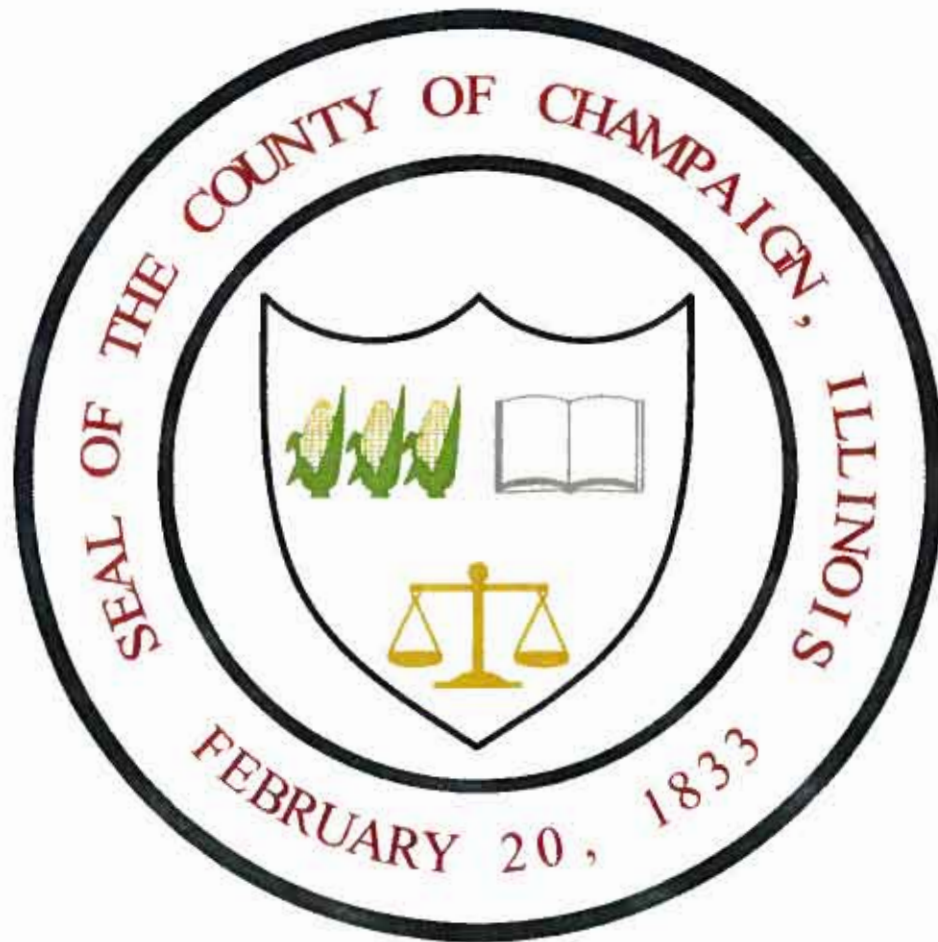


Champaign County FY2009 BUDGET





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**County of Champaign
Illinois**

For the Fiscal Year Beginning

December 1, 2007

Charles S. Cox

President

Jeffrey R. Egan

Executive Director

FY2009 CHAMPAIGN COUNTY BUDGET
TABLE OF CONTENTS

INTRODUCTION

County Administrator’s Letter of Transmittal	1
Budgetary Basis and Fund Structure Overview	9
Champaign County Board Strategic Plan	13
Champaign County Organization Chart	15
About Champaign County	16
Basis of Accounting/Basis of Budgeting	21
Financial Policies	22
Budget Process	27

BUDGET SUMMARY

FY2009 Budget Summary – All Funds	29
FY2009 Summary Table	40
Summary of Balances, Revenues, and Expenditures by Fund	41
Summary of Budgeted Personnel	51

GENERAL CORPORATE FUND

FY2009 General Corporate Fund Budget Summary	52
FY2009 General Corporate Fund Summary Budget Report	62

Department Number/Name

County Board	63
General Corporate Fund Debt Service	65
Administrative Services	67
Extension Education	72
Auditor	75
Board of Review	78
County Clerk	81
Recorder	85
Supervisor of Assessments	88
Treasurer	91
Circuit Clerk	95
Circuit Clerk Support Enforcement	101
Circuit Court	103
Jury Commission	107
Public Defender	108
Sheriff	111
Correctional Center	114
Sheriff’s Merit Commission	117
Sheriff’s DARE Program	118
State’s Attorney	119
State’s Attorney Support Enforcement	125
Coroner	127

Emergency Management Agency	130
Juvenile Detention Center	132
Court Services	136
Physical Plant.....	141
General County.....	145
Planning and Zoning	147
Regional Office of Education.....	153

SPECIAL REVENUE FUNDS

Fund-Department Number/Name

Mental Health Board	155
Developmental Disabilities Board	161
Delinquency Prevention Grants	167
Drug Courts Program Grant	170
County Highway	172
County Bridge	177
County Motor Fuel Tax	179
Highway Federal Aid Matching.....	182
Tort Immunity Tax	183

Illinois Municipal Retirement Fund Summary..... 185

ERI Debt Service.....	186
Nursing Home.....	187
General County.....	188

County Board of Health.....	189
Animal Control.....	192
Law Library.....	195

Capital Asset Replacement Fund Summary..... 197

County Board	199
Administrative Services	200
Auditor	201
Board of Review.....	202
County Clerk	203
Supervisor of Assessments	204
Treasurer	205
Public Defender	206
Sheriff	207
Correctional Center	208
State’s Attorney	209
Coroner	210
EMA	211
Juvenile Detention Center	212
Court Services	213
Facilities Replacement	214

Public Properties	215
Planning & Zoning	216
Public Safety Sales Tax Fund Summary.....	217
County Board.....	219
Debt Service.....	220
Justice Systems Technology.....	224
GIS Fund.....	225
Social Security Fund (FICA) Summary.....	227
Nursing Home.....	228
General County.....	229
County Treasurer Working Cash Fund.....	230
County Clerk Surcharge Fund.....	231
Sheriff’s Drug Forfeitures Fund.....	232
Court Automation Fund.....	234
Recorder Automation Fund.....	236
Child Support Service Fund.....	239
Probation Services Fund.....	241
County Treasurer Tax Sale Automation Fund.....	244
State’s Attorney Drug Asset Forfeitures Fund.....	246
County Treasurer Property Tax Interest Fee Fund.....	248
Election Assistance/Accessibility Grant Fund.....	249
Courthouse Museum Fund.....	250
Jail Commissary Fund.....	251
County Jail Medical Costs Fund.....	253
County Clerk Automation Fund.....	254
Court Document Storage Fund.....	255
Court Services Drug Forfeitures Fund.....	258
Victim Advocacy Grant Fund.....	259
Solid Waste Management Fund.....	261
Juvenile Intervention Services Fund.....	263
Children’s Advocacy Center Fund.....	265
Juvenile Information Sharing System Grant Fund.....	268
Juvenile Accountability Grant.....	270
Sheriff’s Livescan Equipment Grant.....	271

RPC FUNDS

Regional Planning Commission Budget Summary.....	272
<i>Administration</i>	
Fringe Benefit Clearing Account.....	278
Administration/Overhead.....	279

<i>Transportation Planning</i>	280
Campus Area Transportation.....	283
Staley/Rising Corridor Study	284
University Avenue Corridor Study	285
Human Services Transportation Planning	286
Urbana Bikeways Plan.....	287
St. Mary’s Road Corridor Study	288
Safe Routes to School Project.....	289
Travel Demand Model Development.....	290
Transportation Simulation Project.....	291
IDOT Planning – Even Years.....	292
Transportation Planning Odd Years.....	293
CUUATS Local Contributions	294
Transportation Planning Even Years	295
Greenways Plan.....	296
<i>Regional Services</i>	297
Homer TIF District	299
Rankin Sanitary Sewer Project	300
Homer Sanitary Sewer Project	301
Longview Water Treatment Plant	302
Local Contract Services	303
County Housing Rehabilitation Administration	304
Onarga Public Facilities (Sanitary Sewer Collect).....	305
HOME Program Odd Years	306
HOME Program Even Years	307
<i>Regional Planning</i>	308
Membership Services Odd Years	311
Visioning Project.....	312
Credit Union Administration.....	313
Economic Development District Odd Years	314
Economic Development District Even Years	315
Piatt County Comprehensive Plan	316
IDOT Planning	317
Champaign County Planning.....	318
Membership Services Even Years	319
CSBG RLF Administration	320
CDAP RLF Administration.....	321
Community Development Corporation.....	322
Champaign County GIS Special Projects	323
Piatt County GIS Special Projects	324
GIS Local Contract Services	325

<i>Police Training</i>	326
Police Training Project Odd Years	330
Police Training Project Even Years	331
Criminal Justice Reserve.....	332
<i>Social Services</i>	333
Head Start Foundation.....	335
Homeless Prevention Services Odd Years.....	336
Homeless Prevention Services Even Years.....	337
Court Diversion Services Odd Years.....	338
Youth Housing Advocacy Odd Years.....	339
Homeless Management Info System (HMIS) Even Years	340
Court Diversion Services Even Years.....	341
Homeless Management Info System (HMIS) Odd Years.....	342
Youth Housing Advocacy Even Years.....	343
Shelter Plus Care I Odd Years	344
Shelter Plus Care II Odd Years	345
Shelter Plus Care I Even Years	346
Shelter Plus Care II Even Years	347
Home Energy Assistance-HHS Odd Years	348
Weatherization-HHS Odd Years	349
Weatherization-DOE Odd Years	350
Weatherization-Supplement Odd Years	351
Home Energy Assistance-Supplement Odd Years	352
Home Energy Assistance-HHS Even Years	353
Weatherization-HHS Even Years	354
Weatherization- DOE Even Years.....	355
Weatherization-Supplement Even Years	356
Home Energy Assistance-Supplement Even Years	357
Local Area Network Administration Even Years	358
Local Area Network Administration Odd Years.....	359
Tenant Based Rental Assistance	360
Ameren Customer Rate Relief	361
Shelter Plus Care 3 Even Years	362
Shelter Plus Care 3 Odd Years	363
Ameren Rate Relief Odd Years.....	364
Community Services Block Grant Odd Years	365
Community Services Block Grant Even Years	366
Federal Emergency Management Assistance Even Years	367
Federal Emergency Management Assistance Odd Years	368
Housing Advocacy Services Odd Years	369
CSBG Special Projects Even Years.....	370
CSBG Special Projects Odd Years.....	371
Housing Advocacy Services Even Years	372
Individual Service & Support Even Years	373
Individual Service & Support Odd Years	374

Senior Services Odd Years	375
Senior Services Even Years	376
Senior Repair Program Even Years	377
Senior Repair Program Odd Years	378
Senior Services Case Management.....	379
GIS Consortium Fund Summary.....	380
GIS Consortium Even Years	383
GIS Consortium Odd Years	384
Aerial Photography	385
Topography Project	386
Head Start Fund Summary.....	387
Early Head Start Grant Odd Years	392
Early Head Start Grant Even Years	393
Enhanced Head Start Even Years.....	394
Full Day Program	395
Early Childhood Block Grant Even Years	396
Early Childhood Block Grant Odd Years	397
Developmental Disabilities Counseling Even Years.....	398
Developmental Disabilities Counseling Odd Years	399
Pre-School for All Odd Years.....	400
Pre-School for All Even Years	401
Pre-School for All Expansion.....	402
Head Start Grant Odd Years	403
Head Start Grant Even Years	404
USDA Food Program.....	405
Working Capital Reserve.....	406
Economic Development Fund Summary.....	407
CSBG Pass-Through Loans.....	410
CDAP New Economic Development Awards.....	411
CSBG New Economic Development Awards.....	412
CSBG Permanent Generation Economic Development Loans.....	413
County Rehabilitation Revolving Loan Administration.....	414
CSBG Special Projects.....	415
HOME Loans	416

DEBT MANAGEMENT AND CAPITAL PROJECTS FUNDS

Fund Department Number/Name

<i>Debt Management Summary</i>	417
Jail Bond Debt Service Fund.....	421
Nursing Home Debt Service Fund.....	423
Highway Facility Debt Service Fund.....	426

Capital Purchases Projects Summary.....	428
Nursing Home Construction Fund.....	432
Jail Construction Fund.....	433
Administration Building Construction Fund.....	434
Courts Construction Fund.....	435
Highway Facility Construction Fund.....	436
Highway Facility Construction Fund – County Highway & General Corporate.....	437
Highway Facility Construction Fund – County Motor Fuel Tax.....	438

PROPRIETARY FUNDS

Fund Department Number/Name

Enterprise Fund

<i>Nursing Home Fund Summary.....</i>	439
Administration.....	442
Environmental Services.....	444
Laundry Services.....	445
Maintenance.....	446
Medical Services.....	447
Activities.....	449
Social Services.....	450
Medical Services – Physical Therapy.....	451
Medical Services – Occupational Therapy.....	452
Medical Services – Speech Therapy.....	453
Dietary.....	454
Activities – Beauty Shop.....	455
Adult Day Care.....	456
Medical Services – Alzheimer’s.....	457

Internal Service Funds

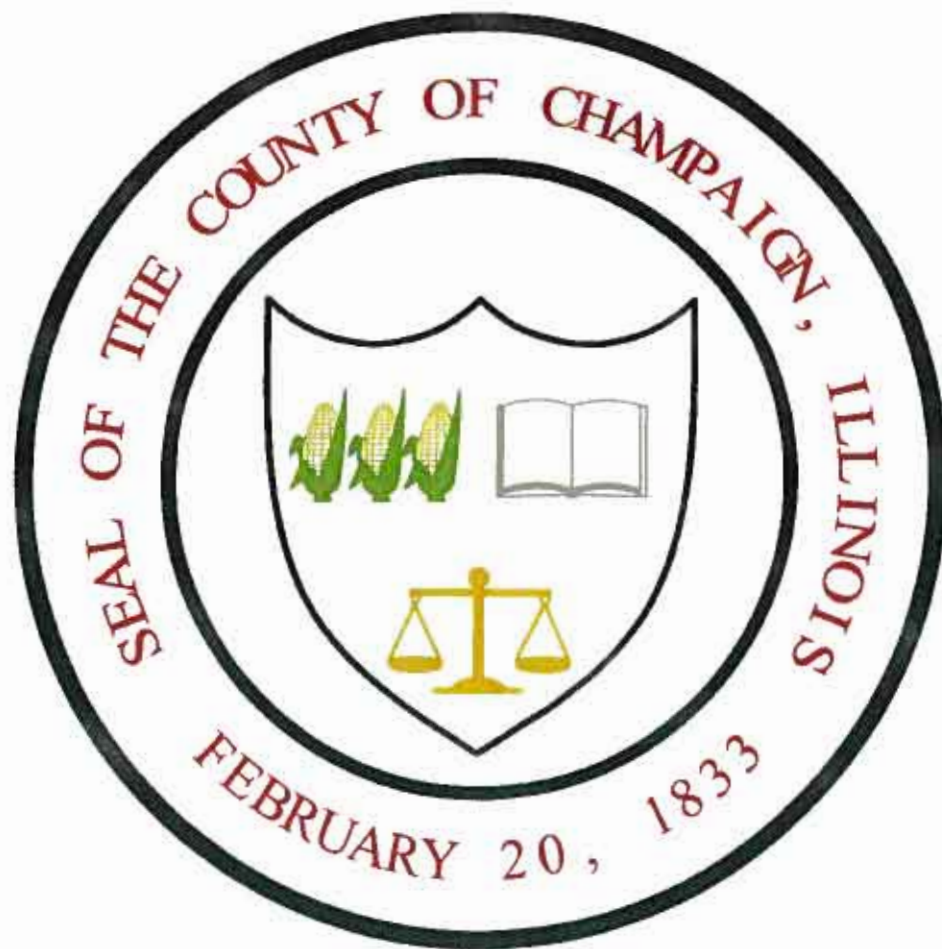
<i>Self Funded Insurance Fund Summary.....</i>	458
Property Liability Insurance.....	460
Worker’s Compensation Insurance.....	461
Employee Health Insurance Fund.....	462

SUPPLEMENTAL INFORMATION

FY2009 Annual Tax Levy Ordinance	463
FY2009 Levy Rate Projection Chart.....	467
FY2009 Annual Budget and Appropriation Ordinance	468
Champaign County FY2009 Consolidated Budget Report	470
County Wide Staffing	489
FY2009 Salary Schedules for Non-Bargaining Positions.....	501
FY2009 Salaries for County Board	503
FY2009 Salaries for County-Wide Elected Officials.....	503
Glossary.....	504

Champaign County FY2009 BUDGET

INTRODUCTION SECTION





CHAMPAIGN COUNTY ADMINISTRATIVE SERVICES

1776 EAST WASHINGTON
URBANA, IL 61802
(217) 384-3776
(217) 384-3765 – PHYSICAL PLANT
(217) 384-3896 – FAX
(217) 384-3864 – TDD
Website: www.co.champaign.il.us

ADMINISTRATIVE SUPPORT
DATA PROCESSING
MICROGRAPHICS
PURCHASING
PHYSICAL PLANT
SALARY ADMINISTRATION

November 10, 2008

To the Honorable Chair and Members of the Champaign County Board:

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, please accept the FY2009 budget for funding Champaign County government's programs and services. 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 2nd 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 1st quarter of 2008. The growth in the 2nd 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.

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 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.

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:

- 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.

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 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:

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.

SUMMARY

The FY2009 Budget is the third annual budget prepared with a format for each department and fund to summarize their operations, including statement of goals and performance indicators to measure the achievement of those goals. The County Board's strategy for this format and documentation is to provide to the public and taxpayers a true statement of the services provided to the citizens of this community with the taxpayer dollars and fees paid for those services.

In FY2009, the County Board will continue to work on expanding the County Board Strategic Plan and long-term planning initiatives with the goal of continuing improvement of services to its citizens and transparency in documenting its use of the public's dollar.

ACKNOWLEDGMENTS

The preparation of the FY2009 budget has been accomplished through the effort and cooperation of all county elected officials, department heads, and members of the County Board. I wish to thank all of the elected officials, department heads and board members for their continued cooperation over several months of budget preparation and review.

I wish to extend special thanks and appreciation to Bill Simmering, Senior Mainframe Programmer for Champaign County. This is the third year of an electronic budget process, and each year we implement changes and new strategies made possible through his diligence in working to bring improvement and enhancement through technology. I would also like to thank Andy Rhodes for his assistance in financial analysis, Evelyn Boatz for assistance with personnel and salary administration documentation, and Kat Bork for her assistance in putting the final document together.

Members of the Board, I am pleased to present to you the FY2009 Champaign County Budget.

Respectfully submitted,

Debra Busey
County Administrator of Finance & HR Management

HOW TO USE THIS DOCUMENT

The Champaign County FY2009 Budget Document is organized into eight sections. These include: Introduction; Summary; General Corporate Fund; Special Revenue Funds; RPC Funds; Debt Service & Capital Projects Funds; Proprietary Funds; and Supplemental Information. Each section is described below, followed by a description of the accounting and fund structure used to develop the budget document:

Section 1 - Introduction – This background section provides an overview including the County Administrator’s Letter of Transmittal; this “How to Use” instructional document; Champaign County economic and demographic information; and Champaign County Board policy and process information.

Section 2 - Summary – This budget summary section provides a quick overview of highlights of the FY2009 total Champaign County budget.

Section 3 - General Corporate Fund – A summary statement at the beginning of this section provides complete revenue and expenditure detail for the General Corporate Fund as a whole, including FY2007 actual revenues and expenditures, FY2008 budgeted and projected revenues and expenditures, and FY2009 requested revenues and expenditures. Following the summary statement are individual department budgets for each of the General Corporate Fund departments. In addition to the financial section, each department budget includes an organizational chart for that department; mission statement; analysis of operations, revenues and expenditures; personnel summary information; and objectives and performance indicators specific to that department’s operation.

Section 4 - Special Revenue Funds – A summary statement and department budget information within funds is provided for each of the County’s 44 special revenue funds. The fund and department budget document structure is substantially the same as for the General Corporate Fund department budgets.

Section 5 - RPC Funds – A separate section for the four special revenue funds (encompassing 100 individual department budgets) which are managed by the Champaign County Regional Planning Commission.

Section 6 - Debt Service and Capital Projects Funds – Explanation of each of the County’s debt service and capital projects funds budgets, including financial detail, source of revenues, debt structure, and project status updates.

Section 7 - Proprietary Funds – A summary statement and documentation is provided for the Nursing Home enterprise fund, and the Self-Funded Insurance internal service fund, together with documentation for each of the individual department budgets within each fund.

Section 8 - Supplemental Information – This section includes additional information including budget ordinances; property tax distribution; personnel staffing budgets and salary schedules; and a glossary of terms used in this document.

The above description of the eight sections of the FY2009 budget book is further enhanced for the reader with the following description of Champaign County’s structure of funds.

Accounting Structure

A fund is the basic accounting unit: it is a self-balancing accounting entity with revenues and expenditures which are segregated for the purpose of carrying out specific programs in accordance with County policies and certain applicable State and Federal laws.

Each fund has at least one Department Budget, which is a group of expenditures that provide for the accomplishment of a specific program or purpose.

A major fund is a budgeted fund whose revenues or expenditures represent more than 10% of the total appropriated revenues or expenditures.

Fund Statements

A Fund Statement is presented for each fund, which summarizes past and projected financial activity for the fund as follows:

- Revenues – presented in line item detail within revenue categories;
- Expenditures – presented in line item detail within major categories – e.g., personnel, commodities, services, etc.
- Fund Balance – the actual or estimated funds remaining at the end of the fiscal year.

Fund Types

All county funds are included in the Annual Budget Document except the fiduciary funds which include two Private Purpose Trust Funds in which the County Engineer acts in a trustee capacity on behalf of townships to use state funding to maintain township roads and township bridges, which resources are not available to support the County’s own programs; and Agency Funds whose purpose is to report resources, such as property taxes and circuit court fees and fines, held in a custodial capacity for external individuals, organizations and governments.

Governmental Funds – Governmental funds account for traditional governmental operations that are financed through taxes and other fixed or restricted revenue sources.

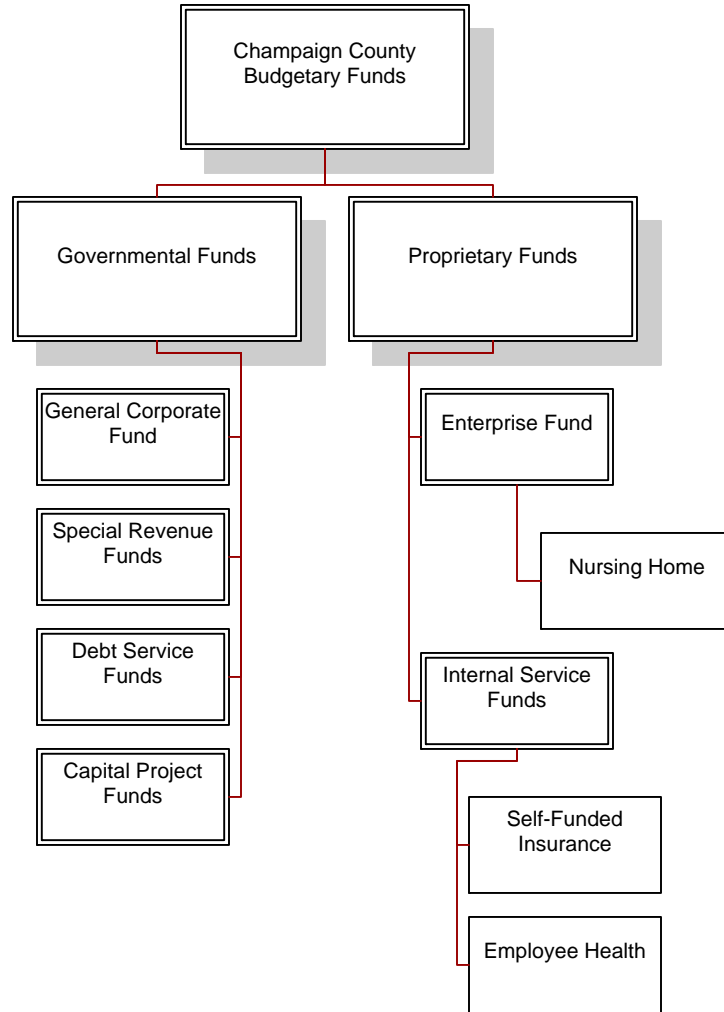
- A. **General Fund:** the General Corporate Fund is available for any authorized purpose, and is used to account for all financial resources except those

required to be accounted for in another fund. A General Corporate Fund summary is prepared which lists the amount of General Corporate Fund appropriation for all affected departments. The General Corporate Fund is a Major Fund.

- B. Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted to expenditures for a specific purpose. Currently, the County has three major funds in Special Revenue Funds – the Mental Health Fund which uses property taxes to fund mental health agencies; the Developmental Disability Fund, which uses property taxes to provide for the care and treatment of persons with a developmental disability; and the County Motor Fuel Tax fund, which uses state-shared motor fuel taxes to fund construction and maintenance of county highways. Special Revenue Funds also include 45 non-major funds.
- C. Debt Service Fund:** Debt Service Funds are utilized to account for the payment of interest, principal and related costs on the County’s general long-term debt. The County has three debt services funds: one for the repayment of the bonds issued for the construction of the Satellite Jail and remodeling of the Downtown Correctional Center; and one for the repayment of bonds issued for the construction of the Nursing Home Facility; and one for the repayment of bonds issued for the construction of the Highway Fleet Maintenance Facility. (In addition to Debt Service Funds, the County also has three debt service budgets included in other funds as appropriation based on the purpose of the fund.)
- D. Capital Projects Funds:** Capital Project Funds are used to account for all expenditures and revenues associated with the acquisition or construction of major facilities that are not financed through proprietary funds or funds being held for other governments. The County has three capital projects funds budgeted in FY2009 – the Courts Complex Construction Fund, the Nursing Home Construction Fund, and the Highway Facility Construction Fund.

Proprietary Funds – Proprietary Funds account for certain “business-type” activities of governments that are operated so that costs incurred can be recovered by charging fees to the specific users of these services.

- A. Enterprise Fund:** An enterprise fund is used to account for operations that are financed primarily by User charges. The Nursing Home Fund is a Major Fund, and is the only enterprise fund in Champaign County.
- B. Internal Services Funds:** An Internal Service Fund is established to account for the financing of goods and services provided to the County and other agencies on a cost reimbursement basis. The activities of the Self-Funded Insurance Fund and Employee Health Insurance Fund are budgeted and appropriated through the use of Internal Service Funds.



CHAMPAIGN COUNTY BOARD STRATEGIC PLAN

VALUES

*Diversity
Quality of Life
Justice
Teamwork
Responsibility to the Public*

VISION

Our vision is to be a recognized leader in local government where every official and employee has a personal devotion to excellence in public service and embraces the highest standards of ethics and integrity, which enables us to provide the best customer services to the citizens of Champaign County.

MISSION

Champaign County is committed to its citizens by offering a wide range of services in a cost-effective and responsible manner.

DEFINING OUR VALUES

DIVERSITY

- Hiring practices to promote a workforce reflective of the community
- Recognition and appreciation of diversity of the community
- Equal and inclusive access to services and programs

QUALITY OF LIFE

- Value broad range of quality education
- Manage and encourage delivery of quality and effective health care services
- Effectively manage real estate tax system
- Support of local business community
- Promote effective economic development

JUSTICE

- Equal access to civil and criminal justice services
- Place value on public safety and individuals' rights
- Encourage effective communication among public safety/criminal justice system providers
- Prevention of recidivism
- Manage safe and secure detention facilities

CHAMPAIGN COUNTY BOARD STRATEGIC PLAN

TEAMWORK

- Intra-governmental cooperation
- Inter-governmental cooperation
- Collaboration to achieve goals
- Civility and cooperation among the County Board

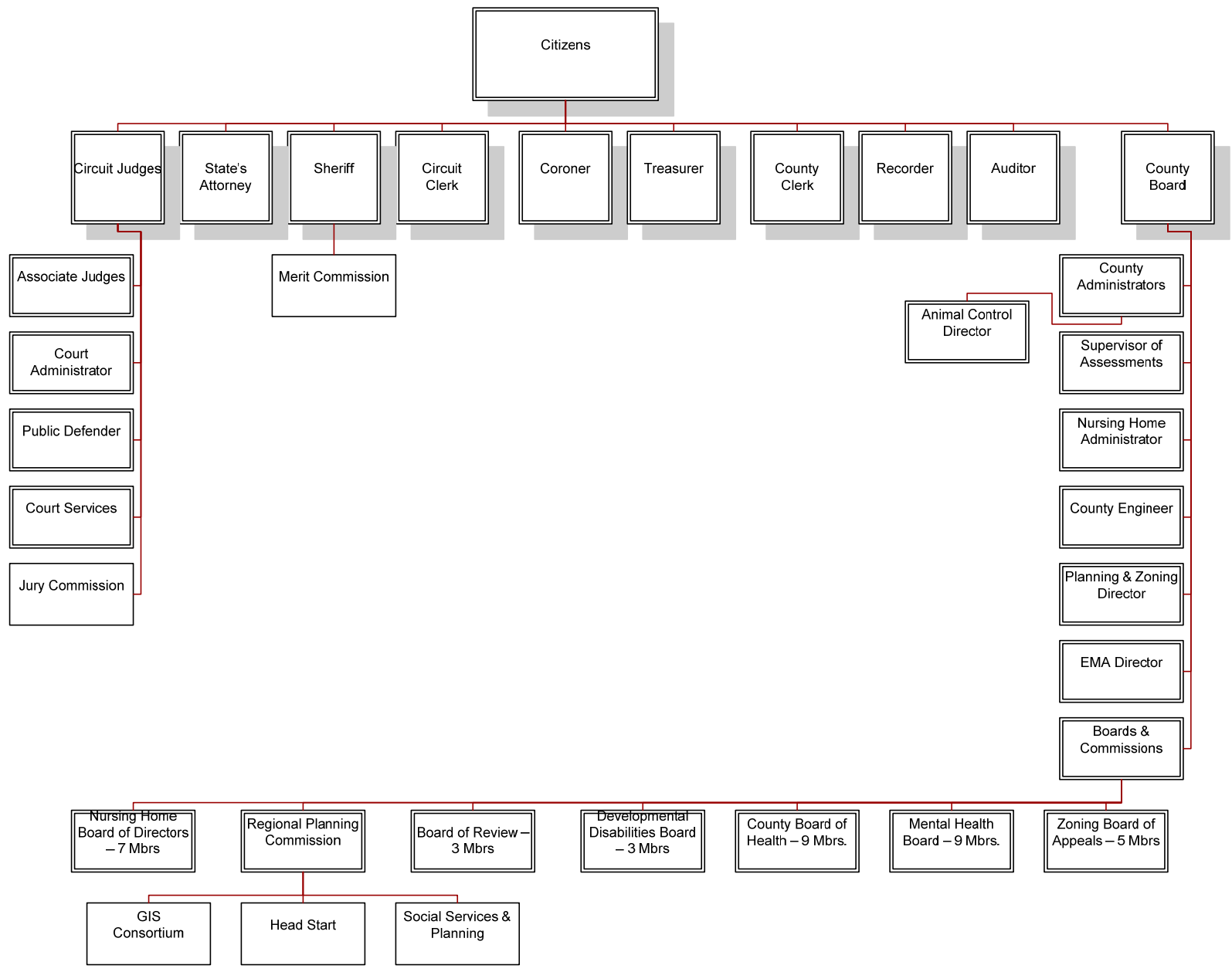
RESPONSIBILITY TO THE PUBLIC

- Fiscal solvency
- Transparency
- Responsiveness
- Efficient and friendly delivery of services
- Ethical acts
- Critical thinking

GOALS

1. *Remain a financially solvent County government.*
2. *Provide ease of access and availability of services and information to citizens.*
3. *Partner with employees to ensure quality services delivered in a professional manner.*
4. *Develop and maintain a long-term plan for County's facilities.*
5. *Make improvements to County-wide health and safety.*
6. *Maintain and enhance sustainable growth in Champaign County.*

Champaign County Organization Chart



ABOUT CHAMPAIGN COUNTY



Champaign County, Illinois is located in the heart of East Central Illinois approximately 136 miles south of Chicago and 86 miles east northeast of Springfield, the State Capital. The County is home to the University of Illinois, Parkland College, and two major regional hospitals. The County is comprised of 998 square miles, 90.5% of which is utilized for agriculture.

Champaign County was organized in 1833, having been previously a part of Vermilion County. The county and county seat were named for Champaign County, Ohio and Urbana, Ohio respectively, the home-place of the Illinois legislator who sponsored the bill to create the County. The County adopted township form of government on November 8, 1859. Currently, the County Board is comprised of nine districts, with three members representing each District for a total of 27 County Board Members. The County Board elects a County Board Chair from among its members by a majority vote,

at the biennial organizational meeting on the first Monday of December of every even-numbered year.

The County's population at the 2000 census was 179,669, representing growth of 3.8% over the 1990 census. The estimated 2010 population is 194,953, and the current (2005) census estimate for Champaign County is 184,905 placing Champaign County as the 11th largest county in the State of Illinois.

Census and Other Data

Population - A table of population statistics for the County and its two largest cities follows.

	<u>1980</u>	<u>1990</u>	<u>2000</u>
City of Champaign	58,133	63,502	67,518
City of Urbana	35,978	36,383	36,395
Champaign County	168,392	173,025	179,643
State of Illinois	11,426,518	11,430,602	12,482,301

Source: U.S. Census Bureau

Champaign County Population demographics are as follows:

Population¹

Population, 2000	179,669
Population, 2005 estimate	184,905
Population, percent change, April 1, 2000 to July 1, 2005	2.90%
Population, percent change, 1990 to 2000	3.80%

Age Distribution of 2000 Population²

Under 18	21.00%
18-24	23.10%
25-44	28.20%
45-64	18.00%
65 and older	9.70%

Gender Distribution of 2000 Population²

Male	50.50%
Female	49.50%

Racial Makeup of 2000 Population²

White	78.78%
African American	11.16%
Native American	0.24%

Asian	6.45%
Pacific Islander	0.04%
Other Races	1.34%
Persons reporting 2 or more races	1.99%

¹U.S. Census Bureau QuickFacts

²http://en.wikipedia.org/wiki/Champaign_County,_Illinois

Income - Data from the 2000 Census states that median family income for the County was \$52,591 which is 47.60 percent higher than the 1990 median family income of \$35,630.

The following tables present the distribution of family incomes in the County and the State according to the 2000 Census.

	COUNTY		STATE	
	<u>Number of Households</u>	<u>Percent</u>	<u>Number of Families</u>	<u>Percent</u>
Under \$9,999	1,813	4.56%	156,205	5.00%
\$10,000 to \$14,999	1,313	3.30	105,747	3.38
\$15,000 to \$24,999	3,629	9.13	273,712	8.76
\$25,000 to \$34,999	4,280	10.77	331,907	10.62
\$35,000 to \$49,999	7,434	18.70	506,429	16.20
\$50,000 to \$74,999	10,333	25.99	736,897	23.58
\$75,000 to \$99,000	5,343	13.44	445,390	14.25
\$100,000 to \$149,999	3,523	8.86	356,068	11.39
\$150,000 to \$199,000	1,201	3.02	101,955	3.26
\$200,000 or more	<u>882</u>	2.22	<u>111,008</u>	<u>3.55</u>
TOTAL	39,751	100.00%	3,125,318	100.00%

Source: U.S. Census Bureau

Housing - The following comparison shows the 2000 Census housing data for the County and the State.

	COUNTY		STATE	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$50,000	2,982	9.00%	230,049	9.31%
\$50,000 to \$99,000	15,439	46.9	651,605	26.38
\$100,000 to \$149,999	8,716	26.30	583,409	23.62
\$150,000 to \$199,999	3,454	10.42	429,311	17.38
\$200,000 to \$299,999	1,769	5.34	344,651	13.95

\$300,000 to 499,999	676	2.04	163,254	6.61
\$500,000 to \$999,999	90	0.27	55,673	2.25
\$1,000,000 or more	<u>14</u>	<u>0.04</u>	<u>12,386</u>	<u>0.50</u>
TOTAL	33,140	100.00%	2,470,338	100.00%

Source: U.S. Census Bureau

	<u>Median Home Value</u>		
	<u>1980</u>	<u>1990</u>	<u>2000</u>
City of Champaign	\$48,900	\$66,500	\$91,300
City of Urbana	50,600	69,000	89,300
Champaign County	49,400	67,700	94,700
State of Illinois	52,800	80,900	130,800

Source: U.S. Census Bureau

Employment - The employment diversity of the County is reflected below in the following tables in data from 2007.

**2007 Quarterly Employment by Industry
Champaign County**

Year	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2007 Average
11 Agriculture, Forestry, Fishing and Hunting	169	190	363	273	249
21 Mining, Quarrying, and Oil and Gas Extraction	27	37	35	33	33
22 Utilities	182	183	182	181	182
23 Construction	3,121	3,355	3,963	3,855	3,574
31-33 Manufacturing	9,595	10,034	9,600	9,113	9,586
42 Wholesale Trade	3,089	3,130	3,169	3,226	3,154
44-45 Retail Trade	10,004	9,964	9,885	10,216	10,017
48-49 Transportation and Warehousing	2,269	2,317	2,318	2,370	2,319
51 Information	2,832	3,239	3,076	2,741	2,972
52 Finance and Insurance	2,509	2,517	2,596	2,692	2,579
53 Real Estate and Rental and Leasing	1,484	1,545	1,542	1,531	1,526
54 Professional, Scientific, and Technical Services	3,526	3,789	3,852	3,808	3,744
55 Management of Companies and Enterprises	499	497	479	493	492
56 Administrative and Support and Waste Management and Remediation Services	3,734	3,915	4,072	3,852	3,893
61 Educational Services	19,005	19,448	17,622	19,135	18,803
62 Health Care and Social Assistance	11,090	11,248	11,360	11,557	11,314
71 Arts, Entertainment, and Recreation	1,114	1,337	1,907	1,413	1,443
72 Accommodation and Food Services	8,906	9,554	8,636	9,164	9,065
81 Other Services (except Public Administration)	2,005	2,085	2,108	2,090	2,072
92 Public Administration	2,831	2,918	2,938	2,916	2,901
99 Other	0	0	0	0	0

Source: Illinois Department of Employment Security - Local Employment Dynamics

The County enjoys a stable economic environment, due in large part to the presence of the University of Illinois and the 20,000+ jobs provided for the County's total labor force of just over 100,000. The economic stability is evidenced by the fact that the County's unemployment rate historically fares better than the averages at both the state and national level.

The following table shows the trend in annual average employment and unemployment rates for the County, State and Nation.

ANNUAL AVERAGE UNEMPLOYMENT RATES

**CHAMPAIGN
COUNTY**

YEAR	Labor Force	Employed	Unemployed Number	County Rate	State Rate	Nation Rate
2007	105,053	100,486	4,567	4.3	5.0	4.6
2006	103,369	99,395	3,974	3.8	4.6	4.6
2005	101,849	97,518	4,331	4.2	5.8	5.1
2004	99,468	94,981	4,487	4.5	6.2	5.5
2003	99,030	94,590	4,440	4.5	6.7	6.0
2002	99,596	95,350	4,246	4.3	6.5	5.8
2001	99,779	96,044	3,735	3.7	5.4	4.7
2000	99,075	95,579	3,496	3.5	4.5	4.0

Source: Illinois Department of Employment Security - Local Area Unemployment Statistics

BASIS OF ACCOUNTING/BASIS OF BUDGETING

Champaign County's governmental accounting and financial reporting are managed in accordance with "Generally Accepted Accounting Principles" ("GAAP"). Government funds use a modified accrual basis of accounting. The modified accrual basis of accounting and budgeting recognizes revenues when they become available and measurable, and expenditures when the liability is incurred. Proprietary funds use an accrual basis of accounting. The accrual basis of accounting recognizes revenue when earned and expenses when incurred, regardless of when cash is received or disbursed.

The *budgets* for all governmental funds *and* proprietary funds are presented on a modified accrual basis. The modified accrual basis of budgeting is reflected in the County ordinance which provides that balances remaining in County appropriations shall be available for thirty days after the close of the fiscal year to pay for goods or services that were delivered prior to the close of the fiscal year. Because proprietary fund budgets are not on a full accrual basis, the legally adopted budget is not on a basis strictly consistent with generally accepted accounting principles (GAAP). The basis of budgeting is different from the basis of accounting used in the audited financial statements, where the actual results of operations are presented in accordance with generally accepted accounting principles. Adjustments necessary to convert the results of operations from the budgetary basis to the GAAP basis are mostly due to proprietary funds having budgets on the modified accrual basis, while GAAP requires accounting for those funds on the full accrual basis.

FY2009 FINANCIAL POLICIES

Amending the Budget

After the adoption of the annual budget, the budget may be amended through a budget amendment or budget transfer.

Budget Amendments -

- Amendments to the budget require a 2/3rd majority vote (18) of the County Board.

Budget Transfers -

The budget may be amended by transfers in two ways:

- Department heads may authorize transfers between non-personnel budget line items in their department budget as long as they do not exceed the total combined appropriation for these categories; and department heads may transfer from one personnel line item to another personnel line item in their department budget as long as they do not exceed the total combined appropriation for the personnel line items.
- All other transfers require a 2/3rd majority vote (18) of the County Board.

Appropriation

All County funds are appropriated in the “Official Budget”. Appropriations will be considered the maximum authorization to incur obligations and not a mandate to spend.

Balanced Budget

The County will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, realizing future revenues early, or rolling over short-term debt. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.

Capital Asset Replacement Fund

A Capital Asset Replacement Plan multi-year plan for vehicles, computers and technology, and furnishings and office equipment will be updated and prepared for the General Corporate Fund departments in the annual budget process. These expenditures will be appropriately amortized and reserves for replacement will be appropriated to the Capital Asset Replacement Fund.

The Capital Improvement Plan is a multi-year plan for the facilities owned and maintained by the County. The County will maintain all its assets at a level adequate to protect the County’s capital interest and to minimize future maintenance and replacement costs.

The County will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted and included in the Capital Asset Replacement Fund plan.

The County Administrators are authorized to approve all expenditures from the Capital Asset Replacement Fund in compliance with the multi-year plan and policies established by the County Board. No more than 3% of the total of the General Corporate Fund Appropriation may be appropriated to the Capital Asset Replacement Fund.

Debt Management

When applicable, the County shall review its outstanding debt for the purpose of determining if the financial marketplace will afford the County the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue a Present Value savings of three percent over the life of the respective issue, at a minimum, must be attainable.

The County will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.

When the county finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project.

The County will strive to have the final maturity of general obligation bonds at, or below, thirty years.

Whenever possible, the county will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds, so those benefiting from the improvements will bear all or part of the cost of the project financed.

The County will not use long-term debt for current operations.

The County will maintain good communications with bond rating agencies regarding its financial condition. The County will follow a policy of full disclosure on every financial report and borrowing prospectus.

Contingency Fund

A General Corporate Fund contingency appropriation will be designated for emergency purchases during the year. The contingency appropriation goal is 1% of the total anticipated expenditure for the General Corporate fund. No more than 5% of the total General Corporate Fund Appropriation may be appropriated to the Contingency Fund. Money appropriated in the contingency fund may only be used if there is a transfer of funds approved by a 2/3 majority vote (18) of the County Board.

One-Time Revenues

To the extent feasible, one-time revenues will be applied toward one-time expenditures; they will not be used to finance ongoing programs. On going revenues should be equal to or exceed ongoing expenditures.

Financial Reserves and Surplus

On an annual basis, the fund balance for each fund shall be reviewed, and projections of reserve requirements and a plan for the use of an excess surplus shall be documented. The minimum fund balance requirement for the General Corporate Fund is a 45-day or 12.5% of expenditure fund balance for cash flow purposes. Instances where an ending audited fund balance is below the 45-day minimum requirement, a plan will be developed to increase the fund balance.

It is the intent of the County to use all surpluses generated to accomplish three goals: meeting reserve policies, avoidance of future debt and reduction of outstanding debt.

Encumbrance

An encumbrance system is maintained to account for commitments resulting from purchase orders and contracts. Every effort will be made to ensure that these commitments will not extend from one fiscal year to the next. Any emergency encumbrances, which do extend into the next fiscal year, shall be subject to appropriation in the next year's budget. Encumbrances at year - end do not constitute expenditures or liabilities in the financial statements for budgeting purposes.

Revenue

The County will try to maintain a diversified and stable revenue system to shelter it from unforeseeable short-run fluctuations in any one-revenue source.

The County will estimate its annual revenues by an objective, analytical process, wherever practical. The County will project revenues for the next year and will update the projection annually. Each existing and potential revenue source will be re-examined annually.

When preparing the Budget for Fiscal Year 2009, 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 .7389.

The County charges user fees for items and services, which benefit a specific user more than the general public. State law or an indirect cost study determines the parameters for user fees. The County shall review all fees assessed in its annual budget preparation process to determine the appropriate level of fees for services and recommend any proposed changes to the fees collected to be implemented in the ensuing budget year.

Fixed Assets

The County maintains a fixed asset inventory of furniture, equipment, buildings, and improvements with a value of greater than \$2,500 and a useful life of one year or more.

Fiscal Year

The County's fiscal year is December 1st through November 30th.

Form of the Budget

The final Budget document must include the following, showing specific amounts:

- Statement of financial information including prior year revenue and expenditure totals, and current year and future year revenue and expenditure projections;
- Statement of all moneys in the county treasury unexpended at the termination of the last fiscal year;
- Statement of all outstanding obligations or liabilities of the county incurred in any preceding fiscal year;
- Any additional information required by state law.

Grants

The Champaign County Board supports efforts to pursue grant revenues to provide or enhance County mandated and non-mandated services and capital needs. Activities which are, or will be, recurring shall be initiated with grant funds only if one of the following conditions are met: (a) the activity or service can be terminated in the event the grant revenues are discontinued; or (b) the activity should, or could be, assumed by the County (or specific fund) general and recurring operating funds. Departments are encouraged to seek additional sources of revenue to support the services prior to expiration of grant funding. Grant approval shall be subject to the terms and conditions of Champaign County Ordinance Number 635.

Investment

The County Treasurer is responsible for the investing of all Champaign County funds. With County Board approval, the Treasurer may make a short term loan of idle monies from one fund to another, subject to the following criteria:

- a. Such loan does not conflict with any restrictions on use of the source fund;
- b. Such loan is to be repaid to the source fund, with interest, within the current fiscal year.

Purchasing

All items with an expected value of \$20,000 or more must be competitively bid with exceptions for professional services (other than engineering, architectural or land surveying services). Additional competitive bid requirements may apply by statute or as

a condition of using funds from an outside source. All purchases over the limit of \$20,000, which require the use of either formal bids or requests for proposals, must be approved by the full Champaign County Board. The Champaign County Purchasing Ordinance establishes the procedures to be followed in all purchasing activities.

Risk Management

The County established a self-funded insurance program for workers compensation and liability. To forecast expenditures, the county hires an actuarial consulting firm to review loss history and recommend funding taking into consideration claims, fixed costs, fund reserves, and national trends. The County strives to maintain the actuary recommended fund balance.

Salary Administration

The County Administrator is responsible for computing salaries and fringe benefits costs for all departments. Increases for non-bargaining employees, as defined in the Personnel Policy, will be established by the Finance Committee at the beginning of the budget cycle and forwarded to the County Board for inclusion in the annual budget.

FY2009 BUDGET PROCESS

Budget Development Process - Department budget requests shall be performance-based and focused on goals, objectives and performance indicators.

- **May 2008** – County Board approves salary administration plan for non-bargaining employees for FY2009, to be included in FY2009 budget.
- **June 2008** – County Administrator of Finance conducts training and distributes a Budget Preparation Manual, which includes instructions for departments to use while preparing the FY2009 budget.
- **July 2008** – Departments submit FY2009 current year estimates, budget requests, and program change requests. County Administrator of Finance conducts initial review of all submitted budgets.
- **August 2008** – Administrative staff complete revenue projections for the General Operating Fund; prepare the FY2008 budget for Capital Asset Replacement Fund; verify staffing budgets. The County Board conducts legislative budget hearings to receive preliminary budget projections and requests.
- **September 2008** – County Administrator of Finance reports initial overview of FY2009 funds and any outstanding issues for direction/decision by Finance Committee and County Board.
- **October 2008** – County Board conducts Truth in Taxation Public Hearing. County Board receives Tentative Budget.
- **November 2008** – County Board adopts final budget and appropriation and tax levy, by a simple majority vote.

Expenditure Requests

The County Board has determined the department budgets for commodities and services for the FY2009 budget shall be prepared with 0% growth over the FY2008 budget. Program Change Requests for additional expenditure authority and requests for new services shall be considered for funding based on performance based criteria and the FY2009 Budget Priorities and Goals.

FY2009 Budget Priorities

1. *Champaign County places priority on the ease of access and availability of services and information to its citizens through ongoing development of e-government and web-based technology.*

2. *Champaign County places priority on maintaining and enhancing its own fiscal stability.*
3. *Champaign County values partnership with our employees and places priority on the fair and equitable establishment of compensation and benefits for our employees in recognition of the effective, efficient, and innovative support of our employees as they represent the core values of county government in their daily activities.*

FY2009 Budget Goals

Priority No. 1: Ease of access and availability of services and information to citizens.

- More information readily accessible – both inside and outside of county government.
- Development of information access through technology resources
- Evaluation of IT infrastructure and assessment of new programming strategies to be incorporated within that infrastructure

Priority No. 2: Maintaining and enhancing Champaign County's fiscal stability

- Identification of *mandated* vs. *discretionary* services
- Development and implementation of a multi-year plan – planned quality growth
- Performance evaluation of services
- Establishment of adequate reserves within County's fund balances for "rainy" day
- Regular review and evaluation of revenue streams and opportunities
- Interdepartmental cooperation to identify successful strategies to be implemented across departmental lines, e.g.: tax cycle, continuous jury, etc.
- Partner with other local governments to provide collaboration in service delivery
- Develop communication with state legislative officials to ensure the State is a full partner in the funding of mandated services

Priority No. 3: Partnership with employees

- Appropriate, market-rate compensation plans
- Establishment of clear performance expectations to guide behaviors and actions of employees
- Evaluation of work-loads and establishment of appropriate staffing levels
- Communicate what is going on in County Government
- Development of operating efficiencies which could produce potential tax savings
- Quality services delivered in a professional manner
- Delivery of appropriate training opportunities to create a well-informed and efficient workforce