

Basic Financial Statements

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF NET POSITION (EXHIBIT I)
DECEMBER 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 127,140,635
Investments	20,285,522
Receivables, Net of Uncollectible Amounts:	
Property Taxes	40,777,044
Intergovernmental	7,929,015
Program Loans--Current Portion	172,727
Accrued Interest	31,000
Lease Financing	4,651,539
Other	2,000,430
Prepaid Items	2,127,395
Resident Trust Accounts	24,924
Program Loans Receivable--Long Term Portion	4,028,842
Investment in Joint Venture	3,068,695
Capital Assets Not Being Depreciated	10,993,942
Capital Assets, Net of Accum Depreciation and Amortization	81,254,403
Net Pension Asset	-
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Total Assets	304,486,113
DEFERRED OUTFLOW OF RESOURCES	
Related to Bond Refunding	602,728
Related to Total OPEB Liability	353,194
Related to Net Pension Liability	24,284,673
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Total Deferred Outflow of Resources	25,240,595
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Total Assets & Deferred Outflow of Resources	329,726,708
LIABILITIES	
Accrued Salaries Payable	\$ 768,249
Accounts Payable	5,304,152
Due To Other Governments	1,016,529
Funds Held for Others	329,963
Unearned Revenue	34,244,514
Noncurrent Liabilities:	
Due Within One Year	2,238,958
Due in More Than One Year	60,737,944
Total OPEB Liability	2,760,636
Net Pension Liability	17,394,362
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Total Liabilities	124,795,307
DEFERRED INFLOW OF RESOURCES	
Deferred Lease Revenue	4,651,539
Subsequent Years Property Taxes	40,777,044
Related to Total OPEB Liability	979,301
Related to Net Pension Liability	1,237,523
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Total Deferred Inflow of Resources	47,645,407
NET POSITION	
Net Investments in Capital Assets	70,572,542
Restricted for:	
Debt Service	3,071,232
Justice & Public Safety	24,948,060
Health & Education	11,371,411
Development & General Government	31,925,691
Highways & Bridges	18,969,647
Insurance & Fringe Benefits	3,192,404
Unrestricted (Deficit)	(6,764,993)
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Total Net Position	<u>\$ 157,285,994</u>

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

**COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF ACTIVITIES (EXHIBIT II)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS / PROGRAMS	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position	
		Fines, Permits & Charges for Services	Operating Grants & Contributions	Governmental Activities	Total
GOVERNMENTAL ACTIVITIES					
General Government	\$ 21,358,104	\$ 5,762,771	\$ 6,725,899	\$ (8,869,434)	\$ (8,869,434)
Justice & Public Safety	37,377,286	4,157,260	6,000,747	(27,219,279)	(27,219,279)
Health	12,884,061	134,461	1,406,360	(11,343,240)	(11,343,240)
Education	10,664,519	-	10,605,694	(58,825)	(58,825)
Development	30,356,355	1,859,753	25,917,360	(2,579,242)	(2,579,242)
Highways & Bridges	9,693,949	407,829	7,299,482	(1,986,638)	(1,986,638)
Interest on Long-Term Debt	347,377	-	-	(347,377)	(347,377)
Total Governmental Activities	122,681,651	12,322,074	57,955,542	(52,404,035)	(52,404,035)
Total Government	\$ 122,681,651	\$ 12,322,074	\$ 57,955,542	(52,404,035)	(52,404,035)
General Revenues:					
Taxes				45,378,869	45,378,869
Grants & Contributions Not Restricted to Specific Programs				19,806,756	19,806,756
Investment Earnings				1,715,426	1,715,426
Miscellaneous				1,296,611	1,296,611
Total General Revenues				68,197,662	68,197,662
Change in Net Position				15,793,627	15,793,627
Net Position - Beginning				141,492,367	141,492,367
Net Position - Ending				\$ 157,285,994	\$ 157,285,994

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, 2022

	Major Funds					All Other (Non-Major) Governmental Funds	Total Governmental Funds
	General Fund	Regional Planning Comm Fund	Early Childhood Fund	American Rescue Plan Act Fund	Capital Asset Replacement Fund		
ASSETS							
Cash	\$ 10,894,647	\$ 3,479,518	\$ 3,634,904	\$ 13,115,175	\$ 43,552,735	\$ 48,639,094	\$ 123,316,073
Investments	-	-	-	20,185,522	-	100,000	20,285,522
Receivables, Net of Uncollectible Amounts:							
Property Taxes	16,982,998	-	-	-	-	23,794,046	40,777,044
Intergovernmental	4,517,802	1,898,198	460,556	-	9,746	1,037,182	7,923,484
Program Loans--Current Portion	-	-	-	-	-	172,727	172,727
Accrued Interest	-	-	-	-	-	31,000	31,000
Lease Financing	4,651,539	-	-	-	-	-	4,651,539
Other	19,562	53,798	-	-	-	1,927,070	2,000,430
Due From Other Funds	3,290,576	284,364	-	-	1,527,604	553,691	5,656,235
Prepaid Items	114,939	13,950	40,514	1,200,000	-	-	1,369,403
Resident Trust Accounts	24,924	-	-	-	-	-	24,924
Program Loans Receivable--Long Term	-	-	-	-	-	4,028,842	4,028,842
Total Assets	\$ 40,496,987	\$ 5,729,828	\$ 4,135,974	\$ 34,500,697	\$ 45,090,085	\$ 80,283,652	\$ 210,237,223
LIABILITIES, DEFERRED INFLOW OF RESOURCES & FUND BALANCES							
LIABILITIES:							
Accrued Salaries Payable	\$ 430,279	\$ 104,008	\$ 80,882	\$ -	\$ -	\$ 150,148	\$ 765,317
Accounts Payable	854,010	785,581	103,795	133,276	366,521	2,934,534	5,177,717
Due To Other Funds	457,451	301,581	231,023	16,137	-	7,025,167	8,031,359
Due To Other Governments	290,896	37,099	-	-	15,015	673,519	1,016,529
Funds Held for Others	325,428	-	-	-	-	-	325,428
Unearned Revenue	21,630	-	1,000	34,133,325	-	67,899	34,223,854
Total Liabilities	2,379,694	1,228,269	416,700	34,282,738	381,536	10,851,267	49,540,204
DEFERRED INFLOW OF RESOURCES							
Unavailable Revenue	515,792	324,050	324,131	-	-	673,070	1,837,043
Deferred Lease Revenue	4,651,539	-	-	-	-	-	4,651,539
Subsequent Years Property Taxes	16,982,998	-	-	-	-	23,794,046	40,777,044
Total Deferred Inflow of Resources	22,150,329	324,050	324,131	-	-	24,467,116	47,265,626
FUND BALANCES (DEFICITS)							
Non-spendable for Prepaid Items	114,939	13,950	40,514	1,200,000	-	-	1,369,403
Restricted	1,600,000	4,163,559	3,354,629	-	34,440,000	48,599,006	92,157,194
Committed	-	-	-	-	-	17,331	17,331
Assigned	-	-	-	-	10,268,549	17,265	10,285,814
Unassigned	14,252,025	-	-	(982,041)	-	(3,668,333)	9,601,651
Total Fund Balances (Deficits)	15,966,964	4,177,509	3,395,143	217,959	44,708,549	44,965,269	113,431,393
Total Liabilities, Deferred Inflow of Resources & Fund Balances	\$ 40,496,987	\$ 5,729,828	\$ 4,135,974	\$ 34,500,697	\$ 45,090,085	\$ 80,283,652	\$ 210,237,223

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, 2022

Fund Balances (Deficits) - Total Governmental Funds (See Exhibit III)	\$ 113,431,393
Capital assets, net of depreciation and amortization, used in governmental activities	92,248,345
Investment in Joint Ventures related to governmental activities	3,068,695
Assets and liabilities of internal service funds related to governmental activities, including estimated claims payable long term liability	3,703,510
Reverse unavailable revenues related to governmental activities	1,837,043
Payables for expense accruals related to governmental activities	-
Liability for compensated absences accruals related to governmental activities	(3,153,234)
Long term liabilities related to governmental activities, deferred outflow related to refunding, and other than estimated claims payable from internal service funds	(56,115,803)
Total OPEB Liability related to governmental activities	(2,760,636)
Net Pension Liability related to governmental activities	(17,394,362)
Deferred Outflows of Resources related to Pension Liability	24,284,673
Deferred Outflows of Resources related to OPEB Liability	353,194
Deferred Inflows of Resources related to OPEB Liability	(979,301)
Deferred Inflows of Resources related to Pension Liability	(1,237,523)
Net Position of Governmental Activities (See Exhibit I)	<u>\$ 157,285,994</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, 2022

	-----Major Funds-----					All Other (Non-Major) Governmental Funds	Total Governmental Funds
	General Fund	Regional Planning Comm Fund	Early Childhood Fund	American Rescue Plan Act Fund	Capital Asset Replacement Fund		
REVENUES							
Taxes	\$ 14,531,411	\$ -	\$ -	\$ -	\$ -	\$ 30,847,458	\$ 45,378,869
Intergovernmental Revenue	24,144,805	22,876,663	10,287,793	6,459,417	-	13,321,920	77,090,598
Fees, Fines, & Forfeitures	3,840,211	1,465,549	54,693	-	-	2,414,300	7,774,753
Licenses & Permits	2,888,042	-	-	-	-	461,904	3,349,946
Rents and Royalties	1,238,966	-	-	-	-	-	1,238,966
Interest on Program Loans	-	-	-	-	-	71,070	71,070
Investment Earnings	326,793	40,047	66,319	206,995	68,921	630,624	1,339,699
Miscellaneous	296,199	64,503	607,388	-	9,182	319,339	1,296,611
Total Revenues	47,266,427	24,446,762	11,016,193	6,666,412	78,103	48,066,615	137,540,512
EXPENDITURES							
Current: General Government	\$ 13,449,979	\$ -	\$ -	\$ 6,459,417	\$ 3,792,364	\$ 716,210	\$ 24,417,970
Justice & Public Safety	26,802,404	-	-	-	3,720,280	7,883,298	38,405,982
Health	-	-	-	-	-	12,857,393	12,857,393
Education	-	-	16,394,645	-	-	419,420	16,814,065
Development	412,701	24,436,795	-	-	2,400	5,660,315	30,512,211
Highways & Bridges	-	-	-	-	-	9,535,160	9,535,160
Debt Service: Principal Retirement	175,000	1,817	250,810	-	-	1,805,000	2,232,627
Interest & Fiscal Charges	9,275	126	105,657	-	-	643,225	758,283
Total Expenditures	40,849,359	24,438,738	16,751,112	6,459,417	7,515,044	39,520,021	135,533,691
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,417,068	8,024	(5,734,919)	206,995	(7,436,941)	8,546,594	2,006,821
OTHER FINANCING SOURCES (USES)							
Proceeds from Bonds	-	-	-	-	34,440,000	-	34,440,000
Bond Issuance Premium	-	-	-	-	3,315,832	-	3,315,832
Proceeds from Lease Liability	-	8,575	6,596,623	-	-	-	6,605,198
Transfers In	527,192	12,371	-	-	8,004,783	865,142	9,409,488
Transfers Out	(7,760,454)	(214,687)	(52,006)	-	-	(1,382,341)	(9,409,488)
Net Other Financing Sources (Uses)	(7,233,262)	(193,741)	6,544,617	-	45,760,615	(517,199)	44,361,030
NET CHANGE IN FUND BALANCES	(816,194)	(185,717)	809,698	206,995	38,323,674	8,029,395	46,367,851
Fund Balances--Beginning of Year	16,783,158	4,363,226	2,585,445	10,964	6,384,875	36,935,874	67,063,542
FUND BALANCES--End of Year	\$ 15,966,964	\$ 4,177,509	\$ 3,395,143	\$ 217,959	\$ 44,708,549	\$ 44,965,269	\$ 113,431,393

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, 2022

Net Change in Fund Balances - Total Governmental Funds (See Exhibit IV)	\$ 46,367,851
Remove expenditures for acquisition of lease financing	6,605,198
Include amortization expense	(294,877)
Remove expenditures for acquisition of capital assets	10,597,597
Include revenue for capital assets acquired through gift or grant	-
Include gain (loss) on disposal of capital assets	(45,751)
Include depreciation expense	(5,870,885)
Include change in investment in joint ventures	375,727
Include the net revenue (expense) of internal service funds used to charge the costs of risk financing and employee health benefits to governmental activities	(866,921)
Remove revenue for debt issuance proceeds	(44,361,030)
Recognize revenues earned but not available in the current period	559,039
Remove expenditures related to prior periods; include expenses incurred but not expected to be liquidated with expendable available financial resources in the current period	(74,174)
Amortize bond premium and deferred amount on refunding against debt interest expense	410,906
Remove debt principal repayment expenditures	2,232,627
Net Pension Liability/Asset	(59,463,630)
Deferred Outflow of Resources Related to Pensions	22,642,564
Deferred Inflow of Resources Related to Pensions	36,981,541
Total OPEB Liability	623,507
Deferred Outflow of Resources Related to Other Post-Employment Benefits	(91,008)
Deferred Inflow of Resources Related to Other Post-Employment Benefits	<u>(534,654)</u>
Change in Net Position of Governmental Activities (See Exhibit II)	<u>\$ 15,793,627</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, 2022

	Governmental Activities
	Internal Service Funds
ASSETS	
CURRENT ASSETS:	
Cash	\$ 3,824,562
Receivables, Net of Uncollectible Amounts:	
Intergovernmental	5,531
Other	-
Due From Other Funds	2,419,098
Prepaid Items	757,992
Total Current Assets	7,007,183
Total Assets	7,007,183
LIABILITIES	
CURRENT LIABILITIES:	
Accrued Salaries Payable	\$ 2,932
Accounts Payable	126,435
Due To Other Funds	43,974
Funds Held For Others	4,535
Unearned Revenue	20,660
Estimated Claims Payable	1,115,161
Total Current Liabilities	1,313,697
NONCURRENT LIABILITIES:	
Estimated Claims Payable	1,989,976
Total Noncurrent Liabilities	1,989,976
Total Liabilities	3,303,673
NET POSITION	
Unrestricted	3,703,510
TOTAL NET POSITION	\$ 3,703,510

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, 2022

	Governmental Activities Internal Service Funds
OPERATING REVENUES	
Charges for Services (Net of Uncollectible)	\$ 7,742,797
Miscellaneous	48,917
	7,791,714
OPERATING EXPENSES	
Salaries	20,592
Fringe Benefits	7,376,478
Services	1,318,124
	8,715,300
OPERATING INCOME (LOSS)	(923,586)
NON-OPERATING REVENUES (EXPENSES):	
Investment Earnings	56,665
	56,665
CHANGE IN NET POSITION	(866,921)
Net Postition--Beginning of Year	4,570,431
NET POSITION--END OF YEAR	\$ 3,703,510

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, 2022

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Receipts from Other Funds and Employees for Services	\$ 8,940,545
Cash Receipts for Claims Reimbursements	595
Cash Payments to Employees for Services	(20,592)
Cash Payments to Suppliers and Other Funds for Goods and Services	(6,776,080)
Cash Payments for Claims	(1,996,286)
Net Cash Provided (Used) By Operating Activities	148,182
CASH FLOWS FROM INVESTMENT ACTIVITIES:	
Interest Received on Investments and Bank Deposits	56,665
Net Cash Provided (Used) By Investment Activities	56,665
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	204,847
Cash and Cash Equivalents at Beginning of Period	3,619,715
Cash and Cash Equivalents at End of Period	\$ 3,824,562

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, 2022

	Governmental Activities
	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ (923,586)
Adjust For Non-Cash Revenue/Expense:	
Increase (Decrease) in Estimated Claims Payable	(30,351)
Adjust For Non-Revenue/Expense Cash Flows:	
Decrease (Increase) in Receivables	21,418
Decrease (Increase) in Due From Other Funds	1,128,008
Decrease (Increase) in Prepaid Items	152,897
Increase (Decrease) in Accrued Salaries	2,932
Increase (Decrease) in Payables	(139,285)
Increase (Decrease) in Due To Other Funds	5,479
Increase (Decrease) in Unremitted Payroll Withholdings	(63,470)
Increase (Decrease) in Unearned Revenue	(5,860)
	(5,860)
Net Cash Provided (Used) By Operating Activities	\$ 148,182

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, 2022

	Custodial Funds
ASSETS	
Cash	\$ 15,250,922
Investments	1,538,511
Receivables:	
Intergovernmental	2,126,553
Total Assets	18,915,986
 LIABILITIES	
Funds Held for Others	5,620,505
Total Liabilities	5,620,505
 NET POSITION	
Restricted:	
Held for Other Governments	13,295,481
TOTAL NET POSITION	\$ 13,295,481

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

COUNTY OF CHAMPAIGN, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS (EXHIBIT IX)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	<u>Custodial Funds</u>
ADDITIONS	
Property Taxes & Related Items	\$ 387,444,792
Intergovernmental	5,657,870
Investment Earnings	81,084
Fines, Fees, & Forfeitures	4,935,365
Collection of Estate Settlements	17,903
Collection of Wage Garnishments	<u>51,644</u>
Total Additions	<u>398,188,658</u>
 DEDUCTIONS	
Payments of Property Taxes & Related Items	387,416,326
Intergovernmental Disbursements	4,818,597
Fines, Fees, & Forfeitures Paid	5,127,185
Payment of Garnishments	<u>51,644</u>
Total Deductions	<u>397,413,752</u>
NET INCREASE (DECREASE)	774,906
NET POSITION--BEGINNING OF YEAR as Restated	<u>12,520,575</u>
NET POSITION--END OF YEAR	<u><u>\$ 13,295,481</u></u>

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

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

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. Except for 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 132-136. 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 can 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 19 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, deferred inflows/outflows of resources, fund balance, 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, 2022

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 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, for the proprietary funds, and for 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 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; and the American Rescue Plan Act Fund, which is used to assist with the disbursement of funding in association with the American Rescue Plan Act passed by Congress on March 11, 2021, the Early Childhood Fund, which uses intergovernmental grants to provide Head Start pre-school services for low-income children, and the Capital Asset Replacement Fund, which uses accumulated resources for planned replacement of capital assets for General Fund departments.

The fiduciary funds include 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, 2022

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. Other Postemployment Benefits Liability (OPEB Liability)

In the government-wide statement of net position, liabilities are recognized for the County's total OPEB liability as determined by an actuarial review for the healthcare coverage purchased by retirees to continue participation in the County's health plan. OPEB expense is recognized immediately for changes in the OPEB liability and changes of benefit terms or actuarial expenses.

F. Pensions

For purposes of measuring the net pension liability (asset), 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.

G. 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.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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.

H. 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.

I. 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.

J. Inventories

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

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items in governmental funds is recorded as an expenditure when consumed rather than purchased.

L. 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

M. 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.

N. Deferred Outflows of Resources

Decreases in net position or fund balance 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 financial statements.

O. 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 balance that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has five types of deferred inflows of resources. The first and second types relate to property tax receivables and leases receivable 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 third 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 fourth and fifth 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Entity adopted the requirements of the guidance effective January 1, 2022, and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 2 – 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).

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – BUDGETS AND BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

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. The County's 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.

NOTE 3 – 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-G. For budgetary comparisons, the actual results of operations are presented on the budgetary basis as described in Note 2-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, 2022:	Self-Funded Insurance Fund	Employee Health Insurance	General Fund	Regional Planning Com. Fund	American Rescue Plan Act Fund	Other Non-Major Govt Funds
Budgetary Basis Change in Fund Balance or Net Position	\$ (26,224)	\$ (21,594)	\$ (816,194)	\$ (237,356)	\$ 14,382,390	\$ 23,638,595
REVENUES AND OTHER SOURCES:						
Interfund transfers into escrow account recognized as other financing source when transferred rather than when spent	-	-	-	(250,082)	-	-
Adjustment for timing differences - revenue recognized in the period when earned	-	-	(34,399)	-	(13,905,398)	(14,091,648)
EXPENDITURES /EXPENSES AND OTHER USES:						
Adjustment for timing differences - expenses recognized in the period when incurred	(1,140,808)	-	34,399	301,721	(269,997)	(1,517,552)
Decrease (increase) in estimated claims payable	321,705	-	-	-	-	-
GAAP Basis Change in Fund Balance or Net Position	<u>\$ (845,327)</u>	<u>\$ (21,594)</u>	<u>\$ (816,194)</u>	<u>\$ (185,717)</u>	<u>\$ 206,995</u>	<u>\$ 8,029,395</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments at December 31, 2022, appears below. Resident Trust accounts report money held in County custody, which belongs to residents of the County Jail.

	Asset Account Carrying Amounts (Reported as:)			Total	Bank Balances
	Cash	Investments	Resident Trust		
DEPOSITS					
Demand Deposits	\$ 65,015,876		\$ 24,924	\$ 65,040,800	\$ 67,374,884
Money Market / Savings	-	1,538,511	-	1,538,511	1,638,511
Certificates of Deposit	-	20,285,522	-	20,285,522	20,185,522
Total Deposits	\$ 65,015,876	\$ 21,824,033	\$ 24,924	\$ 86,864,833	\$ 89,198,917
					Fair Value
INVESTMENTS					
State Treasurer Investment Pool	\$ 77,362,894	\$ -	\$ -	\$ 77,362,894	\$ 77,362,894
Total Investments	\$ 77,362,894	\$ -	\$ -	\$ 77,362,894	\$ 77,362,894
Subtotal Deposits / Investments	\$ 142,378,770	\$ 21,824,033	\$ 24,924	\$ 164,227,727	\$ 166,561,811
CASH ON HAND	\$ 12,787	\$ -	\$ -	\$ 12,787	
GRAND TOTAL	\$ 142,391,557	\$ 21,824,033	\$ 24,924	\$ 164,240,514	\$ 166,561,811

The County has \$77,362,894 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 fair value for deposit balances beyond FDIC/NCUSIF insurance coverage. At December 31, 2022, deposits of \$6.8 million 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, 2022 were exposed to this risk.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 – 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, acts 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, 2022, was adopted by the County Board on November 18, 2021, 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. Property tax bills mailed in 2022 were based on equalized assessed value as of January 1, 2021, and on tax levies set in December 2021.

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 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 2022, the judgment date was October 27, and the tax sale date was October 28, 2022.

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.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 6 – 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, 2022, loans outstanding were as follows:

Program Loans Receivable (Net of Uncollectible Amounts)	12/31/2021 Balance	Additions	Deductions	12/31/2022 Balance	Current Receivable
Economic Development Loans Receivable:					
Community Services Block Grant Loans	\$ 3,330	-	(1,904)	\$ 1,426	\$ 1,727
Community Development Recaptured Loans	3,129,212	-	(601,035)	2,528,177	70,000
Facilities Loan Program	1,188,429	-	(36,295)	1,152,134	36,000
USDA Intermediary Relending Loans Receivable	639,708	-	(148,884)	490,824	65,000
Housing Rehabilitation Loans Receivable:					
County Housing Rehab Loans	29,008	-	-	29,008	-
Total Loans Receivable	\$ 4,989,687	\$ -	\$ (788,118)	\$ 4,201,569	\$ 172,727

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 7 – CAPITAL ASSETS

<u>Governmental Activities</u>	12/31/2021			12/31/2022
	Balance	Additions	Deductions	Balance
Assets Not Being Depreciated:				
Land	\$ 2,083,519	\$ 721,500	\$ -	\$ 2,805,019
Construction in Progress	6,617,459	8,426,461	(6,854,997)	8,188,923
Assets Being Depreciated:				
Infrastructure	101,785,797	4,654,628	-	106,440,425
Buildings and Improvements	79,444,570	2,200,369	-	81,644,939
Equipment	17,524,334	1,740,129	(336,244)	18,928,219
Assets Being Amortized:				
Leased Buildings	6,596,623	-	-	6,596,623
Leased Equipment and Fixtures	8,575	-	-	8,575
Assets Subtotal	<u>214,060,877</u>	<u>17,743,087</u>	<u>(7,191,241)</u>	<u>224,612,723</u>
Accumulated Depreciation:				
Infrastructure	(61,022,507)	(3,306,786)	-	(64,329,293)
Buildings and Improvements	(50,256,505)	(1,558,995)	-	(51,815,500)
Equipment	(14,919,604)	(1,005,104)	-	(15,924,708)
Accum. Depreciation Subtotal	<u>(126,198,616)</u>	<u>(5,870,885)</u>	<u>-</u>	<u>(132,069,501)</u>
Accumulated Amortization:				
Leased Buildings	-	(293,010)	-	(293,010)
Leased Equipment and Fixtures	-	(1,867)	-	(1,867)
Accum. Amortization Subtotal	<u>-</u>	<u>(294,877)</u>	<u>-</u>	<u>(294,877)</u>
Net Total	<u>\$ 87,862,261</u>	<u>\$ 11,577,325</u>	<u>\$ (7,191,241)</u>	<u>\$ 92,248,345</u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 – CAPITAL ASSETS (CONTINUED)

Current year depreciation expense was charged to the following functions:

Function	Depreciation	Amortization	Total
General Government	\$ 330,958	\$ -	\$ 330,958
Justice and Public Safety	1,409,262	-	1,409,262
Health	20,562	-	20,562
Education	123,285	293,010	416,295
Development	144,471	1,867	146,338
Highways and Bridges	3,842,347	-	3,842,347
Total Expenditure	\$ 5,870,885	\$ 294,877	\$ 6,165,762

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES

A summary of Interfund receivables and payables at December 31, 2022 is provided below:

Due To/From Other Funds:	Receivable	Payable
Major Governmental Funds:		
General Corporate	\$ 3,290,576	\$ 457,451
Regional Planning Commission	284,364	301,581
Early Childhood	-	231,023
American Rescue Plan Act	-	16,137
Capital Asset Replacement	1,527,604	-
Subtotal Major Governmental	5,102,544	1,006,192
Internal Service Funds:		
Self-Funded Insurance	2,023,830	43,462
Employee Health Insurance	395,268	512
Subtotal Internal Service	2,419,098	43,974

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Due To/From Other Funds:	Receivable	Payable
Non-Major Governmental Funds:		
2003 Nursing Home Bond	-	-
Tort Immunity	173,651	856,871
Nursing Home Post-Closure	-	3,635,510
County Highway	4,095	130,759
County Bridge	-	-
County Motor Fuel Tax	-	-
Illinois Municipal Retirement	63,267	-
County Public Health	-	1,070
Mental Health	-	34,688
Animal Control	-	19,004
Law Library	-	631
Foreclosure Mediation	-	-
Highway Federal Aid Matching	-	-
Public Safety Sales Tax	-	989,505
Geographic Information Systems	21,577	-
Development Disability	4,022	-
Workforce Development	-	328,223
Social Security	92,549	-
RPC USDA Loans	-	2,324
RPC Economic Development Loans	-	-
Working Cash	-	4,310
County Clerk Surcharge	-	1,342
Sheriff Druf Forfeitures	-	500
Court's Automation	-	15,963
Recorder's Automation	12,830	1,220
Probation Services	119	-
Tax Sale Automation	-	4,793
Property Tax Interest Fee	-	50,098
Election Assistance/Accessibility	-	135,605
Circuit Clerk Operations & Administration	177,363	760,853
Circuit Clerk Electronic Citations	-	-
State's Attorney Records Automation	-	-

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Due To/From Other Funds:	Receivable	Payable
Non-Major Governmental Funds (continued):		
Jail Commissary	-	-
County Jail Medical Costs	-	7,149
County Clerk Automation Fund	-	1,467
Court Document Storage	-	719
Solid Waste Management	-	-
Child Advocacy Center Grant	-	42,067
Specialty Courts	4,218	496
Court Complex Construction	-	-
Subtotal Non-Major Governmental	553,691	7,025,167
Total - All Funds	\$ 8,075,333	\$ 8,075,333

Of the \$8,075,333 Due To / From Other Funds at December 31, 2022, \$440,563 represented inter-fund loans to cover temporary cash flow shortfalls. The remainder represented unpaid routine inter-fund billings or transfers.

NOTE 9 – INTERFUND TRANSFERS AND RPC ESCROW ACCOUNT

	Transfers In	Transfers Out
Major Governmental Funds:		
General Corporate	\$ 527,192	\$ 7,760,454
Regional Planning Commission	12,371	214,687
Early Childhood	-	52,006
American Rescue Plan Act	-	-
Capital Asset Replacement	8,004,783	-
Non-Major Governmental Funds (aggregate)	865,142	1,382,341
Total - All Funds	\$ 9,409,488	\$ 9,409,488

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9 – INTERFUND TRANSFERS AND RPC ESCROW ACCOUNT (CONTINUED)

In FY2022, total inter-fund transfers in, \$9,409,488, equal total transfers out, \$9,409,488. 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 2022, transfers of \$31,308 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 2022 include the following:

- \$884,109 from the Public Safety Sales Tax Fund to the Capital Asset Replacement Fund to set aside money for future capital expenditures; and,
- \$7.1 million from the General Fund to the Capital Replacement Fund to cover current asset replacement.

NOTE 10 – ON-BEHALF PAYMENTS FOR SALARIES

The State of Illinois paid salary stipends totaling \$39,000 to various County officials during fiscal year 2022 on behalf of the County. The County recorded these payments as intergovernmental revenues and salaries expenditures in the General Fund.

NOTE 11 – 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, 2022, are as follows:

	12/31/2021 Balance	Additions	Deductions	12/31/2022 Balance	Expected To Be Paid Within 1 Year
Governmental Activities	\$ 3,079,060	\$ 3,265,189	\$ (3,191,015)	\$ 3,153,234	\$ 477,021

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 12 – 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 the amount of any claim above 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, 2022, net of insurance reimbursements, were \$653,459. 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 2021, the projected liability for estimated (undiscounted) claims payable including IBNR at December 31, 2022 was \$1,753,501. 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
2021	\$ 1,619,183	\$ 497,484	\$ (377,912)	\$ 1,738,755	\$ 734,254
2022	1,738,755	668,205	(653,459)	1,753,501	741,221

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, 2022, net of insurance reimbursements, were \$330,192. A liability for claims payable must be reported if the liability is both probable and estimable. Per an actuarial study completed in June 2021, the projected liability for estimated (undiscounted) claims payable (including IBNR) at December 31, 2022 was \$1,351,636. 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
2021	\$ 1,807,659	\$ 832,175	\$ (1,243,101)	\$ 1,396,733	\$ 403,539
2022	1,396,733	285,095	(330,192)	1,351,636	373,940

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.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 13 – LONG TERM DEBT

A. General Obligation Bonds/Debt Certificates – Governmental Activities

1999 Series Public Safety Sales Tax Bonds for Courthouse construction and remodel as well as construction of the Juvenile Detention Center: \$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 through 2022 paid off.

Balance outstanding at December 31, 2021	\$1,420,000
Bond interest payments made in 2022	\$117,150
Bond principal payments made in 2022	\$1,420,000
Balance outstanding at December 31, 2022	\$0

2014 Series Public Safety Refunding Bonds of the 2019 bond issue: \$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, 2021	\$9,795,000
Bond interest payments made in 2022	\$489,750
Bond principal payments made in 2022	\$0
Balance outstanding at December 31, 2022	\$9,795,000

2016 Series Public Safety Refunding Bonds (Direct Placement) of the 2007 Courthouse exterior renovation and clock and bell tower restoration: \$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. Refunding of the 2007 Courthouse exterior renovation and clock and bell tower restoration.

Balance outstanding at December 31, 2021	\$1,980,000
Bond interest payments made in 2022	\$36,383
Bond principal payments made in 2022	\$385,000
Balance outstanding at December 31, 2022	\$1,980,000

2019 Series Public Safety Refunding Bonds (Direct Placement) Art Bartell sidewalk project: \$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 change on refunding.

Balance outstanding at December 31, 2021	\$530,000
Bond interest payments made in 2022	\$9,275
Bond principal payments made in 2022	\$175,000
Balance outstanding at December 31, 2022	\$355,000

2022A Series General Obligation Bonds for Jail consolidation: \$15,425,000; due in 8 annual installments from 2030 to 2037; interest rates 3.00% to 3.59%; \$142,001.55 bond issuance costs treated as period costs.

Bond issuance in 2022	\$15,425,000
Bond interest payments made in 2022	\$269,158
Bond principal payments made in 2022	\$0
Balance outstanding at December 31, 2022	\$15,425,000

2022B Series General Obligation Bonds for County Plaza: \$19,015,000; due in 20 annual installments from 2024 to 2043; interest rates 2.75% to 4.20%; \$169,126.85 bond issuance costs treated as period costs.

Bond issuance in 2022	\$19,015,000
Bond interest payments made in 2022	\$164,050
Bond principal payments made in 2022	\$0
Balance outstanding at December 31, 2022	\$19,015,000

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 13 – LONG TERM DEBT (CONTINUED)

2022 Bond Transactions – Governmental Activities		
Bonds outstanding at December 31, 2021		\$13,725,000
Bond interest payments made in 2022		\$1,087,267
Bonds added in 2022		\$34,440,000
Bonds retired in 2022		\$1,820,000
Bonds payable at December 31, 2022		\$46,185,000

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
	Direct Placement		General Corporate Fund		Direct Placement		Public Safety Sales Tax Fund		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ -	\$ 3,106	\$ -	\$ -	\$ 390,000	\$ 29,308	\$ -	\$ 244,875	\$ 667,289
2024	175,000	4,681	555,000	912,505	395,000	22,142	1,330,000	1,251,316	4,645,645
2025	180,000	1,575	610,000	857,700	400,000	14,884	1,445,000	1,158,375	4,667,534
2026	-	-	640,000	827,200	410,000	7,534	1,565,000	1,083,125	4,532,859
2027	-	-	670,000	795,200	-	-	1,690,000	1,001,750	4,156,950
2028-2043	-	-	16,540,000	6,924,200	-	-	19,190,000	4,993,875	47,648,075
	<u>\$ 355,000</u>	<u>\$ 9,363</u>	<u>\$ 19,015,000</u>	<u>\$ 10,316,805</u>	<u>\$ 1,595,000</u>	<u>\$ 73,868</u>	<u>\$ 25,220,000</u>	<u>\$ 9,733,316</u>	<u>\$ 66,318,351</u>

At December 31, 2022, \$601,341 was available in restricted fund balance in the Public Safety Sales Tax Special Revenue Fund to meet debt service requirements.

B. Summary of Changes in Long Term Liabilities

	12/31/2021		12/31/2022		Due Within
	Balance	Additions	Deductions	Balance	One Year
Governmental Activities:					
General Obligation Bonds	\$ 11,215,000	\$ 34,440,000	\$ (1,420,000)	\$ 44,235,000	\$ -
Direct Placements	2,510,000	-	(560,000)	1,950,000	390,000
Unamortized Bond Premium	1,011,720	3,315,832	(146,592)	4,180,960	-
Total Bonds Payable	14,736,720	37,755,832	(2,126,592)	50,365,960	390,000
Lease Liability	6,605,198	-	(252,627)	6,352,571	256,776
Compensated Absences	3,079,060	3,265,189	(3,191,015)	3,153,234	477,021
Estimated Claims Payable	3,426,842	953,300	(983,651)	3,105,137	1,115,161
Total Governmental Activities	<u>\$ 27,847,820</u>	<u>\$ 41,974,321</u>	<u>\$ (6,553,885)</u>	<u>\$ 62,976,902</u>	<u>\$ 2,238,958</u>

Long-term liabilities for estimated claims payable are liquidated by the Self-Funded Insurance (Internal Service) Fund. Liabilities for compensated absences will be liquidated within those funds in which the expenses occur.

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 14 – LEASES

A. Lease Liability

The County has several non-cancelable leases for the use of various facilities. The future minimum lease payments are shown below:

Fiscal year	Principal	Interest	Total
2023	\$ 256,776	\$ 101,634	\$ 358,410
2024	260,992	97,417	358,410
2025	265,278	93,131	358,410
2026	268,823	88,777	357,600
2027	272,092	84,375	356,467
2028-2044	5,028,609	693,261	5,721,870
Total minimum lease payments:	<u>\$ 6,352,571</u>	<u>\$ 1,158,595</u>	<u>\$ 7,511,166</u>

B. Lease Receivable

The County, acting as lessor, leases various facilities under long-term, non-cancelable lease agreements. The leases expire at various dates through 2032 and provide for renewal options ranging from one to five years. During the year ended June 30, 2022, the County recognized \$4,651,539 and \$365,076 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

Fiscal year	Principal	Interest	Total
2023	\$ 515,797	\$ 65,612	\$ 581,409
2024	517,955	63,554	581,509
2025	492,840	55,230	548,071
2026	457,397	47,420	504,816
2027	433,503	40,238	473,741
2028-2044	2,234,048	93,021	2,327,069
Total minimum lease payments:	<u>\$ 4,651,539</u>	<u>\$ 365,076</u>	<u>\$ 5,016,615</u>

NOTE 15 – FUND BALANCE

A. Deficit Fund Balance

As of December 31, 2022, the following funds had deficit fund balance:

- Nursing Home Post-Closure Special Revenue Fund (\$3,272,272),
- Workforce Development Special Revenue Fund (\$208,803), and
- Election Assistance/Accessibility Grant Special Revenue Fund (\$137,010)
- Circuit Clerk Operations and Administration Fund (\$50,248)

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 15 – FUND BALANCE (CONTINUED)

The Champaign County Board continues to monitor and address the future fund balance deficits through the vehicle of the annual budget. 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:

	General Fund	Capital Asset Replacement Fund	Regional Planning Comm Fund	Early Childhood Fund	American Rescue Plan Act	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	\$ 1,600,000	\$ -	\$ -	\$ -	\$ -	\$ 1,471,232	\$ 3,071,232	\$ -	\$ 3,071,232
For Justice & Public Safety	-	15,425,000	-	-	-	8,888,356	24,313,356	634,704	24,948,060
For Health & Education	-	-	-	3,354,629	-	7,679,972	11,034,601	336,810	11,371,411
For Development	-	-	4,163,559	-	-	6,313,201	10,476,760	346,013	10,822,773
For General Government	-	19,015,000	-	-	-	2,087,918	21,102,918	-	21,102,918
For Highways & Bridges	-	-	-	-	-	18,965,923	18,965,923	3,724	18,969,647
For Retirement	-	-	-	-	-	-	-	-	-
For Insurance and Fringes	-	-	-	-	-	3,192,404	3,192,404	-	3,192,404
Total Restricted Fund Balance	\$ 1,600,000	\$ 34,440,000	\$ 4,163,559	\$ 3,354,629	\$ -	\$ 48,599,006	\$ 92,157,194	\$ 1,321,251	\$ 93,478,445
Committed by County Board Resolution:									
To Solid Waste Management	-	-	-	-	-	17,331	17,331	-	17,331
Assigned by County Officials:									
To Capital Projects	-	-	-	-	-	17,265	17,265	10,268,549	10,285,814

NOTE 16 – GOVERNMENT-WIDE STATEMENT OF NET POSITION

The government-wide statement of net position includes a restricted portion totaling \$93,478,445 as shown in the schedule above. Of this amount, \$75,853,018 is externally restricted based on state statutes; \$14,554,195 is restricted through grantor/donor stipulations; and \$3,071,232 is restricted based on debt covenants.

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 17 – ILLINOIS MUNICIPAL RETIREMENT FUNDIMRF 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 Annual Comprehensive 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 (REG). 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, 2022, the measurement date, membership of the plan was as follows:

	Regular Plan	SLEP	ECO
Retirees and Beneficiaries	632	141	9
Inactive, Non-Retired Members	1,154	41	-
Active Members	635	72	-
Total	2,421	254	9

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 17 – ILLINOIS MUNICIPAL RETIREMENT FUND (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 2022 was 5.26% for the Regular plan, and 21.79% for SLEP for the year ended December 31, 2022. There were no active employees on the ECO plan in 2022. For the fiscal year ended December 31, 2022, the County contributed \$3,713,515 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 (asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability (asset) 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, 2022, using the following actuarial methods and assumptions:

- **Actuarial Cost Method** – Aggregate Entry Age Normal.
- **Asset Valuation Method** – 5-Year smoothed fair value; 20% corridor.
- **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 that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
- **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
DECEMBER 31, 2022**

NOTE 17 – ILLINOIS MUNICIPAL RETIREMENT FUND (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	35.50%	7.82%	6.50%
International Equities	18.00%	9.23%	7.60%
Fixed Income	25.50%	5.01%	4.90%
Real Estate	10.50%	7.10%	6.20%
Alternatives:	9.50%		
Private Equity		13.43%	9.90%
Hedge Funds		N/A	N/A
Commodities		7.42%	6.25%
Cash Equivalents	1.00%	4.00%	4.00%

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 4.05%, 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, 2022

NOTE 17 – 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 (asset), 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:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Regular - Primary Government			
Net Pension Liability/(Asset)	<u>\$ 20,480,454</u>	<u>\$ 1,983,692</u>	<u>\$ (12,648,647)</u>
Regular - GIS:			
Net Pension Liability/(Asset)	<u>\$ 243,895</u>	<u>\$ 24,907</u>	<u>\$ (148,329)</u>
Regular - Total:			
Net Pension Liability/(Asset)	<u>\$ 20,724,349</u>	<u>\$ 2,008,599</u>	<u>\$ (12,796,976)</u>
SLEP:			
Net Pension Liability/(Asset)	<u>\$ 26,303,367</u>	<u>\$ 14,217,497</u>	<u>\$ 4,277,563</u>
ECO:			
Net Pension Liability/(Asset)	<u>\$ 1,521,358</u>	<u>\$ 1,193,173</u>	<u>\$ 907,955</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 17 – 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, 2022, were as follows:

	Increase/(Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A-B)
Regular - Primary Government:			
Balance at December 31, 2021	\$ 157,394,004	\$ 192,633,197	\$ (35,239,193)
Service Cost	2,706,877		2,706,877
Interest on Total Pension Liability	11,197,477		11,197,477
Differences Between Expected and Actual Experience of the Total Pension Liability	2,418,613		2,418,613
Change of Assumptions	39,391		39,391
Benefit Payments, Including Refunds of Employee Contributions	(8,443,768)	(8,443,768)	-
Contributions - Employer		1,623,711	(1,623,711)
Contributions - Employee		1,430,805	(1,430,805)
Net Investment Income		(24,321,266)	24,321,266
Other (Net Transfer)		406,223	(406,223)
Balance at December 31, 2022	<u>\$ 165,312,594</u>	<u>\$ 163,328,902</u>	<u>\$ 1,983,692</u>
Regular - GIS:			
Balance at December 31, 2021	\$ 1,897,642	\$ 2,300,215	\$ (402,573)
Service Cost	33,987		33,987
Interest on Total Pension Liability	140,594		140,594
Differences Between Expected and Actual Experience of the Total Pension Liability	30,368		30,368
Change of Assumptions	(39,391)		(39,391)
Benefit Payments, Including Refunds of Employee Contributions	(106,019)	(106,019)	-
Contributions - Employer		20,387	(20,387)
Contributions - Employee		17,965	(17,965)
Net Investment Income		(305,375)	305,375
Other (Net Transfer)		5,101	(5,101)
Balance at December 31, 2022	<u>\$ 1,957,181</u>	<u>\$ 1,932,274</u>	<u>\$ 24,907</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 17 – DEFINED BENEFIT PENSION PLAN (CONTINUED)Changes in Net Pension Liability/(Asset) (continued)

	Increase/(Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A-B)
	(A)	(B)	(A-B)
Regular - Total:			
Balance at December 31, 2021	\$ 159,291,646	\$ 194,933,412	\$ (35,641,766)
Service Cost	2,740,864		2,740,864
Interest on Total Pension Liability	11,338,071		11,338,071
Differences Between Expected and Actual Experience of the Total Pension Liability	2,448,981		2,448,981
Change of Assumptions	-		-
Benefit Payments, Including Refunds of Employee Contributions	(8,549,787)	(8,549,787)	-
Contributions - Employer		1,644,098	(1,644,098)
Contributions - Employee		1,448,770	(1,448,770)
Net Investment Income		(24,626,641)	24,626,641
Other (Net Transfer)		411,324	(411,324)
Balance at December 31, 2022	<u>\$ 167,269,775</u>	<u>\$ 165,261,176</u>	<u>\$ 2,008,599</u>
Balance at December 31, 2022 - County			<u>\$ 1,983,692</u>
Balance at December 31, 2022 - GIS			<u>\$ 24,907</u>
SLEP:			
Balance at December 31, 2021	\$ 91,115,357	\$ 99,059,309	\$ (7,943,952)
Service Cost	1,015,991		1,015,991
Interest on Total Pension Liability	6,461,749		6,461,749
Differences Between Expected and Actual Experience of the Total Pension Liability	2,444,801		2,444,801
Change of Assumptions	-		-
Benefit Payments, Including Refunds of Employee Contributions	(4,991,571)	(4,991,571)	-
Contributions - Employer		1,356,103	(1,356,103)
Contributions - Employee		518,670	(518,670)
Net Investment Income		(14,480,939)	14,480,939
Other (Net Transfer)		367,258	(367,258)
Balance at December 31, 2022	<u>\$ 96,046,327</u>	<u>\$ 81,828,830</u>	<u>\$ 14,217,497</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 17 – 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, 2021	\$ 4,239,941	\$ 3,144,064	\$ 1,095,877
Service Cost	-		-
Interest on Total Pension Liability	291,026		291,026
Differences Between Expected and Actual Experience of the Total Pension Liability	68,273		68,273
Change of Assumptions	-		-
Benefit Payments, Including Refunds of Employee Contributions	(451,575)	(451,575)	-
Contributions - Employer		713,313	(713,313)
Contributions - Employee		-	-
Net Investment Income		(495,739)	495,739
Other (Net Transfer)		44,429	(44,429)
Balance at December 31, 2022	<u>\$ 4,147,665</u>	<u>\$ 2,954,492</u>	<u>\$ 1,193,173</u>

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

For the year ended December 31, 2022, the County of Champaign recognized pension expense / (income) of \$1,040,974, \$2,389,201, and \$108,709 for the Regular, SLEP, and ECO plans respectively. Total pension expense / income for the County and GIS were \$3,525,976 and \$12,908, respectively. At December 31, 2022, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Regular - Primary Government:		
Difference between expected and actual experience	\$ 1,535,843	\$ 893,434
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	12,927,025	-
Total	<u>\$ 14,462,868</u>	<u>\$ 893,434</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 17 – 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
SLEP:		
Difference between expected and actual experience	\$ 1,913,143	\$ 219,221
Changes of assumptions	-	124,868
Net difference between projected and actual earnings on pension plan investments	7,708,858	-
Total	<u>\$ 9,622,001</u>	<u>\$ 344,089</u>

ECO:

Net difference between projected and actual earnings on pension plan investments	\$ 199,804	\$ -
Total	<u>\$ 199,804</u>	<u>\$ -</u>

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		
2023	\$ (1,035,501)	\$ (13,002)	\$ (1,048,503)	\$ 397,382	\$ (46,764)
2024	2,720,727	34,161	2,754,888	2,016,866	25,032
2025	4,264,595	53,545	4,318,140	2,551,052	74,578
2026	7,619,613	95,670	7,715,283	4,312,612	146,958
Total	<u>\$ 13,569,434</u>	<u>\$ 170,374</u>	<u>\$ 13,739,808</u>	<u>\$ 9,277,912</u>	<u>\$ 199,804</u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 18 – 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 2022 ranged from \$28 to \$2075 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, 2022, the measurement date, membership of the plan was as follows:

Active Members	666
Retirees and Beneficiaries	24
	<hr/>
Total	690
	<hr/> <hr/>

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2022. 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, 2022, using the following actuarial methods and assumptions:

- Actuarial Cost Method – Aggregate Entry Age Normal.
- Discount Rate – 3.72%. This is based on the 20-Year Tax-Exempt Municipal Bond Yield
- Inflation Rate - 2.3%.
- Salary Increases – 2.5% including inflation.
- Medical Trend Rate – 4.80%-3.90% over 51 years
- 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
DECEMBER 31, 2022**

NOTE 18 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)Change in the Total OPEB Liability

The change in total OPEB liability for the calendar year ended December 31, 2022 was as follows:

	<u>Governmental Activities</u>
Balances at December 31, 2021	\$ 3,384,143
Service Cost	199,370
Interest	71,919
Economic/Demographic Gains or Losses	(301,658)
Changes of Assumptions	(407,640)
Benefit Payments	(185,498)
Balance at December 31, 2022	<u>\$ 2,760,636</u>

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

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 3.72%, 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 <u>2.72%</u>	Current Discount Rate <u>3.72%</u>	1% Increase <u>4.72%</u>
Total OPEB Liability - Governmental:	<u>\$ 3,012,576</u>	<u>\$ 2,760,636</u>	<u>\$ 2,533,665</u>

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 <u> </u>	Current Trend Rate <u> </u>	1% Increase <u> </u>
Total OPEB Liability - Governmental:	<u>\$ 2,456,803</u>	<u>\$ 2,760,636</u>	<u>\$ 3,119,724</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 18 – 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, 2022 the County recognized OPEB expense of \$187,653. At December 31, 2022, the County reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Amounts Related to OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources
Total:		
Differences between expected and actual experience	\$ -	\$ 556,579
Changes of assumptions	353,194	422,722
Total	<u>\$ 353,194</u>	<u>\$ 979,301</u>

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,	<u>Net Deferred Inflows of Resources</u>	
	<u>Primary Government</u>	<u>Total</u>
2023	\$ (83,636)	\$ (83,636)
2024	(83,636)	(83,636)
2025	(83,636)	(83,636)
2026	(108,449)	(108,449)
2027	(110,148)	(110,148)
Thereafter	<u>(156,602)</u>	<u>(156,602)</u>
Total	<u>\$ (626,107)</u>	<u>\$ (626,107)</u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 19 – 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, 2022 (the latest fiscal year end for METCAD), Champaign County's equity interest share was 17.26%, or \$2,656,571 which is reported in the Statement of Net Position as an investment in joint venture. The net increase of \$383,854 from the amount reported for June 30, 2022, 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, 2022, is provided below.

Financial Position as of June 30, 2022

Total Assets & Deferred Outflows	\$ 19,456,679
Total Liabilities & Deferred Inflows	<u>4,065,191</u>
Total Net Position	<u><u>\$ 15,391,488</u></u>

Results of Operations for the Fiscal Year Ended June 30, 2022

Total Revenues	\$ 7,321,596
Total Expenses	<u>5,185,011</u>
Change in Net Position	2,136,585
Net Position - Beginning (as restated)	<u>13,254,903</u>
Net Position - Ending	<u><u>\$ 15,391,488</u></u>

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 19 – 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, 2022. 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, 2022 Champaign County's equity interest share was 60.37%, totaling \$412,124, which is derived from the Statement of Net Position as an investment in joint venture. The net decrease of \$3,495 in the County's share of equity for the fiscal year ended December 31, 2022 is derived from 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, 2022 is presented below.

Financial Position as of December 31, 2022	
Total Assets & Deferred Outflows	\$ 898,597
Total Liabilities & Deferred Inflows	<u>215,933</u>
Total Net Position	<u><u>\$ 682,664</u></u>
Results of Operations FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022	
Total Revenues	\$ 608,513
Total Expenses	<u>615,101</u>
Change in Net Position	(6,588)
Net Position - Beginning	<u>689,252</u>
Net Position - Ending	<u><u>\$ 682,664</u></u>

COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 20 – 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 21 – COMMITMENTSCounty Capital Projects

The County has two major construction projects related to the 2022 bond issues totaling \$34.4 million.

Road and Bridge Construction Projects

The County Highway Department has five Special Revenue Funds with December 31, 2022 fund balances totaling \$19 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 12/31/2022</u>	<u>Remaining Commitment</u>
Colfax Twp	#17-05047-00-BR	13,000	11,081	1,919
CH 17 Bridge	#18-00061-00-BR	400,000	314,731	85,269
Compromise Twp	#18-06059-00-BR	5,000	-	5,000
Urbana Twp Bridge	#18-30057-00-BR	1,693,919	1,236,777	457,142
CH 19 Bridge	#19-00074-00-BR	434,850	18,900	415,950
CH 15	#19-00451-00-SP	\$ 1,000,000	\$ 547,325	\$ 452,675
Somer Twp RR	#19-25452-00-SP	97,987	76,856	21,131
CH 32 Bridge	#20-00086-00-BR	100,000	57,837	42,163
CH 18	#20-00453-00-SP	1,000,000	109,079	890,921
CH 20	#20-00455-00-RS	3,900,205	3,343,945	556,260
Newcomb Twp	#20-16098-00-BR	6,300	-	6,300
Crittenden Twp	#21-08119-00-BR	17,200	-	17,200
Pesotum Twp Bridge	#21-18110-00-BR	400,000	8,701	391,299
CH 6 Bridge	#22-00121-00-BR	1,000,000	48,390	951,610
CH 12 & 24	#22-00460-00-RS	6,000,000	-	6,000,000
Champaign Township Bridge	#22-03122-00-BR	125,000	27,212	97,788
Champaign Township Bridge	#22-03123-00-BR	125,000	26,274	98,726
Ludlow Twp Bridge	#22-14120-00-BR	125,000	28,111	96,889
Ludlow Twp Bridge	#22-14129-00-BR	175,000	-	175,000
Urbana Twp Bridge	#22-30128-00-BR	750,000	-	750,000
Total		\$ 17,368,461	\$ 5,855,219	\$ 11,513,242

**COUNTY OF CHAMPAIGN, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 22– RECLASSIFICATION

During the year ended December 31, 2022, certain financial statement items have been reclassified to reflect the nature of the underlying transactions more accurately and to enhance the comparability of financial information. These reclassifications were made in accordance with Champaign County's accounting policies and have no impact on the overall financial position or results of operations for the period.

NOTE 23– RESTATEMENT

Due to GASB 84's implementation and subsequent reassessment of certain funds, the Drainage District fund held by the County Treasurer's office has been broken out from the County Collector fund and reclassified from a liability to a net position.

	Total Custodial Funds
Fund Balance/Net Position, January 1, As Previously Reported	\$ 8,412,425
Drainage District	<u>4,108,150</u>
Fund Balance/Net Position, January 1, As Restated	<u>\$ 12,520,575</u>