

FY 2006 Annual Financial Report

Multi-Purpose Long Form

CC Copy - 12/27/2006 3:15:57PM

Unit Name: Champaign City Township

County: CHAMPAIGN

Unit Code: 010/040/01

DO NOT SEND THIS PAPER COPY - THIS IS YOUR COPY.
MAKE SURE YOU HAVE CLICKED THE SUBMIT BUTTON IN THE COMPTROLLER CONNECT PROGRAM. THIS WILL PROVIDE THE COMPTROLLER'S OFFICE WITH A COPY OF YOUR ANNUAL FINANCIAL REPORT.

I attest that, to the best of my knowledge, this report represents a complete and accurate statement of the financial position of Champaign City Township as of the end of this fiscal year.

Linda A Abernathy

Written signature of government official
 Linda A Abernathy, Supervisor
 Please Sign

Date

1/5/07

PLEASE CROSS OUT ALL INCORRECT INFORMATION AND PROVIDE CORRECTIONS

FILED

JAN 05 2007

STEP 1: ENTER CONTACT INFORMATION

Is the following information correct and complete? Yes No

Mark Halber
 CHAMPAIGN COUNTY CLERK

A. Contact Person (elected or appointed official responsible for filling out this form):		B. Chief Executive Officer (elected or appointed official responsible for the executive administration, i.e. mayor, supervisor, or chairman):		C. Chief Financial Officer (elected or appointed official responsible for maintaining the government's financial records):	
Linda A	Abernathy	Linda	Abernathy	Linda	Abernathy
Supervisor		Supervisor		Supervisor	
603 S Randolph		603 S. Randolph		603 S. Randolph	
Champaign		Champaign		Champaign	
IL		IL		IL	
61820		61820		61820	
Phone: 2173524500		Phone: 2173524500		Phone: 2173524500	
Fax: 2173526043		Fax: 2173524500		Fax: 2173526043	
E-mail: lindacofsuper@aol.com		E-mail: lindacofsuper@aol.com		E-mail: lindacofsuper@aol.com	



If the Chief Executive Officer and the Chief Financial Officer are the same person as the Contact Person, please check this box and skip to Step 2. If not, please do not leave columns B and C blank.

Unit Name: Champaign City Township

Unit Code Number: 010/040/01

STEP 2: VERIFY FISCAL YEAR END

FY END DATE: 06/30/2006

If the fiscal year end date, listed above, is incorrect, cross out the incorrect date and provide the correct date. Official documentation of this change must be sent to the Chicago office before the fiscal year end date is officially changed.

STEP 3: GASB 34, ACCOUNTING SYSTEM, DEBT, UTILITY, HOME RULE AND TIF

A. Has your government implemented GASB 34 in FY 2006 reporting or in previous reporting years? X Yes No

If Yes:

o Governments who have implemented GASB 34 and are using "other basis of accounting" (OCBOA) such as "Cash Basis" and "Modified Cash Basis" as their accounting system will now be able to select these types as their accounting system.

o Please fill out the Alternative Assets & Liabilities page, located on page F1(G)

B. Which type of accounting system does Champaign City Township use:

Cash - with no assets (Cash Basis) X Modified Accrual/Accrual

Cash - with assets (Modified Cash Basis) Combination (explain)

C. Does the government have debt this reporting fiscal year? Yes X No

D. If "Yes", indicate the type(s) of debt.

G.O. Bonds Revenue Bonds

Alternate Revenue Bonds Contractual Commitments

Other

E. Does Champaign City Township own a public utility company? Yes X No

F. Is Champaign City Township a home rule unit? Yes X No

G. Does Champaign City Township have a Tax Increment Finance (TIF) district? Yes X No

STEP 4: POPULATION, EAV AND EMPLOYEES

^What is the total population of Champaign City Township?		67,959
What is the total EAV of Champaign City Township?	\$	1,147,501,818
*How many full time employees are paid?		7
*How many part time employees are paid?		0
What is the total salary paid to all employees?	\$	320,610

^Or provide estimated population
 *Do not include contractual employees.

STEPS 5 AND 6: COMPONENT UNITS AND APPROPRIATIONS

Provide the appropriation for the primary government listed in the first row of the table below.

In the remaining rows, provide the names of all component units along with their appropriations. Indicate if the component units are blended or discretely presented, its fiscal year end date and if the component unit was funded with governmental fund types or enterprise fund types. If the component units are already indicated, that data is based on forms submitted last year. If you have more component units than the rows provided below, please indicate them on an attachment.

If you need assistance with the terms indicated below, refer to the *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents.

Name of Unit/Component	Appropriation	Type of Component Unit	FISCAL YEAR END	Enterprise Fund Type or Governmental Fund Type
FUNDS SHOULD NOT BE LISTED HERE				
Champaign City Township	\$840,339		06/30	
Total Appropriations	\$840,339			

Unit Name: Champaign City Township
 Unit Code Number: 010/040/01

STEP 7: AUDITS

Provide CPA's information if Champaign City Township is required to submit an audit to the Office of the Comptroller.

Firm Name:	Lauterbach & Arnen, LLP
CPA's first name:	Ronald
CPA's last name:	Arnen
CPA's Title:	Partner
Address:	P.O. Box 4326
City:	Wheaton
State:	IL
ZIP:	60189
Phone:	(847) 562-9252
Fax:	(630) 393-2516
Email:	
State Registration Number:	066-0003655

STEP 8: OTHER GOVERNMENTS

Indicate any payments Champaign City Township made to other governments for services or programs (include programs performed on a reimbursement, cost-sharing basis or federal payroll taxes).

Intergovernmental agreements - indicate how much was paid	0
Federal government payroll taxes	0
All other intergovernmental payments	0

Unit Name: Champaign City Township
 Unit Code Number: 010/040/01

STEP 9: FUND LISTING & ACCOUNT GROUPS

A. List all funds and how much was spent in FY 2006 for each fund. Also, indicate the Fund Type (Fund Types are at the top of each column beginning on page F1). If any fund names appear below, the data is based on forms submitted last year. Please make all necessary corrections. If you have more fund names than the rows provided below, please indicate them on an attachment.

Fund Name	Expenditure	Fund Type	FY End
General Assistance Fund	374,546	Special Revenue Fund	06/30
General Fund Fund	384,701	General Fund	06/30
IMRF Fund	22,062	Special Revenue Fund	06/30
Social Security Fund	22,278	Special Revenue Fund	06/30
Total Expenditures	803,587		

B. Does Champaign City Township have assets or liabilities that should be recorded as a part of Account Groups? See *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents for more information about Account Groups.

Yes No

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 FY 2006 AFR
 Multi-Purpose Form

STEP 10: GOVERNMENTAL ENTITIES

List of governmental entities that are part of or related to the primary government. Exclude component units detailed in Steps 5 & 6. Most small governments do not have governmental entities.

Entity Name	Relationship
City of Champaign	Primary Unit

STEP 11: REPORTING

Check any state or local entity where financial reports are filed.

STATE AGENCIES	
<input type="checkbox"/> - Board of Education	<input type="checkbox"/> - Board of Higher Education
<input type="checkbox"/> - DCCA	<input type="checkbox"/> - Department of Insurance
OTHER STATE OR LOCAL OFFICES	
<input checked="" type="checkbox"/> - Illinois Comptroller	<input type="checkbox"/> - Secretary of State
<input type="checkbox"/> - General Assembly - House	<input type="checkbox"/> - General Assembly - Senate
<input checked="" type="checkbox"/> - County Clerk	<input type="checkbox"/> - Circuit Clerk
<input type="checkbox"/> - Governor's Office	<input type="checkbox"/> - Other - _____

Assets

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Assets					
Report In Whole Numbers					
1011	Cash and Cash Equivalent	489,959	0	0	0
1021	Investments	0	0	0	0
1151	Receivables	248,175	0	0	0
1091	Inventories	0	0	0	0
1121	Other Assets (Explain)	0	0	0	0
Non-Current Assets					
Report In Whole Numbers					
1161	Capital Assets/Net of Accumulated Depreciation	54,270	0	0	0
1171	Other Capital Assets	0	0	0	0
1201	TOTAL ASSETS	792,404	0	0	0

Liabilities

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Liabilities					
Report In Whole Numbers					
1221	All Payables	54,938	0	0	0
1321	Deferred Revenues	224,911	0	0	0
1281	Other Liabilities (Explain)	0	0	0	0
Non-Current/Long-Term Liabilities					
Report In Whole Numbers					
1291	Due Within One Year	0	0	0	0
1301	Due Beyond One Year	0	0	0	0
1311	Other Non-Current/Long Term Liabilities	0	0	0	0
1351	TOTAL LIABILITIES	279,849	0	0	0

Net Assets

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
1431	Investments in Capital Assets/Net of Related Debt	54,270	0	0	0
1481	Net Assets - Restricted	116,959	0	0	0
1491	Net Assets - Unrestricted	341,336	0	0	0
1461	TOTAL NET ASSETS	512,555	0	0	0
1471	TOTAL LIABILITIES & NET ASSETS	792,404	0	0	0

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Revenues and Receipts

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Indirect	Discretely Presented Component Units
Local Taxes									
201t	Property Tax	299,578	123,748	0	0	0	0	0	0
202t	Local Sales Tax	0	0	0	0	0	0	0	0
203t	Utilities Tax	0	0	0	0	0	0	0	0
203a	Electric Utilities	0	0	0	0	0	0	0	0
203b	Water Utilities	0	0	0	0	0	0	0	0
203c	Communications Utilities	0	0	0	0	0	0	0	0
203d	Other Utilities Tax (Explain)	0	0	0	0	0	0	0	0
204t	Other Taxes (Explain)	0	0	0	0	0	0	0	0
Report in Whole Numbers									

Intergovernmental Receipts & State or Federal Grants

211t	State Income Tax	0	0	0	0	0	0	0	0
212t	State Sales Tax	0	0	0	0	0	0	0	0
213t	State Motor Fuel Tax	0	0	0	0	0	0	0	0
214t	State Replacement Tax	44,219	44,219	0	0	0	0	0	0
205t	State Gaming Tax(es)	0	0	0	0	0	0	0	0
215t	Other State Sources (Explain)	0	0	0	0	0	0	0	0
215a	General Support	0	0	0	0	0	0	0	0
215b	Public Welfare	0	0	0	0	0	0	0	0
215c	Health and/or Hospitals	0	0	0	0	0	0	0	0
215d	Streets and Highways	0	0	0	0	0	0	0	0
215e	Culture and Recreation	0	0	0	0	0	0	0	0
215f	Housing and Community Dev	0	0	0	0	0	0	0	0
215g	Water Supply System	0	0	0	0	0	0	0	0
215h	Electric/Gas Power System	0	0	0	0	0	0	0	0
215i	Mass Transit	0	0	0	0	0	0	0	0
215j	Other (Explain)	0	0	0	0	0	0	0	0
225t	Federal Sources	0	0	0	0	0	0	0	0
225a	General Support	0	0	0	0	0	0	0	0
225b	Public Welfare	0	0	0	0	0	0	0	0
225c	Health and/or Hospitals	0	0	0	0	0	0	0	0
225d	Streets and Highways	0	0	0	0	0	0	0	0
225e	Culture and Recreation	0	0	0	0	0	0	0	0
225f	Housing and Community Dev	0	0	0	0	0	0	0	0
225g	Water Supply System	0	0	0	0	0	0	0	0

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REVENUES AND RECEIPTS

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
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Intergovernmental Receipts & State or Federal Grants

225b	Electric/Gas Power System	0	0	0	0	0	0	0	0
225f	Mass Transit	0	0	0	0	0	0	0	0
225j	Other (Explain)	0	0	0	0	0	0	0	0
226f	Other Intergovernmental (Explain)	0	0	0	0	0	0	0	0

Other Sources

231i	Licenses and Permits	0	0	0	0	0	0	0	0
233i	Fines and Forfeitures	0	0	0	0	0	0	0	0
234f	Charges for Services	0	0	0	0	0	0	0	0
234a	Water Utilities	0	0	0	0	0	0	0	0
234b	Gas Utilities	0	0	0	0	0	0	0	0
234c	Electric Utilities	0	0	0	0	0	0	0	0
234d	Transit Utilities	0	0	0	0	0	0	0	0
234e	Sewer Utilities	0	0	0	0	0	0	0	0
234f	Refuse and Disposal Charges	0	0	0	0	0	0	0	0
234g	Parking	0	0	0	0	0	0	0	0
234h	Housing	0	0	0	0	0	0	0	0
234i	Highway or Bridge Tolls	0	0	0	0	0	0	0	0
234j	Culture and Recreation	0	0	0	0	0	0	0	0
234k	Other (Explain)	0	0	0	0	0	0	0	0
235f	Interest	10,761	7,480	0	0	0	0	0	0
236f	Miscellaneous (Explain)	0	20,565	0	0	0	0	0	0
240f	Total Receipts and Revenue	354,558	196,012	0	0	0	0	0	0

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Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	Report in Whole Numbers							Discretely Presented Component Units
		General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	
251t	General Government	384,701	118,901	0	0	0	0	0	0
251a	Financial Administration	0	0	0	0	0	0	0	0
251b	General Administrative Buildings	0	0	0	0	0	0	0	0
251c	Central Administration	384,701	118,901	0	0	0	0	0	0
251d	Other (Explain)	0	0	0	0	0	0	0	0
252t	Public Safety	0	0	0	0	0	0	0	0
252a	Police	0	0	0	0	0	0	0	0
252b	Fire	0	0	0	0	0	0	0	0
252c	Regulation - Building Inspection	0	0	0	0	0	0	0	0
252d	Other (Explain)	0	0	0	0	0	0	0	0
253t	Corrections	0	0	0	0	0	0	0	0
254t	Judiciary and Legal	0	0	0	0	0	0	0	0
255t	Transportation and Public Works	0	0	0	0	0	0	0	0
255a	Streets and Highways	0	0	0	0	0	0	0	0
255b	Airports	0	0	0	0	0	0	0	0
255c	Parking Meters	0	0	0	0	0	0	0	0
255d	Parking Facilities	0	0	0	0	0	0	0	0
255e	Other (Explain)	0	0	0	0	0	0	0	0
256t	Social Services	0	299,985	0	0	0	0	0	0
256a	Welfare	0	299,985	0	0	0	0	0	0
256b	Health (Other than hospitals)	0	0	0	0	0	0	0	0
256c	Hospital Operations	0	0	0	0	0	0	0	0
256d	Cemeteries	0	0	0	0	0	0	0	0
256e	Other (Explain)	0	0	0	0	0	0	0	0
257t	Culture and Recreation	0	0	0	0	0	0	0	0
257a	Library	0	0	0	0	0	0	0	0
257b	Parks	0	0	0	0	0	0	0	0
257c	Other (Explain)	0	0	0	0	0	0	0	0
258t	Housing	0	0	0	0	0	0	0	0
275t	Knivtrament	0	0	0	0	0	0	0	0
275a	Savage	0	0	0	0	0	0	0	0

Office of the Comptroller, Daniel W. Hyman
 FY 2006 AFR
 Multi-Purpose Form

Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Report in Whole Numbers					
						Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units		
275b	Solid Waste Management	0	0	0	0	0	0	0	0	0	0
275c	Other (Explain)	0	0	0	0	0	0	0	0	0	0
259f	Debt	0	0	0	0	0	0	0	0	0	0
259a	Interest	0	0	0	0	0	0	0	0	0	0
259b	Principal	0	0	0	0	0	0	0	0	0	0
271t	Public Utility Company	0	0	0	0	0	0	0	0	0	0
271a	Water	0	0	0	0	0	0	0	0	0	0
271b	Electric	0	0	0	0	0	0	0	0	0	0
271c	Transit	0	0	0	0	0	0	0	0	0	0
271d	Other (Explain)	0	0	0	0	0	0	0	0	0	0
272t	Depreciation	0	0	0	0	0	0	0	0	0	0
280t	Capital Outlay	0	0	0	0	0	0	0	0	0	0
260t	Other Expenditures (Explain)	0	0	0	0	0	0	0	0	0	0
270t	Total Expenditures/Expense	384,701	418,886	0	0	0	0	0	0	0	0

Office of the Comptroller, Daniel W. Hynes
 FY 2006 AFR
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Fund Balances and Other Financing Sources (Uses)

Code	Enter all Amounts in Whole Numbers	Report in Whole Numbers									
		General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units		
301t	Excess of receipts/revenues over (under) expenditures/expenses (240t-270t)	-30,143	-222,874	0	0	0	0	0	0	0	0
302t	Operating transfers in	0	0	0	0	0	0	0	0	0	0
303t	Operating transfers out	0	0	0	0	0	0	0	0	0	0
304t	Bond proceeds	0	0	0	0	0	0	0	0	0	0
305t	Other (Explain)	0	0	0	0	0	0	0	0	0	0
306t	Net increase(decrease) in fund balance (301t + 302t - 303t + 304t + 305t)	-30,143	-222,874	0	0	0	0	0	0	0	0
307t	Previous year fund balance	378,821	339,833	0	0	0	0	0	0	0	0
308t	Other (Explain)	0	0	0	0	0	0	0	0	0	0
310t	Current Year Ending Fund Balance (306t + 307t + 308t)	348,678	116,959	0	0	0	0	0	0	0	0

Office of the Comptroller, Daniel W. Hynes
 FY 2006 AFR
 Multi-Purpose Form

Statement of Indebtedness

Report in Whole Numbers

Debt Instruments for All Funds	Code	Outstanding Beginning of Year	Code	Issued Current Fiscal Year	Code	Retired Current Fiscal Year	Code	Outstanding End of Year
General Obligation Bonds	400		406		412		418	
Water	400a		406a		412a		418a	
Electric	400b		406b		412b		418b	
Transportation	400c		406c		412c		418c	
Housing	400d		406d		412d		418d	
Other (Explain)	400e		406e		412e		418e	
Revenue Bonds	401		407		413		419	
Water	401a		407a		413a		419a	
Electric	401b		407b		413b		419b	
Transportation	401c		407c		413c		419c	
Housing	401d		407d		413d		419d	
Other (Explain)	401e		407e		413e		419e	
Alternate Revenue Bonds	402		408		414		420	
Contractual Commitments	403		409		415		421	
Other (Explain)	404		410		416		422	
Total Debt	405		411		417		423	

Explanation or Comments:

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*** Champlaga City Township Capital Outlay**

Code	Function	These are not funds	
		Construction	Land, Structures, and Equipment
601t	General Government	0	
602t	Law Enforcement	0	
603t	Corrections	0	
604t	Pine	0	
605t	Sewerage	0	
606t	Sanitation and Wastewater	0	
607t	Parks and Recreation	0	
608t	Housing and Community Development	0	
609t	Highways, Roads and Bridges	0	
610t	Parking Facilities	0	
611t	Welfare	0	
612t	Hospital	0	
613t	Water	0	
614t	Nursing Homes	0	
615t	Conservation and Natural Resources	0	
616t	Libraries	0	
617t	Other	0	

*This page should only be filled out if you have spent funds for capital projects or development.

*The Capital outlay page is requested by the U.S. Census Bureau and is considered optional by the State Comptroller.

*If you complete this page you WILL NOT have to complete the Survey of Government Finances from the U.S. Census Bureau.

*If you do NOT complete this page the U.S. Census Bureau will contact you for further information.

FILED

DEC 22 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

RECEIVED

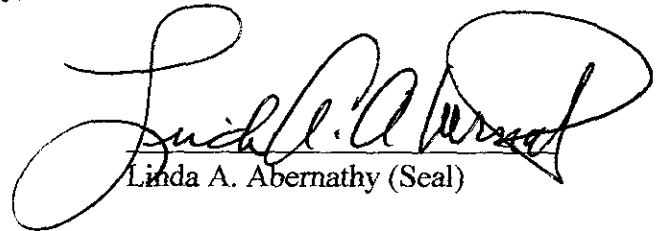
DEC 21 2006

City Clerk's Office
City of Champaign

TOWN OF THE
CITY OF CHAMPAIGN

ANNUAL TREASURER'S REPORT

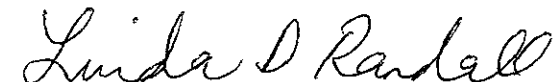
In witness whereof, the said Linda A. Abernathy, hereunto sets her hand and seal the 21st of December, 2006.

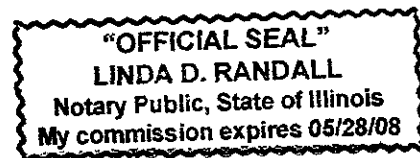

Linda A. Abernathy (Seal)

STATE OF ILLINOIS}

COUNTY OF CHAMPAIGN}

Linda A. Abernathy, being duly sworn upon oath, deposes and states that she was Supervisor and Ex-Officio Treasurer of the Town of the City of Champaign during the fiscal period beginning July 1, 2005 and ending June 30, 2006, that she has read and is familiar with the Treasurer's Report hereinafter set out and that the same and the items thereof are true according to the best of her knowledge, information and belief.


Notary Public



FILED

DEC 22 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

**ANNUAL TREASURER'S REPORT
TOWN OF THE CITY OF CHAMPAIGN**

Fiscal Year Ending
June 30, 2006
(Consolidated for All Funds)

RECEIVED

DEC 21 2006

City Clerk's Office
City of Champaign

REVENUE SUMMARY: Property Taxes - \$422,393; Personal Property Replacement Tax - \$88,437; Interest - \$18,241; Illinois Comptroller: SSI Reimbursements - \$20,564; Misc. Refunds \$935.

TOTAL REVENUES - \$ 550,570

COMPENSATION SUMMARY: Compensation \$25,000 to \$49,999: Paula J Bates; LaDonna M. Kaiser; Kimberly Muhammad; Beverly J. Munds; Angela D. Shumaker. Compensation \$50,000 to \$74,999: Linda A. Abernathy; Brian P. Christie. **TOTAL COMPENSATION \$ 311,088**

EXPENDITURE SUMMARY: Albertson's/Osco - \$48,861; AmerenIP - \$18,092.; AT&T/SBC - \$7,917; Carle - \$5,367; Christie Clinic - \$8,968; City of Champaign - \$49,611; C-U Mass Transit District - \$5,837; EFTPS - \$22,278; First BankCard - \$5,833; IMRF - \$22,061; Lauterbach & Amen, LLP - \$3,318; Martin Hood & Friese and Assoc. - \$4,377; News Gazette - \$3,149; Niemann Foods - \$19,357; NJS Enterprise - 3,000; Office Depot - \$2,648; Restoration Urban Ministries - \$7,842; Rogards - \$8,679; SAMS Club - \$47,777; Simply Spotless - \$5,649; TIME Center - \$4,325; TOIRMA - \$8,733;

All Other Disbursements less than \$2,500 - \$178,820 - **TOTAL EXPENDITURES - \$492,499**

SUMMARY STATEMENT OF CONDITION
Excerpt from Comptroller's Annual Financial Report

CHANGES IN FUND BALANCE	GENERAL	SPECIAL REVENUE
Revenues	\$354,558	\$196,012
Expenditures	\$384,701	\$418,886
Excess of Receipts/Revenue Over (under) Disbursements	(\$30,143)	(\$222,874)
Net Increase(decrease) in Fund Balance	(\$30,143)	(\$222,874)
Prior Year Fund Balance	\$378,821	\$339,833
Ending Fund Balance	\$348,678	\$116,959

FILED

JAN 05 2007

M. S. Suedem
CHAMPAIGN COUNTY CLERK

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2006

FILED

JAN 05 2007

Mark Sheldon
CHAMPAIGN COUNTY CLERK

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2006

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

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**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Basic Financial Statements

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Town of the City of Champaign, Illinois's independent auditing firm.

INDEPENDENT AUDITORS' REPORT

November 1, 2006

Members of the Policy Board
Town of the City of Champaign
Champaign, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of the City of Champaign, Illinois, a component unit of the City of Champaign, as of and for the year ended June 30, 2006, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of the City of Champaign's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of the City of Champaign, Illinois as of June 30, 2006, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Town of the City of Champaign has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Town of the City of Champaign
Champaign, Illinois
November 1, 2006
Page 2

The required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Town of the City of Champaign. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

Statement of Net Assets
June 30, 2006

ASSETS	
Current Assets	
Cash and Investments	\$ 489,959
Receivables - Net of Allowances	
Property Taxes	232,689
Replacement Taxes	15,486
	<u>738,134</u>
Capital Assets	
Depreciable Capital Assets	208,729
Accumulated Depreciation	<u>(154,459)</u>
	54,270
 Total Assets	 <u>792,404</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	34,136
Accrued Payroll and Benefits	13,450
Accrued Compensated Absences	1,470
Unearned Revenue	224,911
	<u>273,967</u>
Long-Term Liabilities	
Accrued Compensated Absences	5,882
	<u>5,882</u>
 Total Liabilities	 <u>279,849</u>
NET ASSETS	
Invested in Capital Assets - Net of Related Debt	54,270
Restricted for Retirement	26,931
Restricted for Public Welfare	90,028
Unrestricted	341,326
	<u>512,555</u>
 Total Net Assets	 <u>512,555</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

Statement of Activities
Year Ended June 30, 2006

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants/ Contributions</u>	
Governmental Activities				
General Government	\$ 506,877	-	-	(506,877)
Public Welfare	299,985	-	-	(299,985)
	<u>806,862</u>	<u>-</u>	<u>-</u>	<u>(806,862)</u>
			<u>General Revenues</u>	
			Taxes	
			Property Taxes	423,326
			Replacement Taxes	88,438
			Interest Income	18,241
			Miscellaneous	20,565
				<u>550,570</u>
			Change in Net Assets	(256,292)
			Net Assets - Beginning	<u>768,847</u>
			Net Assets - Ending	<u>512,555</u>

The notes to the financial statements are an integral part of this statement.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Balance Sheet - Governmental Funds
June 30, 2006**

	General	General Assistance	Nonmajor Funds	Totals
ASSETS				
Cash and Investments	\$ 348,695	113,013	28,251	489,959
Receivables - Net of Allowances				
Property Taxes	157,307	60,548	14,834	232,689
Replacement Taxes	7,743	7,743	-	15,486
Total Assets	<u>513,745</u>	<u>181,304</u>	<u>43,085</u>	<u>738,134</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	3,488	30,648	-	34,136
Accrued Payroll and Benefits	9,535	2,105	1,810	13,450
Unearned Revenue	152,044	58,523	14,344	224,911
Total Liabilities	<u>165,067</u>	<u>91,276</u>	<u>16,154</u>	<u>272,497</u>
Fund Balances				
Reserved for Retirement	-	-	26,931	26,931
Reserved for Public Welfare	-	90,028	-	90,028
Unreserved	348,678	-	-	348,678
Total Fund Balances	<u>348,678</u>	<u>90,028</u>	<u>26,931</u>	<u>465,637</u>
Total Liabilities and Fund Balances	<u>513,745</u>	<u>181,304</u>	<u>43,085</u>	<u>738,134</u>

The notes to the financial statements are an integral part of this statement.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Assets - Governmental Activities**

June 30, 2006

Total Governmental Fund Balances	\$ 465,637
 Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital Assets used in Governmental Activities are not Financial Resources and therefore, are not Reported in the Funds.	54,270
Long-Term Liabilities are not Due and Payable in the Current Period and therefore are not Reported in the Funds. Compensated Absences	<u>(7,352)</u>
Net Assets of Governmental Activities	<u>512,555</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2006

	General	General Assistance	Nonmajor Funds	Totals
Revenues				
Taxes	\$ 343,797	137,282	30,685	511,764
Interest	10,761	7,179	301	18,241
Miscellaneous	-	20,565	-	20,565
Total Revenues	<u>354,558</u>	<u>165,026</u>	<u>30,986</u>	<u>550,570</u>
Expenditures				
General Government	384,701	74,561	44,340	503,602
Public Welfare	-	299,985	-	299,985
Total Expenditures	<u>384,701</u>	<u>374,546</u>	<u>44,340</u>	<u>803,587</u>
Net Change in Fund Balances	(30,143)	(209,520)	(13,354)	(253,017)
Fund Balances - Beginning	<u>378,821</u>	<u>299,548</u>	<u>40,285</u>	<u>718,654</u>
Fund Balances - Ending	<u><u>348,678</u></u>	<u><u>90,028</u></u>	<u><u>26,931</u></u>	<u><u>465,637</u></u>

The notes to the financial statements are an integral part of this statement.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

Year Ended June 30, 2006

Net Change in Fund Balances - Total Governmental Funds	\$ (253,017)
 Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
 Governmental Funds Report Capital Outlays as Expenditures. However, in the Statement of Activities the Cost of those Assets is Allocated over their Estimated Useful Lives and Reported as Depreciation Expense.	
Depreciation Expense	(7,101)
 The Issuance of Long-Term Debt Provides Current Financial Resources to Governmental Funds, While the Repayment of the Principal on Long-Term Debt Consumes the Current Financial Resources of the Governmental Funds.	
Additions to Compensated Absences Payable	<u>3,826</u>
 Changes in Net Assets of Governmental Activities	 <u><u>(256,292)</u></u>

The notes to the financial statements are in integral part of this statement.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

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**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of the City of Champaign, Illinois (Township) are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Township's accounting policies established in GAAP and used by the Township are described below.

REPORTING ENTITY

The Township is a body corporate and politic established under Illinois Compiled Statutes governed by an elected Board of Trustees and an elected Supervisor. The Township is considered to be a component unit of the City of Champaign, Illinois. The members of the Township Board of Trustees are the members of the City Council of the City of Champaign, Illinois.

BASIS OF PRESENTATION

Government-Wide Statements

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds).

In the government-wide Statement of Net Assets, the governmental activities columns are: (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions (general government and public welfare). The functions are supported by general government revenues (property and replacement taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government and public welfare). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs by function are normally covered by general revenue (property and replacement taxes, certain intergovernmental revenues, etc.).

This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net assets resulting from the current year's activities.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures.

The emphasis in fund financial statements is on the major governmental funds. Nonmajor funds are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund type is used by the Township:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

General fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Township maintains one major special revenue fund, the General Assistance Fund. The Township also maintains two nonmajor special revenue funds.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus is used.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to estimate reasonably the amount. Available means collectible within the current period or within sixty days after year-end. The Township recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest, which are recognized when due.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, and cash with fiscal agent.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Cash and Investments – Continued

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments, if any, that do not have any established market, are reported at estimated fair value.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and personal property replacement taxes.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Township as a whole. When purchased, such assets are recorded as expenditures in the governmental funds. Infrastructure such as streets, traffic signals and signs is capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	10 Years
Buildings and Improvements	50 Years
Equipment and Vehicles	5 - 20 Years

Compensated Absences

The Township accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick leave by benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Deferred/Unearned Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Public hearings are conducted at City Hall to obtain taxpayer comments. The budget is then legally enacted through passage of an Appropriation Ordinance. The Board of Trustees is authorized to transfer budgeted amounts between departments within any fund. Any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. All annual appropriations lapse at fiscal year end. Budgets for the general and special revenue funds are adopted on a GAAP basis.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The General Assistance Fund had excess of actual expenditures over budget of \$3,056 as of the date of this report.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Township's funds.

Permitted Deposits and Investments – Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold. Illinois Funds was rated AAAM by Standard & Poor's Investors Service.

At year-end the carrying amount of the Township's deposits totaled \$277,485 and the bank balances totaled \$295,465. The Township also had funds invested at the Illinois Funds with a fair value of \$212,474.

Credit Risk, Custodial Credit Risk, and Concentration Risk

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township's investment policy states that the portfolio shall remain sufficiently liquid to meet all operating costs which may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law allows for the investment of funds in Illinois Funds. The Township's investment policy does not further limit investment instrument choices

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township's bank balances of \$295,465 were covered by federal depository insurance. The Township's investment policy states that deposits in excess of the amount insured by FDIC will be collateralized at 105% of the deposit amount.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township's investment in Illinois Funds not subject to credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. The Township's investment policy states that the portfolio shall be diversified to avoid unreasonable risks. All of the Township's investments of \$212,474 are held with Illinois Funds.

PROPERTY TAXES

Property taxes for 2005 attach as an enforceable lien on January 1, 2005, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, 2006, and September 1, 2006. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Buildings	\$ 193,265	-	-	193,265
Equipment	15,464	-	-	15,464
	<u>208,729</u>	<u>-</u>	<u>-</u>	<u>208,729</u>
Less Accumulated Depreciation				
Buildings	139,626	5,168	-	144,794
Equipment	7,732	1,933	-	9,665
	<u>147,358</u>	<u>7,101</u>	<u>-</u>	<u>154,459</u>
Total Depreciable Capital Assets	<u>61,371</u>	<u>(7,101)</u>	<u>-</u>	<u>54,270</u>

Depreciation expense was charged to the general government function.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Changes in Long-Term Liabilities

Changes in long-term liabilities during the fiscal year were as follows:

	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due Within One Year
Compensated Absences	\$ 11,178	8,417	12,243	7,352	1,470

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters. These risks are covered by insurance purchased from independent third parties. Claims from these risks have not exceeded commercial insurance coverage during the current fiscal year and the previous two fiscal years.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Township contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can be amended only by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 4 – OTHER INFORMATION – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Illinois Municipal Retirement System – Continued

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Township is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2005 was 6.99 percent.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments, if any, that do not have any established market are reported at estimated fair value.

Significant Investments

There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits for either the Police or Firefighters' Pension Plans. Information for IMRF is not available.

Related-Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 4 – OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS - Continued

Annual Pension Cost and Net Pension Obligation

The Township annual required contribution for the current year and related information is as follows:

Contribution Rates	
Employer	6.99%
Employee	4.50%
Annual Pension Cost	\$20,210
Contributions Made	\$20,210
Actuarial Valuation Date	12/31/05
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	10
Asset Valuation Method	5-Year Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.50% Compounded Annually
Projected Salary Increases	.4 to 11.6%
Inflation Rate Included	4.00%
Cost-of-Living Adjustments	3.00%

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements
June 30, 2006**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows:

	Calendar Year	Illinois Municipal Retirement
Annual Required Contribution (ARC)	2003	\$ 7,395
	2004	9,239
	2005	20,210
Actual Contributions	2003	7,395
	2004	9,239
	2005	20,210
Percentage of ARC Contributed	2003	100.00%
	2004	100.00%
	2005	100.00%
Net Pension Obligation	2003	-
	2004	-
	2005	-

The NPO is the cumulative difference between the ARC and the contributions actually made.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress
 - Illinois Municipal Retirement Fund
- Employer Contributions
 - Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule -- General Fund
- Budgetary Comparison Schedule -- General Assistance Fund

Notes to the Required Supplementary Information

- Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Funding Progress
June 30, 2006

Actuarial Valuation Date January 1	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2000	\$ 535,129	\$ 432,637	123.69%	\$ (102,492)	\$ 227,874	(44.98%)
2001	628,541	501,070	125.44%	(127,471)	240,434	(53.02%)
2002	686,267	563,688	121.75%	(122,579)	249,828	(49.07%)
2003	721,427	637,182	113.22%	(84,245)	258,554	(32.58%)
2004	762,395	728,905	104.59%	(33,490)	274,962	(12.18%)
2005	836,272	788,852	106.01%	(47,420)	289,124	(16.40%)

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2006**

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2000	\$ 24,588	24,588	100.00%
2001	16,662	16,662	100.00%
2002	8,269	8,269	100.00%
2003	7,395	7,395	100.00%
2004	9,239	9,239	100.00%
2005	20,210	20,210	100.00%

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

General Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 313,825	313,825	299,578
Personal Property Replacement	20,000	20,000	44,219
Interest	3,150	3,150	10,761
Miscellaneous	250	250	-
Total Revenues	<u>337,225</u>	<u>337,225</u>	<u>354,558</u>
Expenditures			
General Government			
Administrative	186,603	204,917	186,585
Assessor's Office	207,932	207,932	198,116
Total Expenditures	<u>394,535</u>	<u>412,849</u>	<u>384,701</u>
Net Change in Fund Balance	<u>(57,310)</u>	<u>(75,624)</u>	(30,143)
Fund Balance - Beginning			<u>378,821</u>
Fund Balance - Ending			<u>348,678</u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

General Assistance - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 69,750	69,750	93,063
Personal Property Replacement	20,000	20,000	44,219
Interest	2,550	2,550	7,179
Miscellaneous	5,500	5,500	20,565
Total Revenues	<u>97,800</u>	<u>97,800</u>	<u>165,026</u>
Expenditures			
General Government			
Administrative	72,218	86,318	74,561
Public Welfare			
Relief Assistance	92,900	285,172	299,985
Total Expenditures	<u>165,118</u>	<u>371,490</u>	<u>374,546</u>
Net Change in Fund Balance	<u>(67,318)</u>	<u>(273,690)</u>	(209,520)
Fund Balance - Beginning			<u>299,548</u>
Fund Balance - Ending			<u>90,028</u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
 General Fund
 General Assistance Fund
- Combining Balance Sheet – Nonmajor Governmental Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Special Revenue Funds
- Budgetary Comparison Schedules – Social Security – Special Revenue Fund
- Budgetary Comparison Schedules – IMRF – Special Revenue Fund

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2006

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries			
Supervisor	\$ 56,077	56,077	53,705
Other	22,646	25,930	20,283
Contractual Services	3,000	4,000	1,178
Office Equipment	3,000	3,900	3,227
Unemployment Insurance	1,000	1,000	1,000
Meetings and Seminars	1,500	1,500	1,146
Custodian Services	4,500	5,000	4,214
Telephone	1,600	1,600	1,774
Internet Services	800	-	-
Utilities	10,000	10,000	10,121
Facilities and Grounds Maintenance	19,000	20,500	19,864
General Insurance	54,200	60,200	54,790
Printing	1,000	2,700	2,363
Computer Service	-	1,080	927
Building and Maintenance Supplies	1,500	1,500	1,185
Postage	200	600	467
Office Supplies	750	1,500	1,230
Audit Fees	830	830	723
Contingency	5,000	7,000	8,388
	<u>186,603</u>	<u>204,917</u>	<u>186,585</u>
Assessor's Office			
Salaries			
Assessor	53,131	53,131	52,972
Other	134,551	134,551	127,514
Car Expense	300	300	300
Office Equipment	3,000	3,000	2,254
Computer Service	1,450	1,450	1,226
Meetings and Seminars	2,000	2,000	1,410
Telephone	2,500	2,500	2,572
Postage	6,500	6,500	6,500

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended June 30, 2006**

	Budget		Actual
	Original	Final	
General Government - Continued			
Assessor's Office - Continued			
Office Supplies	\$ 3,000	3,000	2,947
Appraisal and Legal Fees	1,000	1,000	-
Contingency	500	500	421
	<u>207,932</u>	<u>207,932</u>	<u>198,116</u>
 Total Expenditures	 <u>394,535</u>	 <u>412,849</u>	 <u>384,701</u>

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

General Assistance - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
Year Ended June 30, 2006

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries	\$ 56,018	62,018	56,614
Office Equipment	2,000	3,000	2,625
Office Supplies	1,000	1,500	1,500
Travel, Meetings, Dues	500	1,200	1,064
Postage	400	600	481
Printing & Publishing	-	1,200	431
Telephone	2,500	1,500	649
GA Software Package	-	3,500	3,000
Audit Fees	2,500	2,500	2,175
Insurance	1,300	1,300	1,140
Reimbursements to Other Townships	1,000	1,000	661
Contingency	5,000	7,000	4,221
	<u>72,218</u>	<u>86,318</u>	<u>74,561</u>
Public Welfare			
Relief Assistance			
General Relief	-	210,000	221,841
Shelter	30,000	-	615
Food	12,000	-	-
Utilities	7,000	-	86
Clothing	200	-	-
Personal Items	6,000	-	-
Transportation	1,000	-	267
Medical and Hospital	35,000	70,000	73,003
Bus Tokens (Workfare)	200	672	576
Work & Training Supplies	-	1,500	647
Funeral and Burial	1,500	3,000	2,950
	<u>92,900</u>	<u>285,172</u>	<u>299,985</u>
Total Expenditures	<u>165,118</u>	<u>371,490</u>	<u>374,546</u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

Nonmajor Governmental - Special Revenue Funds

**Combining Balance Sheet
June 30, 2006**

ASSETS	Social Security	IMRF	Totals
Cash and Investments	\$ 15,015	13,236	28,251
Receivables - Net of Allowances Property Taxes	8,896	5,938	14,834
Total Assets	<u>23,911</u>	<u>19,174</u>	<u>43,085</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accrued Payroll and Benefits	-	1,810	1,810
Unearned Revenue	8,606	5,738	14,344
Total Liabilities	<u>8,606</u>	<u>7,548</u>	<u>16,154</u>
Fund Balances			
Reserved for Retirement	15,305	11,626	26,931
Total Liabilities and Fund Balances	<u>23,911</u>	<u>19,174</u>	<u>43,085</u>

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2006

	Social Security	IMRF	Totals
Revenues			
Taxes	\$ 18,545	12,140	30,685
Interest	49	252	301
Total Revenues	18,594	12,392	30,986
Expenditures			
General Government			
Social Security	22,278	-	22,278
Illinois Municipal Retirement	-	22,062	22,062
Total Expenditures	22,278	22,062	44,340
Net Change in Fund Balances	(3,684)	(9,670)	(13,354)
Fund Balances - Beginning	18,989	21,296	40,285
Fund Balances - Ending	15,305	11,626	26,931

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 22,503	22,503	18,545
Interest	51	51	49
Total Revenues	<u>22,554</u>	<u>22,554</u>	<u>18,594</u>
Expenditures			
General Government			
Social Security	26,000	28,000	22,278
Net Change in Fund Balance	<u>(3,446)</u>	<u>(5,446)</u>	(3,684)
Fund Balance - Beginning			<u>18,989</u>
Fund Balance - Ending			<u>15,305</u>

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN

IMRF - Special Revenue Fund

**Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2006**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 19,353	19,353	12,140
Interest	101	101	252
Total Revenues	19,454	19,454	12,392
Expenditures			
General Government			
Illinois Municipal Retirement	26,000	28,000	22,062
Net Change in Fund Balance	<u>(6,546)</u>	<u>(8,546)</u>	(9,670)
Fund Balance - Beginning			<u>21,296</u>
Fund Balance - Ending			<u>11,626</u>

