

Basic Financial Statements

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF NET POSITION (EXHIBIT I)
DECEMBER 31, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 51,219,263	\$ -	\$ 51,219,263
Investments	103,676	-	103,676
Receivables, Net of Uncollectible Amounts:			
Property Taxes	36,508,392	-	36,508,392
Intergovernmental	8,818,953	-	8,818,953
Program Loans--Current Portion	308,606	-	308,606
Accrued Interest	39,149	-	39,149
Other	2,245,691	-	2,245,691
Prepaid Items	158,307	-	158,307
Resident Trust Accounts	38,969	-	38,969
Program Loans Receivable--Long Term Portion	4,937,371	-	4,937,371
Investment in Joint Venture	2,299,366	-	2,299,366
Capital Assets Not Being Depreciated	5,214,109	-	5,214,109
Capital Assets, Net of Accumulated Depreciation	72,765,802	-	72,765,802
Net Pension Asset	15,915,760	-	15,915,760
Total Assets	200,573,414	-	200,573,414
DEFERRED OUTFLOW OF RESOURCES			
Related to Bond Refunding	385,229	-	385,229
Related to Total OPEB Liability	517,011	-	517,011
Related to Net Pension Liability	4,267,720	-	4,267,720
Total Deferred Outflow of Resources	5,169,960	-	5,169,960
Total Assets & Deferred Outflow of Resources	205,743,374	-	205,743,374
LIABILITIES			
Accrued Salaries Payable	\$ 540,164	\$ -	\$ 540,164
Accounts Payable	4,591,050	-	4,591,050
Due to Other Governments	910	-	910
Funds Held for Others	277,831	-	277,831
Unearned Revenue	46,671	-	46,671
Noncurrent Liabilities:			
Due Within One Year	1,965,509	-	1,965,509
Due in More Than One Year	21,239,385	-	21,239,385
Total OPEB Liability	3,323,418	-	3,323,418
Net Pension Liability	3,823,832	-	3,823,832
Total Liabilities	35,808,770	-	35,808,770
DEFERRED INFLOW OF RESOURCES			
Subsequent Years Property Taxes	36,508,392	-	36,508,392
Related to Total OPEB Liability	527,175	-	527,175
Related to Net Pension Liability	22,744,252	-	22,744,252
Total Deferred Inflow of Resources	59,779,819	-	59,779,819
NET POSITION			
Net Investments in Capital Assets	61,815,431	-	61,815,431
Restricted for:			
Debt Service	770,960	-	770,960
Justice & Public Safety	5,241,215	-	5,241,215
Health & Education	8,159,300	-	8,159,300
Development & General Government	11,837,498	-	11,837,498
Highways & Bridges	13,883,661	-	13,883,661
Retirement	15,915,760	-	15,915,760
Insurance & Fringe Benefits	1,843,971	-	1,843,971
Unrestricted (Deficit)	(9,313,011)	-	(9,313,011)
Total Net Position	\$ 110,154,785	\$ -	\$ 110,154,785

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

**COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF ACTIVITIES (EXHIBIT II)
DECEMBER 31, 2020**

FUNCTIONS / PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Fines, Permits & Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 12,856,709	\$ 5,471,111	\$ 957,825	\$ -	\$ (6,427,773)	\$ -	\$ (6,427,773)
Justice & Public Safety	30,460,555	4,544,088	5,863,218	-	(20,053,249)	-	(20,053,249)
Health	12,376,590	137,908	1,791,186	-	(10,447,496)	-	(10,447,496)
Education	11,283,118	-	11,917,550	-	634,432	-	634,432
Development	18,189,310	1,845,357	16,994,080	-	650,127	-	650,127
Highways & Bridges	8,081,988	555,633	7,783,171	911,760	1,168,576	-	1,168,576
Interest on Long-Term Debt	775,411	-	-	-	(775,411)	-	(775,411)
Total Governmental Activities	<u>94,023,681</u>	<u>12,554,097</u>	<u>45,307,030</u>	<u>911,760</u>	<u>(35,250,794)</u>	<u>-</u>	<u>(35,250,794)</u>
BUSINESS-TYPE ACTIVITIES							
Nursing Home	-	-	-	-	-	-	-
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Government	<u>\$ 94,023,681</u>	<u>\$ 12,554,097</u>	<u>\$ 45,307,030</u>	<u>\$ 911,760</u>	<u>(35,250,794)</u>	<u>-</u>	<u>(35,250,794)</u>
General Revenues:							
Property Taxes					34,279,267	-	34,279,267
Public Safety Sales Taxes					4,430,610	-	4,430,610
Hotel/Motel & Auto Rental Taxes					44,312	-	44,312
Grants & Contributions Not Restricted to Specific Programs					12,943,660	-	12,943,660
Investment Earnings					508,260	-	508,260
Miscellaneous					3,918,045	-	3,918,045
Transfers					(5,097,394)	5,097,394	-
Total General Revenues and Transfers					<u>51,026,760</u>	<u>5,097,394</u>	<u>56,124,154</u>
Change in Net Position					15,775,966	5,097,394	20,873,360
Net Position - Beginning					<u>94,378,819</u>	<u>(5,097,394)</u>	<u>89,281,425</u>
Net Position - Ending					<u>\$ 110,154,785</u>	<u>\$ -</u>	<u>\$ 110,154,785</u>

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

COUNTY OF CHAMPAIGN, ILLINOIS
BALANCE SHEET – GOVERNMENTAL FUNDS (EXHIBIT III)
DECEMBER 31, 2020

	-----Major Funds-----					All Other (Non-Major) Governmental Funds	Total Governmental Funds
	General Fund	Regional Planning Comm Fund	Mental Health Fund	Early Childhood Fund	Nursing Home Post-Closure Fund		
ASSETS							
Cash	\$ 7,718,745	\$ 1,375,167	\$ 3,494,281	\$ 1,539,598	\$ 408,407	\$ 33,132,639	\$ 47,668,837
Investments	-	-	-	-	-	103,676	103,676
Receivables, Net of Uncollectible Amounts:							
Property Taxes	14,352,540	-	5,269,620	-	-	16,886,232	36,508,392
Intergovernmental	4,984,224	1,737,778	-	781,554	60,848	1,254,260	8,818,664
Program Loans--Current Portion	-	-	-	-	-	308,606	308,606
Accrued Interest	-	-	-	-	-	39,149	39,149
Other	306,905	82,847	-	910	152,000	1,664,307	2,206,969
Due From Other Funds	3,914,591	335,428	-	-	-	3,738,221	7,988,240
Prepaid Items	122,766	14,386	-	16,451	-	4,704	158,307
Resident Trust Accounts	29,390	-	-	-	9,579	-	38,969
Program Loans Receivable--Long Term	-	-	-	-	-	4,937,371	4,937,371
Total Assets	\$ 31,429,161	\$ 3,545,606	\$ 8,763,901	\$ 2,338,513	\$ 630,834	\$ 62,069,165	\$ 108,777,180
LIABILITIES, DEFERRED INFLOW OF RESOURCES & FUND BALANCES							
LIABILITIES:							
Accrued Salaries Payable	\$ 313,842	\$ 73,766	\$ 4,985	\$ 92,927	\$ -	\$ 54,644	\$ 540,164
Accounts Payable	882,403	644,241	232,888	126,114	29,410	2,558,102	4,473,158
Due To Other Funds	2,177,043	237,104	43,399	258,121	5,725,868	3,365,413	11,806,948
Due To Other Governments	7	-	-	-	-	903	910
Funds Held for Others	135,956	-	-	-	9,579	73,438	218,973
Unearned Revenue	1,271	40,000	-	-	-	4,976	46,247
Total Liabilities	3,510,522	995,111	281,272	477,162	5,764,857	6,057,476	17,086,400
DEFERRED INFLOW OF RESOURCES							
Unavailable Revenue	2,091,257	506,975	-	520,688	-	570,942	3,689,862
Subsequent Years Property Taxes	14,352,540	-	5,269,620	-	-	16,886,232	36,508,392
Total Deferred Inflow of Resources	16,443,797	506,975	5,269,620	520,688	-	17,457,174	40,198,254
FUND BALANCES (DEFICITS)							
Non-spendable for Prepaid Items	122,766	14,386	-	16,451	-	-	153,603
Restricted	-	2,029,134	3,213,009	1,324,212	-	33,571,646	40,138,001
Committed	-	-	-	-	-	23,069	23,069
Assigned	-	-	-	-	-	6,420,818	6,420,818
Unassigned	11,352,076	-	-	-	(5,134,023)	(1,461,018)	4,757,035
Total Fund Balances (Deficits)	11,474,842	2,043,520	3,213,009	1,340,663	(5,134,023)	38,554,515	51,492,526
Total Liabilities, Deferred Inflow of Resources & Fund Balances	\$ 31,429,161	\$ 3,545,606	\$ 8,763,901	\$ 2,338,513	\$ 630,834	\$ 62,069,165	\$ 108,777,180

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

COUNTY OF CHAMPAIGN, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO THE STATEMENT OF NET
POSITION FOR GOVERNMENTAL ACTIVITIES (EXHIBIT III-A)
DECEMBER 31, 2020

Fund Balances (Deficits) - Total Governmental Funds (See Exhibit III)	51,492,526
Capital assets, net of depreciation, used in governmental activities	77,979,911
Investment in Joint Ventures related to governmental activities	2,299,366
Assets and liabilities of internal service funds related to governmental activities, including estimated claims payable long term liability	3,804,129
Reverse unavailable revenues related to governmental activities	3,689,862
Liability for compensated absences accruals related to governmental activities	(3,074,740)
Long term liabilities related to governmental activities, deferred outflow related to refunding, and other than estimated claims payable from internal service funds	(16,318,083)
Total OPEB Liability related to governmental activities	(3,323,418)
Net Pension Liability/Asset related to governmental activities	12,091,928
Deferred Outflows of Resources related to Pension Liability	4,267,720
Deferred Outflows of Resources related to OPEB Liability	517,011
Deferred Inflows of Resources related to OPEB Liability	(527,175)
Deferred Inflows of Resources related to Pension Liability	(22,744,252)
Net Position of Governmental Activities (See Exhibit I)	<u>\$ 110,154,785</u>

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (EXHIBIT IV)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	-----Major Funds-----					All Other (Non-Major) Governmental Funds	Total Governmental Funds
	General Fund	Regional Planning Comm Fund	Mental Health Fund	Early Childhood Fund	Nursing Home Post-Closure Fund		
REVENUES							
Property Taxes	\$ 13,551,352	\$ -	\$ 5,017,100	\$ -	\$ (35,456)	\$ 15,746,271	\$ 34,279,267
Public Safety Sales Taxes	-	-	-	-	-	4,430,610	4,430,610
Hotel/Motel & Auto Rental Taxes	44,312	-	-	-	-	-	44,312
Intergovernmental Revenue	17,911,857	13,441,569	346,706	11,405,949	-	13,552,053	56,658,134
Fines & Forfeitures	630,292	-	-	-	-	169,192	799,484
Licenses & Permits	1,827,821	-	-	-	-	448,546	2,276,367
Charges for Services	3,814,146	1,489,408	-	62,330	76,705	2,714,829	8,157,418
Rents and Royalties	1,151,577	-	-	-	-	-	1,151,577
Interest on Program Loans	-	-	-	-	-	136,675	136,675
Investment Earnings	46,124	5,790	7,627	8,707	5,380	132,532	206,160
Miscellaneous	262,777	104,958	16,785	227,726	114,463	3,191,336	3,918,045
Total Revenues	39,240,258	15,041,725	5,388,218	11,704,712	161,092	40,522,044	112,058,049
EXPENDITURES							
Current: General Government	\$ 10,826,631	\$ -	\$ -	\$ -	\$ 197,721	\$ 2,692,387	\$ 13,716,739
Justice & Public Safety	25,110,681	-	-	-	-	9,800,093	34,910,774
Health	-	-	5,519,107	-	-	6,878,188	12,397,295
Education	-	-	-	12,221,995	-	-	12,221,995
Development	493,957	14,920,121	-	-	-	3,578,702	18,992,780
Highways & Bridges	-	-	-	-	-	7,552,136	7,552,136
Debt Service: Principal Retirement	165,000	-	-	-	-	1,540,383	1,705,383
Interest & Fiscal Charges	17,779	-	-	-	-	857,409	875,188
Total Expenditures	36,614,048	14,920,121	5,519,107	12,221,995	197,721	32,899,298	102,372,290
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,626,210	121,604	(130,889)	(517,283)	(36,629)	7,622,746	9,685,759
OTHER FINANCING SOURCES (USES)							
Transfers In	1,628,503	56,934	-	-	-	3,919,810	5,605,247
Transfers Out	(2,717,961)	-	(5,819)	-	(5,097,394)	(2,881,467)	(10,702,641)
Net Other Financing Sources (Uses)	(1,089,458)	56,934	(5,819)	-	(5,097,394)	1,038,343	(5,097,394)
NET CHANGE IN FUND BALANCES	1,536,752	178,538	(136,708)	(517,283)	(5,134,023)	8,661,089	4,588,365
Fund Balances--Beginning of Year	9,938,090	1,864,982	3,349,717	1,857,946	-	29,893,426	46,904,161
FUND BALANCES (DEFICIT)--End of Year	\$ 11,474,842	\$ 2,043,520	\$ 3,213,009	\$ 1,340,663	\$ (5,134,023)	\$ 38,554,515	\$ 51,492,526

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

COUNTY OF CHAMPAIGN, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR GOVERNMENTAL ACTIVITIES (EXHIBIT IV-A)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Net Change in Fund Balances - Total Governmental Funds (See Exhibit IV)	\$ 4,588,365
Remove expenditures for acquisition of capital assets	5,517,071
Include revenue for capital assets acquired through gift or grant	911,760
Include gain (loss) on disposal of capital assets	(28,700)
Include depreciation expense	(5,880,640)
Include change in investment in joint ventures	302,100
Include the net revenue (expense) of internal service funds used to charge the costs of risk financing and employee health benefits to governmental activities	1,079,206
Recognize revenues earned but not available in the current period	1,625,132
Remove expenditures related to prior periods; include expenses incurred but not expected to be liquidated with expendable available financial resources in the current period	(278,441)
Amortize bond premium and deferred amount on refunding against debt interest expense	99,777
Remove debt principal repayment expenditures	1,705,383
Net Pension Liability/Asset	16,820,314
Deferred Outflow of Resources Related to Pensions	84,421
Deferred Inflow of Resources Related to Pensions	(10,778,534)
Total OPEB Liability	214,227
Deferred Outflow of Resources Related to Other Post-Employment Benefits	188,066
Deferred Inflow of Resources Related to Other Post-Employment Benefits	(393,541)
Change in Net Position of Governmental Activities (See Exhibit II)	<u>\$ 15,775,966</u>

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (EXHIBIT V)
DECEMBER 31, 2020

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>	<u>Governmental</u> <u>Activities</u>
	<u>Nursing Home</u> <u>Fund</u>	<u>Internal</u> <u>Service Funds</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ -	\$ 3,550,426
Receivables, Net of Uncollectible Amounts:		
Intergovernmental	-	289
Other	-	38,722
Due From Other Funds	-	3,818,712
Total Current Assets	-	7,408,149
Total Assets	-	7,408,149
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable	\$ -	\$ 117,892
Due To Other Funds	-	4
Funds Held For Others	-	58,858
Unearned Revenue	-	424
Estimated Claims Payable	-	1,155,883
Total Current Liabilities	-	1,333,061
NONCURRENT LIABILITIES:		
Estimated Claims Payable	-	2,270,959
Total Noncurrent Liabilities	-	2,270,959
Total Liabilities	-	3,604,020
NET POSITION		
Unrestricted	-	3,804,129
TOTAL NET POSITION	\$ -	\$ 3,804,129

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION –
PROPRIETARY FUNDS (EXHIBIT VI)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities Enterprise Fund	Governmental Activities
	Nursing Home Fund	Internal Service Funds
OPERATING REVENUES		
Charges for Services (Net of Uncollectible)	\$ -	\$ 8,848,366
Miscellaneous	-	15,269
	-	8,863,635
Total Operating Revenues	-	8,863,635
OPERATING EXPENSES		
Salaries	-	19,683
Fringe Benefits	-	7,641,917
Services	-	1,435,613
	-	9,097,213
Total Operating Expenses	-	9,097,213
OPERATING INCOME (LOSS)	-	(233,578)
NON-OPERATING REVENUES (EXPENSES):		
Property Tax	-	1,305,099
Investment Earnings	-	7,685
	-	1,312,784
Net Non-Operating Revenues (Expenses)	-	1,312,784
INCOME (LOSS) BEFORE TRANSFERS	-	1,079,206
Transfers In	5,097,394	-
CHANGE IN NET POSITION	5,097,394	1,079,206
Net Postition--Beginning of Year	(5,097,394)	2,724,923
NET POSITION--END OF YEAR	\$ -	\$ 3,804,129

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (EXHIBIT VII)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts from Other Funds and Employees for Services	\$ -	\$ 9,343,594
Cash Receipts for Claims Reimbursements	-	(21,831)
Cash Payments to Employees for Services	-	(19,683)
Cash Payments to Suppliers and Other Funds for Goods and Services	-	(8,574,958)
Cash Payments for Claims	-	(1,406,846)
Net Cash Provided (Used) By Operating Activities	-	(679,724)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Property Tax	-	1,305,099
Transfers/Loans Paid to Other Funds	(1,165,933)	-
Net Cash Provided (Used) By Non-Capital Financing Activities	(1,165,933)	1,305,099
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Interest Received on Investments and Bank Deposits	-	7,685
Net Cash Provided (Used) By Investment Activities	-	7,685
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,165,933)	633,060
Cash and Cash Equivalents at Beginning of Period	1,165,933	2,917,366
Cash and Cash Equivalents at End of Period	\$ -	\$ 3,550,426

Non-cash Investing, Capital and Financing Activities:

In fiscal year 2020, the Nursing Home was no longer in operation. A non-cash transfer was made in the amount of \$(6,263,327) to move all non-cash assets and liabilities to special revenue fund "Nursing Home Fund - Post Closure".

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

COUNTY OF CHAMPAIGN, ILLINOIS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING
ACTIVITIES ON THE STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (EXHIBIT VII-A)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities Enterprise Fund Nursing Home Fund	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ -	\$ (233,578)
Adjust For Non-Cash Revenue/Expense:		
Increase (Decrease) in Estimated Claims Payable	-	(246,067)
Adjust For Non-Revenue/Expense Cash Flows:		
Decrease (Increase) in Receivables	-	(37,010)
Decrease (Increase) in Due From Other Funds	-	495,138
Increase (Decrease) in Payables	-	(19,212)
Increase (Decrease) in Due To Other Funds	-	(637,719)
Increase (Decrease) in Unremitted Payroll Withholdings	-	(1,700)
Increase (Decrease) in Unearned Revenue	-	424
	-	424
Net Cash Provided (Used) By Operating Activities	\$ -	\$ (679,724)

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS (EXHIBIT VIII)
DECEMBER 31, 2020

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 9,861,263
Investments	1,152,377
Receivables:	
Property Taxes	421,792,697
Intergovernmental	<u>544,284</u>
Total Assets	<u>433,350,621</u>
 LIABILITIES	
Property Taxes Due to Others	421,792,697
Funds Held for Others	<u>8,552,781</u>
Total Liabilities	<u>430,345,478</u>
 NET POSITION	
Restricted:	
Held in Trust for Other Governments	<u>3,005,143</u>
TOTAL NET POSITION	<u><u>\$ 3,005,143</u></u>

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COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS (EXHIBIT IX)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Custodial
ADDITIONS	
Property Taxes & Related Items	\$ 359,632,117
Intergovernmental	3,441,325
Investment Earnings	8,657
Fines, Fees, & Forfeitures	5,898,036
Collection of Wage Garnishments	136,042
Total additions	369,116,177
DEDUCTIONS	
Payments of Property Taxes & Related Items	359,364,530
Intergovernmental Disbursements	3,281,016
Disbursement of Estate Settlements	7,626
Fines, Fees, & Forfeitures Paid	5,820,585
Payment of Garnishments	136,042
Total deductions	368,609,799
NET INCREASE (DECREASE)	506,378
RESTRICTED NET POSITION	
January 1, as restated	2,498,765
NET POSITION--END OF YEAR	\$ 3,005,143

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

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Champaign, Illinois conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant policies:

A. The Entity

Champaign County was incorporated February 20, 1833. Like all Illinois counties, Champaign County is responsible for maintaining the judicial system, collecting and disbursing property taxes for all local governments located within the county, maintaining county roads and conducting elections. With the exception of Cook County, no Illinois counties are home-rule units of government and, therefore, they may collect and spend money only as specified by state law.

The primary government consists of the funds and departments described on pages 22-30. Several boards and commissions appointed by the County Board are included as part of the primary government, because they are not legally separate. These are the Mental Health Board, the Developmental Disability Board, the County Public Health Board, the Regional Planning Commission, the Board of Review and the Zoning Board of Appeals.

A legally separate organization should be included as a component unit of the primary organization if the primary government is financially accountable for the organization. Financial accountability exists if: (1) the primary government appoints a voting majority of the organization's governing body, and (a) it is able to impose its will on the organization, or (b) the organization provides financial benefits or imposes financial burdens on the primary government; OR (2) the organization is fiscally dependent on the primary government. There were no agencies which met the criteria for inclusion as a component unit of Champaign County.

Related organizations for which the County Board appoints a voting majority of the governing body, but for which the County is not financially accountable, are not included in the reporting entity. These include drainage districts, sanitary districts, fire protection districts, public water districts, cemetery associations, the forest preserve district, the housing authority, the mass transit district and the public aid appeals commission.

A joint venture is an organization that is jointly controlled by two or more participants, in which the participants retain an on-going financial interest or responsibility. The County is a member of the METCAD (Metropolitan Computer Aided Dispatch) joint venture with the City of Champaign, the City of Urbana, the Village of Rantoul and the University of Illinois. The County is also a member of the Geographic Information System (GIS) Consortium joint venture with the City of Champaign, the City of Urbana, the University of Illinois, the Village of Rantoul, the Village of Savoy, the University of Illinois, the Urbana-Champaign Sanitary District and the Village of Mahomet. The County's equity interest in METCAD and the GIS Consortium joint ventures is reported as an investment in joint ventures in the Statement of Net Position. See Note 21 on joint ventures.

A jointly governed organization for which the County does not have an on-going financial interest or responsibility is the Job Training Partnership Act Consortium of Champaign, Ford, Iroquois and Piatt Counties. Jointly governed organizations are not included in the reporting entity.

B. Fund Accounting

The accounts of the County are organized by various individual funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government monies are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent. Funds are classified into several categories and types. Governmental funds include the general fund, special revenue funds, debt service funds and capital projects funds. Proprietary funds include enterprise funds and internal service funds. Fiduciary funds include custodial funds.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-wide and Fund Financial Statements

(1) Government-wide Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) display the financial position and results of operations for the entity Champaign County government, excluding the fiduciary funds. Both statements separately report governmental activities and business-type activities. Governmental activities are generally financed with taxes and intergovernmental revenues and are accounted for in governmental and internal service funds. Business-type activities are financed largely through user fees charged to external parties and are reported in an enterprise fund. Interfund activity is eliminated from the government-wide statements to reduce the doubling effect it creates. Allocations of overhead expenses are eliminated so that the expenses are reported only in the functions to which they were allocated. Interfund receivables and payables are reduced to just the net residual amounts due between governmental and business-type activities, which are then reported as internal balances.

The Statement of Activities reports direct expenses related to specific functions. Those expenses are then offset by the program revenues directly attributable to each function. Program revenues include charges for services, licenses and permits, fines and forfeitures, and grants and contributions. Taxes, investment income and other revenue not attributable to specific programs are reported as general revenues.

(2) Fund Financial Statements

Fund financial statements are presented for the governmental funds, the proprietary funds and the fiduciary funds. The fund statements focus on major individual funds, with non-major funds reported in aggregate.

Major governmental funds include the General Fund, which is the principal operating fund for the County; the Mental Health Fund, which uses property taxes to fund mental health agencies; the Regional Planning Commission Fund, which uses intergovernmental grants and contracts to provide housing/home energy assistance, community services, senior services, economic development assistance, transportation planning and police training; the Early Childhood Fund, commonly known as Head Start, which provides the education and development for low-income pre-school children and is primarily funded by federal grants; and the Nursing Home Post-Closure Fund, which is used to assist with collection and disbursement of funding in association with the closure of the Champaign County Nursing Home.

The fiduciary funds includes custodial funds, whose purpose is to report resources, such as property taxes and circuit court fees and fines, held in a custodial capacity for external individuals, organizations and governments. Resources held for other County funds are reported in the appropriate County funds rather than the custodial funds.

D. Fund Balance/Net Position Reporting

Fund balances in governmental funds are classified according to the level of constraints on how amounts in those funds can be spent: non-spendable, restricted, committed, assigned or unassigned. Non-spendable amounts are either not in spendable form or are legally required to be kept intact. Restricted amounts may only be spent according to externally imposed constraints or legally enforceable enabling legislation. Fund Balance may be committed to a specific purpose by resolution or ordinance passed by the County Board. A commitment may only be rescinded by the same formal action of the County Board. Fund balance may also be assigned (or unassigned) to a purpose by the County Administrator or a Committee of the County Board in accordance with County Board budget policies.

When both restricted and unrestricted resources are available for the same purpose, restricted resources are used first. Within unrestricted fund balance, resources committed to a specific purpose are used first, then assigned resources, and then unassigned.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, restricted by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

E. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense; information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF); and, additions to/deductions from IMRF's fiduciary net position, have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

F. Measurement Focus and Basis of Accounting

(1) Government-wide Financial Statements

The measurement focus for the government-wide financial statements is the flow of economic resources, using the accrual basis method of accounting. On this basis, revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year for which the taxes are levied, generally, the year after the levy is passed. Grants are recognized as revenue when eligibility requirements are met, such as allowable costs having been incurred.

(2) Governmental Funds

The measurement focus for governmental funds is the flow of current financial resources. All governmental funds are accounted for using the modified accrual basis method of accounting.

On this basis, all material sources of revenue are recognized when they become measurable and available. "Available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For the County, this translates to 60 days after the end of the fiscal year, which corresponds with the expiration of appropriations according to County ordinance. Major sources of revenue susceptible to accrual when collectible within 60 days of year-end include property taxes, sales taxes, income taxes, personal property replacement taxes, other intergovernmental revenues, charges for services and investment interest.

Material amounts of expenditures are recognized when the liability is incurred, provided they are due to be paid from expendable available financial resources. Thus, accumulated unpaid vacation, sick leave and personal leave are only accrued when they become currently payable; and principal and interest on general long-term debt are only recognized when due.

(3) Proprietary Funds

The measurement focus for proprietary funds is the flow of economic resources. All proprietary funds are accounted for using the accrual basis method of accounting. On this basis, revenues are recognized when they are earned, and expenses are recognized when a liability is incurred.

Proprietary funds operating revenues consist of charges for services and miscellaneous revenue resulting from the provision of services to users.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(4) Fiduciary Funds

The measurement focus for fiduciary funds is the flow of economic resources. All fiduciary funds are accounted for using the accrual basis method of accounting. Fiduciary funds do not report revenues or expenditures, but rather report additions and deletions in net position.

The County's fiduciary funds are custodial funds. Custodial funds are used to account for assets held by the County as a fiscal agent for various districts and entities; for various taxes and assessments; fines and fees collected for the benefit and distributed to other governments.

G. Investments and Cash Equivalents

Under Illinois law (30 ILCS 235/2), county money may be invested in interest-bearing deposits at federally insured banks/savings and loans/credit unions; certain commercial paper; bonds issued by local governments; short term discount obligations of the Federal National Mortgage Association; securities issued by the U.S. Treasury or other federal agencies; money market mutual funds limited to U.S. Government securities; repurchase agreements involving government securities and certain other securities; and the State Treasurer's investment pool. The State Treasurer's investment pool falls under the regulatory oversight of the State of Illinois Legislature.

Deposits in banks or savings associations are valued at cost. Repurchase agreements, considered nonparticipating interest-earning investment contracts, are valued at cost. The fair value of the position in the state treasurer's investment pool is the same as the value of the pool shares. Investments in mutual funds, commercial paper, U.S. Treasury securities and other federal agency obligations are reported at fair value determined by the current share price or quoted market prices. Changes in fair value of these investments are recognized as an increase or decrease to investment income on the operating statements.

For purposes of the statement of cash flows, the proprietary funds consider short-term highly liquid investments, including time deposits at financial institutions, to be cash equivalents. Resident Trust Accounts are not recognized as cash equivalents.

H. Receivables and Payables

Receivables and payables are reported net of an allowance for uncollectible amounts. If applicable, short-term receivables and payables between funds are reported as due from/to other funds. Non-current amounts are reported as advances to/from other funds. In the government-wide statements, inter-fund receivables and payables remaining between governmental activities and business-type activities after the elimination of inter-fund activity are reported as internal balances. These internal balances net to zero in the government total column.

I. Inventories

Inventories are valued at cost on a first in, first out (FIFO) basis, and are accounted for by the consumption method.

J. Prepaid Items

In governmental funds, prepaid expenditures, such as insurance or service contracts, are recognized as expenditures when purchased rather than over the term involved. In proprietary funds, prepaid expenses are deferred and expensed over the term when the services are received.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

Governmental Activities

Capital assets purchased for use in governmental activities are recorded as expenditures in governmental funds at the time of purchase. Governmental capital assets are reported in the government-wide financial statements, offset by accumulated depreciation. Capital assets are valued at actual or estimated historical cost, while donated capital assets are valued at fair value as of the date donated. Equipment valued at or above \$5,000, buildings and land improvements valued at or above \$25,000, infrastructure valued at or above \$100,000, and land of any value are capitalized. Depreciation is calculated on all assets, other than land and construction in progress, using the straight-line method with the following estimated useful lives:

Buildings – New Construction:	40 years	Infrastructure – Roads:	15 years
Buildings – Improvements:	15 years	Infrastructure – Bridges:	50 years
Equipment:	5-10 years	Land Improvements:	15 years

L. Compensated Absences

Accumulated unpaid vacation and personal leave (compensated absences) are accrued in governmental funds only when they become currently payable, due to the employee using benefit time or terminating employment. A liability for unpaid compensated absences, plus the related FICA, is reported in the government-wide statements in the period for which it is incurred. Accrued compensated absences, plus the related FICA, for proprietary funds are reported as a liability in the proprietary fund statements and the government-wide statements in the period for which it is incurred.

M. Deferred Outflows of Resources

Decreases in net position or fund equity that relate to future periods are reported as deferred outflows of resources in a separate section of the County’s government-wide and proprietary funds statements of net position or governmental fund balance sheet. The County has three types of deferred outflow of resources. The first two relate to pension and Other Post-Employment benefits (OPEB) expenses recognized in future periods. The other relates to bond refunding. A deferred charge on refunding arises from the advance refunding of debt. The deferred amount is the difference between the cost of securities placed in trust for future payments of the refunded debt and the net carrying value of that debt. This is amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

N. Deferred Inflows of Resources

The County’s governmental activities and governmental funds statement of revenues, expenses and fund balance may reflect an increase in net position or fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has four types of deferred inflows of resources. The first relates to property tax receivables which are recorded in the current year. However, the related revenues are recognized in the subsequent year since they do not become available by fiscal year end. The second type relates to various other revenue receivables for which the revenues are recorded in the subsequent year’s fund statements when they become available. The third and fourth type of deferred inflow of resources relate to pensions and OPEB income recognized in future periods.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 – RECONCILIATION OF FUND STATEMENTS TO GOVERNMENT-WIDE STATEMENTS

A. Governmental Funds to Governmental Activities

A reconciliation is provided with the governmental funds balance sheet (Exhibit III-a) to explain the difference between fund balances in the governmental funds and net position in governmental activities on the government-wide statement of net position. The major differences are as follows:

- capital assets are not reported in governmental funds,
- investment in the equity of joint ventures is not reported in governmental funds,
- assets and liabilities of internal service funds related to governmental activities are not reported in governmental funds,
- payables arising from the full accrual of expenses are not reported in governmental funds under the modified accrual basis of accounting,
- revenues received after the County's established accrual period may be recognized under the full accrual basis but are considered unavailable under the modified accrual basis.
- long term liabilities/assets including future compensated absences are not reported in governmental funds, and
- net pension liability/asset, total OPEB liability, and deferred outflows and inflows related to pensions and OPEB are not reported in governmental funds.

A reconciliation is provided with the governmental funds statement of revenues, expenditures and changes in fund balances (Exhibit IV-a) to explain the difference between the change in fund balances in the governmental funds and the change in net position for governmental activities on the government-wide statement of activities. The major differences are as follows:

- capital outlay expenditures are not reported in the government-wide statement, while depreciation expense and gains/losses on disposal of capital assets are not reported in governmental funds;
- the change in investment in the equity of joint ventures is not reported in governmental funds;
- the net revenue/expense of internal service funds related to governmental activities is not reported in governmental funds;
- full accrual of revenues and expenses are not reported in governmental funds under the modified accrual basis of accounting;
- debt proceeds, debt principal repayments and payments to a bond refunding escrow agent are not reported in the government-wide statement; while bond premium and additional costs of reacquisition of refunded bonds are deferred and amortized over the life of the debt on the government-wide statement; and
- pension and OPEB expenses are not included in the governmental funds.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – RECONILIATION OF FUND STATEMENTS TO GOVERNMENT-WIDE STATEMENTS (CONTINUED)

B. Enterprise Funds to Business-Type Activities

Enterprise funds and the government-wide statements follow the same measurement focus and basis of accounting, so the enterprise fund financial information flows essentially unchanged from the fund financial statements to the business-type activities on the government-wide financial statements.

NOTE 3 – BUDGETS AND BUDGETARY BASIS OF ACCOUNTING

A. Budgetary Process

County department heads submit their budget requests in the summer prior to the start of the fiscal year on January 1. The County Administrator reviews the department requests and makes recommendations to the Finance Committee of the County Board. The County holds Budget hearings during the summer months, after which the Finance Committee directs the County Administrator to make specific changes in some department budgets. The County Administrator prepares the tentative Budget document, which the County Board usually approves in September. The Finance Committee approves any subsequent changes to the Budget during meetings in the months of October and November. The County Board approves the final budget in November by simple majority.

B. Level of Budgetary Control

Formal budgetary control is employed during the year for all County funds (governmental and proprietary) except fiduciary funds (trust and agency), as required by Illinois law. The legal level of budgetary control is by personnel and non-personnel account categories within a department and fund. Department heads have the authority to create transfers between accounts in the same category. Transfers in and out of the personnel category and transfers between accounts in different departments, administered by different department heads, must be approved by the Finance Committee and then by a two-thirds majority vote of the full County Board. The County Auditor is responsible for the final processing of all transfers.

C. Amendments to the Budget

Requests for supplementary appropriations require approval from the Finance Committee and by a two-thirds majority vote of the full County Board.

D. Budgetary Basis of Accounting

All governmental funds and proprietary funds have legally adopted budgets on a modified accrual basis. Appropriations lapse 60 days after the end of the fiscal year. County ordinance provides that balances remaining in County appropriations shall be available for sixty days after the close of the fiscal year to pay for all goods or services delivered prior to the close of the fiscal year.

Because proprietary fund budgets are not on a full accrual basis and because appropriations lapse 60 days after year-end, the legally adopted budget is not on a basis strictly consistent with generally accepted accounting principles (GAAP).

E. Encumbrances

The modified accrual basis of accounting applies to encumbrances across all funds. Purchase orders are required at a departmental level for any purchase exceeding \$5,000. Our normal process is to have the requested amount encumbered, provided sufficient appropriations are available) before approval of the purchase order. Department heads can make a request to re-encumber purchase orders for the following year if they do not receive the goods or services by December 31.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 – RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

The County presents actual results of operations in accordance with generally accepted accounting principles (GAAP), as described in Note 1-E. For budgetary comparisons, the actual results of operations are presented on the budgetary basis as described in Note 3-D. Adjustments necessary to convert the results of operations from the budgetary basis to the GAAP basis are mostly due to appropriations lapsing 60 days after year-end and proprietary funds having budgets on the modified accrual basis, while GAAP requires the full accrual basis. There are certain reclassifications between revenues, expenditures and operating transfers that do not affect fund balance/net position, e.g. reclassifications of inter-fund reimbursements as reductions of expenditures and are not included in the detailed reconciliation. The summary below provides details of adjustments within the individual fund statements that affect the fund balance/net position:

Fiscal Year Ended December 31, 2020:	Nursing Home Fund	Self-Funded Insurance Fund	Employee Health Insurance	General Fund	Regional Planning Com. Fund	Mental Health Fund	Nursing Home Post-Closure Fund	Other Non-Major Govt Funds
Budgetary Basis Change in Fund Balance or Net Position	\$ (411,089)	\$ 1,403,054	\$ 530,911	\$ 1,480,364	\$ 173,729	\$ 41,654	\$ (408,155)	\$ 13,502,245
REVENUES AND OTHER SOURCES:								
Interfund transfers into escrow account recognized as other financing source when transferred rather than when spent	-	-	-	-	(187,805)	-	-	-
Adjustment for timing differences - revenue recognized in the period when earned	5,097,394	(200,527)	(456,724)	-	-	-	(411,089)	(2,670,492)
EXPENDITURES /EXPENSES AND OTHER USES:								
Adjustment for timing differences - expenses recognized in the period when incurred	411,089	(725,317)	281,742	56,388	192,614	(178,362)	(4,314,779)	(2,170,664)
Decrease (increase) in estimated claims payable	-	246,067	-	-	-	-	-	-
GAAP Basis Change in Fund Balance or Net Position	<u>\$ 5,097,394</u>	<u>\$ 723,277</u>	<u>\$ 355,929</u>	<u>\$ 1,536,752</u>	<u>\$ 178,538</u>	<u>\$ (136,708)</u>	<u>\$ (5,134,023)</u>	<u>\$ 8,661,089</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments at December 31, 2020, appears below. Resident Trust accounts report money held in County custody, which belongs to residents of the County Nursing Home and County Jail.

	Asset Account Carrying Amounts (Reported as:)			Total	Bank Balances
	Cash	Investments	Resident Trust		
DEPOSITS					
Demand Deposits	\$ 29,173,943		\$ 38,969	\$ 29,212,912	\$ 33,172,033
Money Market / Savings	-	36,470	-	36,470	36,470
Certificates of Deposit	-	1,219,583	-	1,219,583	1,218,583
Total Deposits	\$ 29,173,943	\$ 1,256,053	\$ 38,969	\$ 30,468,965	\$ 34,427,086
					Fair Value
INVESTMENTS					
State Treasurer Investment Pool	\$ 31,884,553	\$ -	\$ -	\$ 31,884,553	\$ 31,884,553
Total Investments	\$ 31,884,553	\$ -	\$ -	\$ 31,884,553	\$ 31,884,553
Subtotal Deposits / Investments	\$ 61,058,496	\$ 1,256,053	\$ 38,969	\$ 62,353,518	\$ 66,311,639
CASH ON HAND	\$ 22,030	\$ -	\$ -	\$ 22,030	
GRAND TOTAL	\$ 61,080,526	\$ 1,256,053	\$ 38,969	\$ 62,375,548	\$ 66,311,639

The County has \$31,884,553 invested with The Illinois Funds. The Illinois Funds is an investment pool managed by the state of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. The Illinois Funds is a GASB No. 79 qualified external investment pool that measures, for financial reporting purposes, all its investments at amortized cost. There are no limitations or restrictions on withdrawals from the pool. Illinois Funds has earned the highest investment grade rating (AAAmf) for a government-managed money market fund. The rating is based on Fitch's analysis of the pool's credit quality, market price exposure and management.

Custodial Credit Risk- Deposits.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Deposits are subject to custodial credit risk if uninsured and uncollateralized or covered by collateral that is not in the County's name. It is County policy to require collateral at 110% of market value for deposit balances beyond FDIC/NCUSIF insurance coverage. At December 31, 2020, no deposits were uninsured or uncollateralized.

Investment pools and mutual funds are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Other investments are subject to custodial credit risk if the securities are uninsured and unregistered and held by the financial institution's trust department or agent, but not in the County's name. None of the County's investments at December 31, 2020 were exposed to this risk.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 – PROPERTY TAX CYCLE*A. Assessments*

Each year, property is assessed by elected township assessors at one-third of the market value as of January 1. This is the date, called the lien date, on which property taxes “attach” to the property. The township assessors submit their assessments to the County Supervisor of Assessments by June 1, at which point the County Supervisor of Assessments applies individual township multipliers. On April 19, 2012, the County Board adopted Resolution No.8100 establishing the division of Champaign County into four assessment Districts 1 through 4 with quadrennial years starting in 2016. The Board of Review, a three-member panel appointed by the County Board, takes action on assessment complaints and may apply the individual township multipliers to township properties where, upon review, the assessment was not at one-third market value. This process equalizes the average ratio of assessments to market value among townships. The Illinois Department of Revenue analyzes the work of the Board of Review and may assign a countywide multiplier to bring the entire county’s ratio into line with other counties throughout the state.

B. Taxpayer Appeals

Taxpayers may file a complaint with the Board of Review if they feel their assessments are too high, and, if not satisfied, they may further appeal to the state Property Tax Appeals Board. However, tax levies are determined by local governments, not by assessors.

C. Property Tax Levies

The property tax levy for the year ended December 31, 2020 was adopted by the County Board on December 2, 2019, within the statutory deadline (the third Tuesday in December) for all taxing districts. The County reports property tax levies as receivables and deferred inflows of resources in the year of adoption while revenue recognition occurs in the immediate subsequent year for which the levy applies.

D. Tax Bills

Illinois statutes require payment of property taxes in two installments, due June 1 and September 1, and require that tax bills be mailed 30 days prior to the first installment. In 2020, tax bills were mailed on April 30 with the due dates of July 1 and September 1. Property tax bills mailed in 2020 were based on equalized assessed value as of January 1, 2019 and on tax levies set in December 2019.

E. Tax Judgment Date and Sale Date

The judgment date is the date at which taxing authorities have a right to take and hold or sell property for nonpayment of taxes. Under Illinois law, the judgment date fluctuates, but is generally the third week in October. The date is set by a judge of the circuit court, after all of the requirements are met for advertising and publishing the delinquent tax list. Statutes require the tax sale to be within five business days following the judgment date. In 2020, the judgment date was November 24 and the tax sale date was November 25, 2020.

F. Tax Distributions

The County Treasurer, who also serves as the County Collector, handles the collection and distribution of property taxes for all taxing bodies in the county. The Collector generally distributes taxes to the taxing bodies shortly after taxes are collected. The County may not keep tax receipts on behalf of other units of local government beyond thirty days. Interest earned on taxes before distribution must go to the local governments and may not be kept by the County. In 2020, with exception to PILOT, all property taxes were distributed by February 19th.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7 – PROPERTY TAXES RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES

Property taxes receivable consist of property taxes levied in 2020 for which a legal claim exists in 2020. The revenue associated with the 2020 levy is deferred until the fiscal year ending December 31, 2021 on the government-wide and the proprietary fund statements, because that is the period for which the taxes are levied. Property tax revenues are also deferred inflows of resources on the governmental fund statements, because the taxes are not available (collectible within thirty days of the fiscal year-end). The receivable for the 2020 tax levy has been reduced by an estimated allowance for uncollectible taxes of 0.67%, which is based on an average of the previous ten years. A summary by fund type of property taxes receivable at December 31, 2020 is below.

Fund Type	Property Taxes Levied	Allowance for Uncollectible	Property Taxes Receivable	Deferred Inflows of Resources
Governmental:				
General	\$ 14,448,808	\$ (96,268)	\$ 14,352,540	\$ 14,352,540
Special Revenue	22,304,460	(148,608)	22,155,852	22,155,852
Total	<u>\$ 36,753,268</u>	<u>\$ (244,876)</u>	<u>\$ 36,508,392</u>	<u>\$ 36,508,392</u>

NOTE 8 – ECONOMIC DEVELOPMENT AND REHABILITATION LOANS RECEIVABLE

The County, through its Regional Planning Commission Loan Funds, has various grant programs to administer economic development and housing rehabilitation loans to qualified businesses and individuals. The primary purpose of the economic development loan programs is to create new jobs. Principal repayments on loans may be used for any grant eligible purpose. At December 31, 2020, loans outstanding were as follows:

Program Loans Receivable (Net of Uncollectible Amounts)	12/31/2019 Balance	Additions	Deductions	12/31/2020 Balance	Current Receivable
Economic Development Loans Receivable:					
Community Services Block Grant Loans	\$ 44,088	-	(13,054)	\$ 31,034	\$ 13,422
Community Development Recaptured Loans	3,466,575	-	(171,098)	3,295,477	178,779
Facilities Loan Program	1,278,255	-	(43,739)	1,234,516	41,087
USDA Intermediary Relending Loans Receivable	585,182	125,000	(54,240)	655,942	75,318
Housing Rehabilitation Loans Receivable:					
County Housing Rehab Loans	29,008	-	-	29,008	-
HUB H.O.M.E. Program Loans	332,285	-	(332,285)	-	-
Total Loans Receivable	<u>\$ 5,735,393</u>	<u>\$ 125,000</u>	<u>\$ (614,416)</u>	<u>\$ 5,245,977</u>	<u>\$ 308,606</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9 – CAPITAL ASSETS

<u>Governmental Activities</u>	12/31/2019			12/31/2020
	<u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u>
Assets Not Being Depreciated:				
Land	\$ 2,027,080	\$ 43,119	\$ -	\$ 2,070,199
Construction in Progress	5,890,684	3,817,386	(6,564,160)	3,143,910
Assets Being Depreciated:				
Infrastructure	90,341,135	6,558,032	-	96,899,167
Buildings and Improvements	77,811,344	1,735,770	-	79,547,114
Equipment	16,863,998	838,684	(1,195,791)	16,506,891
Assets Subtotal	<u>192,934,241</u>	<u>12,992,991</u>	<u>(7,759,951)</u>	<u>198,167,281</u>
Accumulated Depreciation:				
Infrastructure	(54,174,909)	(3,269,012)	-	(57,443,921)
Buildings and Improvements	(47,030,547)	(1,626,706)	-	(48,657,253)
Equipment	(14,268,365)	(984,922)	1,167,091	(14,086,196)
Accum. Depreciation Subtotal	<u>(115,473,821)</u>	<u>(5,880,640)</u>	<u>1,167,091</u>	<u>(120,187,370)</u>
Net Total	<u>\$ 77,460,420</u>	<u>\$ 7,112,351</u>	<u>\$ (6,592,860)</u>	<u>\$ 77,979,911</u>

Current year depreciation expense was charged to the following functions:

<u>Function</u>	<u>Governmental</u> <u>Activities</u>
General Government	\$ 304,645
Justice and Public Safety	1,535,137
Health	34,227
Education	65,030
Development	102,746
Highways and Bridges	3,838,855
Total Depreciation Expense	<u>\$ 5,880,640</u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES

A summary of Interfund receivables and payables at December 31, 2020 is provided below:

<u>Due To/From Other Funds:</u>	<u>Receivable</u>	<u>Payable</u>
Major Governmental Funds:		
General Corporate	\$ 3,914,591	\$ 2,177,043
Regional Planning Commission	335,428	237,104
Mental Health	-	43,399
Early Childhood	-	258,121
Nursing Home Post-Closure	-	5,725,868
Subtotal Major Governmental	4,250,019	8,441,535
Internal Service Funds:		
Self-Funded Insurance	3,818,712	-
Employee Health Insurance	-	4
Subtotal Internal Service	3,818,712	4

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Due To/From Other Funds:	Receivable	Payable
Non-Major Governmental Funds:		
Tort Immunity	1,320	2,132,959
County Highway	4,950	100,715
Illinois Municipal Retirement	245,890	-
Animal Control	-	16,224
Foreclosure Mediation	-	49
Capital Asset Replacement	3,041,817	-
Public Safety Sales Tax	-	215,339
Geographic Information Systems	53,703	-
Development Disability	22,080	-
Workforce Development	788	361,696
Social Security	299,941	-
RPC USDA Loans	-	633
RPC Economic Development Loans	-	4,130
Working Cash	-	1,016
Recorder's Automation	34,901	3,495
Child Support Services	-	298
Probation Services	-	150,493
Property Tax Interest Fee	-	51,938
Election Assistance/Accessibility	-	39,342
Circuit Clerk Operations & Administration	-	981
County Jail Medical Costs	-	13,728
Court Document Storage	-	1,051
Victim Advocacy Grant	32,831	32,222
Child Advocacy Center Grant	-	6,887
Specialty Courts	-	400
Court Complex Construction	-	231,817
Subtotal Non-Major Governmental	3,738,221	3,365,413
 Total - All Funds	\$ 11,806,952	\$ 11,806,952

Of the \$11,806,952 Due To / From Other Funds at December 31, 2020, \$368,071 represented inter-fund loans to cover temporary cash flow shortfalls. The remainder represented unpaid routine inter-fund billings or transfers.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 11 – INTERFUND TRANSFERS AND RPC ESCROW ACCOUNT

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Corporate	\$ 1,628,503	\$ 2,717,961
Regional Planning Commission	56,934	-
Mental Health Board	-	5,819
Nursing Home Post-Closure	-	5,097,394
Major Enterprise Fund:		
Nursing Home	5,097,394	-
Non-Major Governmental Funds (aggregate)	<u>3,919,810</u>	<u>2,881,467</u>
Total - All Funds	<u><u>\$ 10,702,641</u></u>	<u><u>\$ 10,702,641</u></u>

In FY2020, total inter-fund transfers in, \$10,702,641, equal total transfers out, \$10,702,641. Under the budgetary basis, transfers in and out are not equal due to the deferral of a portion of the transfer into the Regional Planning Commission Fund from the Regional Planning Commission Economic Development Loans Fund. CDAP and CSBG grant provisions require that the County create an escrow account that is a combination of investment interest earned and a portion of loan repayments received under certain loan programs. The Regional Planning Commission uses the escrow funds to pay for the administration of the loan programs. Transfers out of the RPC Economic Development Loan Fund places the money into escrow. A transfer occurs from the escrow account into the Regional Planning Commission Fund to cover the administrative costs incurred. Therefore, the discrepancy between transfers in and transfers out is due to the amount remaining in escrow (deferred) until there are administrative costs against which to match it. Under the budgetary basis of accounting, the escrow account will continue to show a difference between the transfers in and out. However, this difference is eliminated when preparing the GAAP basis statements. In Fiscal Year 2020, transfers of \$29,468 were subtracted from the Regional Planning Commission Fund.

Inter-fund transfers in/out might include grant matches, inter-fund subsidies and transfers into debt service funds. Significant transfers in fiscal year 2020 include the following:

- \$1.5 million from the Public Safety Sales Tax Fund to the General Corporate Fund to partially cover utility costs for the public safety buildings;
- \$675,946 from the Public Safety Sales Tax Fund to the Capital Asset Replacement Fund to set aside money for future capital expenditures; and,
- \$2.6 million from the General Fund to the Capital Replacement Fund to cover current asset replacement.

NOTE 12 – ON-BEHALF PAYMENTS FOR SALARIES

The State of Illinois paid salary stipends totaling \$45,500 to various County officials during fiscal year 2020 on behalf of the County. The County recorded these payments as intergovernmental revenues and salaries expenditures in the General Fund.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 13 – COMPENSATED ABSENCES PAYABLE

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation and personal time, which is attributable to services already rendered and is not contingent upon events outside the control of the employer or employee, such as illness. Calculations use pay rates in effect at December 31 and include the County's share of Social Security and Medicare taxes. The resulting liability and current year expense for compensated absences are recognized in the government-wide and proprietary fund financial statements. A liability for compensated absences is reported in the governmental funds only when they become currently payable through employees retiring or terminating employment. Compensated absences payable for the governmental activities are liquidated by the various governmental funds which pay employee salaries, such as the General Fund, Regional Planning Commission Fund, Early Childhood Fund, County Highway Fund, Animal Control Fund and Mental Health Fund.

Changes in compensated absences payable for the fiscal year ended December 31, 2020 are as follows:

	12/31/2019 Balance	Additions	Deductions	12/31/2020 Balance	Expected To Be Paid Within 1 Year
Governmental Activities	\$ 2,794,869	\$ 3,184,376	\$ (2,904,505)	\$ 3,074,740	\$ 439,626

NOTE 14 – RISK FINANCING**A. Workers' Compensation Self-Funded Insurance**

In January 1986, the County established a self-funded workers' compensation insurance plan, which is reported in an internal service fund-the Self-Funded Insurance Fund. An independent company administers the plan and the County's risk retention is \$300,000 per individual per claim. The County purchases commercial insurance for claims in excess of this retention. Settled claims have not exceeded this commercial coverage in the past three fiscal years. Actual claims paid in the fiscal year ended December 31, 2020, net of insurance reimbursements, were \$464,148. A liability for claims payable must be reported if the liability is both probable and estimable. The independent plan administrator estimates the total of unpaid claims that were incurred and reported but the plan administrator does not include incurred-but-not-reported claims (IBNR) in the calculation. Instead, based on an actuarial study completed in June 2020, the projected liability for estimated (undiscounted) claims payable including IBNR at December 31, 2020 was \$1,619,183. Changes in the liability for estimated workers' compensation claims payable for the last two fiscal years are as follows:

Fiscal Year Ending Dec 31	Claims Liability Beginning of Year	Claims Incurred & Changes in Estimates	Net Claims Paid	Claims Liability End of Year	Expected To Be Paid Within 1 Year
2019	\$ 2,218,506	\$ (33,814)	\$ (480,367)	\$ 1,704,325	\$ 807,439
2020	1,704,325	379,006	(464,148)	1,619,183	733,438

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 14 – RISK FINANCING (CONTINUED)**B. Liability/Auto Self-Funded Insurance**

The County began self-funding general liability and auto insurance in fiscal year 1994 through the Self-Funded Insurance (Internal Service) Fund. An independent company administers the plan. The County's risk retention is \$250,000 per occurrence but purchases commercial insurance for claims in excess of this retention. Settled claims have not exceeded this commercial coverage in the past three fiscal years. Actual claims paid in the fiscal year ended December 31, 2020, net of insurance reimbursements, were \$881,566. A liability for claims payable must be reported if the liability is both probable and estimable. Per an actuarial study completed in June 2020, the projected liability for estimated (undiscounted) claims payable (including IBNR) at December 31, 2020 was \$1,807,659. Changes in the liability for estimated liability/auto claims payable for the last two fiscal years are as follows:

Fiscal Year Ending Dec 31	Claims Liability Beginning of Year	Claims Incurred & Changes in Estimates	Net Claims Paid	Claims Liability End of Year	Expected To Be Paid Within 1 Year
2019	\$ 1,867,744	\$ 1,113,756	\$ (1,012,916)	\$ 1,968,584	\$ 457,425
2020	1,968,584	720,641	(881,566)	1,807,659	422,445

C. Other Fully-Insured Risks

The County purchases commercial insurance, with varying deductible for all other risks of loss, such as property damage, boiler and machinery, and public official bonds. The State of Illinois fully insures Unemployment compensation. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

The County provides employee health benefits in the form of set contributions toward medical and life insurance premiums. The employee is responsible for the balance of the premium amount as well as for any deductibles or co-payments. Risk of loss related to employee health benefits is borne by the employee and the insurance company or health maintenance organization; the County is at no risk of loss.

NOTE 15 – LONG TERM DEBT**A. General Obligation Bonds/Debt Certificates – Governmental Activities**

1999 Series Public Safety Sales Tax Bonds: \$23,800,000; due in 29 annual installments from 2001 to 2029; interest rates 3.85% to 8.25%; \$17,660,000 refunded (in-substance defeasance) in FY 2005; remaining annual installments due through 2023;

Balance outstanding at December 31, 2019	\$3,835,000
Bond interest payments made in 2020	\$316,388
Bond principal payments made in 2020	\$1,140,000
Balance outstanding at December 31, 2020	\$2,695,000

2014 Series Public Safety Refunding Bonds: \$9,795,000; due in 6 annual installments from 2024 to 2029; interest rate 5.00%; \$1,968,593 bond premium amortized over 14 years 1 month; \$138,834 bond issuance costs treated as period costs; \$0 deferred charge on refunding;

Balance outstanding at December 31, 2019	\$9,795,000
Bond interest payments made in 2020	\$489,750
Bond principal payments made in 2020	\$0
Balance outstanding at December 31, 2020	\$9,795,000

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 15 – LONG TERM DEBT (CONTINUED)

2016 Series public Safety Refunding Bonds: \$3,775,000; due in 10 annual installments from 2017 to 2026; interest rate 1.838%; \$36,084 bond issuance costs treated as period costs; \$0 deferred charge on refunding:

Balance outstanding at December 31, 2019	\$2,725,000
Bond interest payments made in 2020	\$50,054
Bond principal payments made in 2020	\$370,000
Balance outstanding at December 31, 2020	\$2,355,000

2019 Series public Safety Refunding Bonds: \$865,000; due in 5 annual installments from 2021 to 2025; interest rate 1.750%; \$20,750 bond issuance costs treated as period costs; \$0 deferred charge on refunding;

Balance outstanding at December 31, 2019	\$865,000
Bond interest payments made in 2020	\$16,567
Bond principal payments made in 2020	\$165,000
Balance outstanding at December 31, 2020	\$700,000

2019 Bond Transactions – Governmental Activities

Bonds outstanding at December 31, 2019	\$17,220,000
Bond interest payments made in 2020	\$872,759
Bonds retired in 2020	\$1,675,000
Bonds payable at December 31, 2020	\$15,545,000

Annual Debt Service Requirements for Bonds

The schedule below provides the required annual bond debt service listed by the funds from which payments are made:

Year	Governmental Activities		Total Debt Service Requirement
	Public Safety Sales Tax Fund		
	Principal	Interest	
2021	\$ 375,000	\$ 405,440	\$ 780,440
2022	1,830,000	706,639	2,536,639
2023	1,985,000	585,377	2,570,377
2024	1,900,000	483,323	2,383,323
2025	2,025,000	403,584	2,428,584
2025-2029	7,430,000	741,533	8,171,533
	\$ 15,545,000	\$ 3,325,896	\$ 18,870,896

At December 31, 2020, \$601,341 was available in restricted fund balance in the Public Safety Sales Tax Special Revenue Fund to meet debt service requirements.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 15 – LONG TERM DEBT (CONTINUED)**B. Capital Lease Obligation- Governmental Activities**

2016 Capital Lease with IBM Credit, LLC: \$141,728; for the purpose of providing hardware, software and maintenance for the AS400; to be repaid over 48 months in monthly payments of \$3,065 at 1.92% interest from November 2016 through October 2020.

Balance outstanding at December 31, 2019	\$30,383
Lease interest payments made in 2020	\$269
Lease principal payments made in 2020	\$30,383
Balance outstanding at December 31, 2020	\$0

C. Summary of Changes in Long Term Liabilities

	12/31/2019			12/31/2020	Due Within
	Balance	Additions	Deductions	Balance	One Year
Governmental Activities:					
General Obligation Bonds	\$ 17,220,000	\$ -	\$ (1,675,000)	\$ 15,545,000	\$ 370,000
Unamortized Bond Premium	1,304,904	-	(146,592)	1,158,312	-
Total Bonds Payable	18,524,904	-	(1,821,592)	16,703,312	370,000
Capital Lease Obligation	30,383	-	(30,383)	-	-
Compensated Absences	2,794,869	3,184,376	(2,904,505)	3,074,740	439,626
Estimated Claims Payable	3,672,909	1,099,647	(1,345,714)	3,426,842	1,155,883
Total Governmental Activities	<u>\$ 25,023,065</u>	<u>\$ 4,284,023</u>	<u>\$ (6,102,194)</u>	<u>\$ 23,204,894</u>	<u>\$ 1,965,509</u>

Long-term liabilities for estimated claims payable are liquidated by the Self-Funded Insurance (Internal Service) Fund. The internal service funds primarily serve the governmental funds, and, thus, the related long-term liabilities are included with the governmental activities above. Liabilities for Compensated absences will be liquidated within those funds in which the expenses occur.

NOTE 16 – OPERATING LEASES

The County has several non-cancelable operating leases for the use of various facilities. During the fiscal year ended December 31, 2020, the total expenditure for these leases was \$651,634. The future minimum lease payments are shown below:

Fiscal year	Lease Payments
2021	\$ 700,545
2022	438,959
2023	402,521
2024	356,467
2025	356,467
2026-2044	7,735,300
	<u>\$ 9,990,259</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 17 – FUND EQUITY**A. Deficit Fund Equity**

As of December 31, 2020, the following funds had deficit fund equity:

- Tort Immunity Special Revenue Fund (\$1,201,699),
- Nursing Home Post-Closure Fund (\$5,134,023),
- Workforce Development Special Revenue Fund (\$245,724), and
- Election Assistance/Accessibility Grant Fund (\$13,595)

The Champaign County Board Resolution No.2021-152 provided authorization for the partial restoration of the Workforce deficit through the use of inter-fund loans. Future deficit fund equity will be addressed by the Champaign County Board through the vehicle of the annual budget with special emphasis on the equity deficit in the Tort Immunity Fund. Reallocation of the former Nursing Home operating property tax levy was made under Property Tax Extension Law to fulfill outstanding obligations under the Nursing Home Post-Closure Fund in future years.

B. Fund Balance Classifications – Governmental Funds

Fund balances of governmental funds may be restricted, committed or assigned to specific purposes. The County reports the total of the restricted, committed and assigned fund balances on the basic and combining statements of net position. The schedule below shows the major purposes of those restrictions, commitments and assignments:

	Regional Planning Comm Fund	Mental Health Fund	Early Childhood Fund	Non-Major Governmental Funds	Total Governmental Funds	Full Accrual Adjustments	Total Governmental Activities
Restricted by State Statutes, Grant/Donor Stipulations, or Debt Covenants:							
For Debt Service	\$ -	\$ -	\$ -	\$ 526,797	\$ 526,797	\$ 244,163	\$ 770,960
For Justice & Public Safety	-	-	-	5,011,332	5,011,332	229,883	5,241,215
For Health & Education	-	3,213,009	1,324,212	3,101,391	7,638,612	520,688	8,159,300
For Development	2,029,134	-	-	7,908,363	9,937,497	526,070	10,463,567
For General Government	-	-	-	1,373,931	1,373,931	-	1,373,931
For Highways & Bridges	-	-	-	13,805,861	13,805,861	77,800	13,883,661
For Retirement	-	-	-	-	-	15,915,760	15,915,760
For Insurance and Fringes	-	-	-	1,843,971	1,843,971	-	1,843,971
Total Restricted Fund Balance	\$ 2,029,134	\$ 3,213,009	\$ 1,324,212	\$ 33,571,646	\$ 40,138,001	\$ 17,514,364	\$ 57,652,365
Committed by County Board Resolution:							
To Solid Waste Management	-	-	-	23,069	23,069	-	23,069
Assigned by County Officials:							
To Capital Projects	-	-	-	6,420,818	6,420,818	-	6,420,818

NOTE 18 – GOVERNMENT-WIDE STATEMENT OF NET POSITION

The government-wide statement of net position includes a restricted portion totaling \$57,652,365 as shown in the schedule above. Of this amount, \$44,518,235 is externally restricted based on state statutes; \$12,363,170 is restricted through grantor/donor stipulations; and \$770,960 is restricted based on debt covenants.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 19 - DEFINED BENEFIT PENSION PLANIMRF Plan Description

The County of Champaign's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multi-employer plan. We have provided a summary of IMRF's pension benefits in the "Benefits Provided" paragraph below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The clear majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan, limited to officials elected prior to August 8, 2011.

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees become vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 vested employees, who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) are entitled to an annual retirement benefit, payable monthly for life. This benefit is equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating vested employees who retire at age 62 (at reduced benefits) or, after age 67 (at full benefits) are entitled to an annual retirement benefit, payable monthly for life. This benefit is equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership

As of December 31, 2020, the measurement date, membership of the plan was as follows:

	Regular Plan	SLEP	ECO
Retirees and Beneficiaries	630	126	11
Inactive, Non-Retired Members	1,074	39	-
Active Members	665	83	-
Total	<u>2,369</u>	<u>248</u>	<u>11</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Contributions

As set by statute, the County of Champaign's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The County's annual contribution rate for calendar year 2020 was 7.31% for the Regular plan, and 26.20% for SLEP for the year ended December 31, 2020. There were no active employees on the ECO plan in 2020. For the fiscal year ended December 31, 2020, the County contributed \$4,124,748 to the plan. The County also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. The IMRF Board of Trustees set the contribution rates for disability and death benefits, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liabilities for the Regular, SLEP and ECO plans were determined by actuarial valuations performed as of December 31, 2020 using the following actuarial methods and assumptions:

- **Actuarial Cost Method** - Entry Age Normal.
- **Asset Valuation Method** – Market value of assets
- **Inflation Rate** - 2.25%.
- **Salary Increases** – 2.85% to 13.75%, including inflation.
- **Investment Rate of Return** - 7.25%
- **Projected Retirement Age** - Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- **Mortality** – For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount- Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- **Long-Term expected real rate of return** – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	One-Year Arithmetic	Ten-Year Geometric
Equities	37%	6.35%	5.00%
International Equities	18%	7.65%	6.00%
Fixed Income	28%	1.40%	1.30%
Real Estate	9%	7.10%	6.20%
Alternatives:	7%		
Private Equity		10.35%	6.95%
Hedge Funds		N/A	N/A
Commodities		3.90%	2.85%
Cash Equivalents	1%	0.70%	0.70%

Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liabilities for the Regular, SLEP, and ECO plans. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions would be made at the current contribution rate, and that employer contributions would be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate is based on an index of 20-year general obligation bonds with an average AA credit rating (published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

The prior year rate was 7.25% for the Regular, SLEP and ECO Plans.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease	Current Discount Rate	1% Increase
Regular - Primary Government			
Total Pension Liability	\$ 172,271,283	\$ 154,361,318	\$ 140,349,586
Plan Fiduciary Net Pension	170,277,078	170,277,078	170,277,078
Net Pension Liability/(Asset)	<u>\$ 1,994,205</u>	<u>\$ (15,915,760)</u>	<u>\$ (29,927,492)</u>
Regular - GIS:			
Total Pension Liability	\$ 1,969,582	\$ 1,764,817	\$ 1,604,620
Plan Fiduciary Net Pension	1,953,236	1,953,236	1,953,236
Net Pension Liability/(Asset)	<u>\$ 16,346</u>	<u>\$ (188,419)</u>	<u>\$ (348,616)</u>
Regular - Total:			
Total Pension Liability	\$ 174,240,865	\$ 156,126,135	\$ 141,954,206
Plan Fiduciary Net Pension	172,230,314	172,230,314	172,230,314
Net Pension Liability/(Asset)	<u>\$ 2,010,551</u>	<u>\$ (16,104,179)</u>	<u>\$ (30,276,108)</u>
SLEP:			
Total Pension Liability	\$ 100,579,462	\$ 88,947,565	\$ 79,415,894
Plan Fiduciary Net Pension	86,623,604	86,623,604	86,623,604
Net Pension Liability/(Asset)	<u>\$ 13,955,858</u>	<u>\$ 2,323,961</u>	<u>\$ (7,207,710)</u>
ECO:			
Total Pension Liability	\$ 4,869,130	\$ 4,503,233	\$ 4,186,379
Plan Fiduciary Net Pension	3,003,362	3,003,362	3,003,362
Net Pension Liability/(Asset)	<u>\$ 1,865,768</u>	<u>\$ 1,499,871</u>	<u>\$ 1,183,017</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Changes in Net Pension Liability/(Asset)

The changes in net pension liabilities/(assets) for the Regular, SLEP, and ECO plans for the calendar year ended December 31, 2020 were as follows:

	Increase/(Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A-B)
	<u>(A)</u>	<u>(B)</u>	<u>(A-B)</u>
Regular - Total:			
Balance at December 31, 2019	\$ 149,579,678	\$ 154,648,330	\$ (5,068,652)
Service Cost	2,669,410		2,669,410
Interest on Total Pension Liability	10,665,717		10,665,717
Differences Between Expected and Actual			
Experience of the Total Pension Liability	2,396,889		2,396,889
Change of Assumptions	(1,583,456)		(1,583,456)
Benefit Payments, Including Refunds of			
Employee Contributions	(7,602,103)	(7,602,103)	-
Contributions - Employer		2,223,530	(2,223,530)
Contributions - Employee		1,396,111	(1,396,111)
Net Investment Income		22,168,375	(22,168,375)
Other (Net Transfer)		(603,929)	603,929
Balance at December 31, 2020	<u>\$ 156,126,135</u>	<u>\$ 172,230,314</u>	<u>\$ (16,104,179)</u>
Balance at December 31, 2020 - County			<u>\$ (15,915,760)</u>
Balance at December 31, 2020 - GIS			<u>\$ (188,419)</u>
SLEP:			
Balance at December 31, 2019	\$ 85,444,910	\$ 77,512,061	\$ 7,932,849
Service Cost	1,248,853		1,248,853
Interest on Total Pension Liability	6,078,558		6,078,558
Differences Between Expected and Actual			
Experience of the Total Pension Liability	1,205,917		1,205,917
Change of Assumptions	(576,356)		(576,356)
Benefit Payments, Including Refunds of			
Employee Contributions	(4,454,317)	(4,454,317)	-
Contributions - Employer		1,710,517	(1,710,517)
Contributions - Employee		505,834	(505,834)
Net Investment Income		11,510,338	(11,510,338)
Other (Net Transfer)		(160,829)	160,829
Balance at December 31, 2020	<u>\$ 88,947,565</u>	<u>\$ 86,623,604</u>	<u>\$ 2,323,961</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Changes in Net Pension Liability/(Asset) (continued)

	Increase/(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(A)	(B)	(A-B)
ECO:			
Balance at December 31, 2019	\$ 4,594,494	\$ 2,787,583	\$ 1,806,911
Service Cost	-		-
Interest on Total Pension Liability	315,893		315,893
Differences Between Expected and Actual Experience of the Total Pension Liability	122,926		122,926
Change of Assumptions	(55,377)		(55,377)
Benefit Payments, Including Refunds of Employee Contributions	(474,703)	(474,703)	-
Contributions - Employer		190,701	(190,701)
Contributions - Employee		-	-
Net Investment Income		441,656	(441,656)
Other (Net Transfer)		58,125	(58,125)
Balance at December 31, 2020	<u>\$ 4,503,233</u>	<u>\$ 3,003,362</u>	<u>\$ 1,499,871</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the County of Champaign recognized pension expense / (income) of \$(2,574,479), \$482,691 and \$34,897 for the Regular, SLEP, and ECO plans respectively. Total pension expense for the County and GIS were \$(2,026,770) and \$(30,121), respectively. At December 31, 2020, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Regular - Primary Government:		
Difference between expected and actual experience	\$ 1,521,589	\$ 556,478
Changes of Assumptions	435,687	1,005,207
Net difference between projected and actual earnings on pension plan investments	-	13,289,083
Total	<u>\$ 1,957,276</u>	<u>\$ 14,850,768</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Regular - Geographic Information Systems:		
Difference between expected and actual experience	\$ 18,013	\$ 6,588
Changes of Assumptions	5,158	11,900
Net difference between projected and actual earnings on pension plan investments	-	157,323
Total	<u>\$ 23,171</u>	<u>\$ 175,811</u>
 Regular - Total:		
Difference between expected and actual experience	\$ 1,539,602	\$ 563,066
Changes of Assumptions	440,845	1,017,107
Net difference between projected and actual earnings on pension plan investments	-	13,446,406
Total	<u>\$ 1,980,447</u>	<u>\$ 15,026,579</u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 19 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
SLEP:		
Difference between expected and actual experience	\$ 1,582,991	\$ -
Changes of Assumptions	727,453	531,215
Net difference between projected and actual earnings on pension plan investments	-	7,049,044
Total	\$ 2,310,444	\$ 7,580,259

ECO:		
Difference between expected and actual experience	\$ -	\$ -
Changes of Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	313,225
Total	\$ -	\$ 313,225

The remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Regular			SLEP	ECO
	Primary Government	GIS	Total		
2021	\$ (3,913,611)	\$ (46,331)	\$ (3,959,942)	\$ (1,102,739)	\$ (100,635)
2022	(1,488,204)	(17,618)	(1,505,822)	(244,703)	(41,698)
2023	(5,293,181)	(62,663)	(5,355,844)	(2,726,839)	(121,344)
2024	(2,198,497)	(26,027)	(2,224,524)	(1,195,534)	(49,548)
Total	\$ (12,893,493)	\$ (152,639)	\$ (13,046,132)	\$ (5,269,815)	\$ (313,225)

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS

The County provides post-employment benefits other than pensions through a single-employer defined-benefit OPEB plan offering continuing coverage under the County's group health insurance plan for retirees and their dependents. The retirees pay the entire amount of their premiums for this coverage; however, the premiums are blended rates based on the cost of healthcare benefits for younger active employees along with retirees. Thus, the premiums paid by retirees are lower than the true cost of their healthcare benefits, resulting in the retirees receiving an "implicit rate subsidy." Prior to fiscal year 2010, retirees over age 65 could choose the same health plans available to younger retirees and active employees. Starting in fiscal year 2010, retirees over age 65 were restricted to Medicare supplemental plans with community-rated premiums, so there is no implicit rate subsidy for them.

While the County is committed to providing these benefits to retirees, there is no formal written plan and no stand-alone financial report for the plan exists. Retirees pay the full amount of the blended premiums, as determined by the group health insurance company. The retiree contribution rates for 2020 ranged from \$804 to \$1,737 per month, depending on coverage level chosen. The County's contribution is in the form of higher premiums paid for active employees that subsidize the cost of the retirees' health insurance. The County finances the plan on a pay-as-you-go basis.

Plan Membership

As of December 31, 2020, the measurement date, membership of the plan was as follows:

Active Members	696
Retirees and Beneficiaries	30
	<hr/>
Total	726
	<hr/> <hr/>

Total OPEB Liability

The County's net pension liability was measured as of December 31, 2020. The total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation dated January 1, 2020. There have been no significant changes between the valuation date and the County's fiscal year-end.

Actuarial Assumptions

The total OPEB liability was determined by actuarial valuations performed as of January 1, 2020 using the following actuarial methods and assumptions:

- Actuarial Cost Method - Entry Age Normal.
- Discount Rate – 2.12%. This is based on the 20-Year Tax-Exempt Municipal Bond Yield
- Inflation Rate - 2.30%.
- Salary Increases – 2.5%, including inflation.
- Medical Trend Rate – 4.90%-3.90% over 53 years
- Mortality – Sheriff and Correction Officers: Pub-2010 Public Safety Mortality Table with generational projection per the MP-2019 ultimate scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date. All Others: Pub-2010 Mortality Table with generational projection per the MP-2019 ultimate scale, with employee rates after benefit commencement. This assumption includes a margin for mortality improvement beyond the valuation date.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)Change in the Total OPEB Liability/(Asset)

The change in total OPEB liability/(asset) for the calendar year ended December 31, 2020 was as follows:

Fiscal Year Ended	Governmental	
December 31, 2020	Activities	
Balances at December 31, 2019	\$	3,537,645
Service Cost		160,934
Interest		96,509
Economic/Demographic Gains or Losses		(477,907)
Changes of Assumptions		202,212
Benefit Payments		(195,975)
Balance at December 31, 2020	\$	<u>3,323,418</u>

Sensitivity of the Total Pension Liability to Changes in the Discount Rate

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 2.12%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease	Current	1% Increase
	1.12%	Discount Rate 2.12%	3.12%
Total OPEB Liability - Governmental	\$ 3,629,296	\$ 3,323,418	\$ 3,045,793

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the plan's total OPEB liability, calculated using the Healthcare Cost Trend Rate as well as what the plan's OPEB liability would be if it were calculated using Healthcare Cost Trend Rates that are 1 percentage point lower or 1 percentage point higher:

	1% Decrease	Current	1% Increase
	1.12%	Trend Rate 2.12%	3.12%
Total OPEB Liability - Governmental	\$ 2,935,390	\$ 3,323,418	\$ 3,786,088

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020 the County recognized OPEB expense of \$263,247 for Governmental Activities. At December 31, 2020, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Governmental Activities:</i>		
Differences between expected and actual experience	\$ -	\$ 416,637
Changes of Assumptions	517,011	110,538
Total	\$ 517,011	\$ 527,175

The remaining amounts reported as deferred outflows of resources and deferred and flows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year Ending December 31,	Governmental Activities
2021	\$ 5,804
2022	5,804
2023	5,804
2024	5,804
2025	5,804
Thereafter	(39,184)
Total	\$ (10,164)

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 21 – JOINT VENTURES

A. Metropolitan Computer Aided Dispatch (METCAD)

On December 1, 1981, Champaign County entered into an intergovernmental agreement with the City of Champaign, the City of Urbana and the University of Illinois for the primary purpose of operating an emergency response computer-aided dispatching service (METCAD), originally created by the other three participants in 1979. Each member agency designates two representatives, an administrative representative and a public safety (police or fire department) representative, to serve on the METCAD Policy Board. In addition, the Policy Board includes two rural representatives, one from a non-member police agency and one from a non-member fire agency.

While representation on the Policy Board is equal among the member agencies, the funding of operating expenses is based on a formula which considers the proportional number of calls received for each agency. Each member agency holds an equity interest in METCAD capital assets according to the proportion of funding for METCAD operations provided by each member agency since May 1, 1979. These proportions will vary slightly from year to year. At June 30, 2020 (the latest fiscal year end for METCAD), Champaign County's equity interest share was 17.45%, or \$1,977,020 which is reported in the Statement of Net Position as an investment in joint venture. The net increase of \$235,536 from the amount reported for June 30, 2019, is reported in the Statement of Activities under functional revenues for Justice and Public Safety.

A copy of the separate audited financial statements for METCAD may be obtained from the City of Champaign Finance Department, 102 N. Neil Street, Champaign, IL 61820. Summary financial information for METCAD for the fiscal year ended June 30, 2019 is provided below.

Financial Position as of June 30, 2020	
Total Assets & Deferred Outflows	\$ 14,120,800
Total Liabilities & Deferred Inflows	<u>2,791,170</u>
Total Net Position	<u><u>\$ 11,329,630</u></u>
Results of Operations for the Fiscal Year Ended June 30, 2020	
Total Revenues	\$ 7,112,137
Total Expenses	<u>5,825,665</u>
Change in Net Position	1,286,472
Net Position - Beginning	<u>10,043,158</u>
Net Position - Ending	<u><u>\$ 11,329,630</u></u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 21 – JOINT VENTURES (CONTINUED)

B. Geographic Information System Consortium (GIS)

On August 20, 2002, Champaign County entered into an intergovernmental agreement with the City of Champaign, the City of Urbana, the University of Illinois, the Village of Rantoul, the Village of Savoy and the Village of Mahomet for the purpose of developing and operating a countywide geographic information system (GIS). The GIS Consortium's fiscal year parallels that of Champaign County as the lead agency. Therefore, its year-end is December 31, 2019. Each member agency designates one voting representative to serve on the GIS Policy Committee. In addition, the Policy Committee includes one non-voting representative of small or specialized governmental users and one non-voting representative of the non-governmental sector.

While representation on the Policy Committee is equal among the member agencies, the funding of operating expenses is based on a cost-sharing formula established by the members. Each member agency holds an equity interest in the GIS Consortium's assets in the same proportion as the funding provided by each member agency since the Consortium's inception. These proportions will vary from year to year. At December 31, 2020 Champaign County's equity interest share was 60.44%, totaling \$322,346, which is reported in the Statement of Net Position as an investment in joint venture. The net increase of \$66,564 in the County's share of equity for the fiscal year ended December 31, 2020 is reported in the Statement of Activities under functional revenue for development.

Separate audited financial statements of the GIS Consortium may be obtained from the Champaign County GIS Department, 1776 E. Washington, Urbana, IL 61802. Summary financial information for the fiscal year ended December 31, 2020 is presented below.

Financial Position as of December 31, 2020

Total Assets & Deferred Outflows	\$ 791,596
Total Liabilities & Deferred Inflows	<u>258,263</u>
Total Net Position	<u>\$ 533,333</u>

Results of Operations for the Fiscal Year Ended December 31, 2020

Total Revenues	\$ 758,851
Total Expenses	<u>643,108</u>
Change in Net Position	115,743
Net Position - Beginning	<u>417,590</u>
Net Position - Ending	<u>\$ 533,333</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 22 – CONTINGENT LIABILITIES

The County is a defendant in several other lawsuits and notices of claims, which are being defended by the County and its insurance representatives. It is believed that the County's ultimate liability from these suits, after applicable insurance coverage, will not have a material effect on the financial statements.

NOTE 23 – COMMITMENTSRoad and Bridge Construction Projects

The County Highway Department has four Special Revenue Funds with December 31, 2019 fund balances totaling \$15.5 million. Much of those funds are restricted to road and bridge construction projects, some of which are multiple-year projects. Current projects with significant commitments include:

<u>Project Description</u>	<u>Project #</u>	<u>Total Commitment</u>	<u>Spent Through 12/31/2020</u>	<u>Remaining Commitment</u>
Lincoln Avenue	11-00334-01-EG/PV	\$ 600,000	\$ 445,127	\$ 154,873
CH 1 Bridge	12-00992-00-BR	1,323,078	1,191,108	131,970
CH 1 Bridge	12-00993-00-BR	928,526	805,349	123,177
CH 16 Bridge	15-00028-00-BR	310,664	274,356	36,308
Guardrail	16-00444-00-SP	400,000	328,498	71,502
CH 13	17-00445-00-RS	365,483	15,483	350,000
Colfax Twp	17-05047-00-BR	13,000	-	13,000
CH 17 Bridge	18-00061-00-BR	400,000	109,134	290,866
Compromise Twp	18-06058-00-BR	20,000	10,449	9,551
Compromise Twp	18-06059-00-BR	5,000	-	5,000
Mahomet Twp Bridge	18-15063-00-BR	597,247	566,827	30,420
Urbana Twp Bridge	18-30057-00-BR	1,080,000	76,684	1,003,316
CH 13 Bridge	19-00077-00-BR	590,220	76,009	514,211
CH 11 Bridge	19-00080-00-BR	750,000	59,210	690,790
CH 15	19-00451-00-SP	1,000,000	124,615	875,385
Harwood Twp	19-11082-00-BR	20,000	-	20,000
Tolono Twp Bridge	19-29081-00-BR	372,035	95,313	276,722
CH 32	20-00086-00-BR	100,000	19,144	80,856
CR 00N	20-00087-00-BR	75,000	-	75,000
CH 9	20-00102-00-BR	25,000	-	25,000
Compromise Twp	20-06093-00-BR	12,500	-	12,500
Compromise Twp Bridge	20-06095-00-BR	378,000	1,476	376,524
Hensley Twp	20-12104-00-BR	3,500	-	3,500
Newcomb Twp	20-16098-00-BR	6,300	-	6,300
Philo Twp	20-19103-00-BR	15,600	-	15,600
Stanton Twp	20-28090-00-BR	18,300	-	18,300
		\$ 9,409,453	\$ 4,198,782	\$ 5,210,671

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 24 – CHANGE IN ACCOUNTING PRINCIPLE

In January 2017, the GASB issued statement No. 84 - *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented January 1, 2019.

The County has restated fund balances/net position of governmental activities as of January 1, 2020 as follows:

	Private Purpose Trust Funds	Custodial Funds
Fund Balances/Net Position, January 1, As Previously Reported	\$ 1,628,660	\$ -
Implementation of GASB S-84	<u>(1,628,660)</u>	<u>2,498,765</u>
Fund Balances/Net Position, January 1, As Restated	<u>\$ -</u>	<u>\$ 2,498,765</u>

NOTE 25– GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS

The Governmental Accounting Standards Board (GASB) has issued new accounting standards that may affect portions of these financial statements in future periods. The effect of these statements on the County has not been determined. Listed below are the statements and short summary of the standard's objective.

New accounting standards effective for the financial statements of the current fiscal year include:

- GASB Statement No. 83, Certain Asset Retirement Obligations, issued November 2016. This statement addresses accounting and financial reporting for certain asset retirement obligations (ARO's).
- GASB Statement No. 84, Fiduciary Activities, was issued in January 2017 and will become effective for the County's December 31, 2020 fiscal year. The statement re-establishes criteria for reporting fiduciary activities in the governmental financial statements where certain activities previously reported as agency funds may be reclassified.
- GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, issued March 2018. The objective of this statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.
- GASB Statement No. 90, Majority Equity Interests, an amendment of GASB Statements No.14 and No. 61, issued August 2018. The objectives of this statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 25– GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS (CONTINUED)

New accounting standards effective for future financial periods beginning with fiscal year 2021 include:

- GASB Statement No. 87, Leases, issued June 2017. The objective of this statement is to better meet the information needs of financial statement users by providing accounting and financial reporting for leases by governments.
- GASB Statement No. 91, Conduit Debt Obligations, issued May 2019. The objective of this statement is to better meet the information needs of financial statement users by enhancing the comparability and consistency of conduit debt obligation reporting and reporting of related transactions and other events by state and local government issuers.
- GASB Statement No. 92, Omnibus, issued January 2020. The objective of this statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.
- GASB Statement No. 93, Replacement of Interbank Offered Rates, issued March 2020. As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR.
- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, issued March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs).
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements, issued May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.
- GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32., issued June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

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