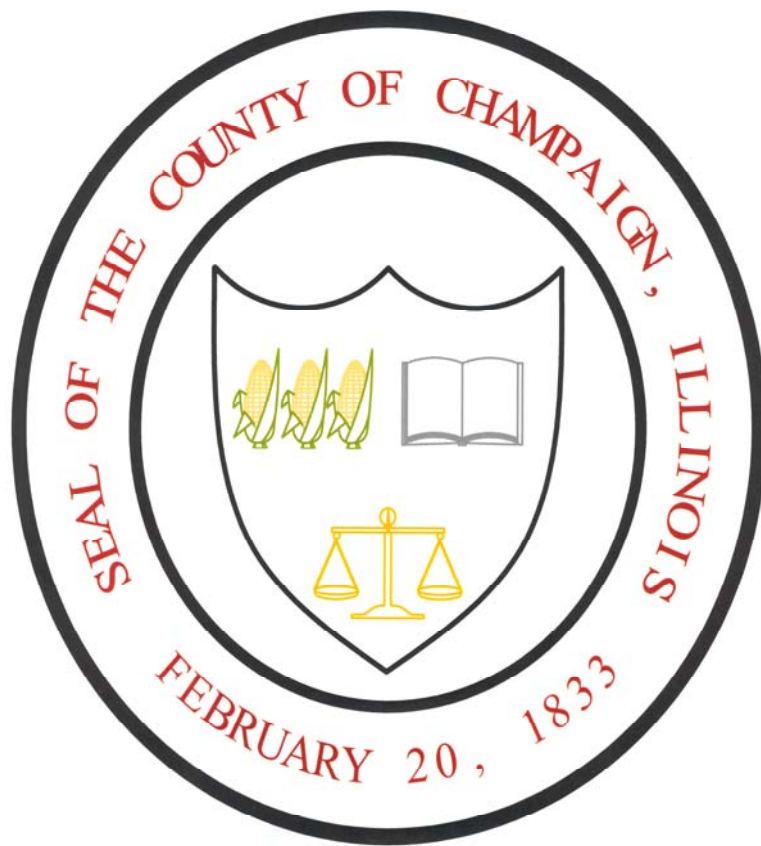


**Champaign County  
FY2009 BUDGET**

***BUDGET in BRIEF***



**CHAMPAIGN COUNTY BOARD MEMBERS**

*Chris Doenitz, District 1*  
*John Jay, District 1*  
*Lawrence Sapp, District 1*  
*Ron Bensyl, District 2*  
*Kevin Hunt, District 2*  
*Stan James, District 2*  
*Brad Jones, District 3*  
*Jonathan Schroeder, District 3*  
*Alan Nudo, District 3*  
*Greg Knot, District 4*  
*W. Stephen Moser, District 4*  
*Stanley "Steve" O'Connor, District 4*  
*Carol Ammons, District 5*  
*Lloyd Carter, Jr., District 5*  
*Lorraine Cowart, District 5*  
*Michael Richards, District 6*  
*Matthew Gladney, District 6*  
*Giraldo Rosales, District 6*  
*Janet Anderson, District 7*  
*Alan Kurtz, District 7*  
*C. Pius Weibel, District 7 – Board Chair*  
*Thomas Betz, District 8 – Board Vice-Chair*  
*Ralph Langenheim, District 8*  
*Samuel Smucker, District 8*  
*Steve Beckett, District 9*  
*Brendan McGinty, District 9*  
*Barbara Wysocki, District 9*

**CHAMPAIGN COUNTY ELECTED OFFICIALS**

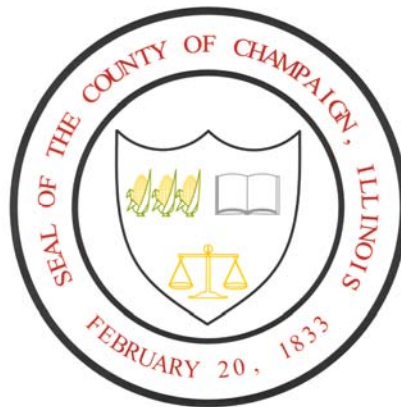
Tony Fabri, Auditor	Linda Frank, Circuit Clerk
Duane Northrup, Coroner	Mark Shelden, County Clerk
Barb Frasca, Recorder	Dan Walsh, Sheriff
Julia Rietz, State's Attorney	Dan Welch, Treasurer

**COUNTY ADMINISTRATORS**

*Debra Busey, County Administrator of Finance & HR Management*  
*Denny Inman, County Administrator of Facilities & Procurement*

*Champaign County's FY2009 Budget in Brief is designed to provide citizens with an overview of budgeting processes, the annual operating budgets, description of services provided, and sources of funding for Champaign County Government Offices.*

Details about the Champaign County FY2009 Annual Budget are available in the comprehensive budget document located on the County's web site at <http://www.co.champaign.il.us/COUNTYBD/BUDGET.htm> or by contacting the Administrative Services Department at 217-384-3776.





## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

The Champaign County FY2009 Budget has been prepared in accordance with Resolution No. 6533 Establishing the Budget Process and Policies for Fiscal Year 2009 approved by the County Board on May 22, 2008, and pursuant to 55 ILCS 1/6-1001. This recommended budget has been balanced within each fund using revenues projected to be available to the County during Fiscal Year 2009.

### **ECONOMIC ENVIRONMENT**

As we find ourselves in the fourth quarter of calendar year 2008, the national economy is in a fragile state. Congress has passed the Emergency Economic Stabilization Act of 2008 which is effectively a \$700 billion bail-out to banks and mortgage holders in an attempt to diffuse a major national recession resulting from the a collapse of the financial markets as mortgage backed securities suffer major failure. While the financial system will undoubtedly continue to experience turbulence and turmoil, it is the goal of the stabilization package to deflect a major recession.

The 2<sup>nd</sup> quarter 2008 GDP expanded at a 3.3% annualized rate, following a 0.2% decline in the last quarter of 2007, and a 0.9% rise in the 1<sup>st</sup> quarter of 2008. The growth in the 2<sup>nd</sup> quarter is at least partially attributable to a federal government stimulus package providing tax rebates to taxpayers in May and June. Economists anticipate the GDP growth will slow over the next three quarters as labor market indicators continue to deteriorate and housing prices continue to slide.

At the state level, Illinois continues to experience an economic slowdown which appears to be headed to a recession according to University of Illinois economist J. Fred Giertz who produces the University of Illinois flash economic index. The flash point index is a weighted average of Illinois growth rates in corporate earnings, consumer spending and personal income. The index was down from 101.1 in September to 100.6 in October – its lowest reading in more than four years. The index has declined steadily since the April 2007 peak of 107.4. Any reading above 100 indicates growth - the higher the reading, the faster the growth rate. With the reporting of the October 2008 index Professor Giertz reports: “Even if the financial crisis comes to an end, the U.S. economy is likely headed for its deepest recession since 1980-81, when jobless rates rose to above 10%.” (Source: *Institute of Government & Public Affairs, University of Illinois – <http://www.igpa.uillinois.edu/flash-index/latest>*)

Locally, the economy has slowed down but continued to experience growth through the end of the third quarter with County-wide sales tax revenues posting at 3.7% ahead of 2007, and income tax at 7.4% ahead of 2007. The projected growth in the County’s equalized assessed valuation (EAV) in 2008 is 6.75%. While residential construction has substantially slowed, and the appreciation of existing residential properties is less than 1%, there has been record growth in commercial construction in 2008. The commercial construction not only adds value to the County’s EAV, but also brings jobs and economic activity to the community.

Champaign County has historically enjoyed better economic stability during times of economic fluctuation, partly as a result of being home to the University of Illinois and two regional health care providers which contributes to a more stable labor market and lower unemployment.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

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### **FY2008 in REVIEW**

#### ***Planning***

The County Board continued its focus on long-term planning initiatives in 2008.

#### ***Nursing Home Planning Initiative***

From 1993 to 2005, the Champaign County Nursing Home operated at a deficit in all but three years. In 1993 the Nursing Home held a fund balance of approximately \$3 million. By the end of 2005, the fund balance was completely depleted, and in FY2006-2007, the Nursing Home was granted \$1.5 million from the County General Corporate Fund to cover the continuing operating deficit. The Champaign County Nursing Home operation moved into a new facility on February 28, 2007 – at the end of the first quarter of the FY2007 budget year. It was the hope that the move into the new facility would generate efficiency that would re-establish positive financial performance for the Nursing Home. However, the Nursing Home continued to experience financial difficulty and required a loan of \$361,015 in March 2007; \$380,000 in December 2007; an advance of \$775,000 on property tax revenues in April 2008; and a loan of \$592,127 in June 2008. With a total of \$2.8 million from the General Corporate Fund to supplement Nursing Home operations from 2006-2008, the notice to the County Board and Nursing Home management in May 2008 was that the General Corporate Fund could not withstand any additional borrowing from the Nursing Home.

In late 2007, the County Board entered into a planning phase to adopt a new form of management for the Nursing Home that focused on business practices, as the Nursing Home is the only enterprise operated by the Champaign County Board. Following a model that had been developed in DeKalb County, Illinois, the County Board adopted the establishment of a Board of Directors for the Champaign County Nursing Home, constituted of seven members who are appointed by the County Board Chair, with the advice and consent of the County Board, to oversee operations of the Nursing Home. The Bylaws adopted for the Nursing Home Board of Directors require that its members possess experience and expertise in the areas of health care, finance/banking, accounting, social services, personnel management, and marketing/sales, and that two of its members shall be members of the Champaign County Board. The County Board appointed the first Nursing Home Board of Directors at its April 24, 2008 meeting, and the Nursing Home Board of Directors began meeting in early May.

Simultaneous to the discussion to create a Board of Directors in the early months of 2008, the County Board also contracted with Management Performance Associates to complete an operational audit of the Nursing Home. Management Performance Associates had completed a similar operational audit of the Nursing Home in early 2007, after having been selected through a competitive process initiated by the County Board in late 2006. The Operational Audit was completed and delivered to the County Board in May 2008.

The newly established Nursing Home Board of Directors met five times in the months of May and June, as that body attempted to assess the operations and ongoing financial losses of the Nursing Home. In mid-June, the Nursing Home Board of Directors presented a recommendation



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

to the County Board for a professional services agreement with Management Performance Associates to provide management oversight for the Champaign County Nursing Home. While the Nursing Home Board of Directors was able to identify programs to improve nurse recruitment and retention, and to recommend marketing strategies to improve resident recruitment, the Board also determined that the operation of the Champaign County Nursing Home required more in professional resources than can be expected from a volunteer board and a single individual in the position of Administrator. This was the basis for the recommendation for the management services contract with Management Performance Associates, which was approved by the County Board in June 2008.

The future financial outlook for the Champaign County Nursing Home remains fragile, but optimistic at this time. Both the Nursing Home Board of Directors and Management Performance Associates are aware that the Nursing Home must operate within its own financial resources, as no additional funds to support it are available within the County's resources. A conservative budget for FY2009 anticipates the Nursing Home will achieve a revenue positive year. That success will, however, be dependent on continuing improvement in the resident census and management of the workforce and resources at the Nursing Home.

### *Information Technology Planning Initiative*

In accordance with an Information Technology Plan developed in 2007, the County moved forward with the hire of an IT Director in April 2008. The Director Search process was directed by the County Administrators with a Search Sub-Committee consisting of elected officials from within county government and IT leaders from the Cities of Champaign and Urbana. Since being hired, Winton Cape, IT Director, has worked with the Administrators and the County Board to re-define all eight of the existing positions within County IT, and recommend a ninth position be added; has worked with the Technology Oversight Committee to develop planning processes including an adopted and documented Information Technology Governance Process; Desktop Service Level Agreement to document core services provided to County technology users by the IT Department; a Project Management Process; and the implementation of a new Helpdesk system for users. Technology continues to be an area of high demand within all county offices – the planning initiatives developed and implemented will improve the prioritization of projects, communication to users, and delivery of services to county offices and the citizens they serve.

### *County Board Strategic Plan*

A Strategic Planning Subcommittee was appointed to develop a recommendation for the County Board Strategic Plan. The subcommittee met with Professor Robert Rich, University of Illinois Institute of Government Affairs, throughout the spring and early summer to finalize a Strategic Plan document. The document was ultimately released for review and comment by the County Board in May, and was formally adopted by the County Board in September. The plan defines County Board goals and provides direction for future planning at all levels of county government, including budget development and prioritization.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

### **BUDGET HIGHLIGHTS**

#### *General Corporate Fund*

By the end of the first quarter, it became apparent that the General Corporate Fund would likely experience a deficit year in FY2008. Utilities costs were escalating at a higher rate than budgeted; a capital project for the remodeling of space at the old nursing home for ILEAS falls almost entirely in FY2008, while \$800,000 of the revenue for the project was received in FY2007; and the General Corporate Fund faced continuing loans to cover the operational deficit at the Champaign County Nursing Home. To manage the FY2008 budget expenditures, the following steps were taken by department heads and elected officials at the encouragement of the County Board:

- Vacant positions held vacant for at least three months, wherever possible
- Transition to scanning and e-mail of documents with enhanced copier service technology
- Implementation of recommendations to enhance utilities savings
- Freeze on capital expenditures.

At the end of the third quarter, it is anticipated that the General Corporate Fund will end FY2008 with a \$773,000 deficit, which is entirely attributable to the capital project noted above.

In 2006, the General Corporate Fund transferred \$1.5 million to the Champaign County Nursing Home Fund to cover operational deficits. In 2007 and 2008, the General Corporate Fund has loaned an additional total of \$1,333,142 to the Nursing Home. As the 2008 fiscal year draws to an end, it is clear the Nursing Home will not have the financial resources to repay these loans, within the initial twelve-month loan term. The County Board is expected to renew the loans until the Nursing Home is in a position to provide some repayment to the General Corporate Fund. In the interim, with the Nursing Home outstanding loans taken into consideration, the General Corporate Fund's ending balance in FY2008 is projected at approximately \$2.4 million, or just 7% of the operating budget. This is an all-time low for the General Corporate Fund's balance. The County Board adopted the following initiatives to begin to re-establish the fund balance:

- Transferred an additional \$1,130,155 from the Public Safety Sales Tax Fund to cover the actual costs of utilities and maintenance for the public safety facilities from 2005-2008;
- Transferred from the Nursing Home Construction Fund \$300,000 to cover the General Corporate Fund debt payment for \$4 million issued in 2006 for the Nursing Home Construction Project.

In planning the FY2009 budget, the County Board directed all non-personnel budgets be prepared with 0% increase, unless there was a mandated or contractual requirement for increase. The total increase for personnel expenses is 6.1% - \$1,371,474. The mandated/contractually required increases in the non-personnel lines totaled an additional \$725,871 – an amount which included \$467,000 in utilities costs increases, and \$83,000 in gasoline and oil increases. In order to absorb these increases, and remain within the revenue projection for the FY2009 budget, the following steps were adopted:



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

- All capital expenditures remain frozen and are not budgeted in FY2009, with the exception of \$100,000 for vehicles for the Sheriff which will be paid with a transfer from the Public Safety Sales Tax Fund.
- The annual transfer from Public Safety Sales Tax Fund for facilities maintenance was increased by \$500,000 over previous years' budgets, to accommodate the actual cost of utilities and maintenance of the county's public safety facilities.
- The \$300,000 FY2009 bond payment for the \$4 million 2006 bond issue will be paid with a transfer from the Nursing Home Construction Project budget.
- The budget includes a contingent line budget of \$208,354 to offset unforeseen or emergency expenditures which may arise in FY2009.

With the implementation of the above steps, the General Corporate Fund FY2009 budget is balanced.

### *Long Term Challenges*

The current uncertainty of the national economy and potential impact on local revenue sources remains an unknown at this time. In FY2009, seven of the County's thirteen bargaining contracts will expire. Personnel costs are a significant factor in expenditures growing faster than revenues – both in salaries and fringe benefits which include health insurance. As revenue growth slows, it will be incumbent on the County Board, elected officials and office holders to identify strategies to enable continued levels of service within current revenues.

### **FY2009 BUDGET PROCESS and PLAN**

The County Board adopted Resolution No. 6533 in May 2008 establishing the parameters for the preparation of the FY2009 budget. The County Board adopted a very conservative approach for the preparation of the FY2009 budget because of the need to rebuild the General Corporate Fund balance, and to continue monitoring the financial performance of the Nursing Home.

Elected Officials and office holders received instruction for budget preparation in early June, and prepared budgets throughout the month with initial submittal to the County Administrator of Finance & HR Management in early July. The County Administrator of Finance met with each official and reviewed budgets through the month of July. In August, revenue projections were finalized, and budgets were presented to the County Board at the Annual Legislative Budget Hearings.

The Finance Committee adopted recommendations for balancing the budget in September, and the tentative budget is presented to be received and placed on file by the County Board in October. A Truth in Taxation Public Hearing is also held in October, because under the Property Tax Extension Limitation Law (PTELL-Tax Caps), the total levy for the 2008 property taxes to be collected in FY2009 is greater than a 5% increase.

The final budget is adopted by the County Board at its November 20, 2008 meeting.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

The goals, as identified by the County Board in its Strategic Plan, are summarized as follows.

### **Goal: Remain a financially solvent County government**

The County Board has experienced significant challenges over the last three years as a result of operating deficits at the Champaign County Nursing Home, and cost over-runs associated with the construction project for the Nursing Home. The County Board has taken significant steps in 2008 to ensure the future solvency of county government with the placement of a Board of Directors for the Nursing Home; the hire of a professional management consulting firm to oversee the management of the Nursing Home at a cost of \$180,000 annually; the direction that no future loans from county funds will be made to the Nursing Home Fund; and in balancing the FY2009 budgets for the General Corporate Fund, and within all of the Special Revenue Funds. The County Board further analyzes and monitors fund balances of the various special revenue funds, to ensure that expenditures for those funds can be maintained within the available resources.

### **Goal: Provide ease of access and availability of services and information to citizens.**

Recent initiatives have brought expanded and enhanced access to information for citizens, including on-line access to meetings agendas, minutes, recordings, and other important documents through the County Board; on-line access to property tax information, including the ability to view and pay property taxes through the Treasurer's Office; expanded access to voter registration and election information through the County Clerk's Office; on-line access to financial information through the Auditor's Office, and continuing access to information and services provided by the Recorder, Circuit Clerk, Supervisor of Assessments and various other offices. These initiatives have been funded through the General Corporate Fund or through Special Revenue Automation Funds of the various elected officials.

### **Goal: Partner with employees to ensure quality services delivered in a professional manner.**

The County Board continues to provide wages that are competitive in the market place and a competitive benefits plan. The County benefits in the ability to recruit quality and qualified employees, and experiences a low turn-over rate, which translates as an economic benefit to the taxpayers. The County Board has appropriated one-time merit bonus money in the amount of \$39,000 in FY2008 and \$32,000 in FY2009, to encourage and reward excellence in performance by the County's non-bargaining employees. The County Board's investment in its employees will continue in FY2009 with a project planned for a complete review and analysis of all non-bargaining positions, with 1999 as the last year this was done as a comprehensive project.

### **Goal: Develop and maintain a long-term plan for County's facilities.**

In FY2007, the County Board developed a budget for capital improvements for facilities in the Capital Asset Replacement Fund. To date, the County Board has appropriated \$169,302 for capital improvement initiatives of the various buildings. The County Board also approved the



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

addition of \$49,225 in new expenditure in the FY2009 budget to address appropriate funding of ongoing repair and maintenance of the County's facilities. An additional goal in FY2009 will be to develop a thorough Capital Improvement Plan to document funding required for appropriate maintenance and future replacement of all of the County's facilities.

### **Goal: Make improvements to County-wide health and safety.**

The County provides funding to numerous health and safety initiatives, including mental health and developmental disabilities initiatives, public health services, nursing home services, and public safety services through the Sheriff's Office and the Emergency Management Agency. In FY2008, the County Board adopted a drug court fee and established a drug court fund to enable additional support to that program in an amount anticipated to be approximately \$30,000 annually. The County Board of Health continues to provide expanded services to residents outside of the Champaign-Urbana area through its annual expenditures of \$816,043. The Mental Health Board and Developmental Disabilities Boards also continuously evaluate and expand the services provided within the resources they receive through property taxes and federal and state grants.

### **Goal: Maintain and enhance sustainable growth in Champaign County.**

In FY2009, the Office of Planning and Zoning anticipates requests for wind farms in Champaign County. In preparation for that growth, the Office anticipates additional revenue through special use permit fees, and has budgeted an additional \$22,500 for temporary personnel to assist in the document transactions that will need to be prepared in association with that initiative. The Regional Planning Commission, Office on Planning and Zoning, and a Land Resource Management Plan Steering Committee are also working diligently to develop a Land Resource Management Plan for Champaign County. The County's investment in this initiative over a period from FY2007 to FY2009 is \$254,836. It is anticipated the final Plan will be completed in FY2009.

## **FINANCIAL SUMMARY**

The FY2009 Champaign County Budget for all funds is:

\$113,386,489 in Revenue  
\$119,995,576 in Expenditure

The \$6,609,087 expenditure in excess of revenue to be received in FY2009 is appropriated from available resources within fund balances. The majority of appropriation from existing fund balances occurs in the capital projects funds. In FY2009, the following capital projects funds will spend the listed amounts from resources available at the beginning of the fiscal year, rather than from resources received during the fiscal year:



## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

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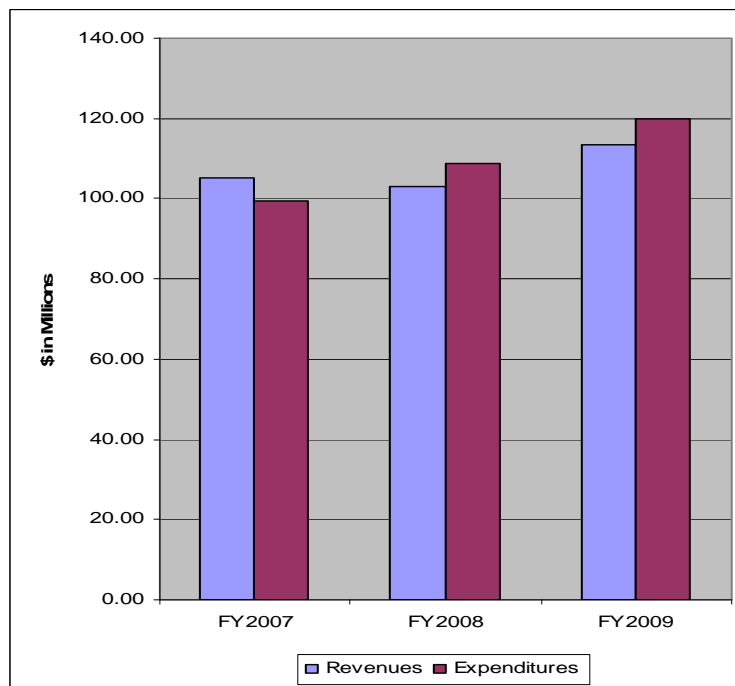
Nursing Home Construction	\$ 381,827
Courts Construction	\$4,534,995
<u>Highway Construction</u>	<u>\$ 249,700</u>

**TOTAL** **\$5,166,522**

In addition to the capital projects budgets listed above, the total expenditure appropriation for the special revenue funds is \$1,742,566 more than budgeted revenue. These appropriations in excess of revenue for the special revenue funds are covered by monies previously received and available in individual fund balances.

The combination of \$6,909,087 in capital projects and special revenue funds FY2009 expenditures which are covered by previously received revenues provides explanation as to the fact that the total FY2009 budget is balanced within each fund using revenues projected to be available to the County during FY2009.

The following chart shows revenues and expenditures for actual FY2007, current FY2008 (projected), and the budget for FY2009.



FY2007 revenues were up due to receipt of a \$7.5 million bond issue in that year. FY2009 revenue reflects an \$11 million increase over the projected budget for FY2008. \$9.6 million of this revenue increase is in State and Federal Grants, with the budgeted increases in grant funding anticipated to grants managed by the Regional Planning Commission and Head Start Funds.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

FY2009 expenditures represent an \$11 million increase over FY2008. As with the revenue increases, it is important to note that \$8.9 million of the total \$11 million increase in expenditure in the FY2009 budget falls within the RPC and Head Start Fund budgets.

The significant expenditure increases are in personnel and services. Personnel costs increase \$6.68 million, a total of 13.5%. This reflects a 65% increase to personnel costs for the RPC and Head Start Funds, and a 7% increase for all remaining county funds. Similarly, the services expenditures increase \$5.99 million in FY2009, a total of 18.2%. This reflects a 50% increase to services costs for the RPC and Head Start Funds, and a 6.4% increase for all remaining county funds.

### **REVENUE**

The County enjoys a diverse revenue base, with four of the primary sources of revenue being property taxes, sales and income taxes, grants, and fees and fines.

The total FY2009 property tax levy is budgeted at \$25,992,149 – a 6.3% increase over the FY2008 property tax levy of \$24,450,941. Champaign County is subject to the Property Tax Extension Limitation Law (PTELL), pursuant to 35 ILCS 200/18-185. *The County Board's policy for the calculation of property tax for FY2009 as stated in Resolution No. 6533 is that the property tax rates shall be calculated in accordance with the Property Tax Extension Limitation Law, with the goal of maintaining the Champaign County FY2008 rate of 0.7389.* While the total increase in levy to be collected by the Champaign County Board in FY2009 is 6.3%, a total increase of \$1,541,208, the County's tax rate decreases 0.35%. The County's tax rate will go from 0.7389/hundred dollars of assessed value to 0.7363/hundred dollars of assessed value.

Sales and income taxes represent 19% of the total revenue for Champaign County. With the exception of the Motor Fuel Tax, these revenues are dedicated to the General Corporate Fund and the County's general operating expenses. *The County's policy with regard to the FY2009 revenue projection as stated in Resolution No. 6533 is that the revenues are estimated by an objective, analytical process, wherever practical.* Sales and income tax projections have been prepared with conservative estimates of growth that are less than historical averages because of the current economic climate.

Federal Grants represent 30% of the County's total revenue, and primarily support the Champaign County Head Start Program, Champaign County Regional Planning Commission, and the Champaign County Nursing Home through Medicare and Medicaid funding.

Fees and fines revenues constitute 12% of the County's total revenue, and are periodically reviewed to ensure the fees charged are reflective of the cost to the County of providing services.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

### **EXPENDITURE**

As mandated by state and federal guidelines, the budget is created through the establishment of various funds, specific to areas of operations and corresponding revenue requirements. Most expenditures and revenues are not directly tied together.

The General Corporate Fund represents the largest area of County expenditure. The change in the General Corporate Fund from FY2008 to FY2009 is a 1.23% decrease. This decrease is attributable to one-time expenditures in the FY2008 General Corporate Fund budget - \$2.7 million in a capital building remodeling project. If the one-time expenditure is subtracted out, the actual recurring costs expenditure budget in FY2009 reflects a 6% increase over FY2008.

The Highway Funds spike in FY2008 with the expenditure of funds to complete the Highway Fleet Maintenance Facility construction project. The expenditure budget drops in FY2009 by almost 11%, but is still substantially higher than FY2007 due to road construction projects scheduled to be completed in FY2009.

Capital Projects Funds increase 21.5% in FY2009 – tied directly to the Courthouse exterior renovation and Clock and Bell Tower restoration project.

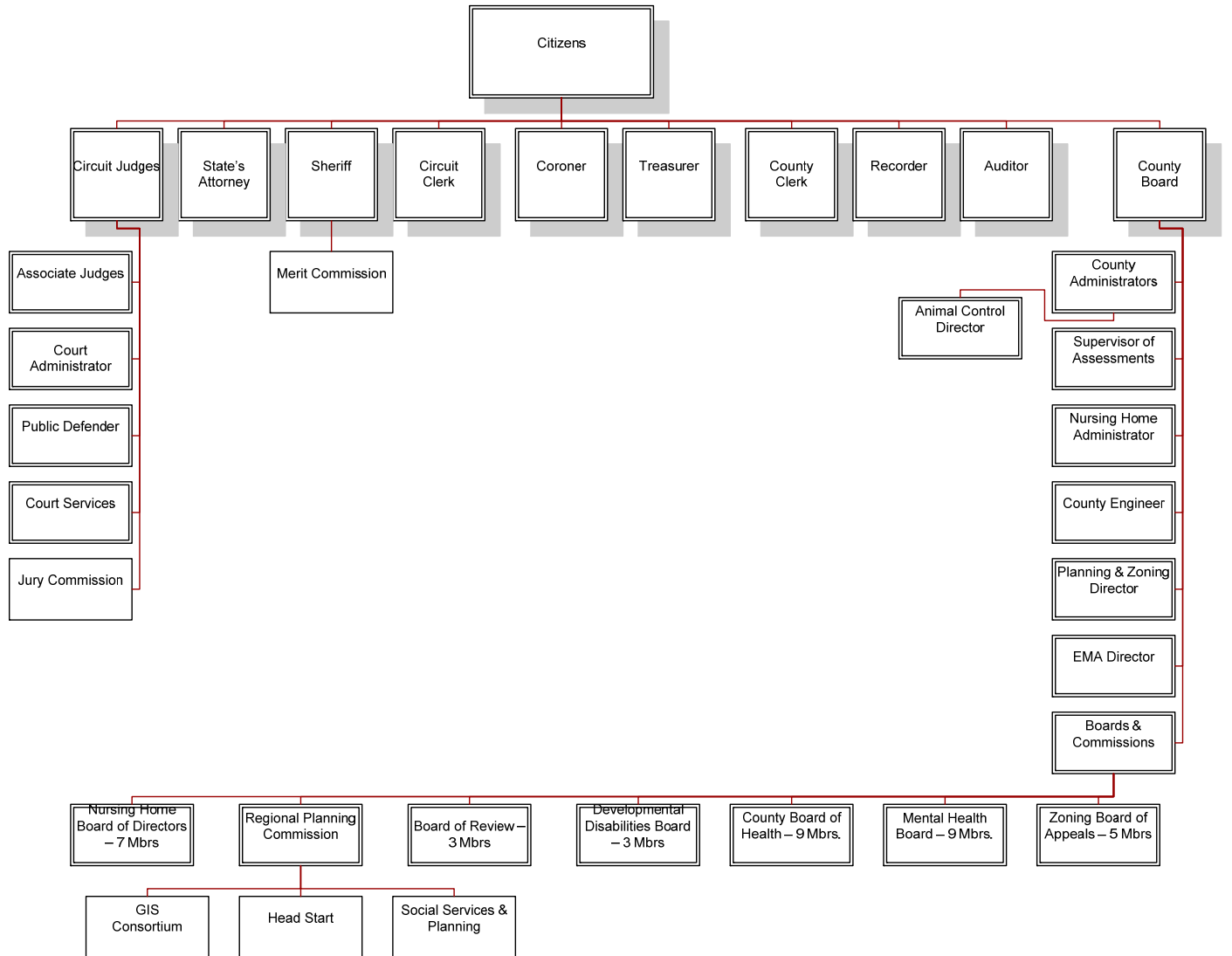
RPC Funds increase 62% with the FY2009 budget. RPC budgets excess expenditure to accommodate for overlapping grant years.

The Nursing Home FY2009 budget increases 10.2% as a result of anticipated increased census; Internal Service funds increase 12.4% as a result of increases in health insurance budgets; Mental Health and Developmental Disabilities budgets increase 6.7%; Debt Service increases 7.5%; and Special Revenue Funds decrease 3%.



**FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

**CHAMPAIGN COUNTY ORGANIZATION CHART**



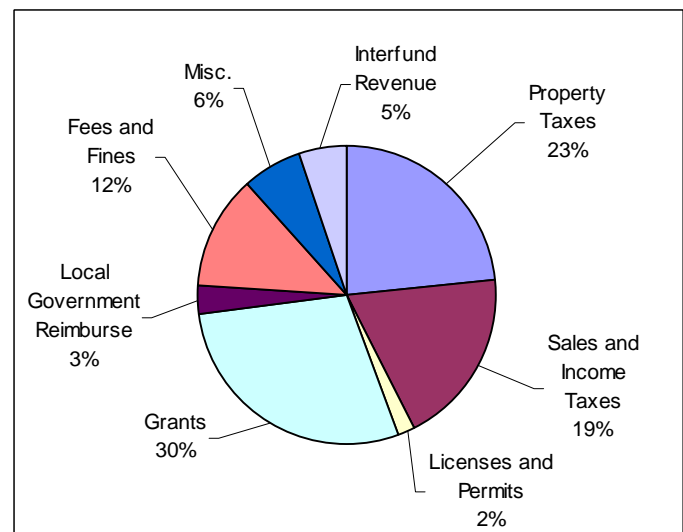
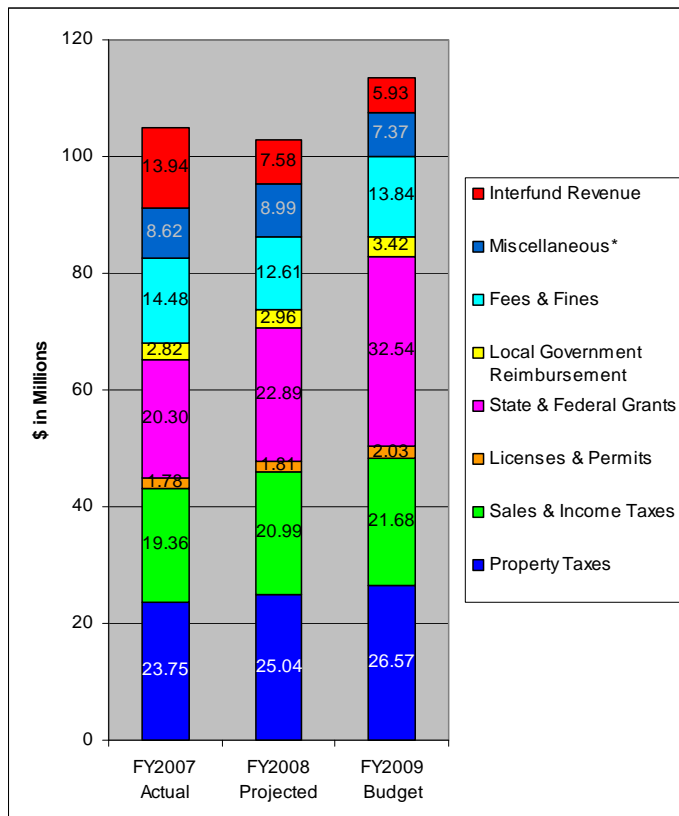


## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

### Summary of Revenues by Category

	FY2007 Actual	FY2008 Projected	FY2009 Budget
<b>Revenues (by source)</b>	(\$million)	(\$ million)	(\$ million)
Property Taxes	23.75	25.04	26.57
Sales & Income Taxes	19.36	20.99	21.69
Licenses & Permits	1.78	1.81	2.04
State & Federal Grants	20.30	22.89	32.54
Local Government Reimbursement	2.82	2.96	3.41
Fees & Fines	14.48	12.61	13.84
Miscellaneous*	8.62	8.99	7.37
Inter-fund Revenue	13.94	7.58	5.93
<b>Total Revenues</b>	<b>105.05</b>	<b>102.87</b>	<b>113.39</b>

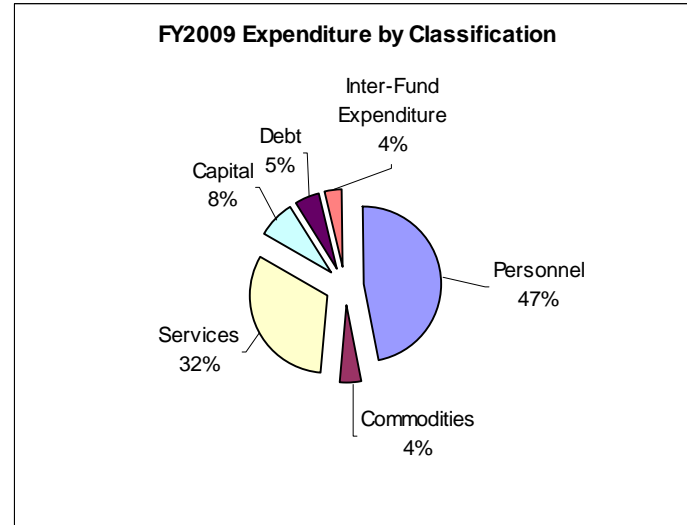
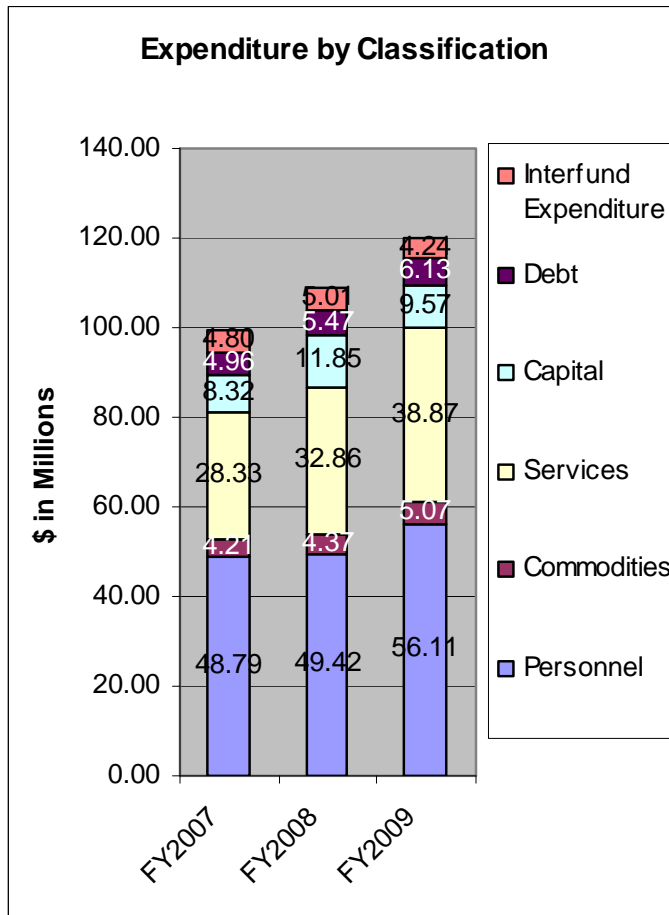
*\*Miscellaneous includes rents and royalties, investment income, sale of fixed assets, and other miscellaneous reimbursements.*





## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

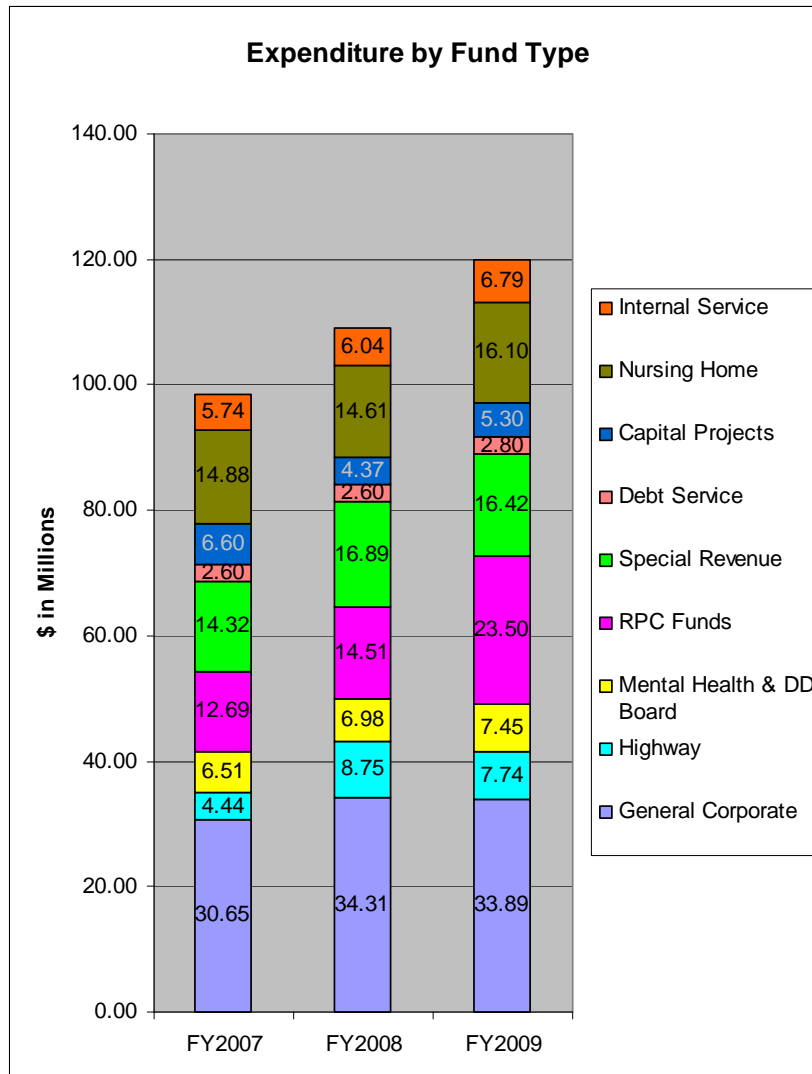
	FY2007 Actual	FY2008 Projected	FY2009 Budget
<b>Summary of Expenditures by Category</b>			
Personnel	48.79	49.42	56.11
Commodities	4.21	4.37	5.07
Services	28.33	32.86	38.87
Capital	8.32	11.85	9.57
Debt	4.96	5.47	6.13
Inter-fund Expenditure	4.80	5.01	4.24
<b>Total Expenditures</b>	<b>99.41</b>	<b>108.98</b>	<b>119.99</b>





## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

	FY2007	FY2008	FY2009
<b>Expenditure by Fund Type</b>			
	(\$millions)	(\$ millions)	(\$ millions)
General Corporate	30.65	34.31	33.89
Highway	4.44	8.75	7.74
Mental Health & DD Board	6.51	6.98	7.45
RPC Funds	12.69	14.51	23.50
Special Revenue	14.32	16.89	16.42
Debt Service	2.60	2.60	2.80
Capital Projects	6.60	4.37	5.30
Nursing Home	14.88	14.61	16.10
Internal Service	5.74	6.04	6.79



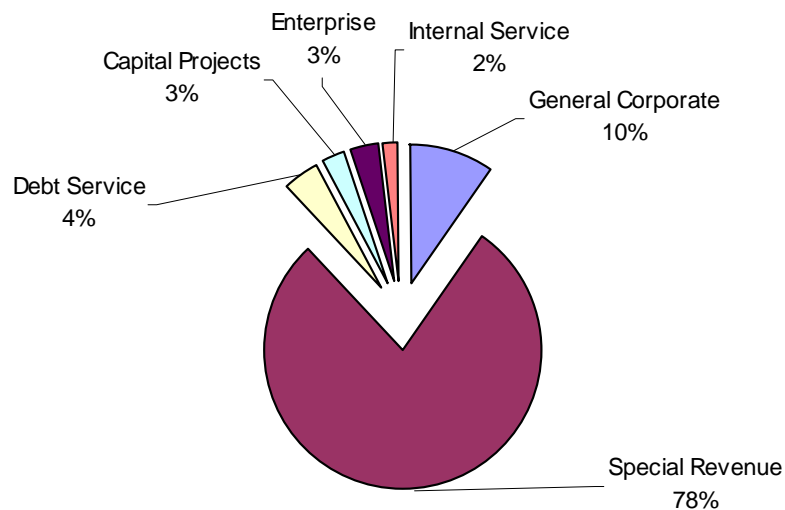


## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

### FY2009 Summary of Revenues, Expenditures and Balances by Fund Type

Fund Type	Beginning Balance	Budgeted Revenue	Budgeted Expenditure	Ending Balance
	(\$ million)	(\$ million)	(\$ million)	(\$ million)
General Corporate	3.77	33.89	33.89	3.77
Special Revenue	32.33	53.37	55.11	30.59
Debt Service	1.54	2.86	2.80	1.60
Capital Projects	6.34	0.14	5.30	1.17
Enterprise	0.64	16.69	16.10	1.23
Internal Service	1.03	6.44	6.79	0.68
<b>Total All Funds</b>	<b>44.22</b>	<b>113.39</b>	<b>119.99</b>	<b>39.04</b>

### FY2009 Ending Fund Balance by Fund Type





## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

### **FY2009 Operating Budgets by Fund/Department**

<b>Fund</b>	<b>Department</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>FTE</b>
<b>GENERAL CORPORATE</b>				
	County Board	\$308,468	\$397,023	3
	Administrative Services	\$147,532	\$1,588,179	19.5
	Debt Service	\$710,740	\$400,365	0
	Extension Education	\$442,216	\$442,216	0
	Auditor	\$96,000	\$304,234	5.5
	Board of Review	\$0	\$119,070	3
	County Clerk	\$247,930	\$895,228	16.5
	Recorder	\$2,338,000	\$1,430,255	4
	Supervisor of Assessments	\$65,558	\$388,239	9
	Treasurer	\$614,800	\$261,591	5
	Circuit Clerk	\$2,090,423	\$1,183,784	32.5
	Circuit Clerk Support Enforcement	\$61,515	\$50,744	1
	Circuit Court	\$10,000	\$1,132,956	15
	Jury Commission	\$0	\$39,094	2.5
	Public Defender	\$122,295	\$1,087,680	18
	Sheriff	\$1,054,903	\$4,610,660	63
	Correctional Center	\$841,634	\$6,208,392	100
	Merit Commission	\$0	\$22,722	0
	State's Attorney	\$1,585,606	\$2,326,525	42
	State's Attorney Support Enforcement	\$382,157	\$385,376	6.5
	Coroner	\$21,500	\$470,699	5
	Emergency Management Agency	\$40,000	\$127,791	2.5
	Juvenile Detention Center	\$1,174,333	\$1,842,107	38
	Court Services/Probation	\$675,528	\$1,473,317	32
	Physical Plant	\$1,437,115	\$3,100,666	25.5
	General County	\$19,251,289	\$2,929,748	0
	Zoning & Enforcement	\$168,496	\$437,705	6
	Regional Office of Education	\$0	\$231,672	0
<b>General Corporate Fund Totals</b>		<b>\$33,888,038</b>	<b>\$33,888,038</b>	<b>455</b>



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

### **FY2009 Operating Budgets by Fund/Department**

<b>Fund Department</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>FTE</b>
<b><i>SPECIAL REVENUE FUNDS</i></b>			
Regional Planning Commission	\$14,006,193	\$14,597,821	50.5
Head Start Fund	\$7,762,750	\$7,643,535	91.6
Economic Development Fund	\$1,077,500	\$703,500	0
GIS Consortium	\$579,692	\$552,775	6
Mental Health Board	\$3,796,052	\$3,796,052	5
Developmental Disabilities Board	\$3,399,515	\$3,399,515	0
Delinquency Prevention Grants	\$222,768	\$222,768	0
Drug Court Program	\$31,500	\$31,500	0
County Highway	\$2,567,879	\$2,502,732	22
County Bridge	\$1,019,779	\$1,003,300	0
Motor Fuel Tax	\$3,107,882	\$4,236,601	1
Highway Federal Aid Match	\$22,040	\$0	0
Animal Control	\$499,956	\$568,763	8.5
County Board of Health	\$1,322,802	\$1,360,176	0
Law Library	\$92,150	\$94,462	0.5
Capital Asset Replacement	\$138,943	\$111,205	0
Public Safety Sales Tax	\$4,823,871	\$5,046,355	0
County GIS	\$301,650	\$352,641	0
Social Security	\$2,409,288	\$2,409,288	0
Illinois Municipal Retirement Fund (IMRF)	\$3,595,326	\$3,590,074	0
Tort Immunity Tax	\$1,055,711	\$1,055,224	0
County Treasurer Working Cash	\$11,000	\$11,000	0
County Clerk Surcharge	\$10,000	\$10,000	0
Sheriff's Drug Forfeitures	\$31,700	\$33,621	0
Court Automation	\$180,000	\$145,153	0.5
Recorder Automation	\$215,000	\$305,896	2.5
Child Support Service	\$70,000	\$61,348	1
Probation Services	\$284,000	\$295,900	0
County Treasurer Tax Sale Automation	\$25,000	\$36,571	0
State's Attorney Drug Asset Forfeiture	\$25,000	\$25,000	0
County Treasurer Property Tax Interest Fee	\$49,000	\$49,100	0
Election Assistance/Accessibility Grant	\$100,000	\$100,000	0
Courthouse Museum Fund	\$50	\$0	0
Jail Commissary	\$31,000	\$24,950	0
Inmate Medical Fees	\$32,000	\$22,000	0
County Clerk Automation	\$24,000	\$86,990	0.5
Court Document Storage	\$185,000	\$356,333	3
Victim Advocacy Grant	\$44,133	\$43,830	1
Solid Waste Management	\$4,900	\$5,675	0
Juvenile Intervention Services	\$500	\$5,000	0
Children's Advocacy Center	\$202,410	\$203,852	2
Juvenile Information Sharing System Grant	\$11,872	\$11,872	0
<i>Total Special Revenue Funds</i>	<i>\$53,369,812</i>	<i>\$55,112,378</i>	<i>195.6</i>

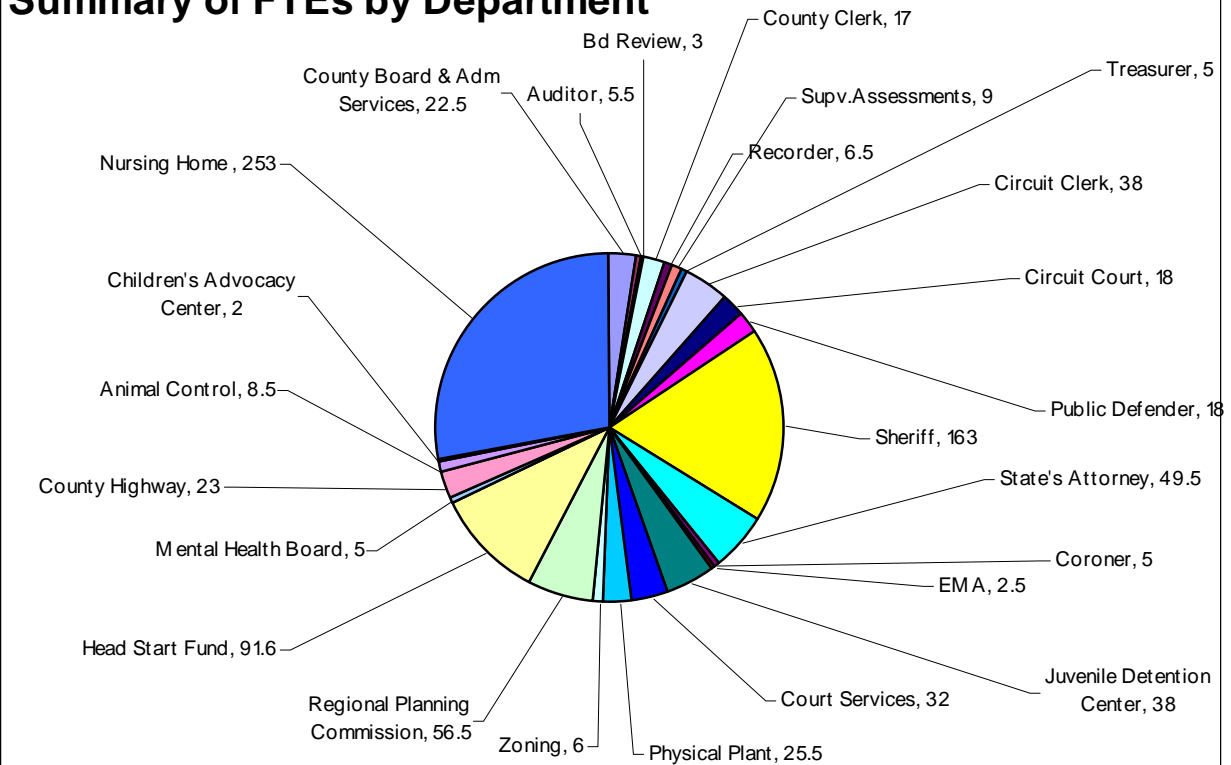


## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

### ***FY2009 Operating Budgets by Fund/Department***

<b>Fund</b>	<b>Department</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>FTE</b>
<b>DEBT MANAGEMENT and CAPITAL PROJECTS FUNDS</b>				
	Jail Bond Debt Service	\$1,015,825	\$1,015,625	0
	Nursing Home Bond Debt Service	\$1,639,722	\$1,579,940	0
	Highway Facility Debt Service	\$202,406	\$201,925	0
	Nursing Home Construction	\$12,565	\$394,392	0
	Courts Construction	\$125,000	\$4,659,995	0
	Highway Facility Construction	\$300	\$250,000	0
	<i>Total Debt Management &amp; Capital</i>	<i>\$2,995,818</i>	<i>\$8,101,877</i>	<i>0</i>
<b>PROPRIETARY FUNDS</b>				
	Nursing Home - <i>Enterprise Fund</i>	\$16,689,164	\$16,103,795	253
	Self-Funded Insurance - <i>Internal Service Fund</i>	\$1,473,657	\$1,819,488	0
	Employee Health Insurance - <i>Internal Service Fund</i>	\$4,970,000	\$4,970,000	0
	<i>Total Proprietary Funds</i>	<i>\$23,132,821</i>	<i>\$22,893,283</i>	<i>253</i>
<b>TOTAL ALL FUNDS</b>		<b>\$113,386,489</b>	<b>\$119,995,576</b>	<b>903.6</b>

### **Summary of FTEs by Department**

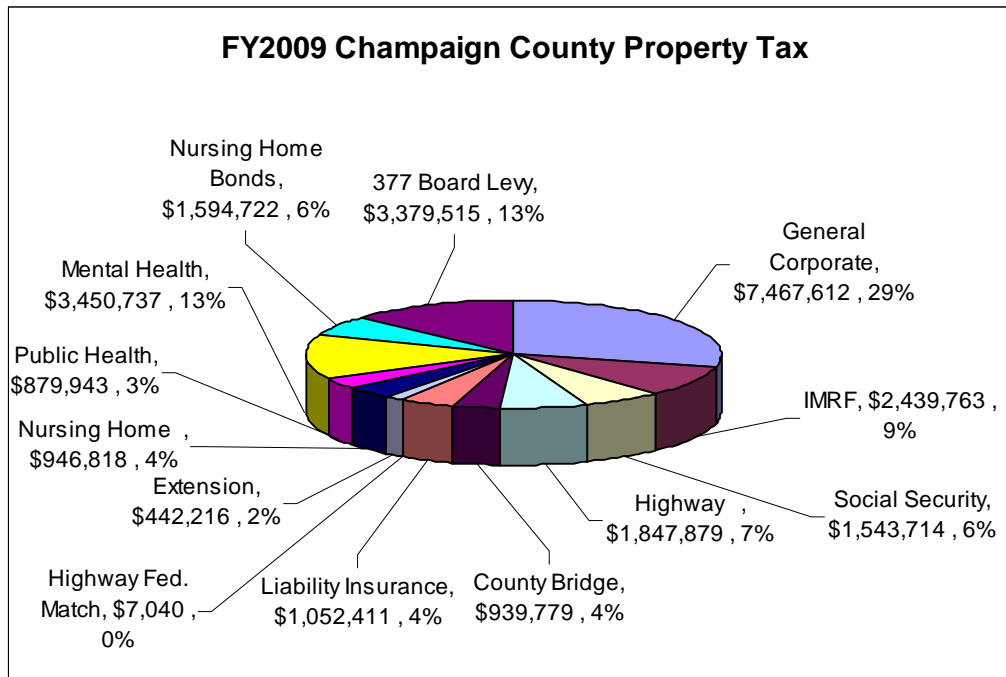




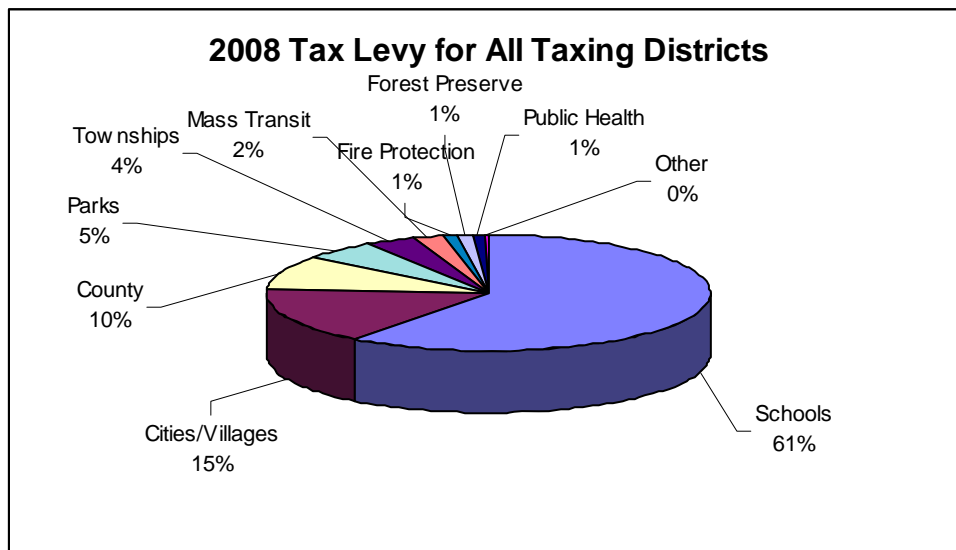
## FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF

### PROPERTY TAX

The following chart sets out the 2008 property tax levy, to be collected in 2009, for Champaign County.



While the County Collector/Treasurer collects property taxes for all taxing districts in Champaign County – a total of \$250,000,000 in FY2008, only 10% of the average taxpayer's property tax bill is money paid to the County. The following chart shows the distribution of property taxes to the various types of taxing districts:





## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

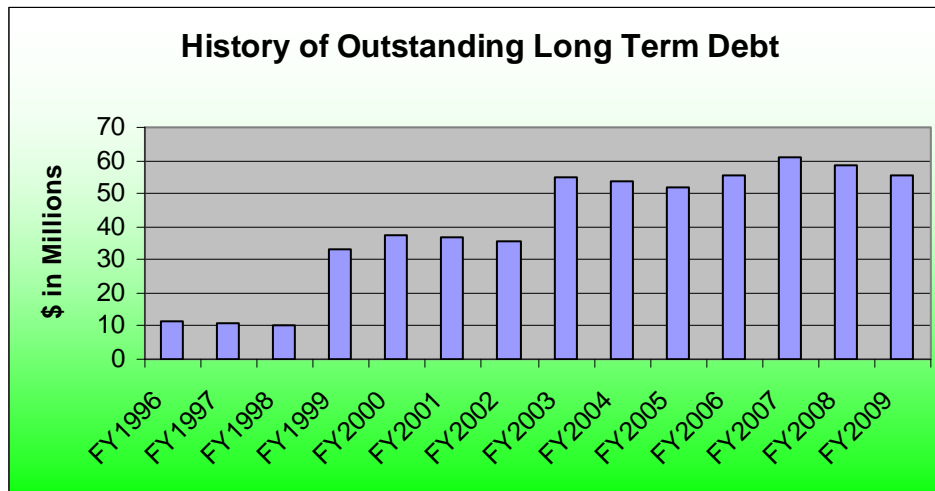
### **DEBT MANAGEMENT**

#### **Introduction**

The County has issued debt over the last decade primarily for the rebuilding of its facility infrastructure. Issuance of debt is managed in compliance with the County's Debt Management Policy as documented in the Financial Policies section of this document.

#### **Debt Rating**

The last bond issuance by the County Board was approved in October 2007. For both issues, the County maintained its Aa2 bond rating with Moody's Investor Services.



#### **Outstanding Debt**

- \$10 million in 1995, for the construction of a satellite jail facility and remodeling of the downtown correctional center – The principal amount outstanding as of November 30, 2009 will be \$0.
  - \$4.78 million in 2004 refunding the 1995 bond issue – The principal amount outstanding as of November 30, 2009 will be \$850,000.
- \$23.8 million in 1999, for the construction and remodeling of the Champaign County Court Facility and for the construction of the Juvenile Detention Center – The principal amount outstanding as of November 30, 2009 will be \$4,850,000.
  - \$18.44 million in 2005 refunding the 1999 bond issue – The principal amount outstanding as of November 30, 2009 will be \$18,030,000.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

- \$5 million in 2000, for the additional funding for the construction and remodeling of the Champaign County Court Facility – The principal amount outstanding as of November 30, 2009 will be \$2,992,315.
  - \$1.5 million in 2004 refunding the 2000 bond issue – The principal amount outstanding as of November 30, 2009 will be \$1,425,000.
- \$19.9 million in 2003, for the construction of a new Champaign County Nursing Home – The principal amount outstanding as of November 30, 2009 will be \$7,170,000.
  - \$7.43 million in 2005 refunding the 2003 bond issue – The principal amount outstanding as of November 30, 2009 will be \$7,300,000.
- \$2.45 million in 2006, for the repayment to IMRF of an Early Retirement Incentive (ERI) obligation the County incurred in 2004 – The principal amount outstanding as of November 30, 2009 will be \$1,835,000.
- \$4 million in 2006, for the additional costs required to complete the new Champaign County Nursing Home construction project – the principal amount outstanding as of November 30, 2009 will be \$3,715,000.
- \$5.955 million in 2007, for the Courthouse Exterior Renovation and Clock and Bell Tower Restoration project – The principal amount outstanding as of November 30, 2009 will be \$5,755,000.
- \$1.48 million in 2007, for the General Corporate Fund and Highway Fund contribution to the Highway Fleet Maintenance Facility construction project – the principal amount outstanding as of November 30, 2009 will be \$1,340,000.

The County issued all of the above debt as general obligation bonds to achieve the lowest possible interest rates. However, with the exception of the \$19.9 million and subsequent refunding Nursing Home bond issues, all of the debt is repaid with dedicated revenues rather than property taxes. The bonds for the Jail, Courthouse and Juvenile Detention Center projects are being repaid with the County's ¼% Public Safety Sales Tax. The \$4 million bond issue for the additional costs for the completion of the Champaign County Nursing Home is repaid with the County's 1% county-wide sales tax within the General Corporate Fund, and both the \$2.4 million pension funding (ERI) obligation and \$1.5 million highway facility project funding are also backed by the County's general sales tax revenues.

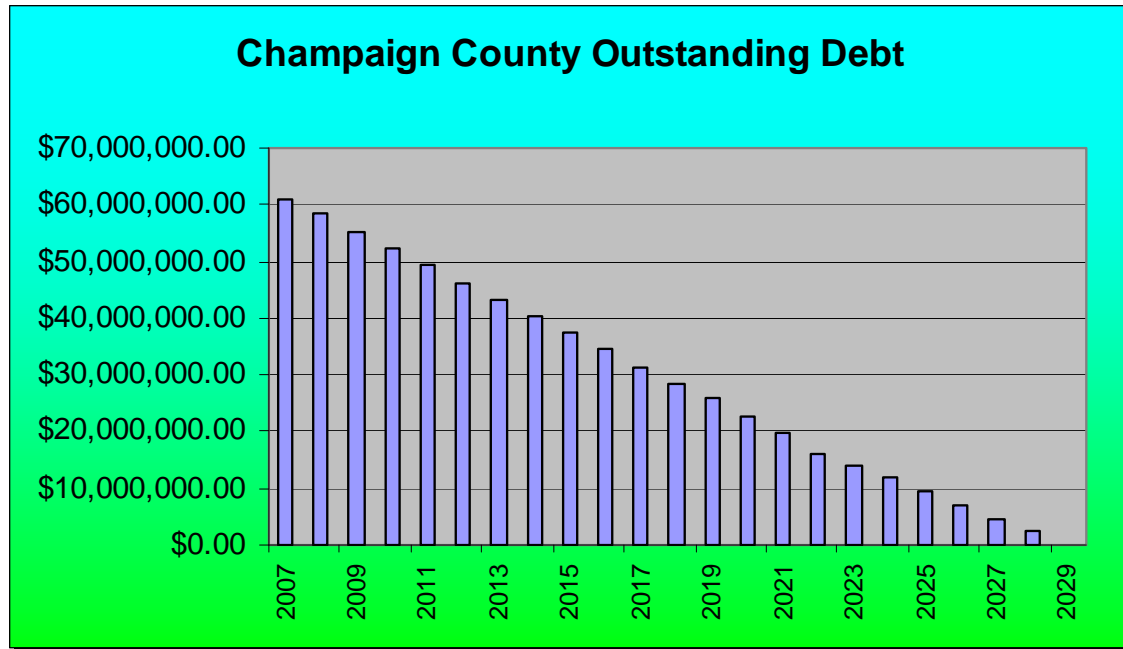
The \$19.9 million and subsequent refunding issue for the Champaign County Nursing Home is paid with property tax, pursuant to referendum approved by the voters of Champaign County in November 2002.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

### **Debt Financing Plans**

At this time, the County does not have any plans for issuance of additional debt before FY2012. The following graph shows the County's current outstanding debt through the end of its term.



### **Intergovernmental Loans**

In 1995 a loan from the Regional Planning Commission to the County in the amount of \$1,050,000 for the purpose of buying and remodeling the Brookens Administrative Building was made. The loan is to be repaid over 20 years at 0% interest from June 1996 through June 2016, with annual payments of \$52,500. The loan is repaid out of the County's General Corporate Fund, and the balance outstanding on November 30, 2009 will be \$335,063.

### **Capital Leases**

The County does not currently have any capital lease obligations.

### **Debt Limitations**

Pursuant to 55 ILCS 5/5-1012, the County's debt limit is 5.75% of Assessed Valuation. The 2008 gross equalized assessed valuation for Champaign County is estimated to be \$ 3,518,818,121. By the statutory definition, the County's debt limit is \$202,332,042. The expected debt applicable to the debt limit at the end of FY2009 is:



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

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General Obligation Bonds	\$55,262,315
Intergovernmental Loans	\$ 335,063
Capital Leases	\$ 0
<b>Total Outstanding Debt</b>	<b>\$55,597,378</b>

The legal debt margin is \$146,734,664 as of November 30, 2009.

### **CAPITAL PROJECTS**

#### **Summary**

The County FY2009 budget includes twenty-one funds with Capital Equipment/Replacement or Improvement Projects/Purchases. Two of the funds are specific to building projects within the County – Courts Complex Construction Fund and Highway Facility Construction Fund.

The General Corporate Fund also includes capital purchases – primarily squad cars for the Sheriff's Office, or specific capital building projects which were not budgeted through pre-planning in the Capital Equipment Replacement/Facilities Improvement Fund.

The County Highway, County Bridge, and County Motor Fuel Tax Funds all pay for capital projects throughout the year. Additionally, there are numerous other Special Revenue Funds, and the Nursing Home Enterprise Fund which budget for capital purchases as well as operating expenses.

The Capital Asset Replacement Fund was established in 2000 to accumulate resources for the planned replacement of capital equipment for General Corporate Fund departments. In FY2005, the County Board expanded this fund to also include planned replacement of facility systems and major facility maintenance requirements. The County makes a large transfer from the General Corporate Fund to the Capital Asset Replacement Fund each year based on the amortized annual requirements for the items included in this Fund. The County also transfers from the Public Safety Sales Tax Fund and other appropriate funds to cover relevant expenses from the Capital Asset Replacement Fund. This Fund includes five year projections for all technology and equipment items, and ten-year projections for facility maintenance/improvement items. The County Board adopted a freeze on General Corporate Fund capital expenditures in FY2009, in an attempt to balance recurring revenues and expenditures, and in an attempt to replenish the General Corporate Fund balance. As a result, there are no capital expenditures budgeted in the FY2009 Capital Asset Replacement Fund budget.

#### **Impact of Capital Expenditures on the Operating Budget**

##### ***General Corporate Fund***

In general, the County administers its capital improvement program through funds separate from the General Corporate Fund. The County Board adopts the budget fund by fund, and because most capital projects costs are segregated from the operating budget, changes in the capital projects do not directly impact the operating budget and vice versa. One exception to this is the



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

purchase of squad cars for the Sheriff's Office. The General Corporate Fund includes \$210,000 annually for the purchase of new squad cars. This enables the Sheriff to turn over his entire fleet every three years. However, the County has cut the Sheriff's squad car budget in three of the last six fiscal years in order to accommodate revenue shortfalls. Currently, the FY2009 budget is presented with the Sheriff's squad car budget cut to \$100,000 instead of the \$210,000 budget goal. The Sheriff anticipates the ability to manage his fleet with this cut, partially because his office is now able to utilize the County Highway Fleet Maintenance Facility and staff to perform better routine and diagnostic maintenance of this fleet of vehicles.

The expansion of the County's facilities infrastructure from 1996-2006 has placed increased demand on the maintenance and physical plant operations. In 1995 the County's total facility square footage was 395,599 square feet for six buildings. By 2003, this square footage had increased by 52% to 599,533 square feet for ten buildings. The maintenance staff of the Physical Plant was increased with the FY2007 budget for the first time since 1995 with the addition of two maintenance workers – required because of the substantial increase in the County's facilities. The FY2008 budget also included the addition of two part-time custodian positions (one full-time-equivalent) to manage custodial services at the new Highway Fleet Maintenance Facility, and the new lease of space at the old Champaign County Nursing Home facility.

The County Board entered into a lease agreement with Illinois Law Enforcement Alarm Systems (ILEAS) whereby ILEAS leases the majority of space at 1701 East Main (the Champaign County Nursing Home facility that was vacated in February 2007 when the Nursing Home moved into its new facility). Pursuant to the lease, a substantial remodeling/renovation project was completed in the spring of 2008 at the facility. The total capital project budget for this remodeling/renovation was \$2,830,000.

It is a long-term goal of the County Board to implement a Capital Improvement Plan, documenting long term needs– both funded and unfunded – of the County's facilities infrastructure, including an assessment of the operational requirements created by each project.

### **Capital Purchases Projects Funds**

This section describes the source for each fund which includes capital projects/purchases in the FY2009 budget, and the amount of the FY2009 capital budget. Purchases for these funds are subject to the County's Purchasing Policy and/or to state law regarding purchases by governmental entities. The County's Policy requires all purchases with an initial cost of \$1,000 or more be paid for from capital expenditure line items, which means that a substantial amount of the budgeted capital within the funds that include operations are for purchase and replacement of technology, furnishings and other special equipment needs.

### **Capital Projects Funds**

***Courts Complex Construction Fund*** – Created to account for the construction of a new court facility and the remodeling of the old courthouse, financed through alternative revenue source



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

bonds issued in 1999, 2000, and 2007, backed by a ¼% public safety sales tax approved by voters in November 1998. The FY2009 budget for capital is \$4,435,545.

***Highway Facility Construction Fund*** – Created to account for the construction of a new highway maintenance and office facility, financed through existing revenues in the Motor Fuel Tax and Highway Funds, and through a bond issue of \$1.5 million in FY2007, \$700,000 of which will be repaid by General Corporate Fund, and \$780,000 repaid by Highway Fund. The FY2009 budget for capital is \$250,000.

### **General Fund -**

***General Corporate Fund*** – Principal operating fund of the County finances most activities for which there is no specific tax levy or user fee. The General Corporate Fund receives revenues from property taxes, sales taxes, state shared revenues, fees, fines, intergovernmental revenue, and inter-fund transfers. The FY2009 budget for capital is \$106,500.

### **Special Revenue Funds -**

***County Clerk Automation Fund*** – Fee for automating the County Clerk’s vital records storage system. The FY2009 budget for capital is \$10,000.

***County Bridge Fund*** – Property tax for building and maintaining county bridges. The FY2009 budget for capital is \$887,000.

***County Highway Fund*** – Property tax for building and maintaining county highways. The FY2009 budget for capital is \$230,000.

***County Motor Fuel Tax Fund*** – State shared revenue from motor fuel taxes for construction and maintenance of county highways. The FY2009 budget for capital is \$3,100,000.

***Court Automation Fund*** – Fee for automating court records, administered by the Circuit Clerk with expenditures approved by the Presiding Judge and Circuit Clerk. The FY2009 budget for capital is \$25,000.

***Court Document Storage Fund*** – Fee to defray the cost of establishing and maintaining a document storage system for county court records, administered by the Circuit Clerk. The FY2009 budget for capital is \$2,500.

***GIS*** – Fund created through a fee collected by the County Recorder for the County Board to create and maintain a county-wide map through a geographic information system. The FY2009 budget for capital is \$7,500.

***GIS Consortium Fund*** – Intergovernmental joint venture, funded through membership fees and services fees. The FY2009 budget for capital is \$20,000.

***Head Start Fund*** – Federally funded education and development program for low-income pre-school children and their families. The FY2009 budget for capital is \$201,800.



## **FY2009 CHAMPAIGN COUNTY BUDGET in BRIEF**

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***Mental Health Fund*** - Property tax to provide funding to mental health agencies. The FY2009 budget for capital is \$5,000.

***Probation Service Fees Fund*** – Court fees to be used for purchasing services from hospitals and not-for-profit agencies for probationers with special needs and for purchasing equipment for use by the County’s Court Services Department. The FY2009 budget for capital is \$10,000.

***Recorder Automation Fund*** – Fee for automating records in the Recorder’s Office. The FY2009 budget for capital is \$60,000.

***Regional Planning Commission*** – The fund includes federal and state grants for economic development, community services, senior services, transportation engineering and police training, plus local contracts for planning and other technical assistance. The FY2009 budget for capital purchases is \$104,500.

***Treasurer Tax Sale Automation Fund*** – Fee for the automation of property tax collections and delinquent property tax sales. The FY2009 budget for capital is \$15,000.

***Jail Commissary Fund*** – The Jail Commissary Fund is comprised of revenue from detainee utilization of the commissary, donations and gifts, and investment interest earnings to be used to provide detainees with items that are not supplied by the Jail. The FY2009 budget for capital is \$12,000.

***Enterprise Fund -***

***Nursing Home Fund*** – Operating fund for the Champaign County Nursing Home. The FY2009 budget for capital is \$48,708.

The total of all capital purchases budgeted in the FY2009 Champaign County Budget is \$9,573,253 – 8% of the total FY2009 budget.