



FINANCIAL FORECAST  
CHAMPAIGN COUNTY, IL

**FY2024**  
**FY2023-FY2028**



# FY2024 BUDGET PROCESS

Champaign County

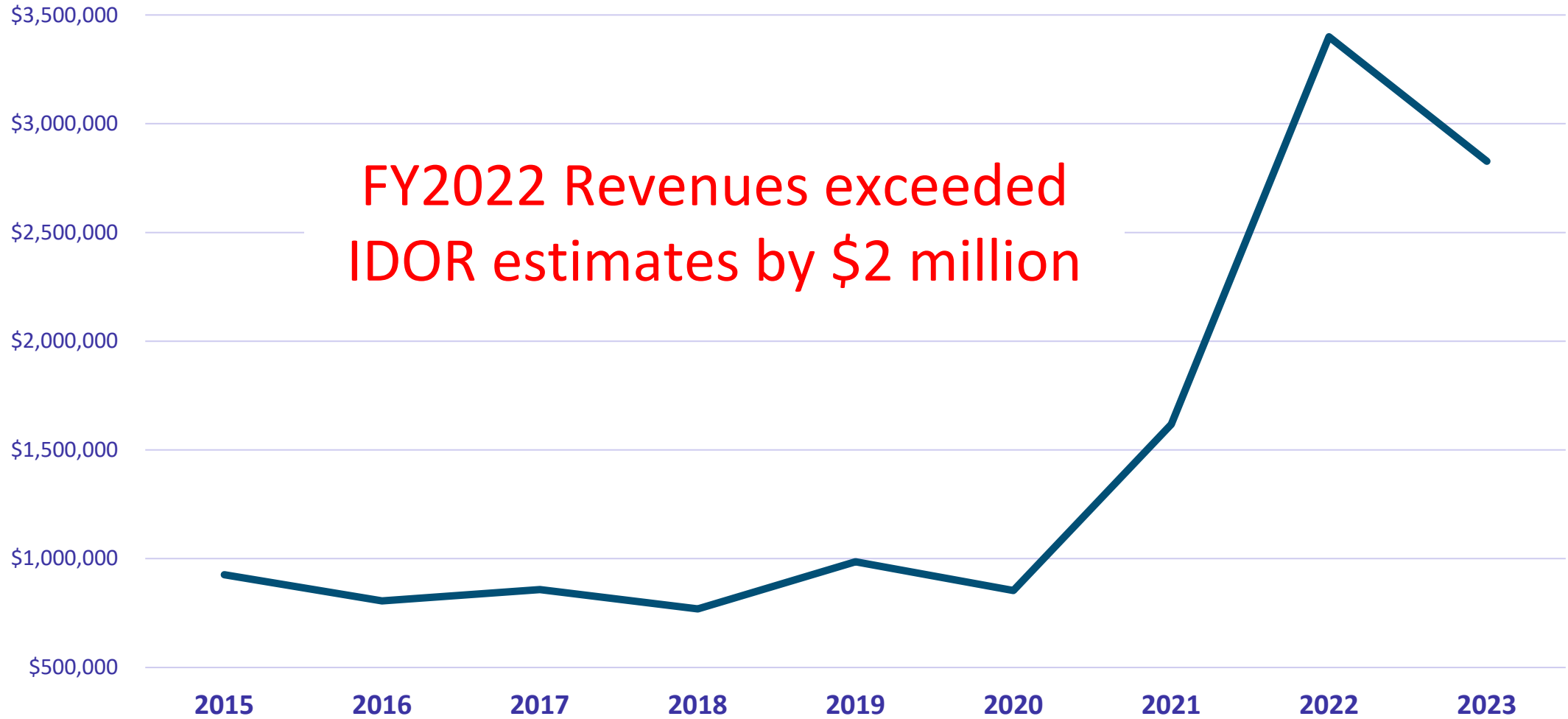


FY2022  
General  
Fund  
(Unaudited)

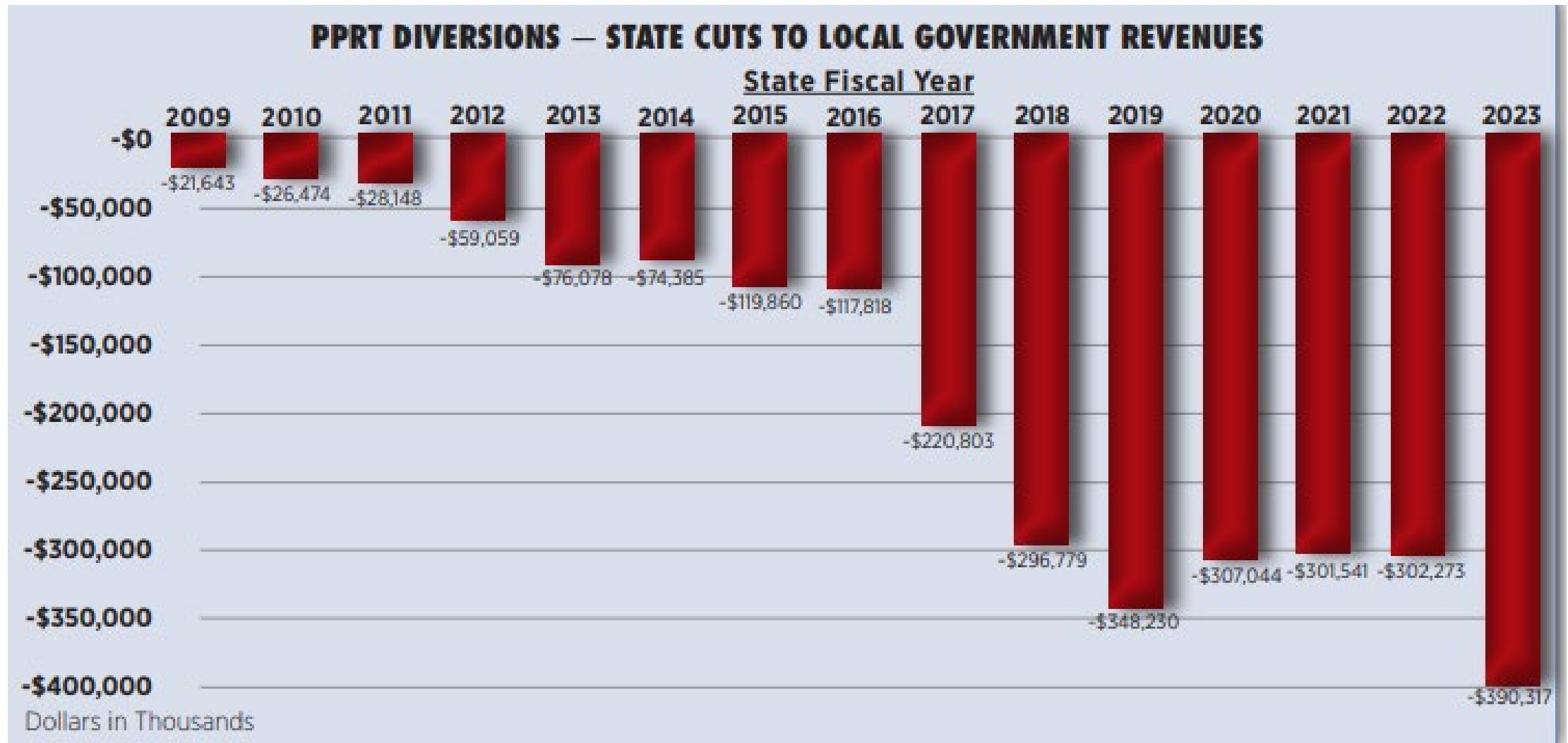
<b>REVENUE</b>	<b>*\$47,253,762</b>
<b>EXPENDITURE</b>	<b><u>\$48,644,186</u></b>
<b>DIFFERENCE</b>	<b>\$(1,390,424)</b>
<b>Projected Fund Balance</b>	<b>\$13,290,751</b>
<b>Fund Balance as a % of Expenditures</b>	<b>27.3%</b>


\*Revenue does not include \$552,392 that was deposited in Circuit Clerk's Ops/Admin special revenue fund and is recommended for transfer back to the General Fund.

# Personal Property Replacement Tax (PPRT)



# State diversions in 2023 ~ \$400 million





# Forecast provides a framework for financial planning

Aa1 Bond  
Rating awarded  
in November  
2022

Downgrade risks

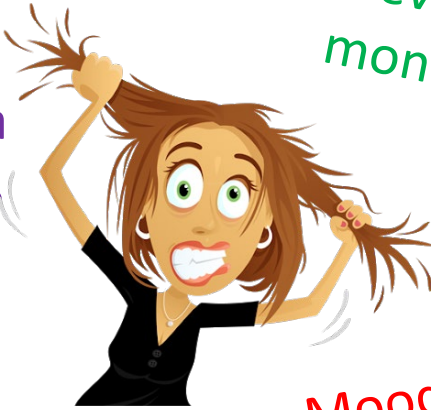
Significant growth  
in fixed costs  
and/or declines in  
operating  
reserves and  
liquidity

Financial Rating

# Economic Environment

Consumer Confidence Board (in February)  
the outlook appears considerably more pessimistic when looking ahead

Illinois Municipal League (in February)  
60-70% of economists polled predict a recession will come to fruition in 2023



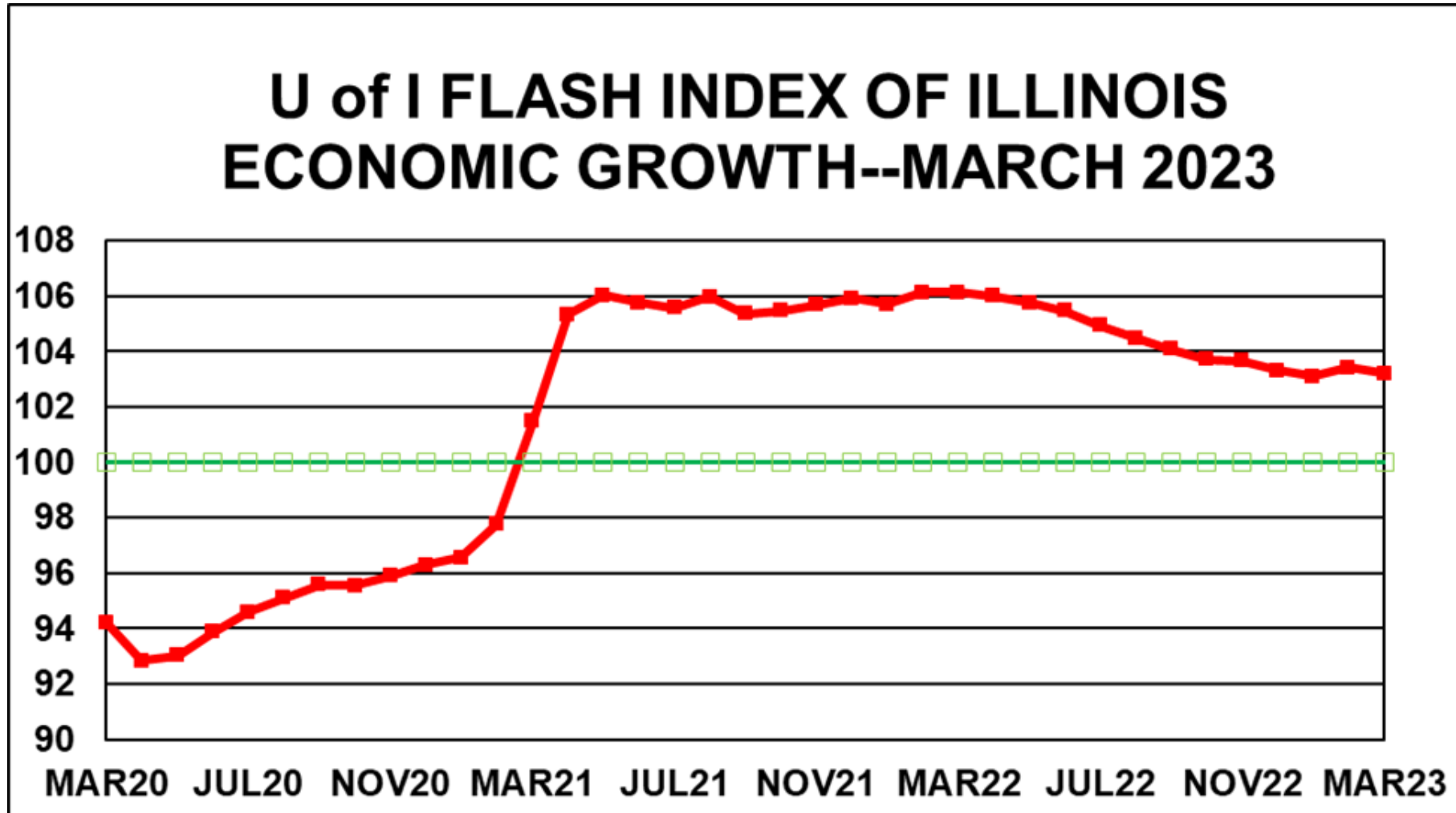
Consumer Confidence Board (in March)  
the probability of a US recession remains elevated and is likely within the next twelve months

University of Illinois Flash Index (in March)  
the wait for the anticipated recession later this year continues with experts placing the odds at about fifty-fifty, providing little guidance about the future


Moody's (in January)  
while recession is a "serious threat," and could be "self-fulfilling" based on strong pessimism, a "slowcession" is a more likely possibility



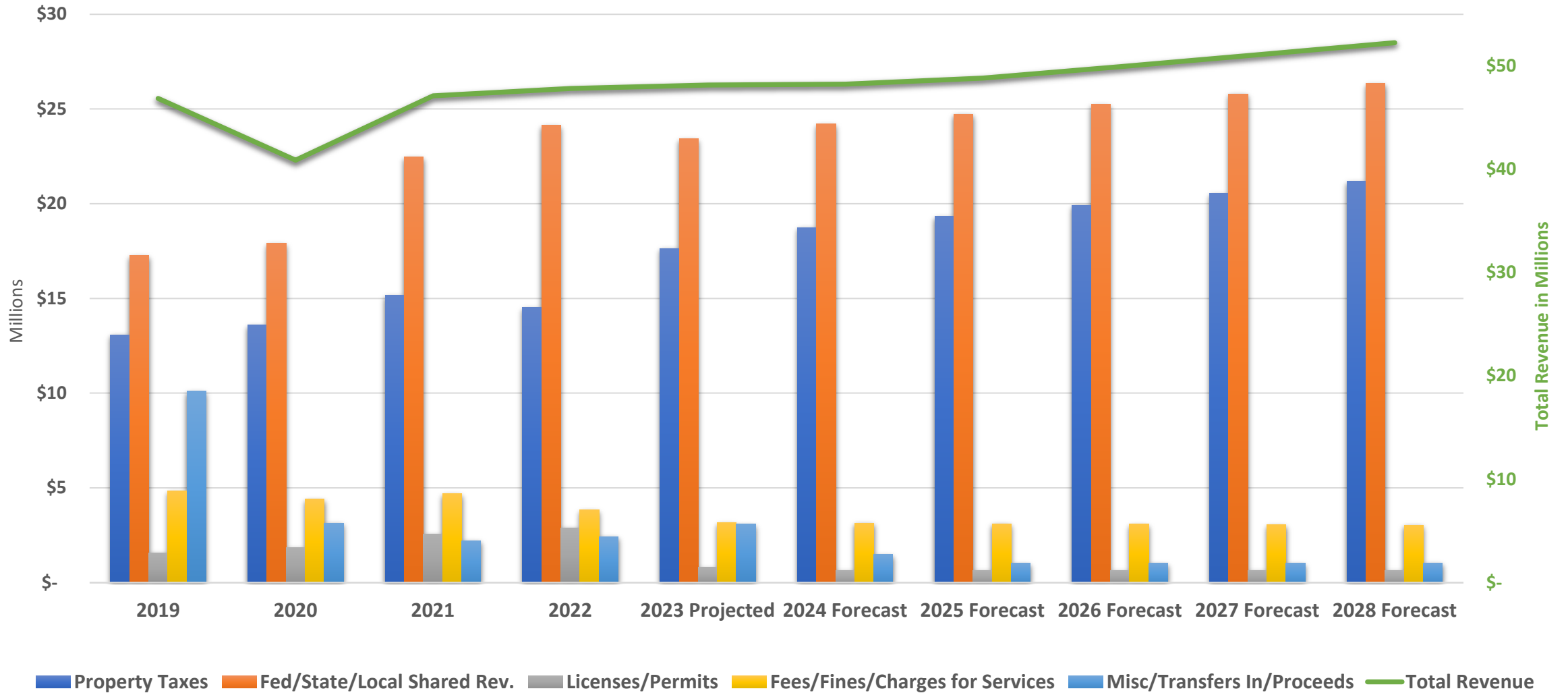
*“Urbana-Champaign’s economy has lost steam.  
The labor market has made little progress recently, allowing the  
state and region to catch up to the metro area’s pandemic jobs recovery.”  
(Moody's Economic Forecast for the State of Illinois)*



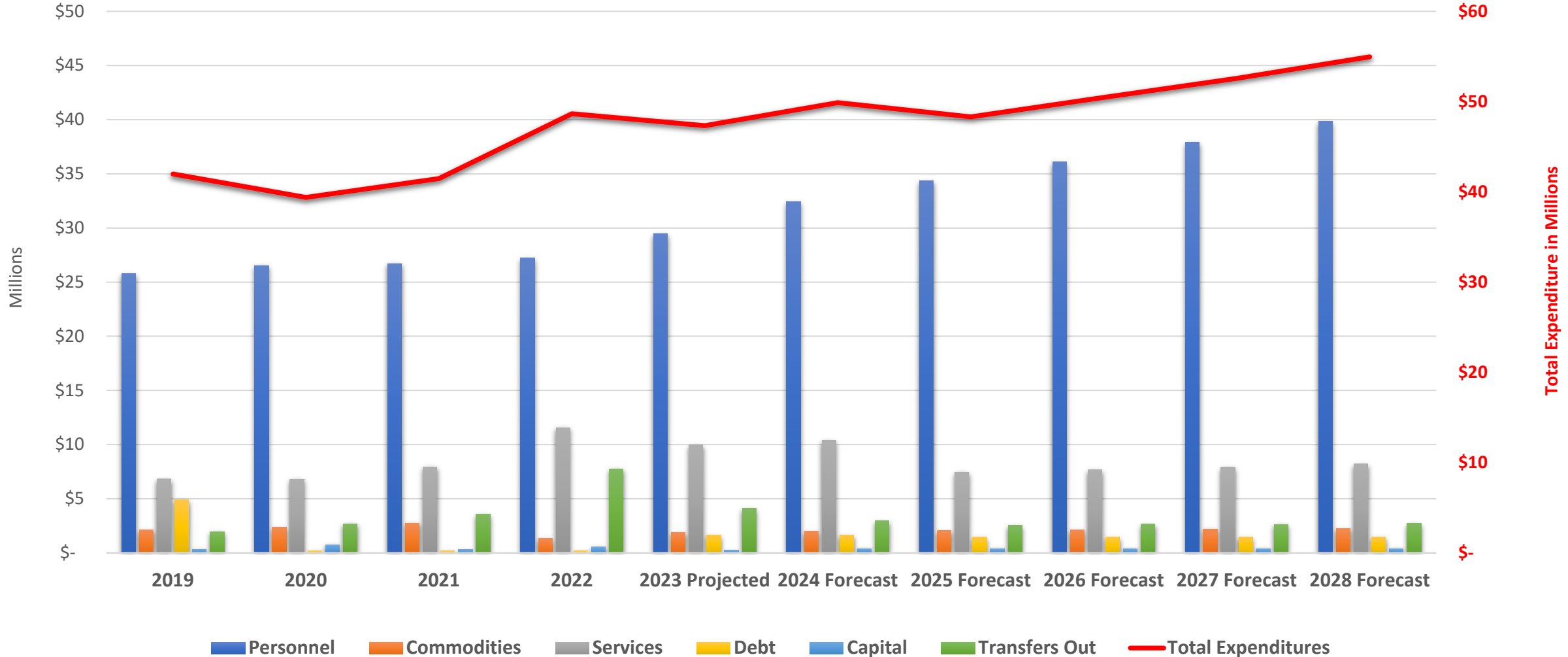
Challenges

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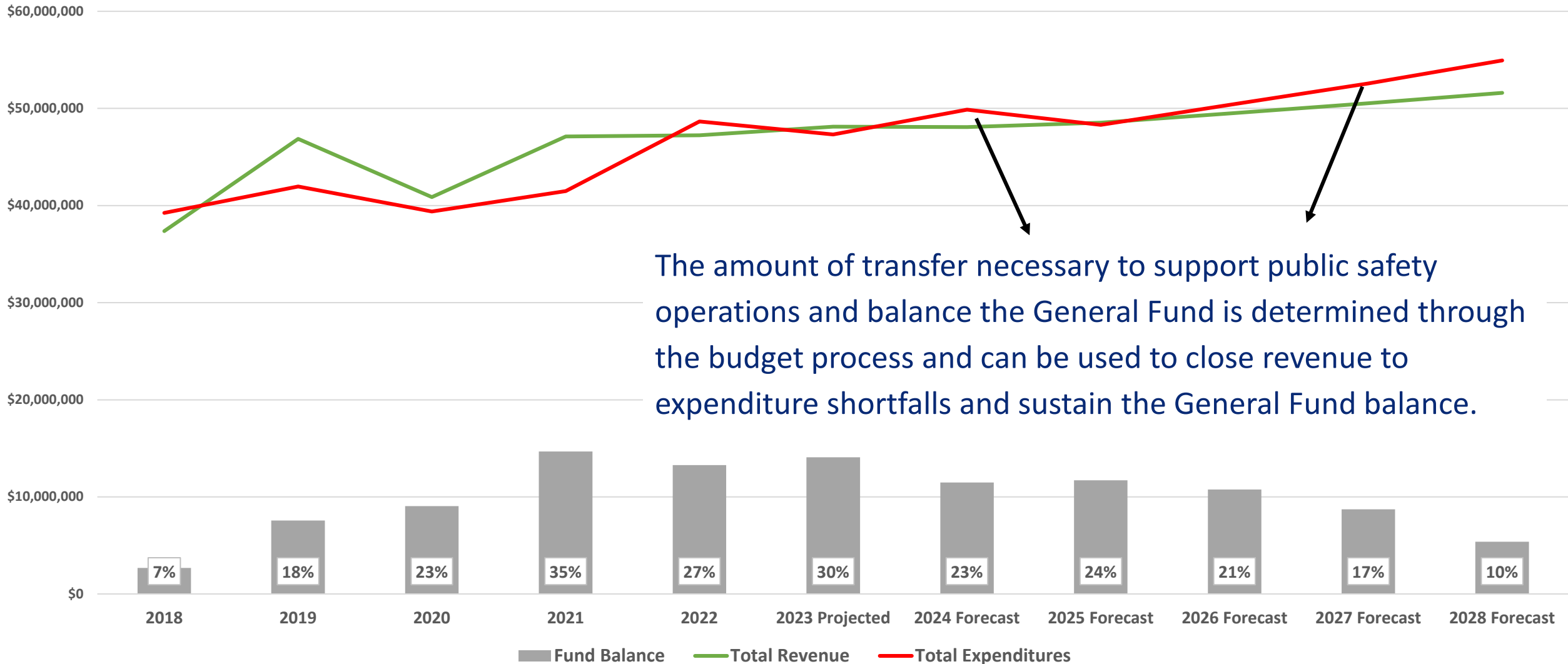
# General Fund Revenue



# General Fund Expenditure



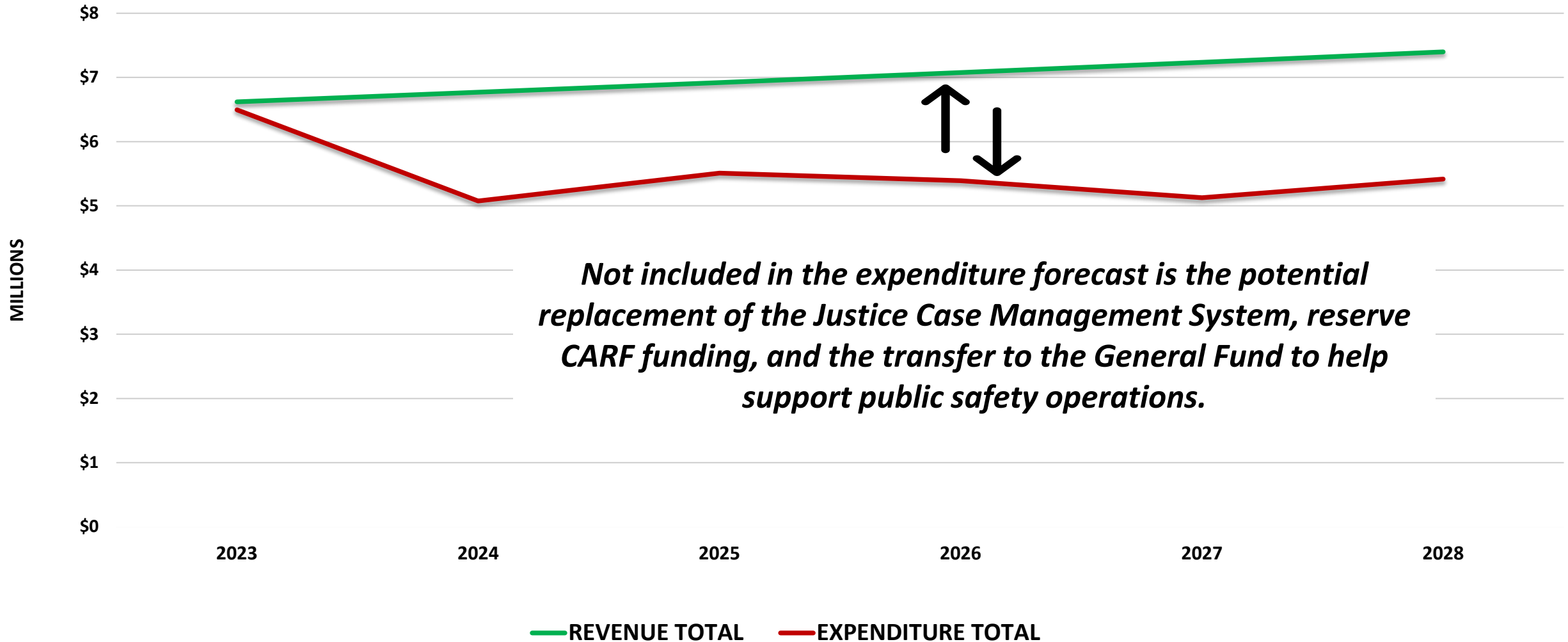
# General Fund Revenue/Expenditure Trend



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**The minimum recommended General Fund balance is 16.7%, although with the recent economic uncertainty and potential liability regarding outstanding hospital property tax exemption cases, maintaining a higher fund balance is judicious.**

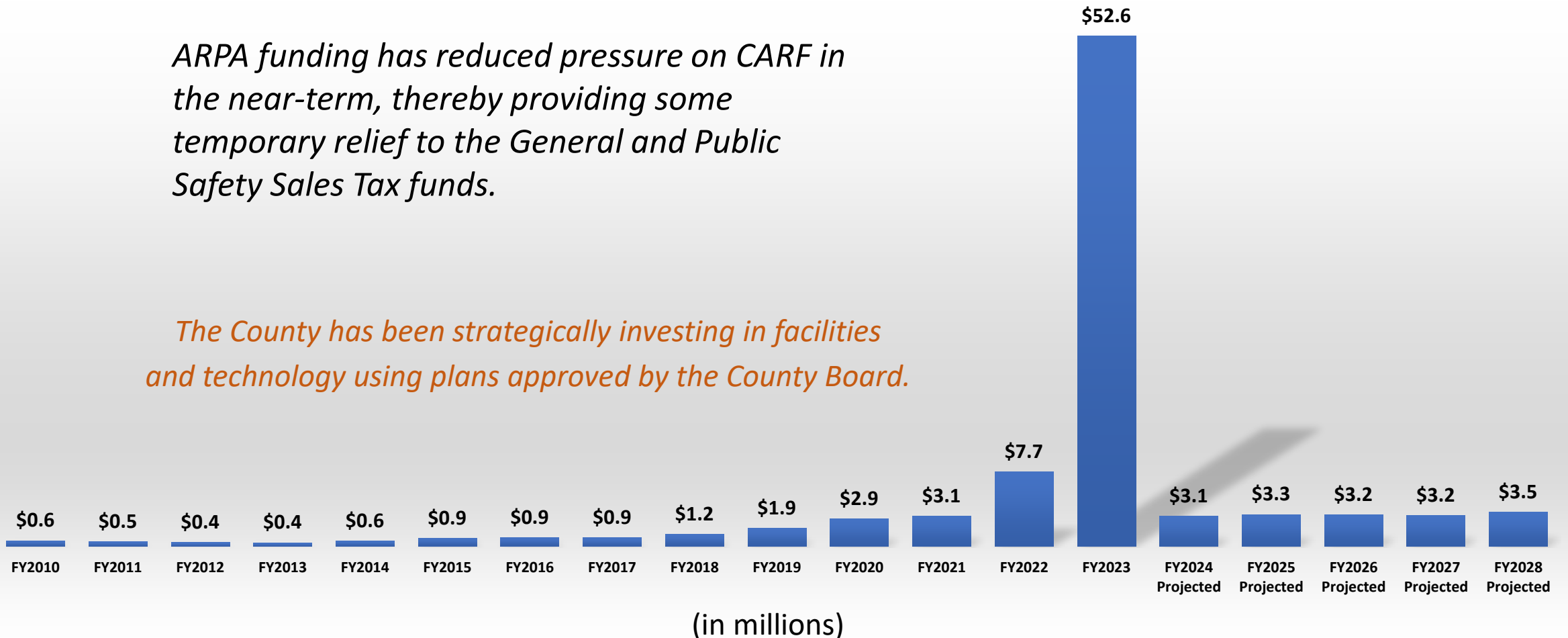
# Public Safety Sales Tax Fund



# Capital Asset Replacement Fund (CARF)

*ARPA funding has reduced pressure on CARF in the near-term, thereby providing some temporary relief to the General and Public Safety Sales Tax funds.*

*The County has been strategically investing in facilities and technology using plans approved by the County Board.*





# American Rescue Plan Act Fund (ARPA)

Account Description	2021 Actuals	2022 Unaudited (data from financials)	2023 Original Budget	2023 Actuals	2023 Projected Based on March ARPA report	2024	2025	2026	Totals
FEDERAL - PUBLIC WELFARE	\$20,364,815	\$20,364,815	\$0	\$0	\$0	\$0	\$0	\$0	\$40,729,630
INVESTMENT INTEREST	\$10,963	\$206,995	\$120,000	\$4,014	\$120,000	\$0	\$0	\$0	\$337,958
<b>TOTAL REVENUE</b>	<b>\$20,375,778</b>	<b>\$20,571,810</b>	<b>\$120,000</b>	<b>\$4,014</b>	<b>\$120,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$41,067,588</b>
TEMPORARY STAFF	\$0	\$21,073							\$21,073
FRINGE BENEFIT COSTS	\$0	\$167,661							\$167,661
EMPLOYEE BONUS	\$0	\$593,388							\$593,388
POSTAGE, UPS, FEDEX	\$0	\$79,863							\$79,863
EQUIPMENT UNDER \$5000	\$0	\$55,274							\$55,274
PROFESSIONAL SERVICES	\$0	\$294,366	\$1,282,000	\$25	\$1,282,000				\$1,576,366
OUTSIDE SERVICES	\$0	\$94,888							\$94,888
ADVERTISING, LEGAL NOT.	\$0	\$193							\$193
HEALTH NON-PAYROLL	\$0	\$20,216							\$20,216
SOFTWARE LICENSE & SAAS	\$0	\$136,367	\$521,414	\$4,800	\$521,414	\$240,000			\$897,781
CONTRIBUTIONS & GRANTS	\$0	\$1,999,247	\$5,572,963	\$425,710	\$11,475,852				\$13,475,099
LAND	\$0	\$720,000							\$720,000
INFRASTRUCTURE	\$0	\$0	\$7,000,000		\$9,845,773				\$9,845,773
BUILDINGS	\$0	\$1,281,586	\$6,349,985		\$8,349,974				\$9,631,560
TRANSFERS OUT	\$804,045	\$93,455	\$106,932	\$20,657	\$106,932	\$110,124	\$113,428	\$116,831	\$1,344,814
EQUIPMENT	\$0	\$530,130	\$1,293,688	\$507,531	\$1,293,688				\$1,823,818
<b>TOTAL EXPENDITURE</b>	<b>\$804,045</b>	<b>\$6,087,707</b>	<b>\$22,126,982</b>	<b>\$958,723</b>	<b>\$32,875,633</b>	<b>\$350,124</b>	<b>\$113,428</b>	<b>\$116,831</b>	<b>\$40,347,768</b>
									<b>\$719,820</b>

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

There are County needs and/or desires that are not yet addressed in the forecasts summarized above.

An incomplete list includes:

- Increased funding for Veteran’s Assistance Commission
- Reserve CARF funding for future fiscal years
- Requests for new positions
- Possible increase in juror pay
- Justice Case Management System Replacement
- Implementation of Workforce Study Initiatives
- Office relocation costs to new facilities and additional furnishing and equipment needs

The County has consistently demonstrated sound fiscal management by balancing its budgets and improving its fund balances, **placing itself in a solid financial position to head into any recession that might come to fruition.**

The actual work to ensure fiscal responsibility occurs during each fiscal year budget process and includes collaboration between elected officials, department heads, outside entities, staff, and the County Board.

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# FY2024 BUDGET PROCESS

Champaign County

