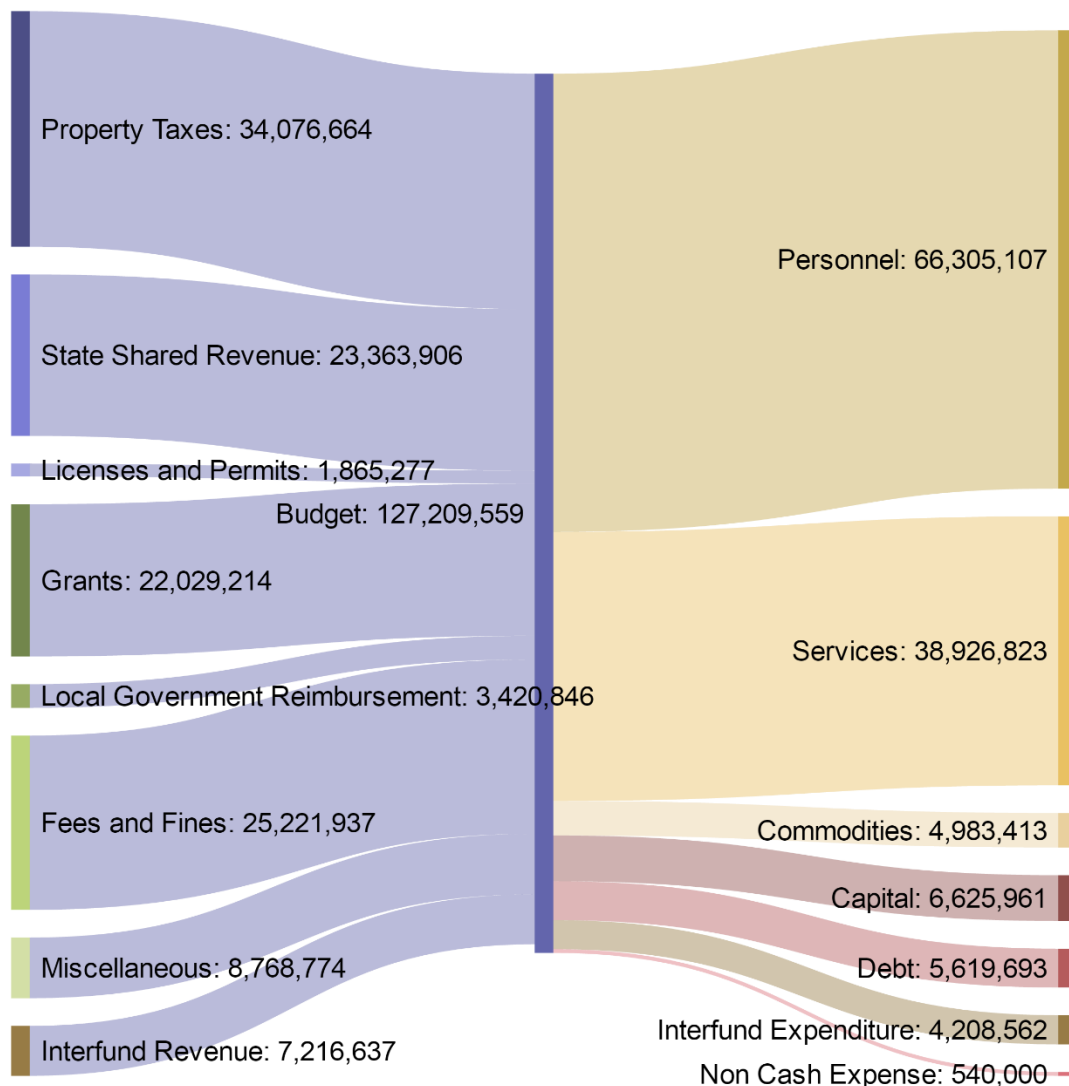


FY2017 BUDGET SUMMARY

Champaign County's total FY2017 Budget is presented with **\$125,963,255** in total projected revenue and **\$127,209,559** in total projected expenditure. The budget was developed by the County's elected officials and department heads with oversight and review being conducted by County Administration. The County Board receives and places the budget on file for public review in October, with final approval of the budget scheduled for November 17, 2016.

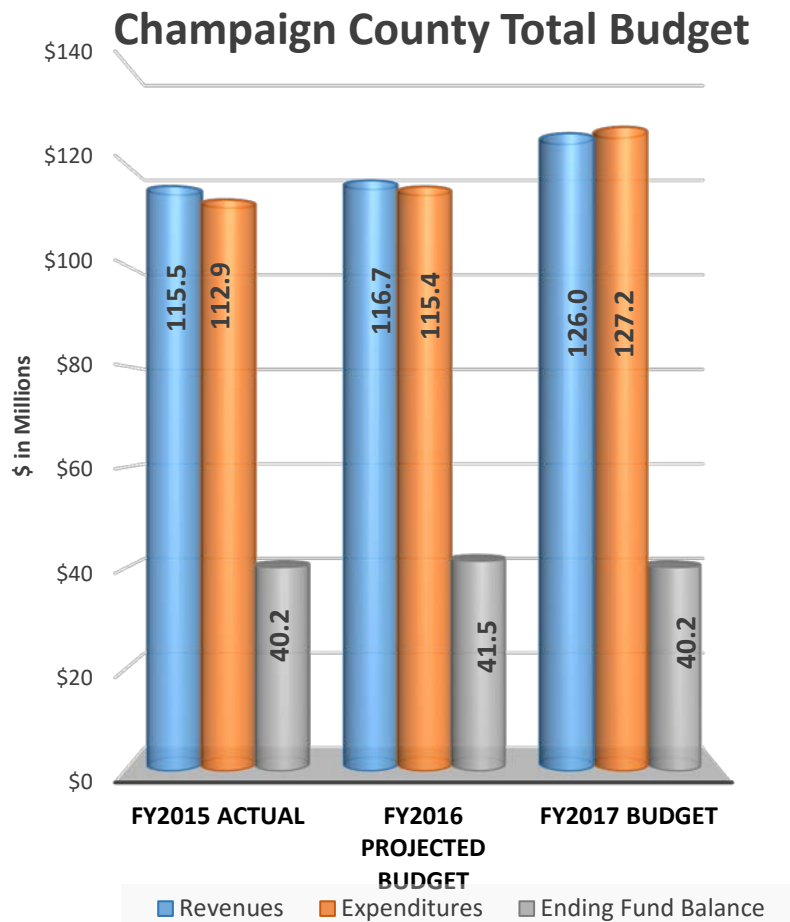
The **\$1,246,304** deficit of revenue to expenditure is predominantly the result of combining prior year revenues with current revenues for planned highway road and bridge projects budgeted in FY2017, and budgeting for the potential to secure an expanded ADA-compliant childcare facility for the Regional Planning Commission's Head Start program based on grant funding, facility availability, revenue streams and governing body approval. The FY2017 budget is a Balanced Budget per Champaign County's Financial Policies.

FY2017 Champaign County Budget



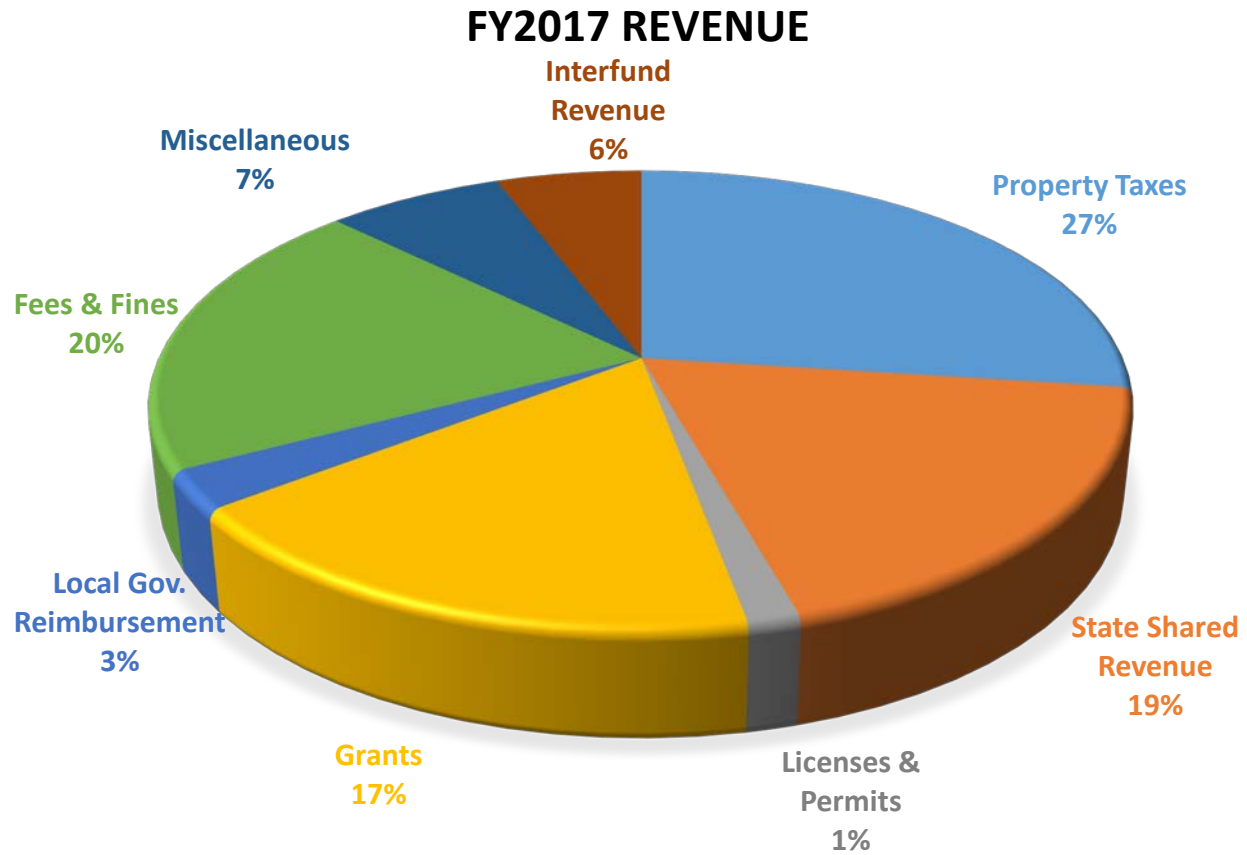
This table reflects an aggregated roll-up of the Champaign County Budget.

	FY2015 Actual	FY2016 Original Budget	FY2016 Projected Budget	FY2017 Budget	\$ Variance	% Variance
Property Taxes	31,253,425	32,116,844	31,994,423	34,076,664	1,959,820	6.1%
State Shared Revenues	22,483,176	22,871,258	22,242,783	23,363,906	492,648	2.2%
Licenses & Permits	1,977,666	1,745,887	1,909,121	1,865,277	119,390	6.8%
Grants	16,644,610	21,024,860	18,727,395	22,029,214	1,004,354	4.8%
Local Gov. Reimbursement	3,214,129	3,419,408	3,203,679	3,420,846	1,438	0.0%
Fees & Fines	23,941,216	27,522,883	24,247,388	25,221,937	(2,300,946)	-8.4%
Miscellaneous	8,105,876	8,530,513	8,383,068	8,768,774	238,261	2.8%
Interfund Revenue	7,897,503	5,876,736	5,971,556	7,216,637	1,339,901	22.8%
TOTAL REVENUE	115,517,601	123,108,389	116,679,413	125,963,255	2,854,866	2.3%
Personnel	59,863,920	65,711,031	62,374,096	66,305,107	594,076	0.9%
Commodities	4,019,670	4,517,002	4,107,124	4,983,413	466,411	10.3%
Services	34,259,661	39,230,640	36,772,796	38,926,823	(303,817)	-0.8%
Capital	3,599,287	6,363,088	3,299,417	6,625,961	262,873	4.1%
Non-Cash Expense	10,394	360,000	160,000	540,000	180,000	50.0%
Interfund Expenditure	2,871,493	2,920,851	2,924,099	4,208,562	1,287,711	44.1%
Debt	8,237,789	5,811,868	5,796,092	5,619,693	(192,175)	-3.3%
TOTAL EXPENDITURE	112,862,214	124,914,480	115,433,624	127,209,559	2,295,079	1.8%



REVENUE SUMMARY

THE CHANGE IN REVENUE FOR FY2017 REFLECTS AN INCREASE OF \$2,854,866, 2.3% GROWTH OVER THE ORIGINAL FY2016 BUDGET.



Revenue	FY2016 Budget	FY2017 Budget	\$ Variance	% Variance
Property Taxes	32,116,844	34,076,664	1,959,820	6.1%
State Shared Revenue	22,871,258	23,363,906	492,648	2.2%
Licenses & Permits	1,745,887	1,865,277	119,390	6.8%
Grants	21,024,860	22,029,214	1,004,354	4.8%
Local Government Reimb.	3,419,408	3,420,846	1,438	0.0%
Fees & Fines	27,522,883	25,221,937	(2,300,946)	-8.4%
Miscellaneous	8,530,513	8,768,774	238,261	2.8%
Interfund Revenue	5,876,736	7,216,637	1,339,901	22.8%
TOTAL REVENUE	123,108,389	125,963,255	2,854,866	2.3%

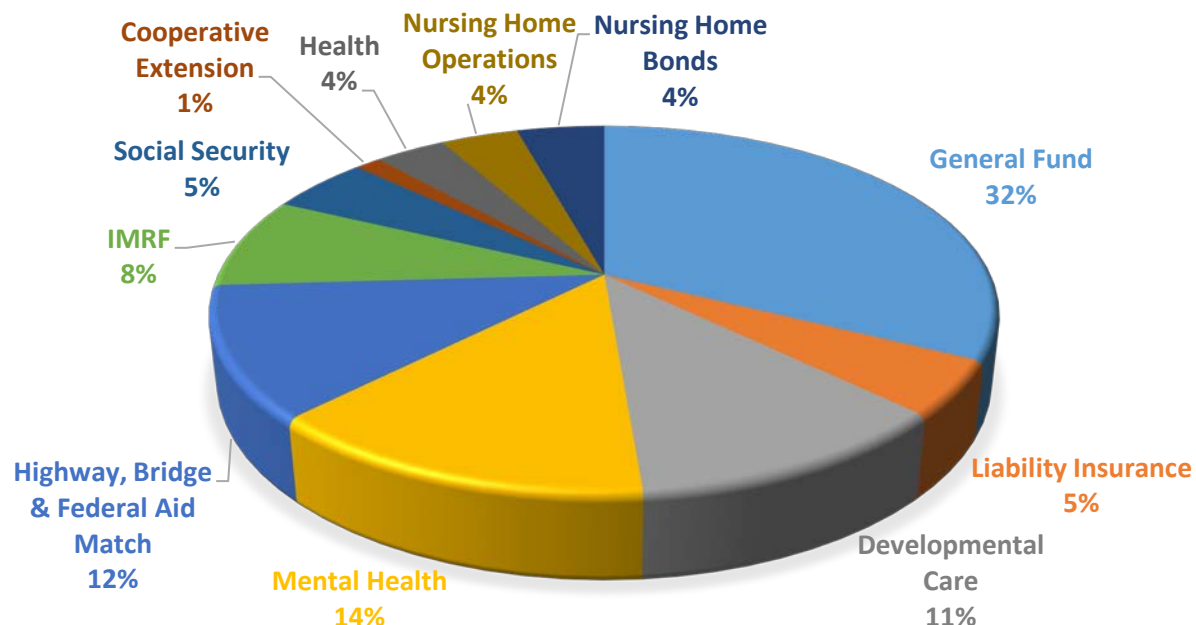
▲Property Taxes – 27% of Total Budget

Property taxes are the County's most stable revenue source and support numerous county operations with the largest portions of the levy going to the General Corporate, Highway, Mental Health and Developmental Care funds.

The initially proposed aggregate property tax levy represented a 2.9% increase over the fiscal year 2016 levy. However, the adopted aggregate levy was prepared in order to secure potential new growth revenue associated with an anticipated ruling by the Illinois Supreme Court in the hospital property tax exemption case. Although there is no prediction as to when the Court will make a decision, if the exemption status of hospital properties changes the County is allowed to treat the Equalized Assessed Value (EAV) as new growth under the Property Tax Extension Limitation Law (PTELL). Therefore, the levy was increased to capture the new growth should a ruling occur and the additional parcels are added to the County's EAV prior to the Board of Review closing the books for revenue year 2016.

The adopted levy represents a 6.2% increase over the fiscal year 2016 levy. The total increase in the levy is \$1.95 million. Of this total, \$1 million is attributed to potential new growth as explained earlier. If there is no change in the hospitals' exemption status prior to the Board of Review closing the books, the County Clerk will limit the total extension and the County will receive the property tax it is allowed under the PTELL calculation which would be an increase of \$950,000 in fiscal year 2017. Including the hospital properties, Champaign County's estimated 2016 EAV reflects a 7.8% increase over the 2015 EAV. Excluding the hospital properties, the estimated EAV reflects a 4.5% increase over 2015. PTELL allows for annual inflationary increases which are limited by the lesser of 5% or the Consumer Price Index (CPI) for the year preceding levy year. Because the County's proposed aggregate levy did not exceed a 5% increase over the prior year's extension, a public hearing was not held. Since the adopted levy reflected a 6.2% increase, notice was given in accordance with the Truth in Taxation Law.

FY2017 ESTIMATED LEVY BY FUND



▲ State Shared Revenue – 19% of Total Budget

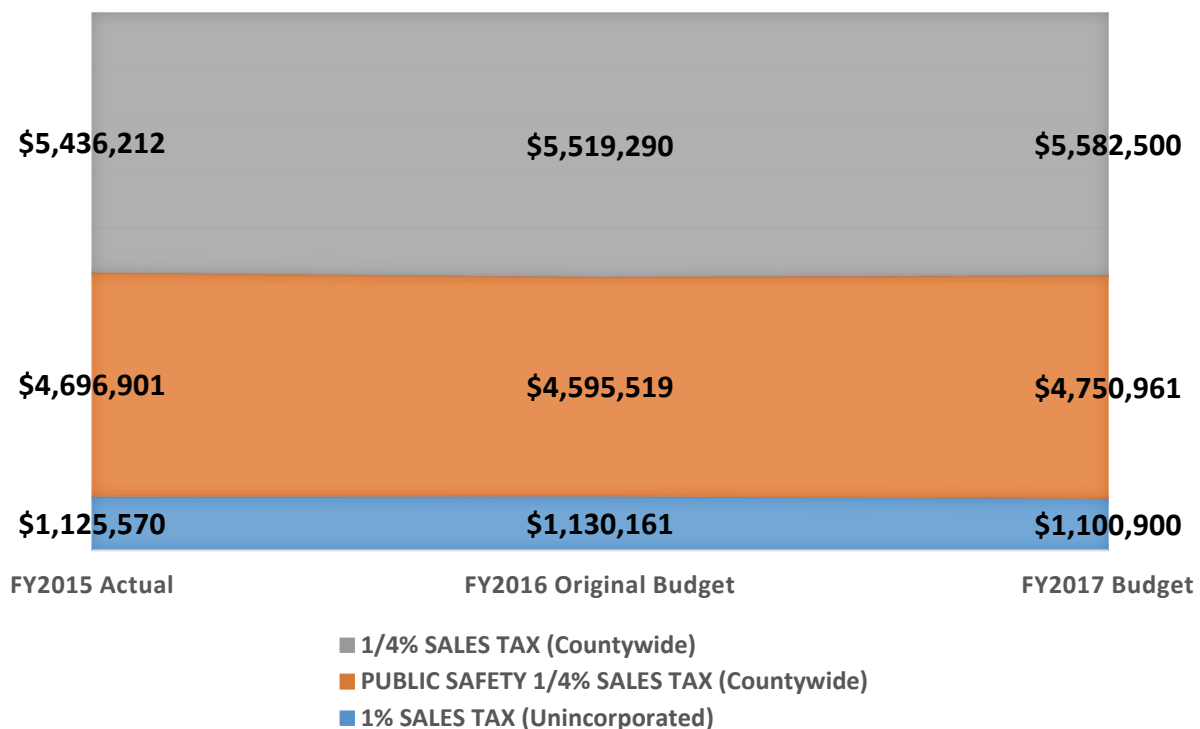
State Shared Revenue primarily originates from sales tax, income tax, motor fuel tax and state reimbursement.

Sales Tax includes the following:

1% Sales Tax <i>4.1% of State Shared Revenue</i>	Collected on general merchandise and qualifying food, drug and medical appliances purchased in the unincorporated area of Champaign County.
¼% Sales Tax <i>20.8% of State Shared Revenue</i>	Collected on general merchandise and qualifying food, drug and medical appliances purchased anywhere in Champaign County.
Public Safety Sales Tax <i>17.7% of State Shared Revenue</i>	Collected on general merchandise purchased anywhere in Champaign County excluding qualifying food, drug and medical appliances, and titled or registered personal property (i.e. vehicles, boats, trailers, motorcycles).

The County 1% sales tax is budgeted to reflect a 2.6% decrease over the FY2016 original budget. Conversely, the ¼% and public safety sales taxes are respectively budgeted to increase 1.1% and 3.4% over the FY2016 budget. Combined sales tax revenues reflect an increase of 1.7% in FY2017.

SALES TAX REVENUE



Income Tax is calculated based on population and accounts for 12.5% of total State Shared Revenue. In FY2017 the tax is budgeted to increase \$46,365 over the FY2016 original budget which is 1.4%.

Motor Fuel Tax represents 10.1% of total State Shared Revenue and reflects a budgeted decline of \$100,000 in FY2017.

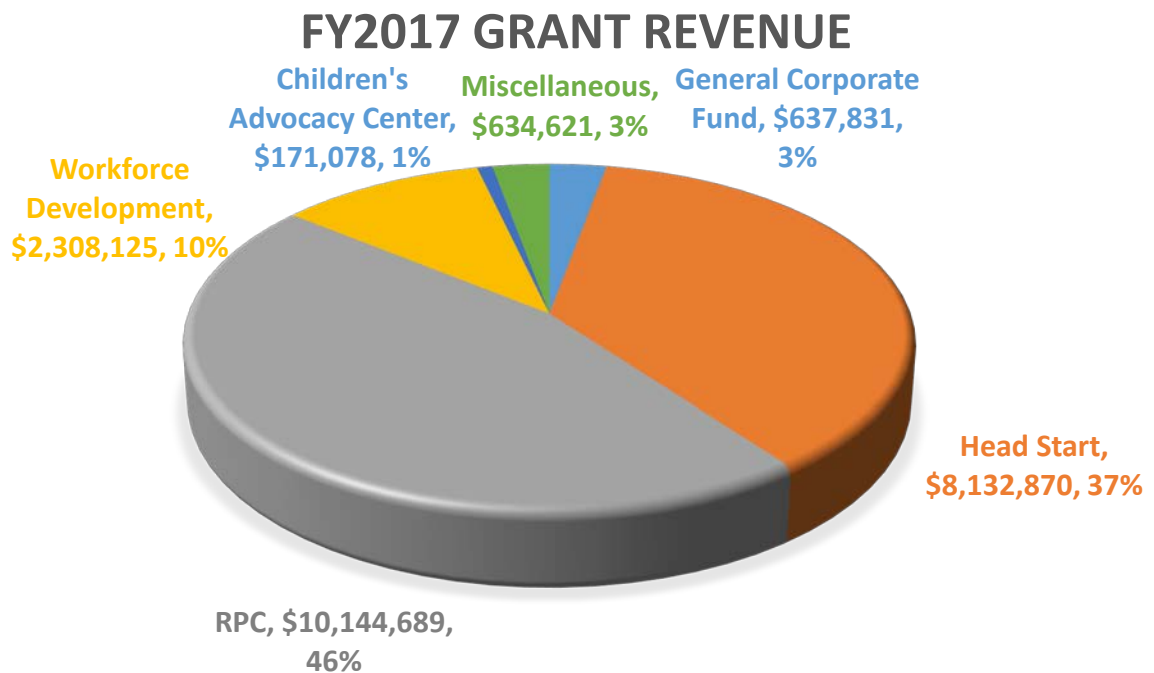
State Reimbursement, 10.5% of total State Shared Revenue, is primarily made up of salary subsidies from the Administrative Office of the Illinois Courts (AOIC) for Probation and Court Services employees. There was a substantial decline in this subsidy in FY2017, which impacted the General Fund; however, increases in other funds offset the decline in the General Fund and the total budgeted increase for state reimbursement is 7.6%.

▲ Licenses and Permits – 1% of Total Budget

The majority of license and permit revenue is in the General Fund and is predominantly associated with revenue stamp fees which are budgeted to increase \$100,000 in FY2017. An increase in revenue stamp revenue also corresponds to an increase in purchase document stamp expenditure.

▲ Grants – 17% of Total Budget

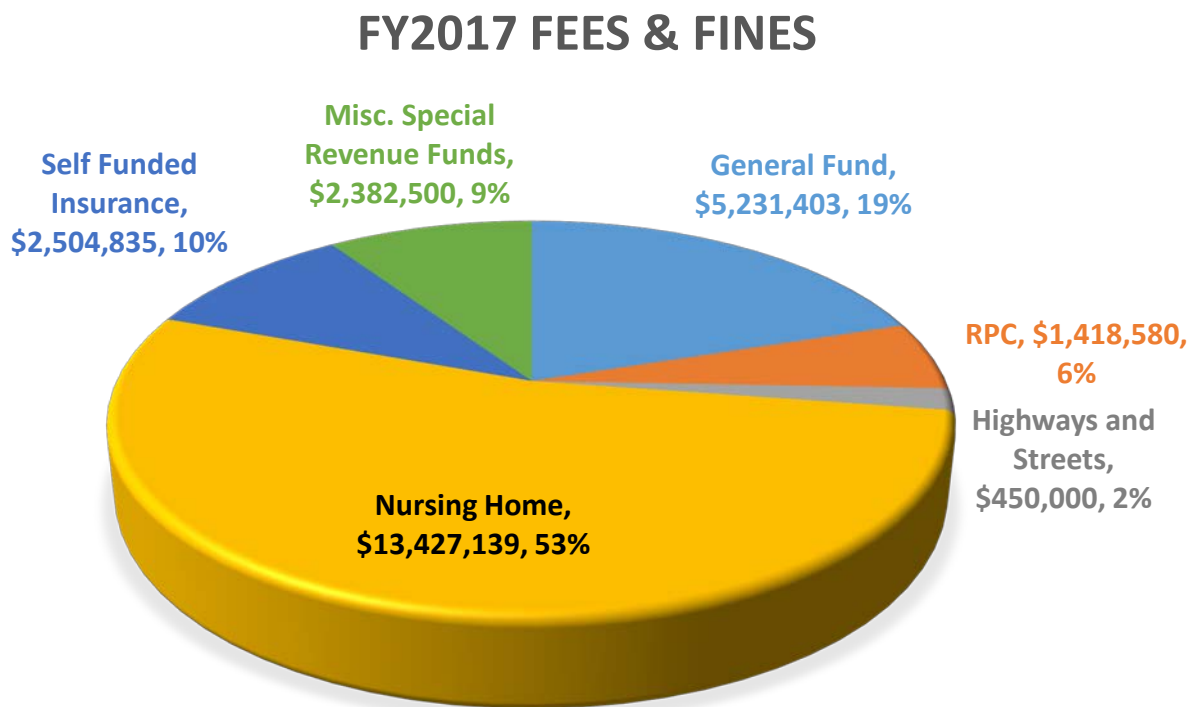
The majority of the County's federal and state grant revenue goes to support the Champaign County Head Start and Regional Planning Commission. Grant revenue increases 4.8% in FY2017.



▼ Fees and Fines – 20% of Total Budget

This revenue stream reflects an 8.4% decline in FY2017 which is largely attributed to a budgeted reduction in fee revenues for the Champaign County Nursing Home. In FY2017, the census assumptions reflect a budgeted census of 182. This is a significant decrease over the FY2016 budgeted census of 206 resulting in a \$2.4 million reduction in budgeted revenue for the Nursing Home.

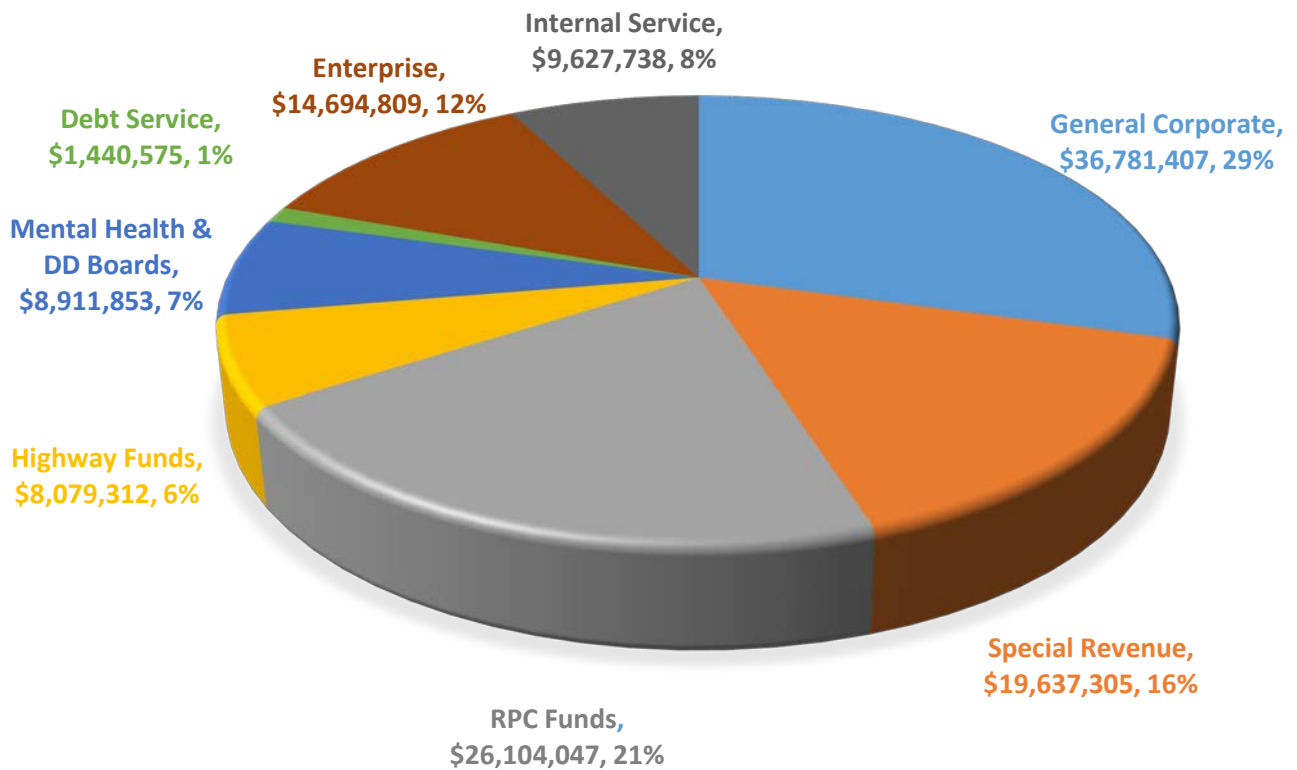
The FY2017 budgeted census numbers are believed to be more reflective of actual census assumptions; however, because of the associated reduction in revenue the Nursing Home was unable to budget for any capital expenditures in FY2017. In order for the home to be able to invest in essential capital improvements, census numbers would need to increase or an additional revenue source would be necessary.



▲ Interfund Revenue – 6% of Total Budget

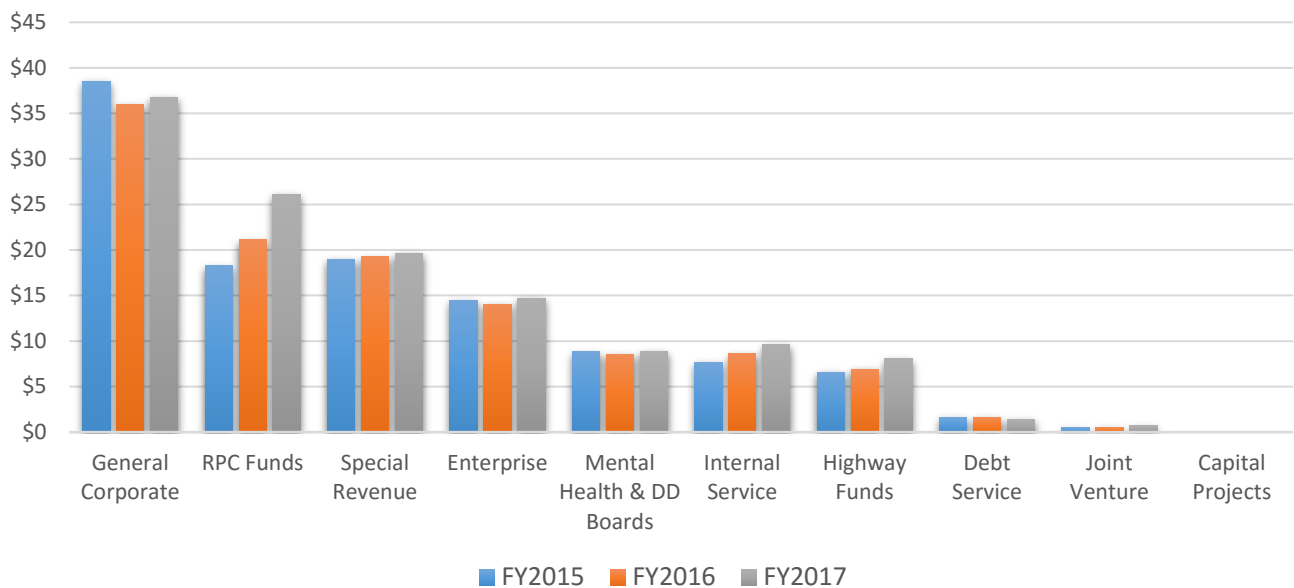
The 22.8% increase in Interfund Revenue is the result of a budgeted transfer of \$1.38 million to the Economic Development Fund, from the Champaign County Early Childhood (Head Start) Fund to allow for the potential transfer of funds to secure an expanded ADA-compliant childcare facility.

FY2017 REVENUE BY FUND TYPE



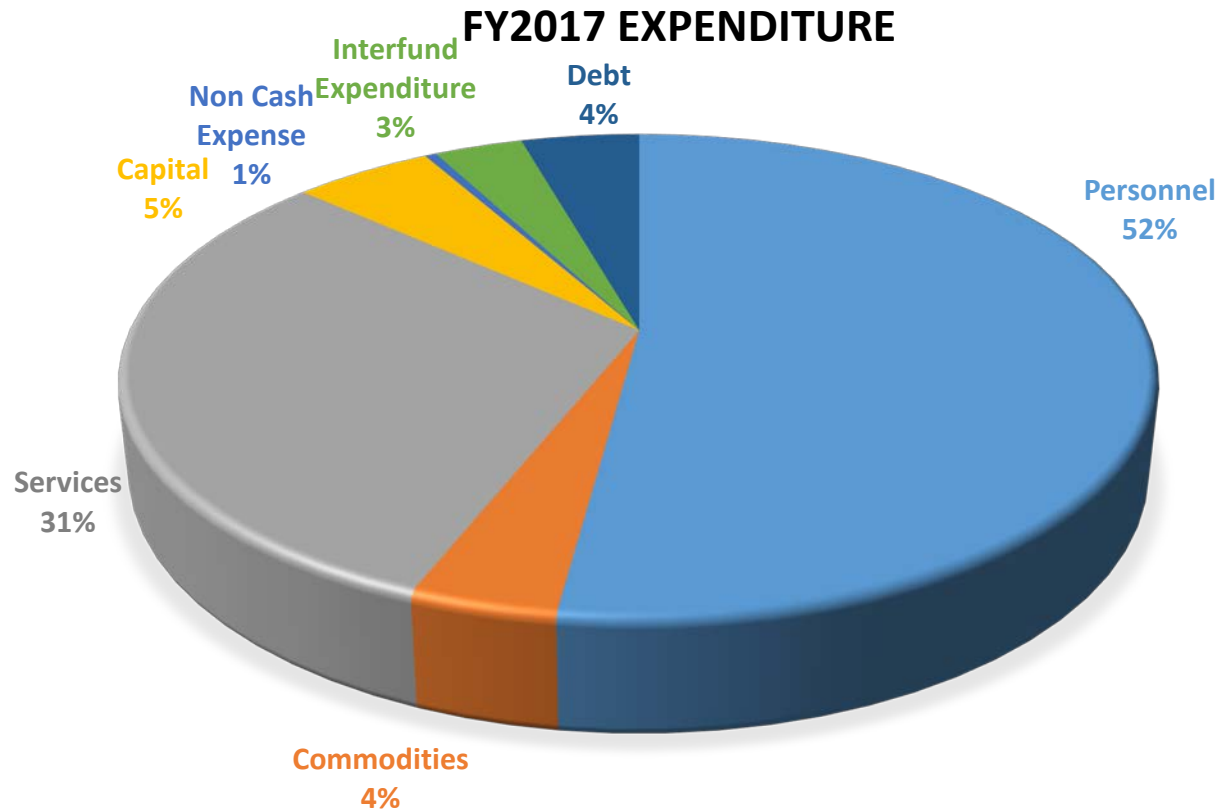
Joint Venture, \$685,959, and Capital Project, \$250, revenue is not shown in the pie chart.

Revenue by Fund Type (in Millions)



EXPENDITURE SUMMARY

THE CHANGE IN EXPENDITURE FOR FY2017 REFLECTS AN INCREASE OF \$2,295,079, 1.8% GROWTH OVER THE ORIGINAL FY2016 BUDGET.



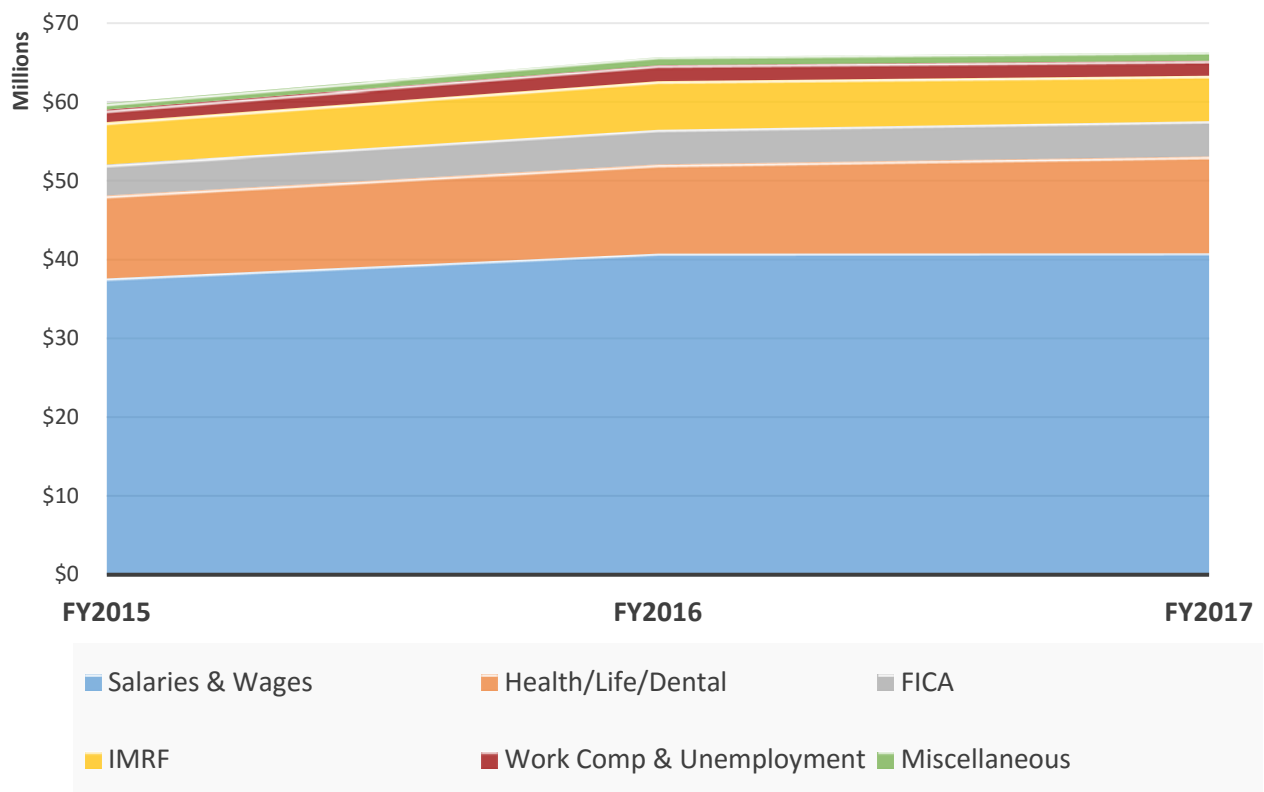
Expenditure	FY2016 Original Budget	FY2017 Budget	\$ Variance	% Variance
Personnel	65,711,031	66,305,107	594,076	0.9%
Commodities	4,517,002	4,983,413	466,411	10.3%
Services	39,230,640	38,926,823	(303,817)	-0.8%
Capital	6,363,088	6,625,961	262,873	4.1%
Non-Cash Expense	360,000	540,000	180,000	50.0%
Interfund Expenditure	2,920,851	4,208,562	1,287,711	44.1%
Debt	5,811,868	5,619,693	(192,175)	-3.3%
TOTAL EXPENDITURE	124,914,480	127,209,559	2,295,079	1.8%

▲ Personnel – 52% of Total Budget

Personnel costs represent the largest expense for Champaign County and include salaries and wages, per diem for elected officials, worker's compensation insurance expenses, health and life insurance benefits, social security expenses and pension or IMRF benefits. In FY2017 there is a budgeted increase in personnel expenditures of 0.9% or \$594,076. However, the County will negotiate 8 labor contracts in FY2017 including 5 FOP contracts and 3 AFSCME contracts which may result in additional growth in personnel expenditures.

Health Insurance is budgeted to increase 8.6% in FY2017, while the premium reflects a 11.6% increase. The difference between the budgeted increase and the premium increase is the result of incremental increases for health insurance premium costs being shifted to employees, and the FY2016 health insurance expenditures being over-budgeted. The County initially received a rate increase from Health Alliance of 51%; however, as a result of the efforts of the County's Labor Management Health Insurance Committee the outcome was much more favorable. The increasing cost of health insurance and the budget impact is a significant concern of County Administration. The total FY2017 premium including both employee and employer contributions is \$6.43 million. Although there are numerous labor contracts that establish the employer/employee contribution requirements, overall the County will fund 78% of total premiums and employees will fund 21% of total premiums.

PERSONNEL COSTS



▲ Commodities – 4% of Total Budget

There is a 10.3% budgeted increase in commodities. Approximately \$190,000 of the \$466,411 increase is related to an increase in the Capital Asset Replacement Fund budget for equipment less than \$5,000. The remaining increase is spread throughout the county's budgets.

▼ Services – 31% of Total Budget

Services make up the second largest percentage of the County's expenditures and in FY2017 are budgeted to reflect a decrease of 0.8%. The largest budgeted service expenditure, \$8.85 million, is for contributions and grants, which is predominantly budgeted in the County's Mental Health Care and Treatment of Persons with a Developmental Disability budgets.

▲ Capital – 5% of Total Budget

The majority of the County's capital expenditures are for bridge, culvert and road improvements in the Highway Funds. The General Fund budget includes \$532,261 for capital facility improvements in FY2016 and additional \$150,000 for ADA improvements; however, the investment in county facilities is significantly insufficient for optimal maintenance needs. A recent Facility Condition Assessment documents the backlog of deferred maintenance and associated cost with appropriately repairing and maintaining County facilities.

▲ Non-Cash Expense – 1% of Total Budget

Non-cash expenditure is for bad debt that is budgeted in the Nursing Home Fund and Regional Planning Commission's Economic Development Fund.

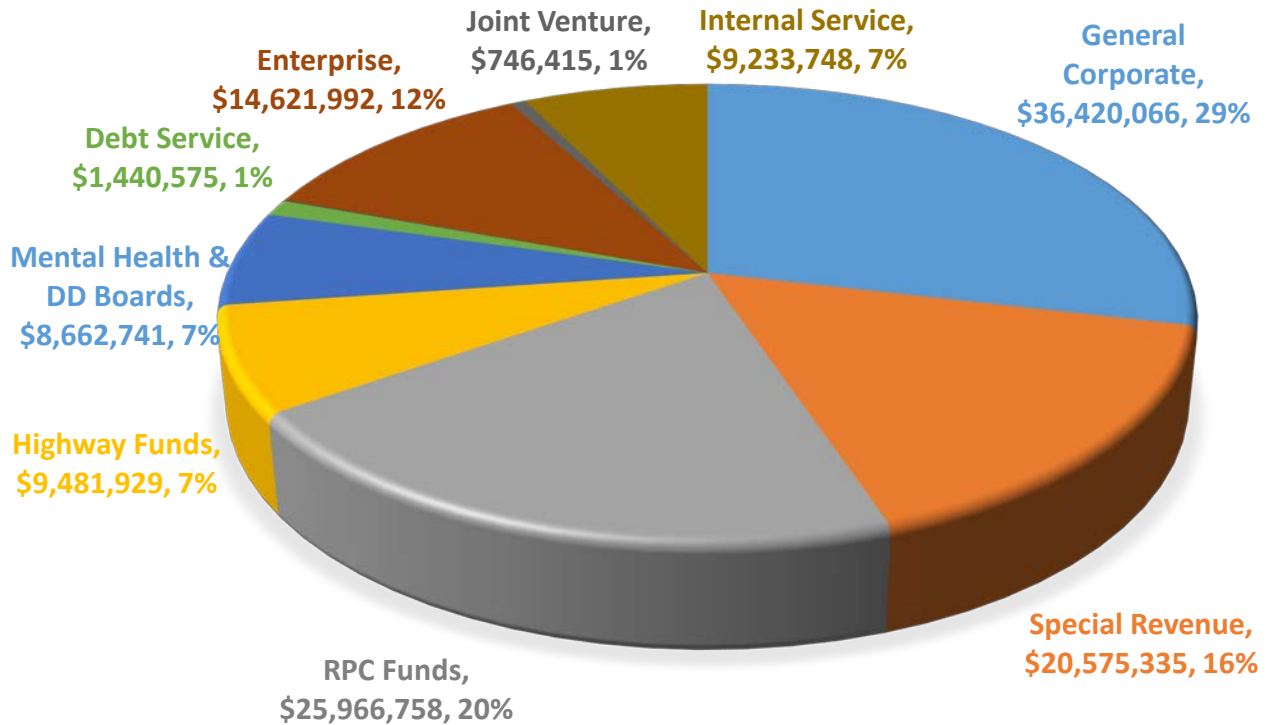
▲ Interfund Expenditure – 3% of Total Budget

The 44% increase in Interfund expenditure is the result of a budgeted transfer of \$1.38 million from the Champaign County Early Childhood (Head Start) Fund, to the Economic Development Fund to allow for the potential transfer of funds to secure an expanded ADA-compliant childcare facility.

▼ Debt – 4% of Total Budget

Total principal and interest payments on the County's General Obligation Bonds decreased 3.3%. The intergovernmental loan payment from the General Fund to the Regional Planning Commission for the purchase of the Brookens building ended in FY2016. The payment was \$52,500 in FY2015, and the final principal payment in FY2016 was \$19,688. At the end of FY2016, the County entered into a lease agreement for replacement of the County AS/400. The FY2017 budget includes principal and interest payments for the lease, maintenance and software totaling \$36,831.

FY2017 EXPENDITURE BY FUND TYPE



Not shown on the pie chart above is \$60,000 budgeted for Capital Projects.

EXPENDITURE BY FUND TYPE (In Millions)

