABLES AND PAYABLES

Receivables and payables are reported net of an allowance for uncollectible amounts, if applicable. Short term receivables and payables between funds are reported as due from/to other funds. Non-current amounts are reported as advances to/from other funds. In the government-wide statements, inter-fund receivables and payables remaining between governmental activities and business-type activities after the elimination of inter-fund activity are reported as internal balances. These internal balances net to zero in the government total column.

I. INVENTORIES

Inventories are valued at cost on a first in, first out (FIFO) basis, and are accounted for by the consumption method. Inventories in the Nursing Home Enterprise Fund consist of food and operating supplies held for consumption.

J. PREPAID ITEMS

In governmental funds, prepaid expenditures, such as insurance or service contracts, are recognized as expenditures when purchased rather than over the term involved. In proprietary funds, prepaid expenses are deferred and expensed over the term when the services are received.

K. CAPITAL ASSETS

(1) Governmental Activities

Capital assets purchased for use in governmental activities are recorded as expenditures in governmental funds at the time of purchase. Governmental capital assets are reported in the government-wide financial statements, offset by accumulated depreciation. Capital assets are valued at actual or estimated historical cost, while donated capital assets are valued at fair value as of the date donated. Equipment valued at or above $5,000, buildings and land improvements valued at or above $25,000, infrastructure valued at or above $100,000, and land of any value are capitalized. Depreciation is calculated on all assets, other than land and construction in progress, using the straight line method with the following estimated useful lives:

Buildings – New Construction:	40 years	Infrastructure – Roads:	15 years
Buildings – Improvements:	15 years	Infrastructure – Bridges:	50 years
Equipment:	5-10 years	Land Improvements:	15 years

(2) Business-type Activities (Nursing Home Enterprise Fund)

Nursing Home Enterprise Fund capital assets valued at $2,500 or more are capitalized within the fund. This capitalization threshold follows Illinois Department of Healthcare & Family Services guidelines. Capital assets are stated at actual or estimated historical cost. Donated fixed assets are valued at their fair market value on the date donated. Depreciation is computed on the straight-line method over the estimated useful life of the asset. Estimated useful lives following the American Hospital Association Guidelines are:

Buildings – New Construction:	40 years	Land Improvements:	15 years
Buildings – Improvements:	5-20 years	Equipment:	5-20 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. COMPENSATED ABSENCES

Accumulated unpaid vacation and personal leave (compensated absences) are accrued in governmental funds only when they become currently payable, due to the employee using benefit time or terminating employment. A liability for unpaid compensated absences, plus the related FICA, is reported in the government-wide statements in the period in which it is incurred. Accrued compensated absences, plus the related FICA, for proprietary funds are reported as a liability in the proprietary fund statements and the government-wide statements in the period in which it is incurred.

M. DEFERRED OUFLOWS OF RESOURCES

Decreases in net position or fund equity that relate to future periods are reported as deferred outflows of resources in a separate section of the County's government–wide and proprietary funds statements of net position or governmental fund balance sheet. The County has one type of deferred outflow of resources related to pension expense to be recognized in future periods.

N. DEFERRED INFLOWS OF RESOURCES

The County's governmental activities and governmental fund financial statement element reflects an increase in net position or fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has three types of items which occur related to revenue recognition. One occurs because property tax receivables are recorded in the current year but the revenue will be recorded in the subsequent year since it is not available by fiscal year end. The other occurs as various other receivables are recorded for which the revenue will be recorded in the fund statements when it becomes available in the subsequent year. The third type of deferred inflow of resources relates to the pension liability and income that will be recognized in future periods.

NOTE 2 – RECONCILIATION OF FUND STATEMENTS TO GOVERNMENT-WIDE STATEMENTS

A. Governmental Funds to Governmental Activities

A reconciliation is provided with the governmental funds balance sheet (Exhibit III-a) to explain the difference between fund balances in the governmental funds and net position in governmental activities on the government-wide statement of net position. The major differences are: (1) capital assets are not reported in governmental funds, (2) investment in the equity of joint ventures is not reported in governmental funds, (3) assets and liabilities of internal service funds related to governmental activities are not reported in governmental funds, (4) receivables and payables arising from the full accrual of revenues and expenses are not reported in governmental funds under the modified accrual basis of accounting, and (5) long term liabilities are not reported in governmental funds.

A reconciliation is provided with the governmental funds statement of revenues, expenditures and changes in fund balances (Exhibit IV-a) to explain the difference between the change in fund balances in the governmental funds and the change in net position for governmental activities on the government-wide statement of activities. The major differences are: (1) capital outlay expenditures are not reported in the government-wide statement, while depreciation expense and gains/losses on disposal of capital assets are not reported in governmental funds; (2) the change in investment in the equity of joint ventures is not reported in governmental funds; (3) the net revenue/expense of internal service funds related to governmental activities is not reported in governmental funds; (4) full accrual of revenues and expenses are not reported in governmental funds under the modified accrual basis of accounting; and (5) debt proceeds, debt principal repayments and payments to a bond refunding escrow agent are not reported in the government-wide statement; while bond premium and additional costs of reacquisition of refunded bonds are deferred and amortized over the life of the debt on the government-wide statement.

B. Enterprise Funds to Business-Type Activities

Enterprise funds and the government-wide statements follow the same measurement focus and basis of accounting, so the enterprise fund financial information flows essentially unchanged from the fund financial statements to the business-type activities on the government-wide financial statements. The only difference (as shown on the proprietary fund financial statements, Exhibits V and VI) arises from reporting the portion of the net revenue/expense of the internal service funds that relates to the enterprise fund in the business-type activities on the government-wide statements.

NOTE 3 – BUDGETS AND BUDGETARY BASIS OF ACCOUNTING

A. Budgetary Process

County department heads submit their budget requests in the summer prior to the start of the fiscal year on January 1. The County Administrator reviews the department requests and makes recommendations to the Finance Committee of the County Board. Budget hearings are held during the summer months, after which the Finance Committee directs the County Administrator to make specific changes in some department budgets. The County Administrator prepares the tentative Budget document, which is usually approved by the County Board in September. Additional changes are approved by the Finance Committee in October and November. These changes are incorporated into the Final Budget document which is then approved by the County Board in November in simple majority.

NOTE 3 – BUDGETS AND BUDGETARY BASIS OF ACCOUNTING (continued)

B. Level of Budgetary Control

Formal budgetary control is employed during the year for all County funds (governmental and proprietary) except fiduciary funds (trust and agency), as required by Illinois law. The legal level of budgetary control is by personnel and non-personnel account categories within a department within s fund. Transfers within departments between accounts in the same category are made by written request of the department to the County Auditor. Transfers in and out of the personnel category and transfers between accounts in different departments, administered by different department heads, must be approved by the Finance Committee and then by a two-thirds majority vote of the full County Board.

C. Amendments to the Budget

Requests for supplementary appropriations must also be approved by the Finance Committee and by a two-thirds majority vote of the full County Board.

D. Budgetary Basis of Accounting

All governmental funds and proprietary funds have legally adopted budgets on a modified accrual basis. Appropriations lapse 60 days after the end of the fiscal year. County ordinance provides that balances remaining in County appropriations shall be available for sixty days after the close of the fiscal year to pay for goods or services that were delivered prior to the close of the fiscal year.

Because proprietary fund budgets are not on a full accrual basis and because appropriations lapse 60 days after year-end, the legally adopted budget is not on a basis strictly consistent with generally accepted accounting principles (GAAP).

E. Encumbrances

Encumbrance accounting is used in all funds, and is also on the modified accrual basis. Purchase orders are required for any purchase exceeding $5,000. The amount is encumbered (provided sufficient appropriations are available) before the order is approved. Encumbrances must be re-established in the following year if the goods or services were not received by December 31.

NOTE 4 – RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

The actual results of operations are presented in accordance with generally accepted accounting principles (GAAP) as described in Note 1-F. For budgetary comparisons, the actual results of operations are presented on the budgetary basis as described in Note 3-D. Adjustments necessary to convert the results of operations from the budgetary basis to the GAAP basis are mostly due to appropriations lapsing 60 days after year-end and proprietary funds having budgets on the modified accrual basis, while GAAP requires the full accrual basis. There are also reclassifications between revenues, expenditures and operating transfers which do not affect fund balance/net position, e.g. reclassifications of interfund reimbursements as reductions of expenditures. These reclassifications which do not affect fund balance/net position are not reported in the conversion from budgetary basis to GAAP basis. The adjustments which do affect fund balance/net position and which are shown in the individual fund financial statements are summarized below.

NOTE 4 – RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS (continued)

Fiscal Year Ended December 31, 2015:	Nursing Home Fund	Self-Funded Insurance Fund	General Fund	Regional Planning Com. Fund	Mental Health Fund	Other Non-Major Govt Funds
Budgetary Basis Change in Fund Balance or Net Position	($286,633)	($47,360)	$922,833	($106,160)	$489,010	$1,400,220
REVENUES AND OTHER SOURCES:						
Interfund transfers into escrow account recognized as other financing source when transferred rather than when spent				50,739		
Prepaid revenues deferred until earned			(111,385)			
Adjustment for timing differences - revenue recognized in the period when earned	380,516		440,052		128,404	474,619
Decrease (increase) in allowance for uncollectible accounts receivable and revenue write-offs			(120,729)			(289,690)
EXPENDITURES /EXPENSES AND OTHER USES:						
Increase (decrease) in inventories and prepaid items	15,601					
Adjustment for timing differences - expenses recognized in the period when incurred	(167,514)		(26,346)	30,869		423,574
Decrease (increase) in bad debt allowance for uncollectible loans receivable						(4,637)
Capital asset acquisitions and disposals	336,898					
Depreciation expense	(729,799)					
Bad debt expense	(355,500)					
Pension expense	(417,195)					
Decrease (increase) in accrued compensated absences payable	58,755					
Decrease (increase) in net OPEB liability	(21,723)					
Decrease (increase) in estimated claims payable		(1,586,846)				
GAAP Basis Change in Fund Balance or Net Position	(1,186,594)	(1,634,206)	1,104,425	(24,552)	617,414	2,004,086

NOTE 5 – EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the fiscal year ended December 31, 2015, services expenditure in the Illinois Municipal Retirement Fund exceeded appropriations by $11.

NOTE 6 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments at December 31, 2015 is shown below. Resident trust accounts report money in County custody, which belongs to residents of the County Nursing Home and County Jail.

	Asset Account Carrying Amounts (Reported as:)				Bank
DEPOSITS 12/31/2015	Cash	Investments	Resident Trust	Total	Balances
Demand Deposits	$36,415,825	$0	$32,097	$36,447,922	$37,844,654
Money Market / Savings	0	629,157	0	629,157	629,157
Certificates of Deposit:					
Up to 3 months maturity	0	0	0	0	0
Over 3 mos. up to 12 mos. maturity	0	746,382	0	746,382	746,382
Over 12 mos. up to 24 mos. maturity	0	0	0	0	0
Total Deposits	36,415,825	1,375,539	32,097	37,823,461	39,220,193

	Asset Account Carrying Amounts (Reported as:)				Fair
INVESTMENTS 12/31/2015	Cash	Investments	Resident Trust	Total	Value
State Treasurer Investment Pool	$3,927,764	$0	$0	$3,927,764	$3,927,764
Repurchase Agreements	0	0	0	0	0
Total Investments	3,927,764	0	0	3,927,764	3,927,764

		Investment Maturities (in Years)		Percent
INVESTMENTS 12/31/2015	Fair Value	Less Than 1	1 - 2	of Total
State Treasurer Investment Pool	$3,927,764	$3,927,764	$0	100.00%
Repurchase Agreements	0	0	0	0.00%
Total Investments	3,927,764	3,927,764	0	100.00%
Percent of Total	100.00%	100.00%	0.00%	

Custodial Credit Risk. Deposits are subject to custodial credit risk if uninsured and uncollateralized or covered by collateral that is not in the County's name. It is County policy to require collateral at 110% of market value for deposit balances beyond FDIC/NCUSIF insurance coverage. At December 31, 2015, no deposits were uninsured or uncollateralized.

Investment pools and mutual funds are not subject to custodial credit risk, because they are not evidenced by securities that exist in physical or book entry form.

Other investments are subject to custodial credit risk if the securities are uninsured and unregistered and held by the financial institution's trust department or agent, but not in the County's name. None of the County's investments at December 31, 2015 were exposed to this risk.

NOTE 7 – PROPERTY TAX CYCLE

A. Assessments

Property is assessed by elected township assessors at one-third the market value as of January 1 each year. This is the date, called the lien date, on which property taxes “attach” to the property. The township assessors’ books are turned in to the County Supervisor of Assessments by June 1 in quadrennial assessment years and April 15 in other years. (2011 was the last quadrennial assessment year.) The Board of Review, a three-member panel appointed by the County Board, takes action on assessment complaints and applies individual township multipliers to those townships which they determine have not been assessed at one-third. This process equalizes the average ratio of assessments to market value among townships. The Illinois Department of Revenue analyzes the work of the Board of Review and may assign a county-wide multiplier to bring the entire county’s ratio into line with other counties throughout the state.

B. Taxpayer Appeals

Taxpayers may file a complaint with the Board of Review if they feel their assessments are too high, and, if not satisfied, they may further appeal to the state Property Tax Appeals Board. However, tax levies are determined by local governments, not by assessors.

C. Property Tax Levies

The property tax levy for the year ended December 31, 2015 was adopted by the County Board on November 20, 2014, within the statutory deadline (the third Tuesday in December) for all taxing districts. Property tax levies are reported as receivables and deferred inflows of resources in the year in which they are adopted. They are recognized as revenue in the year for which they are levied, which is the following year.

D. Tax Bills

Illinois statutes require payment of property taxes in two installments, due June 1 and September 1, and require that tax bills be mailed 30 days prior to the first installment. In 2015, tax bills were mailed on April 28 with the due dates of June 1 and September 1. Property tax bills mailed in 2015 were based on equalized assessed value as of January 1, 2014, and on tax levies set in November 2014.

E. Tax Judgment Date and Sale Date

The judgment date is the date at which taxing authorities have a right to take and hold or sell property for nonpayment of taxes. Under Illinois law, the judgment date fluctuates, but is generally the third week in October. The date is set by a judge of the circuit court, after all of the requirements are met for advertising and publishing the delinquent tax list. Statutes require the tax sale to be within five business days following the judgment date. In 2015, the judgment date was October 22 and the tax sale was held October 23.

F. Tax Distributions

The County Treasurer is also the County Collector who handles the collection and distribution of property taxes for all taxing bodies in the county. The Collector generally distributes taxes to the taxing bodies shortly after taxes are collected. The County may not keep tax receipts on behalf of other units of local government beyond thirty days. Interest earned on taxes before distribution must go to the local governments and may not be kept by the County. In 2015, all property taxes were distributed by November 17.

NOTE 8 – PROPERTY TAXES RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES

Property taxes receivable consist of property taxes levied in 2015, for which a legal claim exists in 2015. The revenue associated with the 2015 levy is deferred until the fiscal year ending December 31, 2016 on the government-wide and the proprietary fund statements, because that is the period for which the taxes are levied. Property tax revenues are also deferred inflows of resources on the governmental fund statements, because the taxes are not available (collectible within thirty days of the fiscal year-end). The receivable for the 2015 tax levy has been reduced by an estimated allowance for uncollectible taxes of 0.65%, which is based on an average of the previous ten years. A summary by fund type of property taxes receivable at December 31, 2015 is below.

Fund Type	Property Taxes Levied	Allowance for Uncollectible	Property Taxes Receivable	Deferred Inflows of Resources
Governmental:				
General	$10,185,072	($66,203)	$10,118,869	$10,118,869
Special Revenue	18,638,592	(121,151)	18,517,441	18,517,441
Capital Projects	0	0	0	0
Debt Service	1,436,363	(9,336)	1,427,027	1,427,027
Subtotal Governmental	30,260,027	(196,690)	30,063,337	30,063,337
Proprietary:				
Enterprise	1,173,917	(7,631)	1,166,286	1,166,286
Total	$31,433,944	($204,321)	$31,229,623	$31,229,623

NOTE 9 – PATIENT ACCOUNTS RECEIVABLE AND CHARGES FOR SERVICES

Patient accounts receivable and charges for services in the enterprise fund as of December 31, 2015 have been reduced by an allowance for uncollectible amounts, determined by an analysis of individual patient accounts.

	Receivable	Revenue
Gross patient accounts receivable / revenue	$4,138,387	$14,255,038
Allowance for uncollectible amounts	($584,871)	($584,871)
Bad debt	$0	($355,500)
Patient accounts receivable / revenue, net of uncollectible amounts	$3,553,516	$13,314,667

NOTE 10 – ECONOMIC DEVELOPMENT AND REHABILITATION LOANS RECEIVABLE

The County, through its Regional Planning Commission Loan Funds, has various grant programs to administer economic development and housing rehabilitation loans to qualified businesses and individuals. The primary purpose of the economic development loan programs is to create new jobs. Principal repayments on loans may be used for any grant eligible purpose. At December 31, 2015, loans outstanding were as follows:

Program Loans Receivable (Net of Uncollectible Amounts)	12/31/14 Balance	Additions	Deductions	12/31/15 Balance	Current Receivable
Economic Development Loans Receivable:					
Community Services Block Grant Loans	$580,355	$0	($245,775)	$334,580	$60,985
Comm. Serv. Block Grant Recovery Act Loans	85,981	0	(47,715)	38,266	22,685
Community Development Recaptured Loans	1,974,332	0	(791,868)	1,182,464	116,418
USDA Iintermediary Relending Loans Receivable	216,737	225,000	(30,181)	411,556	48,327
Housing Rehabilitation Loans Receivable:					
County Housing Rehab Loans	195,689	0	(116,782)	78,907	9,688
HUD H.O.M.E. Program Loans	642,328	0	(19,067)	623,261	0
Total Loans Receivable	3,695,422	225,000	(1,251,388)	2,669,034	258,103

NOTE 11 – CAPITAL ASSETS

A. A summary of capital assets related to governmental activities for the fiscal year ended December 31, 2015 is presented below:

Governmental Activities	12/31/14 Balance	Additions	Deductions	12/31/15 Balance
Assets Not Being Depreciated:				
Land	$1,750,912	$226,358	$0	$1,977,270
Construction in Progress	3,361,219	2,282,194	(3,533,297)	2,110,116
Assets Being Depreciated:				
Infrastructure	71,494,745	3,297,059	(528,171)	74,263,633
Buildings and Improvements	74,767,174	730,254	0	75,497,428
Equipment	15,441,943	729,739	(829,307)	15,342,375
Assets Subtotal	166,815,993	7,265,604	(4,890,775)	169,190,822
Accumulated Depreciation:				
Infrastructure	(43,913,564)	(2,321,113)	528,171	(45,706,506)
Buildings and Improvements	(36,128,466)	(2,462,921)	0	(38,591,387)
Equipment	(12,880,490)	(1,016,070)	821,822	(13,074,738)
Accum. Depreciation Subtotal	(92,922,520)	(5,800,104)	1,349,993	(97,372,631)
Net Total	$73,893,473	$1,465,500	($3,540,782)	$71,818,191

NOTE 11 – CAPITAL ASSETS (continued)

B. A summary of capital assets related to business-type activities (Nursing Home) for the year ended December 31, 2015 follows:

Business-Type Activities	12/31/14 Balance	Additions	Deductions	12/31/15 Balance
Assets Not Being Depreciated:				
Construction in Progress	$0	$0	$0	$0
Assets Being Depreciated:				
Buildings and Improvements	23,768,952	193,453	0	23,962,405
Equipment	1,455,699	143,444	0	1,599,143
Assets Subtotal	25,224,651	336,897	0	25,561,548
Accumulated Depreciation:				
Buildings and Improvements	(4,900,866)	(621,001)	0	(5,521,867)
Equipment	(1,012,385)	(108,798)	0	(1,121,183)
Accum. Depreciation Subtotal	(5,913,251)	(729,799)	0	(6,643,050)
Net Total	$19,311,400	($392,902)	$0	$18,918,498

C. Current year depreciation expense was charged to the following functions:

Function	Governmental Activities	Business-Type Activities
General Government	$372,903	$0
Justice and Public Safety	2,527,531	0
Health	16,981	0
Education	73,560	0
Social Services	0	729,799
Development	41,352	0
Highways and Bridges	2,767,777	0
Total Depreciation Expense	$5,800,104	$729,799

NOTE 12 – INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at December 31, 2015 are summarized below.

Due To/From Other Funds

	Receivable	Payable
Major Governmental Funds:		
General Corporate	$495,874	$1,648,814
Regional Planning Commission	227,214	133,802
Mental Health	128,404	9,437
Major Enterprise Fund:		
Nursing Home	35,456	285,484
Non-Major Governmental Funds:		
RPC Economic Development Loan	0	13,454
2003 Nursing Home Bond	43,310	0
Developmental Disability	108,658	0
Geographic Information System	24,930	0
Working Cash	0	251
Recorder's Automation	28,124	3,173
Property Tax Interest Fee	0	59,705
Animal Control	0	14,432
Law Library	0	523
Public Safety Sales Tax	0	320,193
Court's Automation	33,360	565
Probation Services	0	14,400
Elections Assist/Accessibility Grant	0	20,538
State's Attorney Drug Forfeitures	45,044	9,000
Circuit Clerk Operations & Administration	0	338
State's Attorney Records Automation	4,942	0
Court Document Storage	3,728	45
Victim Advocacy Grant	37,088	49,986
Child Advocacy Center	0	2,285
County Public Health	33,165	0
Access Initiative Grant	0	1,710
County Clerk's Automation	38,469	0
Early Childhood	0	227,500
County Highway	155,842	112,147
County Bridge	35019	0
Highway Federal Aid Matching	2,836	0
Tort Immunity	46,879	1,584,307
Social Security	129,229	50
Illinois Municipal Retirement	179,097	57
Specialty Courts	56,188	239
Workforce Development	0	146,468
Capital Asset Replacement	841,386	0
Subtotal Non-Major Governmental	1,847,294	2,581,366

NOTE 12 – INTERFUND RECEIVABLES AND PAYABLES (continued)

	Receivable	Payable
Internal Service Funds:		
Self-Funded Insurance	$1,924,731	$38
Employee Health Insurance	0	32
Subtotal Internal Service	1,924,731	70
Total – All Funds	$4,658,973	$4,658,973

	Receivable	Payable
Advances To / From Other Funds:		
Major Governmental Fund:		
Regional Planning Commission	$12,500	$0
Non-major Governmental Fund:		
RPC Economic Development Loans	0	12,500
Total – All Funds	$12,500	$12,500

Of the $4,658,973 Due To/From Other Funds at December 31, 2015, $1,121,708 represented inter-fund loans to cover temporary cash flow shortfalls; $638,636 represents a distribution of surplus property taxes from the Urbana TIF; and the remainder represented unpaid routine inter-fund billings or transfers.

In FY1995, the RPC Loan Fund used $150,000 of existing escrow funds (see Note 13 below) from the Regional Planning Commission Fund plus $450,000 of future payments into escrow to loan $600,000 to the County for part of the cost of purchasing and remodeling the Brookens Administration Building, which the RPC offices would occupy. The amount due back to the Regional Planning Commission Fund from the RPC Loan Fund is classified as an inter-fund advance, since it is expected to be repaid through monthly payments over a long period of time. The outstanding balance of the advance from the Regional Planning Commission Fund to the RPC Loan Fund was $12,500 at December 31, 2015.

NOTE 13 – INTERFUND TRANSFERS AND RPC ESCROW ACCOUNT

	Transfers In	Transfers Out
Major Governmental Funds:		
General Corporate	$ 1,053,769	$ 998,168
Regional Planning Commission	391,117	251,931
Mental Health Board	100,000	0
Major Enterprise Fund:		
Nursing Home	0	307,490
Non-Major Governmental Funds (aggregate)	1,322,049	1,309,346
Internal Service Funds (aggregate)	0	0
Total – All Funds	$ 2,866,935	$ 2,866,935

NOTE 13 – INTERFUND TRANSFERS AND RPC ESCROW ACCOUNT (continued)

In FY2015, total inter-fund transfers in, $2,866,935, equal total transfers out, $2,866,935. Under the budgetary basis, transfers in and out are not equal due to the deferral of a portion of the transfer into the Regional Planning Commission Fund from the Regional Planning Commission Economic Development Loan Fund. CDAP and CSBG grant provisions require that investment interest earned plus a portion of loan repayments received under certain loan programs are placed in escrow to be used to pay the costs of administering these loan programs. Transfers out of the RPC Economic Development Loan Fund put the money into escrow. The money is taken out of escrow and reflected as a transfer into the Regional Planning Commission Fund only as it is needed to cover administrative costs incurred. Thus, the discrepancy between transfers in and transfers out is due to the amount remaining in escrow (deferred) until such time as there are costs incurred against which to match it. While this escrow account will continue to be reported in this way under the budgetary basis, the GAAP basis statements have this difference adjusted out. The adjustment made for the fiscal year ended December 31, 2015 was a $50,739 increase in the transfers into the Regional Planning Commission Fund.

Inter-fund transfers in/out include grant matches, inter-fund subsidies and transfers into debt service funds. Some significant transfers in fiscal year 2015 include: $307,490 from the Nursing Home Fund to the General Corporate Fund to cover bond principal and interest payments; $95,139 from the General Corporate Fund and $106,011 from the County Highway Fund to the Highway Facility Bond Debt Service Fund to cover bond principal and interest payments; $441,586 from the Public Safety Sales Tax Fund to the General Corporate Fund to partially cover utilities costs for the public safety buildings; $532,261 from the General Fund to the Capital Asset Replacement Fund to set aside money for future capital expenditures; $61,904 from the General Corporate Fund and $76,080 from the Public Safety Fund to the Capital Replacement Fund for Technology needs; $87,924 from the Public Safety Sales Tax Fund to the General Fund to offset the cost of one lieutenant; $100,000 from the Public Safety Fund to the General Fund for programs focusing on re-entry and/or mental health services for inmates of the Jail; and $100,000 from the Development Disability Board to the Mental Health Board to cover Administrative costs as well as to support the new Community Integrated Living Arrangement Initiative.

NOTE 14 – ON-BEHALF PAYMENTS FOR SALARIES

The State of Illinois paid salary stipends to various County officials during FY2015. These payments made by the state on behalf of the County were reported as intergovernmental revenues and salaries expenditures in the General Fund in the amount of $53,358.

NOTE 15 – COMPENSATED ABSENCES PAYABLE

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation and personal time, which is attributable to services already rendered and is not contingent upon events outside the control of the employer or employee, such as illness. Liabilities and the related expense for compensated absences payable are reported in the government-wide statements and are based on pay rates in effect at December 31 and include the County's share of Social Security and Medicare taxes. The Nursing Home Enterprise Fund recognizes expense and accrues fund liabilities for vacation and personal time benefits in the period in which they are earned. For governmental funds, the cost of these benefits and the related liabilities are recognized in the fund only when they become currently payable, pursuant to employees using benefit time or terminating employment. Compensated absences payable for the governmental activities are liquidated by the various governmental funds which pay employee salaries, such as the General Fund, Regional Planning Commission Fund, Early Childhood Fund, County Highway Fund, Animal Control Fund and Mental Health Fund.

NOTE 15 – COMPENSATED ABSENCES PAYABLE (continued)

Changes in compensated absences payable for the fiscal year ended December 31, 2015 are as follows:

	Dec. 31, 2014 Balance	Additions	Deductions	Dec. 31, 2015 Balance	Expected To Be Paid Within 1 Year
Governmental Activities	$2,965,750	$2,764,231	($2,862,437)	$2,867,544	$344,105
Business-Type Activities	351,941	416,474	(475,229)	293,186	58,637

NOTE 16 – RISK FINANCING

A. WORKERS' COMPENSATION SELF-FUNDED INSURANCE

In January, 1986, the County established a self-funded workers' compensation insurance plan, which is being accounted for in an internal service fund, the Self-Funded Insurance Fund. The plan is administered by an independent company. The County's risk retention is $250,000 per individual per claim. Commercial insurance has been purchased for claims in excess of this retention. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. Actual claims paid in the fiscal year ended December 31, 2015, net of insurance reimbursements, were $681,463. A liability for claims payable must be reported if the liability is both probable and estimable. The estimated amount of unpaid claims that were incurred and reported is determined by the independent plan administrator, but the plan administrator does not include incurred-but-not-reported claims (IBNR) in the calculation. Instead, based on an actuarial study completed in November 2015, the liability for estimated (undiscounted) claims payable including IBNR at December 31, 2015 was projected to be $2,146,072.

Changes in the liability for estimated workers' compensation claims payable for the last two fiscal years are as follows:

Fiscal Year Ending Dec 31	Claims Liability Beginning of Year	Claims Incurred & Changes in Estimates	Net Claims Paid	Claims Liability End of Year	Expected To Be Paid Within 1 Year
2014	1,328,178	727,574	(613,622)	1,442,130	460,932
2015	1,442,130	1,385,405	(681,463)	2,146,072	678,809

B. LIABILITY/AUTO SELF-FUNDED INSURANCE

The County began self-funding liability and auto insurance in FY94 through the Self-Funded Insurance (Internal Service) Fund. The plan is administered by an independent company. The County's risk retention is $250,000 per occurrence. Commercial insurance has been purchased for claims in excess of this retention. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. Actual claims paid in the fiscal year ended December 31, 2015, net of insurance reimbursements, were $218,137. A liability for claims payable must be reported if the liability is both probable and estimable. Per an actuarial study completed in November 2015, the liability for estimated (undiscounted) claims payable (including IBNR) at December 31, 2015 was projected to be $1,434,251. Changes in the liability for estimated liability/auto claims payable for the last two fiscal years are as follows:

NOTE 16 – RISK FINANCING (continued)

Fiscal Year Ending Dec. 31	Claims Liability Beginning of Year	Claims Incurred & Changes in Estimates	Net Claims Paid	Claims Liability End of Year	Expected To Be Paid Within 1 Year
2014	462,140	241,072	(216,241)	486,971	208,281
2015	486,971	1,165,417	(218,137)	1,434,251	465,946

C. OTHER FULLY-INSURED RISKS

Commercial insurance, with varying deductible amounts, has been purchased for all other risks of loss, such as property damage, boiler and machinery, Nursing Home medical malpractice, and public official bonds. Unemployment compensation is fully insured through the State of Illinois. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

The County provides employee health benefits in the form of set contributions toward medical and life insurance premiums. The employee is responsible for the balance of the premium amount as well as for any deductibles or co-payments. Risk of loss related to employee health benefits is borne by the employee and the insurance company or health maintenance organization; the County is at no risk of loss.

NOTE 17 – SHORT TERM DEBT

A. TAX ANTICIPATION WARRANTS – BUSINESS-TYPE ACTIVITIES

In December 2014 and 2015, the County Nursing Home issued short term debt in anticipation of property tax revenues to be received in May-November, 2014 and 2015. The purpose for issuing this debt was to be able to pay operating expenses of the Nursing Home prior to receipt of property tax revenues.

Series 2014 Tax Anticipation Warrants $971,120 due on September 30, 2015; interest rate at .55%;	
Balance outstanding at December 31, 2014	$971,120
Warrants issued in 2015	$0
Warrant interest payments made in 2015	$2,974
Warrant principal payments made in 2015	$971,120
Balance outstanding at December 31, 2015	$0

Series 2015 Tax Anticipation Warrants $997,829; due on September 30, 2016; interest rate at 1.14%;	
Balance outstanding at December 31, 2014	$0
Warrants issued in 2015	$997,829
Warrant interest payments made in 2015	$0
Warrant principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$997,829

NOTE 18 – LONG TERM DEBT

A. GENERAL OBLIGATION BONDS/DEBT CERTIFICATES – GOVERNMENTAL ACTIVITIES

1999 Series Public Safety Sales Tax Bonds: $23,800,000;
due in 29 annual installments from 2001 to 2029; interest rates 3.85% to 8.25%;
$17,660,000 refunded (in-substance defeasance) in FY 2005;
remaining annual installments due through 2023;

Balance outstanding at December 31, 2014	$4,850,000
Bond interest payments made in 2015	$400,125
Bond principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$4,850,000

2000 Series Public Safety Sales Tax Bonds: $4,997,290;
due in 15 annual installments from 2004 to 2018; interest rates 5.25% to 7.125%;
$1,370,000 refunded (in-substance defeasance) in FY 2004;
remaining annual installments due through 2018;

Balance outstanding at December 31, 2014	$1,388,058
Bond interest payments made in 2015	$764,508
Bond principal payments made in 2015	$490,492
Balance outstanding at December 31, 2015	$897,566

2005A Series Nursing Home Construction Refunding Bonds: $7,425,000;
due in 14 annual installments from 2006 to 2019; interest rates 3.00% to 5.25%;
$819,046 bond premium amortized over 13 years 7 months;
$96,404 deferred charge on refunding amortized over 13 years 7 months;

Balance outstanding at December 31, 2014	$4,465,000
Bond interest payments made in 2015	$234,412
Bond principal payments made in 2015	$1,030,000
Balance outstanding at December 31, 2015	$3,435,000

2005B Series Public Safety Refunding Bonds: $18,440,000;
due in 24 annual installments from 2006 to 2029; interest rates 3.00% to 5.25%;
$526,639 bond premium amortized over 23 years 7 months;
$1,071,441 deferred charge on refunding amortized over 23 years 7 months;
$11,625,000 refunded (in-substance defeasance) in FY2014

Balance outstanding at December 31, 2014	$3,315,000
Bond interest payments made in 2015	$166,888
Bond principal payments made in 2015	$715,000
Balance outstanding at December 31, 2015	$2,600,000

2006A Series Nursing Home Construction Bonds: $4,000,000;
due in 19 annual installments from 2008 to 2026; interest rates 3.95% to 5.50%;
$52,459 bond premium amortized over 19 years 4 months;
$2,505,000 refunded (in-substance defeasance) in FY2015

Balance outstanding at December 31, 2014	$2,700,000
Bond interest payments made in 2015	$112,490
Bond principal payments made in 2015	$195,000
Bond refunded (in-substance defeasance) in 2015	$2,505,000
Balance outstanding at December 31, 2015	$0

NOTE 18 – LONG TERM DEBT (continued)

2007A Series Public Safety Sales Tax Bonds: $5,955,000;
due in 19 annual installments from 2009 to 2027; interest rates 3.80% to 5.00%;
$117,468 bond premium amortized over 19 years 2 months;

Balance outstanding at December 31, 2014	$4,325,000
Bond interest payments made in 2015	$178,389
Bond principal payments made in 2015	$285,000
Balance outstanding at December 31, 2015	$4,040,000

2007B Series Highway Facility Construction Bonds: $1,480,000;
due in 9 annual installments from 2009 to 2017; interest rate 4.25%;
$41,422 bond premium amortized over 9 years 2 months;

Balance outstanding at December 31, 2014	$380,000
Bond interest payments made in 2015	$16,150
Bond principal payments made in 2015	$185,000
Balance outstanding at December 31, 2015	$195,000

2010A Series Art Bartell Building Construction Debt Certificates: $1,995,000;
due in 14 annual installments from 2012 to 2025; interest rates 2.00% to 4.90%;
$9,475 bond premium amortized over 13 years 11 months;

Balance outstanding at December 31, 2014	$1,520,000
Debt interest payments made in 2015	$65,340
Debt principal payments made in 2015	$125,000
Balance outstanding at December 31, 2015	$1,395,000

2011 Series Nursing Home Construction Refunding Bonds: $4,355,000;
due in 1 installment in 2012 plus 3 annual installments from 2020 to 2022;
interest rates 1.00% to 4.00%;
$268,253 bond premium amortized over 10 years 5 months;
$201,962 deferred charge on refunding amortized over 10 years 5 months;

Balance outstanding at December 31, 2014	$4,255,000
Bond interest payments made in 2015	$170,200
Bond principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$4,255,000

2014 Series Public Safety Refunding Bonds: $9,795,000;
due in 6 annual installments from 2024 to 2029; interest rate 5.00%;
$1,968,593 bond premium amortized over 14 years 1 month;
$138,834 bond issuance costs treated as period costs;
$0 deferred charge on refunding;

Balance outstanding at December 31, 2014	$9,795,000
Bond interest payments made in 2015	$538,725
Bond principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$9,795,000

NOTE 18 – LONG TERM DEBT (continued)

2015 Series Alternate Revenue Refunding Bonds: $2,535,000;
due in 10 annual installments from 2016 to 2025;
interest rates 0.65% to 2.55%;
$30,105 bond issuance costs treated as period costs;
$0 deferred charge on refunding;

Balance outstanding at December 31, 2014	$0
Bonds issued in 2015	$2,535,000
Bond interest payments made in 2015	$0
Bond principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$2,535,000

2015 Bond Transactions – Governmental Activities

Bonds payable December 31, 2014	$36,993,058
Bonds issued in 2015	$2,535,000
Bonds retired in 2015	$3,025,492
Bonds refunded in 2015	$2,505,000
Bonds payable December 31, 2015	$33,997,566

Annual Debt Service Requirements for Bonds

Annual bond debt service requirements, listed by fund from which repayments are made, are as follows:

	Governmental Activities						
	Debt Service Funds		Public Safety Sales Tax Fund		General Corporate Fund		Total Debt Service
Year	Principal	Interest	Principal	Interest	Principal	Interest	Requirement
2016	1,280,000	358,826	1,550,859	1,999,655	370,000	107,417	5,666,757
2017	1,145,000	293,575	1,606,707	1,967,594	375,000	99,060	5,486,936
2018	1,205,000	233,463	1,275,000	1,077,109	380,000	91,188	4,261,760
2019	1,365,000	170,200	1,350,000	1,014,640	390,000	82,660	4,372,500
2020	1,415,000	115,600	1,490,000	917,838	405,000	72,946	4,416,384
2021	1,475,000	59,000	1,640,000	809,962	415,000	62,206	4,461,168
2022	--	--	1,800,000	690,175	430,000	50,187	2,970,362
2023	--	--	1,725,000	557,825	440,000	37,129	2,759,954
2024	--	--	1,855,000	475,525	455,000	22,538	2,808,063
2025	--	--	1,990,000	386,670	270,000	6,885	2,653,555
2026	--	--	2,135,000	290,995	--	--	2,425,995
2027	--	--	1,815,000	188,250	--	--	2,003,250
2028	--	--	1,950,000	97,500	--	--	2,047,500
2029	--	--	--	--	--	--	--
	7,885,000	1,230,664	22,182,566	10,473,738	3,930,000	632,216	46,334,184

At December 31, 2015, $427,781 was available in restricted fund balance in the Debt Service Funds, $915,840 was available in restricted fund balance in the Public Safety Sales Tax Special Revenue Fund, and $227,265 was available in restricted fund balance in the General Corporate Fund to meet debt service requirements.

NOTE 18 – LONG TERM DEBT (continued)

B. DEBENTURE NOTE PAYABLE – GOVERNMENTAL ACTIVITIES

A 2015 Line of Credit was provided by PNC Bank for the primary purpose of purchasing two single family dwellings as part of a Community Integrated Living Arrangement included in the Mental Health Fund. The maximum line of credit is $1,000,000 and the outstanding credit is secured by the mortgage on the dwellings. Interest is at 3.903% per annum on the outstanding balance. Repayments are twice a year in January & July and is based on $1/20^{th}$ of the outstanding balance.

Balance outstanding at December 31, 2014	$0
Notes issued in 2015	$551,250
Note interest payments made in 2015	$0
Note principal payments made in 2015	$0
Balance outstanding at December 31, 2015	$551,250

C. INTERGOVERNMENTAL LOANS PAYABLE – GOVERNMENTAL ACTIVITIES

1995 loan from the Regional Planning Commission: $1,050,000; for the purpose of buying and remodeling the Brookens Administration Building; to be repaid over 20 years in monthly payments of $4,375 at 0% interest from June 1996 through June 2016;

Balance outstanding at December 31, 2014	$72,188
Loan principal payments made in 2015	$52,500
Balance outstanding at December 31, 2015	$19,688

2015 Intergovernmental Loan Transactions – Governmental Activities

Loans payable December 31, 2014	$72,188
New loans incurred in 2015	$0
Loan principal payments made in 2015	$52,500
Loans payable December 31, 2015	$19,688

Annual Debt Service Requirements for Intergovernmental Loans

Annual debt service requirements, listed by fund from which repayments are made, are as follows:

Fiscal Year	Governmental Activities General Corporate Fund Principal
2016	$19,688
	$19,688

NOTE 18 – LONG TERM DEBT (continued)

D. SUMMARY OF CHANGES IN LONG TERM LIABILITIES

	Dec. 31, 2014 Balance	Additions	Deductions	Dec. 31, 2015 Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	$36,993,058	$2,535,000	($5,530,492)	$33,997,566	$3,200,859
Unamortized Bond Premium	2,930,556	0	(276,882)	2,653,674	0
Total Bonds Payable	39,923,614	2,535,000	(5,807,374)	36,651,240	3,200,859
Debenture Note	0	551,250	0	551,250	53,747
Intergovernmental Loans	72,188	0	(52,500)	19,688	19,688
Net OPEB Liability	1,940,129	446,590	(205,839)	2,180,880	0
Compensated Absences	2,965,750	2,764,231	(2,862,437)	2,867,544	344,105
Estimated Claims Payable	1,929,101	2,155,314	(504,092)	3,580,323	1,144,755
Total Governmental Activities	46,830,782	8,452,385	(9,432,242)	45,850,925	4,763,154
Business-Type Activities:					
Net OPEB Liability	$190,814	$31,502	($9,779)	$212,537	$0
Compensated Absences	$351,941	$416,474	($475,229)	$293,186	$58,637
Total Business-Type Activities	542,755	447,976	(485,008)	505,723	58,637

Long term liabilities for estimated claims payable are liquidated by the Self-Funded Insurance (Internal Service) Fund. The internal service funds primarily serve the governmental funds, and, thus, the related long term liabilities are included with the governmental activities above.

NOTE 19 – REFUNDING BONDS

In 2015 Refunding Bonds issued to advance refund 2006A Nursing Home Construction Bonds. On December 2, 2015; $2,535,000 in general obligation bonds with interest rates of 0.65% to 2.55% were issued to advance refund $2,505,000 in general obligation bonds with interest rates of 3.95% to 4.125%. The net proceeds of the refunding bonds were placed in an irrevocable trust with an escrow agent to meet the debt service requirements of the 2006A Bonds. As a result, the 2006A bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position. The County completed the advance refunding to reduce its total debt service payment over the next 10 years by $272,770 and to achieve an economic gain of $245,979.

NOTE 20 – OPERATING LEASES

The County has entered into non-cancelable operating leases for the use of various facilities. During the fiscal year ended December 31, 2015, the total expenditure for these leases was $258,020. The future minimum lease payments are shown below:

Fiscal Year	Lease Payments
2016	204,414
2017	138,039
2018	97,701
2019	72,764
2020	50,698
2021-2023	81,153
	644,769

NOTE 21 – FUND EQUITY

A. DEFICIT FUND EQUITY

As of December 31, 2015, the following funds had deficit fund equity:

- Tort Immunity Special Revenue Fund ($1,545,504)
- Workforce Development Special Revenue Fund ($139,331), and
- Victim Advocacy Special Revenue Fund ($14,805)

These three deficit funds were partially restored via inter-fund loans authorized by Champaign County Board Resolution No. 9614. The Champaign County Board is addressing future deficit fund equity through the annual budget process with concentration on the Tort Immunity Special Revenue Fund.

NOTE 21 – FUND EQUITY (continued)

B. FUND BALANCE CLASSIFICATIONS – GOVERNMENTAL FUNDS

Fund balances of governmental funds may be restricted, committed or assigned to specific purposes. On the basic and combining fund balance sheets, the restricted, committed and assigned fund balances are reported in the aggregate. The major purposes of those restrictions, commitments and assignments are shown below.

	General Fund	Regional Planning Comm Fund	Mental Health Fund	Non-Major Governmental Funds	Total Governmental Funds
Restricted by State Statutes, Grantor/Donor Stipulations, or Debt Covenants:					
For Capital Projects	$0	$0	$0	$0	$0
For Debt Service	227,265	0	0	1,343,621	1,570,886
For Justice & Public Safety	0	0	0	4,311,669	4,311,669
For Health & Education	0	0	2,588,650	5,128,213	7,716,863
For Development	0	701,743	0	6,542,200	7,243,943
For General Government	0	0	0	1,447,804	1,447,804
For Highways & Bridges	0	0	0	7,927,535	7,927,535
For Insurance & Fringes	0	0	0	2,030,215	2,030,215
Total Restricted Fund Balance	227,265	701,743	2,588,650	28,731,257	32,248,915
Committed by County Board Resolution:					
To Solid Waste Management	0	0	0	67,084	67,084
Assigned by County Officials:					
To Capital Projects	0	0	0	1,437,741	1,437,741
To Future Tax Liability	307,427	0	0	45,383	352,810

NOTE 22 – GOVERNMENT-WIDE NET POSITION

The government-wide net position includes a restricted portion totaling $32,826,900. Of this amount, $20,562,327 is externally restricted by state statutes, $10,378,374 is restricted by grantor/donor stipulations, and $1,886,199 is restricted by debt covenants.

NOTE 23 – PRIOR PERIOD ADJUSTMENT

The County adopted a new accounting standard to conform with generally accepted accounting principles. The statement adopted, requiring restatement of net position, was Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions.* This pronouncement requires the restatement of the December 31, 2014 net position of the governmental activities as shown below:

Accordingly, the County's net position as of December 31, 2015 has been restated as follows:

	Governmental Activities
Net position , beginning of year as previously reported	$68,783,357
Adjustment for beginning deferred outflows/(inflows) of resources related to pensions	4,677,099
Adjustment for beginning net pension liability	(10,429,429)
Net position/fund balance , beginning of year as restated	$63,031,027

	Business-Type Activities	Nursing Home Fund
Net position , beginning of year as previously reported	$21,219,509	$20,845,960
Adjustment for beginning deferred outflows/(inflows) of resources related to pensions	692,704	692,704
Adjustment for beginning net pension liability	(1,544,657)	(1,544,657)
Net position/fund balance , beginning of year as restated	$20,367,556	$19,994,007

NOTE 24 - DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

The County of Champaign's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The County of Champaign's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2015, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	612
Inactive Plan Members entitled to but not yet receiving benefits	1,208
Active Plan Members	854
Total	2,674

NOTE 24 - DEFINED BENEFIT PENSION PLAN (continued)

Contributions

As set by statute, the County of Champaign's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County of Champaign's annual contribution rate for calendar year 2015 was 8.97%. For the fiscal year ended 12/31/2015, the County of Champaign contributed $4,190,286 to the plan. The County of Champaign 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The County of Champaign's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38.0%	7.39%
International Equity	17.0%	7.59%
Fixed Income	27.0%	3.00%
Real Estate	8.0%	6.00%
Alternative Investments	9.0%	2.75-8.15%
Cash Equivalents	1.0%	2.25%
Total	100.0%	

NOTE 24 - DEFINED BENEFIT PENSION PLAN (continued)

Single Discount Rate

A Single Discount Rate of 7.49% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	$ 190,541,156	$ 178,567,071	$ 11,974,085
Changes for the year:			
Service Cost	4,349,821	-	4,349,821
Interest on the Total Pension Liability	14,112,865	-	14,112,865
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	20,605	-	20,605
Changes of Assumptions	241,489	-	241,489
Contributions - Employer	-	4,190,286	(4,190,286)
Contributions - Employees	-	1,925,130	(1,925,130)
Net Investment Income	-	784,306	(784,306)
Benefit Payments, including Refunds of Employee Contributions	(8,511,268)	(8,511,268)	-
Other (Net Transfer)	-	(110,358)	110,358
Net Changes	10,213,512	(1,721,903)	11,935,415
Balances at December 31, 2015	$ 200,754,668	$ 176,845,168	$ 23,909,500

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.49%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.49%)	Current Discount (7.49%)	1% Higher (8.49%)
Net Pension Liability	$ 54,480,793	$ 23,909,500	$ (933,058)

NOTE 24 - DEFINED BENEFIT PENSION PLAN (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the County of Champaign recognized pension expense of $7,424,358. At December 31, 2015, the County of Champaign reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	$ 190,921	$ (224,578)
Changes of assumptions	2,514,009	(505)
Net difference between projected and actual earnings on pension plan investments	11,591,298	-
Total Deferred Amounts to be recognized in pension expense in future periods	$ 14,296,228	$ (225,083)
Pension Contributions made subsequent to the Measurement Date	-	-
Total Deferred Amounts Related to Pensions	$ 14,296,228	$ (225,083)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2016	$ 4,303,202
2017	3,819,610
2018	3,290,254
2019	2,652,123
2020	5,956
Thereafter	-
Total	$ 14,071,145

NOTE 25 – OTHER POST-EMPLOYMENT BENEFITS

The County provides post-employment benefits other than pensions through a single-employer defined-benefit OPEB plan offering continuing coverage under the County's group health insurance plan for retirees and their dependents. The retirees pay the entire amount of their premiums for this coverage; however, the premiums are blended rates based on the cost of healthcare benefits for younger active employees along with retirees. Thus, the premiums paid by retirees are lower than the true cost of their healthcare benefits, resulting in the retirees receiving an "implicit rate subsidy." Prior to FY2010, retirees over age 65 could choose the same health plans available to younger retirees and active employees. Starting in FY2010, retirees over age 65 were restricted to Medicare supplement plans with community-rated premiums, so there is no implicit rate subsidy for them.

While the County is committed to providing these benefits to retirees, there is no formal written plan and no stand-alone financial report for the plan exists.

GASB Statement No. 45 considers other post-employment benefits to be part of the compensation that is paid to employees for their services and the cost of these benefits should be recognized while the employees are providing their services, rather than after they've retired. The County first implemented GASB Statement No. 45 and began reporting the annual OPEB cost and net OPEB liability for the retiree health insurance rate subsidy for the fiscal year ended November 30, 2009.

Funding Policy. Retirees pay the full amount of the blended premiums, as determined by the group health insurance company. The retiree contribution rates for 2015 ranged from $229 to $1,307 per month, depending on coverage level chosen. The County's contribution is in the form of higher premiums paid for active employees that subsidize the cost of the retirees' health insurance. The plan is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The annual OPEB cost includes the cost of benefits earned in the current year plus an amortized amount for past service costs, interest accrued on any prior net OPEB obligation, and adjustments for prior underpayments. A net OPEB obligation arises when employer contributions to the plan are less than the annual OPEB cost. Based on an actuarial valuation performed in December 1, 2013, the County's annual OPEB cost for the fiscal year ended December 31, 2015 was calculated as $532,975 with $36,417 attributable to business-type activities and $496,558 attributable to governmental activities. Estimated County contributions made in FY2015 totaled $215,618 with $9,779 attributable to business-type activities and $205,839 attributable to governmental activities. The net OPEB obligation at December 31, 2015 was $2,393,417 with $212,537 attributable to business-type activities and $2,180,880 attributable to governmental activities.

Fiscal Year Ended December 31, 2015	Governmental Activities	Business-Type Activities	Total
Annual Required Contribution	$496,558	$36,417	$532,975
Interest on Prior Net OPEB Obligation	58,204	5,724	63,928
Adjustment for Prior Underpayments	(108,172)	(10,639)	(118,811)
Annual OPEB Cost	446,590	31,502	478,092
Employer Contributions	(205,839)	(9,779)	(215,618)
Increase (Decrease) in Net OPEB Oblig.	240,751	21,723	262,474
Beginning Net OPEB Obligation	1,940,129	190,814	2,130,943
Ending Net OPEB Obligation	2,180,880	212,537	2,393,417

NOTE 25 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Three-Year Trend Information

Year Ending	Annual OPEB Cost	% of OPEB Cost Contributed	Net OPEB Obligation
11/30/2013	$497,657	33.19%	$1,835,835
11/30/2011	$461,313	32.47%	$1,141,581
11/30/2009	$748,836	32.50%	$505,434

Funding Status and Funding Progress. Plan benefits are paid on a pay-as-you-go basis. The entire actuarial accrued liability of $4,934,823 is unfunded. Actuarial accrued liability is different from net OPEB Obligation in that it includes the present value of accrued benefits under the plan and not just the accumulated unpaid annual costs since the implementation of GASB Statement No. 45.

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of amounts and assumptions about future events that are subject to continual revision over time. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing costs between the employer and the plan members to that point. Actuarial calculations reflect a long-term perspective.

The actuarial cost method used for the 12/01/2013 valuation is the projected unit credit cost method. The unfunded accrued liability is being amortized on a closed basis over 30 years using the level dollar method. (To recognize the significant change in the plan effective December 1, 2009 regarding retirees over age 65, the initial accrued liability from December 1, 2008 was re-amortized over 29 years.) Significant assumptions used in the valuation were: (a) 3.0% discount rate; (b) healthcare cost trend rates of varying amounts for future years, starting with 6.60% for 2013 and ending with 4.50% for 2082 and later; (c) 25% of active participants retiring before age 65 will elect coverage; and (d) 30% of active participants will elect spouse coverage at retirement. Health insurance plans for retirees over age 65 (eligible for Medicare) have community-rated premiums, so there is no implicit rate subsidy for these retirees.

The schedule of funding progress presented as Required Supplementary Information in Exhibit XII shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 26 – JOINT VENTURES

A. METROPOLITAN COMPUTER AIDED DISPATCH (METCAD)

On December 1, 1981, Champaign County entered into an intergovernmental agreement with the City of Champaign, the City of Urbana and the University of Illinois for the purpose of operating an emergency response computer aided dispatching service (METCAD), which had been created by the other three participants in 1979. Each of the four member agencies designates 2 representatives, an administrative representative and a public safety (police or fire department) representative, to serve on the METCAD Policy Board. In addition, the Policy Board includes two rural representatives, one from a non-member police agency and one from a non-member fire agency.

While representation on the Policy Board is equal among the member agencies, the funding of operating expenses is based on a formula which considers the proportional number of calls received for each agency. Each member agency holds an equity interest in METCAD capital assets according to the proportion of funding for METCAD operations provided by each member agency since May 1, 1979. These proportions will vary slightly from year to year. At June 30, 2015 (the latest fiscal year end for METCAD), Champaign County's equity interest share was 16.91%, or $1,497,508, which is reported in the Statement of Net Position as an investment in joint venture. The net decrease of $32,568 from the amount reported for June 30, 2014, is reported in the Statement of Activities under functional expense for Justice and Public Safety.

A copy of the separate audited financial statements for METCAD may be obtained from the City of Champaign Finance Department, 102 N. Neil Street, Champaign, IL 61820. Summary financial information for METCAD for the fiscal year ended June 30, 2015 is provided below.

Financial Position as of June 30, 2015

Total Assets	$10,661,801
Total Liabilities	$1,806,046
Net Position	$8,855,755

Results of Operations for Fiscal Year Ending June 30, 2015

Total Revenues	$4,787,097
Total Expenses	$5,115,219
Change in Net Position	($328,122)
Beginning Net Position as Restated	$9,183,877
Ending Net Position	$8,855,755

NOTE 26 – JOINT VENTURES (continued)

B. GEOGRAPHIC INFORMATION SYSTEM CONSORTIUM

On August 20, 2002, Champaign County entered into an intergovernmental agreement with the City of Champaign, the City of Urbana, the University of Illinois, the Village of Rantoul, the Village of Savoy and the Village of Mahomet for the purpose of developing and operating a countywide geographic information system (GIS). The GIS Consortium's fiscal year parallels that of Champaign County as the lead agency. Therefore, its year-end is December 31, 2015. Each of the seven member agencies designates one voting representative to serve on the GIS Policy Committee. In addition, the Policy Committee includes one non-voting representative of small or specialized governmental users and one non-voting representative of the non-governmental sector.

While representation on the Policy Committee is equal among the member agencies, the funding of operating expenses is based on a cost-sharing formula established by the members. Each member agency holds an equity interest in the GIS Consortium's assets in the same proportion as the funding provided by each member agency since the Consortium's inception. These proportions will vary from year to year. At December 31, 2015 Champaign County's equity interest share was 61.50%, totaling $178,916, which is reported in the Statement of Net Position as an investment in joint venture. The net increase of $20,205 in the County's share of equity for the fiscal year ended December 31, 2015 is reported in the Statement of Activities under functional revenue for development.

Separate audited financial statements of the GIS Consortium may be obtained from the Champaign County GIS Department, 1776 E. Washington, Urbana, IL 61802. Summary financial information for the fiscal year ended December 31, 2015 is presented below.

Financial Position as of December 31, 2015

Total Assets & Deferred Outflows	$445,162
Total Liabilities	$154,242
Net Position	$290,920

Results of Operations for the Fiscal Year ended December 31,2015

Total Revenues	$500,742
Total Expenses	$493,687
Change in Net Position	$7,055
Beginning Net Position as Restated	$283,865
Ending Net Position	$290,920

NOTE 27 – CONTINGENT LIABILITIES

The County is currently involved in lawsuits brought by two corporations seeking to recover approximately $2.6 million in property taxes related to the retroactive application of the charitable property tax exemption. The County is vigorously defending its position and the outcome is not determinable but it is reasonably possible that a loss will be incurred.

The County is a defendant in several other lawsuits and notices of claims, which are being defended by the County and its insurance representatives. It is believed that the County's ultimate liability from these suits, after applicable insurance coverage, will not have a material effect on the financial statements.

NOTE 28 – COMMITMENTS

ROAD AND BRIDGE CONSTRUCTION PROJECTS

The County Highway Department has four Special Revenue Funds with December 31, 2015 fund balances totaling $4.5 million. Much of those funds are restricted to road and bridge construction projects, some of which are multiple-year projects. Current projects with significant commitments include:

PROJECT	TOTAL COMMITMENT	SPENT THROUGH DEC 2015	REMAINING COMMITMENT
CH55 Bridge (10-00966-00-BR)	$350,000	$63,257	$286,743
CH1North Bridge (12-00992-00-BR)	$850,000	$59,202	$790,798
CH1South Bridge (12-00993-00-BR)	$650,000	$58,211	$591,789
CH1 Dewey-Fisher(12-00432-00-RS)	$3,175,000	$2,117,949	$1,057,051
CH9 Bridge (15-00023-00-BR)	$750,000	$38,956	$711,044
Lincoln Ave (11-00034-00-BR)	$1,100,000	$123,340	$976,650
Ogden Township (14-17016-00-BR)	$102,510	$56,168	$46,342
Colfax Township (15-05027-00-BR)	$46,000	$5,912	$40,088
Condit Township (15-07026-00-BR)	$37,000	$0	$37,000