

PEORIA COUNTY, ILLINOIS

MONTHLY FINANCIAL REPORT

August 2012



Revenue information current as of: August 13, 2012

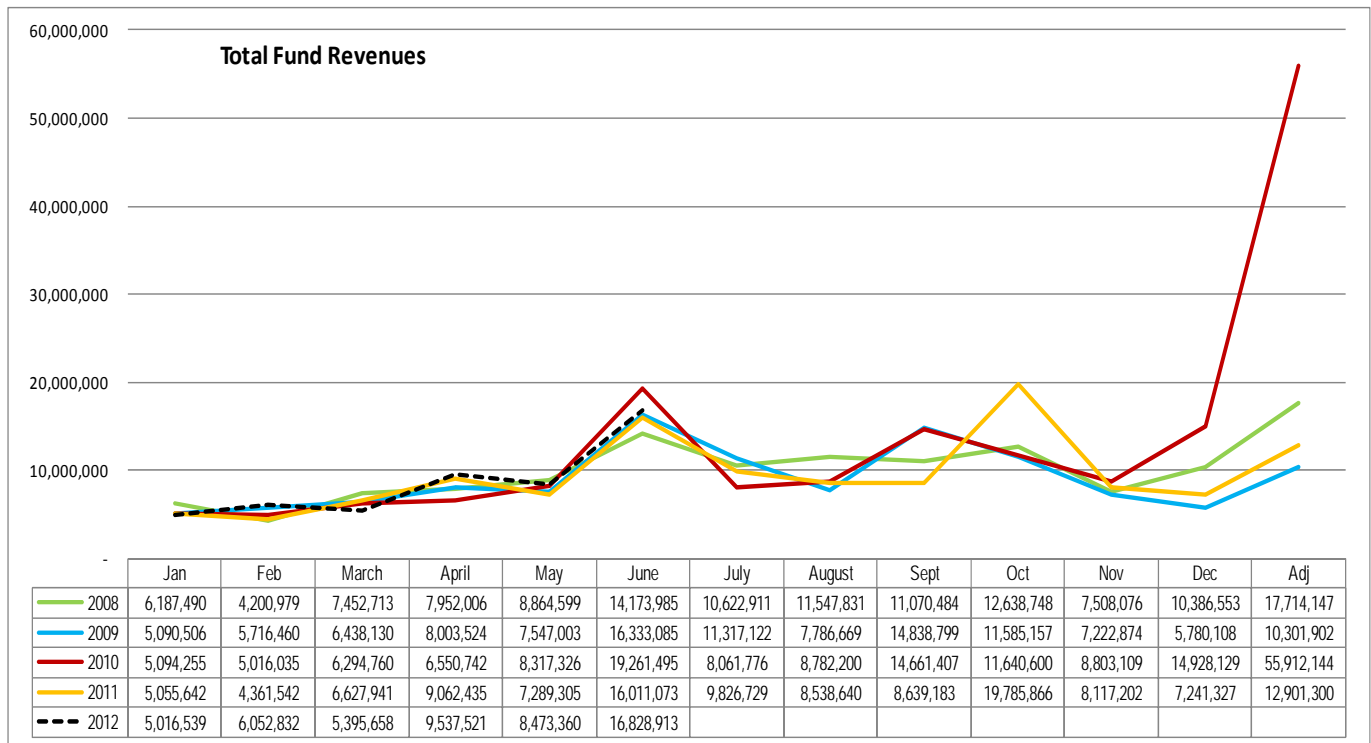
Year-to-date revenues, expenditures, and cash flow as of: June 30, 2012

Overall Fund Revenues

As of June 30, 2012, overall fund revenues are \$51,304,824. This is an increase of \$2,896,886 (+6.0%) from the same time last year.

Other expense reimbursements are significantly higher due to a reimbursement from Lakeview Museum for the Peoria Riverfront Museum project. Property tax receipts are up through June 2012, but it should be noted that receipts are down in July, resulting in a smaller net increase in revenue. The state income tax and corporate personal property replacement taxes continue to see sizable growth over last year. The County's sales taxes are seeing growth in the second quarter of FY 2012; positive growth is expected to continue into the next quarter, but at a slightly slower pace. The inheritance tax revenue lost in FY 2011 was regained in FY 2012, but unfortunately the County recently found out that this revenue stream will be taken away by the State of Illinois in FY 2013. Bond premiums and bond rebates took place in relation to debt revenues through June 2012. Other notable increases in revenue are noted on the following page.

While the private pay portion of revenues are up for Bel-Wood Nursing Home, the public aid and Medicaid allowances, and Medicare fees, are down nearly \$1.4 million year to date. This continues to be an area of concern for the County's finances. The County's grant revenues (both State and Federal) are down from last year. Cable franchise fees have not been collected as of June 30, 2012. Motor Fuel Tax allotments continue to lag behind FY 2011, trending 2% to 3% below last year's levels, but this has been off-set in part due to savings related to light snowfall in the first quarter of FY 2012. Other declines in revenue can be found on the following page.



Year End Totals	2008	2009	2010	2011	YTD 2012
	130,320,522	117,961,339	173,323,978	123,458,185	51,304,824

Total fund revenues will vary each year and revenues are not always collected in the same exact timeframe each year. These revenue figures must be analyzed in conjunction with total fund expenditures and total fund cash flow to get a clearer picture of the situation. Capital projects will skew the outlook on revenues for total funds. Other financing sources via debt issuance will show up as revenue in our financial software. This will lead to spikes in various months.

Overall Fund Revenues

Revenues that have seen notable growth when examining all County Funds this year include:

Revenue Source		FY 2011	FY 2012	Increase	% Growth
33550	EXPENSEREIMB-OTHER	161,444	1,640,629	1,479,185	916.2%
34622	CONTRACTUAL ALLOW - PA	(1,839,657)	-1,204,891	634,766	-34.5%
31110	PROPERTYTAX	10,234,329	10,655,522	421,193	4.1%
33510	STATE INCOME TAX	1,575,524	1,859,249	283,725	18.0%
33950	SUPPLEMENTARY SALES TAX	2,124,369	2,388,088	263,719	12.4%
34839	CONSTRUCTION COST REIMBR	41,794	285,799	244,005	583.8%
37603	US TREASURY BOND REBATE	50,074	268,363	218,289	435.9%
33416	CLEAR-WI	-	171,827	171,827	-
34191	DETENTION CHARGE-FEDERAL	209,000	366,135	157,135	75.2%
34311	HEALTH FEES-EMPLOYER	2,388,484	2,544,504	156,020	6.5%
33520	PERSNL PROPERTY REPLC TA	2,089,381	2,207,968	118,588	5.7%
34061	ANIMAL PROTECT CONTRACT	28,383	144,005	115,622	407.4%
34655	MISC. FEES FOR SERVICES	154,560	267,316	112,756	73.0%
34631	PATIENTINC-PRIVATE PAY	1,100,436	1,204,757	104,321	9.5%
34151	REVENUESTAMPS	352,111	450,906	98,795	28.1%
34742	TAKING OF BOND FEE	66,748	163,806	97,058	145.4%
34301	HEALTH FEES-EMPLOYEE	769,615	852,748	83,133	10.8%
33944	1/4% PUBLIC SAFETY TAX	1,807,331	1,878,543	71,212	3.9%
33940	1/4% PUBLIC FACILITES TA	1,807,331	1,878,543	71,212	3.9%
33357	INHERITANCE TAX REV SHAR	-	59,284	59,284	-
32130	FOOD LICENSES	292,400	347,825	55,425	19.0%
34111	FEES ANDCHARGES	3,723,295	3,773,570	50,275	1.4%
34220	FLEET MAINTENANCE FEES	212,500	262,500	50,000	23.5%
33530	STATE REIMBURSEMNT SALAR	747,352	795,709	48,357	6.5%
37602	BOND PREMIUM	-	43,541	43,541	-
34958	TELEPHONE USAGE FEES	26,519	67,116	40,597	153.1%
34210	SEAL COATING	-	40,000	40,000	-
33480	STATE FUNDS-PARTICIPATIO	-	31,750	31,750	-
33949	SALES TAX	519,032	546,332	27,300	5.3%
34835	GAS ANDOIL REIMBURSEMEN	6,941	33,394	26,454	381.1%

Overall Fund Revenues

Revenues that have seen notable decline when examining all County Funds this year include:

Revenue Source		FY 2011	FY 2012	Decrease	% Decline
34623	CONTRIBUTION-PUBLIC AID	657,074	16,052	(641,022)	-97.6%
34644	CONTRACTUAL ALLOW - MC	534,388	120,139	(414,249)	-77.5%
36300	MISCELLANEOUS (UNANTICIP	276,273	55,255	(221,018)	-80.0%
34621	PATIENTINC-PUBLIC AID	4,527,191	4,318,767	(208,424)	-4.6%
36850	DONATIONS/CHARITABL CNTR	538,161	347,585	(190,576)	-35.4%
34832	SALE OFMAINTENANCE SUPP	173,110	0	(173,110)	-100.0%
34952	CABLE FRANCHISE FEES	126,247	358	(125,890)	-99.7%
34665	SERVICEFEES-THIRD PARTY	604,862	481,310	(123,552)	-20.4%
34641	MEDICAREFEES	624,988	510,910	(114,078)	-18.3%
33120	FEDERALGRANT	465,499	355,548	(109,951)	-23.6%
36080	EXCESS CARRIER REIMBURSE	102,842	24,014	(78,828)	-76.6%
33400	STATE GRANT	739,919	674,129	(65,790)	-8.9%
36090	PHONE CARDS	70,120	7,280	(62,840)	-89.6%
36200	LEAD MITIGATION WRK-MATC	69,445	14,892	(54,553)	-78.6%
37501	ASSET DISPOSAL PROCEEDS	64,484	10,817	(53,667)	-83.2%
33526	MOTOR FUEL TAX ALLOTMENT	1,575,011	1,539,428	(35,583)	-2.3%
34991	PROBATION SERVICE FEES	378,407	343,242	(35,165)	-9.3%
33411	ORAL HEALTH GRANTS	45,851	13,618	(32,233)	-70.3%
36760	EMPLOYEE SALARY REIMBURS	135,279	108,618	(26,661)	-19.7%

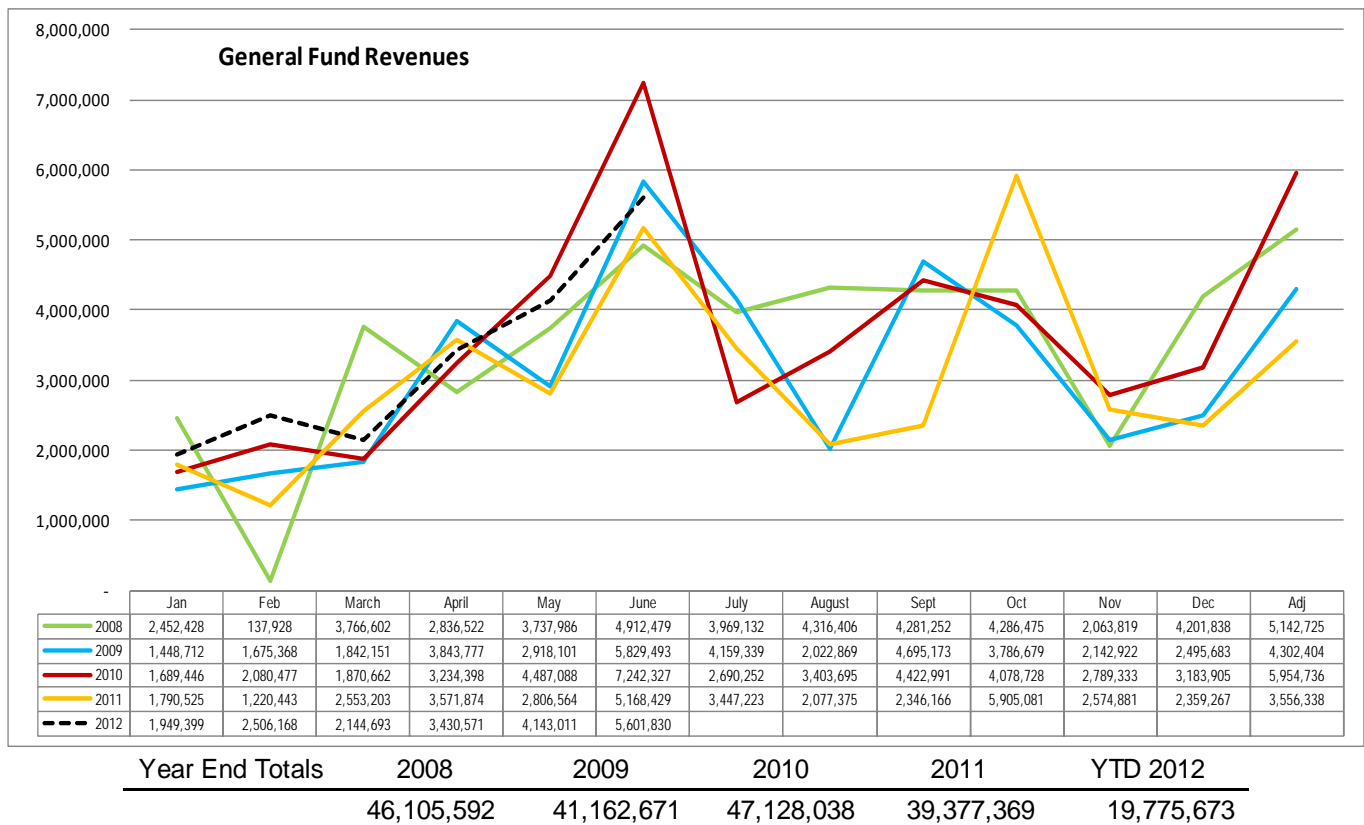
General Fund Revenues

As of June 30, 2012, General Fund year to date revenues were at \$19,775,673, an increase of \$2,664,635 (+15.6%) when compared to June 30, 2011.

Much of this is due to the change in the accounting for the supplemental and public safety sales taxes. This was discussed at the Finance Committee when preparing for the FY 2012 budget. These revenues often fund debt service or specific projects with expenditures in non-operating funds and involve predetermined dollar amounts. Past practice was to allocate the earmarked revenue streams over a percentage basis. The problem with this approach is that an excess of funds would often be sitting in a debt service reserve as opposed to being utilized for its original intent. The revenues are now going into the General Fund and when payments are due, a transfer for the predetermined dollar amount will take place in order to allocate the exact amount needed to fund the expenditure. The remainder stays in the General Fund either for general purposes in the case of the supplemental sales tax or for public safety purposes in relation to the public safety tax. Additional monies can be transferred based on Board action.

Increases in supplemental sales taxes, state income taxes, and the animal protection contracts have also contributed to the increase in General Fund revenues. Property tax collections are up through June 2012, but they have tailed off in July and have a net effect of a small increase (+0.6%) as of August 13, 2012.

Other items of note are that cable franchise fees have not yet been recorded for the year and state grants and employee salary reimbursements continue to be down for the year.



General Fund Revenues

Revenues that have seen notable growth in the General Fund this year include:

Revenue Source		FY 2011	FY 2012	Increase	% Growth
33944	1/4% PUBLIC SAFETY TAX	983,188	1,878,543	895,355	91.1%
33950	SUPPLEMENTARY SALES TAX	1,824,833	2,388,088	563,255	30.9%
33510	STATE INCOME TAX	1,575,524	1,859,249	283,725	18.0%
34191	DETENTION CHARGE-FEDERAL	209,000	366,135	157,135	75.2%
31110	PROPERTYTAX	2,520,060	2,661,288	141,228	5.6%
34061	ANIMAL PROTECT CONTRACT	28,383	144,005	115,622	407.4%
34151	REVENUESTAMPS	352,111	450,906	98,795	28.1%
34742	TAKING OF BOND FEE	66,748	163,806	97,058	145.4%
33520	PERSNL PROPERTY REPLC TA	1,572,478	1,668,866	96,387	6.1%
34111	FEES ANDCHARGES	2,160,532	2,244,866	84,334	3.9%
34655	MISC. FEES FOR SERVICES	138,770	215,136	76,367	55.0%
33357	INHERITANCE TAX REV SHAR	-	59,284	59,284	-
34958	TELEPHONE USAGE FEES	26,519	67,116	40,597	153.1%
33949	SALES TAX	519,032	546,332	27,300	5.3%
32210	BUILDING/ZONING PERMITS	166,933	191,169	24,236	14.5%
34688	C/C ELECTRONIC CITATION	4,853	26,546	21,693	447.0%
33358	AUTO RENTAL TAX	18,059	39,362	21,303	118.0%

Revenues that have seen notable decline in the General Fund this year include:

Revenue Source		FY 2011	FY 2012	Decrease	% Decline
34952	CABLE FRANCHISE FEES	126,247	358	(125,890)	-99.7%
33400	STATE GRANT	312,750	255,650	(57,100)	-18.3%
36760	EMPLOYEE SALARY REIMBURS	131,541	104,878	(26,663)	-20.3%
36300	MISCELLANEOUS (UNANTICIP	68,934	43,473	(25,461)	-36.9%
34695	CHILDREN'S WAITING RM FE	23,855	-	(23,855)	-100.0%

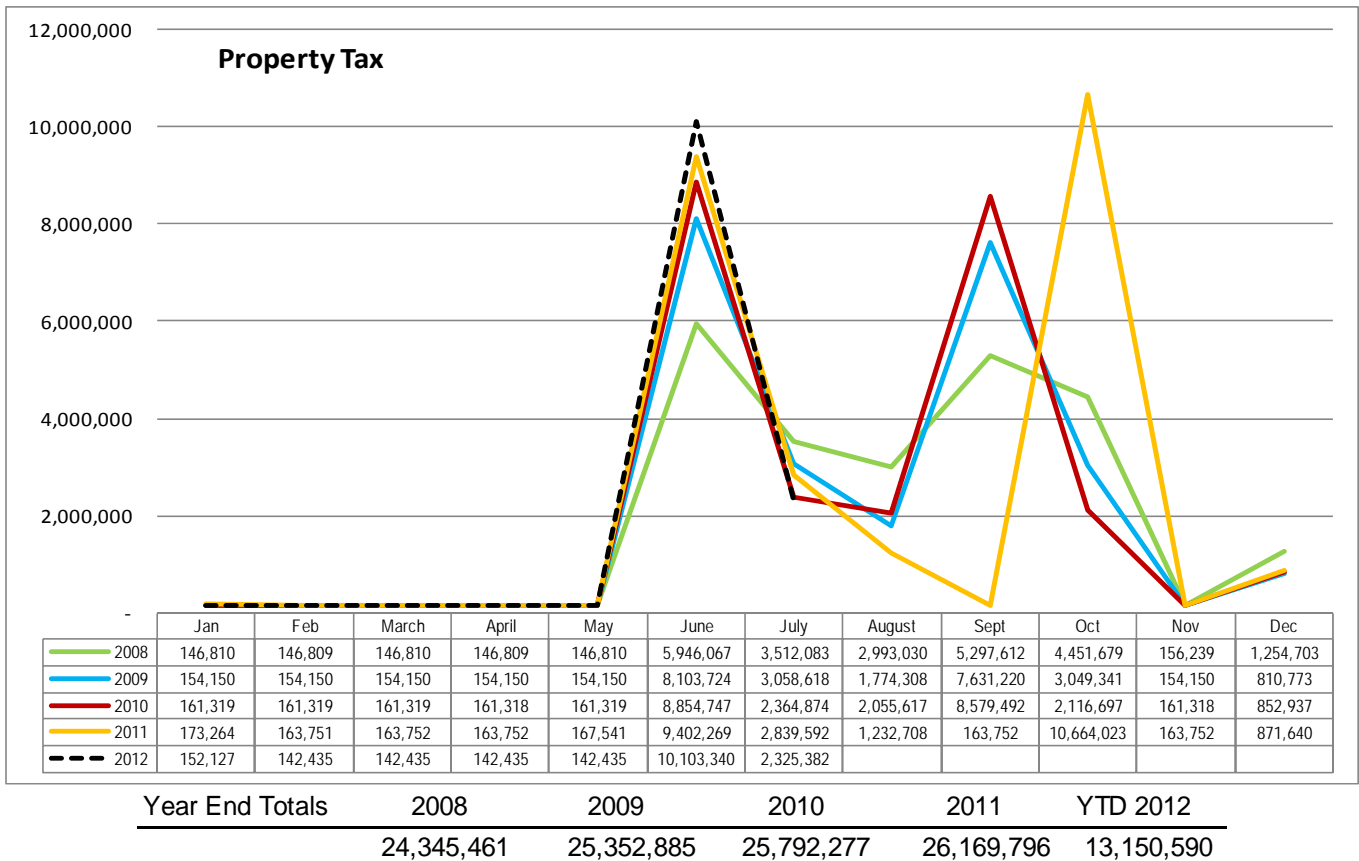
Property Taxes

The Peoria County Board has provided consistent direction to County staff over the years to keep the property tax rate in check. Generally, growth in the assessed valuation increases the County's property tax receipts without having to raise the property tax rates.

FY 2012 revenues stem from the 2011 tax levy. Property taxes are the most predictable source of tax revenue at the County's disposal. The revenue stream can be accurately predicted at the time of the levy through the combination of the tax rate, estimated equalized assessed value, and anticipated growth within that tax base.

Property tax collections spike in connection with tax bill payments due in June and September of each year.

The property tax receipts collected through July 2012 total \$13,150,590. This is \$76,669 (+0.6%) more than the amount collected through July 2011. While June payments were higher than the amount collected last year, this was off-set by reduced collections during the month of July. The net effect is a slight increase in overall property taxes.

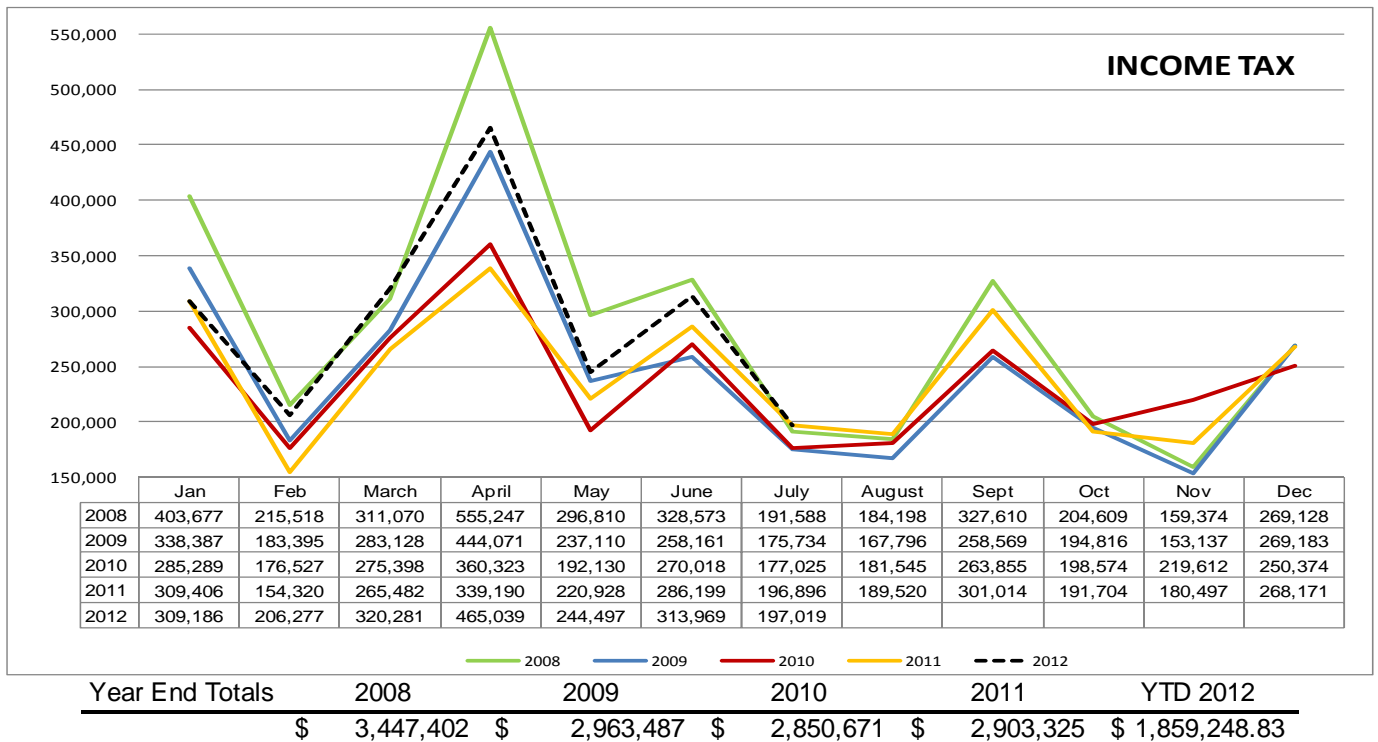


Peoria County levies a property tax on all property within the County, including that within municipalities, for services provided throughout the County. These taxes are then deposited into various governmental and proprietary funds, according to the statutory limits of those funds. For example, the maximum tax rate in the General Fund is 25.00¢ per \$100 of assessed valuation, while the maximum rate in the County Highway fund is 10.00¢. Other jurisdictions within the County have the ability to levy property taxes, including library districts, school districts, and municipalities. Property tax revenues are based on the assessed valuation of real and personal property. Exemptions are available for certain senior citizens, as well as government bodies in certain cases. Once a property is assessed, the Board of Review may adjust certain valuations.

Income Tax

Income tax revenues have a delayed response to the economy. Reductions in income taxes appear a few months into an economic recession. Reductions in income tax revenue took place from 2001-2003, yearly growth took place from 2004-2008, and another set of reductions began in 2009-2010. FY 2012 income tax revenue depends on not only the economy, but the impact that the changes in tax rates may have on local governments. A description of the tax rates can be found below.

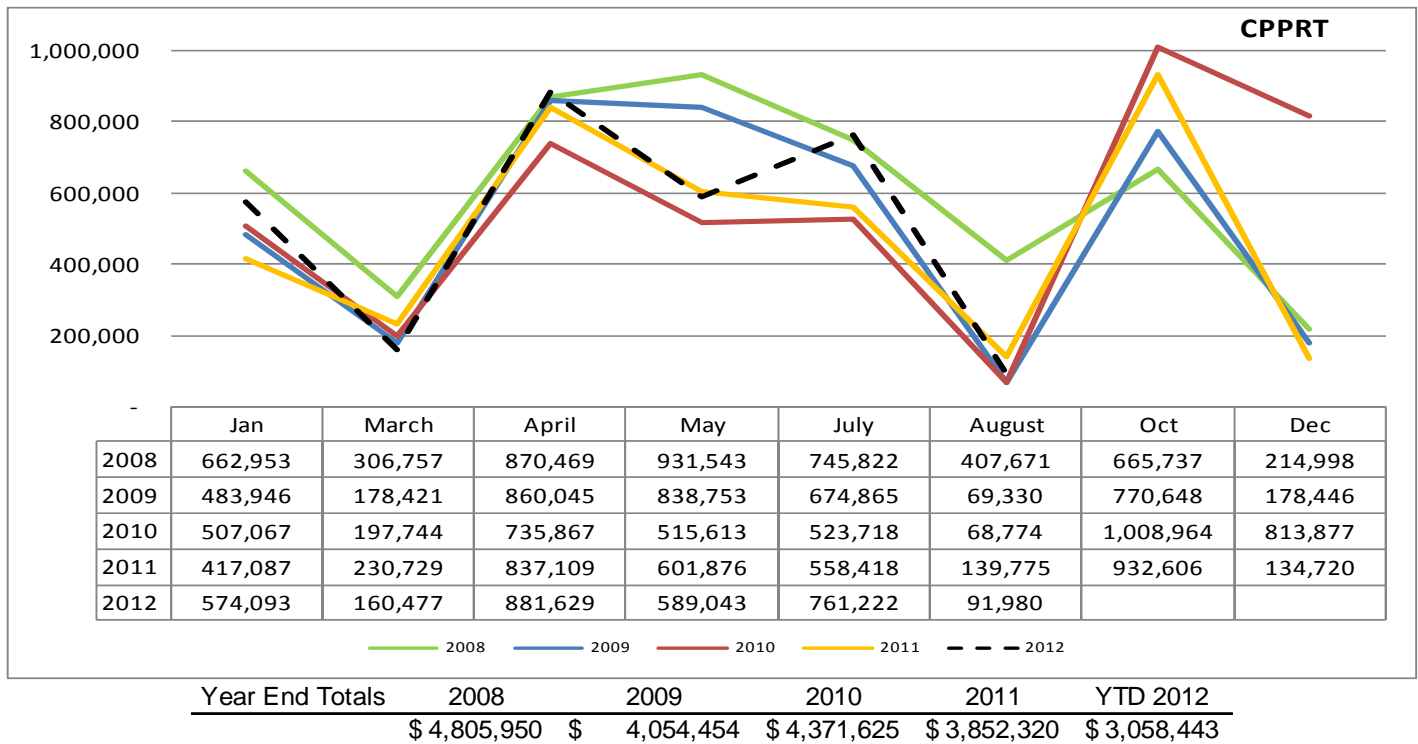
As of August 13, 2012, the amount of income tax received by Peoria County through six months is \$1,859,249. This amount is \$283,725 (or 18.0%) higher than the amount received at this time last year.



The Illinois Income Tax is imposed on every individual, corporation, trust, and estate earning or receiving income in Illinois. The tax is calculated by multiplying net income by a flat rate. Effective January 1, 2011, the current rate is 5% of net income on individuals and 7% on corporations. The local government distributive fund (LGDF), where Peoria County receives income tax revenue, is based on 6% of the net revenue from individuals and 6.86% of the net revenue from corporations. Prior to January 1, 2011, the tax rates were 3% on individuals, 4.8% on corporations, and 10% of the proceeds went into the LGDF.

Corporate Personal Property Replacement Tax

As of August 13, 2012, Fiscal Year 2012 CPPRT revenues are at \$3,058,443. This is up \$273,449 (+9.8%) over the amount received at this time in Fiscal Year 2011. Traditionally, the August payment tends to be notably smaller than most months. This year \$91,980 was received in August, which was \$47,795 less than last year. This slowed some of the CPPRT growth witnessed this year (12.1% growth rate as of July 2012's payment), but there is still significant growth compared to last year. The "corporate" aspect of the Corporate Personal Property Replacement Tax is the most likely source of the gains in revenue. Corporations pay a 2.5% tax on income, while partnerships, trusts, and S-corporations pay a 1.5% tax on income. Increased revenues in these areas are leading to an increase in personal property replacement taxes that are shared (based on population) throughout the State of Illinois. There has been notable growth in this tax stream and this bodes well for the FY 2013 budget. However, the State of Illinois has mentioned that the pooled funds will be reduced through payments to several County officials by the use of CPPRT revenues as opposed to General Fund revenues. The action will reduce the monies in the pool, not the direct allocation to the County. Still, this move will have a slight counter-effect to the growth the County is currently witnessing in CPPRT revenues.

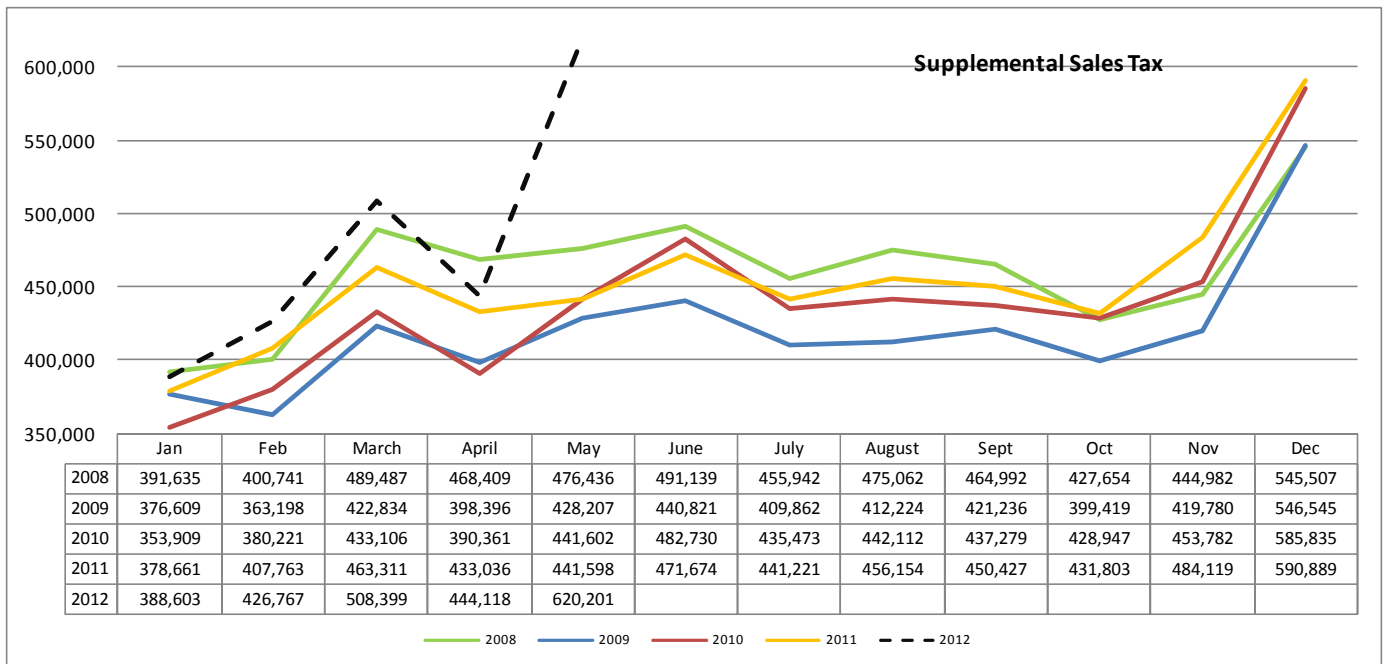


Replacement taxes are revenues collected by the State of Illinois and paid to local governments to replace money that was lost by local governments when their powers to impose personal property taxes on corporations, partnerships, and other business entities were taken away. These taxes resulted when the new Illinois Constitution directed the legislature to abolish business personal property taxes and replace the revenue lost by local government units and school districts. In 1979, a law was enacted to provide for statewide taxes to replace the monies lost to local governments. Corporations pay a 2.5 percent tax on income; partnerships, trusts, and S corporations pay a 1.5 percent tax on income; and public utilities pay a 0.8 percent tax on invested capital. The State of Illinois collects the whole sum received; 51.65% goes to Cook County, while 48.35% goes to "downstate" counties. The downstate portion multiplied by the rate allocated to Peoria County (currently 0.6644568) is divided by 100 in order to derive the amount due to the County. This payment is made eight times a year: Jul, Aug, Oct, Dec, Jan, Mar, Apr, and May.

Supplemental Sales Tax

Supplemental sales taxes reflect general merchandise sales across Peoria County. While these taxes are not applicable to groceries and pharmaceuticals, they are applicable to licensed and titled goods such as automobiles.

Year to date supplemental sales tax revenues (through May 2012) are currently \$2,388,088. This is an increase of \$263,719 (+12.4%) over this time in FY 2011. The County witnessed a rather large one-time gain (+\$178,603, +40.4%) due to a sizeable use tax transaction reported by a business within the City of Peoria corporate limits during the month of May 2012. Normally, the trends for this revenue stream have been running consistently about 5% higher than last year.



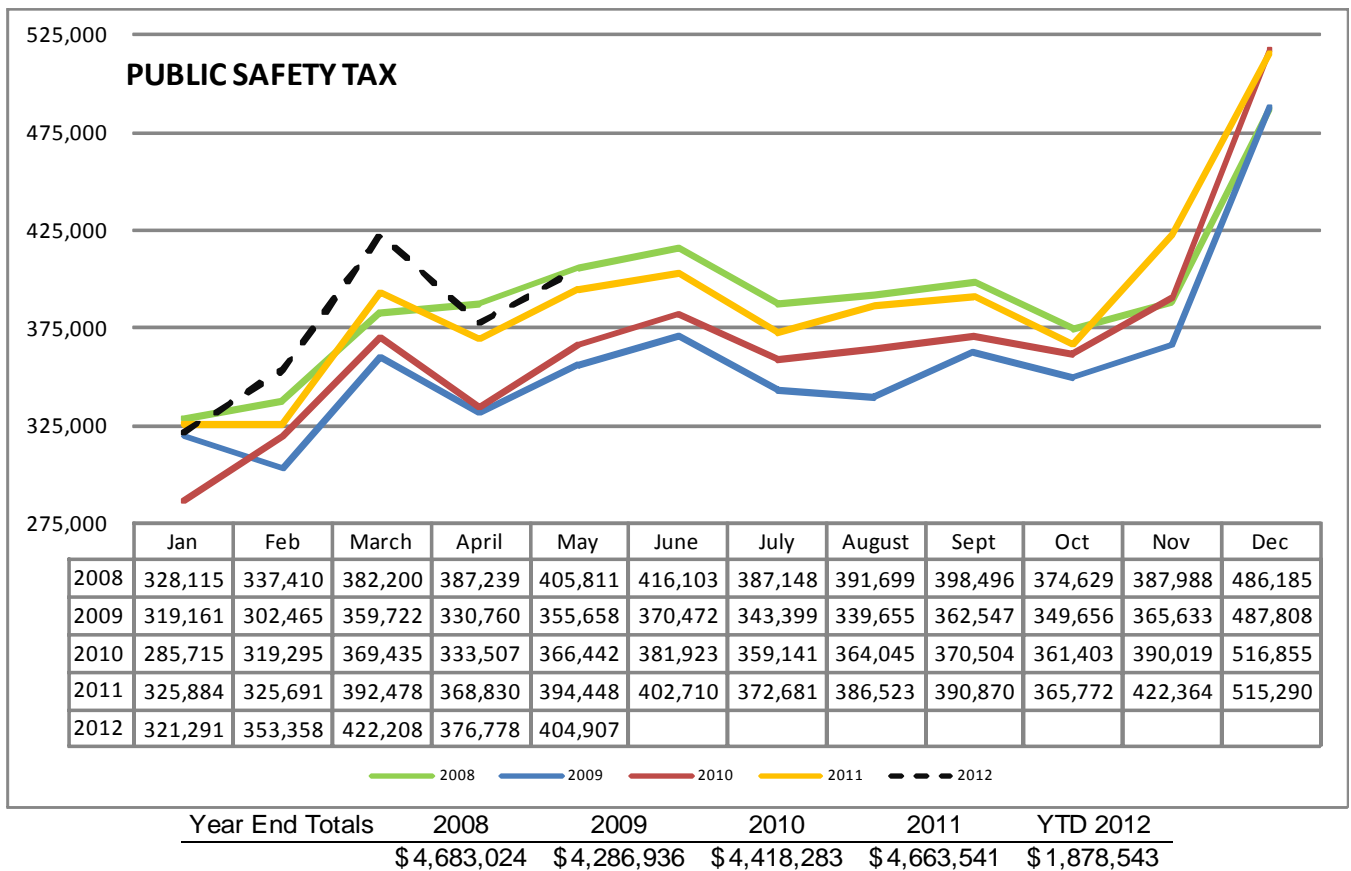
Year End Totals	2008	2009	2010	2011	2012 YTD
	\$ 5,531,986	\$ 5,039,130	\$ 5,265,357	\$ 5,450,655	\$ 2,388,088

The Supplemental Sales Tax, also known as the Countywide Sales Tax, is a 0.25% tax on goods purchase throughout Peoria County. These revenues are administered and distributed by the State of Illinois Department of Revenue. There is generally a lag of a few months in this revenue stream from the date of purchase to the time it is reported, collected, and ultimately distributed back to the jurisdiction where the sale occurred.

Public Safety Sales Tax

The Public Safety Sales Tax is a 0.25% tax on applicable goods purchased within Peoria County. Licensed and titled goods are exempt from this tax, so this revenue stream coincides with the sale of general merchandise. This sales tax has been recovering since the recession in 2008 first hit. Unlike other tax streams, such as income or property tax, sales tax is very elastic with the local economy. Luckily, things have been improving steadily since late 2008.

While revenues were stronger than usual in February and March 2012, they have cooled off slightly in April and May 2012. While there are still gains over FY 2011, the size of the gains are smaller as of late. The County has received \$1,878,543 through May 2012, which is a 3.9% increase compared to this time in FY 2011.

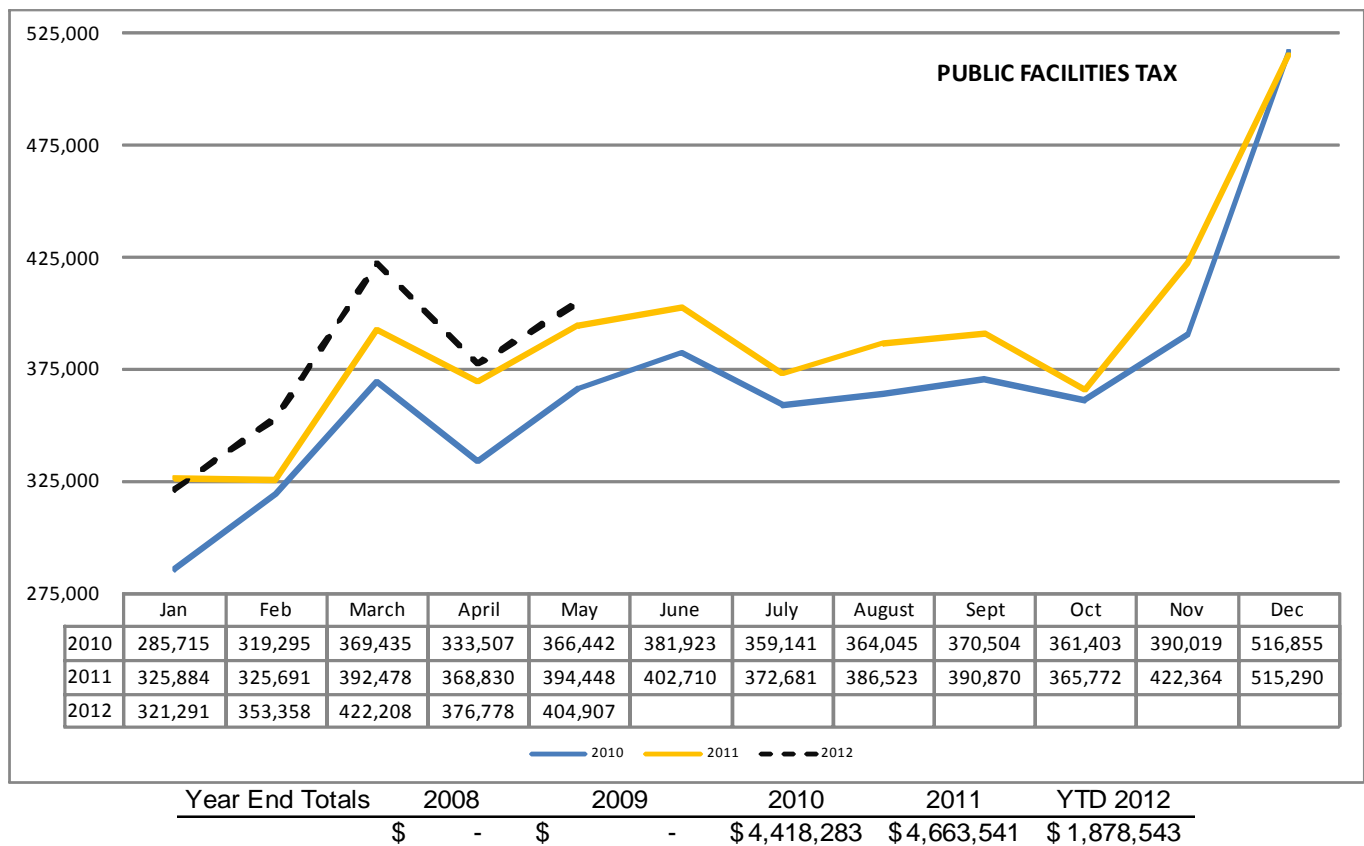


In November 1996, Peoria County voters passed a Public Safety Sales Tax of 0.25% on all tangible personal property sold for retail in the County. Illinois state statute grants permission for counties to impose this tax in 0.25% increments. The tax was originally instituted to help cover the cost of the jail expansion, the construction of a new juvenile detention center, and an outdoor warning system for areas of the county outside of Peoria City's warning system. Once these expenses were covered, the County could use the remaining tax revenue on public safety related expenditures. Public safety expenditures in Peoria County are limited to the Sheriff, Emergency Management Agency, Coroner, and Juvenile Detention.

Public Facilities Sales Tax

The Public Facilities Sales Tax is a 0.25% tax on applicable goods purchased within Peoria County. Licensed and titled goods are exempt from this tax, so this revenue stream coincides with the sale of general merchandise. While this tax stream is relatively new, first collected on January 1, 2010, it is at the same rate and applicable on the same goods as the public safety sales tax which can provide a further historical perspective on collections. Unlike other tax streams, such as income or property tax, sales tax is very elastic with the local economy.

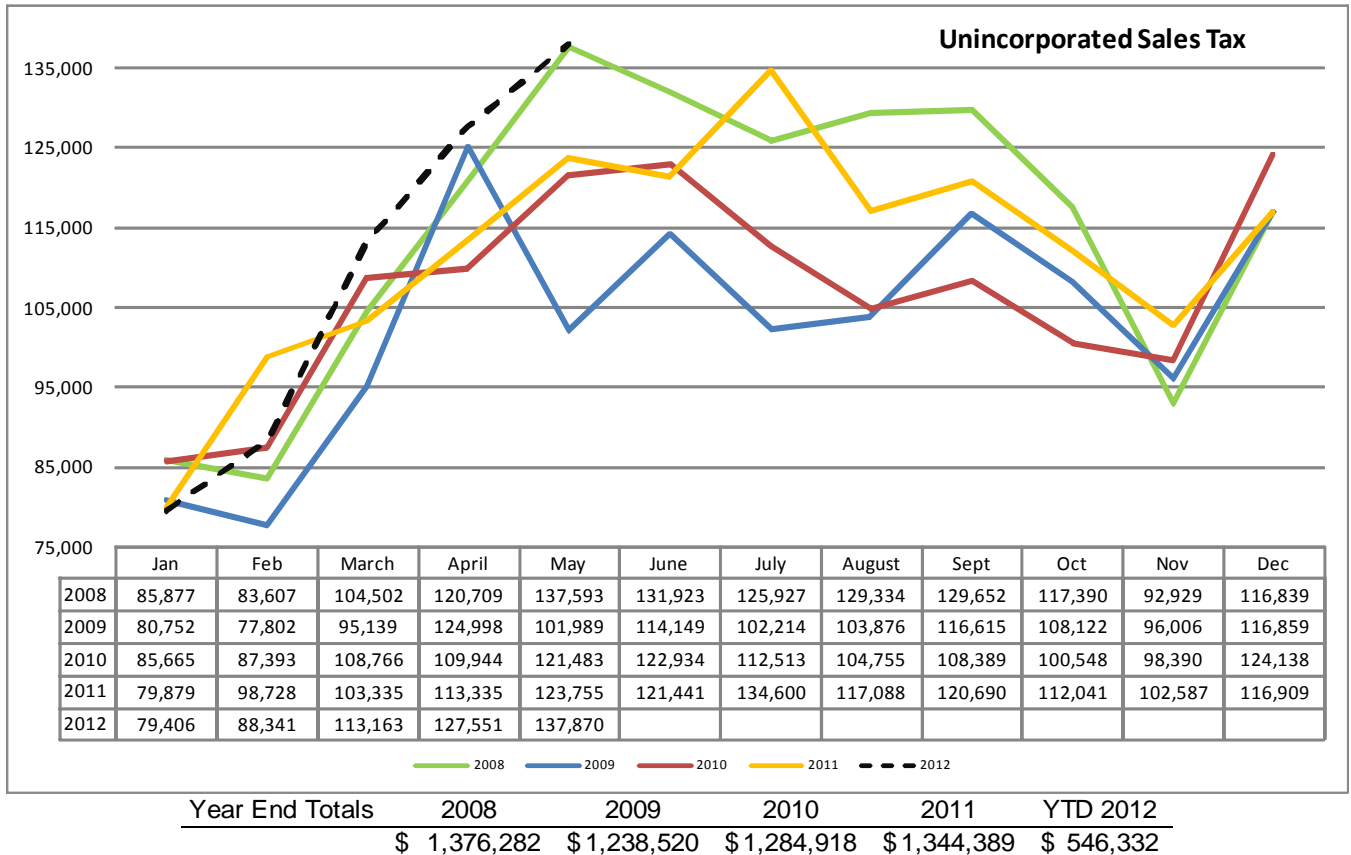
The County has received \$1,878,543 through May 2012, which is a 3.9% increase compared to this time in FY 2011. Public facilities tax revenues have cooled a bit from the growth witnessed in recent months, but it is still above FY 2011 totals through the month of May 2012.



In April 2009, Peoria County voters approved through a referendum to use a 1/4¢ public facilities sales tax in Peoria County as a funding mechanism to build the Peoria Riverfront Museum. The bulk of the revenue generated by this sales tax will be used to pay the debt service on the bonds issued to fund construction of the museum. Any revenues in excess of the debt service are available to fund other capital projects at Peoria County or could possibly be granted to other local governments for their capital projects in an effort to lessen their borrowing requirements.

Unincorporated Sales Tax

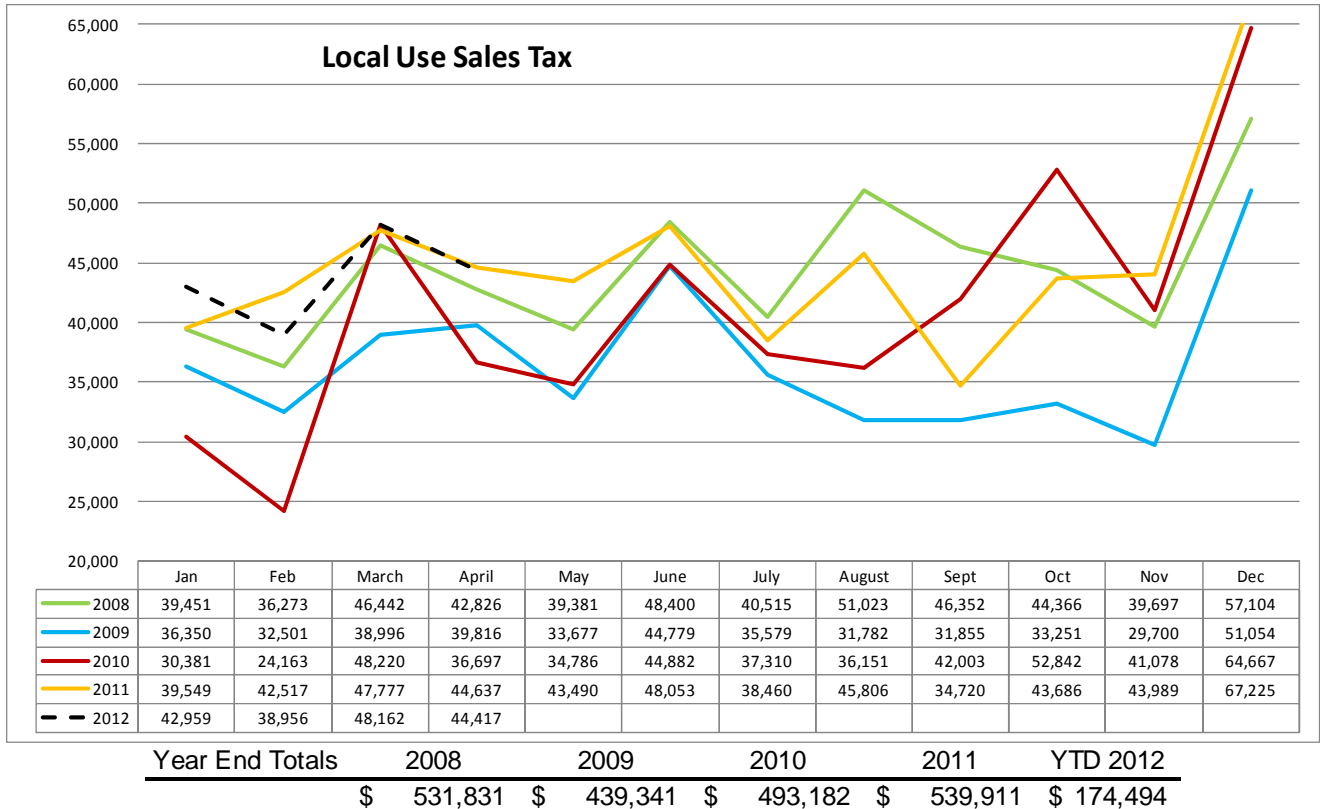
Unincorporated sales tax is collected at a rate of 1.25% on goods purchased in unincorporated areas of Peoria County. This sales tax revenue is similar to all other sales taxes in the economy in that it has been on the rebound since late 2008 when the economy was hit by a recession. May 2012 tax receipts were \$14,115 more (+11.4%) than May 2011 receipts. The year to date total received is \$546,332, which is \$27,300 (+5.3%) more than last year at this time. This revenue stream has recovered nicely from its lackluster performance in the first two months of FY 2012.



The Unincorporated Sales Tax, also known as the County Sales Tax, is a 1.25% tax on goods purchase throughout unincorporated Peoria County. These revenues are administered and distributed by the State of Illinois Department of Revenue. There is generally a lag of a few months in this revenue stream from the date of purchase to the time it is reported, collected, and ultimately distributed back to the jurisdiction where the sale was conducted.

Local Use Tax

The local sales use tax has been growing steadily since late 2008 when the first effects of the recent recession were felt. As of August 13, 2012, tax figures through April 2012 have been released. Year to date, the County has collected \$174,494, an increase of \$13 (0%) over figures through April 2011. Local sales use taxes are most often associated with online purchases. The local use tax calculations have been flat throughout FY 2012, whereas the supplemental sales tax has been growing since last year. This may be indicative that the local economy is seeing a stronger recovery than the statewide economy.

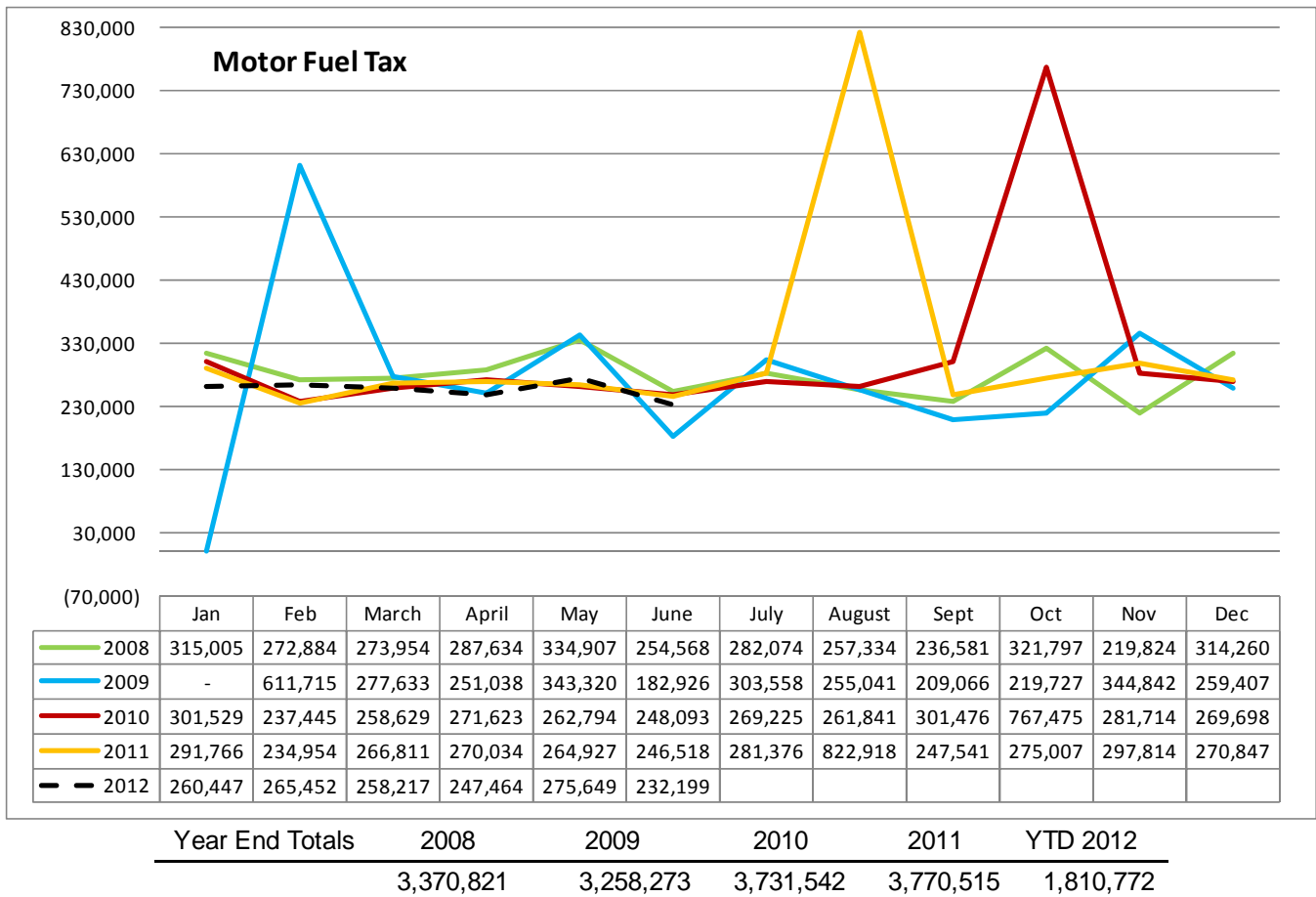


The Use Tax is a tax imposed on the privilege of using, in Illinois, any item of tangible personal property that is purchased anywhere at retail. This can occur when out-of-state vendors make retail sales to Illinois businesses or consumers, Illinois consumers purchase tangible personal property at retail from out-of-state, unregistered retailers for use in Illinois without paying tax to the retailer, or when Illinois businesses withdraw tangible personal property from their sales inventories for their own use. In this instance, at the time the item was purchased, the business did not pay tax to the vendor because it purchased the item for resale purposes. The use tax rate is 6.25 percent on purchases of general merchandise including automobiles and other items that must be titled or registered. The use tax rate is 1 percent on purchases of qualifying food, drugs, and medical appliances. Twenty percent of the collections for general merchandise and 100 percent of the collections on qualifying food, drugs, and medical appliances are returned to local governments.

Motor Fuel Taxes

Motor fuel tax (MFT) revenue is an important source of funding for building and maintaining county and township roads. Distributions are not as consistent with motor fuel taxes as with other revenue sources (such as sales taxes, which are attributed to a specific month when a transaction took place). Oftentimes there are "catch up months," which was the case in October 2010 and August 2011. These items are anomalies when making comparisons between fiscal years. However, the same bottom line can be analyzed at the fiscal year end. Motor fuel tax revenue is tied to a flat rate, so the price of fuel has no direct bearing on this revenue source. However, price levels influence fuel consumption levels, which are directly linked to the level of motor fuel tax revenue received by the County.

Motor fuel taxes totaling \$1,810,772 have been received through July 2012. This is \$45,616 (-2.5%) less than this time in FY 2011. All throughout FY 2012, motor fuel tax revenues have been down consistently between 2% to 3% in comparison to the FY 2011.



Since October 1, 1977, Illinois has imposed a motor fuel use tax on fuel used by interstate commercial motor vehicles. Revenues collected from this tax help, in part, to build and maintain roads and highways. Peoria County receives an allotment for both county and township roads, which are accounted for in separate funds. However, for the purposes of this analysis, the two amounts have been combined. Currently, \$0.19/gallon of gasoline and \$0.215/gallon of diesel purchased goes into the State MFT fund which is later distributed to Peoria County.

Bel-Wood Financials

Bel-Wood Nursing Home is a large-scale, business-like operation that warrants additional analysis due to its size. A set of financial documents related to this facility is a discussion topic that appears before the Health Committee on a monthly basis. Those financial documents include financial statements such as a detailed balance sheet, income statement, and other pertinent financial information. This document can be obtained by downloading the Health Committee Board packets at the url listed at the bottom of this page.

This page gives a snapshot view of the Bel-Wood operations in the form of a Statement of Revenues, Expenses and Changes in Fund Net Assets. This information provides a history of Bel-Wood's financials from 2007 to the current month in 2012.

Bel-wood revenues should be examined in two separate categories: operating income and non-operating revenues. The operating income is in the top section of the following table and is accompanied by a chart on the next page. This chart removes property taxes; other non-operating income, such as interest; and any losses on the disposal of capital assets from the financial statement to provide a true reflection of how the facility is running on its own. There are some concerning trends occurring in terms of operating income and those are discussed in greater detail on the next page.

The non-operating revenues provide the additional funding for the facility (or more accurately for the new elder care facility known as Heddington Oaks) in the form of property taxes and other non-operating income. This money should be excluded from discussions involving Bel-Wood operations as it is set aside to make debt service payments on the bonds issued in FY 2011. However, these monies do contribute to the overall net assets of the Bel-Wood facility and while they are a component of the total, they need to be shown separately as in the table below.

Peoria County						
Bel-Wood Nursing Home						
Statement of Revenues, Expenses and Changes in Fund Net Assets						
For the Month Ending June 30, 2012						
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>YTD 2012</u>
Operating Revenues	\$ 18,887,304	\$ 18,314,156	\$ 17,936,890	\$ 13,979,879	\$ 13,880,082	\$ 5,708,966
Operating Expenditures	<u>18,366,581</u>	<u>17,705,266</u>	<u>16,729,506</u>	<u>12,710,114</u>	<u>12,447,852</u>	<u>6,257,511</u>
Operating Income	520,723	608,890	1,207,384	1,269,765	1,432,230	(548,545)
 Non Operating Revenues						
Taxes	1,659,262	1,750,609	1,838,312	1,916,856	1,947,681	854,610
Other Income (Including Interest)	(71,471)	16,812	20,642	46,641	26,875	16,300
Misc. nonoperating expenses	-	-	-	-	(57,121)	-
Loss on Disposal of Capital Assets	<u>(5,611)</u>	<u>(13,743)</u>	<u>(6,575)</u>	<u>(139)</u>	<u>(392)</u>	<u>-</u>
Total nonoperating revenues	1,582,180	1,753,678	1,852,379	1,963,358	1,917,043	870,911
Transfers In	13,423	-	-	-	-	-
Change in Net Assets	2,116,326	2,362,568	3,059,763	3,233,123	3,349,273	322,365
Ending Net Assets	2,903,148	5,265,716	8,325,479	11,558,602	14,907,875	15,230,240

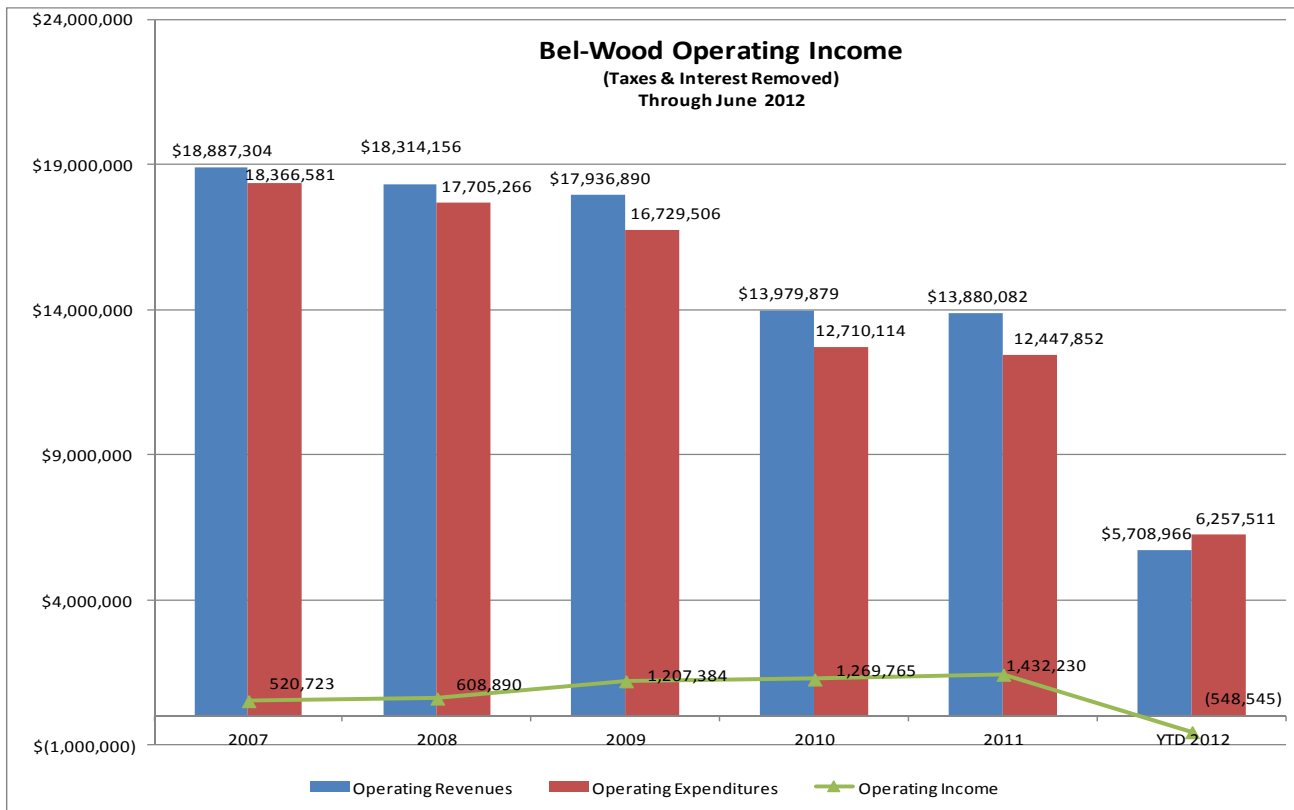
<http://www.peoriacounty.org/countyboard/avcommittee/>

Bel-Wood Financials

The following chart depicts the operating income of Bel-Wood Nursing Home with a five year history and the current year-to-date amount. These totals remove property taxes and interest from the revenues in order to provide more accurate data on how the facility functions on its own. Totals from FY 2007 to FY 2011 are derived from audited figures, and FY 2012 is based on the latest financial reports distributed to the County's Health Committee. Current year-to-date totals are accurate as of June 30, 2012.

Revenues and expenditures have been decreasing in tandem over the last several years, but recently they are not dropping at the same rate. The previous trend had expenditures dropping at a faster rate than revenues in a given year, resulting in greater operating income. In FY 2011, expenditures outpaced revenues and the level of operating income began to decline. This trend began in FY 2011 but was aided in large part by one-time adjustments related to both accounts receivable and payable from the State of Illinois. The trends heading into FY 2012 are a cause for concern at this point and adjustments will need to take place.

Bel-Wood Nursing Home's net operating income through six months is (\$548,545). Much of the issue is attributed to a reduction in revenues due to the reduced patient census (due to the preparation for the transition to the new elder care facility). Current trends indicate that the net loss in operating income will be around \$1,100,000 through December if they are to continue at the same pace through the remainder of FY 2012. When property taxes are taken into account the net assets are up \$322,365 (estimated to be \$650,000 by the end of FY 2012). However, the property taxes are intended to pay down the bonds for Heddington Oaks and should not be considered when analyzing nursing home operations.

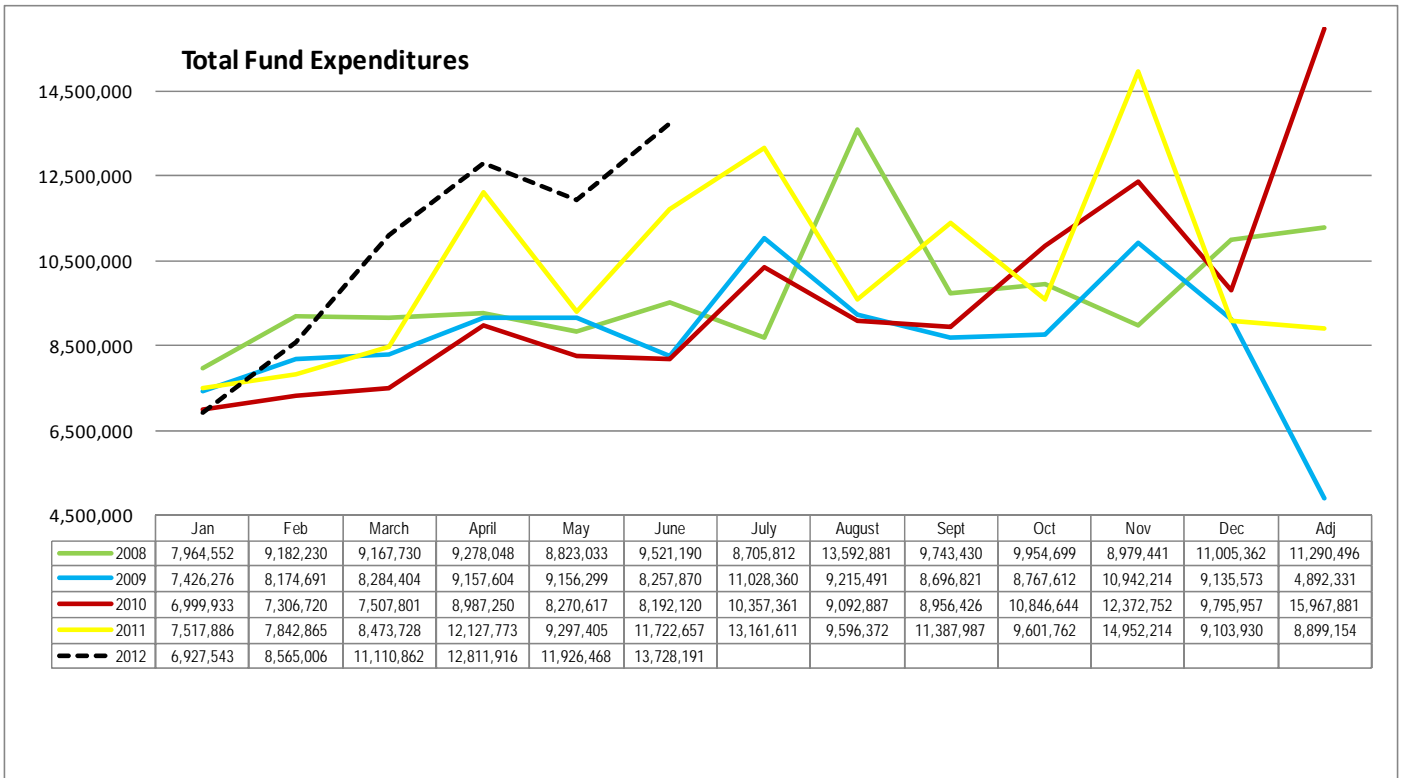


Overall Fund Expenditures

As of June 30, 2012, year-to-date expenditures for all funds are currently \$65,069,987, up \$8,087,673 (+14.2%) from \$56,982,314 in June 2011.

Nearly 74% of this increase in expenditures is related to building construction (\$10,993,647 spent thus far in FY 2012, compared to \$5,020,957 in FY 2011). This is attributed to the Peoria Riverfront Museum and Heddington Oaks projects.. \$1,802,747 million is attributed to increased personnel costs including: employee salaries, employer portion of health benefits, IMRF, and FICA. Much of this increase in personnel costs is due to three payrolls in June 2012 as opposed to only two during June 2011. Contributions and grants have increased by \$521,690, which is tied to \$1,035,000 of the building reserve fund being allocated towards expenses related to the scope of work covered under Project E, Museum Non-Building and Project Management. Prescription drug claims are up \$201,249 due in large part to increased use of specialty drugs. Expenses related to bridge repair and culverts are up \$585,960. Other notable increases in expenditures are found on the following page.

Expenditures related to land improvements are down \$820,110, and the purchase of land is down \$670,572 compared to this time last year. General construction expenses are down \$122,899, while general building repairs are down \$99,748. Equipment expenses (mechanical, radio, telephone, and all "other" equipment) are down a total of \$786,386 year-to-date. Shared savings expenses are down a total of \$110,638. Workers compensation claims are down \$440,270, and overtime premium as whole is down \$40,128 through June 30, 2012. Other notable decreases in expenditures can be found later in this section.



Year End Totals	2008	2009	2010	2011	YTD 2012
	127,208,904	113,135,546	124,654,349	133,685,344	65,069,987

Overall Fund Expenditures

Expenditures that have seen notable growth from Fiscal Year 2011 include:

Expenditure	FY 2011	FY 2012	Increase	% Growth
55106 BUILDING CONSTRUCTION	5,020,957	10,993,647	5,972,689	119.0%
51031 FULL-TIME EMPLOYEES	16,825,296	18,013,454	1,188,158	7.1%
52250 OPERATIONAL SUPPLIES	971,783	1,498,027	526,244	54.2%
53351 CONTRIBUTIONS & GRANTS	711,883	1,233,573	521,690	73.3%
55104 BRIDGES & CULVERTS	0	305,982	305,982	-
53321 BRIDGE REPAIR	6,953	286,931	279,978	4026.5%
53071 CONSULTANT SERVICES	525,219	786,206	260,987	49.7%
51501 IMRF CONTRIBUTION	2,362,078	2,586,158	224,080	9.5%
54409 REFUND OF COLLECTED FEES	82,125	287,576	205,451	250.2%
51761 PRESCRIPTION DRUGCLAIMS	514,073	715,322	201,249	39.1%
51241 MEDICAL HEALTH BENEFITS	2,392,280	2,544,504	152,225	6.4%
51510 FICA TAX	1,447,015	1,566,383	119,368	8.2%
54378 RADIO REPAIR MAINTENANCE	33,037	141,913	108,876	329.6%
52101 GAS AND OIL PRODUCTS	380,943	487,844	106,901	28.1%
52351 CAPITAL-NON DEPRECIATION	194,912	283,475	88,563	45.4%
55200 COMPUTER EQUIPMENT	0	87,011	87,011	-
55107 BUILDING IMPROVEMENTS	1,002,970	1,088,888	85,919	8.6%
55081 VEHICLES	220,310	300,831	80,521	36.5%
51050 TEMPORARY EMPLOYEES	337,214	406,250	69,036	20.5%
53051 MEDICAL SERVICES	621,357	680,920	59,563	9.6%
57051 BOND DISCOUNT	0	56,225	56,225	-
53069 FLEET MAINTENANCEEXP	212,500	262,500	50,000	23.5%
51033 ELECTED OFFICIALSALARY	441,608	491,488	49,880	11.3%
57050 ISSUANCE COSTS	0	42,806	42,806	-
53600 UTILITIES GAS/ELECTRIC	519,317	557,927	38,610	7.4%
57020 INTEREST	1,107,601	1,143,883	36,282	3.3%
53047 LIABILITY CLAIMS	45,655	80,103	34,449	75.5%
54000 CONFERENCES & SEMINARS	75,825	103,453	27,628	36.4%

Overall Fund Expenditures

Expenditures that have seen notable decline from Fiscal Year 2011 include:

Expenditure	FY 2011	FY 2012	Decrease	% Decline
55103 LAND IMPROVEMENTS	882,017	61,907	-820,110	-93.0%
55101 LAND	670,572	0	-670,572	-100.0%
51811 WORKERS' COMP CLAIMS	674,455	234,185	-440,270	-65.3%
55112 OTHER EQUIPMENT	576,923	146,626	-430,296	-74.6%
54373 MECHANICAL EQUIPREPR\MA	265,509	76,920	-188,589	-71.0%
55109 RADIO & TELEPHONEEQUIP	423,904	256,403	-167,501	-39.5%
54419 CONSTRUCTION	122,899	0	-122,899	-100.0%
54372 BUILDING REPAIR	168,972	69,224	-99,748	-59.0%
51751 MEDICAL CLAIMS	2,299,448	2,216,253	-83,195	-3.6%
52998 SHARED SAV-ROLLOVER COMM	84,343	26,285	-58,058	-68.8%
52310 PHONE CARDS	57,177	4,059	-53,119	-92.9%
54998 SHARED SAV-ROLLOVER CONT	90,011	37,431	-52,580	-58.4%
51060 OVERTIME PREMIUM	689,194	649,065	-40,128	-5.8%
51801 UNEMPLOYMENT CLAIMS	75,145	35,341	-39,804	-53.0%
54130 COUNSELING SERVICES	122,175	82,500	-39,675	-32.5%
52205 MEDICAL SUPPLIES	270,296	238,462	-31,834	-11.8%
53055 EXCESS INSURANCE	804,706	776,292	-28,414	-3.5%
54344 ADVERTISING OTHER	59,858	33,870	-25,988	-43.4%

General Fund Expenditures

As of June 30, 2012, FY 2012 General Fund expenditures are at \$19,407,663, an increase of \$1,280,175 (+7.1%) when compared to FY 2011.

General Fund expenditures are up 7.1% from last year, but this is not something to be terribly alarmed about since most of the increased expense is due to three payrolls in June 2012, as opposed to only two in 2011 (the three payrolls occurred in July last year). When combined with any increases in salaries, employer medical costs, etc. this results in large increases in many personnel-based line items during the month. Outsourced medical services are up from last year (+\$160,935, +37.1%). Maintenance costs have been on the rise as well (radio repairs are up \$63,462 or 299.9%, utility costs are up \$61,272 or 25.0%, fleet maintenance expenses are up \$50,000 or 23.5%, and building and grounds maintenance is up \$25,518 or 55.7%). Some items that were not General Fund expenditures last year but appear this year include drugs (up \$43,925) and the annual maintenance contract (up \$23,545).

General Fund expenditures witnessing decline from FY 2011 include contributions and grants (-\$312,317, -92.6%), building repairs (-\$79,109, -70.1%), other equipment (-\$51,176, -100%), coordinator services (-\$49,424, -24.7%), and counseling services (-\$26,160, -34.9%). Also, shared savings expenditures have been down thus far in the year by \$110,638.

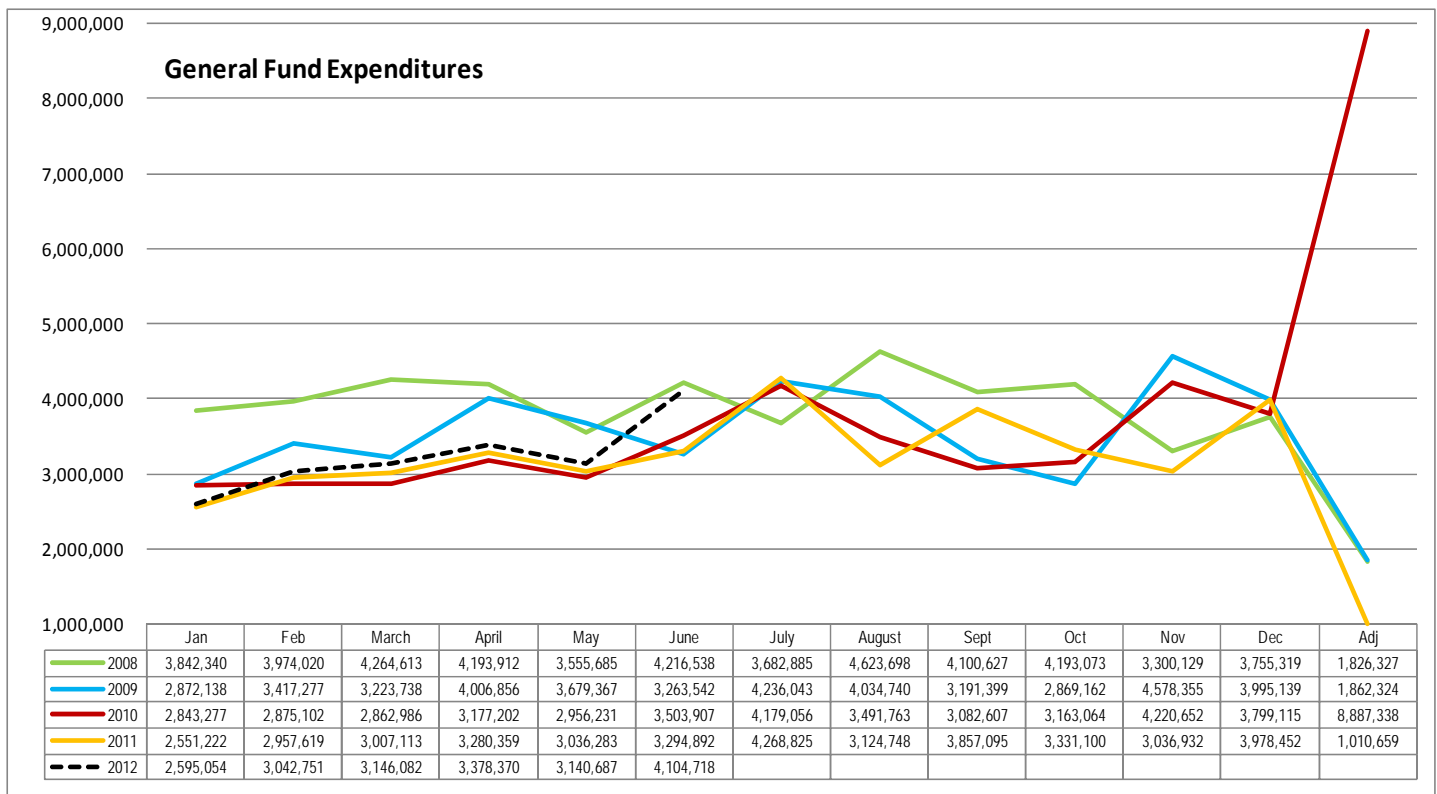
General Fund expenditures that have seen notable growth from Fiscal Year 2011 include:

Expenditure		FY 2011	FY 2012	Increase	% Growth
51031	FULL-TIME EMPLOYEES	9,059,017	10,093,656	1,034,639	11.4%
53051	MEDICAL SERVICES	434,025	594,960	160,935	37.1%
51241	MEDICAL HEALTH BENEFITS	1,301,730	1,450,571	148,841	11.4%
54378	RADIO REPAIR MAINTENANCE	21,164	84,626	63,462	299.9%
53600	UTILITIES GAS/ELECTRIC	244,643	305,914	61,272	25.0%
53069	FLEET MAINTENANCE EXP	212,500	262,500	50,000	23.5%
51033	ELECTED OFFICIAL SALARY	441,608	491,488	49,880	11.3%
52206	DRUGS	-	43,925	43,925	-
51060	OVERTIME PREMIUM	361,118	389,476	28,357	7.9%
54377	BLDG/GROUNDS MAINTENANCE	45,844	71,362	25,518	55.7%
54302	ANNUAL MAINT CONTRACT	-	23,545	23,545	-

General Fund Expenditures

General Fund expenditures that have seen notable decline from FY 2011 include:

Expenditure		FY 2011	FY 2012	Decrease	% Decline
53351	CONTRIBUTIONS & GRANTS	337,344	25,027	-312,317	-92.6%
54372	BUILDING REPAIR	112,876	33,767	-79,109	-70.1%
52998	SHARED SAV-ROLLOVER COMM	84,343	26,285	-58,058	-68.8%
54998	SHARED SAV-ROLLOVER CONT	90,011	37,431	-52,580	-58.4%
55112	OTHER EQUIPMENT	51,176	-	-51,176	-100.0%
54333	COORDINATOR SERVICES	200,502	151,078	-49,424	-24.7%
54130	COUNSELING SERVICES	74,977	48,817	-26,160	-34.9%

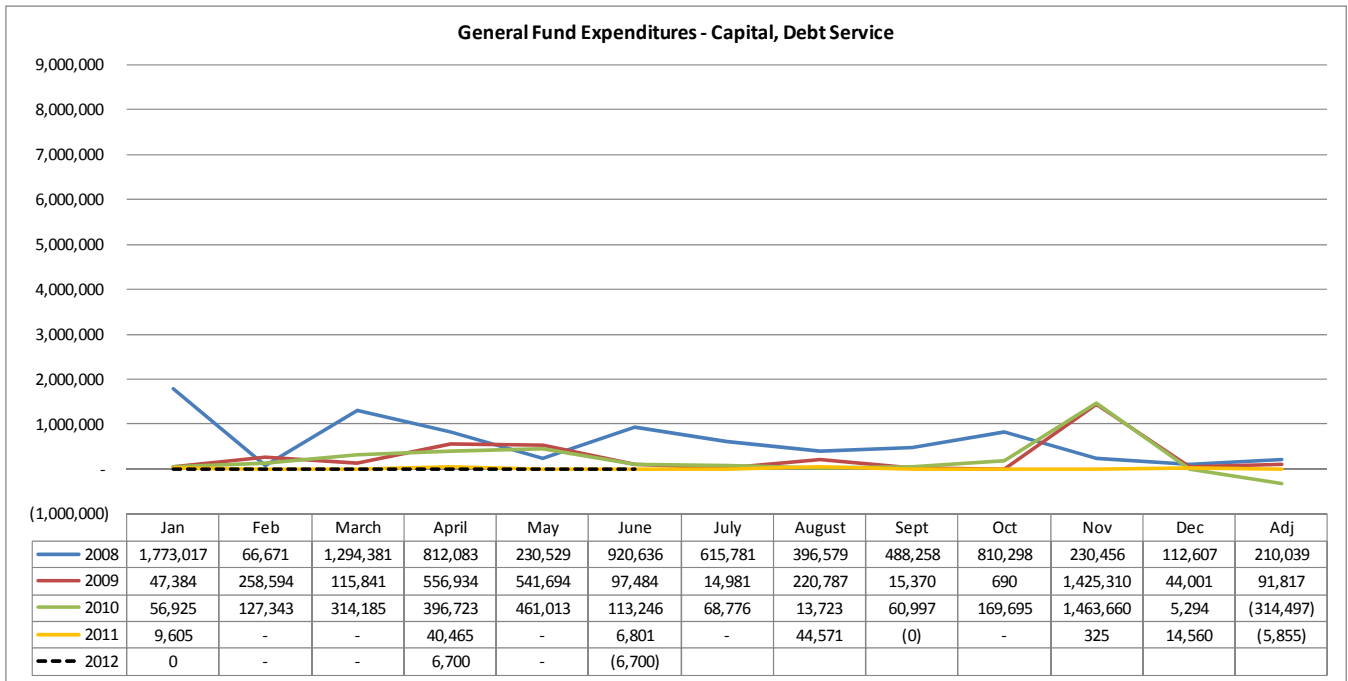
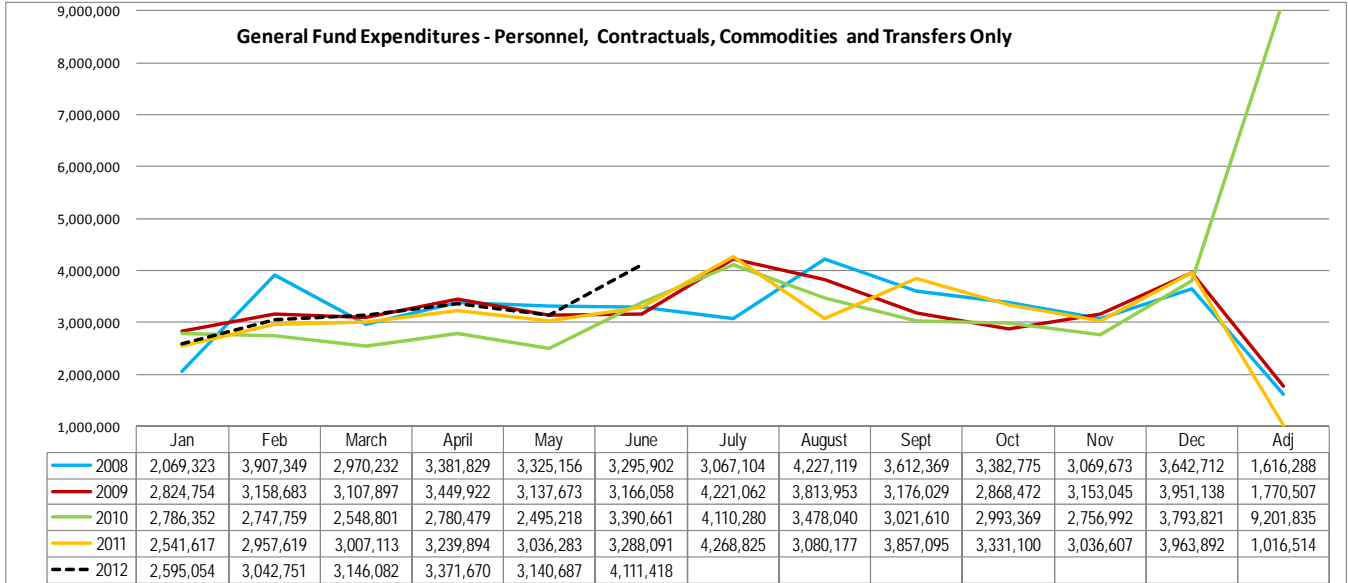


Year End Totals	2008	2009	2010	2011	YTD 2012
	49,529,166	45,230,080	49,042,300	40,735,299	19,407,663

The General Fund is the main operating fund within Peoria County. General Fund expenditures will vary each year and the same expenditures do not always occur in the same exact period each year. These figures must be analyzed in conjunction with General Fund revenues and General Fund cash flow to gain a better appreciation of the information.

General Fund Expenditures (Adjusted)

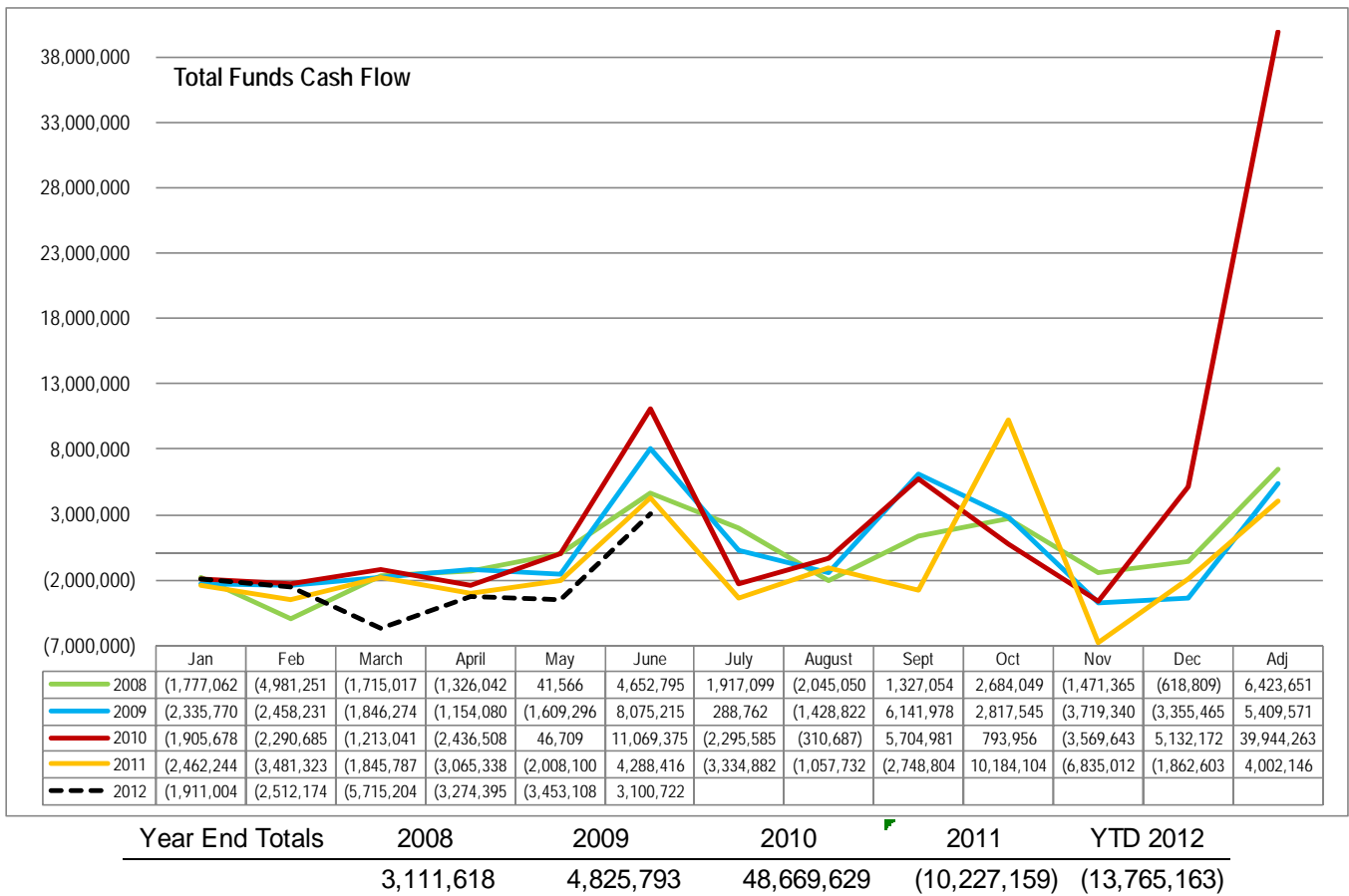
The following charts represent General Fund expenditures divided into operating (personnel, contractual services, commodities, and transfers) and non-operating (capital, debt service). The utilization of the General Fund as the source of capital funding and debt service was common prior to the creation of segregated funds to allow for these functions. Some transfers still take place from this fund as its revenues may be earmarked as funding sources for debt service or various constructions projects. Through June 30, 2012, this total is \$19,407,663, an increase of \$1,337,046 (+7.4%) over June 30, 2011.



Total Fund Cash Flow

The FY 2012 cash burn for all funds is (\$13,765,163) for the year to date as of June 30, 2012. This is \$5,190,787 more than the burn at this time in FY 2011. While negative cash flow is occurring, this is expected due to construction of large-scale capital projects that were funded through bond proceeds in FY 2010 and FY 2011 which are drawing down on the County's assets. These bond issues accounted for the \$48,669,629 in positive cash flow in FY 2010. This large influx of revenue was attributed to the issuance of debt relating to the Riverfront Museum, criminal justice software, and the guaranteed energy savings projects. Year-to-date expenses related to building construction are \$10,993,647, which is \$5,972,689 (+119.0%) higher than this time last year.

Additionally, cash flow tends to be negative on an operating basis for most of the County's fiscal year. The months of June and September/October tend to have a sizable positive cash flow due to the collection of property taxes. FY 2012's expenditures have off-set much of the positive gains associated with June property tax revenues, leading to less positive cash flow for the month than is normally expected.



Total fund cash flow will vary each year. Total fund revenues and total fund expenditures need to be included in the analysis when discussing total fund cash flow. Capital projects will impact the outlook on total funds. Other financing sources from the issuance of debt, spending down these proceeds over subsequent years, and transfers/adjustments related to capital projects that took place in previous fiscal years can distort the information in this analysis. However, it is still important to know the "big picture" in terms of the County's overall use of funding (including proceeds from previous bond issues). The above chart is able to give a snapshot of this information.

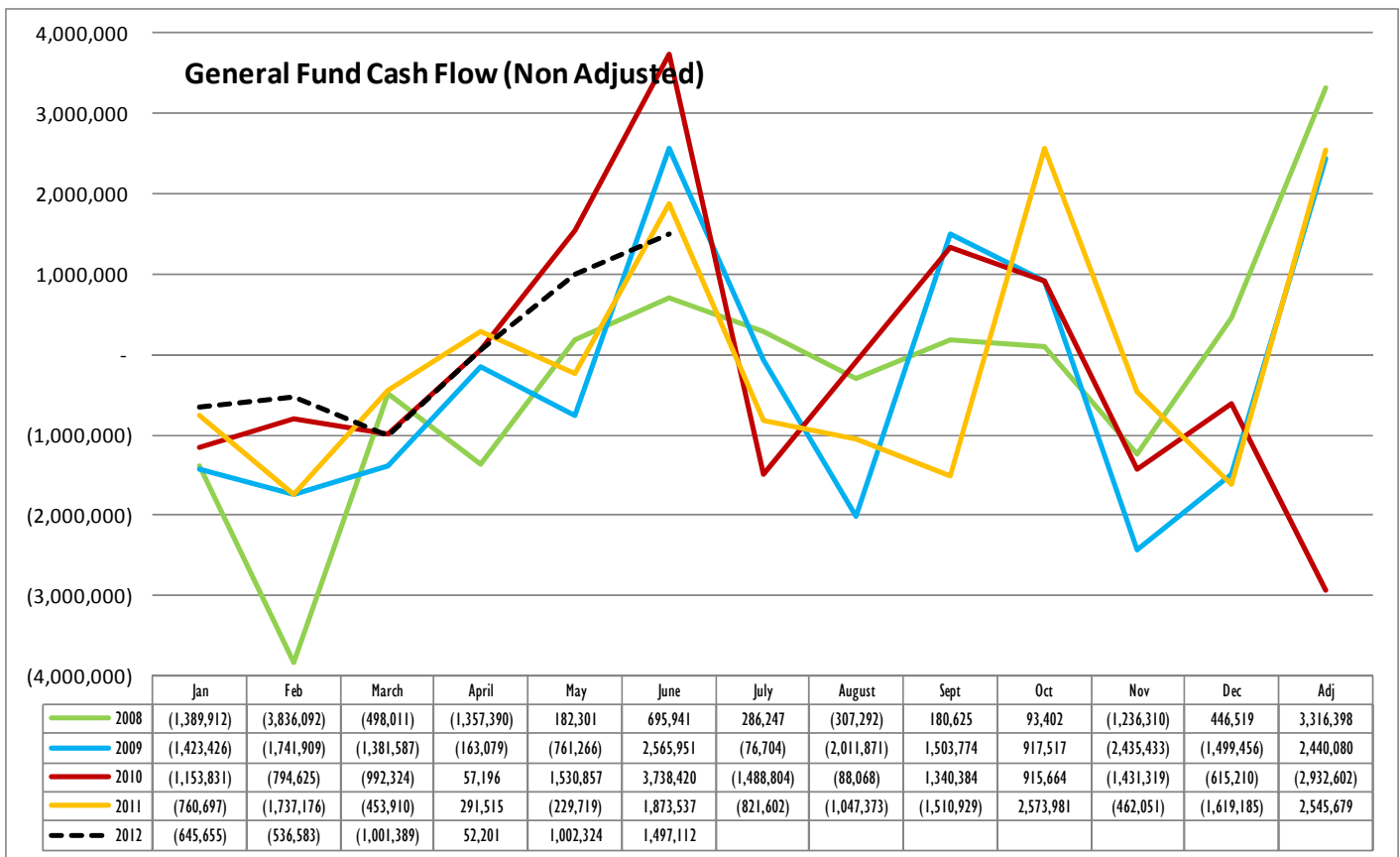
General Fund Cash Flow

As of June 30, 2012, the General Fund has positive cash flow of \$368,010. Last year at this time it was down (\$1,016,450). This is \$1,384,460 (or 136.2%) less than last year. Cash flow tends to be negative in most months and spike in the months when property taxes are collected (June, September/October).

The following chart presents all General Fund revenue less all General Fund expenditures. This includes operating expenditures such as personnel costs, commodities, and contractual services. However, it also includes capital expenditures, transfers, and debt service. These items were part of the General Fund budget in past years, but have all but disappeared since FY 2011 due to the creation of debt service and capital project funds.

A breakout of the spending trends of both operating and non-operating expenditures is found in the General Fund Expenditures section of this report.

The next page demonstrates the history of the General Fund cash flow when only operating expenses, namely personnel costs, commodities, contractual service, and transfers, are examined.



Year End Totals	2008	2009	2010	2011	YTD 2012
	(3,423,574)	(4,067,409)	(1,914,262)	(1,357,930)	368,010

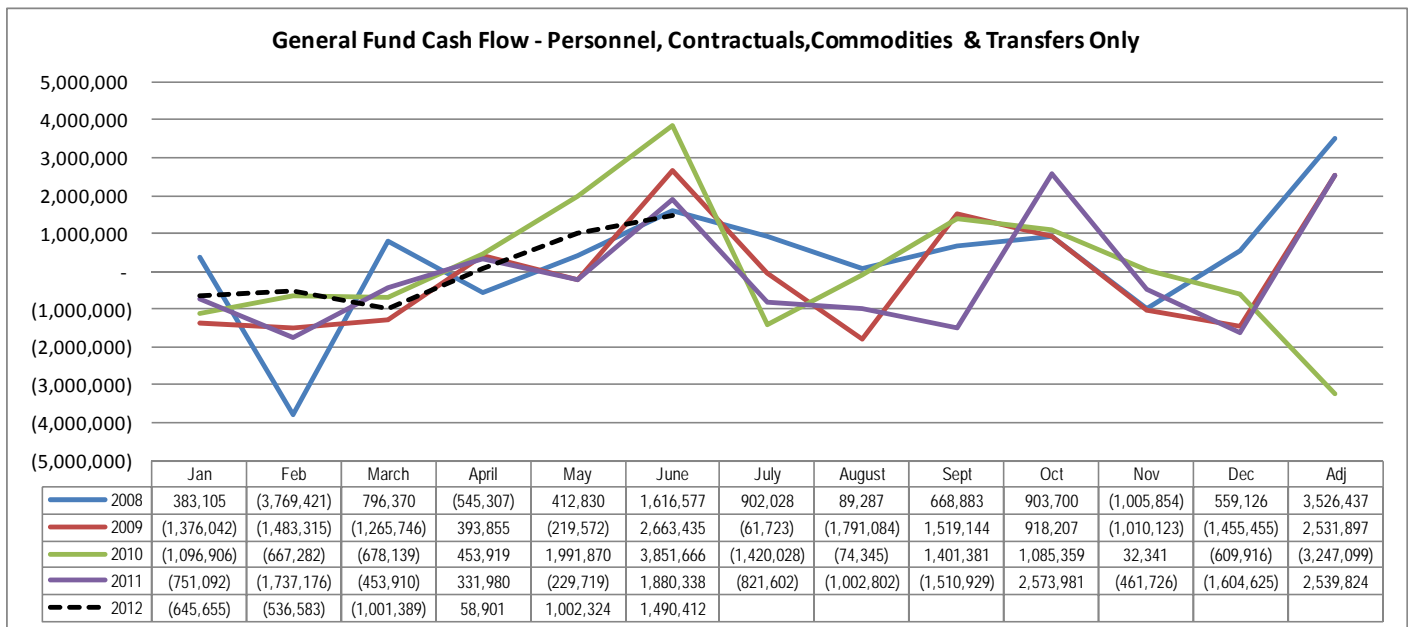
General Fund Cash Flow

The following chart shows the General Fund cash flow when only personnel, contractual services, commodities, and transfers are examined in conjunction with General Fund revenues for each month from January 2008 to June 2012.

When removing capital expenditures and debt service, the cash flow through June 2012 is 368,010. This amount was (\$959,579) at this time last year. The FY 2012 figure represents \$1,327,589 (138.4%) less than the cash burn as of this time last year.

Changes in accounting procedures, timing of payments received, timing of invoices paid, and other issues can skew month-to-month comparisons when comparing fiscal years. While any differences often balance out over a period of months, this data should be analyzed cumulatively throughout the year as opposed to fixating on any particular month.

Looking at past years, it is obvious the source of funding for capital projects in particular was the General Fund. Now that these have been moved to other funds, the cash flow should be \$0 under normal circumstances unless it was specifically planned to draw on the fund balance (as was in the case in the FY 2011 budget). The use of shared savings out of the General Fund is an unbudgeted expenditure that will also reduce cash flow.

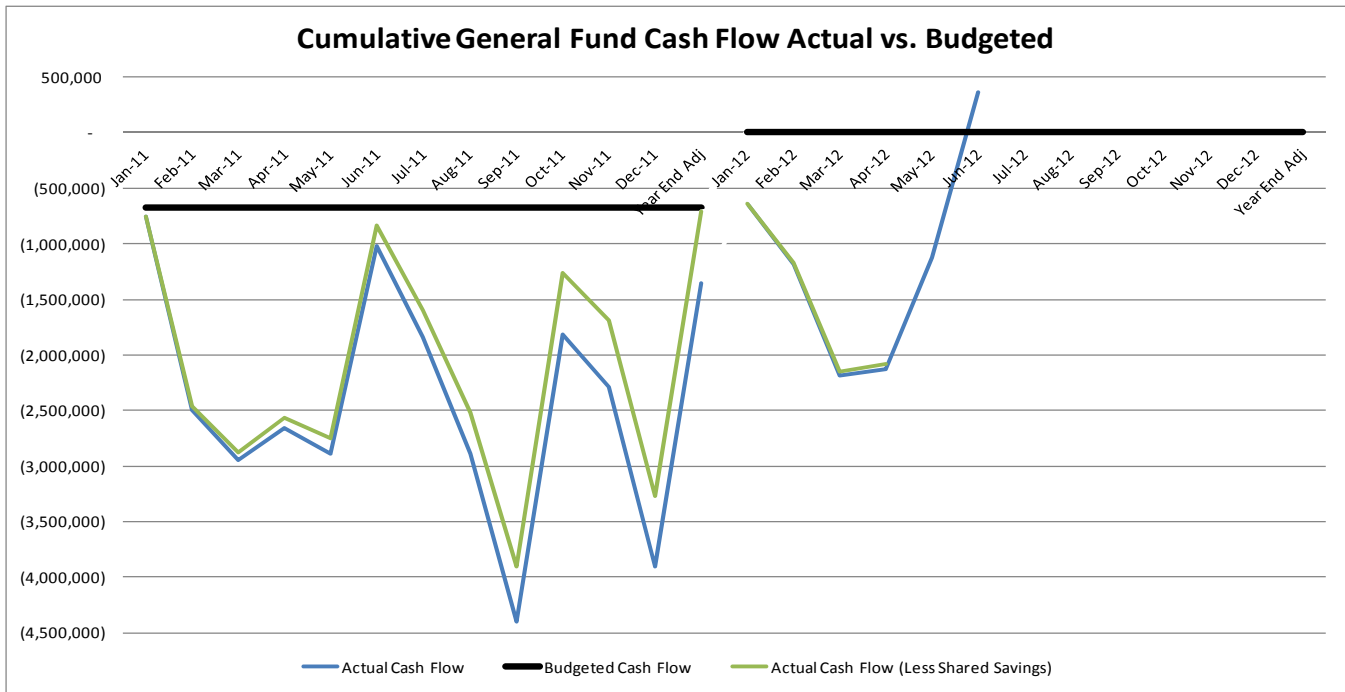


General Fund Cash Flow

The following chart illustrates the cumulative General Fund cash flow between actual values and the budgeted General Fund cash flow.

January 2011 is the starting point since it is the first fiscal year where both debt service and capital expenditures are removed from the General Fund. The FY 2011 budget had planned to use \$678,907 of reserves to still be in compliance with the County's reserve policies. At the end of FY 2011, there was a total cash burn of \$1,357,930 in the General Fund. The amount was \$679,023 more than was planned in the budget process. However, it should be noted that \$651,247 of this amount (96%) is attributed to shared savings expenditures. Shared savings expenditures are not part of the adopted budget. The amount of negative cash flow beyond the budgeted amount and excluding shared savings is only (\$27,776).

Through the first six months of FY 2012, there is positive cash flow of \$368,010. This is due in large part to the first set of property tax collections taking place in June 2012. For comparison purposes, the cumulative cash burn for the first six months of FY 2011 was (\$1,016,450). The cash burn in FY 2012 is \$1,384,460 less (-132.3%) than this time last year. However, it must be noted that the change in accounting procedures for both public safety sales and supplementary taxes add significantly to this increase. While this change will have some net benefit to the County, transfers will occur that will reduce the gross benefit of the increase in revenue. The net increase in General Fund revenues will be used for the earmarked purposes of both revenue streams.

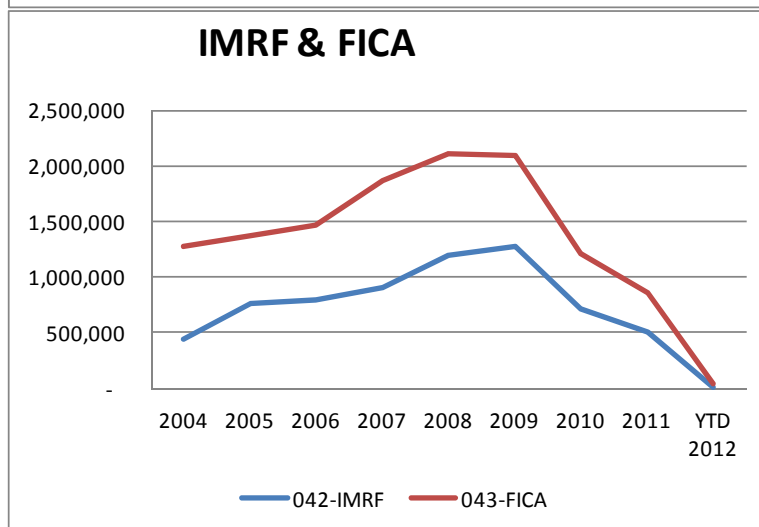
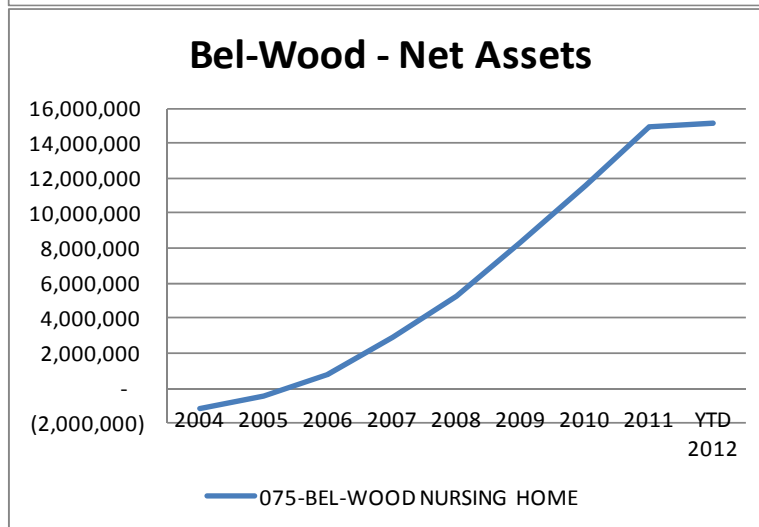
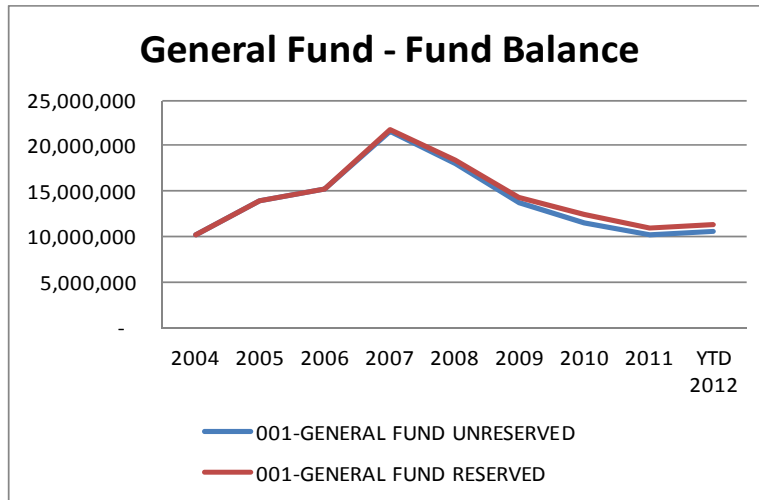


	<u>FY 2011</u>	<u>YTD 2012</u>		<u>FY 2011</u>	<u>YTD 2012</u>
Budgeted Cash Flow	(678,907)	-			
Actual Cash Flow	(1,357,930)	368,010	Shared Savings Expense	651,247	63,716
Deficit Beyond Budgeted Amount	(679,023)	368,010	Deficit Less Shared Savings Expense	(27,776)	431,726

Fund Balances (Through June 30, 2012)

FUND NAME	2004	2005	2006	2007	2008	2009	2010	2011	YTD 2012
001-GENERAL FUND UNRESERVED	10,233,307	13,916,333	15,260,917	21,508,115	18,045,681	13,803,765	11,541,174	10,183,244	10,551,077
001-GENERAL FUND RESERVED	-	-	-	275,365	314,223	488,733	837,059	837,059	837,059
003-EMERGENCY TELEPHONE	5,080,431	5,922,001	6,955,791	13,138,828	14,236,196	14,685,394	13,320,096	13,164,011	12,791,997
030-PEORIA CITY/COUNTY HEALTH DEPT	3,143,026	2,919,074	2,922,690	3,091,579	3,160,781	3,603,278	3,439,648	2,950,901	2,494,360
031-CARE & TREATMENT	149,662	185,954	193,193	167,374	187,133	189,912	93,438	128,479	109,353
033-COUNTY HIGHWAY	827,328	628,377	549,626	517,341	579,076	624,303	680,962	1,035,656	890,435
034-COUNTY BRIDGE	252,971	272,554	844,971	1,098,477	677,168	682,547	1,151,781	2,006,945	1,752,412
035-TOWNSHIP BRIDGE	38,121	39,634	184,704	338,892	631,321	632,172	632,270	62,158	347,998
036-COUNTY MOTOR FUEL TAX	4,575,624	4,857,430	5,071,076	3,766,317	2,133,012	3,073,691	1,732,801	3,488,045	3,336,630
037-TOWNSHIP MOTOR FUEL TAX	409,742	711,863	413,999	679,381	532,911	795,462	1,093,978	705,186	1,131,540
038-MATCHING TAX	760,532	720,675	1,245,631	1,119,078	1,204,901	1,126,116	987,085	668,974	253,405
040-COMMUNITY DEV ASSISTANCE PROGRAM	1,251,317	1,294,070	1,301,270	1,229,492	1,143,661	1,068,310	1,087,938	1,096,241	1,107,320
041-SOLID WASTE MANAGEMENT	518,668	488,960	536,680	702,046	746,181	748,939	743,937	1,215,799	1,180,783
042-IMRF	438,761	762,284	796,385	916,005	1,192,678	1,275,914	722,819	507,654	4,439
043-FICA	830,481	606,019	675,190	951,766	922,635	813,711	484,790	355,476	31,022
044-VETERANS ASST COMMISSION	34,911	41,919	43,272	75,568	79,903	70,679	55,905	49,936	50,656
045-PEORIA COUNTY LAW LIBRARY	108,818	110,507	110,362	102,641	80,289	62,800	48,656	32,189	32,138
046-PEORIA COUNTY FORFEITURE	25,700	39,402	114,516	223,975	324,358	376,270	345,386	383,847	415,868
047-RABIES CONTROL	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859
048-JUVENILE DETENTION CENTER	457,601	233,361	562,711	243,222	462,902	561,611	715,162	1,034,256	890,106
049-PROBATION SERVICES	844,037	979,682	649,951	441,477	470,659	767,526	1,031,059	1,093,819	1,191,774
051-DRUG FORFEITURE-SHERIFF	96,118	123,725	121,932	95,584	81,697	60,974	44,722	42,701	50,591
052-NEUTRAL SITE EXCHANGE	276,048	343,817	422,356	494,677	527,922	513,769	500,567	467,663	445,085
055-CHILDRENS WAITING ROOM	-	-	-	-	-	-	-	-	(19,879)
057-INMATE BENEFIT	300,990	357,713	453,332	576,449	682,565	787,157	478,186	189,051	150,432
058-RESTRICTED DONATIONS SHERIFF	45,977	48,687	52,604	47,598	45,233	45,459	41,603	48,585	45,227
060-UNIV OF ILLINOIS EXTENSION	-	-	-	-	-	-	1	1	46
061-PUBLIC FACILITIES SALES TAX	-	-	-	-	-	-	2,195,024	1,198,633	2,077,176
062-CAPITAL PROJECTS	-	-	-	-	-	-	5,293,696	4,242,183	2,672,125
063-PLANNING AND ZONING GRANT	-	-	-	-	(145,000)	-	-	(46)	(90)
064-CRIMINAL JUSTICE SYSTEM	16,646	17,234	-	-	-	-	-	-	-
065-PEORIA RIVERFRONT MUSEUM	-	-	-	-	-	-	31,587,672	19,632,457	10,249,991
066-ALLIED AGENCIES-DEBT SERVICE	11,561	11,561	11,561	20,911	-	-	-	-	-
067-GEN OBLIGATION DEBT CERTIFICATE	-	-	-	-	-	-	1,624,974	3,261,733	2,146,792
068-JAIL/JDC BOND DEBT	1,112	752	753	753	753	-	-	-	-
069-BERKSHIRE SPECIAL ASSESSMENT	(27,106)	(26,324)	-	-	-	-	-	-	-
070-CRIMINAL JUSTICE SYSTEM	-	-	-	-	-	-	5,817,095	5,274,839	4,937,858
075-BEL-WOOD NURSING HOME	(1,142,066)	(404,960)	786,822	2,903,148	5,265,716	8,325,479	11,558,602	14,907,876	15,180,566
076-PEORIA COUNTY PARKING FACILITY	2,862,834	2,891,039	2,973,363	3,081,111	3,197,649	3,266,526	3,352,396	3,480,260	3,532,313
080-PEORIA COUNTY IT SERVICES	1,759,173	2,218,875	2,817,223	3,144,836	3,016,478	3,382,081	3,356,109	2,901,463	2,617,212
081-PEORIA COUNTY EMPLOYEE HEALTH	271,910	1,820,136	5,394,447	8,817,999	11,686,817	12,825,837	12,768,200	12,938,813	13,052,233
082-PEORIA COUNTY RISK MANAGEMENT	424,746	339,713	765,539	822,741	425,662	285,719	352,535	(165,804)	(685,115)
085-PEORIA COUNTY JUDGES MARRIAGE	5,684	7,658	-	-	-	-	-	-	-
087-PUBLIC TRANSPORTATION	-	-	-	-	-	-	-	193,370	178,933
090-VICTIM ADVOCATE	1,699	2,395	2,941	3,318	3,441	3,455	-	-	-
091-C.O.P.S.	12,342	12,904	6,408	14,160	7,192	7,186	7,192	7,192	(94,801)
092-WW MEM CAPITAL PROJECT	-	-	619,522	-	-	-	-	-	-
093-EDUC TRANSITION / VISIT	9,785	8,329	8,216	7,515	9,956	13,281	14,635	15,198	15,887
094-FAMILY VIOLENCE COORD COUNCIL	(321)	(5)	149	307	399	411	418	13,978	5,494
097-COUNTY/ST CAPITAL IMPROVE GRANT	4,510	4,669	4,918	2,930,474	4,727,983	6,517,462	10,415,984	10,278,374	10,204,784
TOTAL	34,914,539	42,509,876	52,876,880	73,550,379	76,661,991	81,487,788	130,157,414	119,930,254	106,165,091

Fund Balances (Through June 30, 2012)



Fund Balances (Through June 30, 2012)

