

**JOHN FARNEY**  
COUNTY AUDITOR



1776 EAST WASHINGTON  
URBANA, ILLINOIS 61802  
TELEPHONE (217) 384-3763  
FAX (217) 384-1285

**OFFICE OF THE AUDITOR**  
CHAMPAIGN COUNTY, ILLINOIS

**TO:** Christopher Alix, Deputy Chair, Champaign County Board Finance Committee  
Members of the Champaign County Board  
Dan Welch, County Treasurer  
Rick Snider, County Administrator

**FROM:** John Farney, County Auditor

**DATE:** July 25, 2017

**RE:** Champaign County Nursing Home Accounts Payable Update

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Champaign County Nursing Home (CCNH) continues to struggle to meet its Accounts Payable obligations. I am pleased to provide the following updated information.

As of July 25, 2017, the Home owes a total of \$3,267,112.07 to its vendors. This is an increase of \$124,144.83 from July 10, 2017.

Champaign County is owed the greatest amount of funds by CCNH. The Home's current Accounts Payable obligations to the County include (July 10, 2017 amount in parenthesis):

General Corporate Fund	\$232,240.08	(\$232,240.08)
Highway Fund	\$ 386.90	(\$ 386.90)
Capital Asset Replacement Fund	\$ 15,510.00	(\$ 0.00)
IMRF Fund	\$256,457.79	(\$256,457.79)
Social Security Fund	\$247,087.12	(\$247,087.12)
Self-Funded Insurance Fund	\$188,484.24	(\$ 68,011.56)

Additionally, CCNH is obligated in the form of a loan from the General Corporate Fund for \$226,802. This loan was used for boiler repair/replacement. CCNH has not made its FY2016 debt service reimbursement to the General Corporate Fund for \$262,114, nor the FY2017 Debt Service interest payment of \$21,334.99.

On June 21, 2017, pursuant to County Board authorization to do so, a loan of \$50,000 was made to the Nursing Home to cover payroll shortfall. On July 6, 2017, an additional loan of \$185,000 was made to the Nursing Home to cover payroll shortfall. The Home continues to have \$15,000 available from the General Corporate Fund under previous County Board authorization.

This brings the total obligation to Champaign County from the Home to \$1,685,417.12. This total is an increase of \$135,972.68 from July 10, 2017.

As I have repeatedly informed this Board, debt to the County is of grave concern. The Home's debt to the County has surpassed \$1.6 million. By comparison, at the end of November 2016, CCNH's

**obligation to the County, including nearly a full year of IMRF and Social Security expenses, was \$1,346,531.98.**

The Home continues to struggle to meet its obligations to private vendors as well. The following vendors are owed at least \$100,000. They include (July 10, 2017 amount in parenthesis):

HealthPro Rehab Services (rehabilitation services)	\$406,550.62	(\$432,337.45)
Uvanta Pharmacy (resident pharmaceuticals)	\$374,817.63	(\$374,817.63)
Professional Medical Supply (operational supplies)	\$240,535.37	(\$270,229.62)
HFS/Bureau of Operations (State bed tax, fees)	\$290,813.00	(\$290,813.00)
Medical Staffing Services (contract nursing)	\$188,338.61	(\$188,338.61)
Health Care Services Group (dietary)	\$238,325.31	(\$194,781.91)

No additional IGT payments have been received this month.

The County Board should again be reminded that the months of August and September will provide payroll challenges. Bi-weekly payroll during the month of September is on the 1<sup>st</sup>, 15<sup>th</sup> and 29<sup>th</sup> of the month. Funds to cover the first payroll of September will be due in the County Treasurer's office on August 30. The Home will struggle to meet its obligations during August and September, barring any unexpected revenue or additional loan funds.

The County Auditor, County Treasurer and County Administrator continue to meet on a regular basis to monitor the Home's financial situation.

The County Auditor's Office will continue to monitor and report to the County Board on the status of Champaign County Nursing Home's financial obligations and debt. Should you have any questions, please don't hesitate to contact me.