

Financial Section



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Champaign County, Illinois
Urbana, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Champaign County, Illinois, as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Champaign County, Illinois as of November 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of funding progress, management's discussion and analysis, and budgetary comparison information presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Champaign County, Illinois' basic financial statements. The combining statements and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining statements and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2014, on our consideration of Champaign County, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Champaign County, Illinois' internal control over financial reporting and compliance.



Champaign, Illinois
July 18, 2014

County of Champaign, Illinois

Management's Discussion and Analysis

November 30, 2013

As management of the County of Champaign, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the County of Champaign for the fiscal year ended November 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

Financial Highlights

- The assets of the County of Champaign exceeded its liabilities at the close of the most recent fiscal year by \$90,056,574 (*Total Net Position*). This represents an increase in net position of approximately \$5.0 million from 2012 to 2013. The net position related to Governmental Activities increased by \$5.6 million from 2012 to 2013. This was off-set by a \$0.6 million decrease in the net position for the Business-Type Activities from 2012 to 2013. \$4.3 million of the increase in net position for Governmental activities can be attributed to contributions from the State and Federal Governments towards the County's Highways and Bridges placed in service during FY2013.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$39,711,521. The majority of this amount, \$34,369,949, is restricted to use for specific purposes because of state statutes, grantor/donor stipulations, or debt covenants. The FY2013 ending fund balance represents an increase of \$3.4 million over the prior year. This can be attributed to approximately \$2.1 million increase in revenues, and a \$1.0 million reduction in expenses. Approximately 75% of the revenue increase is non-recurring. The extension of the year-end close from 30 days to 60 days provided an opportunity to record additional FY2013 revenues at the individual fund level (as opposed to the government-wide level) but FY2013 is the only year in which the governmental funds will experience this bump in revenue. Please refer to Note 1-E (2) on Page 49.
- At the end of the current fiscal year, the unassigned fund balance for the County's General Fund was \$5,728,593, or 17.9% of total general fund expenditures, a 6.2% increase over the 11.7% for FY2012.
- Champaign County's total bonded debt decreased by \$3,050,598 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Champaign County's basic financial statements. Champaign County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Champaign County's finances, in a manner similar to a private-sector business.

- The *Statement of Net Position* presents information on all of Champaign County's assets and liabilities, with the difference between the two reported as *Total Net Position*. Over time, increases or decreases in the total net position may serve as a useful indicator of whether the financial position of Champaign County is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in total net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected sales taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County of Champaign include general government, justice and public safety, health, education, social services, development, and highways and bridges. The business-type activities of the County of Champaign include the Champaign County Nursing Home. The government-wide financial statements do not include funds classified as Fiduciary Funds (discussed further below), because the resources of those funds are not available to support the County's programs.

The government-wide financial statements can be found on pages 35-36 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Champaign, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal

requirements. All of the funds of the County of Champaign can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County of Champaign maintains 51 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Mental Health Fund, Developmental Disability Fund, Illinois Municipal Retirement Fund, and Regional Planning Commission Fund, all of which are considered to be major funds. Data from the other 46 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County of Champaign adopts an annual appropriated budget for all the governmental funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 37-40.

Proprietary Funds. The County of Champaign maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County of Champaign uses one enterprise fund to account for its Nursing Home. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County of Champaign uses internal service funds to account for its self-funded insurance and employee health insurance. Because both of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-

wide financial statements, only in more detail. The proprietary funds financial statements provide information for the County Nursing Home, which is considered to be a major fund of the County of Champaign. Both internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary funds financial statements can be found on pages 41-44.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County of Champaign's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary funds financial statements can be found on pages 45-46 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-78 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning (1) the County of Champaign's progress in funding its obligation to provide pension and other post-employment benefits to its employees; and (2) an actual to budget comparison for the County's major funds presented on the budgetary basis. This required supplementary information can be found in Exhibits XI and XII on pages 79-81 of this report.

The County's combining statements, referred to earlier in connection with non-major governmental funds and internal service funds, are presented immediately following the *Required Supplementary Information*. These statements can be found on pages 82-103 of this report.

Government-Wide Financial Analysis

As noted earlier, the total net position may serve over time as a useful indicator of a government's financial position. For Champaign County, assets exceeded liabilities by \$90,056,574 at the close of the most recent fiscal year. The table **County of Champaign's Net Position**, presented below, reflects the condensed Statement of Net Position.

The largest component of the County of Champaign's total net position (\$64,335,275 or 71.4%) is its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any outstanding related debt used to acquire those assets. The County of Champaign uses these capital assets to provide services to citizens; consequently, these

assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another component of the County's total net position, totaling \$33,454,028, represents resources that are subject to external restrictions on how they may be used. Of this amount, \$18,954,140 is restricted by state statutes, \$9,945,028 is restricted by grantor/donor stipulations, and \$4,554,860 is restricted by debt covenants. This leaves an unrestricted deficit balance of (\$7,732,729) as the final component of the total net position.

It is worth noting that \$14,418,639 of outstanding debt, issued to finance construction of the 2006 Nursing Home facility, is not reflected in the business-type activities with the related capital assets. This debt is reported as part of the unrestricted net position in the governmental activities since it is being repaid using property taxes and sales taxes reported in governmental funds. Without this extra debt burden, the unrestricted net position in the governmental activities as of November 30, 2013, would reflect a surplus rather than a deficit.

For the last six years, the County has had to report negative balances in unrestricted net position for the government as a whole; however, the size of the deficit has decreased over the last five years.

County of Champaign's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	\$79,647,165	\$80,389,716	\$4,253,780	\$4,463,060	\$83,900,945	\$84,852,776
Capital Assets	74,674,565	73,207,772	20,002,304	20,645,195	94,676,869	93,852,967
Total Assets	154,321,730	153,597,488	24,256,084	25,108,255	178,577,814	178,705,743
Current and Other Liabilities	\$36,896,745	\$38,280,333	\$2,765,297	\$2,991,225	\$39,662,042	\$41,271,558
Long-term Liabilities	48,694,010	52,222,514	165,188	144,187	48,859,198	52,366,701
Total Liabilities	85,590,755	90,502,847	2,930,485	3,135,412	88,521,240	93,638,259
Net Position:						
Invested in Capital Assets	\$44,332,971	\$41,293,964	\$20,002,304	\$20,645,195	\$64,335,275	\$61,939,159
Restricted	33,454,028	32,473,921	0	0	33,454,028	32,473,921
Unrestricted	(9,056,024)	(10,673,244)	1,323,295	1,327,648	(7,732,729)	(9,345,596)
Total Net Position	68,730,975	63,094,641	21,325,599	21,972,843	90,056,574	85,067,484

Governmental Activities. The net position reported for governmental activities increased by \$5.64 million or 8.9% between 2012 and 2013. This increase is due primarily to the \$4.3 million in contributions from the State and Federal Governments towards the County's Highways and Bridges placed in service during FY2013.

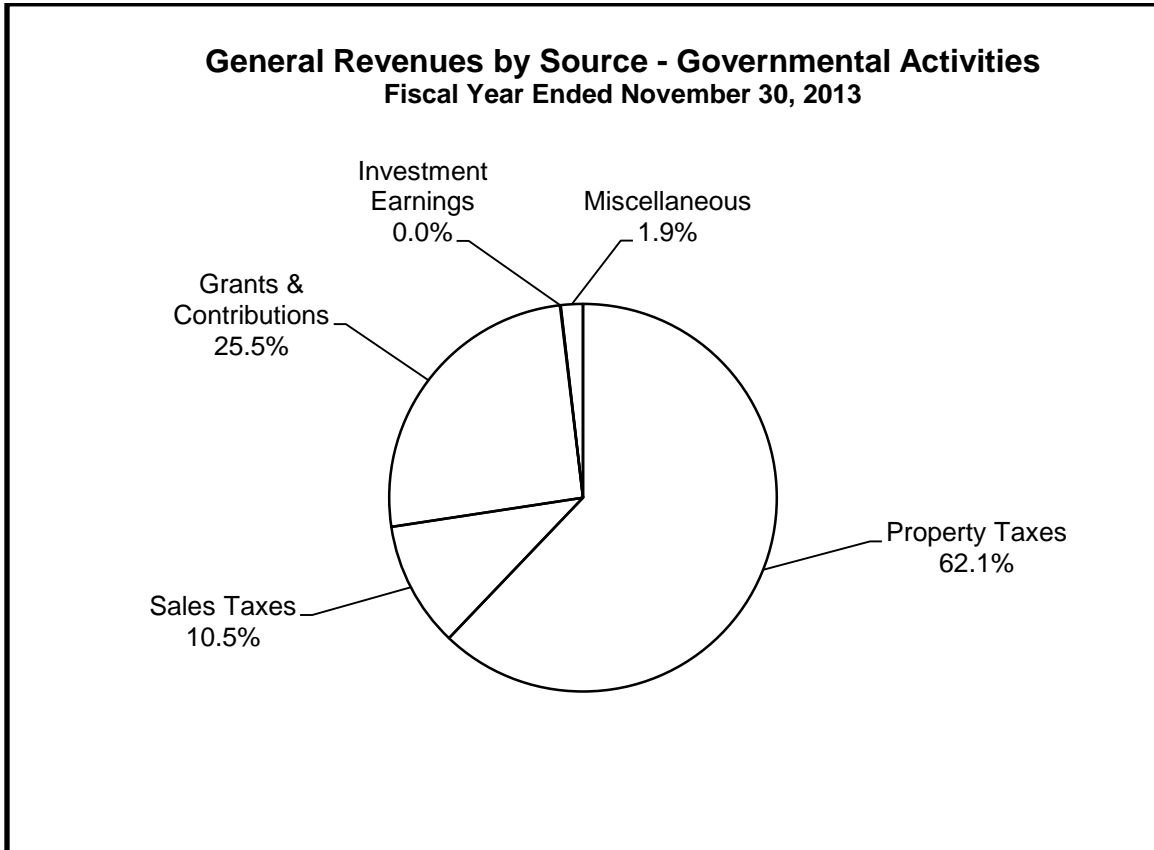
Business-Type Activities. The net position reported for business-type activities decreased by \$0.6 million from 2012 to 2013. This is mostly due to a reduction in net charges for services and bad debt expenses for revenues related to 2009 and prior. Net revenues properly reflect amounts that cannot reasonably be collected. In addition, the Nursing Home still receives a subsidy from property taxes. Without this subsidy, the total net position would have decreased by an additional \$1.05 million in FY13.

The following table summarizes the revenues and expenses of the County's activities:

County of Champaign's Changes in Net Position

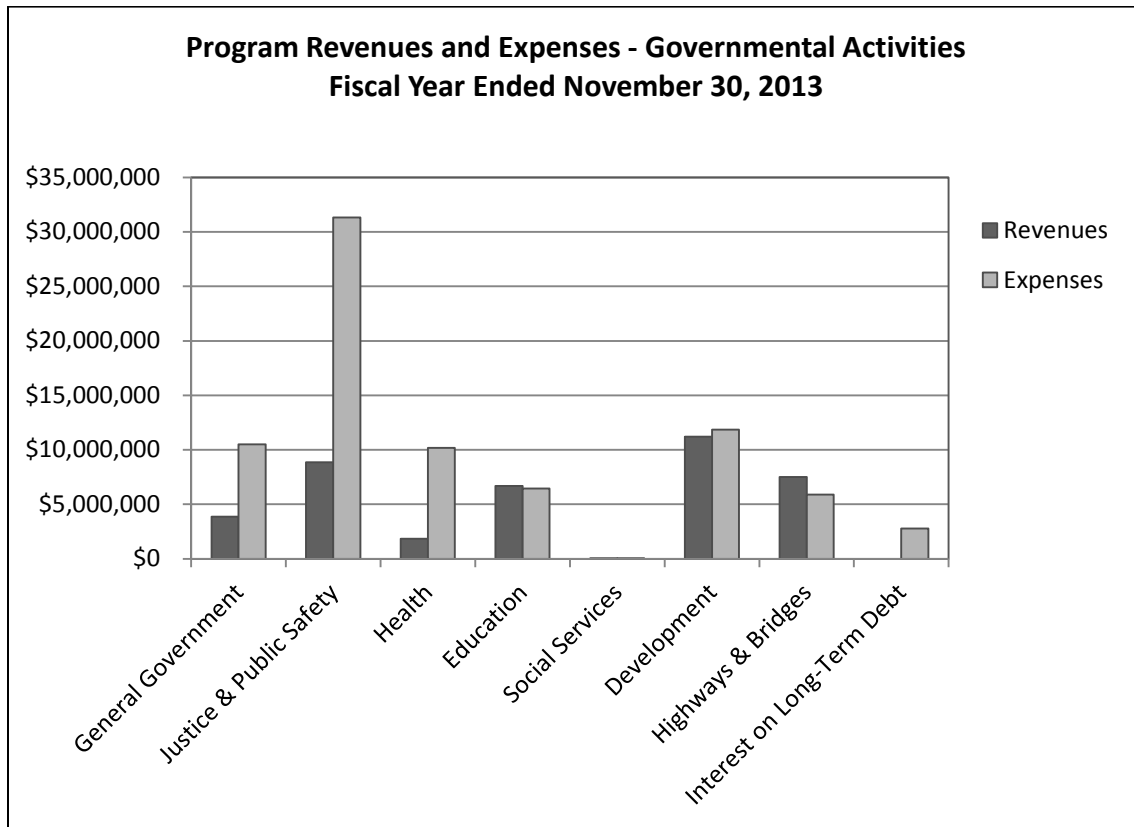
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for Services	\$10,030,891	\$10,537,199	\$13,545,359	\$14,298,033	\$23,576,250	\$24,835,232
Operating Grants & Contributions	25,607,103	27,444,051	0	0	25,607,103	27,444,051
Capital Grants & Contributions	4,354,209	15,500	0	0	4,354,209	15,500
General Revenues:						
Property Taxes	27,765,286	27,539,026	1,052,169	1,025,248	28,817,455	28,564,274
Public Safety Sales Taxes	4,619,739	4,564,828	0	0	4,619,739	4,564,828
Hotel/Motel & Auto Rental Taxes	60,775	56,110	0	0	60,775	56,110
Grants & Contributions Not Restricted to Specific Programs	11,399,918	11,078,533	0	0	11,399,918	11,078,533
Investment Earnings	22,144	46,418	563	1,274	22,707	47,692
Miscellaneous	821,604	461,427	9,448	5,287	831,052	466,714
Gain - Disposal of Capital Assets	0	0	0	0	0	0
Total Revenues	84,681,669	81,743,092	14,607,539	15,329,842	99,289,208	97,072,934
Expenses:						
General Government	\$10,505,835	\$10,690,161	\$0	\$0	\$10,505,835	\$10,690,161
Justice & Public Safety	31,309,294	30,578,631	0	0	31,309,294	30,578,631
Health	10,177,646	10,310,326	0	0	10,177,646	10,310,326
Education	6,462,831	6,736,409	0	0	6,462,831	6,736,409
Social Services	50,618	50,618	0	0	50,618	50,618
Development	11,851,253	11,731,325	0	0	11,851,253	11,731,325
Highways & Bridges	5,893,484	6,425,098	0	0	5,893,484	6,425,098
Interest on Long-Term Debt	2,771,322	2,437,391	0	0	2,771,322	2,437,391
Nursing Home	0	0	15,277,835	15,701,671	15,277,835	15,701,671
Total Expenses	79,022,283	78,959,959	15,277,835	15,701,671	94,300,118	94,661,630
Change in Net Position						
Before Transfers	5,659,386	2,783,133	(670,296)	(371,829)	4,989,090	2,411,304
Transfers	(23,052)	307,102	23,052	(307,102)	0	0
Change in Net Position	5,636,334	3,090,235	(647,244)	(678,931)	4,989,090	2,411,304
Net Position-Beginning	63,094,641	60,004,406	21,972,843	22,651,774	85,067,484	82,656,180
Net Position-Ending	68,730,975	63,094,641	21,325,599	21,972,843	90,056,574	85,067,484

General revenues for the County's governmental activities come from a number of different sources, which are dependent on different financial factors. As illustrated in the following chart, the majority of general revenues (62.1%) are derived from property taxes, which provides long-term stability.



Justice and Public Safety expenses constituted the largest single category of expense within governmental activities totaling \$31,309,294, or 39.6% of total expenses of \$79,022,283. Development expenses were the next largest at \$11,851,253, or 15.0% of total expenses, followed by General Government at \$10,505,835 or 13.3%. Expenses increased by a mere \$62,324 over the previous year. Expenses for Justice & Public Safety increased by \$730,663 or 2.3% while expenses for Development increased by \$119,928 or 1%. Expenses in the remaining functional areas were below the FY2012 levels.

The following chart shows program expenses along with the related program revenues:

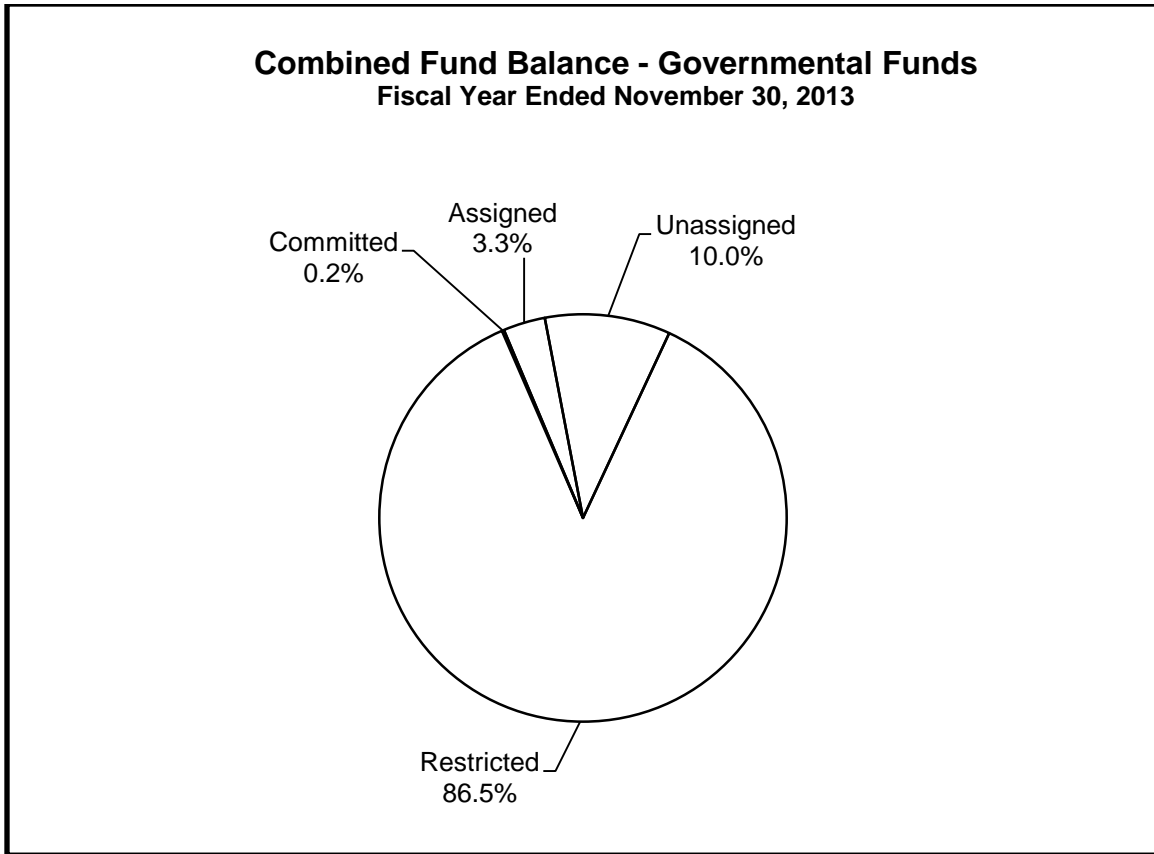


Financial Analysis of the Government’s Funds

As noted earlier, the County of Champaign uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County of Champaign’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County of Champaign’s financing requirements. Fund balances are classified to indicate the extent to which a government is bound to honor constraints on the specific purposes for which the funds can be spent.

As of the end of the current fiscal year, the County of Champaign’s governmental funds reported combined ending fund balance of \$39,711,521, an increase of \$3,364,613 compared with the prior year. Of the ending fund balance, \$34,369,949 (86.5%) is externally *restricted* by state statutes, grantor/donor stipulations, or debt covenants, and may only be used for specified purposes. Another 3.5% is either *committed* to a specific purpose by County Board resolution or *assigned* to a specific purpose by County officials. The remaining \$3,952,042 (10.0%) is *unassigned* and free to be used for any purpose at the discretion of the County Board.



The General Fund is the chief operating fund of the County of Champaign. At the end of the 2013 fiscal year, the total fund balance of the general fund was \$6,040,570 which represents 18.9% of total general fund expenditures. Fund balance of \$311,977 is restricted for repayment of debt, leaving \$5,728,593 unassigned and available for spending on any purpose. The total fund balance of the General Fund increased in FY2013 by \$2.1 million or 53.7%.

Of the other major governmental funds, the Mental Health Fund had a small decrease in fund balance of \$(81,497) (-3.8%) in 2013, while the Developmental Disability Fund saw a moderate increase of \$77,220 (5.0%). The fund balance in the Illinois Municipal Retirement Fund also decreased by \$(64,810) (-4.6%) in 2013. Each of these three funds is almost exclusively funded by property tax revenue, and spending has been kept in line with this stable and predictable revenue source. The Regional Planning Commission Fund, which mostly relies on funding from grants and contracts with other governmental agencies, experienced a decrease in fund balance of \$(72,316) (-11.5%) in 2013, following an increase of \$465,381 (281.1%) in 2012. Under the majority of grants and contracts, spending occurs first, and then the Regional Planning Commission must wait for reimbursement from the granting agencies. In FY 2013, there was a 15.8% decrease in intergovernmental revenue and a 10% increase in charges for services. However, expenses also decreased by about 9%.

Proprietary Funds. The proprietary fund statements display the County's only enterprise fund, which is the Champaign County Nursing Home, along with the internal service funds. The Nursing Home ended the year with a total net position of \$21,325,599. Of this amount, \$20,002,304 is invested in capital assets and is not available to be spent leaving an unrestricted surplus of \$1,323,295.

The Nursing Home has for several years experienced financial challenges, necessitating operating transfers and loans from the General Fund.

<u>Fiscal Year</u>	<u>Income (Loss) Before Transfers</u>	<u>Transfers from General Fund</u>	<u>Outstanding Loans From General Fund</u>
2004	(\$769,602)	\$10,000	\$0
2005	(\$1,153,507)	\$25,786	\$0
2006	(\$1,306,766)	\$1,229,782	\$0
2007	(\$1,412,908)	\$327,812	\$361,015
2008	(\$1,817,447)	\$0	\$1,333,142
2009	(\$244,327)	\$1,000,000	\$333,142
Subtotal	(\$6,704,557)	\$2,593,380	
2010	\$331,730	\$0	\$333,142
2011	\$1,173,187	\$0	\$333,142
2012	(\$537,663)	\$0	\$333,142
2013	(\$911,735)	\$333,142	\$0

From 2004-2008, the County Board transferred \$1,593,380 to the Nursing Home Fund from the General Fund. In addition, by the end of 2008, the Nursing Home owed \$1,333,142 to the General Fund for outstanding interfund loans. In August, 2009, the County Board voted to forgive \$1,000,000 worth of loans owed by the Nursing Home to the General Fund. In exchange, it was determined that starting in 2010, the Nursing Home would reimburse the General Fund for the annual interest and principal payments on the bonds that were issued to finance the HVAC re-design and mold remediation at the new Nursing Home facility. However, in February, 2013, the County Board voted to forgive the remaining balance of \$333,142 of this Interfund loan.

Champaign County management and the County Board have spent a considerable amount of time in recent years addressing the problems at the Nursing Home. In 2008, a separate Nursing Home Board of Directors was established to oversee the Nursing Home's policies and operations, and a consulting firm was hired to provide operational management of the Nursing Home. Under the new management structure, several seemingly positive changes have been made at the Nursing Home, with the aim of increasing patient census, reducing over-reliance on contract nursing, and generally improving the finances of the facility. In FY2013 the Nursing Home again experienced a negative change in net position (\$647,244) due primarily to lower patient revenue. This negative net position would have been even higher without the transfer of \$333,142.

General Fund Budgetary Highlights

This was another year of conservative budgeting in the General Fund. The original expenditure budget for FY 2013 was \$940,897 or 3.0% higher than the original budget for FY2012. During the course of the year, additional spending authority of \$479,511 was approved primarily for capital purchases. General Fund Revenues were \$2.0 million or 6.5% higher than the final budget and Expenditures were under budget by \$780,909. The original FY2013 budget projected a small negative fund balance of (\$125,895), very similar to the prior year. Under the final amended budget, the projected net change in fund balance was a decrease of (\$895,623), but the actual net change in fund balance on the budgetary basis turned out to be an increase of \$1,652,095.

Capital Asset and Debt Administration

Capital Assets. The County of Champaign’s investment in capital assets for its governmental and business-type activities as of November 30, 2013, amounted to \$94,676,869 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, and bridges. Following is a comparative schedule of capital assets, net of accumulated depreciation:

Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$1,749,092	\$1,749,092	\$0	\$0	\$1,749,092	\$1,749,092
Construction in Progress	2,137,963	649,550	0	0	2,137,963	649,550
Infrastructure	27,081,518	24,553,834	0	0	27,081,518	24,553,834
Buildings and Improvements	40,976,970	43,458,046	19,533,323	20,100,701	60,510,293	63,558,747
Equipment	2,729,022	2,797,250	468,981	544,494	3,198,003	3,341,744
Total	74,674,565	73,207,772	20,002,304	20,645,195	94,676,869	93,852,967

Additional information on the County of Champaign’s capital assets can be found in Note 11 in the Notes to Financial Statements of this report.

Long-Term Debt. At the end of the current fiscal year, the County of Champaign had total long-term liabilities of \$48,859,198. The entire amount is backed by the full faith and credit of the County of Champaign. Following is a comparative schedule of outstanding debt:

Long-Term Liabilities

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds	\$45,103,982	\$48,154,580	\$0	\$0	\$45,103,982	\$48,154,580
Intergovernmental Loans	129,063	181,563	0	0	129,063	181,563
Net OPEB Liability	1,670,647	1,359,154	165,188	144,187	1,835,835	1,503,341
Estimated Claims Payable	1,790,318	2,527,217	0	0	1,790,318	2,527,217
Total	48,694,010	52,222,514	165,188	144,187	48,859,198	52,366,701

Additional information on the County's long-term debt can be found in Note 18 in the Notes to Financial Statements of this report.

Economic Factors

The main campus of the University of Illinois lies in the center of Champaign County and it provides a great deal of stability to the area's economy, as the University is the area's largest employer (with over 20,000 employees), and is a major purchaser of various goods and services. As a result, the revenues of Champaign County tend to be more stable than those of many other counties. At 8.2%, Champaign County's unemployment rate has risen slightly from 8.0% in 2012 but is still below the 2011 rate of 8.4%. It is still below the state average of 9.2%. Per capita personal income has risen slightly from \$36,391 in 2011 to \$37,544 in 2012. Data is not yet available to see if that trend continued in 2013.

The equalized assessed value (EAV) of taxable property in Champaign County for taxes payable in 2013 decreased slightly to \$3.53 billion, compared with \$3.55 billion the year before (a 0.4% decrease). Residential properties made up 60.2% of the EAV, while commercial development constituted 31.5%, and farmland 8.3%.

Requests for Information

This financial report is designed to provide a general overview of the County of Champaign's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Auditor, 1776 E. Washington, Urbana, IL 61802.