

Understanding Champaign County Finance: Bonds, Public Safety Sales Tax and Fund Balances



Bonds

Bonds Payments Made from PSST:

- 2007A Bond (refunded in 2016)
courthouse renovations
Paid until 2026
- 2005B Bond (refunded in 2014)
courthouse and JDC
Paid until 2028
- 2022A Bond
jail consolidation
Paid until 2036

- In addition, there are currently two bonds being paid from the General Fund. The 2022B Bond, for the Bennett Administrative Center Renovations, will be paid until 2042, and the 2010A Bond (refunded in 2019), for the 202 Art Bartell Construction, will be retired in 2024.

45%
Of PSST
Goes to
pay these
bonds

Bond Issue 2016 - Refunding 2007A Courthouse Ext. Renovation & Clock Tower Restoration

Fiscal Year	Maturity	Principal	Interest	Total P&I	Interest Rate
FY2024	1/1/2025	\$395,000	\$22,142	\$417,142	1.84%
FY2025	1/1/2026	\$400,000	\$14,884	\$414,884	1.84%
FY2026	1/1/2027	\$410,000	\$7,534	\$417,534	1.84%
	Total	\$1,205,000	\$44,559	\$1,249,559	

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Bond Issue 2014 - Refunding 2005B Courthouse & JDC Facility Bonds

Fiscal Year	Maturity	Principal	Interest	Total P&I	Interest Rate	Original Yield to Maturity
FY2024	1/1/2025	\$1.445m	\$423,250	\$1,868,250	5%	2.51%
FY2025	1/1/2026	\$1.565m	\$351,000	\$1,916,000	5%	2.60%
FY2026	1/1/2027	\$1.69m	\$272,750	\$1,962,750	5%	2.72%
FY2027	1/1/2028	\$1.818m	\$188,250	\$2,003,250	5%	2.84%
FY2028	1/1/2029	\$1.95m	\$97,500	\$2,047,500	5%	2.90%
	Total	\$8,465,000	\$1,332,750	\$9,797,750		

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Bond Issue 2022A - Jail Consolidation

Fiscal Year	Maturity	Principal	Interest	Total P&I	Interest Rate	Original Yield to Maturity
FY2024			\$771,250	\$771,250		
FY2025			\$771,250	\$771,250		
FY2026			\$771,250	\$771,250		
FY2027	1/1/2028		\$771,250	\$771,250		
FY2028	1/1/2029		\$771,250	\$771,250		
FY2029	1/1/2030	\$1.88m	\$771,250	\$2,651,250	5%	
FY2030	1/1/2031	\$1.97m	\$677,250	\$2,647,250	5%	
FY2031	1/1/2032	\$2.07m	\$578,750	\$2,648,750	5%	
FY2032	1/1/2033	\$2.175m	\$475,250	\$2,650,250	5%	3.26%
FY2033	1/1/2034	\$2.285m	\$366,500	\$2,651,500	5%	3.511%
FY2034	1/1/2035	\$2.4m	\$252,250	\$2,652,250	5%	3.701%
FY2035	1/1/2036	\$2.52m	\$132,250	\$2,652,250	5%	3.865%
FY2036	1/1/2037	\$125,000	\$6,250	\$131,250	5%	3.988%
	Total	\$15,425,000	\$7,116,000	\$22,541,000		

PSST: A Closer Look

Budgeted PSST Revenue in 2024: \$6,823,000

Budgeted PSST Expenses in 2024:

Department Summary

	2022 Actual	2023 Original	2023 Projected	2024 Budget
Revenues				
Intergov Revenue	6,476,566	6,600,000	6,650,000	6,783,000
Misc Revenue	79,961	5,000	100,000	40,000
Revenues Total	6,556,527	6,605,000	6,750,000	6,823,000
Expenditures				
Debt	2,448,225	3,145,058	3,033,874	3,056,642
Interfund Expense	988,570	2,020,315	2,020,315	2,025,358
Personnel	0	0	0	120,006
Services	1,298,946	1,438,833	1,419,834	1,740,000
Expenditures Total	4,735,742	6,604,206	6,474,023	6,942,006

Some Examples from 2023: We paid \$616,896 on utilities and \$200,973 in building repair and maintenance, \$320,000 for Preventing Juvenile Delinquency Grants, and \$100,000 for Reentry from PSST

Budgeted PSST Expected Fund Balance 2024:

\$6,040,904

Fund Balance Explained:

- Due to Our Bond Covenants the PSST Fund Balance must have the full amount of the debt service to be paid that year in fund balance. In 2024, that minimum is \$3,056,642.
- It has been the goal of the County to keep an additional \$1 million in the PSST in case sales tax underperforms in a given year. That means that our goal minimum fund balance for 2024 is \$4,056,642
- Why is there about \$2 million extra in this fund balance?...

(Near) Future Projects:

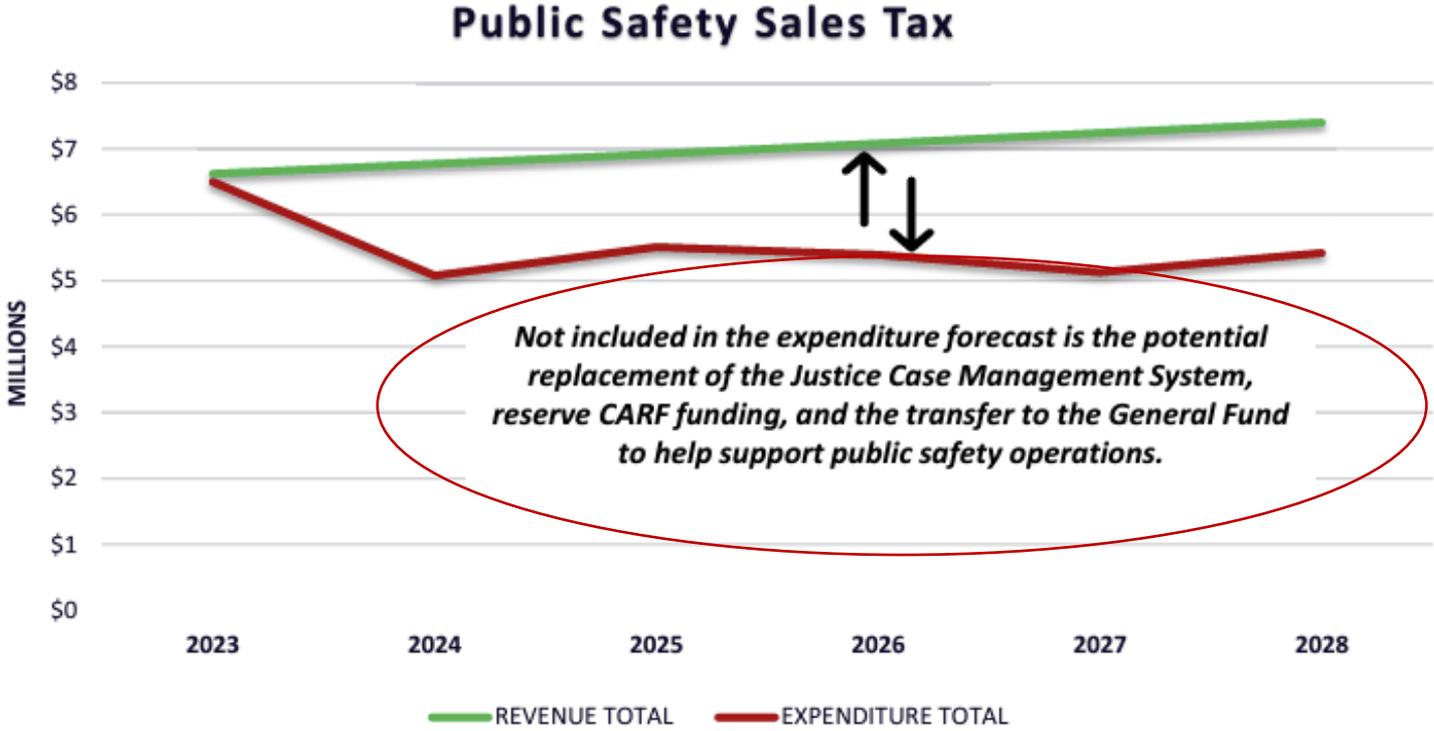
Coming Soon:

- The County's existing justice case management system (JANO) is very old. The 2019 Champaign County Technology Plan, adopted by the Board, called for the replacement of the system in 2022, and estimated that it would cost **\$15 million**. Our hope is the project will cost less than this, but we know that it will likely be an expensive initiative. In 2024 we are paying for a study of the system to determine the best course of action on replacing/updating this system. We have intentionally been trying to building up reserves in our PSST fund balance (and our general fund balance) in the hope that we can structure a replacement of the justice case management system that does not require us to incur additional long-term debt.

Might Come in the Future:

- In March of 2024, a new circuit judge will be added to our courthouse. We do not currently have a court room for that judge, and preliminary cost estimates on renovating the courthouse to create an additional court room are between **\$750,000-\$1 million**.
- The Sheriff has provided us with a memo outlining **\$3.6 - \$4.3 million** of potential new costs to support currently unfunded personnel and public safety needs

Understanding How PSST and General Fund Work Together



	2023	2024	2025	2026	2027	2028
Public Safety Sales Tax	Projected	Forecast	Forecast	Forecast	Forecast	Forecast
Forecasted Revenue	6,619,990	6,768,490	6,920,331	7,075,589	7,234,340	7,396,663
Forecasted Expenditure	(6,495,522)	(5,075,468)	(5,509,579)	(5,392,582)	(5,126,201)	(5,416,783)
Forecasted Difference	*124,468	1,693,022	1,410,752	1,683,007	2,108,139	1,979,880

*Projected surplus in FY2023 is mainly attributed to the 2022A bond debt service being less than originally budgeted based on upgraded bond rating and market timing. Bonds were not sold until after the budget was approved.

Understanding How PSST and General Fund Work Together

PSST Fund Balance 2024:

Fund Balance		
2022 Actual	2023 Projected	2024 Budget
5,884,927	6,160,904	6,040,904

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Long Range Financial Projections:

Fund	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
General	794,250	(1,806,095)	220,976	(936,312)	(2,040,050)	(3,340,329)
Public Safety	124,468	1,693,022	1,410,752	1,683,007	2,108,139	1,979,880
Total Forecasted Funds						
Surplus/(Shortfall)	918,718	(113,073)	1,631,728	746,695	68,089	(1,360,449)

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