



County of Champaign, Illinois

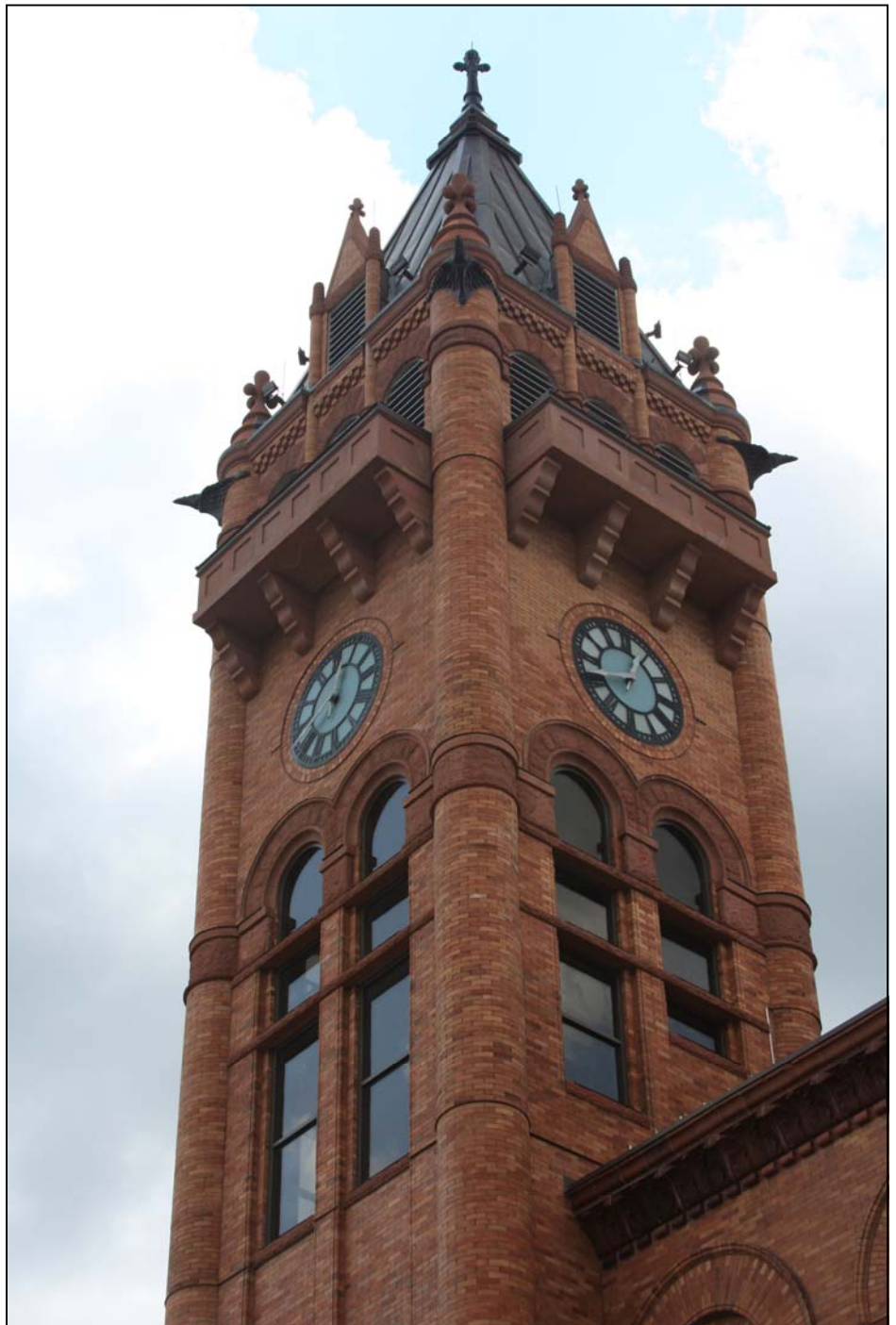
Popular Annual Financial Report

Fiscal Year Ended November 30, 2013



JOHN FARNEY

Champaign County Auditor



CHAMPAIGN COUNTY, ILLINOIS

POPULAR ANNUAL FINANCIAL REPORT

For the year ending November 30, 2013

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OFFICE OF THE AUDITOR
CHAMPAIGN COUNTY, ILLINOIS

TO THE RESIDENTS OF CHAMPAIGN COUNTY:

For the first time ever, the Champaign County Auditor's Office has prepared a Popular Annual Financial Report (PAFR) for the fiscal year ending November 30, 2013. This report provides a user friendly summary of the county's revenue, expenditures and financial condition. The report also includes supplemental information on local economic conditions, awards and accomplishments by Champaign County government, as well as additional information to help citizens of Champaign County become engaged with their county government. My goal for this report is to communicate Champaign County's financial positions in a format that can be utilized by anyone with an interest in County government.

The information in this report is derived from Champaign County's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended November 30, 2013. That highly detailed financial report, which was audited by CliftonLarsonAllen, LLP, received an unqualified (clean) opinion. The CAFR is prepared in conformity with Generally Accepted Accounting Principles (GAAP). The length and complexity of the CAFR (over 150 pages), makes it a challenging document to read and interpret. The financial schedules presented in the PAFR have been summarized from various financial statements in the CAFR. The PAFR omits the financial statements for business-type activities, discretely presented component units, proprietary funds, and fiduciary funds, all of which are included in the CAFR. The November 30, 2013 CAFR can be located on the Champaign County Auditor's website (www.co.champaign.il.us/auditor) under the Annual Financial Statements link. Past CAFRs, Quarterly and Monthly reports are also available at that site.

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

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

Respectfully,

JOHN FARNEY
CHAMPAIGN COUNTY AUDITOR
June 30, 2013

Profile of Champaign County, Illinois

Incorporated in 1833, Champaign County is located about 135 miles south of Chicago, at the crossroads of Interstates 57, 72, and 74 in the heart of East Central Illinois. The County is nearly 1,000 square miles in area, with a population of 203,276 (2012 estimate) who live in two cities, 24 incorporated villages, and on rural home sites.

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

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

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

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

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

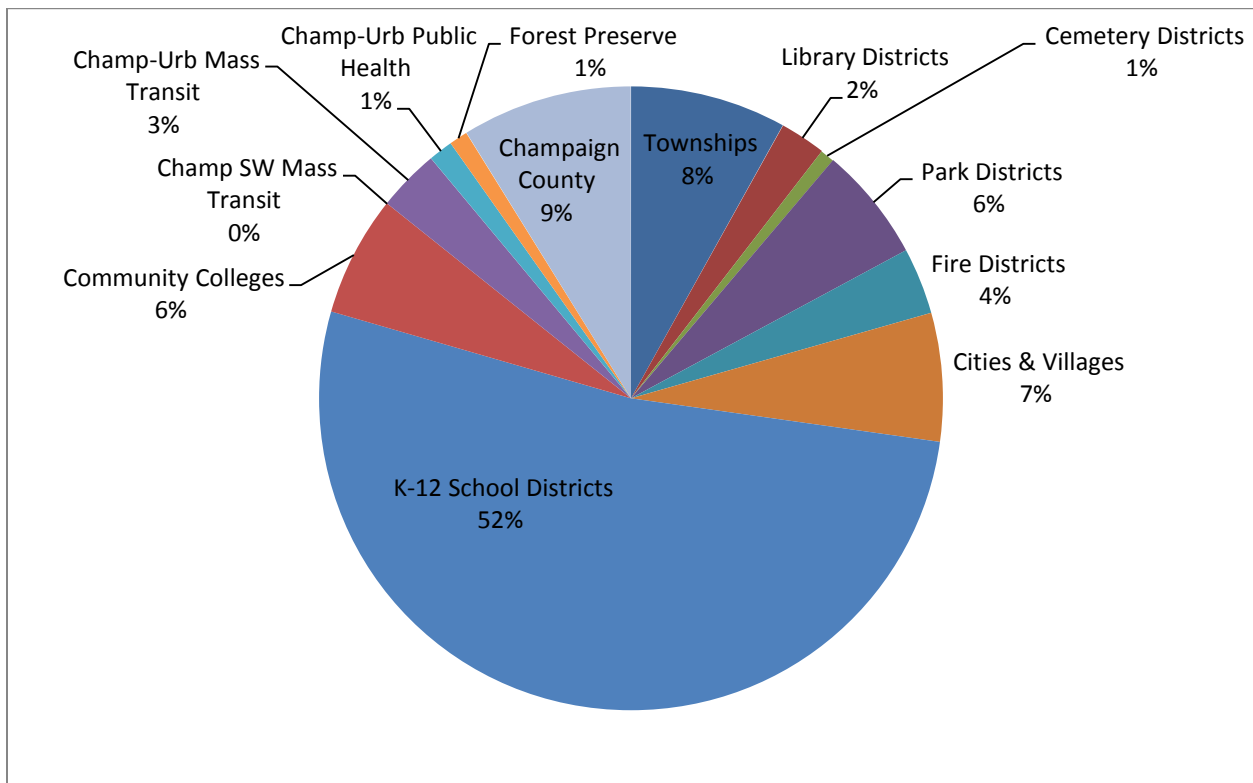
Champaign County has over 1,000 employees, and provides a wide variety of services to county residents. For more detailed information, please visit www.co.champaign.il.us.

Property Taxes – Where does your money go?

Where do your property tax dollars go? It's a great question that many citizens do not typically ask. The Champaign County Treasurer issues tax bills annually. The Treasurer also serves as County Collector and is responsible for collecting property tax payments. However, only a small portion of your property tax payment goes to pay for County services – less than 10%. The vast majority of property taxes are remitted to other governments that serve the people of Champaign County – school districts, mass transit districts, public health districts and so on. There are 185 taxing districts that serve some portion of Champaign County. Depending on the location of a real estate parcel, property taxes for that parcel will be collected for a combination of separate taxing districts.

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

Property Taxes – Breakdown by Governmental Type



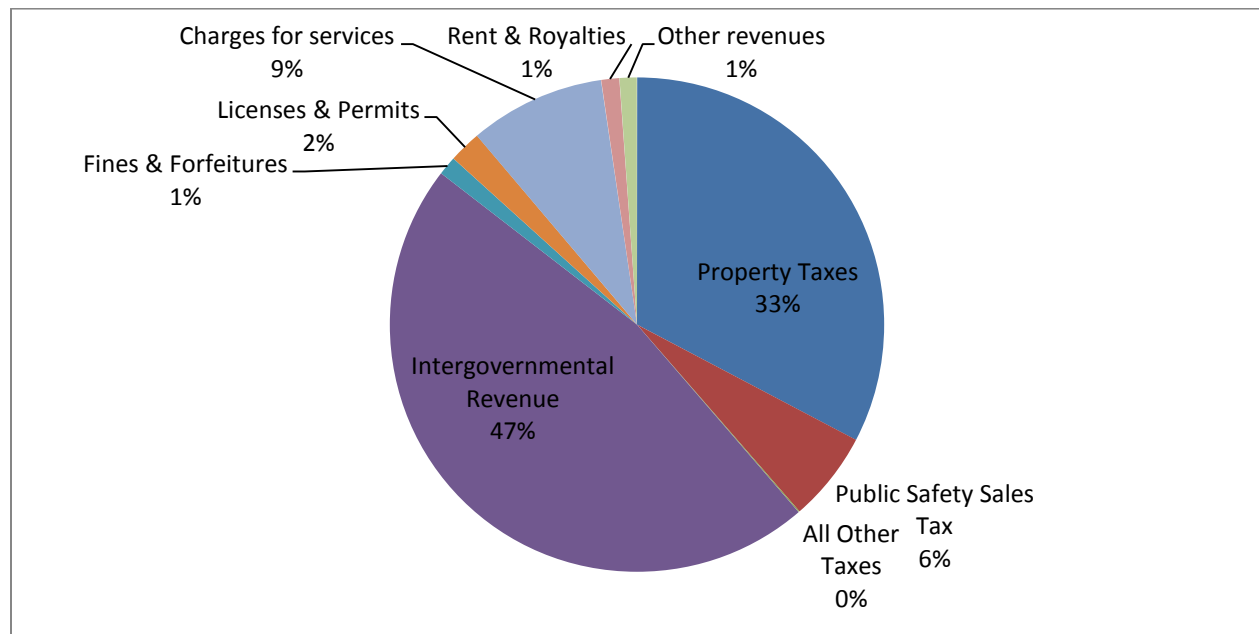
As shown in the chart above, the largest component of a typical tax bill in Champaign County goes to K-12 School Districts – more than 50%.

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

Revenues – Where does the money come from?

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

	General Corporate	Other Funds	Total All Funds	% of Total
Revenues:				
Property Taxes	\$9,098,244	\$18,667,042	\$27,765,286	32.71%
Public Safety Sales Tax	0	5,003,543	5,003,543	5.89%
All Other Taxes	60,775	0	60,775	0.07%
Intergovernmental Revenue	16,588,661	23,136,149	39,724,810	46.80%
Fines & Forfeitures	925,032	124,107	1,049,139	1.24%
Licenses & Permits	1,337,641	452,538	1,790,179	2.11%
Charges for services	3,952,344	3,567,895	7,520,239	8.86%
Rent & Royalties	1,008,710	0	1,008,710	1.19%
Other revenues	260,495	706,554	967,049	1.14%
Total Revenues	\$33,231,902	\$51,657,828	\$84,889,730	100.00%

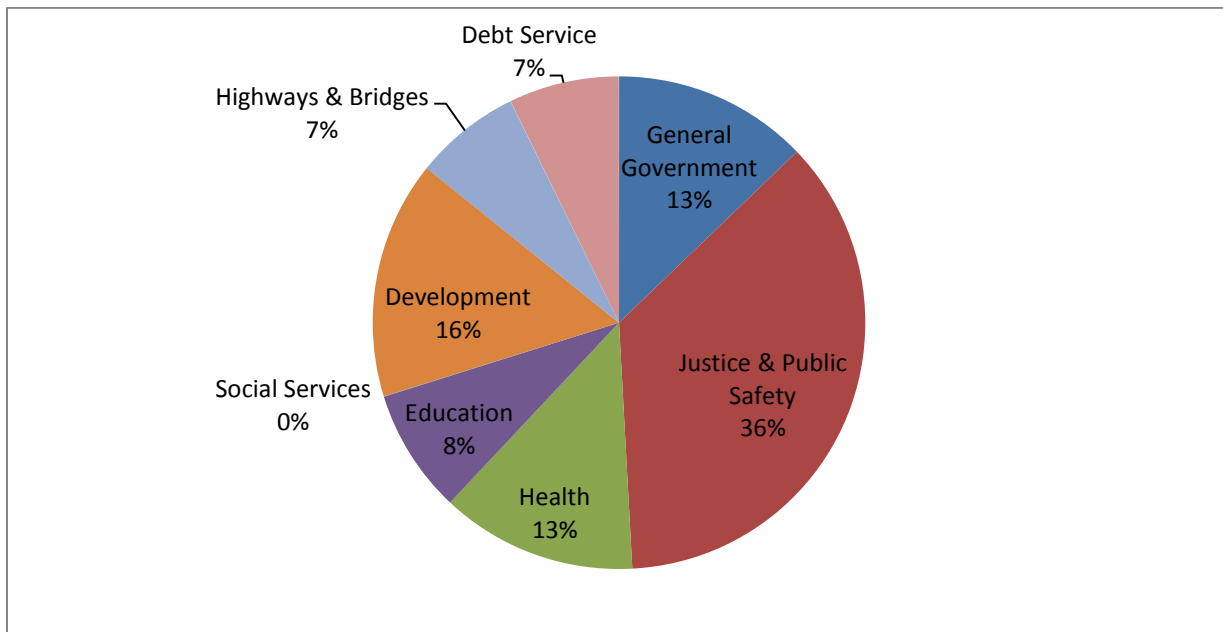


Property taxes represent a tax on all real estate within the County. The **Public Safety Sales Tax** is a ¼% sales tax enacted by Champaign County voters to fund public safety facilities and activities. **All other taxes** includes interest received on delinquent taxes, mobile home taxes, and county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

Expenditures – Where does the money go?

Champaign County’s largest expenditure among governmental activities during Fiscal Year 2013 was on Justice and Public Safety, and expense of over \$22 million. Overall expenditures increased by approximately 1% between FY2012 and FY2013.

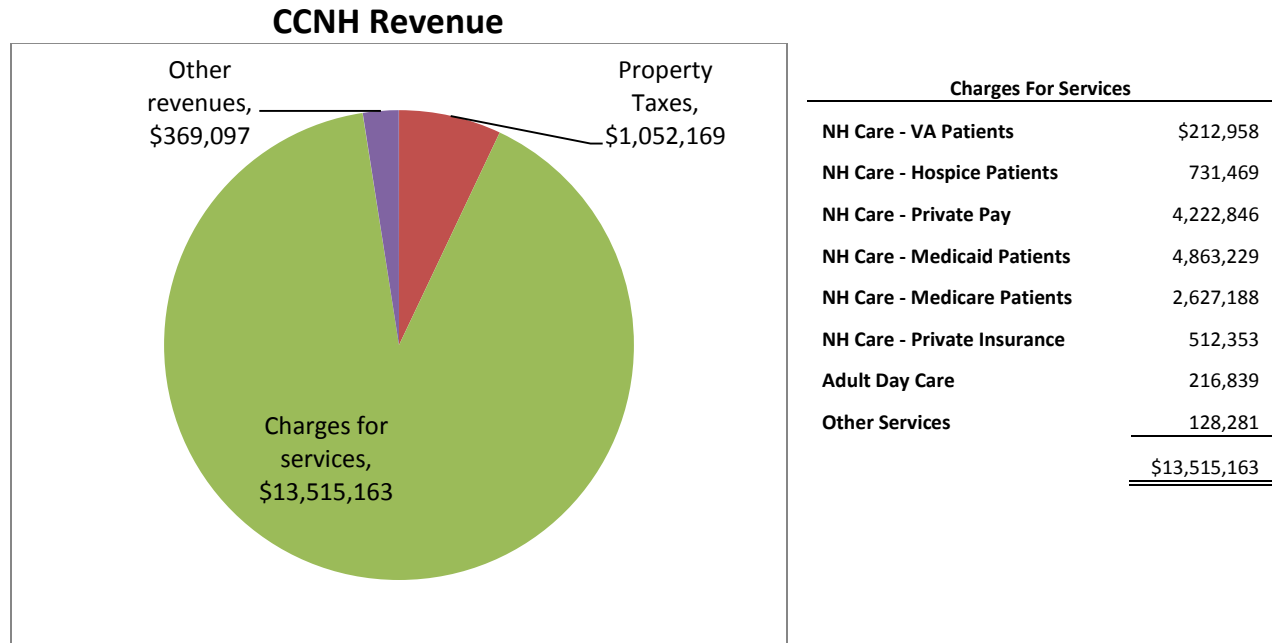
	General Corporate	Other Funds	Total All Funds	% of Total
Expenditures:				
General Government	\$8,786,058	\$1,655,701	\$10,441,759	12.81%
Justice & Public Safety	22,226,217	7,372,703	29,598,920	36.32%
Health	0	10,495,713	10,495,713	12.88%
Education	0	6,629,675	6,629,675	8.13%
Social Services	24,498	0	24,498	0.03%
Development	366,833	12,342,465	12,709,298	15.59%
Highways & Bridges	0	5,688,280	5,688,280	6.98%
Debt Service	545,346	5,368,576	5,913,922	7.26%
Total Expenditures	\$31,948,952	\$49,553,113	\$81,502,065	100.00%



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

Enterprise Fund – Champaign County Nursing Home

Champaign County maintains one enterprise fund for the Champaign County Nursing Home. Enterprise funds are created to account for County operations that are financed and operated in a manner similar to a private business. The vast majority, over 90%, of the revenues in the enterprise fund are charges for services provided to residents of the home. Champaign County also collects a property tax to assist with the operation of Champaign County Nursing Home. This accounts for approximately 7% of the fund's revenue.



A vast majority of the expenses attributed to the enterprise fund are personnel expenses, including salary and fringe benefits. Commodities include the cost of resident food (\$564,265) as well as supplies to help with the health and comfort of home residents. Services include licensing fees, contract nursing wages and fees paid to rehabilitation companies that work with individuals at Champaign County Nursing Home in addition to normal service related expenses (utilities, engineering, fleet maintenance). The Nursing Home has for several years experienced financial challenges, necessitating operating transfers and loans from the General Fund. In February 2013, the County Board forgave the remaining balance of \$333,142 of those Interfund Loans. In Fiscal Year 2013, the Home again experienced a negative change in net position (\$627,244) due primarily to lower patient revenue. This negative net position would have been higher without the transfer of \$333,142.

Expenses	
Personnel	\$8,667,121
Commodities	1,409,505
Services	4,348,517
Bad Debt Expense	345,944
Depreciation	743,935
Bond and debt service	310,090
Total Expenditures	\$15,825,112

Statement of Net Position

Champaign County's Net Position as of November 30, 2013

	Governmental Activities	Enterprise Fund	Total Primary Government
Current and other assets	\$79,647,165	\$4,253,780	\$83,900,945
Capital assets	74,674,565	20,002,304	94,676,869
Total assets	154,321,730	24,256,084	178,577,814
Current and other liabilities	36,896,745	2,765,297	39,662,042
Long-term liabilities	48,694,010	165,188	48,859,198
Total liabilities	85,590,755	2,930,485	88,521,240
Net assets:			
Invested in Capital Assets, Net of Related Debt	44,332,971	20,002,304	64,335,275
Restricted for:			
Capital Projects, Net of Related Debt	714	0	714
Debt Service	4,554,146	0	4,554,146
Justice & Public Safety	3,514,814	0	3,514,814
Health & Education	6,804,050	0	6,804,050
Development & General Government	8,704,650	0	8,704,650
Highways & Bridges	8,432,155	0	8,432,155
Insurance & Fringe Benefits	1,443,499	0	1,443,499
Unrestricted (Deficit)	(9,056,024)	1,323,295	(7,732,729)
Total Net Position	68,730,975	21,325,599	90,056,574

Current and other assets are assets that a company can reasonably expect to convert to cash, sell, or consume within one year.

Capital assets are the County's long-term investments in infrastructure (buildings, highways, bridges) and other assets used by Champaign County to provide services to citizens. These assets are not available for future spending.

Current and other liabilities includes debt that can be paid off in one year or less. This debt includes accounts payable, accrued interest, claims payable and unearned revenue.

Long term liabilities include capital leases and long term portions of post-employment benefits.

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

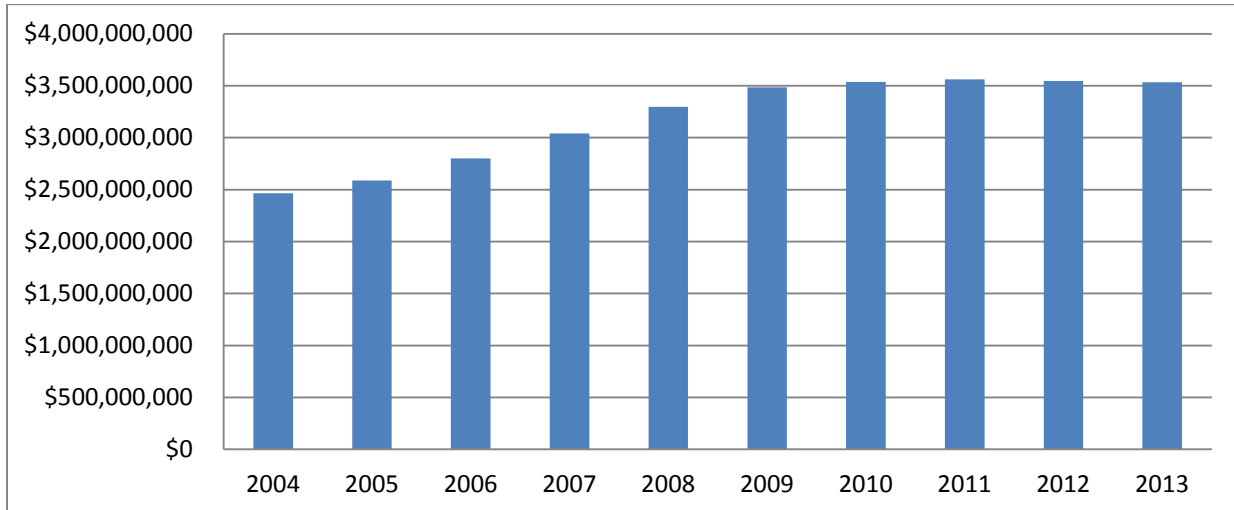
Restricted assets represents resources that are subject to external restrictions, for the reason listed in the statement above.

Unrestricted net assets represents the accessible resources to the County in order to provide services to the citizens of Champaign County if no additional revenue or resources were available.

Economic Outlook

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

ASSESSED PROPERTY VALUE



Assessed value of taxable property in Champaign County has seen a slight decline over the last three years, from a peak of \$3,561,497,476 in 2011 to today's value of \$3,532,086,251. Property in Champaign County is assessed at 33.3% of fair market value.

UNEMPLOYMENT RATE



Thanks in part to the stability of the University of Illinois even during times of economic turbulence, Champaign County's Unemployment Rate has remained historically lower than state and national levels, although the national rate has dipped below Champaign County's during the last three years. Champaign County is a financially strong, economically recovering, vibrant community to live in.

Champaign County Government Accomplishments

The Champaign County Auditor's Office handled nearly 100,000 accounting transactions in FY2013, an increase of over 5,000 transactions from the previous year. Additionally the office issued 18,884 Accounts Payable checks, a record number of checks.

Champaign County, through its County Board Office, was presented with the Government Finance Officer's Association's Distinguished Budget Presentation Award for FY2013.

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

In FY 2013, the Champaign County Treasurer issued 73,750 property tax bills.

The Champaign County Coroner's Office investigated 1,686 deaths in FY 2013, a record for that office. The office also conducted 129 autopsies and issued 707 cremation permits.

The Champaign County Recorder of Deeds Office recorded 29,695 documents in FY 2013.

The Champaign County Sheriff answered 24,786 calls for service in FY2013. The office issued 2,016 traffic citations, served 8,421 civil process papers, and booked 7,379 jail book-ins through the year.

During FY 2013, the Champaign County State's Attorney filed 2,108 felony cases and 1,404 misdemeanor cases.

Champaign County Animal Control registered 17,381 animals during FY2013. The department also impounded 1,716 animals during the year.

The Champaign County Planning and Zoning Department processed 157 zoning use permit applications in FY 2013.

Champaign County Nursing Home had an annual daily census of 190 patients.

Champaign County Emergency Management Agency received recognition for the County as a Storm Ready Community.

During FY2013, Champaign County received a Sunny Award from the Sunshine Review in recognition of having one of the most transparent government websites in the nation. Of the more than 7,000 websites reviewed by the organization, Champaign County ranked in the top 1 percent.

Champaign County Elected Officials

County Wide Elected Officials

	Term Expires
Auditor John Farney	December 2016
Circuit Clerk Katie Blakeman	December 2016
Coroner Duane Northrup	December 2016
County Clerk Gordy Hulten	December 2014
Recorder of Deeds Barbara Frasca	December 2016
Sheriff Daniel Walsh	December 2014
State's Attorney Julia Rietz	December 2016
Regional Superintendent of Education (Champaign & Ford Counties) Jane Quinlan	December 2014
Treasurer Daniel Welch	December 2014

Champaign County Board Members

District	Term Expires	District	Term Expires
District 1 Gary Maxwell John Jay	December 2014 December 2016	District 6 Pattsi Petrie Josh Hartke	December 2014 December 2016
District 2 Stan James Dianne Michaels	December 2014 December 2016	District 7 Alan Kurtz (Chair) Rachel Schwartz	December 2014 December 2016
District 3 Aaron Esry Stan Harper	December 2014 December 2016	District 8 Michael Richards Geraldo Rosales	December 2014 December 2016
District 4 Jim McGuire Jon Schroeder	December 2014 December 2016	District 9 Ralph Langenheim Astrid Berkson	December 2014 December 2016
District 5 Max Mitchell Jeff Kibler	December 2014 December 2016	District 10 Christopher Alix James Quisenberry	December 2014 December 2016
	District 11 Lorraine Cowart Lloyd Carter	December 2014 December 2016	

Champaign County Contact Information

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

County Website (All offices/departments):

www.co.champaign.il.us

Circuit Clerk Website (Court Documents):

www.cccircuitclerk.com

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

www.champaigncountyclerk.com